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: July 27, 2011
(Date of earliest event reported): July 26, 2011**

SUNOCO LOGISTICS PARTNERS L.P.
(Exact name of registrant as specified in its charter)

Delaware	1-31219	23-3096839
(State or other jurisdiction of incorporation)	(Commission file number)	(IRS employer identification number)

1818 Market Street, Suite 1500, Philadelphia, PA	19103-7583
(Address of principal executive offices)	(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))**

Item 2.02. **Results of Operations and Financial Condition.**

On July 26, 2011, Sunoco Logistics Partners L.P. (the "Partnership") issued a press release announcing its financial results for the second quarter 2011. 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 July 26, 2011, the Partnership issued a press release announcing its financial results for the second quarter 2011. Additional information concerning the Partnership's second quarter earnings was presented in a slide presentation to investors during a teleconference on July 26, 2011. 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

Exhibit No.	Exhibit
99.1	**Press release dated July 26, 2011.**
99.2	**Slide presentation given July 26, 2011 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

July 27, 2011
Philadelphia, PA

EXHIBIT INDEX

Exhibit No.	Exhibit
99.1	**Press release dated July 26, 2011.**
99.2	**Slide presentation given July 26, 2011 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: Immediately

No. 11

Sunoco Logistics Partners L.P. Reports Record Earnings, Increases Distribution for Second Quarter 2011 and Agrees to Acquire Crude Oil Business

PHILADELPHIA, July 26, 2011 – Sunoco Logistics Partners L.P. (NYSE: SXL) (the "Partnership") today announced record net income attributable to owners for the second quarter 2011 of $94 million ($2.40 per unit diluted), compared with $51 million ($1.29 per unit diluted) for the second quarter 2010. Highlights of the second quarter 2011 include:

- Record distributable cash flow of $106 million for the quarter compared to $55 million for the prior year period
- Finished the quarter with a Debt to EBITDA ratio of 3.3x
- Acquired controlling financial interest in the Inland Corporation, the owner of a 350-mile refined products pipeline in Ohio
- Announced the third quarter 2011 acquisitions of the Eagle Point tank farm and East Boston refined products terminal

Sunoco Partners LLC, the general partner of the Partnership, declared a cash distribution for the second quarter 2011 of $1.215 per limited partnership unit ($4.86 annualized) to be paid on August 12, 2011 to unit holders of record on August 8, 2011. This represents the twenty-fifth consecutive quarterly distribution increase and resulted in a 2.0 times coverage ratio for the quarterly cash distribution.

"A number of market opportunities within our crude oil segment drove our record results during the second quarter," said Lynn L. Elsenhans, Chairman and Chief Executive Officer. "Overall supply and demand for crude oil in the southwest, along with opportunities to capture the contango market structure, led to expansion of our lease crude volumes and margins and high utilization of our services."

The Partnership also announced today that it has signed a definitive agreement with Texon L.P. ("Texon") to acquire its crude oil purchasing and marketing business for $205 million plus inventory. The Partnership expects to fund the acquisition with borrowings under its revolving credit facilities pending more permanent financing. The transaction is expected to close in the third quarter 2011 and will be immediately accretive.

The purchase consists of lease crude business and gathering assets in 16 states, primarily in the western United States. This acquisition significantly increases the Partnership's position in key oil producing states and growing shale areas. Texon's current total volume is approximately 75,000 barrels per day at the wellhead.

"We are excited to add another lease crude acquisition business to our portfolio," said Lynn L. Elsenhans, Chairman and Chief Executive Officer. "This acquisition expands our lease business by more than 30 percent, fits well with our existing crude oil division, and gives us an excellent entrance into high growth areas like the Bakken, Granite Wash, and Eagle Ford shale regions. We look forward to providing outstanding service to an expanded customer base."

Commenting on the Partnership's growth, Elsenhans stated, "This year we have announced more than $450 million in acquisitions as part of our plan to seek strategic and accretive transactions to complement our existing asset base and expand our platform. In the second half of 2011, we will continue to execute our organic capital plan, work toward definitive commercial agreements for our West Texas crude and Marcellus ethane projects, and pursue additional opportunities to grow Sunoco Logistics."

