

**MOTO VENTURES LIMITED**

**QUARTERLY REPORT**

**DECEMBER 2013**

## UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT

|  | 13 weeks<br>Ended<br>25 December<br>2013<br>£'000s | 13 weeks<br>Ended<br>26 December<br>2012<br>£'000s | 52 weeks<br>Ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s |
|--|--|--|--|--|
| Non-fuel turnover.....   | 75,527   | 70,738   | 314,209  | 296,597  |
| Fuel turnover.....   | 127,935  | 137,123  | 525,835  | 552,908  |
| <b>Turnover</b> .....  | <b>203,462</b>                                     | <b>207,861</b>                                     | <b>840,044</b>                                     | <b>849,505</b>                                     |
| Change in stocks of non-fuel goods.....  | 564  | 365  | 273  | 796  |
| Change in stocks of fuel.....  | (566)  | 18   | (265)  | 278  |
| <b>Change in stocks of finished goods</b> .....  | <b>(2)</b>   | <b>383</b>   | <b>8</b>   | <b>1,074</b>                                       |
| Staff costs.....   | (17,198)   | (16,261)   | (66,635)   | (63,191)   |
| Depreciation and amortization .....  | (8,833)  | (8,481)  | (34,991)   | (33,808)   |
| Non-fuel operating costs .....   | (50,763)   | (53,027)   | (204,914)  | (193,311)  |
| Cost of fuel purchased .....   | (120,138)  | (130,127)  | (497,202)  | (526,483)  |
| <b>Other operating costs</b> .....   | <b>(170,901)</b>                                   | <b>(183,154)</b>                                   | <b>(702,116)</b>                                   | <b>(719,794)</b>                                   |
| <b>Profit on ordinary activities before interest being operating profit</b> .....                    | <b>6,528</b>                                       | <b>348</b>   | <b>36,310</b>                                      | <b>33,786</b>                                      |
| Interest receivable and similar income.....  | 9  | 199  | 63   | 269  |
| Interest receivable from group undertakings.....   | 32   | 26   | 123  | 99   |
| Interest payable on bank loans .....   | (15,500)   | (15,175)   | (62,531)   | (62,887)   |
| <b>Loss on ordinary activities before taxation</b> .....   | <b>(8,931)</b>                                     | <b>(14,602)</b>                                    | <b>(26,035)</b>                                    | <b>(28,733)</b>                                    |
| Tax on loss on ordinary activities .....   | -  | -  | -  | -  |
| <b>Loss on ordinary activities after taxation being retained loss for the financial period</b> ..... | <b>(8,931)</b>                                     | <b>(14,602)</b>                                    | <b>(26,035)</b>                                    | <b>(28,733)</b>                                    |
| <br><b>Note: Adjusted EBITDA</b> .....   | <br><b>17,083</b>                                  | <br><b>17,882</b>                                  | <br><b>79,851</b>                                  | <br><b>77,160</b>                                  |
| <br><b>Fuel margin</b> .....   | <br><b>7,232</b>                                   | <br><b>7,014</b>                                   | <br><b>28,368</b>                                  | <br><b>26,703</b>                                  |

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

|                                  | As of<br>25 December<br>2013<br>£'000s | As of<br>26 December<br>2012<br>£'000s |
|----------------------------------|--|--|
| Cash.....                        | 32,644                                 | 30,417                                 |
| Current assets .....             | 49,121                                 | 39,461                                 |
| Net fixed assets.....            | 686,238                                | 707,009                                |
| Total assets .....               | 768,00.                                | 776,887                                |
| Short term borrowings.....       | (9,900)                                | (6,200)                                |
| Current liabilities.....         | (66,794)                               | (65,888)                               |
| Long term borrowings .....       | (538,541)                              | (542,380)                              |
| Other long term liabilities..... | -                                      | (297)                                  |
| Retained Earnings .....          | (294,799)                              | (285,444)                              |

## UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

|  | 13 weeks<br>Ended<br>25 December<br>2013<br>£'000s | 13 weeks<br>Ended<br>26 December<br>2012<br>£'000s | 52 weeks<br>Ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s |
|--|--|--|--|--|
| <b>Net cash inflow from operating activities .....</b>                                 | <b>17,514</b>                                      | <b>10,865</b>                                      | <b>79,534</b>                                      | <b>75,871</b>                                      |
| Cash outflow from servicing bank loans .....   | (5,167)  | (5,159)  | (56,394)   | (57,169)   |
| Cash outflow from servicing group loans .....  | (1)  | (3)  | (16)   | (16)   |
| <b>Net cash outflow from returns on investments<br/>and servicing of finance .....</b> | <b>(5,186)</b>                                     | <b>(5,010)</b>                                     | <b>(56,461)</b>                                    | <b>(57,245)</b>                                    |
| <b>Net cash outflow for capital expenditure<br/>and financial investment .....</b>     | <b>(2,141)</b>                                     | <b>(2,766)</b>                                     | <b>(14,647)</b>                                    | <b>(13,695)</b>                                    |
| Repayment of Senior Debt .....   | -  | -  | (6,200)  | (5,800)  |
| <b>Increase / (decrease) in net cash .....</b>   | <b>10,187</b>                                      | <b>3,089</b>                                       | <b>2,226</b>                                       | <b>(869)</b>                                       |

## OPERATING AND FINANCIAL REVIEW

The following discussion contains trend information and forward-looking statements. Actual results could differ materially from those discussed in these forward-looking statements. Any forward-looking statements are only made as at the date of this report and we undertake no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.

### Results of Operations

#### Results of operations for the 52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012

The following table sets forth our main operating results for the 52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012:

|  | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s | Variance<br>£'000s | Variance<br>%  |
|--|--|--|--------------------|----------------|
| Non-fuel Turnover .....  | 314,209  | 296,597  | 17,612             | 5.9%           |
| Fuel Turnover .....  | 525,835  | 552,908  | (27,073)           | (4.9)%         |
| <b>Turnover</b> .....  | <b>840,044</b>                                     | <b>849,505</b>                                     | <b>(9,461)</b>     | <b>(1.1)%</b>  |
| Change in stocks of non-fuel goods .....   | 273  | 796  | (523)              | (65.7)%        |
| Change in stocks of fuel .....   | (265)  | 278  | (543)              | (195.3)%       |
| <b>Change in stocks of finished goods</b> .....  | <b>8</b>   | <b>1,074</b>                                       | <b>(1,066)</b>     | <b>(99.3)%</b> |
| Staff costs .....  | (66,635)   | (63,191)   | (3,444)            | (5.5)%         |
| Depreciation and amortization .....  | (34,991)   | (33,808)   | (1,183)            | (3.5)%         |
| Non-fuel operating costs .....   | (204,914)  | (193,311)  | (11,603)           | (6.0)%         |
| Cost of fuel purchased .....   | (497,202)  | (526,483)  | 29,281             | 5.6%           |
| <b>Other operating costs</b> .....   | <b>(702,116)</b>                                   | <b>(719,794)</b>                                   | <b>17,678</b>      | <b>2.5%</b>    |
| <b>Profit on ordinary activities before interest being operating profit</b> .....                    | <b>36,310</b>                                      | <b>33,786</b>                                      | <b>2,524</b>       | <b>7.5%</b>    |
| Interest receivable and similar income .....   | 63   | 269  | (206)              | (76.6)%        |
| Interest receivable from group undertakings .....  | 123  | 99   | 24                 | 24.2%          |
| Interest payable on bank loans .....   | (62,531)   | (62,887)   | 356                | 0.6%           |
| <b>Loss on ordinary activities before taxation</b> .....   | <b>(26,035)</b>                                    | <b>(28,733)</b>                                    | <b>2,698</b>       | <b>9.4%</b>    |
| Tax on loss on ordinary activities .....   | -  | -  | -                  | -              |
| <b>Loss on ordinary activities after taxation being retained loss for the financial period</b> ..... | <b>(26,035)</b>                                    | <b>(28,733)</b>                                    | <b>2,698</b>       | <b>9.4%</b>    |
| <b>Note: EBITDA</b> .....  | <b>71,301</b>                                      | <b>67,594</b>                                      | <b>3,707</b>       | <b>5.5%</b>    |
| Amortization (PCPs and deferred CP Plus costs) .....   | (393)  | 118  | (511)              | (433.1)%       |
| Loss on disposal of fixed assets .....   | 427  | 508  | (81)               | (15.9)%        |
| Travelodge provision .....   | 1,366  | 8,940  | (7,574)            | (84.7)%        |
| Parking contract termination .....   | 7,150  | -  | 7,150              | -              |
| <b>Adjusted EBITDA</b> .....   | <b>79,851</b>                                      | <b>77,160</b>                                      | <b>2,691</b>       | <b>3.5%</b>    |

