

INVESTOR PRESENTATION

***SUNOCO*LP**

August 2016

FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES

Some of the statements in this presentation constitute “forward-looking statements” about Sunoco LP (“SUN”, “we”, “our”, and “us”), and their respective affiliates that involve risks, uncertainties and assumptions, including, without limitation, our discussion and analysis of our financial condition and results of operations and our expectations regarding the acquisition of the remaining wholesale fuel and retail assets of Energy Transfer Partners, L.P. (“ETP”), which closed on March 31, 2016 (the “Retail Acquisition”). These forward-looking statements generally can be identified by use of phrases such as “believe,” “plan,” “expect,” “anticipate,” “intend,” “forecast” or other similar words or phrases in conjunction with a discussion of future operating or financial performance. Descriptions of SUN’s and its affiliates’ objectives, goals, targets, plans, strategies, costs, anticipated capital expenditures, expected cost savings, potential acquisitions and related financial projections are also forward-looking statements. These statements represent present expectations or beliefs concerning future events and are not guarantees. Such statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

We caution that forward-looking statements involve risks and uncertainties and are qualified by important factors that could cause actual events or results to differ materially from those expressed or implied in any such forward-looking statements. For a discussion of these factors and other risks and uncertainties, please refer to SUN’s filings with the Securities and Exchange Commission (the “SEC”), including those contained in SUN’s 2015 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q which are available at the SEC’s website at www.sec.gov.

This presentation includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is provided in the appendix to this presentation. We define EBITDA as net income before net interest expense, income tax expense and depreciation and amortization expense. Adjusted EBITDA further adjusts EBITDA to reflect certain other non-recurring and non-cash items

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COMPANY OVERVIEW *

Retail Fuel

- Retail operations at ~1,340 locations in:
 - Southwest – TX, OK, NM, LA
 - Nashville, TN
 - East Coast – Maine to Florida, covering attractive geographies like Washington DC Metro and Northern VA, Charleston, SC
 - Hawaii
- Pro forma retail gallons of 2.5 billion sold in 2015



Convenience Store / Merchandise

- Pro forma merchandise sales of \$2.2 billion in 2015
- 27 consecutive years of same store sales growth in the convenience store business
- Laredo Taco Company has 452 locations and achieves over a 49% gross profit



Wholesale Fuel

- Distributed 5.1 billion gallons of third party wholesale fuel on a pro forma basis during 2015
- ~7,400 dealers, distributors and commercial customers
 - Wholesale operations span 30 states from Maine to Wisconsin, Florida to New Mexico and Hawaii

SUN OFFERS COMPELLING INVESTMENT HIGHLIGHTS

Leading Position in Attractive Industry

- SUN owns and represents some of the most iconic brands in the motor fuels industry
 - Industry wide non-fuel retail merchandise sales are strong and growing
-

Strong Track Record of Stable Cash Flows

- Fuel margins have been resilient across numerous economic and commodity cycles
 - Channel and geographic diversity help stabilize cash flows in retail gasoline sales
 - SUN's convenience store operations demonstrated 27 years of same-store merchandise sales growth
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Diversified Business and Geography Mitigate Risk and Volatility

- Diversified sales channels, long-term fee-based contracts and significant real estate holdings provide a wide mix of revenue sources and provide an attractive business risk profile
 - SUN has rapidly increased its presence into 30 states and diversified through an expansion of a fast growing retail division
-

Experienced Management Team and Supportive Parent

- SUN's senior management team has an average of 25 years of combined retail and wholesale experience
- ETP remains the largest LP owner in SUN, with an approximate 46% interest
- ETP and ETE strongly support SUN's objective to achieve investment grade ratings over time

DROPDOWNS HAVE RAPIDLY INCREASED SCALE AND DIVERSITY



	SUN ⁽¹⁾	MACS / Tigermarket	31.58% of Sunoco, LLC	Susser Holdings Corp	68.42% of Sunoco, LLC & 100% Sunoco Retail LLC	
Date	August 29, 2014	October 1, 2014	April 1, 2015	July 31, 2015	March 31, 2016	
Description	Wholesale fuel distribution	Retail network and wholesale fuel distribution	Legacy Sunoco wholesale fuel distribution business	Retail convenience store operator, wholesale consignment sales, and transportation operations business	Remaining legacy Sunoco wholesale fuel distribution business and legacy Sunoco retail marketing	One combined: Retail motor fuel, wholesale fuel distribution (including racing fuels and terminals), convenience stores and supply & trading
Geography	Primarily Texas	Maryland, DC Metro, Virginia and Nashville	26 states across the Eastern U.S.	Texas, Oklahoma, and New Mexico	26 states across the Eastern U.S	30 states from Maine to Hawaii
Transaction Amount		\$768 million	\$816 million	\$1.9 billion	\$2.2 billion	

SUN successfully completed four dropdowns from ETP and the acquisition of Aloha Petroleum in just over a year totaling \$5.7 billion in acquisition activity

(1) The ticker symbol SUSP was changed to SUN on October 21, 2014

NEARLY \$500 MILLION IN RETAIL & WHOLESALE FUEL DISTRIBUTION M&A SINCE DECEMBER 2014

Aloha Petroleum	Pico Petroleum	Aziz Quick Stops	Hawaii Sites	Northeast Distributor	Rattlers Stores & Kolkhorst Petroleum	Valentine Stores	Denny Oil (Not Closed)
Acquired December 2014	Acquired April 2015	Acquired July 2015	Acquired October 2015	Acquired December 2015 from Alta East, Inc.	Acquired June 2016	Acquired June 2016	Expected to close in Q4 2016
Hawaii-based							
44 c-stores and 50 third party sites	8 c-stores	27 c-stores		55 million gallons per year of branded and unbranded fuel	46 million gallons per year sold at 14 c-stores and 38 third party sites	20 million gallons per year in upstate New York market	91 million gallons per year from retail, third party dealer and commercial businesses
6 terminals	South Central, Texas	Hidalgo County, Texas	6 c-stores, 2 quick serve restaurants	30 third party dealers and underlying real estate	Operations in greater Austin, Houston and Waco markets	18 c-stores, 9 quick serve restaurants and underlying real estate	6 c-stores and 134 third party sites in east Texas markets

