3

Quarterly Report

16 AND 40-WEEK PERIODS ENDED JANUARY 31, 2016

Management Discussion and Analysis

The purpose of this Management Discussion and Analysis ("MD&A") is, as required by regulators, to explain management's point of view on the financial condition and results of the operations of Alimentation Couche-Tard Inc. ("Couche-Tard") as well as its performance during the third quarter of the fiscal year ending April 24, 2016. More specifically, it aims to let the reader better understand our development strategy, performance in relation to objectives, future expectations, and how we address risk and manage our financial resources. This MD&A also provides information to improve the reader's understanding of Couche-Tard's consolidated financial statements and related notes. It should therefore be read in conjunction with those documents. By "we", "our", "us" and "the Corporation", we refer collectively to Couche-Tard and its subsidiaries.

Except where otherwise indicated, all financial information reflected herein is expressed in United States dollars ("US dollars") and determined on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). We also use measures in this MD&A that do not comply with IFRS. Where such measures are presented, they are defined and the reader is informed. This MD&A should be read in conjunction with the annual consolidated financial statements and related notes included in our 2015 Annual Report, which, along with additional information relating to Couche-Tard, including the most recent Annual Information Form, is available on SEDAR at http://www.sedar.com/ and on our website at http://corpo.couche-tard.com/.

Forward-Looking Statements

This MD&A includes certain statements that are "forward-looking statements" within the meaning of the securities laws of Canada. Any statement in this MD&A that is not a statement of historical fact may be deemed to be a forward-looking statement. When used in this MD&A, the words "believe", "could", "should", "intend", "expect", "estimate", "assume" and other similar expressions are generally intended to identify forward-looking statements. It is important to know that the forward-looking statements in this MD&A describe our expectations as at March 15, 2016, which are not guarantees of the future performance of Couche-Tard or its industry, and involve known and unknown risks and uncertainties that may cause Couche-Tard's or the industry's outlook, actual results or performance to be materially different from any future results or performance expressed or implied by such statements. Our actual results could be materially different from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. A change affecting an assumption can also have an impact on other interrelated assumptions, which could increase or diminish the effect of the change. As a result, we cannot guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not take into account the effect that transactions or special items announced or occurring after the statements are made may have on our business. For example, they do not include the effect of sales of assets, monetization, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Unless otherwise required by applicable securities laws, we disclaim any intention or obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

The foregoing risks and uncertainties include the risks set forth under "Business Risks" in our 2015 Annual Report as well as other risks detailed from time to time in reports filed by Couche-Tard with securities regulators in Canada.

Our Business

We are the leader in the Canadian convenience store industry. In the United States, we are the largest independent convenience store operator in terms of number of company-operated stores. In Europe, we are a leader in convenience store and road transportation fuel retail in the Scandinavian and Baltic countries, with a significant presence in Poland.

As of January 31, 2016, our network comprised 7,979 convenience stores throughout North America, including 6,560 stores offering road transportation fuel. Our North American network consists of 15 business units, including 11 in the United States covering 41 states and four in Canada covering all ten provinces. About 80,000 people are employed throughout our network and at our service offices in North America.

In Europe, we operate a broad retail network across Scandinavia (Norway, Sweden and Denmark), Poland, the Baltics (Estonia, Latvia and Lithuania) and Russia. As of January 31, 2016, this network comprised 2,218 service stations, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel stations. We also offer other products, including stationary energy, marine fuel and chemicals. We operate key fuel terminals

and fuel depots in six European countries. Including employees at franchise stations carrying our brands, about 19,000 people work in our retail network, terminals and service offices across Europe.

In addition, around 1,500 stores are operated by independent operators under the Circle K banner in 13 other countries or regions worldwide (China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam). These bring our total network to almost 11,700 sites.

