

Billionaire Issa brothers add Co-op forecourts to Asda in £600 million deal

The [billionaire Issa](#) brothers have added another major asset to their sprawling retail empire after their majority-owned [supermarket Asda](#) snapped up 129 petrol forecourt sites from the [Co-op](#) in a £600 million deal.

The deal, which includes £438 million cash and £162 million in lease liabilities, represents 5% of Co-op's retail estate and is set to be completed by the end of the year.

It's the latest in a string of frantic big-ticket acquisitions for the Blackburn-based duo after getting their hands on a stake in Asda from Walmart in October 2020, buying fast-food vendor Leon in April 2021 in a £100 million deal and making an offer for beleaguered firm Caffè Nero, which was seen off by the coffee chain in favour of agreeing a refinancing deal in January 2022.

The pair are worth £4.7 billion according to the Sunday Times rich list, building their fortune after founding petrol station operator EG group in 2001. The company now employs over 50,000 people across 6,300 sites and posted revenue of \$26.4 billion (£22.7 billion) in 2021.

Mohsin Issa said: "This acquisition accelerates our strategy in this area and forms part of our ambition to become the UK's second largest supermarket."

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£600m deal

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The deal with the Co-op will see around 2,300 staff move to [employment](#) with Asda, which already operates 320 petrol stations in the UK.

Co-op boss Shirline Khoury-Haq said: "This transaction is in line with our strategy to move away from operating petrol forecourts and supports our vision of Co-operating for a fairer world while building our core leading convenience business."

The supermarket said the deal's proceeds would go towards reducing net debt, investing in product pricing and expanding e-commerce operations.