SUN will continue to acquire attractive retail and wholesale packages in existing geographies

EMERGE ACQUISITION OVERVIEW

Transaction & Asset Overview

- Purchase Price: \$166 Million ⁽¹⁾
- Expected to close in Q3 2016
- Assets located in Dallas / Ft Worth, TX and Birmingham, AL markets:
 - DFW Terminal - processes up to 7 thousand bbls/ day w/ storage of ~300 thousand bbls
 - Birmingham Terminal - processes 5 thousand bbls / day w/ storage of over 500 thousand bbls
 - Wholesale Business of ~174 million gallons at ~5CPG
- Balanced income streams with 55% from transmix, 15% from terminal throughput and 31% from wholesale



★ Emerge Transmix Facilities ● Sunoco Retail Network



Investment Thesis: Creates Synergy Hubs & Diversity

- Strategically located terminals provide synergies to current and future retail and wholesale networks
- Addition of stable margin transmix business and addition of fee-based terminal assets will provide more stability of income through diversification
- Beachhead for future SUN diversification through addition of qualified midstream income

(1) Excludes working capital and potential pre-closing adjustments based on asset performance

SUN WILL CONTINUE TO LEVERAGE ORGANIC GROWTH OPPORTUNITIES

New to Industry (“NTI”)

- 40 new-build Stripes stores completed in 2015 in high growth markets with favorable demographics utilizing land bank inventory
 - Building ~35 new-builds in 2016 in high growth areas outside of the oil producing regions
- Allows for more open and modern store designs to increase customer appeal
- Carry a larger proportion of higher-margin food and private-label products
- Food service drives higher-than-average gross margins, additional customer traffic and additional merchandise purchases in more than 70% of transactions

Raze & Rebuilds

- Increases returns on existing sites with attractive volume and customer traffic
- Frequently in established markets with predictable volumes
- Utilize existing locations, eliminating the need to permit new sites

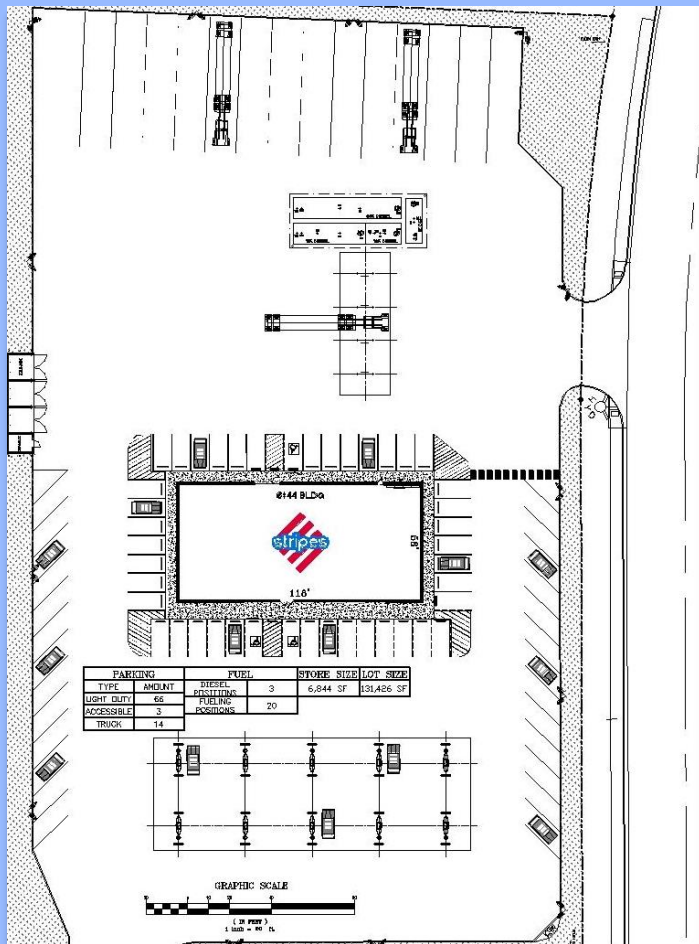


Same-Store Sales Growth

- Building merchandise and fuel volumes at existing stores through:
 - Best in class technology
 - Strong and innovative merchandising
 - Continuous training for management and team members
 - Emphasis on building market share

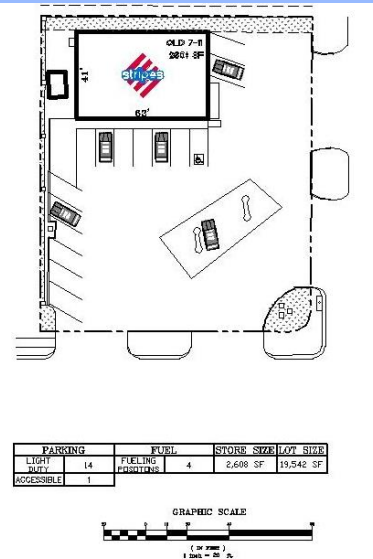


NEW “BIG BOX” STORES DRIVE CASH FLOW GROWTH



130,000 Sq Ft Lot
6,800 Sq Ft Store

vs.



