

SUNOCO INC  
Form 425  
September 04, 2012

Energy Transfer Partners, L.P.  
Barclays CEO Energy  
Power Conference  
September 4, 2012  
Filed by Energy Transfer Partners, L.P.

Edgar Filing: SUNOCO INC - Form 425

pursuant to Rule 425 under the Securities Act of 1933  
and deemed filed pursuant to Rule 14a-12 under the  
Securities Exchange Act of 1934  
Subject Company: Sunoco, Inc.  
Commission File No.: 1-06841

2

Legal Disclaimer

**SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS**

This document may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond ETP management's control. An extensive list of factors that can affect future results are discussed in the Annual Reports on Form 10-K and other documents filed by ETP and Energy Transfer Equity ( ETE ) from time to time with the Securities and Exchange Commission ( SEC ).

Statements in this document regarding the proposed transaction between ETP and Sunoco, Inc. ( Sunoco ) the expected timetable for completing the proposed transaction, future financial and operating results, benefits and synergies of the proposed transaction, future opportunities for the combined company, and any other statements about ETP, ETE, Sunoco Logistics Partners, L.P. ( SLP )

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

Energy Transfer Overview

4  
Energy Transfer Overview

Energy Transfer Partners, L.P. (ETP) is one of the largest and most diversified investment grade MLPs

Enterprise  
value  
of  
\$17.2  
billion

1,2

Recent strategic transactions combined with organic growth projects have transformed Energy Transfer into a geographically diversified midstream logistics platform with the best in class natural gas, crude oil, NGL and refined product capabilities

Strategic transactions resulted from a need to diversify both operationally and geographically and our customers desire for fully integrated midstream capabilities

In addition, ETP has announced more than \$3.0 billion of growth projects since late 2010, with a focus on liquids-rich opportunities in the Eagle Ford, Permian, and Woodford areas

In excess of \$1.0 billion of additional capex will be spent on new projects to be placed into service by Q1 2013

These transactions and growth projects have transformed Energy Transfer into a much larger and more diversified midstream energy partnership well positioned for future growth

1 As of August 30, 2012. Excludes the value of the general partner interest and incentive distribution rights (IDRs) held by ETP

2 Includes net debt as of June 30, 2012.

## ETP Has Rapidly Evolved

ETP  
has  
undertaken  
several  
initiatives  
to  
expand  
the  
services

we  
can  
provide  
to  
our  
customers  
with  
an  
emphasis  
on  
geographic and fee-based diversification

Joint acquisition of LDH Energy ( LDHE ) in May 2011 with Regency Energy Partners LP ( RGP )

Diversified into natural gas liquids and enhanced NGL capabilities with emphasis on fee based income  
Contribution of propane business to AmeriGas in January 2012

Minimized exposure to weather sensitive non-core business and deleveraged balance sheet through tender offer  
ETE s acquisition of Southern Union ( SUG ) and drop down of a 50% interest in Citrus to ETP in March 2012

Expanded geographic reach with emphasis on fee based income  
Announced the pending acquisition of Sunoco, Inc. ( SUN ) in April 2012; scheduled to close October 2012

Creates best in class  
natural gas, crude oil, NGL and refined product logistics and transportation platform

Announced  
the  
pending  
dropdown  
of  
a  
portion  
of  
SUG  
to  
ETP  
HoldCo  
Corp,  
a  
new  
ETP-controlled  
entity  
to  
be  
jointly  
owned by ETP and ETE, in June 2012

Transfers operational control of SUG assets to ETP and begins simplification of overall structure  
2004  
2007  
2008

2009

2010

2011

2012

Acquired TUFCO Pipeline, Houston Pipeline and Transwestern Interstate Pipeline

Completed the first 42-inch diameter natural gas pipeline in the state of Texas in 2007

Initiated open season for new interstate gas pipeline, Midcontinent Express Pipeline ( MEP ), a 50/50 joint venture with Kinder Morgan Energy Partners ( KMP )

MEP completed and placed in-service

Completed Phoenix and San Juan projects, expanding Transwestern Pipeline

Initiated open season for new interstate gas pipeline, Tiger Pipeline

Initiated open season for new interstate gas pipeline, Fayetteville Express Pipeline ( FEP ), a 50/50 joint venture with KMP

FEP and Tiger completed ahead of schedule and significantly under budget  
ETP and Regency acquired LDHE and formed Lone Star NGL JV

Lone Star NGL JV announced new Mont Belvieu fractionation plant and West Texas NGL pipeline projects to significantly expand liquids platform  
Expansion of Eagle Ford shale projects with the Rich Eagle Ford Mainline ( REM ) pipeline and new processing facility in Jackson County, TX

Completed contribution of propane business to AmeriGas Partners, L.P.