DETAILS OF SECOND QUARTER SEGMENT RESULTS

	Three Months Ended June 30, 2011	2010	Variance
		(in millions)	
Refined Products Pipeline System	$ 8	$ 13	$ (5)
Terminal Facilities	34	28	6
Crude Oil Pipeline System	79	29	50
Operating Income	$121	$ 70	$ 51
Interest expense, net	19	19	—
Provision for income taxes	6	—	6
Net Income	$ 96	$ 51	$ 45
Net income attributable to noncontrolling interests	2	—	2
Net income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 43

Refined Products Pipeline System

Operating income for the second quarter 2011 decreased from the prior year period due to lower pipeline volumes on the Partnership's refined product pipelines in the southwest and unplanned refinery issues in the northeast. The decreased operating income was partially offset by results from the acquisition of a controlling financial interest in Inland Corporation in the second quarter 2011.

Terminal Facilities

Record quarterly operating income was primarily related to increased contributions from the butane blending business acquired in July 2010 and higher tank rentals and fees at the Partnership's Nederland terminal. These improvements were partially offset by lower throughput at the Partnership's refined products and refinery terminals.

Crude Oil Pipeline System

Operating income for the second quarter 2011 increased from the prior year period to a record level due primarily to expanded crude oil volumes and margins, which benefited from market-related opportunities and the contango market structure. Operating income associated with the Partnership's acquisitions of additional joint venture interests further contributed to this increase.

Financing Update

Net interest expense was comparable to the prior year period. Higher interest expense related to the $100 million note from affiliate, which was utilized to partially finance the acquisition of a butane blending business in July 2010, was partially offset by an increased level of capitalized interest associated with the Partnership's expansion capital program. At June 30, 2011, the Partnership's total debt balance was $1.5 billion, including $265 million of borrowings under our revolving credit facilities.

CAPITAL EXPENDITURES

	Six Months Ended June 30, 2011	2010
	(in millions)	
Maintenance capital expenditures	$ 10	$ 14
Expansion capital expenditures	158	62
Total	$ 168	$ 76

Expansion capital for the second quarter 2011 includes the $99 million acquisition of a controlling financial interest in Inland Corporation, projects to expand upon the Partnership's butane blending business, increase tankage at the Nederland facility and expand the Partnership's refined products platform in the southwest United States. Excluding major acquisitions and previously announced major projects, the Partnership expects to invest $100 to $150 million in expansion capital.

INVESTOR CALL

An investor call with management regarding the Partnership's second quarter results is scheduled for Tuesday July 26 at 5:00 pm ET. Those wishing to listen can access the call by dialing (USA toll free) 888-889-4955; International (USA toll) 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 800-239-4499. International callers should dial 402-220-9696.

ABOUT SUNOCO LOGISTICS

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 Pipeline System consists 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 Terminal Facilities consist of approximately 39 million shell barrels of refined products and crude oil terminal capacity (including approximately 21 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 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-K filed with the Securities and Exchange Commission on February 23, 2011. 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
(unaudited)

	Three Months Ended June 30, 2011	2010	Variance
	(in millions)		
Income Statement:			
Sales and other operating revenue	$2,424	$2,029	$ 395
Other income	4	10	(6)
Total revenues	2,428	2,039	389
Cost of products sold and operating expenses	2,266	1,939	327
Depreciation and amortization expense	19	14	5
Selling, general and administrative expenses	22	16	6
Total costs and expenses	2,307	1,969	338
Operating Income	121	70	51
Interest cost and debt expense	21	20	1
Capitalized interest	(2)	(1)	(1)
Income Before Provision for Income Taxes	102	51	51
Provision for income taxes	6	—	6
Net Income	$ 96	$ 51	$ 45
Net Income attributable to noncontrolling interests	2	—	2
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 43
Calculation of Limited Partners' interest:			
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 43
Less: General Partner's interest	(14)	(11)	(3)
Limited Partners' interest in Net Income	$ 80	$ 40	$ 40
Net Income per Limited Partner unit:			
Basic	$ 2.42	$ 1.30	
Diluted	$ 2.40	$ 1.29	
Weighted Average Limited Partners' units outstanding:			
Basic	33.1	31.0	
Diluted	33.3	31.2	