Our mission is to offer our customers fast and friendly service by developing a warm and customized relationship with them, while finding ways to pleasantly surprise them on a daily basis. To this end, we strive to meet the demands and needs of people on the go. We offer food, hot and cold beverages, car wash services, road transportation fuel and other high quality products and services designed to meet or exceed customers' demands in a clean, welcoming and efficient environment. Our positioning in the industry stems primarily from the success of our business model, which is based on a decentralized management structure, an ongoing comparison of best practices and operational expertise enhanced by our experience in the various regions of our network. Our positioning is also a result of our focus on in-store merchandise and on our continued investment in our people and our stores.

Value creation

In the United States, the convenience store sector is fragmented and in a consolidation phase. We are participating in this process through our acquisitions, the market shares we gain when competitors close sites, and by improving our offering. In Europe and Canada, the convenience store sector is often dominated by a few major players, including integrated oil companies. Some of these integrated oil companies are in the process of selling, or are expected to sell, their retail assets. We intend to study investment opportunities that might come to us through this process.

No matter the context, to create value for our Corporation and its shareholders, acquisitions have to be concluded at reasonable conditions. Therefore, we do not favor store count growth to the detriment of profitability. In addition to acquisitions, organic contributions have played an important role in the recent growth of our net earnings. Highlights have included the on-going improvements we have made to our offer, including fresh products, to our supply terms and to our efficiency. All these elements have contributed to the growth in our net earnings and to value creation for our shareholders and other stakeholders. We intend to continue in this direction.

Exchange Rate Data

We use the US dollar as our reporting currency which provides more relevant information given the predominance of our operations in the United States and the significant portion of our debt denominated in US dollars, taking into account our cross-currency interest rate swaps.

The following table sets forth information about exchange rates based upon closing rates expressed as US dollars per comparative currency unit:

	16-week periods ended		**40-week periods ended**	
	January 31, 2016	February 1, 2015	**January 31, 2016**	February 1, 2015
Average for period (1)				
Canadian Dollar	**0.7347**	0.8625	**0.7638**	0.9043
Norwegian Krone (2)	**0.1157**	0.1398	**0.1209**	0.1526
Swedish Krone (2)	**0.1171**	0.1308	**0.1182**	0.1397
Danish Krone (2)	**0.1460**	0.1642	**0.1480**	0.1730
Zloty (2)	**0.2527**	0.2886	**0.2614**	0.3071
Euro (2)	**1.0893**	1.2235	**1.1050**	1.2925
Litas (2)	**-**	0.3611	**-**	0.3794
Ruble (2)	**0.0144**	0.0187	**0.0158**	0.0233

	As at January 31, 2016	As at April 26, 2015
Period end		
Canadian Dollar	**0.7140**	0.8217
Norwegian Krone	**0.1148**	0.1286
Swedish Krone	**0.1166**	0.1159
Danish Krone	**0.1452**	0.1457
Zloty	**0.2447**	0.2697
Euro	**1.0832**	1.0875
Ruble	**0.0132**	0.0196

(1) Calculated by taking the average of the closing exchange rates of each day in the applicable period.
(2) Average rate for the period from October 12, 2015 to January 31, 2016 for the 16-week period ended January 31, 2016, from May 1st, 2015 to January 31, 2016 for the 40-week period ended January 31, 2016, from October 13, 2014 to January 31, 2015 for the 16-week period ended February 1, 2015 and from May 1st, 2014 to January 31, 2015 for the 40-week period ended February 1, 2015.

Considering we use the US dollar as our reporting currency, in our consolidated financial statements and in this document, unless indicated otherwise, results from our Canadian, European and corporate operations are translated into US dollars using the average rate for the period. Unless otherwise indicated, variances and explanations regarding changes in the foreign exchange rate and the volatility of the Canadian dollar and European currencies which we discuss in the present document are therefore related to the translation into US dollars of our Canadian, European and corporate operations' results.

