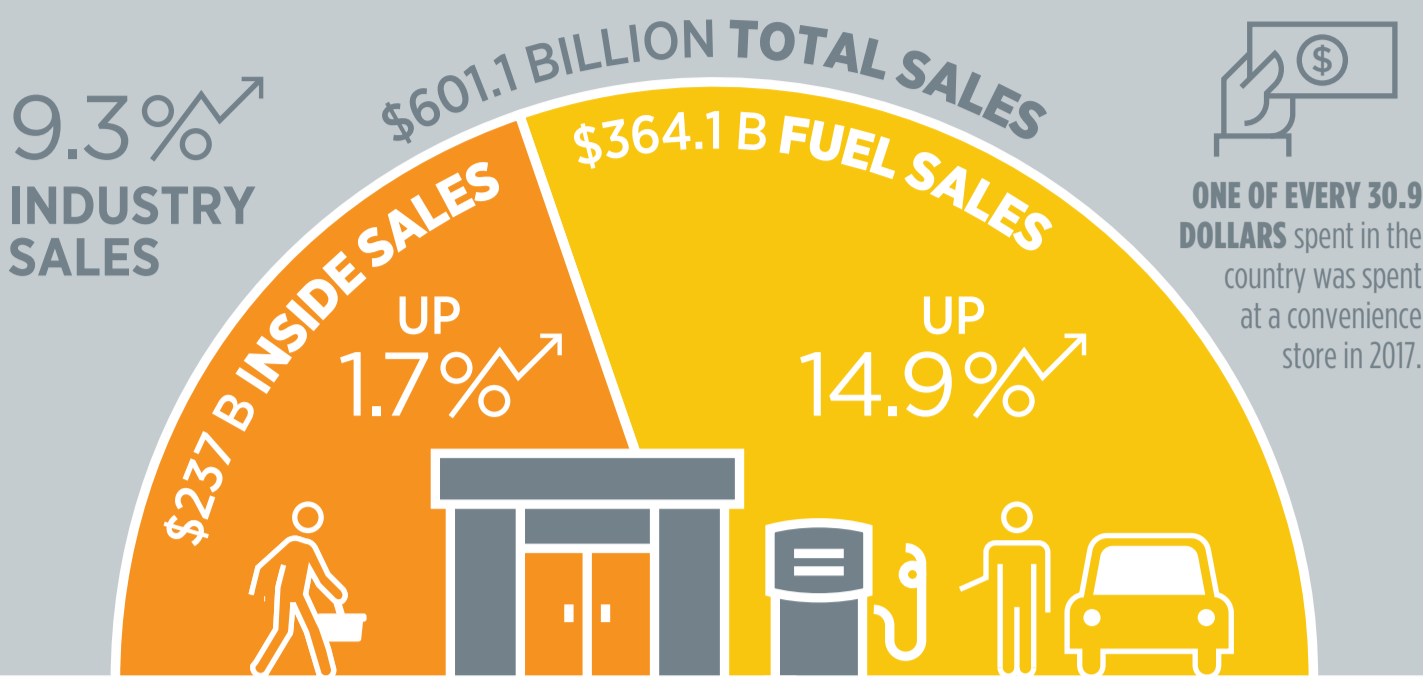


Record Year for Convenience Stores

U.S. convenience stores experienced record in-store sales in 2017, per newly released NACS State of the Industry data.



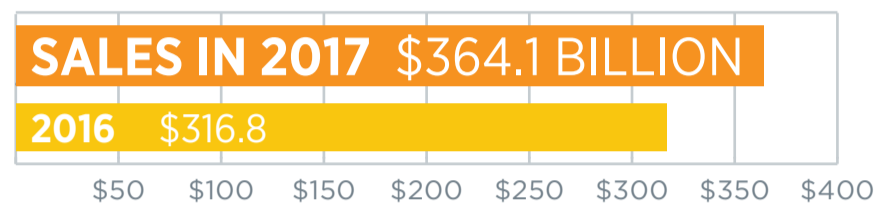
U.S. Convenience Stores Snapshot

FUEL

Convenience stores sell about 80% of the fuel purchased in the United States



FUEL SALES

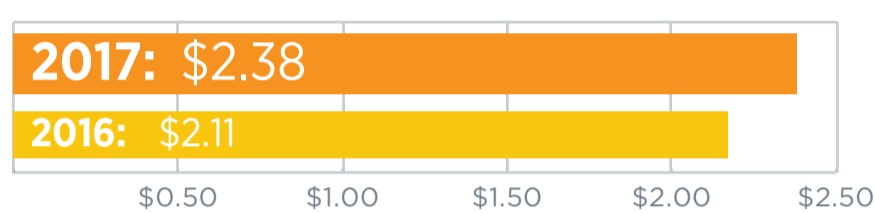


FUEL MARGINS

cents per gallon (before expenses)



AVERAGE GAS PRICES



FUEL TREND
Convenience stores reported a **14.9% increase in fuel sales** in 2017.



165 MILLION CUSTOMERS

go to a convenience store every day



STORE COUNT UP 0.27%

to 154,958 stores



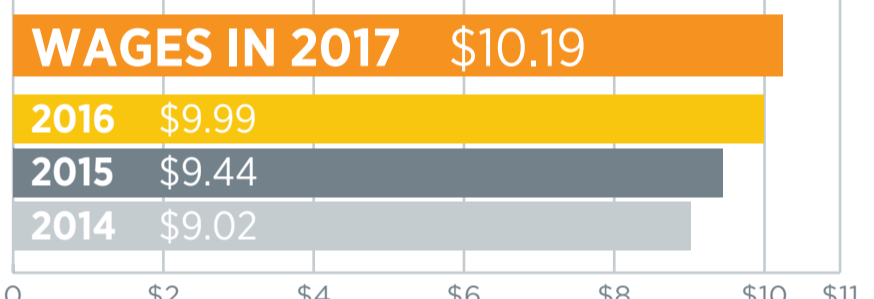
97,643 SINGLE-STORE OPERATORS

LABOR

Convenience and fuel retailing industry employed **2.48 million people** in 2017



AVERAGE HOURLY WAGE FOR A STORE ASSOCIATE



TURNOVER for store associates was 115%, down from 133% in 2016.

