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

FORM 8-K

CURRENT REPORT

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

**Date of report: October 28, 2010
(Date of earliest event reported): October 27, 2010**

SUNOCO LOGISTICS PARTNERS L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-31219
(Commission file number)

23-3096839
(IRS employer
identification number)

1818 Market Street, Suite 1500, Philadelphia, PA
(Address of principal executive offices)

19103-7583
(Zip Code)

(215) 977-3000
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K 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 2.02. Results of Operations and Financial Condition.

On October 27, 2010, Sunoco Logistics Partners L.P. (the "Partnership") issued a press release announcing its financial results for the third quarter of 2010. A copy of this press release is attached as Exhibit 99.1 and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On October 27, 2010, the Partnership issued a press release announcing its financial results for the third quarter 2010. Additional information concerning the Partnership's third quarter earnings was presented in a slide presentation to investors during a teleconference on October 28, 2010. A copy of the slide presentation is attached as Exhibit 99.2 and is incorporated herein by reference.

The information in this report, being furnished pursuant to Items 2.02, 7.01, and 9.01 related thereto, of Form 8-K, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, and is not incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press release dated October 27, 2010.
99.2	Slide presentation given October 28, 2010 during investor teleconference.

Forward-Looking Statements

Statements contained in the exhibits to this report that state the Partnership's or its management's expectations or predictions of the future are forward-looking statements. The Partnership's actual results could differ materially from those projected in such forward-looking statements. Factors that could affect those results include those mentioned in the documents that the Partnership has filed with the Securities and Exchange Commission.

SIGNATURE

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 thereunto duly authorized.

SUNOCO LOGISTICS PARTNERS LP.

**By: Sunoco Partners LLC,
its General Partner**

By: _____ /s/ MICHAEL D. GALTMAN
Michael D. Galtman
Controller

**October 28, 2010
Philadelphia, PA**

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press release dated October 27, 2010.
99.2	Slide presentation given October 28, 2010 during investor teleconference.



News Release
 Sunoco Logistics Partners L.P.
 1818 Market Street
 Philadelphia, Pa. 19103-3615

For further information contact:
 Thomas Golembeski (media) 215-977-6298
 Peter Gvazdauskas (investors) 215-977-6322

For release: 5:00 p.m. October 27, 2010

No. 21

**Sunoco Logistics Partners L.P. Increases Distribution and Reports
 Earnings for Third Quarter 2010**

PHILADELPHIA, October 27, 2010 – Sunoco Logistics Partners L.P. (NYSE: SXL) (the “Partnership”) today announced net income attributable to owners for the third quarter 2010 of \$193 million (\$5.57 per unit diluted), compared with \$48 million (\$1.13 per unit diluted) for the third quarter 2009. Net income for the third quarter 2010 includes a \$128 million non-cash gain on the Partnership’s acquisition of additional interests in two of its joint venture pipelines. Excluding the gain, the Partnership had net income of \$64 million (\$1.64 per unit diluted) for the third quarter 2010. Highlights of the third quarter 2010 include:

- Distributable cash flow of \$70 million for the quarter compared to \$54 million for the prior year period
- Increased distribution 10 percent compared to prior year period
- Completed acquisitions totaling \$243 million for a butane blending business and additional interests in three joint venture pipelines

Sunoco Partners LLC, the general partner of the Partnership, declared a cash distribution for the third quarter 2010 of \$1.17 per limited partnership unit (\$4.68 annualized) to be paid on November 12, 2010 to unitholders of record on November 8, 2010. This represents the twenty-second consecutive quarterly distribution increase and provides 1.4 times coverage of the cash distribution.

“Our strong quarterly earnings reflect our growing, ratable throughput and terminalling business supplemented by our ability to take advantage of crude oil market opportunities in the contango market structure,” said Lynn L. Elsenhans, Chairman and Chief Executive Officer. “On the business development front, we completed four acquisitions during the quarter, and we continue to execute our organic expansion strategy in our existing platforms. We are projecting over \$435 million in total capital expenditures in 2010, a Sunoco Logistics record which should provide incremental earnings and increase our base business in the future.”