*Turnover.* Turnover decreased by £9.5 million, or 1.1%, from £849.5 million in the 52 weeks ended 26 December 2012 to £840.0 million in the 52 weeks ended 25 December 2013. The change was primarily attributable to a decrease in fuel turnover of £27.1 million as a result of lower full margin fuel volumes. The decrease in fuel turnover was offset by a £17.6 million increase in non-fuel turnover primarily due to (1) £10.9 million higher like-for-like sales, (2) £4.7 million additional sales from new Costa, Greggs and M&S units opened at Extra sites and (3) £2.0 million additional other turnover from parking revenue and rental income.

The following table shows the breakdown of our non-fuel turnover for the 52 weeks ended 25 December 2013 and the 52 weeks ended 26 December 2012:

|                                      | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s | Change        |
|--------------------------------------|--|--|---------------|
| Catering .....                       | 130,074  | 119,148  | 10,926        |
| Convenience Food .....               | 81,424   | 75,503   | 5,921         |
| CTN .....                            | 48,125   | 48,305   | (180)         |
| Amusement .....                      | 11,909   | 12,345   | (436)         |
| Other .....                          | 12,165   | 10,208   | 1,957         |
| <b>Amenity Building .....</b>        | <b>283,697</b>                                     | <b>265,509</b>                                     | <b>18,188</b> |
| Forecourt.....                       | 30,512   | 31,088   | (576)         |
| <b>Total non-fuel turnover .....</b> | <b>314,209</b>                                     | <b>296,597</b>                                     | <b>17,612</b> |

The following table shows the like-for-like sales growth in 2013:

|                                    | 13 weeks<br>Ended<br>27 March<br>2013 | 13 weeks<br>Ended<br>26 June<br>2013 | 13 weeks<br>Ended<br>25 September<br>2013 | 13 weeks<br>Ended<br>25 December<br>2013 | 52 weeks<br>Ended<br>25 December<br>2013 |
|------------------------------------|---------------------------------------|--------------------------------------|---|--|--|
| <b>Amenity Building .....</b>      | <b>4.7%</b>                           | <b>2.3%</b>                          | <b>4.0%</b>                               | <b>6.1%</b>                              | <b>4.2%</b>                              |
| Forecourt.....                     | 2.0%                                  | 1.7%                                 | 1.8%                                      | (0.9)%                                   | 1.1%                                     |
| <b>LFL non-fuel turnover .....</b> | <b>4.4%</b>                           | <b>2.2%</b>                          | <b>3.8%</b>                               | <b>5.3%</b>                              | <b>3.8%</b>                              |

The following table shows the like-for-like transaction growth in 2013:

|                                 | 13 weeks<br>Ended<br>27 March<br>2013 | 13 weeks<br>Ended<br>26 June<br>2013 | 13 weeks<br>Ended<br>25 September<br>2013 | 13 weeks<br>Ended<br>25 December<br>2013 | 52 weeks<br>Ended<br>25 December<br>2013 |
|---------------------------------|---------------------------------------|--------------------------------------|---|--|--|
| <b>Amenity Building .....</b>   | <b>1.3%</b>                           | <b>0.9%</b>                          | <b>4.2%</b>                               | <b>5.6%</b>                              | <b>3.1%</b>                              |
| Forecourt.....                  | (4.4)%                                | (2.9)%                               | (0.9)%                                    | (4.1)%                                   | (3.0)%                                   |
| <b>Total transactions .....</b> | <b>(0.3)%</b>                         | <b>(0.0)%</b>                        | <b>3.0%</b>                               | <b>3.0%</b>                              | <b>1.5%</b>                              |