Overview of the Third Quarter of Fiscal 2016

Net earnings amounted to $274.0 million for the third quarter of fiscal 2016, up 10.4% over the corresponding period of fiscal 2015. Results for the third quarter of fiscal 2016 include a $27.2 million pre-tax curtailment gain on defined benefits pension plans obligation, a $22.9 million income tax expense stemming from an internal reorganisation, a $10.4 million pre-tax write-off charge in connection with our fuel rebranding project, a $10.1 million pre-tax accelerated depreciation and amortization expense in connection with our global brand initiative, a $9.2 million pre-tax charge on early termination of certain fuel supply contracts as well as a $4.1 million pre-tax net foreign exchange loss. Results for the third quarter of fiscal 2015 included a $16.6 million pre-tax net foreign exchange loss, a $16.1 million income tax expense stemming from an internal reorganisation, a $10.4 million pre-tax loss from the disposal of our aviation fuel business, a $8.1 million pre-tax restructuring expense, a $2.6 million pre-tax curtailment gain on defined benefits pension plans obligation as well as a $0.6 million pre-tax negative goodwill.

Excluding these items as well as acquisition costs from both comparable periods, net earnings for the third quarter of fiscal 2016 would have been approximately $301.0 million ($0.53 per share on a diluted basis) compared with $289.0 million ($0.51 per share on a diluted basis) for the third quarter of fiscal 2015, an increase of $12.0 million, or 4.2%. This increase is attributable to the solid contribution from acquisitions, including The Pantry Inc. store network and to strong organic growth from both convenience store and fuel operations. These items, which contributed to the growth in net earnings, were partially offset by lower road transportation fuel margins in the U.S., by higher operating expenses to support our strong growth, by the negative net impact from the translation of revenues and expenses from our Canadian and European operations into US dollars and by the impact of the higher consolidated income tax rate.

The Pantry Inc. ("The Pantry")

Our results for the 16 and 40-week periods ended January 31, 2016 include those of The Pantry which we acquired on March 16, 2015.

Purchase price allocation and adjustments to results previously reported

During the third quarter of fiscal 2016, we adjusted and finalized the purchase price allocation of The Pantry to reflect our fair value assessment of the assets acquired, the liabilities assumed and the goodwill for the transaction. The adjustments we made to the preliminary purchase price allocation did not have a significant impact on our previously reported results.

Synergies and cost reductions initiatives

We are actively working on realizing identified cost reductions opportunities in connection with The Pantry acquisition in addition to realizing available synergies through growth of in-store sales and fuel volumes in this geographic area, improving our operations, sharing our business awareness and each company's best practices, and optimizing supply conditions.

Cost reductions

We expect to achieve a minimum of $85.0 million[1] in cost reductions before income taxes over the 24-month period following the acquisition. Since the acquisition, we have already taken actions that should allow us to record annual cost reductions we estimate at approximately $63.0 million[1] before income taxes. We recorded cost reductions estimated at approximately $20.0 million before income taxes during the 16-week period ended January 31, 2016 and at approximately $43.0 million before income taxes since the acquisition. These cost reductions mainly reduced operating, selling, administrative and general expenses and, to a lesser extent, the cost of sales. These amounts do not necessarily represent the full annual impact of all of our initiatives.

Merchandise and service supply costs

In addition to the cost reductions discussed above, we have taken actions which should allow us to reduce our annual merchandise and service supply costs by approximately $24.0 million[1], before income taxes. These reductions should mainly result from economies of scale as well as from the negotiation of improved supply conditions. We estimate that realized savings amounted to approximately $7.0 million before income taxes for the 16-week period ended January 31, 2016 and to approximately $14.0 million before income taxes since the acquisition.

Fuel branding, supply and distribution

Towards the end of the third quarter, we finalized the review of our fuel branding, supply and distribution strategy for the Southeastern region of the United States which we had initiated following the acquisition of The Pantry. As a result of our review, we made the decision to change the fuel branding for more than 1,000 stores in this region. Consequently, we terminated some of our existing fuel supply agreements and entered into new contracts. This decision will allow us to realize significant synergies through higher fuel volumes and better pricing conditions. As a result of these changes, we had to pay $9.2 million for the early termination of existing fuel supply contracts which negatively impacted earnings for the third quarter of fiscal 2016. Additionally, our results for the third quarter include a write-off charge of approximately $10.4 million resulting from the replacement of fuel signage and equipment before the end of their useful lives. A significant portion of the costs for the new assets will be assumed by our new fuel suppliers. We believe that anticipated synergies associated with our strategy will quickly repay for these charges.