“We continue to feel very optimistic about the strength of our ratable business, as well as our organic growth projects, and we are giving guidance at this time that we will increase our annual distribution by 6% in 2011. We believe this increase represents a very competitive distribution growth level,” said Lynn L. Elsenhans, Chairman and Chief Executive Officer.

DETAILS OF THIRD QUARTER SEGMENT RESULTS

	Three Months Ended September 30,		
	(in thousands)		
	2010	2009	Variance
Refined Products Pipeline System	\$ 13,230	\$13,280	\$ (50)
Terminal Facilities	23,578	20,710	2,868
Crude Oil Pipeline System	52,207	25,891	26,316
Operating Income	\$ 89,015	\$59,881	\$ 29,134
Interest expense, net	19,645	11,421	8,224
Provision for income taxes	3,868	—	3,868
Gain on investments in affiliates	128,451	—	128,451
Net Income	\$193,953	\$48,460	\$145,493
Net income attributable to noncontrolling interests	1,099	—	1,099
Net income attributable to Sunoco Logistics Partners L.P.	\$192,854	\$48,460	\$144,394

Refined Products Pipeline System

Operating income for the third quarter 2010 was unchanged from the prior year period. Lower pipeline volumes, driven primarily by the permanent shut-down of Sunoco's Eagle Point refinery, resulted in reduced revenues compared to the prior year's quarter. Higher equity income from the Partnership's joint venture interests and increased pipeline operating gains offset the reduction in volumes.

Terminal Facilities

The increase in operating income was due primarily to increased volumes and fees at the refined products terminals and additional volumes at the Nederland terminal facility. These increases were partially offset by reduced refinery terminal volumes driven by the permanent shut-down of Sunoco's Eagle Point refinery, higher operating expenses related to the new tankage at the Partnership's Nederland facility along with the integration of butane blending operations and a refined products terminal acquired in September 2009.

Crude Oil Pipeline System

The increase in operating income was primarily due to higher lease acquisition results related to increased contango profits in 2010. Increased pipeline volumes and incremental earnings associated with the Partnership's acquisitions of additional joint venture interests further contributed to the increase in operating income for the quarter.

Financing Update

The increase in net interest expense was primarily attributable to the offering of \$500 million of Senior Notes completed during the first quarter of 2010. At September 30, 2010, the Partnership's total debt balance was \$1.3 billion, including \$150 million of borrowings under its revolving credit facilities and a \$100 million promissory note from Sunoco which was used to partially finance the Partnership's butane blending business acquisition.

Special Items

During the quarter, the Partnership recognized a \$128 million non-cash gain in connection with its acquisitions of additional interests in the Mid-Valley Pipeline Company and the West Texas Gulf Pipe Line Company. The gain resulted from an adjustment to record its previous ownership interest at fair value in accordance with acquisition accounting rules.

CAPITAL EXPENDITURES

	Nine Months Ended September 30, (in thousands)	
	2010	2009
Maintenance capital expenditures	\$ 24,991	\$ 15,326
Expansion capital expenditures	331,114	143,477
Total	\$ 356,105	\$ 158,803

Expansion capital for 2010 includes approximately \$243 million in acquisitions of a butane blending business and additional ownership interests in three joint venture pipelines previously held by the Partnership. Expansion capital for 2010 also includes projects to expand services at the Partnership's refined products terminals, increase tankage at the Nederland facility and expand upon the Partnership's refined products platform in the southwest United States. The Partnership expects to invest \$145 to \$160 million in expansion capital for 2010, excluding major acquisitions. Additionally, the Partnership expects maintenance capital spending to total approximately \$40 million during 2010.

INVESTOR CALL

An investor call with management regarding our third quarter results is scheduled for Thursday morning, October 28 at 8:30 am EDT. Those wishing to listen can access the call by dialing (USA toll free) 1-888-889-4955; International (USA toll) 1-312-470-0130 and request "Sunoco Logistics Partners Earnings Call, Conference Code – Sunoco Logistics". This event may also be accessed by a webcast, which will be available at www.sunocologistics.com. A number of presentation slides will accompany the audio portion of the call and will be available to be viewed and printed shortly before the call begins. Individuals wishing to listen to the call on the Partnership's web site will need Windows Media Player, which can be downloaded free of charge from Microsoft or from Sunoco Logistics Partners' conference call page. Please allow at least fifteen minutes to complete the download. Audio replays of the conference call will be available for two weeks after the conference call beginning approximately two hours following the completion of the call. To access the replay, dial 1-800-294-7481. International callers should dial 1-203-369-3233.