ETP acquired 50% interest in Citrus, which owns Florida Gas Transmission

Announced a second Mont Belvieu fractionation plant and expansion of Eagle Ford projects supported by long-term fee-based contracts

ETP announces acquisition of SUN, expanding into crude oil, NGLs and refined product logistics and transportation

5

Creating a More Diversified and Integrated  
Asset Footprint

6

Note:

Joint

venture

assets

shown

on

consolidated

basis;  
Includes  
previously  
announced  
projects  
under  
construction.

Pro  
forma  
for  
Sunoco

Pro Forma Summary Asset Overview

\* Throughput and storage capacity converted on a 6:1 Mcf:Bbl basis.  
acquisition and Southern Union dropdown. Consolidates Sunoco Logistics.

Mileage

Asset Composition

Throughput\*

Storage\*

Pipelines (miles):

Natural Gas

39,994

Natural Gas Distribution (LDCs)

15,173

NGL

2,150

Crude Oil

5,400

Refined Products

2,500

Total

65,217

Operating Metrics:

Natural Gas Throughput (Bcf/d)

28

NGL Throughput (Mbb/d)

784

LNG Throughput (Bcf/d)

2

Crude Oil Throughput (Mbb/d)

1,747

Refined Products Throughput (Mbb/d)

522

Natural Gas Processing Capacity (MMcf/d)

3,417

Natural Gas Treating Capacity (MMcf/d)

2,570

Natural Gas Conditioning Capacity (MMcf/d)

846

NGL Processing Capacity (Mbb/d)

251

Natural Gas Storage (Bcf)

176

NGL Storage (Mbbbl)

48,000

LNG Storage Capacity (Bcf)

9

Crude Oil Storage (Mbbbl)

25,000

Refined Products Storage (Mbbbl)

16,000

Facilities:

Natural Gas Storage Facilities

9

NGL Storage Facilities

3

Crude Oil Storage Facilities

4

Refined Products Storage Facilities

44

Natural Gas Process., Treat., Cond. Facilities

45

NGL Processing Facilities

4

Retail Marketing Outlets

4,900

52%  
47%  
38%  
26%  
14%  
21%  
22%  
15%  
16%  
14%  
21%

25%

18%

18%

13%

5%

4%

10%

20%

0%

25%

50%

75%

100%

2009

2010

2011

Pro Forma 2011

Intrastate

Midstream

Interstate

Propane

NGL

Retail Marketing

Crude/Refined Products

1

7

With an Enhanced Business Profile

Business Performance by Operating Segment

Note: Adjusted EBITDA reconciliation in appendix. ETP adjusted EBITDA excludes Other ; 2011 ETP pro forma for contributions from AmeriGas Partners, L.P. and Citrus acquisition. Excludes distributions from AmeriGas Partners, L.P. Assumes full consolidation.

8

Better Positioned to Deliver on Our  
Financial Objectives

Retain an attractive cash flow profile  
Financial Objectives  
Capital Deployed 2005  
June 2012  
Equity & Excess  
Cash Flow

51%  
Debt  
49%  
Total = \$16.0 billion

2  
1 Excludes maintenance capex.