20,000 Sq Ft Lot
2,600 Sq Ft Store

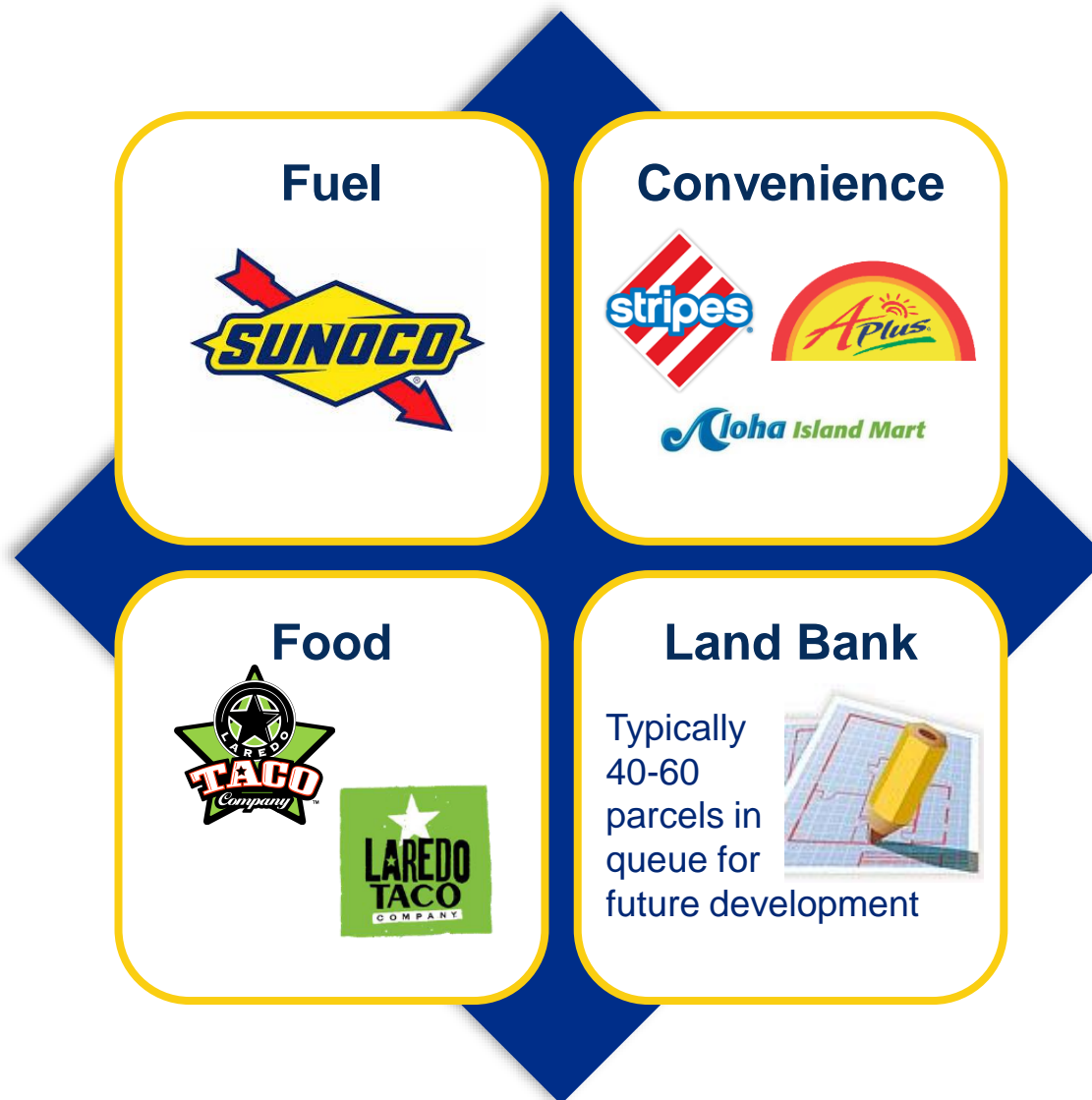
- New stores produce 2-3X cash flows of smaller legacy stores
- Nearly all new builds are 6,800 sq ft
- 20% of all Stripes are over 6,800 sq ft

REAL ESTATE PORTFOLIO SUMMARY AS OF 6/30/16

	Fee	Leased	Total
Retail	834	510	1,344
Wholesale	551	235	786
Terminal	3	3	6
Total ⁽¹⁾	1,388	748	2,136

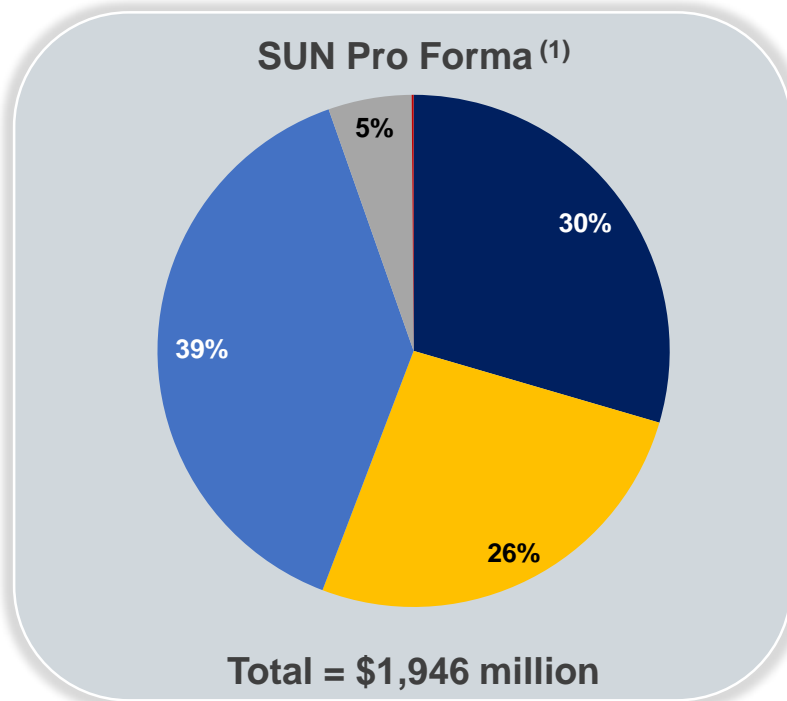
(1) Excludes warehouses, offices, and other facilities that fall outside of the standard "retail", "wholesale" and "terminal" categories

SUN'S UNIQUE VALUE DRIVERS



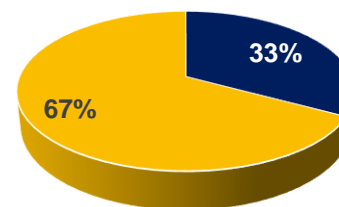
DIVERSIFIED LINES OF BUSINESS GENERATE A PORTFOLIO OF STABLE CASH FLOWS

Gross Profit Contribution By Channel (FYE 2015)