ABOUT SUNOCO LOGISTICS

Sunoco Logistics Partners L.P. (NYSE: SXL), headquartered in Philadelphia, is a master limited partnership formed to acquire, own and operate refined products and crude oil pipelines and terminal facilities. The Refined Products Pipeline System consists of approximately 2,200 miles of refined products pipelines located in the northeast, midwest and southwest United States and equity interests in four refined products pipelines. The Terminal Facilities consist of approximately 10 million shell barrels of refined products terminal capacity and approximately 23 million shell barrels of crude oil terminal capacity (including approximately 20 million shell barrels of capacity at the Nederland Terminal on the Gulf Coast of Texas). The Crude Oil Pipeline System consists of approximately 5,400 miles of crude oil pipelines, located principally in Oklahoma and Texas.

Portions of this document constitute forward-looking statements as defined by federal law. Although Sunoco Logistics Partners L.P. believes that the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements are inherently uncertain and necessarily involve risks that may affect the Partnership's business prospects and performance causing actual results to differ from those discussed in the foregoing release. Such risks and uncertainties include, by way of example and not of limitation: whether or not the transactions described in the foregoing news release will be cash flow accretive; increased competition; changes in demand for crude oil and refined products that we store and distribute; changes in operating conditions and costs; changes in the level of environmental remediation spending; potential equipment malfunction; potential labor issues; the legislative or regulatory environment; plant construction/repair delays; nonperformance by major customers or suppliers; and political and economic conditions, including the impact of potential terrorist acts and international hostilities. These and other applicable risks and uncertainties have been described more fully in the Partnership's Form 10-Q filed with the Securities and Exchange Commission on August 4, 2010. The Partnership undertakes no obligation to update any forward-looking statements in this release, whether as a result of new information or future events.

Sunoco Logistics Partners L.P.
Financial Highlights
(in thousands, except units and per unit amounts)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010 ⁽¹⁾	2009	2010 ⁽¹⁾	2009
Income Statement:				
Sales and other operating revenue	\$ 1,876,147	\$ 1,420,064	\$ 5,585,526	\$ 3,740,794
Other income	7,232	8,759	24,385	21,298
Total revenues	1,883,379	1,428,823	5,609,911	3,762,092
Cost of products sold and operating expenses	1,762,368	1,342,002	5,296,195	3,450,490
Depreciation and amortization expense	16,400	12,240	44,869	35,328
Selling, general and administrative expenses	15,596	14,700	51,766	47,616
Total costs and expenses	1,794,364	1,368,942	5,392,830	3,533,434
Operating income	89,015	59,881	217,081	228,658
Interest cost and debt expense	20,913	12,592	56,962	36,278
Capitalized interest	(1,268)	(1,171)	(3,232)	(3,629)
Gain on investments in affiliates	128,451	—	128,451	—
Income Before Provision for Income Taxes	197,821	48,460	291,802	196,009
Provision for income taxes	3,868	—	3,868	—
Net Income	\$ 193,953	\$ 48,460	\$ 287,934	\$ 196,009
Net Income attributable to noncontrolling interests	1,099	—	1,099	—
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192,854	\$ 48,460	\$ 286,835	\$ 196,009
Calculation of Limited Partners' interest:				
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192,854	\$ 48,460	\$ 286,835	\$ 196,009
Less: General Partner's interest	(14,717)	(13,368)	(35,472)	(38,885)
Limited Partners' interest in Net Income	\$ 178,137	\$ 35,092	\$ 251,363	\$ 157,124
Net Income per Limited Partner unit:				
Basic	\$ 5.60	\$ 1.13	\$ 8.03	\$ 5.22
Diluted	\$ 5.57	\$ 1.13	\$ 7.99	\$ 5.19
Weighted Average Limited Partners' units outstanding:				
Basic	31,797,082	30,981,265	31,291,262	30,084,613
Diluted	31,955,360	31,190,187	31,462,963	30,288,345

(1) Acquiring a controlling interest in the Mid-Valley Pipeline Company and the West Texas Gulf Pipe Line Company required the Partnership to consolidate results of these entities beginning in the third quarter 2010. Consolidated results from these acquisitions have been included from the acquisition date.