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

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Variance
	(in millions)		
Income Statement:			
Sales and other operating revenue	$4,682	$3,709	$ 973
Other income	6	18	(12)
Total revenues	4,688	3,727	961
Cost of products sold and operating expenses	4,411	3,533	878
Depreciation and amortization expense	37	29	8
Selling, general and administrative expenses	44	37	7
Total costs and expenses	4,492	3,599	893
Operating Income	196	128	68
Interest cost and debt expense	42	36	6
Capitalized interest	(3)	(2)	(1)
Income Before Provision for Income Taxes	157	94	63
Provision for income taxes	11	—	11
Net Income	$ 146	$ 94	$ 52
Net Income attributable to noncontrolling interests	4	—	4
Net Income attributable to Sunoco Logistics Partners L.P.	$ 142	$ 94	$ 48
Calculation of Limited Partners' interest:			
Net Income attributable to Sunoco Logistics Partners L.P.	$ 142	$ 94	$ 48
Less: General Partner's interest	(26)	(21)	(5)
Limited Partners' interest in Net Income	$ 116	$ 73	$ 43
Net Income per Limited Partner unit:			
Basic	$ 3.50	$ 2.36	
Diluted	$ 3.48	$ 2.35	
Weighted Average Limited Partners' units outstanding:			
Basic	33.1	31.0	
Diluted	33.3	31.2	

Sunoco Logistics Partners L.P.
Earnings Contribution by Business Segment
(unaudited)

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Variance
	(in millions)		
Refined Products Pipeline System[1]:			
Sales and other operating revenue	$ 29	$ 31	$ (2)
Other income	4	4	—
Total revenues	33	35	(2)
Operating expenses	15	13	2
Depreciation and amortization expense	4	4	—
Selling, general and administrative expenses	6	5	1
Operating income	$ 8	$ 13	$ (5)
Terminal Facilities:			
Sales and other operating revenue	$ 87	$ 59	$ 28
Other income	—	1	(1)
Total revenues	87	60	27
Cost of products sold and operating expenses	36	22	14
Depreciation and amortization expense	8	5	3
Selling, general and administrative expenses	9	5	4
Operating income	$ 34	$ 28	$ 6
Crude Oil Pipeline System [2]:			
Sales and other operating revenue	$2,308	$1,939	$ 369
Other income	—	5	(5)
Total revenues	2,308	1,944	364
Cost of products sold and operating expenses	2,215	1,904	311
Depreciation and amortization expense	7	5	2
Selling, general and administrative expenses	7	6	1
Operating income	$ 79	$ 29	$ 50

(1) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date.

(2) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates.

Sunoco Logistics Partners L.P.
Earnings Contribution by Business Segment
(unaudited)

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Variance
	(in millions)		
Refined Products Pipeline System[1]:			
Sales and other operating revenue	$ 56	$ 61	$ (5)
Other income	6	6	—
Total revenues	62	67	(5)
Operating expenses	28	26	2
Depreciation and amortization expense	8	8	—
Selling, general and administrative expenses	13	12	1
Operating income	$ 13	$ 21	$ (8)
Terminal Facilities:			
Sales and other operating revenue	$ 174	$ 114	$ 60
Other income	—	1	(1)
Total revenues	174	115	59
Cost of products sold and operating expenses	79	42	37
Depreciation and amortization expense	16	11	5
Selling, general and administrative expenses	16	12	4
Operating income	$ 63	$ 50	$ 13
Crude Oil Pipeline System [2]:			
Sales and other operating revenue	$4,452	$3,534	$ 918
Other income	—	11	(11)
Total revenues	4,452	3,545	907
Cost of products sold and operating expenses	4,304	3,465	839
Depreciation and amortization expense	13	10	3
Selling, general and administrative expenses	15	13	2
Operating income	$ 120	$ 57	$ 63

(1) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date.