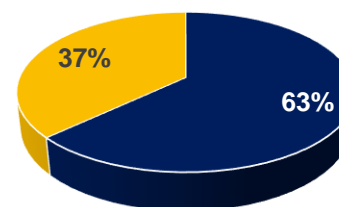


■ Retail Fuel ■ Wholesale Fuel ■ Merch & Other C-Store ■ Rent

Gallon Breakdown



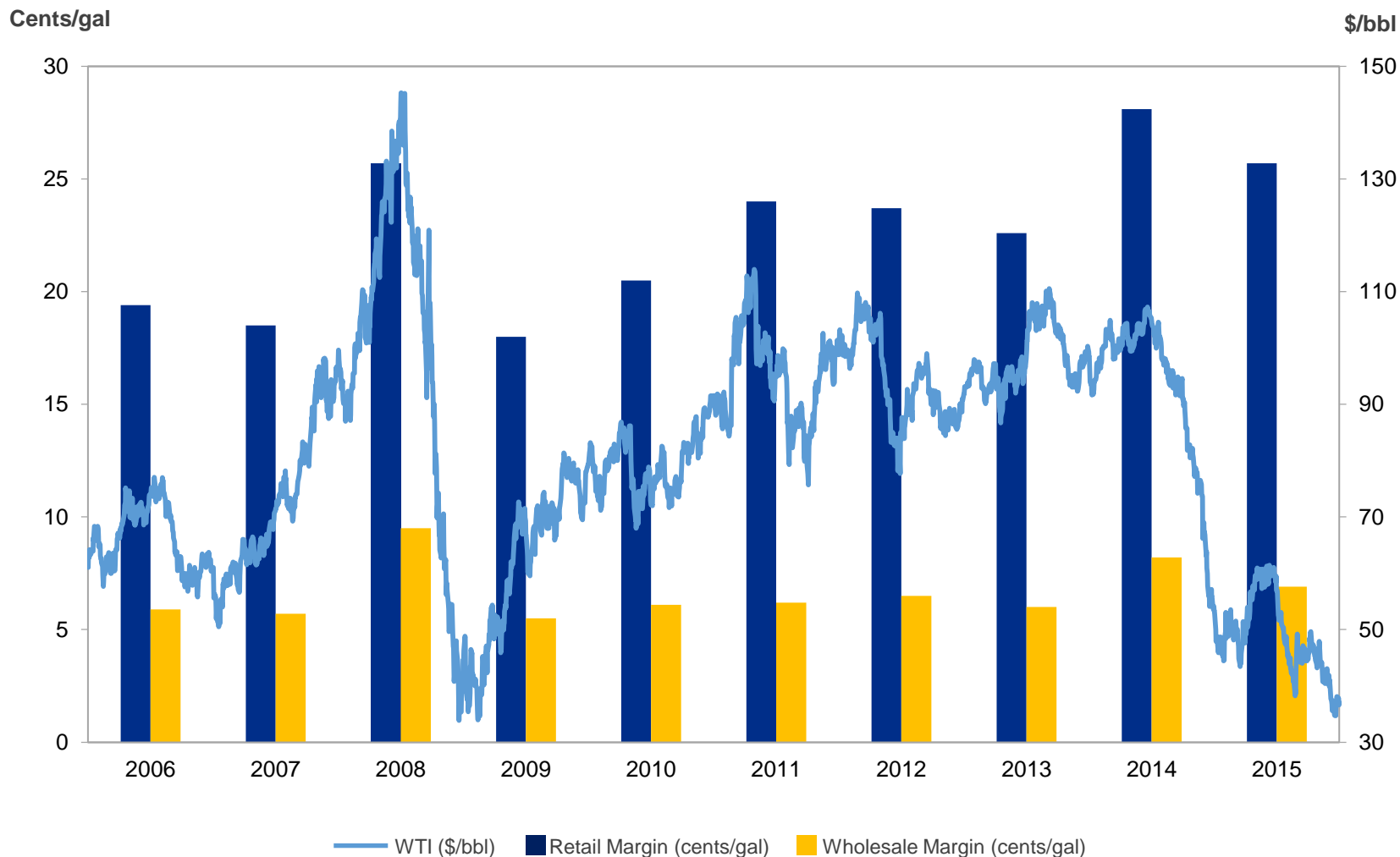
Fuel Gross Profit



Balanced contributions from SUN's business channels provide a stable foundation for continued growth. Strong wholesale fuel performance helps add scale that benefits retail fuel profit

(1) Pro forma results for combined SUN which includes 100% of Sunoco LLC, Susser Holdings and Sunoco Retail LLC

WHOLESALE AND RETAIL MARGINS ARE RESILIENT THROUGH COMMODITY CYCLES



Note: Both Wholesale and Retail Margins reflect existing SUN business pro forma for Retail Acquisition

BRAND PORTFOLIO WITH POWERFUL REACH AND STRENGTH



- Brand equity and presence spans fuel, food service and convenience store platforms
- Sunoco ranks in the top 100 U.S. brands in both familiarity and favorability ⁽¹⁾
 - Second among only two fuel brands in the top 100
 - Unique sponsorships provide a powerful growth platform
 - Official fuel of NASCAR
 - Official fuel of NHRA
- Powerful brands continue to drive customer traffic and sales

For more than 125 years, the Sunoco brand has been synonymous with quality and performance

FINANCIAL STRATEGY

Financial Flexibility

- Currently rated Ba2/BB stable
- Target long-term leverage ratio of 4.0x-4.5x
- Preserve liquidity under revolving credit facility