Sunoco Logistics Partners L.P.
Financial Highlights
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Capital Expenditure Data (in thousands):				
Maintenance capital expenditures	\$ 10,713	\$ 6,304	\$ 24,991	\$ 15,326
Expansion capital expenditures	269,217	82,100	331,114	143,477
Total	<u>\$279,930</u>	<u>\$88,404</u>	<u>\$356,105</u>	<u>\$ 158,803</u>

	September 30, 2010	December 31, 2009
Balance Sheet Data (in thousands, at period end):		
Cash and cash equivalents	\$ 2,000	\$ 2,000
Revolving credit facilities ⁽¹⁾	\$ 149,750	\$ 268,972
Note from affiliate - due May 2013	100,000	—
Senior Notes	1,098,088	599,452
Total Long-term Debt	<u>\$ 1,347,838</u>	<u>\$ 868,424</u>
Sunoco Logistics Partners L.P. Partners' equity	\$ 957,529	\$ 861,614
Noncontrolling interests	78,105	—
Total Equity	<u>\$ 1,035,634</u>	<u>\$ 861,614</u>

⁽¹⁾ As of September 30, 2010, the Partnership had unutilized borrowing capacity of \$308 million under its revolving credit facilities.

Sunoco Logistics Partners L.P.
Financial and Operating Statistics
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Operating Income (\$ in thousands)				
Refined Products Pipeline System	\$ 13,230	\$ 13,280	\$ 33,442	\$ 34,442
Terminal Facilities	23,578	20,710	73,976	63,145
Crude Oil Pipeline System	52,207	25,891	109,663	131,071
Total Operating Income	<u>\$ 89,015</u>	<u>\$ 59,881</u>	<u>\$ 217,081</u>	<u>\$ 228,658</u>
Operating Highlights				
Refined Products Pipeline System:				
Total shipments (barrel miles per day) ⁽¹⁾⁽²⁾	50,411,601	56,848,807	51,253,071	58,145,900
Revenue per barrel mile (cents)	0.641	0.612	0.645	0.596
Terminal Facilities:				
Terminal throughput (bpd):				
Refined products terminals	505,465	465,206	483,966	462,969
Nederland terminal	780,313	559,874	730,551	619,297
Refinery terminals	459,174	609,020	475,897	597,191
Crude Oil Pipeline System:				
Crude oil pipeline throughput (bpd) ⁽²⁾⁽³⁾	1,556,365	610,856	1,501,307	648,183
Crude oil purchases at wellhead (bpd)	187,953	176,643	187,779	183,047
Gross margin per barrel of pipeline throughput (cents) ⁽³⁾⁽⁴⁾	46.4	46.4	41.5	77.5
Average crude oil price (per barrel)	<u>\$ 76.21</u>	<u>\$ 68.29</u>	<u>\$ 77.65</u>	<u>\$ 57.13</u>

⁽¹⁾ Represents total average daily pipeline throughput multiplied by the number of miles of pipeline through which each barrel has been shipped.

⁽²⁾ Excludes amounts attributable to equity ownership interests which are not consolidated.

⁽³⁾ Includes 602 thousand bpd from the Partnership's consolidation of Mid-Valley Pipeline Company and West Texas Gulf Pipe Line Company from the acquisition date.

⁽⁴⁾ Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by crude oil pipeline throughput. Gross margin and throughput volumes for Mid-Valley Pipeline Company and West Texas Gulf Pipe Line Company have been included from the acquisition date.

Sunoco Logistics Partners L.P.
Non-GAAP Financial Measures
(in thousands, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192,854	\$ 48,460	\$ 286,835	\$ 196,009
Add: Interest expense, net	19,645	11,421	53,730	32,649
Add: Depreciation and amortization	16,400	12,240	44,869	35,328
Add: Provision for income taxes	3,868	—	3,868	—
Less: Gain on investments in affiliates	(128,451)	—	(128,451)	—
EBITDA⁽¹⁾	104,316	72,121	260,851	263,986
Less: Interest expense, net	(19,645)	(11,421)	(53,730)	(32,649)
Less: Maintenance capital expenditures	(10,713)	(6,304)	(24,991)	(15,326)
Less: Provision for income taxes	(3,868)	—	(3,868)	—
Distributable cash flow⁽¹⁾	<u>\$ 70,090</u>	<u>\$ 54,396</u>	<u>\$ 178,262</u>	<u>\$ 216,011</u>