Achieve and maintain a 1.05x distribution coverage

Grow distributable cash flow

Target  
Debt/Adjusted  
EBITDA  
ratio  
of  
4.00x

4.25x

Preserve financial flexibility to successfully manage

Maintain a strong balance sheet

Generate stable cash flows from a diversified  
of return and that are complementary to our  
existing asset base

Target projects/assets that provide for attractive rates  
ratio  
growth projects and acquisitions

Manage commodity price exposure  
based contracts

Support growth projects with long-term fee-  
asset base

2 See page 19 for reconciliation.

1

9  
With  
a  
Robust  
Portfolio  
of  
Attractive  
Organic  
Growth Projects

Announced more than \$3.0 billion of investment in

midstream and NGL projects

The remaining projects are proceeding on time and on budget with a majority of the projects schedule to be in service over the next 6-9 months

\$900

million

-

\$1.1

billion

remaining

to

be

spent

in 2012

\$1.5

billion

-

\$1.7

billion

to

be

spent

in

2013

and

beyond on announced projects

Projects further diversify the business mix and expand service offerings across the midstream value chain

Allow us to offer a full scope of services to our customers

Acquisitions have created numerous incremental commercial opportunities for further growth

2012 Growth Capex

Announced Growth Projects Since Q4 2010

Lone Star

38%

Midstream

50%

NGL

12%

Total = \$3,077 million

(\$ millions)

2012 YTD

(Q1 -

Q2)  
2012  
2  
Half  
(Q3 -  
Q4)  
Growth Capital Expenditures  
Intrastate / Midstream  
551  
\$  
\$ 450 -  
500  
Interstate  
3  
-  
NGL  
670  
700 -  
800  
Propane & Other  
2  
-  
Total  
1,226  
\$  
\$ 1,150 -  
1,300  
Contributions from Noncontrolling  
1  
(151)  
(200 -  
250)  
Total (net)  
1,075  
\$  
\$ 900 -  
1,100  
nd  
Interest in Lone Star  
1 Represents  
Regency s 30% noncontrolling interest in Lone Star.

Eagle Ford Shale Projects  
10

In Q1 2012, the Chisholm natural gas processing plant was completed on time and on budget

The Chisholm plant, along with the Dos Hermanas, Chisholm, and REM Phase I

pipelines, which were already in-service, represent more than \$400 million of Eagle Ford projects that are now generating cash flow

Phase II of the REM pipeline, phase I of the Jackson County processing plant, and the Karnes County processing plant are scheduled for completion in Q4 2012 and/or 1st quarter 2013

Woodford Shale Project

11

117 miles of 30-inch pipe and 22 miles of 24-inch loop of existing system

450 MMcf/d of initial pipeline capacity

Originating in Carter County, OK

and terminating in Johnson  
County at the Godley Plant

200 MMcf/d Cryo plant at Godley

Expected pipeline in-service by  
Q4 2012

Expected Godley expansion in-  
service by Q3 2013

Estimated cost ~\$360 million

Supported by long-term  
agreement with XTO/Exxon

ETP NGL and Lone Star Pipeline Projects

12

Approximately 570 miles of 16-inch  
pipe with an initial capacity of  
200,000 Bbl/d

Originating in Winkler County and  
terminating in Jackson County,  
Texas

Lone Star has secured capacity  
through ETP s Justice NGL  
pipeline from Jackson County to

Mont Belvieu

Estimated cost (100%) ~\$917  
million

Expected in-service Q4 2012

130 mile 20-inch NGL pipeline

340,000 Bbl/d design capacity

Expected in-service Q4 2012

Project cost ~\$300 million

West Texas Gateway Project

(NGL) Pipeline

Justice Pipeline

13

Two 100,000 Bbl/d NGL fractionators to be constructed at Mont Belvieu

A substantial amount of the fractionation capacity will be utilized for NGLs from ETP's Justice Pipeline

Estimated cost (100%):  
Frac I ~\$390 million

Frac II ~\$350 million

Expected in-service:

Frac

I

Q1

2013

(100%

contracted)

Lone Star Fractionation Projects

Frac

II

Q1

2014

(~70%

contracted)

14  
Investment Considerations  
Well Positioned  
For Future  
Growth

Attractive  
portfolio  
of  
organic  
growth

projects  
with  
an  
emphasis  
on  
fee-based  
opportunities  
in  
liquids  
rich emerging shale plays

Majority of the projects scheduled to be in service over the next 6-9 months

Recent transactions provide numerous incremental commercial opportunities with a complementary  
asset base  
Balanced  
Business Profile

Operating  
model  
with  
businesses  
across  
the  
midstream  
value  
chain  
diversifies  
and  
strengthens  
overall cash flow profile

Significant portion of operating income derived from fee-based sources with long-term contracts  
anchored by a high-quality customer base with strong credit profile