(2) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates.

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

	June 30, 2011	December 31, 2010
	(in millions)	
Balance Sheet Data:		
Cash and cash equivalents	$ 6	$ 2
Revolving credit facilities [1]	$ 265	$ 31
Note from affiliate - due May 2013	100	100
Senior Notes	1,098	1,098
Total Debt	$1,463	$ 1,229
Sunoco Logistics Partners L.P. Partners' equity	$1,006	$ 965
Noncontrolling interests	98	77
Total Equity	$1,104	$ 1,042

[1] As of June 30, 2011, the Partnership had available borrowing capacity of $192 million under its revolving credit facilities.

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

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
	(in millions)		(in millions)	
Operating Income				
Refined Products Pipeline System	$ 8	$ 13	$ 13	$ 21
Terminal Facilities	34	28	63	50
Crude Oil Pipeline System	79	29	120	57
Total Operating Income	$ 121	$ 70	$ 196	$ 128
Operating Highlights				
Refined Products Pipeline System:[1][2]				
Refined products pipeline throughput (thousands of bpd)	471	519	441	488
Revenue per barrel of pipeline throughput (cents)	69.1	66.5	70.4	68.6
Terminal Facilities:				
Terminal throughput (thousands of bpd):				
Refined products terminals	479	487	479	473
Nederland terminal	771	684	734	705
Refinery terminals	393	471	391	484
Crude Oil Pipeline System:				
Crude oil pipeline throughput (thousands of bpd)[3]	1,641	906	1,568	872
Crude oil purchases at wellhead (thousands of bpd)	196	191	193	188
Gross margin per barrel of pipeline throughput (cents) [3][4]	57.8	35.7	47.4	37.8
Average crude oil price (per barrel)	$102.55	$77.99	$98.42	$78.39

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

(2) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date. Volumes for the three and six months ended June 30, 2011 of 72 and 36 thousand bpd, respectively, and the related revenue per barrel, have been included in the refined products pipeline throughput and revenue per barrel. From the date of acquisition, this pipeline had actual throughput of approximately 143 thousand bpd for the three and six months ended June 30, 2011. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to this system.

(3) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates. Volumes for the three and six months ended June 30, 2011 of 717 and 687 thousand bpd, respectively, and the related gross margin, have been included in the crude oil pipeline throughput and gross margin per barrel of throughput. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to these systems.

(4) Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by pipeline throughput.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(in millions)		(in millions)	
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94
Add: Interest expense, net	19	19	39	34
Add: Depreciation and amortization	19	14	37	29
Add: Provision for income taxes	6	—	11	—
EBITDA[(1)]	138	84	229	157
Less: Interest expense, net	(19)	(19)	(39)	(34)
Less: Maintenance capital expenditures	(7)	(10)	(10)	(14)
Less: Provision for income taxes	(6)	—	(11)	—
Distributable cash flow[(1)]	$ 106	$ 55	$ 169	$ 109

(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.

Exhibit 99.2

Sunoco Logistics Partners L.P.

Second Quarter 2011

Earnings Conference Call

July 26, 2011

Forward-Looking Statements

You should review this slide presentation in conjunction with the second quarter 2011 earnings conference call for Sunoco Logistics Partners L.P., held on July 26 at 5:00 p.m. ET. You may listen to the audio portion of the conference call on our website at www.sunocologistics.com or by dialing (USA toll-free) 888-889-4955. International callers should dial 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 800-239-4499. International callers should dial 402-220-9696.