⁽¹⁾ Management of the Partnership believes EBITDA and distributable cash flow information enhances an investor's understanding of a business' ability to generate cash for payment of distributions and other purposes. EBITDA and distributable cash flow do not represent and should not be considered an alternative to net income or cash flows from operating activities as determined under United States generally accepted accounting principles (GAAP) and may not be comparable to other similarly titled measures of other businesses. Reconciliations of these measures to the comparable GAAP measure are provided in the tables accompanying this release.

Adjusted Net Income Attributable to Sunoco Logistics Partners L.P.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192,854	\$ 48,460	\$ 286,835	\$ 196,009
Less: Gain on investments in affiliates	(128,451)	—	(128,451)	—
Adjusted Net Income attributable to Sunoco Logistics Partners L.P.	\$ 64,403	\$ 48,460	\$ 158,384	\$ 196,009
Less: General Partner's interest	(12,148)	—	(32,903)	—
Limited Partners' interest in Net Income	<u>\$ 52,255</u>	<u>\$ 48,460</u>	<u>\$ 125,481</u>	<u>\$ 196,009</u>
Net Income per Limited Partner unit:				
Basic	\$ 1.64	\$ 1.64	\$ 4.01	\$ 4.01
Diluted	\$ 1.64	\$ 1.64	\$ 3.99	\$ 3.99
Weighted Average Limited Partners' units outstanding:				
Basic	31,797,082	31,797,082	31,291,262	31,291,262
Diluted	<u>31,955,360</u>	<u>31,955,360</u>	<u>31,462,963</u>	<u>31,462,963</u>

Sunoco Logistics Partners L.P.



Third Quarter 2010
Earnings Conference Call
October 28, 2010

Forward-Looking Statement

You should review this slide presentation in conjunction with the third quarter 2010 earnings conference call for Sunoco Logistics Partners L.P., held on October 28 at 8:30 a.m. EDT. You may listen to the audio portion of the conference call on our website at www.sunocologistics.com or by dialing (USA toll-free) 1-888-889-4955. International callers should dial 1-312-470-0130. Please enter Conference ID “Sunoco Logistics”.

Audio replays of the conference call will be available for two weeks after the conference call beginning approximately two hours following the completion of the call. To access the replay, dial 1-800-294-7481. International callers should dial 1-203-369-3233.

During the call, those statements we make that are not historical facts 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 during the conference call. Such risks and uncertainties include, among other things: 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 August 2010. We undertake no obligation to update publicly any forward-looking statements whether as a result of new information or future events.

Q3 2010 Assessment

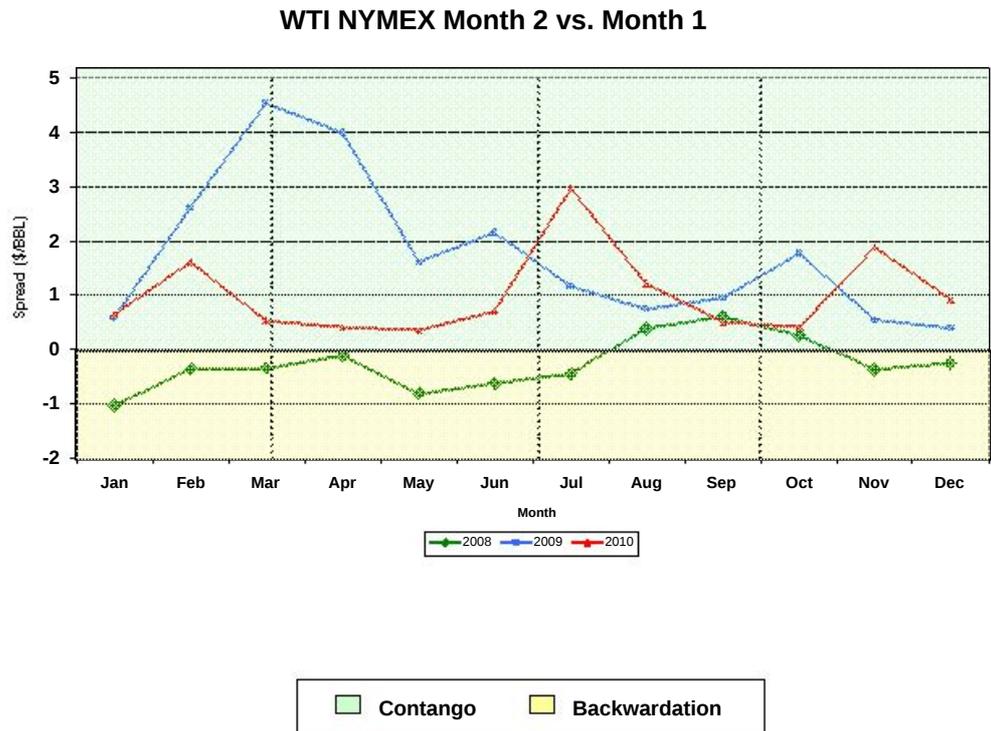
- Increased total distribution to \$1.17 (\$4.68 annualized) per unit, a 10 percent increase over the prior year's distribution
 - Represents the twenty-second consecutive distribution increase

