

Summary mid- year update

The Directors of Motor Fuel Group are pleased to present a mid- year update for 2017.

Trading in the first half of the year has been strong with robust like for like fuel sales growth and a consistently strong fuel margin. Trading conditions have been strong throughout the first half of the year and the Directors look forward to this strong performance continuing through the second half of the year.

The Company has registered significant outperformance in the non-fuel sales areas with all areas contributing and performing above expectations. In addition to positive performance from existing non-fuel operations, the Company continues to explore additional value creation initiatives with a number of trials are ongoing. Maximising the offer at the forecourt continues to be an area where MFG sees growth opportunity and the Company hopes to add to its list of valued partners as this process continues.

The Company's strategy of expanding the non-fuel offering has continued at pace with a program of site expansions and redevelopments continuing throughout the first half of the year. The major rebranding exercise undertaken in 2016 as a consequence of the change in wholesale supplier has proved positive and has contributed to growth in both customer footfall and the number of transactions. MFG continue to monitor the performance of all sites and maintain a policy of continuous investment in enhancing the quality of the network.

In addition to shop redevelopments MFG has continued its successful Food To Go program with a number of sites now incorporating a Subway offering. The first half of the year also saw the successful introduction of the first Costa Cafés at MFG sites, the roll out of Subway and Costa Cafes will continue through the second half of the year.

MFG continues to acquire new sites with one new site in Herefordshire coming on stream in March 2017 and two, four site, networks added to the portfolio in August. MFG has a strong track record of acquiring and integrating new sites and these newly acquired sites are performing well and proving to be valuable additions to the network.

These strategic acquisitions will add 9 new filling stations to the network bringing the total number of sites to 413 as at the end of August.

MFG were pleased to be voted The Shopper's Favourite Forecourt Retailer at the HIM CTP Awards in May 2017. The Convenience Tracking Programme (CTP) remains the biggest in-depth study in shopping behaviour in the UK, HIM speak to over 20,000 shoppers face to face in convenience stores and thousands of store managers and staff each year.