Hedge positions provide for further cash flow stability in commodity price sensitive areas  
Strong Balance  
Sheet

Recent transactions viewed as favorable by the rating agencies and further strengthens overall  
credit profile

Track record of a balanced approach to funding organic growth projects

Demonstrated commitment to maintaining investment grade credit metrics  
Diversified And  
Complementary  
Asset Footprint

Pro

forma  
asset  
base  
will  
be  
a  
best  
in  
class  
natural  
gas,  
crude  
oil,  
NGL  
and  
refined  
products  
logistics platform

Integrated and complementary asset network will provide connections to multiple end markets for natural gas, crude oil and refined products

A full suite of NGL capabilities to meet the needs of liquids rich shale production

Supplemental Information

Pro Forma Organizational Structure  
Southern Union Company  
Southern  
Union Gas  
Services  
Panhandle  
Energy  
LDC Divisions  
Energy Transfer Equity, L.P.  
(NYSE: ETE)  
Public

LP  
unitholders  
Lone Star  
NGL LLC  
30%  
interest  
70%  
interest  
50%  
interest  
49.99%  
interest  
HPC  
Midcontinent  
Express  
Pipeline  
Gathering &  
Processing  
Regency Energy  
Partners LP  
(NYSE: RGP)  
NGL  
Interstate  
Fayetteville  
Express  
Pipeline  
50%  
interest  
Citrus Corp  
50%  
interest  
Public  
LP  
unitholders  
Energy Transfer  
Partners, L.P.  
(NYSE: ETP)  
FGT  
ETP  
HoldCo Corp  
Sunoco Logistics Partners L.P.  
(NYSE: SXL)  
LP Interest  
GP Interest  
IDRs  
Public  
LP  
unitholders  
Sunoco, Inc.  
Retail &

Marketing  
LP Interest  
GP Interest  
IDRs  
LP Interest  
GP Interest  
IDRs  
60% Ownership  
40% Ownership  
(Board Majority)  
Intrastate  
Midstream  
Contract  
Treating  
Contract  
Compression  
JVs  
16  
Public  
LP  
unitholders

17  
Announced Projects  
Project  
Description  
Capacity  
Expected  
Completion  
(\$ mm)  
Midstream  
Dos Hermanas  
Pipeline

50-mile, 24-inch pipeline originating in northwest Webb County and extending to ETP's existing

Houston Pipeline rich gas gathering system in eastern Webb County

400 MMcf/d

In-service

Q4 2010

\$43

Chisholm Pipeline

83 mile, 20-inch pipeline extending from DeWitt County to ETP's La Grange Processing Plant in Fayette County

100 MMcf/d, expandable to

300 MMcf/d

In-service

Q2 2011

\$68

REM Phase I

160-mile, 30-inch pipeline originating in Dimmitt County and extending to the Chisholm Pipeline for

ultimate delivery to ETP's processing plants

400 MMcf/d, expandable to

800 MMcf/d

In-service

Q4 2011

\$220

Chisholm Plant

Natural gas processing plant located adjacent to ETP's existing La Grange Plant in Fayette County

120 MMcf/d

In-service

Q1 2012

\$70

REM Phase II

70 mile, 42-inch pipeline expansion, which will extend from the Chisholm Pipeline in DeWitt County east into Jackson County

800 MMcf/d

Q4 2012

\$170

400 MMcf/d, Phase I

Q1 2013

\$420

200 MMcf/d, Phase II

Q1 2014

200 MMcf/d, Phase III

Q1 2014

Red River Gathering

Pipeline

117-mile, 24-

and 30-inch pipeline from Carter County, Oklahoma to ETP's Godley Plant in Johnson