Distribution Growth

- Target long-term distribution coverage of ~1.1x

Rating Agency Comments

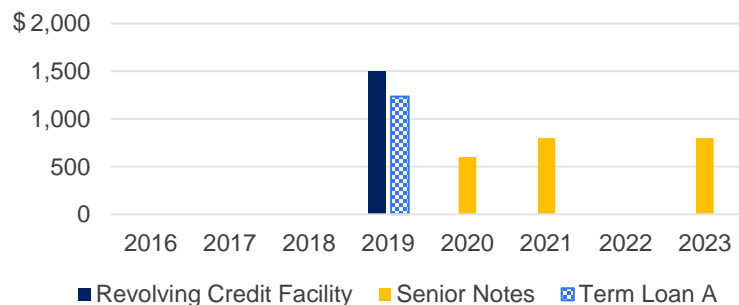
- Debt-to-EBITDA leverage is high following the final March 2016 dropdown of assets from ETP, but we expect credit metrics to improve to levels more in line with the Ba2 rating over the next 18 months because of earnings growth. - **Moody's, April 4, 2016**
- Fitch expects SUN 2016 leverage will flex out between 5.0x to 5.5x, but fall to 5.0x and below for 2017 and beyond. - **Fitch, April 4, 2016**
- The outlook revision reflects our view that the company's enhanced size and scale accomplished from the transaction only partially offsets our expectation for higher near-term leverage in the range of 5x-5.5x in 2016...A key credit consideration, in our view, is management's ability to effectively manage the pro forma entity such that leverage falls below 5x by 2017. - **Standard & Poor's, November 16, 2015**

SUN CAPITAL STRUCTURE

(\$ in Millions)

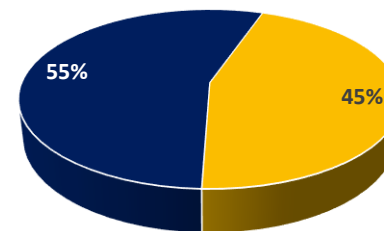
	As Reported 3/31/16	As Reported 6/30/16
Cash	\$ 77	\$ 83
Debt		
\$1.5 Billion Revolver	\$ 675	\$ 675
6.375% Senior Notes Due 2023	800	800
6.25% Senior Notes Due 2021	-	800
5.5% Senior Notes Due 2020	600	600
Other Debt	125	121
Term Loan A	2,035	1,243
Total Debt	\$ 4,235	\$ 4,239
Market Capitalization ⁽¹⁾	\$ 3,159	\$ 2,855
Total Capitalization	7,393	7,094
Net Debt	\$ 4,158	\$ 4,156
Total Liquidity	\$ 879	\$ 886
Revolver Size	\$ 1,500	\$ 1,500
Revolver Utilization	45%	45%

Debt Maturity Profile



Balanced debt maturity profile with no near term maturities

Current Interest Rate Exposure



■ Fixed Rate Debt ■ Floating Rate Debt

(1) Based on 3/31/2016 & 6/30/2016 closing prices

SECOND QUARTER 2016 OPERATING PERFORMANCE

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015
Gallons Sold (in thousands):		
Retail	641,198	639,148
Wholesale	1,315,728	1,285,041
Total Gallons	1,956,926	1,924,189
Motor Fuel Gross Profit (cents/gallon)		
Retail	24.0	21.4
Wholesale	8.8	8.6
Volume-Weighted Average	13.8	12.9
Merchandise (\$ in 000s)		
Sales	\$576,594	\$560,680
Margin	\$187,291	\$176,811
Margin %	32.5%	31.5%
Adjusted EBITDA, attrib. to partners (\$ in 000s)	\$163,998	\$138,410
Distributable Cash Flow, attrib. to partners, as adjusted (\$ in 000s)	\$92,225	\$39,293

FIRST HALF 2016 OPERATING PERFORMANCE

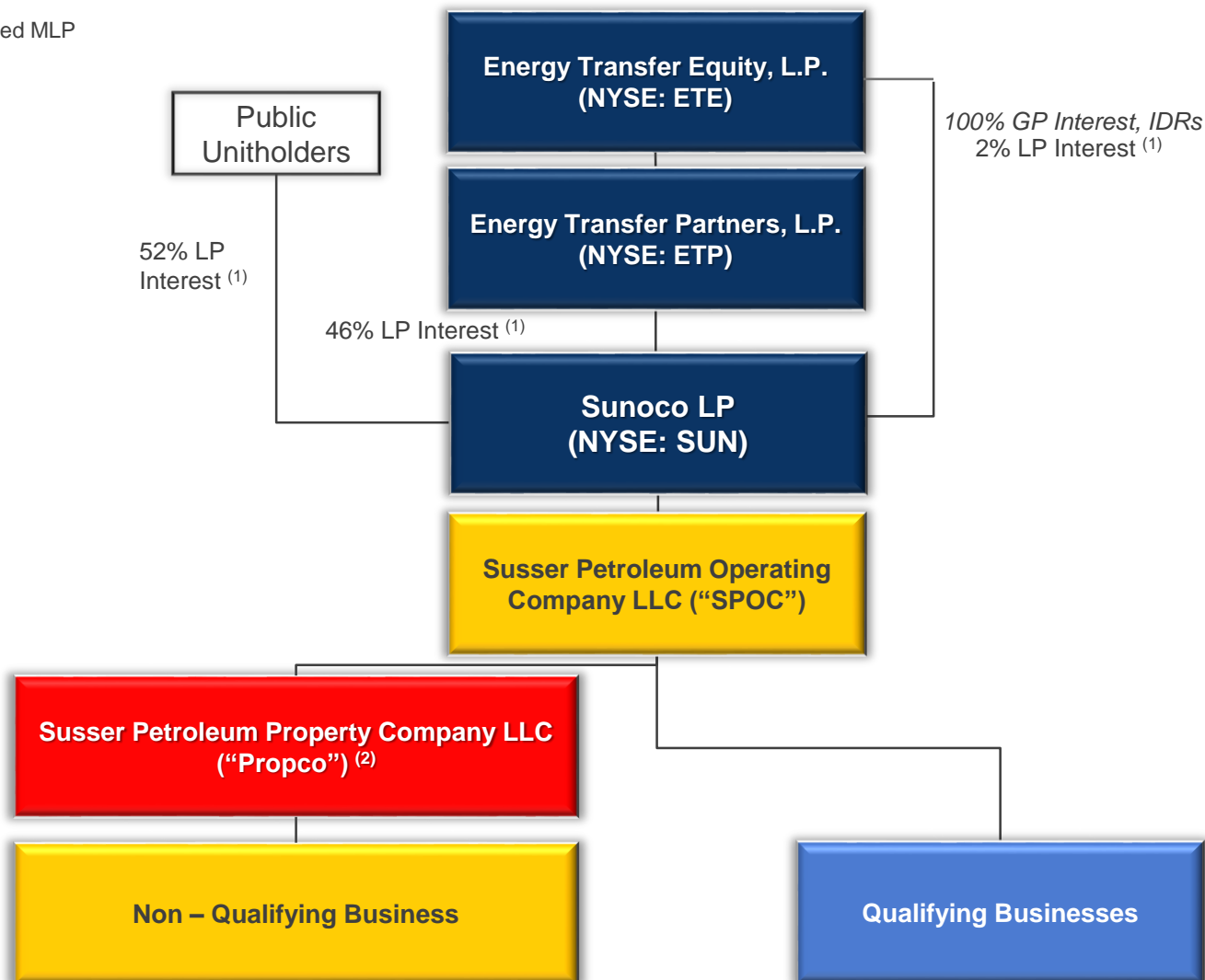
	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Gallons Sold (in thousands):		
Retail	1,249,339	1,228,276
Wholesale	2,548,327	2,604,581
Total Gallons	3,797,666	3,832,857
Motor Fuel Gross Profit (cents/gallon)		
Retail	22.7	23.3
Wholesale	10.0	7.5
Volume-Weighted Average	14.2	12.6
Merchandise (\$ in 000s)		
Sales	\$1,100,688	\$1,043,803
Margin	\$353,670	\$325,012
Margin %	32.1%	31.1%
Adjusted EBITDA, attrib. to partners (\$ in 000s)	\$323,114	\$262,622
Distributable Cash Flow, attrib. to partners, as adjusted (\$ in 000s)	\$203,974	\$69,747