During the call, those statements we make that are not historical facts are forward-looking statements. These forward-looking statements are not guarantees of future performance. Although we believe the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements involve risks and uncertainties that may affect our business and cause actual results to differ materially from those discussed during the conference call. Such risks and uncertainties include economic, business, competitive and/or regulatory factors affecting our business, as well as uncertainties related to the outcomes of pending or future litigation. Sunoco Logistics Partners L.P. has included in its Annual Report on Form 10-K for the year ended December 31, 2010, and in its subsequent Form 8-K filings, cautionary language identifying important factors (though not necessarily all such factors) that could cause future outcomes to differ materially from those set forth in the forward-looking statements. For more information about these factors, see our SEC filings, available on our website at www.sunocologistics.com. We expressly disclaim any obligation to update or alter these forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the slides at the end of the presentation. You should consider carefully the comparable GAAP measures and the reconciliations to those measures provided in this presentation.

Highlights

- Record quarterly performance:
  - \$138 million EBITDA
  - \$106 million Distributable Cash Flow
  - \$94 million Net Income
- Increased distribution for 25th consecutive quarter
- Announced over \$450MM in acquisitions

2011 Acquisition Announcements

- Acquired 83.8% Interest in Inland Pipeline – May
  - Net purchase price: $99MM
- Acquired Eagle Point Tank Farm – July
  - Purchase price: $100MM
- Announced East Boston, MA Terminal – Expected 3rd Quarter Close
  - Purchase price: $56MM plus inventory
- Announced Purchase of Texon Crude Business – Expected 3rd Quarter Close
  - Purchase price: $205MM plus inventory

Inland Pipeline System

- A 350-mile refined products pipeline located in Ohio
- Supply Points
  - BP and TRC Toledo refineries
  - Husky Lima refinery
  - Lima Junction
- Complementary Asset Base
  - Toledo area lines south
  - Will become operator
  - Potential synergy with Mariner West project

Eagle Point Tank Farm

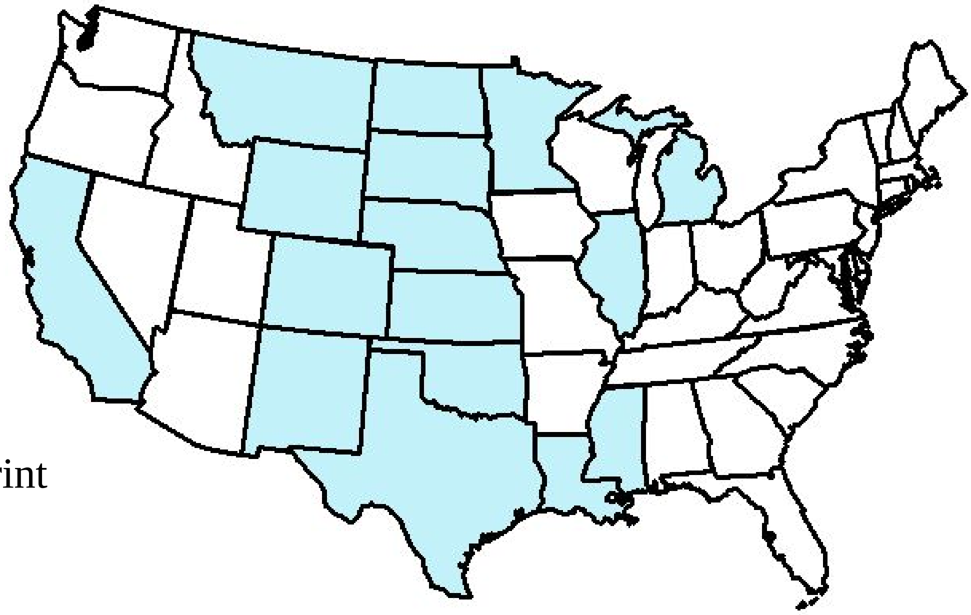
- 5 MMB storage in service
- Increases the revenues of existing SXL docks, terminal, and pipeline
- Import / export capability
- Connects to Harbor, Colonial, and Laurel pipelines

East Boston Terminal

- Entry into New England terminal market
- Terminal
  - 10 bay truck rack
  - 1.2 MMB
- Jet pipeline to Airport
  - 8” line from terminal to airport (0.8 mile)
  - Sole jet fuel provider to Logan Airport
  - 10 year contract – renewed Feb 2010

