



NuStar Energy Closes on Terminal Joint Venture in Turkey

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Joint Venture Gives NuStar Majority Ownership and Operational Control of Turkish Petroleum Terminals

SAN ANTONIO, Feb 10, 2011 (BUSINESS WIRE) -- NuStar Energy L.P. (NYSE: NS) today announced that it has closed on a joint venture with Turkish companies S-Oil and Aves that gives NuStar majority ownership and operational control of two petroleum terminals in Turkey. NuStar will acquire a 75 percent ownership stake in the joint venture for a price of approximately \$54 million. The transaction is expected to be immediately accretive to NuStar Energy's distributable cash flow per unit.

The two terminals, which are now wholly owned by the joint venture, are located in Mersin, Turkey. One of the terminals, previously owned by S-Oil, has 606,000 barrels of storage capacity in 20 tanks, primarily for gas oil and distillates. A newer terminal that was owned by Aves began operations in August and has 740,000 barrels of storage capacity in 24 tanks, mostly for oil products. The joint venture plans to expand the combined storage capacity of the terminals by approximately 930,000 barrels by the end of 2011.

Both terminals are connected via pipelines to the new SAVKA offshore platform located approximately three miles off the Mediterranean Sea coast. The platform can simultaneously offload product from two Aframax-size vessels that weigh up to 80,000 dead weight tons (dwt) each. Both terminals receive product via the platform and discharge via truck rack to the regional market or via the platform for export. The joint venture is also evaluating additional terminal construction projects in different parts of Turkey.

"We are fortunate to have such outstanding partners as S-Oil and Aves in this endeavor, and we look forward to working with them to develop world-class operations in Turkey that will be very profitable for our companies and all of our stakeholders," said Curt Anastasio, president and CEO of NuStar. "These are new, well-built and well-run facilities with outstanding employees, and we will invest to expand and optimize their operations and enhance their profitability. And Turkey is an exciting new market for us because the country has a booming economy with strong and growing petroleum demand."

The joint venture will be overseen by a four-person board of directors, and as majority owners of the joint venture, NuStar will appoint top management and oversee daily operations.

"We could not ask for a better partner in this endeavor than NuStar because they are a proven and respected leader in the global oil storage industry," said Senan Idin, Chairman of Aves. "They have a strong history of investing in their facilities and in their employees, and we are excited about their plans for further expanding and improving our terminals and operations. And by making new investments we intend to cover the oil storage capacity gap in Turkey that is the result of ever-increasing domestic demand for oil products and the country's obligation to comply with International Energy Agency (IEA) strategic stock-keeping policies."

"We also continue to believe that the partnership is an important stepping stone for reaching Turkey's long-term goal to become an energy corridor country as it is a key country for transportation of Iraqi, Russian and FSU Countries' tremendous oil and natural gas resources to world markets," Idin added.

About NuStar Energy L.P.

NuStar Energy L.P. is a publicly traded, limited partnership based in San Antonio, with 8,417 miles of pipeline; 88 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; and two asphalt refineries with a combined throughput capacity of 104,000 barrels per day. The partnership's combined system has over 93 million barrels of storage capacity. One of the largest asphalt refiners and marketers in the U.S. and the second largest independent liquids terminal operator in the nation, NuStar has operations in the United States, Canada, Mexico, the Netherlands and the United Kingdom. For more information, visit NuStar Energy L.P.'s Web site at www.nustarenergy.com.

About S-Oil

S-Oil is a joint stock company that has been operating with Turkish Energy Markets Regulation Authority (EMRA) Distribution License since 2005. The company has over 190 retail fuel outlets in Turkey, and it is the 8th largest importer of fuel into the Turkish market, according to the 2009 EMRA Petroleum Sector Report. The company's Mersin Terminal, which began operations in 2003, has been widely used to supply refined oil products to Turkish and Iraq markets. For detailed information on S-Oil, please visit www.soil.com.tr.

About Aves

Aves has been engaged in international commodity trading since 2004, and today the company is a well-known operator in Mediterranean gas oil and diesel markets. The company has been one of the major gas oil suppliers of SOMO (State Oil Marketing Organization) of Iraq. In 2009, Aves began to supply sunflower seed oil to Turkey and instantly became one of the largest suppliers in the nation. The company also operates a dry goods bonded warehouse on the Turkish-Iraq border. For detailed information on Aves, please visit www.avesas.com.tr.

SOURCE: NuStar Energy L.P.

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