APPENDIX

SUMMARY ORGANIZATIONAL STRUCTURE



Publicly Traded MLP

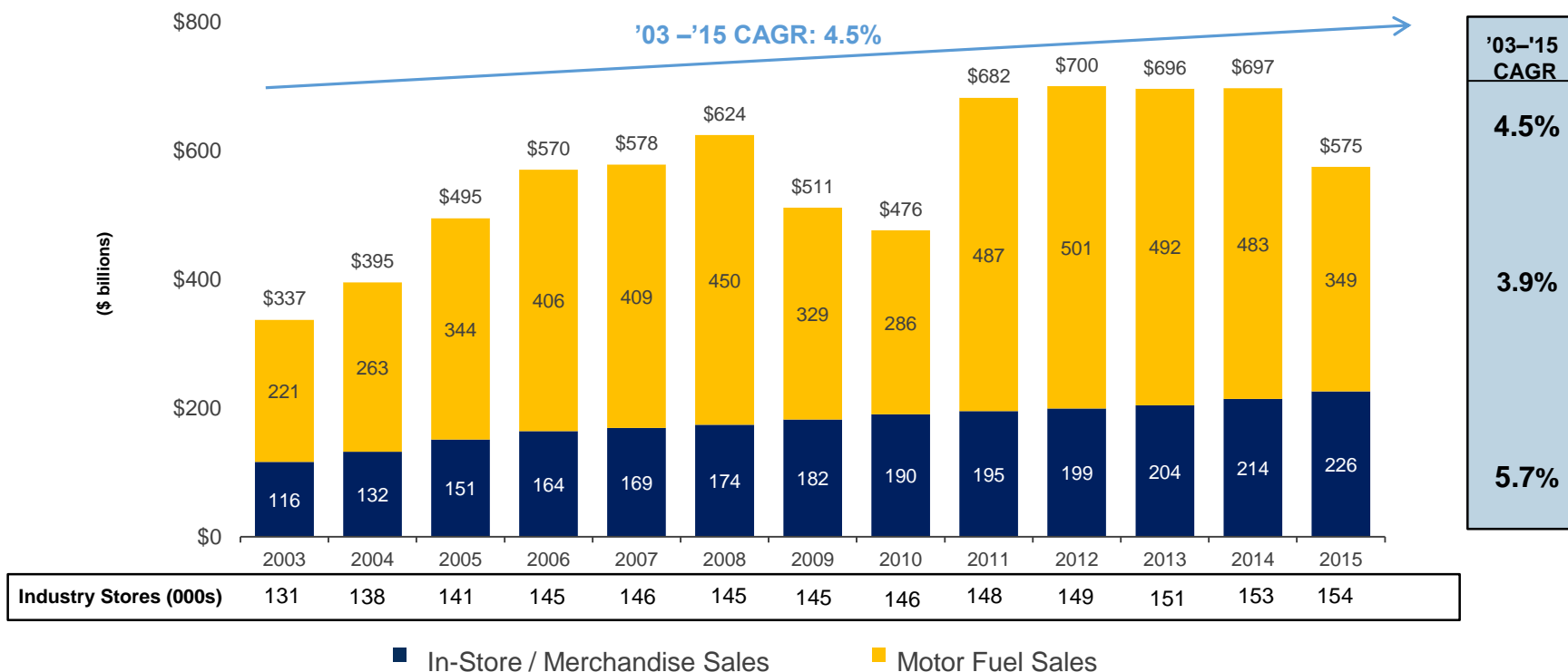


(1) LP ownership percentages exclude 16.4 million Class C units held at PropCo
 (2) Propco is organized as a limited liability company but elects to be treated as a corporation for tax purposes

SUN LP POISED TO HOLD A LEADING POSITION IN A STABLE & THRIVING C-STORE INDUSTRY

- Resilient industry growth – 2015 marked the 13th consecutive year of industry-wide merchandise sales growth
- Increasing demand for convenience and improved foodservice offerings continues to drive merchandise sales growth and profitability