The following table shows the average spend growth in 2013:

|                               | 13 weeks<br>Ended<br>27 March<br>2013 | 13 weeks<br>Ended<br>26 June<br>2013 | 13 weeks<br>Ended<br>25 September<br>2013 | 13 weeks<br>Ended<br>25 December<br>2013 | 52 weeks<br>Ended<br>25 December<br>2013 |
|-------------------------------|---------------------------------------|--------------------------------------|---|--|--|
| <b>Amenity Building .....</b> | <b>4.3%</b>                           | <b>1.5%</b>                          | <b>0.2%</b>                               | <b>0.7%</b>                              | <b>1.5%</b>                              |
| Forecourt.....                | 6.7%                                  | 4.7%                                 | 2.7%                                      | 3.3%                                     | 4.2%                                     |
| <b>Total spend .....</b>      | <b>5.6%</b>                           | <b>2.4%</b>                          | <b>1.1%</b>                               | <b>2.4%</b>                              | <b>2.7%</b>                              |

*Change in stocks of finished goods.* Change in stocks of finished goods was £0.008 million in the 52 weeks ended 25 December 2013 and £1.1 million in the 52 weeks ended 26 December 2012. The value of fuel stocks decreased by £0.3 million in the 52 weeks ended 25 December 2013 and there was a £0.3 million increase in non fuel stocks.

*Staff costs.* Staff costs increased by £3.4 million, or 5.5%, from £63.2 million in the 52 weeks ended 26 December 2012 to £66.6 million in the 52 weeks ended 25 December 2013. The ratio of staff costs to non-fuel turnover reduced from 21.3% in the 52 weeks ended 26 December 2012 to 21.2% in the 52 weeks ended 25 December 2013, despite the contractual increases in the minimum wage hourly rate, the cost of the new NEST pension scheme plus the opening of additional units.

*Depreciation and amortization.* Depreciation and amortization increased by £1.2 million, or 3.5%, from £33.8 million in the 52 weeks ended 26 December 2012 to £35.0 million in the 52 weeks ended 25 December 2013. This reflects the fairly stable level of capital expenditure. Amortization charges were unchanged from 2012 to 2013.

*Other operating costs.* Other operating costs decreased by £17.7 million, or 2.5%, from £719.8 million in the 52 weeks ended 26 December 2012 to £702.1 million in the 52 weeks ended 26 December 2013. The decrease was primarily attributable to the cost of fuel purchased, which decreased by £29.3 million. This decrease was partially offset by a £11.6 million increase in non-fuel operating costs primarily attributable to (1) the £7.2 million settlement to terminate a parking contract, expected to generate a £1.6 million per annum increase in EBITDA going forward and £0.8m in 2013, (2) a £8.2 million increase in the cost of non-fuel merchandise, reflecting the increase in non-fuel turnover, (3) a £1.7 million increase in rent expense due to new units at Extra sites £0.6 million, and lower Travelodge rent receivable £0.8 million (£0.4 million reduction in rent contributions from Travelodge and £0.4 million due to reclassifying the contribution as rent receivable), (4) a £1.0 million increase in franchise fees, reflecting the growth of the Greggs brand and the improved Costa sales within catering, (5) a £1.5 million decrease in central income, offset by (6) a £7.6m lower charge in relation to the Travelodge CVA, for future losses on 5 hotels that now receive a reduced rental income.

The following represents a breakdown of our non-fuel operating costs for the 52 weeks ended 25 December 2013 and the 52 weeks ended 26 December 2012:

|  | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s | Change        |
|--|--|--|---------------|
| Cost of non-fuel merchandise .....         | 133,444  | 125,239  | 8,205         |
| Property taxes .....                       | 18,012   | 17,703   | 309           |
| Utilities .....                            | 10,964   | 10,985   | (21)          |
| Franchise fees .....                       | 7,836  | 6,886  | 950           |
| Maintenance.....                           | 4,171  | 4,227  | (56)          |
| Distribution .....                         | 1,659  | 1,695  | (36)          |
| Cleaning, travel and admin .....           | 7,430  | 7,599  | (169)         |
| Rent expense .....                         | 8,429  | 6,764  | 1,665         |
| Central income.....                        | (1,100)  | (2,630)  | 1,530         |
| Corporate and other .....                  | 5,553  | 5,903  | (350)         |
| Travelodge provision .....                 | 1,366  | 8,940  | (7,574)       |
| Parking contract termination.....          | 7,150  | -  | 7,150         |
| <b>Total non-fuel operating costs.....</b> | <b>204,914</b>                                     | <b>193,311</b>                                     | <b>11,603</b> |

Central income includes £1.0 million for Todhills CPO, £0.5 million from Esso for dilapidations, and £0.1 million other income, offset by costs of £0.4 million for dilapidations payable to BP for the Reading and Stafford forecourts and £0.1 million for drainage costs at Scotch Corner. (2012: £1.4 million Todhills and Blyth compensation, £0.8 million for prior year rates refunds and £0.3 million release of prior year over accruals for water).