- Distributable cash flow for the third quarter of 2010 was \$70 million compared to \$54 million in the prior year

- Completed acquisitions totaling \$243 million

Crude Oil Contango

- Widened contango market structure provided strong earnings in the third quarter
- While the contango market has come off from the very strong early 3Q levels, we do have a contango investment at September 30 of approximately \$215MM to take advantage of fourth quarter opportunities



YTD 2010 Operating Performance

- Continued solid performance by our asset base supplemented by:
 - Crude contango market opportunities
 - Contribution from 2010 and 2009 organic growth projects including:
 - Expanded services at refined products terminals
 - Expansion program at Nederland facility
 - Contributions from recent acquisitions
- Through the first three quarters of 2010, operating performance as expected
 - Distribution decisions exclude market related activities
 - Will continue to take advantage of market related opportunities when available

2010 Growth - Acquisitions

- Acquired Butane Blending Business – Third Quarter
 - Enhances terminal service offerings
 - Tremendous growth potential: actively working to increase installations at key terminals and third-party locations

- Acquired Three Additional Joint Venture Interests – Third Quarter
 - Joint venture assets are an excellent fit with Sunoco Logistics asset base

- Acquired Terminal in Bay City, Texas – Fourth Quarter
 - 110 thousand barrel terminal expands the lease crude gathering business and provides an opportunity to continue our growth in southwest refined products

2010 Growth - Organic

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

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

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

- Investment in Biodiesel at 11 terminals

Q3 2010 Financial Highlights

(\$ in millions, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Sales and other operating revenue	\$ 1,876.2	\$ 1,420.0	\$ 5,585.5	\$ 3,740.8
Other income	7.2	8.8	24.4	21.3
Total revenues	1,883.4	1,428.8	5,609.9	3,762.1
Cost of products sold and operating expenses	1,762.4	1,342.0	5,296.2	3,450.5
Depreciation and amortization	16.4	12.2	44.9	35.3
Selling, general and administrative expenses	15.6	14.7	51.8	47.6
Total costs and expenses	1,794.4	1,368.9	5,392.9	3,533.4
Operating income	89.0	59.9	217.0	228.7
Interest cost and debt expense	20.9	12.6	57.0	36.3
Capitalized interest	(1.2)	(1.2)	(3.2)	(3.6)
Gain on investments in affiliates	128.5	-	128.5	-
Income before provision for income taxes	\$ 197.8	\$ 48.5	\$ 291.7	\$ 196.0
Provision for income taxes	3.8	-	3.8	-
Net Income	\$ 194.0	\$ 48.5	\$ 287.9	\$ 196.0
Net income attributable to noncontrolling interests	1.1	-	1.1	-
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192.9	\$ 48.5	\$ 286.8	\$ 196.0