Source: NACS Compensation Report® of 2017 Data

8.3% WAGES UP

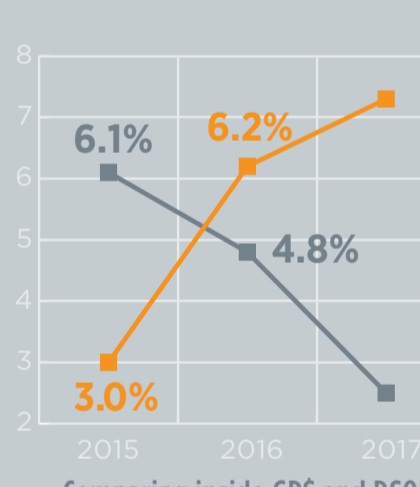
DIRECT STORE OPERATING EXPENSES



Labor > Healthcare, Wages, Payroll Taxes



Industry Trend
Direct store operating expenses (DSOE) have **outpaced inside gross profit dollars** for the 2nd consecutive year.



DSOE 7.3%

INSIDE GP\$ 2.5%

PRE-TAX PROFIT

Fourth consecutive year of **\$10 billion+** in pre-tax profit

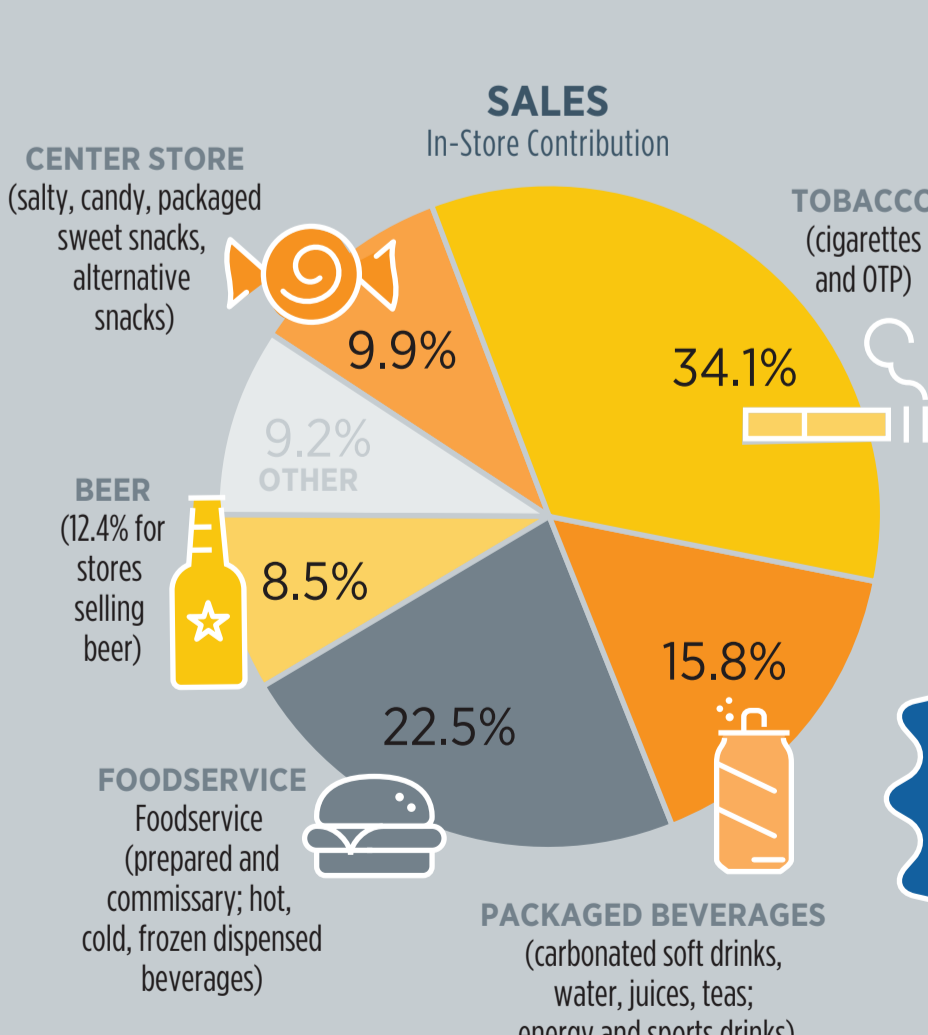


PRE-TAX PROFIT UP 1.6% IN 2017



KEY CATEGORIES

In 2017, all of the top 10 in-store categories saw positive sales.



TOP TEN 80%
Top 10 in-store categories comprise 80% of all in-store sales

Healthy Snacking Trend
For the 3rd consecutive year, alternative snacks, a category driven by protein- and energy-rich items, reached the top 10 in-store merchandise categories.

33.9% GP\$ Foodservice contributed 22.5% of in-store sales and accounted for 33.9% of GP\$

20.1% GP\$ Packaged Beverages (non-alcohol)

9.2% GP\$ Other tobacco products (OTP) achieved double-digit growth in sales and 9.2% in GP\$.

Sources: NACS State of the Industry Report® of 2017 Data; 2018 NACS/Nielsen Convenience Industry Store Count