*Operating profit.* Operating profit increased by £2.5 million, or 7.5%, from £33.8 million in the 52 weeks ended 26 December 2012 to £36.3 million in the 52 weeks ended 25 December 2013. The increase was due to the 5.9% increase in non-fuel turnover, the £1.7 million increase in fuel margin, and the £7.6 million lower charge relating to the Travelodge CVA. This was offset by the £7.2 million settlement to terminate a parking contract.

*Interest receivable and similar income.* Interest receivable and similar income decreased by £0.2 million, or 76.6%, from £0.3 million in the 52 weeks ended 26 December 2012 to £0.1 million in the 52 weeks ended 25 December 2013.

*Interest receivable from group undertakings.* Interest receivable from group undertakings increased by £0.02 million, or 24.2%, from £0.1 million in the 52 weeks ended 26 December 2012 to £0.12 million receivable in the 52 weeks ended 25 December 2013.

*Interest payable on bank loans.* Interest payable on bank loans decreased by £0.4 million, or 0.6%, from £62.9 million in the 52 weeks ended 26 December 2012 to £62.5 million in the 52 weeks ended 25 December 2013. The decrease was attributable to (1) £0.7 million swap break costs paid in 2012, (2) £0.6 million saving due to the repayments of senior debt, (3) £0.4 million saving due to lower differential between the 6 month LIBOR charged on the debt and the 3 month LIBOR hedge, offset by (4) £1.0 million additional interest due to the 0.25% annual increase in the margin on the senior debt, and (5) £0.3 million finance charge relating to the discounted onerous lease provision for Travelodge.

*Tax on loss on ordinary activities.* Tax on loss on ordinary activities was nil in both periods.

*Retained loss for the financial period.* For the reasons set forth above, retained loss for the period reduced by 9.4%, from £28.7 million in the 52 weeks ended 26 December 2012 to £26.0 million in the 52 weeks ended 25 December 2013.

## Liquidity and Capital Resources

### *Net cash inflow from operating activities*

The following table summarizes the principal components of our net cash inflow from operating activities for the 52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012:

|  | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s |
|--|--|--|
| <b>Operating profit</b> .....                          | 36,310   | 33,786   |
| Depreciation charge .....                              | 30,383   | 29,200   |
| Loss on disposal of tangible fixed assets .....        | 427  | 508  |
| Goodwill amortization .....                            | 4,608  | 4,608  |
| Increase in stocks .....                               | (8)  | (1,074)  |
| Decrease / (increase) in debtors .....                 | 7,168  | (4,042)  |
| Increase in creditors.....                             | 646  | 12,885   |
| <b>Net cash inflow from operating activities</b> ..... | <b><u>79,534</u></b>                               | <b><u>75,871</u></b>                               |

The principal factors affecting our net cash inflows from operating activities in the periods presented are the changes in our operating profit, the decrease in debtors due to better credit card receipts and the decrease in creditors.

### *52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012*

Cash inflow from operating activities increased by £3.7 million, or 4.8%, from £75.9 million in the 52 weeks ended 26 December 2012 to £79.5 million in the 52 weeks ended 25 December 2013. This is primarily attributable to (1) an increase in operating profit of £2.5 million from £33.8 million in the 52 weeks ended 26 December 2012 to £36.3 million in the 52 weeks ended 25 December 2013, (2) an increase in the depreciation charge of £1.2 million, from £29.2 million in the 52 weeks ended 26 December 2012 to £30.4 million in the 52 weeks ended 25 December 2013 and (3) an increase in cash inflow from working capital of £0.1 million during the period.