Replacement of store equipment

Following extensive and thorough analysis, we concluded that some of the store equipment and signage acquired as part of The Pantry acquisition would need to be replaced or upgraded before the end of their current useful lives in order to implement some of our programs and to ensure a consistent offering and branding across the markets that The Pantry stores operate in. We expect that these replacements and upgrades will improve the customers' experience and will support our growth objectives. In connection with this plan, the depreciation period for the assets we plan to replace or upgrade has been shortened to reflect our current replacement and upgrade plans, resulting in a higher depreciation expense for the third quarter and in a slightly higher expected depreciation expense for the next two fiscal years.

Statoil Fuel & Retail – synergies and cost reductions initiatives

Since the acquisition of Statoil Fuel & Retail, we have been actively working on identifying and implementing available synergies and cost reductions opportunities.

During the third quarter of fiscal 2016, we recorded incremental synergies and cost savings which we estimated at approximately $12.0 million, before income taxes. These synergies and cost reductions mainly impacted operating, selling, administrative and general expenses as well as the cost of sales. Since the acquisition, we estimate that total realized annual synergies and cost savings amount to approximately $199.0 million before income taxes, which corresponds to the higher range of synergies and cost reductions objectives that we had set following the acquisition.

These synergies and cost reductions came from a variety of sources including cost reductions following the delisting of Statoil Fuel & Retail, the renegotiation of certain agreements with our suppliers, the reduction of in-store costs and the restructuring of certain departments.

[1] As our synergies and cost reductions objective is considered a forward-looking statement, we are required, pursuant to securities laws, to clarify that our synergies and cost reductions estimate is based on a number of important factors and assumptions. Among other things, our synergies and cost reductions objective is based on our comparative analysis of organizational structures and current levels of spending across our network as well as on our ability to bridge the gap, where relevant. Our synergies and cost reductions objective is also based on our assessment of current contracts in North America and how we expect to be able to renegotiate these contracts to take advantage of our increased purchasing power. In addition, our synergies and cost reductions objective assumes that we will be able to establish and maintain an effective process for sharing best practices across our network. Finally, our objective is also based on our ability to integrate The Pantry's systems with ours. An important change in these facts and assumptions could significantly impact our synergies and cost reduction estimate as well as the timing of the implementation of our different initiatives.

Although we have now reached the higher range of our initial synergies and cost reductions objective associated with the acquisition of Statoil Fuel & Retail, we believe that several additional opportunities still exist. In line with our business model, we intend to continue our work towards optimizing the efficiency of our European network.

Defined benefits plans curtailment

During the third quarter of fiscal 2016, we announced to our employees our decision to convert certain of our existing defined benefits pension plans into defined contributions plans. In connection with the termination of the defined benefits plans, a pre-tax curtailment gain of $27.2 million was recorded to earnings of the quarter with a corresponding offset to the defined benefits pension plans obligation.

Network growth

Multi-sites acquisitions

On December 1, 2015, we acquired from Texas Star Investments and their affiliates, 18 company-operated stores and two stand-alone quick service restaurants, all of which are located in Texas, United States, in addition to a fuel dealer network. We own the land and buildings for 17 of the sites and lease the land and own the buildings for the remaining sites.

Since the beginning of fiscal 2016, we have acquired 52 company-operated stores and two stand-alone quick service restaurants through multi-sites acquisitions.

Available cash was used for these acquisitions.

Single-site acquisitions

During the third quarter of fiscal 2016, we acquired six company-operated stores through distinct transactions, which brings the total to 16 stores since the beginning of fiscal 2016.

Available cash was used for these acquisitions.