County, Texas

450 MMcf/d, expandable to

550 MMcf/d  
Q4 2012  
\$360  
Godley Plant  
Expansion  
Cryogenic processing plant to be constructed at the Godley processing facility in Johnson County,  
Texas  
200 MMcf/d  
Q3 2013  
Karnes County  
Processing Plant  
Natural gas processing plant located in Karnes County  
200 MMcf/d  
Q4 2012  
\$210  
REM Expansion  
37 mile, 30-inch pipeline expansion  
Q4 2013  
Sub-total  
\$1,561  
NGL (ETP)  
Freedom Pipeline  
43-mile, 8-inch NGL pipeline connecting the Liberty pipeline to ETP's La Grange & Chisholm plants  
40 Mbb/d  
In-service  
Q3 2011  
\$30  
Liberty Pipeline  
93-mile, 12-inch NGL pipeline owned through a 50/50 JV with Copano. Connects  
the Freedom pipeline  
to the Formosa plant  
90 Mbb/d  
In-service  
Q3 2011  
\$26  
Justice Pipeline  
130-mile, 20-inch NGL pipeline from the Jackson Plant to Mont Belvieu  
340 Mbb/d  
Q4 2012  
\$300  
Sub-total  
\$356  
NGL (100%)  
West Texas Gateway  
570-mile, 16-inch NGL pipeline originating in Winkler County and terminating in Jackson County  
200 Mbb/d  
Q4 2012  
\$917  
Frac I  
Mont Belvieu NGL fractionator

100 Mbb/d

Q1 2013

\$390

Frac II

Mont Belvieu NGL fractionator

100 Mbb/d

Q1 2014

\$350

Contribution from Regency for its 30% interest

(\$497)

Sub-total

\$1,160

Total announced ETP growth projects since Q4 2010 (including 70%  
of Lone Star)

\$3,077

Jackson Plant

Natural gas processing plant located in Jackson County

Estimated Cost

18

Adjusted EBITDA Reconciliation

The Partnership has disclosed in this press release EBITDA, as adjusted, and distributable cash flow which are non-GAAP financial measures. Adjusted EBITDA is a non-GAAP financial measure. Management believes Adjusted EBITDA provides useful information to investors, including companies that may have different

financing  
and  
capital  
structures.

The  
presentation  
of  
Adjusted  
EBITDA  
also  
allows  
investors  
to  
view  
our  
performance  
in  
a

manner similar to the methods used by management and provides additional insight to our operating results.

There are material limitations to using measures such as Adjusted EBITDA, including the difficulty associated with using it as a

company

to

another,

and

the

inability

to

analyze

certain

significant

items

that

directly

affect

a

company's

net

income

or

loss

or

cash

flows.

In

addition,

our

calculation

of

Adjusted

EBITDA may not be consistent with similarly titled measures of other companies and should be viewed in conjunction with m

GAAP, such as gross margin, operating income, net income, and cash flow from operating activities.

Definition of Adjusted EBITDA

The Partnership defines Adjusted EBITDA as total partnership earnings before interest, taxes, depreciation, amortization, and expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and non-cash impairment charges, and other non-operating income or expense items. Unrealized gains and losses on commodity and losses on commodity derivatives and inventory fair value adjustments (excluding lower of cost or market adjustments).

LTM + 2008-2011 Annual

Years Ended December 31,

(\$ millions)

2008

2009

2010

2011

6/30/2012

Net income

866.0

\$

791.5

\$

617.2

\$

697.2

\$

1,543.2

\$

Interest expense, net of interest capitalized

265.7

394.3

412.6

474.1

521.5

Income tax expense

6.7

12.8

15.5

18.8

16.6

Depreciation and amortization

262.2

312.8

343.0

430.9

431.0

Non-cash compensation expense

23.5

24.0

27.2

37.5

37.7

(Gains) losses on deconsolidation/disposals of assets

1.3

1.6

5.0

3.2

(1,054.9)

Gains on non-hedged interest rate derivatives

51.0

(39.2)

(4.6)

77.4

89.3

Unrealized (gains) losses on commodity risk management activities

(35.5)

(30.0)

78.3

11.4

90.0

Goodwill impairment loss

11.4

-

-

-

-

Impairment of investment in affiliate

-

-

52.6

5.4

5.4

Proportionate share of unconsolidated affiliates' interest, depreciation  
and allowance for equity funds used during construction

-

22.3

22.5

30.0

155.4

Adjusted EBITDA attributable to non-controlling interest

-

-

-

(37.8)

(58.3)

Other, net (includes allowance for equity funds used during construction)

(73.3)

(12.7)

(28.5)

(5.4)

(6.4)