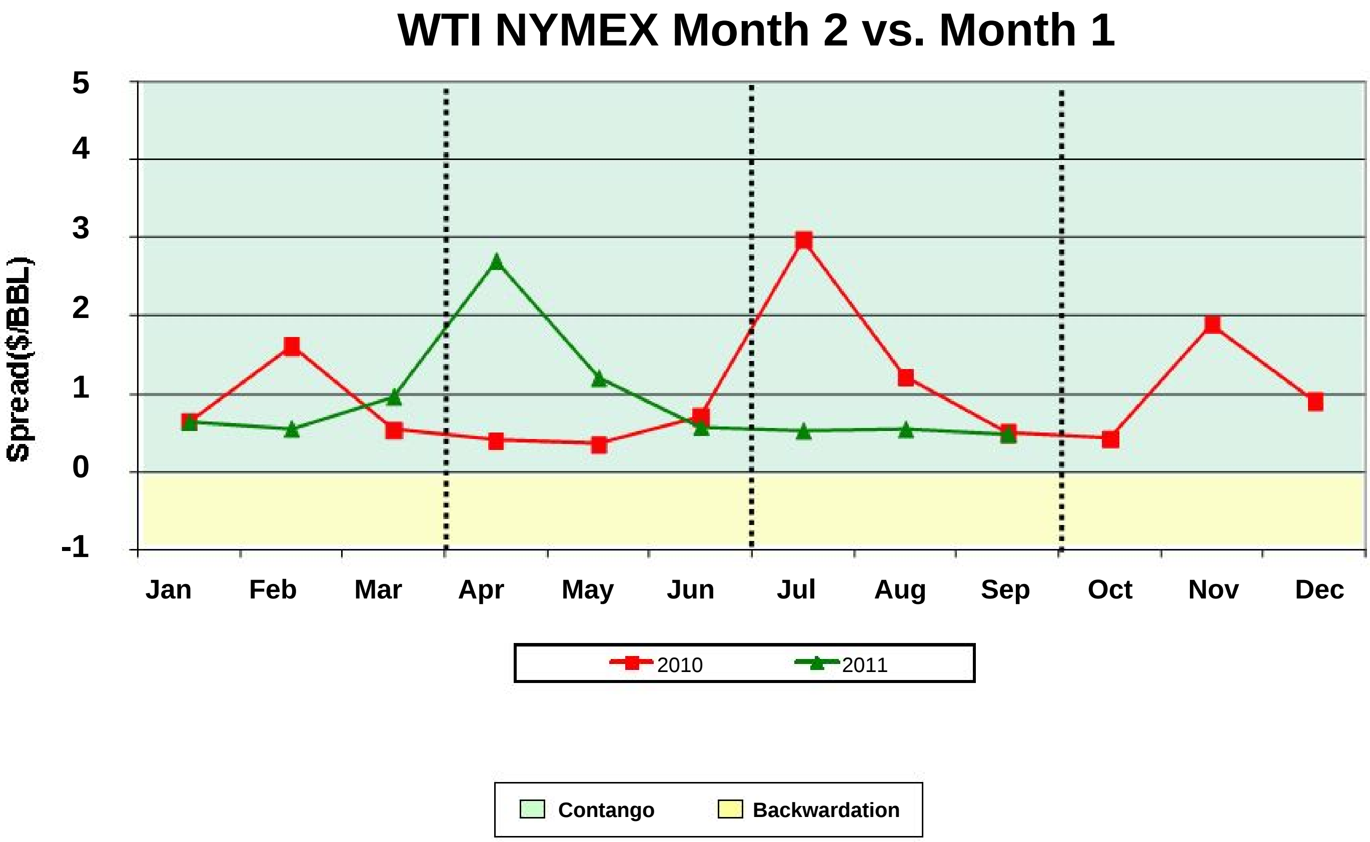
Texon Crude Business

- Crude Lease & Marketing
  - 75,000 barrels per day
- Expands our lease business by more than 30%
- Potential synergies with existing crude business
- Expands geographic footprint
  - Bakken Shale
  - Granite Wash Shale
  - Eagle Ford Shale



