



NuStar Logistics, L.P. Announces Pricing of Hybrid Notes

January 14, 2013

SAN ANTONIO--(BUSINESS WIRE)--Jan. 14, 2013-- NuStar Logistics, L.P., a wholly owned operating subsidiary of NuStar Energy L.P. (NYSE: NS), today announced that it has priced \$350 million principal amount of 7.625% Fixed-to-Floating Rate Subordinated Notes due 2043. The settlement date for the offering is expected to be January 22, 2013, subject to customary closing conditions. NuStar Logistics granted the underwriters the option to purchase up to an additional \$52.5 million principal amount of Notes within 30 days solely to cover over-allotments.

NuStar expects to receive aggregate net proceeds from the sale of the Notes of approximately \$340.6 million (not including the underwriters' overallotment option). NuStar intends to use the net proceeds of the offering for general partnership purposes, including repayment of outstanding borrowings under NuStar Logistics' revolving credit facility, which it may re-borrow to pay for a portion of the purchase price of the TexStar NGL assets or growth capital associated with the TexStar Midstream Services LP acquisition.

Citigroup Global Markets Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC are acting as joint-bookings managers for the offering. Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Stifel, Nicolaus & Company, Incorporated are acting as senior co-managers for the offering and BB&T Capital Markets, a division of BB&T Securities, LLC, BNP Paribas Securities Corp., Comerica Securities, Inc., Goldman, Sachs & Co., MLV & Co. LLC and PNC Capital Markets LLC are acting as co-managers for the offering. A copy of the prospectus supplement and accompanying base prospectus relating to this offering may be obtained from any of the underwriters, including Citigroup Global Markets Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, telephone: (800) 831-9146; RBC Capital Markets, 200 Vesey Street, Three World Financial Center, New York, New York 10281, Attention: Transaction Management, telephone: (866) 375-6829; and UBS Securities, LLC, 299 Park Avenue, New York, New York 10171, Attention: Prospectus Specialist, telephone: (877) 827-6444, extension 561 3884 and Wells Fargo Securities, LLC, 1525 West W.T. Harris Blvd., NC0675, Charlotte, North Carolina 28262, Attention: Capital Markets Client Support, telephone: (800) 326-5897. You may also obtain these documents for free when they are available by visiting the SEC's website at www.sec.gov.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The offering may be made only by means of a prospectus and related prospectus supplement meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

NuStar Energy L.P., a publicly traded, limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. The partnership currently has 8,573 miles of pipeline; 87 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; and a 50% ownership in two asphalt refineries and a fuels refinery with a combined throughput capacity of 104,000 barrels per day. The partnership's combined system has approximately 95 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, the United Kingdom and Turkey.

This press release includes forward-looking statements regarding future events. All forward-looking statements are based on the partnership's beliefs as well as assumptions made by and information currently available to the partnership. These statements reflect the partnership's current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in NuStar Energy L.P.'s 2011 annual report on Form 10-K and subsequent filings with the Securities and Exchange Commission.

Source: NuStar Logistics, L.P.

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