Total U.S. C-Store Industry Sales and Growth

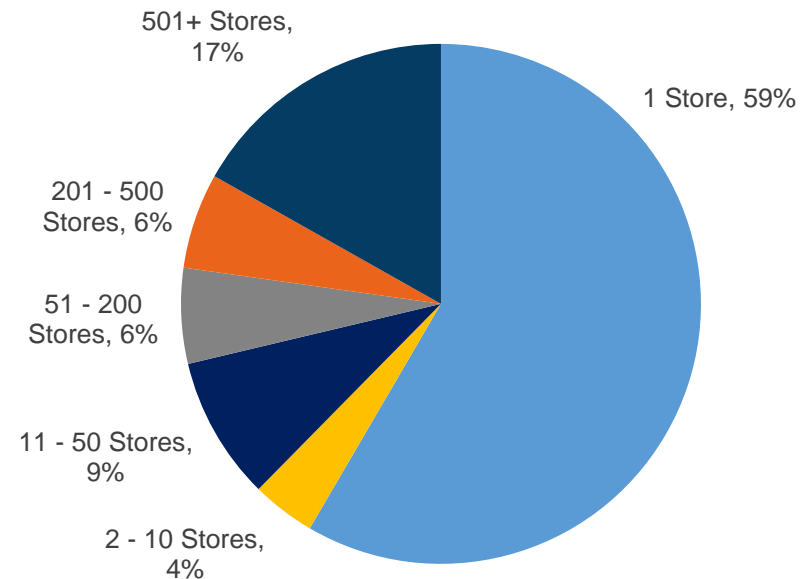


FRAGMENTED CONVENIENCE STORE INDUSTRY OFFERS ATTRACTIVE ACQUISITION OPPORTUNITIES

- Industry is highly fragmented with nearly 80,000 stores having operators with less than ten locations in their portfolio
- Smaller operators under continued pressure due to economies of scale and costs (healthcare, credit card)
 - Store performance: top vs bottom, the gap continues to widen
- SUN continually evaluates acquisition opportunities
- Significant synergy opportunities:
 - Expanded buying power
 - Geographic synergies / diversification
 - G&A synergies
 - Capital and real estate optimization can lead to higher returns
 - Platform for organic/franchise growth
 - Leverage brand strength through density in new markets

Ownership of ~ 124,000 Convenience Stores Selling Fuels

C-store ownership by number of sites owned⁽¹⁾



(1) Source: NACS/Nielsen 2016 Convenience Industry Store Count

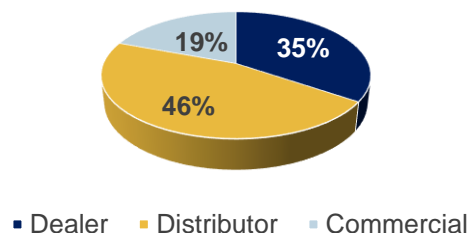
WHOLESALE SEGMENT OVERVIEW

Highly complementary with Retail

- Increases purchasing power / diversification
- Increases strategic flexibility to rationalize sites between retail and wholesale
- Enhances acquisition opportunities

Highlights of the Wholesale Business

Wholesale Volume by Channel



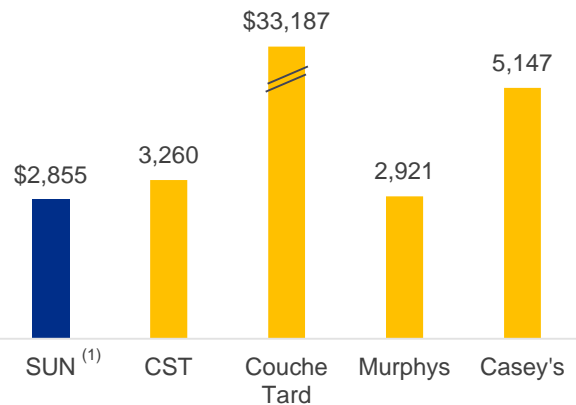
- De minimis direct commodity risk
- Long term contracts
- Reliability of supply
- Capital investments in third parties
- Technology benefits

Attractiveness of SUN Iconic Fuel Brand

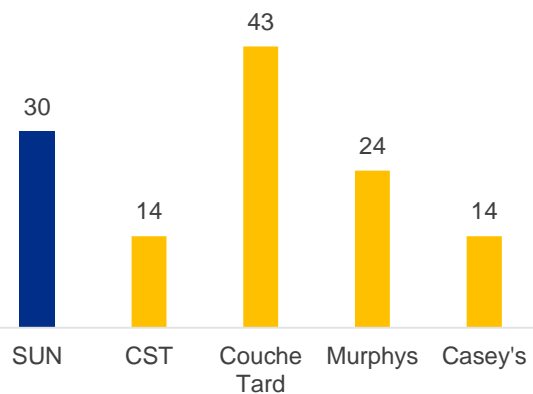
- SUN having its own iconic fuel brand is attractive to individuals and companies who own their own locations
 - Distributors – SUN earns fuel margin through long-term supply agreement, typically to multiple sites operated by a single distributor
 - Dealers – SUN earns fuel margin from long-term fuel supply agreement. In some cases SUN also receives rental income on property leased to dealers
 - Commercial – fuel sales to customers with contracts under one year or less or on a spot basis

THE COMBINED PLATFORM IS ONE OF THE LEADING RETAIL PLATFORMS

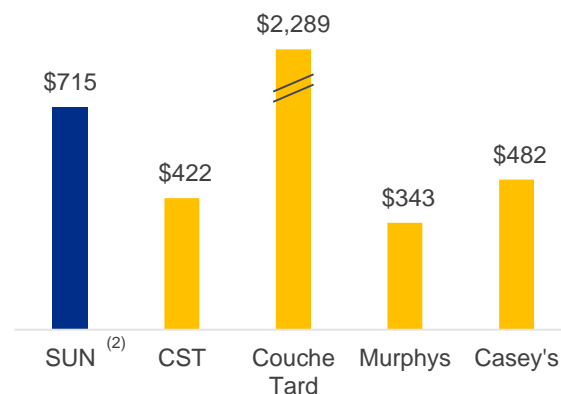
Market Capitalization (\$mm)