Shaded states indicate area of operation

Crude Oil Contango



Source: NYMEX

Q2 2011 Financial Highlights

($ in millions, unaudited)

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Sales and other operating revenue	$ 2,424	$ 2,029	$ 4,682	$ 3,709
Other income	4	10	6	18
Total revenues	2,428	2,039	4,688	3,727
Cost of products sold and operating expenses	2,266	1,939	4,411	3,533
Depreciation and amortization expense	19	14	37	29
Selling, general and administrative expenses	22	16	44	37
Total costs and expenses	2,307	1,969	4,492	3,599
Operating income	121	70	196	128
Interest cost and debt expense	21	20	42	36
Capitalized interest	(2)	(1)	(3)	(2)
Income before provision for income taxes	102	51	157	94
Provision for income taxes	6	-	11	-
Net Income	$ 96	$ 51	$ 146	$ 94
Net income attributable to noncontrolling interests	2	-	4	-
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94

Q2 2011 Financial Highlights

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Calculation of Limited Partners' interest:				
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94
Less: General Partner's interest	(14)	(11)	(26)	(21)
Limited Partners' interest in Net Income	$ 80	$ 40	$ 116	$ 73
Net Income per Limited Partner unit:				
Basic	$ 2.42	$ 1.30	$ 3.50	$ 2.36
Diluted	$ 2.40	$ 1.29	$ 3.48	$ 2.35
Weighted Average Limited Partners' units outstanding (in millions):				
Basic	33.1	31.0	33.1	31.0
Diluted	33.3	31.2	33.3	31.2

Refined Products Pipeline System

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Financial Highlights				
Sales and other operating revenue	$ 29	$ 31	$ 56	$ 61
Other income	4	4	6	6
Total revenues	33	35	62	67
Operating expenses	15	13	28	26
Depreciation and amortization expense	4	4	8	8
Selling, general and administrative expenses	6	5	13	12
Operating income	$ 8	$ 13	$ 13	$ 21

Terminal Facilities

($ in millions, unaudited)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2011		2010		2011		2010	
Financial Highlights								
Sales and other operating revenue	$	87	$	59	$	174	$	114
Other income		-		1		-		1
Total revenues		87		60		174		115
Cost of products sold and operating expenses		36		22		79		42
Depreciation and amortization expense		8		5		16		11
Selling, general and administrative expenses		9		5		16		12
Operating income	$	34	$	28	$	63	$	50

Crude Oil Pipeline System

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Financial Highlights				
Sales and other operating revenue	$ 2,308	$ 1,939	$ 4,452	$ 3,534
Other income	-	5	-	11
Total revenues	2,308	1,944	4,452	3,545
Cost of products sold and operating expenses	2,215	1,904	4,304	3,465
Depreciation and amortization expense	7	5	13	10
Selling, general and administrative expenses	7	6	15	13
Operating income	$ 79	$ 29	$ 120	$ 57

Q2 2011 Operating Highlights

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Operating highlights*(unaudited)*				
Refined Products Pipeline System:				
Refined products pipeline throughput (thousands of bpd)[(1)(2)]	471	519	441	488
Revenue per barrel of pipeline throughput (cents)	69.1	66.5	70.4	68.6
Terminal Facilities:				
Refined products terminals throughput (thousands of bpd)	479	487	479	473
Nederland terminal throughput (thousands of bpd)	771	684	734	705
Refinery terminals throughput (thousands of bpd)	393	471	391	484
Crude Oil Pipeline System:				
Crude oil pipeline throughput (thousands of bpd)[(3)]	1,641	906	1,568	872
Crude oil purchases at wellhead (thousands of bpd)	196	191	193	188
Gross margin per barrel of pipeline throughput (cents)[(3)(4)]	57.8	35.7	47.4	37.8
Average crude oil price (per barrel)	$ 102.55	$ 77.99	$ 98.42	$ 78.39

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

(2) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date. Volumes for the three and six months ended June 30, 2011 of 72 and 36 thousand bpd, respectively, and the related revenue per barrel, have been included in the refined products pipeline throughput and revenue per barrel. From the date of acquisition, this pipeline had actual throughput of approximately 143 thousand bpd for the three and six months ended June 30, 2011. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to this system.

