



Tesoro acquires Western Refining in \$6.4b deal

Tesoro Corporation has announced the acquisition of Western Refining in a \$6.4 billion transaction that includes gas stations, convenience stores and refineries.

According to Tesoro, the acquisition creates a premier, highly integrated and geographically diversified refining, marketing and logistics company with over 3,000 combined branded retail stations

Western Refining has a refining capacity of 254 MBD, 545 retail locations, and over 1,000 miles of pipeline. The firm owns refineries in El Paso, Texas, Gallup, New Mexico, and St. Paul Park, Minnesota.

"This transformative acquisition drives value through a combination of access to advantaged crude oil, a strong, multi-brand marketing and convenience store portfolio and a robust platform for logistics growth," said Greg Goff, Chairman and CEO of Tesoro.

The combined retail operations will comprise over 3,000 branded retail stations operating under a variety of brands including ARCO, Shell, Exxon, Mobil, SuperAmerica, Giant and Tesoro.

"Joining forces with Tesoro, a company that shares our integrated business model strategy, will enable us to further leverage our capabilities in refining, marketing and logistics operations," said Paul Foster, Executive Chairman of Western Refining.

Tesoro had to settle for second best in this acquisition after failing to purchase Dallas refining giant HollyFrontier, which has twice the refining capacity of Western Refining and almost \$3 billion more in sales, reports Forbes.