Loss on extinguishment of debt

-

-

-

-

115.0

Adjusted EBITDA

1,378.9

\$

1,477.4

\$

1,540.9

\$

1,742.6

\$

1,885.5

\$

Last Twelve

Months Ended

19  
Reconciliation of Capital Deployed and  
Funding Sources  
Fiscal Years Ended 8/31  
Four Months  
Years Ended 12/31  
YTD 6/30  
(\$ millions)  
2005  
2006

2007  
 Ended 12/31/07  
 2008  
 2009  
 2010  
 2011  
 2012  
 Net cash used in investing activities  
 1,133.7  
 \$  
 1,244.4  
 \$  
 2,158.1  
 \$  
 995.9  
 \$  
 2,015.6  
 \$  
 1,345.8  
 \$  
 1,493.8  
 \$  
 3,552.4  
 \$  
 1,402.4  
 \$  
 Proceeds from sale of assets and discontinued operations  
 196.9  
 6.9  
 23.1  
 21.5  
 19.4  
 21.5  
 27.9  
 9.3  
 1,455.8  
 Non-cash activity  
 2.5  
 4.0  
 -  
 1.4  
 2.2  
 63.3  
 (588.7)  
 -  
 105.0  
 Maintenance capital expenditures  
 (41.0)  
 (51.8)  
 (89.2)

(49.0)  
 (141.0)  
 (102.7)  
 (99.3)  
 (134.2)  
 (54.3)  
 Capital deployed  
 1,292.1  
 \$  
 1,203.5  
 \$  
 2,092.0  
 \$  
 969.8  
 \$  
 1,896.2  
 \$  
 1,327.9  
 \$  
 833.8  
 \$  
 3,427.5  
 \$  
 2,909.0  
 \$  
 Net cash provided by operating activities  
 169.4  
 \$  
 543.9  
 \$  
 1,112.7  
 \$  
 245.7  
 \$  
 1,258.1  
 \$  
 826.9  
 \$  
 1,202.3  
 \$  
 1,344.4  
 \$  
 599.5  
 \$  
 Maintenance capital expenditures  
 (41.0)  
 (51.8)  
 (89.2)  
 (49.0)  
 (141.0)

(102.7)  
 (99.3)  
 (134.2)  
 (54.3)  
 Distributions paid  
 (207.0)  
 (343.8)  
 (622.5)  
 (176.0)  
 (879.2)  
 (957.3)  
 (1,066.0)  
 (1,159.5)  
 (646.0)  
 Net proceeds from sale of assets and discontinued operations<sup>2</sup>  
 196.9  
 6.9  
 23.1  
 21.5  
 19.4  
 21.5  
 27.9  
 9.3  
 705.8  
 Excess cash flow  
 118.3  
 \$  
 155.2  
 \$  
 424.1  
 \$  
 42.2  
 \$  
 257.3  
 \$  
 (211.6)  
 \$  
 64.9  
 \$  
 60.0  
 \$  
 605.1  
 \$  
 Net proceeds from issuance of common units  
 507.7  
 \$  
 132.4  
 \$  
 1,200.0  
 \$

234.9  
 \$  
 373.1  
 \$  
 936.3  
 \$  
 1,152.2  
 \$  
 1,467.0  
 \$  
 93.6  
 \$  
 Capital contributions from general partner  
 10.4  
 2.8  
 24.5  
 -  
 8.0  
 3.4  
 8.9  
 -  
 -  
 Capital contributions from noncontrolling interest  
 -  
 -  
 -  
 -  
 -  
 -  
 -  
 645.3  
 151.3  
 Non-cash activity<sup>1</sup>  
 2.5  
 4.0  
 -  
 1.4  
 2.2  
 63.3  
 (588.7)  
 -  
 105.0  
 Equity issued  
 520.6  
 \$  
 139.2  
 \$  
 1,224.5  
 \$  
 236.3

\$  
383.3  
\$  
1,003.0  
\$  
572.5  
\$  
2,112.2  
\$  
349.9  
\$  
1

1 Non-cash activity comprises issuances of common units in connection with certain acquisitions (2012, 2009, 2008, four months and 2006) and redemption of common units in connection with the transfer of the investment in MEP (year ended 12/31/10).

