

7-Eleven Puts Its Largest Acquisition in the Books

The convenience store chain closes deal for more than 1,000 Sunoco locations



7-ELEVEN INC. MARKED A MILESTONE in its 90-year history, closing its largest acquisition ever.

As of Jan. 23, the Irving, Texas-based convenience store chain took ownership of approximately 1,030 Sunoco stores located in 17 states. This acquisition brings 7-Eleven's store count to approximately 9,700 in the United States and Canada. The purchase totaled more than \$3 billion.

The sale to 7-Eleven is a strategic divestiture on Sunoco's part as it shifts its focus to fuel distribution and logistics.

"Part of what makes the 7-Eleven brand so iconic is our global presence and our continued growth," said Joseph DePinto, 7-Eleven's president and CEO. "The acquisition of over 1,000 Sunoco stores supports our accelerated growth strategy, and we look forward to serving these great new customers."

The transaction closed days after an agreement with the Federal Trade Commission (FTC), which required 7-Eleven to sell 26 retail fuel outlets that it owns to Sunoco, and for Sunoco to retain 33 fuel outlets that 7-Eleven otherwise would have acquired.

According to the FTC, the original acquisition agreement for roughly 1,100 retail sites — which was announced in April — would have harmed competition in 76 local markets across 20 metropolitan statistical areas, violating federal antitrust law.

Sunoco will convert the acquired and retained stations from company-operated sites to commission-agent sites, and it will have full control over fuel pricing and supply.

The sale to 7-Eleven is a strategic divestiture on Sunoco's part as it shifts its focus to fuel distribution and logistics. In addition to the retail sites, the deal included a 15-year take-or-pay fuel supply agreement under which Sunoco will supply approximately 2 billion gallons of fuel annually to 7-Eleven, with an additional 0.5 billion gallons of committed growth in the future.

Sunoco's strategic conversion of 207 West Texas retail sites to a commission-agent model also remains on schedule, with a conversion date expected late in the first quarter of this year.

Dallas-based Sunoco is a master limited partnership that distributes motor fuel to approximately 9,200 convenience stores, independent dealers, commercial customers and distributors located in more than 30 states. Sunoco's general partner is owned by Energy Transfer Equity LP.

Seven & i Holdings Co. Ltd., the parent company of 7-Eleven Inc., operates more than 65,000 stores in 18 countries.