Store construction

During the third quarter of fiscal 2016, we completed the construction, relocation or reconstruction of 32 stores which brings the total to 60 stores since the beginning of fiscal 2016.

As of January 31, 2016, 38 stores were under construction and should open in the upcoming quarters.

Outstanding transaction

On March 17, 2015, we entered into an agreement with A/S Dansk Shell to acquire their retail business, comprising 315 service stations, their commercial fuel business and their aviation fuel business. The service stations are located in Denmark and comprise 225 full service-stations, 75 unmanned automated fuel stations and 15 truck stops. Of the 315 sites, 140 are owned by Shell, 115 are leased from third parties and 60 are dealer-owned. We already operate a strong network in Denmark and we believe this new acquisition would complement it very well. This transaction is subject to the standard regulatory approvals and closing conditions. In collaboration with A/S Dansk Shell and the regulatory authorities, our teams are deploying all necessary efforts to ensure that the transaction is concluded under optimal conditions and without undue delay. As such, we expect the transaction will close before the end of fiscal year 2016. We expect to finance this transaction with our available cash and existing credit facilities.

Transactions subsequent to quarter-end

On February 1, 2016, subsequent to the end of the third quarter, we acquired all outstanding shares of Topaz Energy Group Limited (“TEGL”), Resource Property Investment Fund plc (“RPIF”), and Esso Ireland Limited, collectively known as “Topaz”. Topaz is the leading convenience and fuel retailer in Ireland with a network comprising 444 service stations. Of these service stations, 158 are operated by Topaz and 286 are operated by dealers. The agreement also encompasses a significant commercial fuels operation, with two terminals and over 30 depots. In line with our business model, we expect realizing synergies through growth of in-store sales and fuel volumes, improving our operations, sharing our business awareness and each company’s best practices as well as optimizing supply conditions. We also expect to realize some cost reductions through the integration of Topaz into our network.

We financed this transaction using our revolving credit facilities. In order to plan for this transaction, as of January 31, 2016, the funds had been drawn from our revolving facilities and included in our cash and cash equivalent on the balance sheet.

On March 8, 2016, we signed an agreement with Imperial Oil ("Imperial") to acquire certain of its Canadian retail assets located in the Provinces of Ontario and Québec. The transaction comprises 279 of Imperial's Esso-branded fuel and convenience sites in Canada. Of these sites, 229 are located in Ontario - the majority of which in the Greater Toronto Area - and 50 sites are located in Québec. All of the Québec sites are in the Greater Montréal Area or on the south shore of Montréal. The agreement also includes 13 land banks and two dealer sites, as well as a long-term supply agreement for Esso branded fuel. Imperial owns 238 sites and 41 are leased. The total transaction is priced at approximately CA$1.68 billion. Pending the customary regulatory approvals and closing conditions, the transaction is expected to close within six months. We expect to finance this transaction using our available cash and existing credit facilities.

International network

During the quarter, we have been advised by Circle K Sunkus ("Sunkus"), a wholly-owned subsidiary of UNY Group Holding's Co., Ltd., that it will be rebranding its 3,273 Circle K stores in Japan over the next few years. The timing of this rebranding announced by Sunkus coincides with the recent merger of UNY Group Holding's Co., Ltd. with Family Mart Co., Ltd. This will not impact our financial results since we have not been collecting any fees from this licensee.

Sunkus is an independent operator in Japan and holds the exclusive rights to the "Circle K" trademark in this country which it acquired in 1993 from ConocoPhilips, Circle K's previous owner. We subsequently acquired the Circle K network from ConocoPhilips in 2003.

Although this rebranding has not been completed as of January 31, 2016, those stores have been excluded from our international network store count.