Q3 2010 Financial Highlights

(amounts in millions, except unit and per unit amounts, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Calculation of Limited Partners' interest:				
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192.9	\$ 48.5	\$ 286.8	\$ 196.0
Less: General Partner's interest	(14.7)	(13.4)	(35.5)	(38.9)
Limited Partners' interest in Net Income	<u>\$ 178.2</u>	<u>\$ 35.1</u>	<u>\$ 251.3</u>	<u>\$ 157.1</u>
Net Income per Limited Partner unit:				
Basic	<u>\$ 5.60</u>	<u>\$ 1.13</u>	<u>\$ 8.03</u>	<u>\$ 5.22</u>
Diluted	<u>\$ 5.57</u>	<u>\$ 1.13</u>	<u>\$ 7.99</u>	<u>\$ 5.19</u>
Weighted Average Limited Partners' units outstanding (in thousands):				
Basic	<u>31,797</u>	<u>30,981</u>	<u>31,291</u>	<u>30,085</u>
Diluted	<u>31,955</u>	<u>31,190</u>	<u>31,463</u>	<u>30,288</u>

Q3 2010 Financial Highlights

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Operating income (<i>\$ in millions, unaudited</i>)				
Refined Products Pipeline System	\$ 13.2	\$ 13.3	\$ 33.4	\$ 34.5
Terminal Facilities	23.6	20.7	74.0	63.1
Crude Oil Pipeline System	52.2	25.9	109.6	131.1
Total	<u>\$ 89.0</u>	<u>\$ 59.9</u>	<u>\$ 217.0</u>	<u>\$ 228.7</u>

Refined Products Pipeline System

(\$ in millions, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Financial Highlights				
Sales and other operating revenue	\$ 29.7	\$ 32.0	\$ 90.2	\$ 94.6
Other income	5.5	3.9	11.4	9.2
Total revenues	35.2	35.9	101.6	103.8
Operating expenses	13.5	14.4	40.2	43.7
Depreciation and amortization	3.6	3.2	11.1	9.6
Selling, general and administrative expenses	4.9	5.0	16.9	16.0
Operating income	<u>\$ 13.2</u>	<u>\$ 13.3</u>	<u>\$ 33.4</u>	<u>\$ 34.5</u>

Terminal Facilities

(\$ in millions, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Financial Highlights				
Total Revenues	\$ 58.9	\$ 46.2	\$ 173.2	\$ 140.8
Cost of products sold and operating expenses	22.7	15.7	63.9	48.4
Depreciation and amortization	7.3	5.2	18.6	14.5
Selling, general and administrative expenses	5.4	4.6	16.8	14.8
Operating income	<u>\$ 23.6</u>	<u>\$ 20.7</u>	<u>\$ 74.0</u>	<u>\$ 63.1</u>

Crude Oil Pipeline System

(\$ in millions, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Financial Highlights				
Sales and other operating revenue	\$ 1,787.5	\$ 1,341.9	\$ 5,322.8	\$ 3,506.8
Other income	1.7	4.9	12.3	10.7
Total revenues	<u>1,789.2</u>	<u>1,346.8</u>	<u>5,335.1</u>	<u>3,517.5</u>
Cost of products sold and operating expenses	1,726.1	1,311.9	5,192.2	3,358.4
Depreciation and amortization	5.5	3.9	15.2	11.2
Selling, general and administrative expenses	5.4	5.1	18.1	16.8
Operating income	<u>\$ 52.2</u>	<u>\$ 25.9</u>	<u>\$ 109.6</u>	<u>\$ 131.1</u>

Q3 2010 Operating Highlights

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Operating highlights (unaudited)				
Refined Products Pipeline System:				
Total shipments (barrel miles per day) ⁽¹⁾⁽²⁾	50,411,601	56,848,807	51,253,071	58,145,900
Revenue per barrel mile (cents)	0.641	0.612	0.645	0.596
Terminal Facilities:				
Refined products terminals throughput (bpd)	505,465	465,206	483,966	462,969
Nederland terminal throughput (bpd)	780,313	559,874	730,551	619,297
Refinery terminals throughput (bpd)	459,174	609,020	475,897	597,191
Crude Oil Pipeline System:				
Crude oil pipeline throughput (bpd) ⁽²⁾⁽³⁾	1,556,365	610,856	1,501,307	648,183
Crude oil purchases at wellhead (bpd)	187,953	176,643	187,779	183,047
Gross margin per barrel of pipeline throughput (cents) ⁽³⁾⁽⁴⁾	46.4	46.4	41.5	77.6
Average crude oil price (per barrel)	\$ 76.21	\$ 68.29	\$ 77.65	\$ 57.13

⁽¹⁾ Represents total average daily pipeline throughput multiplied by the number of miles of pipeline through which each barrel has been shipped.