### *Net cash outflow from returns on investments and servicing of finance*

The following table summarizes the principal components of our net cash outflow from returns on investments and servicing of our financing arrangements for the 52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012:

|   | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s |
|---|--|--|
| Interest received.....  | 63   | 269  |
| Interest paid on bank loans .....   | (56,394)   | (57,169)   |
| Bank interest and similar .....   | (114)  | (149)  |
| Intercompany interest paid .....  | (16)   | (16)   |
| Issue costs of new bank loans .....   | -  | (180)  |
| <b>Net cash outflow from returns on investments and servicing of<br/>finance.....</b> | <b>(56,461)</b>                                    | <b>(57,245)</b>                                    |

*Interest received.* Interest received decreased from £0.3 million in the 52 weeks ended 26 December 2012 to £0.1 million in the 52 weeks ended 25 December 2013.

*Interest paid on bank loans.* Interest paid on bank loans decreased from £57.2 million in the 52 weeks ended 26 December 2012 to £56.4 million in the 52 weeks ended 25 December 2013. This is attributable to the inclusion of £0.7 million of swap break costs in the 2012 figures.

*Bank interest and similar.* Bank interest and similar charges decreased slightly from £0.15 million in the 52 weeks ended 26 December 2012 to £0.11 million in the 52 weeks ended 25 December 2013. This represents the banking costs of the group.

*Intercompany interest paid.* The intercompany interest reflects payments made during the period to Moto Holdings Limited, Moto International Holdings Limited and Moto International Parent Limited under intercompany loan agreements. Such payments amounted to £0.02 million in the 52 weeks ended 25 December 2013, and represents the administrative costs of the holding companies.

*Issue costs of new bank loans.* The £0.2 million issue costs of new bank loans in the 52 weeks ended 26 December 2012 represents residual costs incurred related to the Refinancing.



## Capital expenditure

The following table shows our capital expenditures for the 52 weeks ended 25 December 2013 compared to the 52 weeks ended 26 December 2012:

|   | 52 weeks<br>ended<br>25 December<br>2013<br>£'000s | 52 weeks<br>Ended<br>26 December<br>2012<br>£'000s |
|---|--|--|
| <b>Capital Expenditure by Category:</b>           |  |  |
| Maintenance spend .....                           | 3,993  | 3,598  |
| Expansion spend .....                             | 9,549  | 9,289  |
| IT One-off projects spend .....                   | 1,071  | 717  |
| Cherwell Valley Rebuild .....                     | 34   | 91   |
| <b>Cash outflow for capital expenditure .....</b> | <b>14,647</b>                                      | <b>13,695</b>                                      |

For the 52 weeks ended 25 December 2013, our capital expenditure amounted to £14.6 million, which consisted of £4.0 million for maintenance spending, £9.5 million for expansion including the continued roll-out of new Greggs stores, Burger King, Costa and M&S Store Refreshes, Harvester trial and ongoing spend on prior year projects, £1.1 million on IT projects and £0.03 million on the rebuild of Cherwell Valley.

For the 52 weeks ended 26 December 2012, our capital expenditure amounted to £13.7 million, which consisted of £3.6 million for maintenance spending, £9.3 million for expansion including the roll-out of three new M&S stores, major layout improvements at Toddington North, KFC trial, Greggs trial and initial roll out, Burger King store improvements, rollout of Adblue fuel additive, and utilities usage savings, £0.7 million on IT projects and £0.1 million on the rebuild of Cherwell Valley.

## Net debt

The following table shows our net debt position as at 25 December 2013 compared to 26 December 2012:

|                                | 25 December<br>2013<br>£'000s | 26 December<br>2012<br>£'000s |
|--------------------------------|-------------------------------|-------------------------------|
| Cash in hand and at bank ..... | 32,644                        | 30,417                        |
| Debt due within one year ..... | (9,900)                       | (6,200)                       |
| Debt due after one year .....  | (538,541)                     | (542,380)                     |
| <b>Net debt .....</b>          | <b>(515,797)</b>              | <b>(518,163)</b>              |

At 25 December 2013, the debt due after one year includes £378.1 million of senior debt and £173.0 million of corporate bonds, less £12.5 million of capitalised debt costs. The debt due within one year represents the senior debt due for repayment on 31 December 2013 (£5.4 million) and 30 June 2014 (£4.5 million).

At 26 December 2012, the debt due after one year includes £388.0 million of senior debt and £172.0 million of corporate bonds, less £17.6 million of capitalised debt costs. The debt due within one year represents the senior debt due for repayment on 31 December 2012 (£2.2 million) and 30 June 2013 (£4.0 million).