Summary of changes in our store network during the third quarter and the first three quarters of fiscal 2016

The following table presents certain information regarding changes in our store network over the 16-week period ended January 31, 2016 [(1)]:

	16-week period ended January 31, 2016				
Type of site	**Company-operated** [(2)]	**CODO** [(3)]	**DODO** [(4)]	**Franchised and other affiliated** [(5)]	**Total**
Number of sites, beginning of period	7,790	542	766	1,125	10,223
Acquisitions	24	-	-	-	24
Openings / constructions / additions	30	5	10	21	66
Closures / disposals / withdrawals	(54)	(8)	(21)	(33)	(116)
Store conversion	-	(10)	10	-	-
Number of sites, end of period	7,790	529	765	1,113	10,197
Number of automated fuel stations included in the period end figures [(6)]	901	-	19	-	920

The following table presents certain information regarding changes in our store network over the 40-week period ended January 31, 2016 [(1)]:

	40-week period ended January 31, 2016				
Type of site	**Company-operated** [(2)]	**CODO** [(3)]	**DODO** [(4)]	**Franchised and other affiliated** [(5)]	**Total**
Number of sites, beginning of period	7,787	559	600	1,132	10,078
Acquisitions	68	-	139	-	207
Openings / constructions / additions	54	9	46	50	159
Closures / disposals / withdrawals	(121)	(17)	(40)	(69)	(247)
Store conversion	2	(22)	20	-	-
Number of sites, end of period	7,790	529	765	1,113	10,197

(1) These figures include 50% of the stores operated through RDK, a joint venture.
(2) Sites for which the real estate is controlled by Couche-Tard (through ownership or lease agreements) and for which the stores (and/or the service stations) are operated by Couche-Tard or one of its commission agents.
(3) Sites for which the real estate is controlled by Couche-Tard (through ownership or lease agreements) and for which the stores (and/or the service stations) are operated by an independent operator in exchange for rent and to which Couche-Tard supplies road transportation fuel through supply contracts. Some of these sites are subject to a franchise agreement, licensing or other similar agreement under one of our main or secondary banners.
(4) Sites controlled and operated by independent operators to which Couche-Tard supplies road transportation fuel through supply contracts. Some of these sites are subject to a franchise agreement, licensing or other similar agreement under one of our main or secondary banners.
(5) Stores operated by an independent operator through a franchising, licensing or another similar agreement under one of our main or secondary banners.
(6) These sites sell road transportation fuel only.

In addition, around 1,500 stores are operated by independent operators under the Circle K banner in 13 other countries or regions worldwide (China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam). These bring our total network to almost 11,700 sites.

Global Circle K Brand

On September 22, 2015, we announced the creation and rollout of a new, global convenience brand, “Circle K™”. In connection with this rebranding project, we have started to incur additional capital expenditures and other expenses in order to replace and upgrade various existing assets. This project should span over the course of the next few years. As a result of our plan for the replacement and upgrade of these assets, we have accelerated the depreciation and amortization of certain existing assets, including but not limited to, store signage and the Statoil trade name. Consequently, an incremental depreciation and amortization expense of $10.1 million was recorded to earnings of the third quarter of fiscal 2016. We expect incremental depreciation and amortization expense over and above normal levels of approximately $8.0 million to $10.0 million for the fourth quarter of fiscal 2016, of approximately $23.0 million to $26.0 million for fiscal 2017 and of approximately $14.0 million to $16.0 million for fiscal 2018.

Disposal of the lubricants business

During the second quarter of fiscal 2016, we closed the disposal of our lubricants business. During the same quarter, we recognized a preliminary pre-tax gain on disposal of $47.4 million in relation to this transaction. During the third quarter of fiscal 2016, closing adjustments were finalized and no significant adjustment was recorded to the preliminary gain.

Issuance of Norwegian Krone denominated senior unsecured notes

On February 18, 2016, subsequent to the end of the quarter, we issued Norwegian Krone (“NOK”) denominated senior unsecured notes totaling NOK 675.0 million (approximately $78.0 million) with a coupon rate of 3.85% and maturing on February 18, 2026. Interest is payable semi-annually on April 20th and October 20th of each year. The net proceeds from the issuance were mainly used to repay a portion of our term revolving unsecured operating credit facility.