(3) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates. Volumes for the three and six months ended June 30, 2011 of 717 and 687 thousand bpd, respectively, and the related gross margin, have been included in the crude oil pipeline throughput and gross margin per barrel of throughput. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to these systems.

(4) Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by pipeline throughput.

Q2 2011 Financial Highlights

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Capital Expenditure Data:				
Maintenance capital expenditures	$ 7	$ 10	$ 10	$ 14
Expansion capital expenditures	133	39	158	62
Total	$ 140	$ 49	$ 168	$ 76

	June 30, 2011	December 31, 2010
Balance Sheet Data (at period end):		
Cash and cash equivalents	$ 6	$ 2
Total debt[(1)]	$ 1,463	$ 1,229
Equity		
Sunoco Logistics Partners L.P. Equity	$ 1,006	$ 965
Noncontrolling interests	98	77
Total Equity	$ 1,104	$ 1,042

(1) Total debt at June 30, 2011 and December 31, 2010 includes the $100 million promissory note to Sunoco, Inc.

Non-GAAP Financial Measures

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94
Add: Interest expense, net	19	19	39	34
Add: Depreciation and amortization expense	19	14	37	29
Add: Provision for income taxes	6	-	11	-
EBITDA (1)	138	84	229	157
Less: Interest expense, net	(19)	(19)	(39)	(34)
Less: Maintenance capital expenditures	(7)	(10)	(10)	(14)
Less: Provision for income taxes	(6)	-	(11)	-
Distributable cash flow (1)	$ 106	$ 55	$ 169	$ 109

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.

Historical Operating Highlights

	2007	2008	2009				2010				2011	
	Total	Total	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd
Operating highlights*(unaudited)*												
Refined Products Pipeline System:												
Refined product pipeline throughput (thousands of bpd) [(1)(2)]	491	510	583	568	578	576	456	519	452	442	410	471
Revenue per barrel of pipeline throughput (cents)	54.8	55.4	59.9	60.4	60.2	62.4	70.9	66.5	71.4	71.7	71.8	69.1
Terminal Facilities:												
Refined products terminals throughput (thousands of bpd)	434	436	460	464	465	466	459	487	505	502	478	479
Nederland terminal throughput (thousands of bpd)	507	526	653	646	560	531	726	684	780	724	696	771
Refinery terminals throughput (thousands of bpd)	696	653	583	600	609	573	498	471	459	434	389	393
Crude Oil Pipeline System:												
Crude oil pipeline throughput (thousands of bpd) [(3)]	674	683	664	670	611	687	837	906	1,387	1,592	1,493	1,641
Crude oil purchases at wellhead (thousands of bpd)	178	178	191	181	177	177	184	191	188	192	189	196
Gross margin per barrel of pipeline throughput (cents) [(3)(4)]	31.9	63.0	103.9	80.4	46.4	60.4	40.1	35.7	43.8	39.9	35.9	57.8
Average crude oil price (per barrel)	$ 72.40	$ 99.65	$ 43.21	$ 59.61	$ 68.29	$ 76.17	$ 78.79	$ 77.99	$ 76.21	$ 85.18	$ 94.25	$ 102.55

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

(2) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date. Volumes for the three months ended June 30, 2011 of 72 thousand bpd, and the related revenue per barrel, have been included in the refined products pipeline throughput and revenue per barrel. From the date of acquisition, this pipeline had actual throughput of approximately 143 thousand bpd for the three months ended June 30, 2011. The amounts presented for the three month period ended June 30, 2010 exclude amounts attributable to this system.

(3) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates. Volumes for the three months ended June 30, 2011 of 717 thousand bpd, and the related gross margin, have been included in the crude oil pipeline throughput and gross margin per barrel of throughput. The amounts presented for the three month period ended June 30, 2010 exclude amounts attributable to these systems.

(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.