

CONVENIENCE STORE INDUSTRY UPDATE ~ August 2008

In this latest edition of our semi-annual industry update series we have summarized below current market trends observed among publicly traded industry participants and industry acquisitions.

During the first half of the year, c-store operators underperformed versus the broader public market indices due to the continuation of the weak economy and high gas prices. Valuation multiples continue to fall, as stock price performance has declined faster than industry earnings since our last update. As discussed below anecdotal evidence indicates that c-store M&A multiples are also decreasing, reflecting current market conditions.

PUBLIC COMPANIES

C-store Industry Trading Multiples Past & Present*

	Feb-08 Update	Current Multiples
Median AMV/LTM Revenue	0.3x	0.2x
Median AMV/LTM EBITDA	7.4x	5.9x
Median AMV/LTM EBIT	11.9x	8.6x

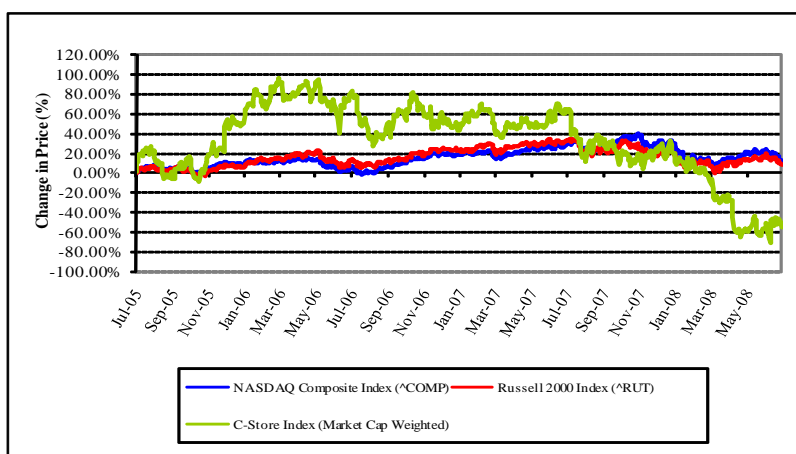
Notes:

AMV (Adjusted Market Value) = total market capitalization less total debt plus cash and marketable securities.

LTM = Latest Twelve Months.

* The above multiples represent the indicated median multiples of Casey's General Stores, Inc.; The Pantry, Inc.; Delek US Holdings, Inc.; Alimentation Couche-Tard, Inc. and Susser Holdings Corp.

Equity Market Performance



INDUSTRY TRANSACTIONS

Since our February 2008 update we have identified no new transactions with sufficient information to include in our c-store mergers and acquisitions database. However, anecdotal evidence indicates that the c-store sector is currently experiencing a downturn in M&A transaction multiples. Transaction multiples computed from our current database of c-store transactions announced from January 1, 2005 to present are listed below.

	\$MM/Store	AMV/ Revenue
Overall Low	0.2	0.1 x
Overall High	1.9	0.3 x
Overall Mean	15.8	0.5 x
Overall Median*	1.2	0.3 x

* MPIS adjusted median to exclude outliers.

ABOUT MPI SECURITIES, INC.

MPI Securities, Inc. ("MPIS"), a FINRA registered broker/dealer, provides merger and acquisition advisory and financial advisory services to middle market companies. Our client teams have advised convenience store operators in a number of regions across the United States.

Representative c-store assignments include the following:

- sale of a 50 unit Florida based c-store chain (pending)
- sale/merger valuation of a \$260 million revenue, 50 store chain
- financial advisory for a \$1.5 billion revenue c-store operator and fuel wholesaler
- sale of Shop-A-Snak Food Mart, Inc.
- tax related valuations
- sale/merger valuations
- shareholder liquidity and strategic options analyses

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