⁽²⁾ Excludes amounts attributable to equity ownership interests which are not consolidated.

⁽³⁾ Includes 602 thousand bpd from the Partnership's consolidation of Mid-Valley Pipeline Company and West Texas Gulf Pipe Line Company from the acquisition date.

⁽⁴⁾ Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by crude oil pipeline throughput. Gross margin and throughput volumes for Mid-Valley Pipeline Company and West Texas Gulf Pipe Line Company have been included from the acquisition date.

Q3 2010 Financial Highlights

(\$ in millions, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Capital Expenditure Data:				
Maintenance capital expenditures	\$ 10.7	\$ 6.3	\$ 25.0	\$ 15.3
Expansion capital expenditures	269.2	82.1	331.1	143.5
Total	<u>\$ 279.9</u>	<u>\$ 88.4</u>	<u>\$ 356.1</u>	<u>\$ 158.8</u>

	September 30,	December 31,
	2010	2009
Balance Sheet Data (at period end):		
Cash and cash equivalents	\$ 2.0	\$ 2.0
Total debt ⁽¹⁾	1,347.8	868.4
Equity		
Sunoco Logistics Partners L.P. Equity	957.5	861.6
Noncontrolling interests	78.1	-
	<u>\$ 1,035.6</u>	<u>\$ 861.6</u>

⁽¹⁾ Total debt includes the \$100 million promissory note to Sunoco, Inc.

Non-GAAP Financial Measures

(\$ in millions, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Net Income attributable to Sunoco				
Logistics Partners L.P.	\$ 192.9	\$ 48.5	\$ 286.8	\$ 196.0
Add: Interest expense, net	19.7	11.4	53.8	32.7
Add: Depreciation and amortization	16.4	12.2	44.9	35.3
Add: Provision for income taxes	3.8	-	3.8	-
Less: Gain on investments in affiliates	(128.5)	-	(128.5)	-
EBITDA	104.3	72.1	260.8	264.0
Less: Interest expense, net	(19.7)	(11.4)	(53.8)	(32.7)
Less: Maintenance capital expenditures	(10.7)	(6.3)	(25.0)	(15.3)
Less: Provision for income taxes	(3.8)	-	(3.8)	-
Distributable cash flow	<u>\$ 70.1</u>	<u>\$ 54.4</u>	<u>\$ 178.2</u>	<u>\$ 216.0</u>

Non-GAAP Financial Measures

(1) Management of the Partnership believes EBITDA and distributable cash flow information enhances an investor's understanding of a business' ability to generate cash for payment of distributions and other purposes. EBITDA and distributable cash flow do not represent and should not be considered an alternative to net income or cash flows from operating activities as determined under United States generally accepted accounting principles (GAAP) and may not be comparable to other similarly titled measures of other businesses. Reconciliations of these measures to the comparable GAAP measure are provided in the tables accompanying this release.

Non-GAAP Financial Measures

(\$ in millions, unaudited)

Adjusted Net Income Attributable to Sunoco Logistics Partners L.P.

	Three Months Ended September 30, 2010	Nine Months Ended September 30, 2010
Net Income attributable to Sunoco Logistics Partners L.P.	\$ 192,854	\$ 286,835
Less: Gain on investments in affiliates	<u>(128,451)</u>	<u>(128,451)</u>
Adjusted Net Income attributable to Sunoco Logistics Partners L.P.	\$ 64,403	\$ 158,384
Less: General Partner's interest	<u>(12,148)</u>	<u>(32,903)</u>
Limited Partners' interest in Net Income	<u>\$ 52,255</u>	<u>\$ 125,481</u>
Net Income per Limited Partner unit:		
Basic	<u>\$ 1.64</u>	<u>\$ 4.01</u>
Diluted	<u>\$ 1.64</u>	<u>\$ 3.99</u>
Weighted Average Limited Partners' units outstanding:		
Basic	<u>31,797,082</u>	<u>31,291,262</u>
Diluted	<u>31,955,360</u>	<u>31,462,963</u>