2 YTD  
6/30/2012,  
net  
proceeds  
from  
sale  
of  
assets  
and  
discontinued  
operations  
is  
net  
of  
repayment  
of  
debt  
in  
January  
2012.

20  
ETP Debt Capitalization  
1  
Net  
proceeds  
from  
the  
July  
2012  
equity

offering  
 were  
 \$671  
 million..  
 (\$ millions)  
 6/30/2012  
 July 2012  
 Equity Offering  
 1  
 August 2012  
 Maturity  
 Pro Forma  
 6/30/2012  
 ETP Revolver (\$2.5bn)  
 493  
 \$  
 (493)  
 \$  
 108  
 \$  
 108  
 \$  
 ETP Senior Notes:  
 5.65%  
 due 2012  
 108  
 -  
 (108)  
 -  
 6.00%  
 due 2013  
 350  
 -  
 -  
 350  
 8.50%  
 due 2014  
 292  
 -  
 -  
 292  
 5.95%  
 due 2015  
 750  
 -  
 -  
 750  
 6.13%  
 due 2017  
 400

-  
-  
400  
6.70%  
due 2018  
600  
-  
-  
600  
9.70%  
due 2019  
400  
-  
-  
400  
9.00%  
due 2019  
450  
-  
-  
450  
4.65%  
due 2021  
800  
-  
-  
800  
5.20%  
due 2022  
1,000  
-  
-  
1,000  
6.63%  
due 2036  
400  
-  
-  
400  
7.50%  
due 2038  
550  
-  
-  
550  
6.05%  
due 2041  
700  
-  
-

700  
6.50%  
due 2042  
1,000  
-  
-  
1,000  
Total ETP Senior Notes  
7,800  
-  
(108)  
7,692  
ETP Other Long-Term Debt:  
Transwestern Senior Notes  
870  
-  
-  
870  
Other  
(12)  
-  
-  
(12)  
Total ETP Other Long-Term Debt  
858  
-  
-  
858  
Total Debt  
9,151  
\$  
(493)  
\$  
-  
\$  
8,658  
\$

21

Definitions

The following is a list of certain acronyms and terms generally used in the energy industry and throughout

this

presentation

:

/d

per day

Bbl

barrels

Btu

British thermal unit, an energy measurement

Capacity

capacity of a pipeline, processing plant or storage facility refers to the 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 throughout capacity from specified capacity levels.

gpm

gallons per minute

Mcf

thousand cubic feet

MMBtu

million British thermal units

MMcf

million cubic feet

Bcf

billion cubic feet

NGL

natural gas liquid, such as propane, butane and natural gasoline

NYMEX

New York Mercantile Exchange

22  
In  
connection  
with  
the  
proposed  
business  
combination  
transaction  
between  
ETP

and  
Sunoco,  
Inc.  
( Sunoco ),  
ETP  
filed  
with  
the  
U.S.  
Securities

and Exchange Commission (the SEC ) a registration statement on Form S-4 that included a proxy statement/prospectus. The statement was declared effective on August 24, 2012. Sunoco mailed the definitive proxy statement/prospectus to the Sunoco about August 29, 2012. THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS CONTAIN INFORMATION ABOUT ETP, SUNOCO, THE PROPOSED TRANSACTION AND RELATED MATTERS. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY/PROSPECTUS CAREFULLY.

holders  
may  
obtain  
free  
copies  
of  
the  
registration  
statement  
and  
the  
proxy  
statement/prospectus  
and  
other  
documents  
filed  
with  
the  
SEC  
by  
ETP

and Sunoco through the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain the registration statement and the proxy statement/prospectus by phone, e-mail or written request by contacting the investor relations department of ETP or Sunoco at the following:

Energy Transfer Partners, L.P.  
Sunoco, Inc.  
3738 Oak Lawn Ave.  
1818 Market Street, Suite 1500  
Dallas, TX 75219  
Philadelphia, PA 19103  
Attention: Investor Relations  
Attention: Investor Relations  
Phone: (214) 981-0795  
Phone: (215) 977-6764

Email: [InvestorRelations@energytransfer.com](mailto:InvestorRelations@energytransfer.com)

Email: [SunocoIR@sunocoinc.com](mailto:SunocoIR@sunocoinc.com)

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

Important Additional Information

Filed with the SEC