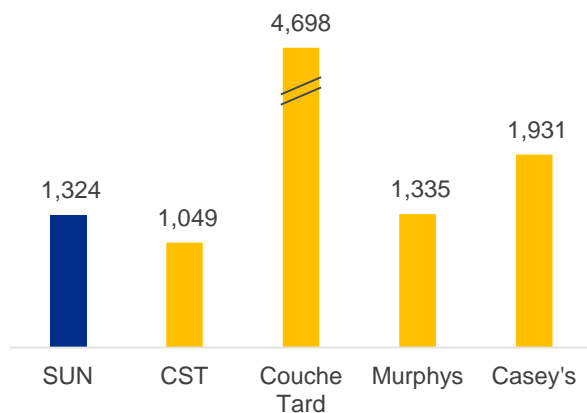
US States with Operations



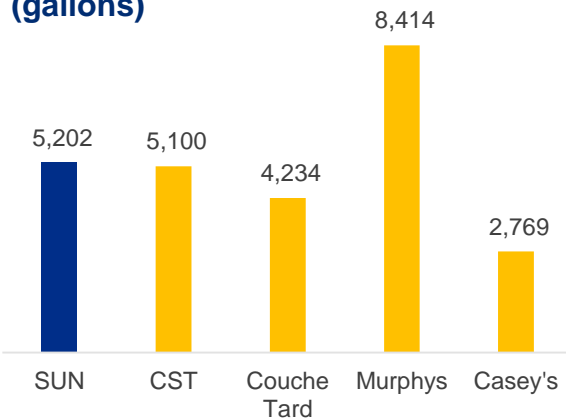
EBITDA – Last Fiscal Year End (\$mm)



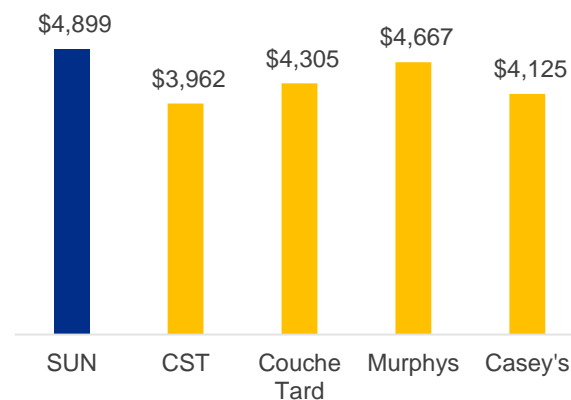
US Company Operated Sites



Total Fuel Vol per Site per Day ⁽¹⁾
(gallons)



Merch Sales per Site per Day (\$mm) ⁽¹⁾



Source: Company filings, Wall Street research, and market data as of 6/30/2016

(1) CST fuel and merch sales exclude non-US business. Couche-Tard fuel and merch sales are North American sales only

(2) Reflects FYE 2015 recasted financials

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

(\$ in Thousands)

	For the Three Months Ended June 30,	
	2016	2015
Net income (loss)	\$72,137	\$93,534
Depreciation, amortization and accretion	78,724	70,200
Interest Expense, net	50,587	21,198
Income tax expense	1,468	8,926
EBITDA	202,916	193,858
Non-cash unit based compensation	3,379	2,396
Loss (gain) on disposal of assets and impairment charge	1,501	178
Unrealized gains on commodity derivatives	5,570	786
Inventory fair value adjustments	(49,368)	(54,845)
Adjusted EBITDA	163,998	142,373
EBITDA attributable to non-controlling interest	--	3,963
Adjusted EBITDA attributable to Sunoco LP	\$163,998	\$138,410

SUN RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME, FIRST HALF RESULTS



(\$ in Thousands)

	For the Six Months Ended June 30,	
	2016	2015
Net income (loss)	\$134,146	\$142,840
Depreciation, amortization and accretion	156,790	136,943
Interest Expense, net	78,276	29,175
Income tax expense	3,580	16,989
EBITDA	372,792	325,947
Non-cash unit based compensation	6,792	3,754
Loss (gain) on disposal of assets and impairment charge	2,715	147
Unrealized gains on commodity derivatives	2,845	2,191
Inventory fair value adjustments	(62,030)	(61,505)
Adjusted EBITDA	323,114	270,534
EBITDA attributable to non-controlling interest	--	7,912
Adjusted EBITDA attributable to Sunoco LP	\$323,114	\$262,622

SUN RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME, PREVIOUS FISCAL YEARS

(\$ in Thousands)

	Predecessor			Twelve Months Ended December 31, 2014	Fiscal Year Ended December 31, 2015
	Fiscal Year Ended December 31, 2011	Fiscal Year Ended December 31, 2012	Fiscal Year Ended December 31, 2013		
Net income (loss)	\$10,598	\$17,570	\$37,027	\$(37,595)	\$183,605
Depreciation, amortization and accretion	6,090	7,031	8,687	70,792	201,019
Interest expense, net	324	809	3,471	15,702	87,575
Income tax expense	6,039	5,033	440	69,895	47,070
EBITDA	23,051	30,443	49,625	118,794	519,269
Non-cash unit based compensation	707	911	1,935	8,917	5,703
Unrealized gains on commodity derivatives	--	--	--	(1,166)	1,848
Inventory fair value adjustments	--	--	--	193,443	84,830
Loss (gain) on disposal of assets and impairment charge	221	341	324	(433)	2,050
Adjusted EBITDA	\$23,979	\$31,695	\$51,884	\$319,555	\$613,700
Less : EBITDA attributable to non-controlling interest	--	--	--	(68,491)	(169,610)
Adjusted EBITDA attributable to Sunoco LP	\$23,979	\$31,695	\$51,884	\$251,064	\$444,090

PRO FORMA RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME

(\$ in Thousands)

Fiscal Year Ended December 31, 2015

	Total
Net income (loss)	\$194,068
Depreciation, amortization and accretion	278,309
Interest Expense, net	87,575
Income tax expense	51,689
EBITDA	611,642
Non-cash unit based compensation	7,984
Loss (gain) on disposal of assets and impairment charge	(690)
Unrealized gains on commodity derivatives	1,848
Inventory fair value adjustments	98,330
Adjusted EBITDA	\$719,114
EBITDA attributable to non-controlling interest	3,816
Adjusted EBITDA attributable to Sunoco LP	\$715,298