Dividends

During its March 15, 2016 meeting, the Corporation’s Board of Directors declared a quarterly dividend of CA6.75 ¢ per share for the third quarter of fiscal 2016 to shareholders on record as at March 24, 2016 and approved its payment for April 7, 2016. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Outstanding shares and stock options

As at March 11, 2016, Couche-Tard had 148,101,540 Class A multiple voting shares and 419,347,947 Class B subordinate voting shares issued and outstanding. In addition, as at the same date, Couche-Tard had 2,554,228 outstanding stock options for the purchase of Class B subordinate voting shares.

Summary analysis of consolidated results for the third quarter and first three quarters of fiscal 2016

The following table highlights certain information regarding our operations for the 16 and 40-week periods ended January 31, 2016 and February 1, 2015.

	16-week periods ended			40-week periods ended		
(in millions of US dollars, unless otherwise stated)	**January 31, 2016**	February 1, 2015	Variation %	**January 31, 2016**	February 1, 2015	Variation %
Statement of Operations Data:						
Merchandise and service revenues [(1)]:						
United States	**2,156.9**	1,495.4	44.2	**5,666.0**	3,887.4	45.8
Europe	**254.1**	283.2	(10.3)	**667.6**	779.9	(14.4)
Canada	**489.5**	553.3	(11.5)	**1,401.5**	1,591.9	(12.0)
Total merchandise and service revenues	**2,900.5**	2,331.9	24.4	**7,735.1**	6,259.2	23.6
Road transportation fuel revenues:						
United States	**4,306.7**	3,706.9	16.2	**12,730.0**	11,346.2	12.2
Europe	**1,414.8**	1,839.0	(23.1)	**4,126.4**	5,756.1	(28.3)
Canada	**554.1**	696.3	(20.4)	**1,634.1**	2,115.1	(22.7)
Total road transportation fuel revenues	**6,275.6**	6,242.2	0.5	**18,490.5**	19 217.4	(3.8)
Other revenues [(2)]:						
United States	**4.3**	5.0	(14.0)	**11.8**	12.1	(2.5)
Europe	**150.6**	528.6	(71.5)	**509.7**	1,755.3	(71.0)
Canada	**0.1**	0.1	-	**0.4**	0.4	-
Total other revenues	**155.0**	533.7	(71.0)	**521.9**	1,767.8	(70.5)
Total revenues	**9,331.1**	9,107.8	2.5	**26,747.5**	27,244.4	(1.8)
Merchandise and service gross profit [(1)]:						
United States	**717.2**	490.1	46.3	**1,878.6**	1,272.7	47.6
Europe	**111.5**	114.7	(2.8)	**282.2**	319.5	(11.7)
Canada	**158.6**	178.3	(11.0)	**459.8**	525.0	(12.4)
Total merchandise and service gross profit	**987.3**	783.1	26.1	**2,620.6**	2,117.2	23.8
Road transportation fuel gross profit:						
United States	**434.1**	365.7	18.7	**1,184.3**	877.9	34.9
Europe	**221.2**	240.9	(8.2)	**606.5**	697.4	(13.0)
Canada	**42.2**	47.4	(11.0)	**118.4**	132.1	(10.4)
Total road transportation fuel gross profit	**697.5**	654.0	6.7	**1,909.2**	1,707.4	11.8
Other revenues gross profit [(2)]:						
United States	**4.3**	5.0	(14.0)	**11.8**	12.1	(2.5)
Europe	**50.9**	87.6	(41.9)	**148.2**	259.6	(42.9)
Canada	**0.1**	0.1	-	**0.4**	0.4	-
Total other revenues gross profit	**55.3**	92.7	(40.3)	**160.4**	272.1	(41.1)
Total gross profit	**1,740.1**	1,529.8	13.7	**4,690.2**	4,096.7	14.5
Operating, selling, administrative and general expenses	**1,134.1**	981.6	15.5	**2,900.6**	2,548.0	13.8
Curtailment gain on defined benefits pension plans obligation	**(27.2)**	(2.6)	946.2	**(27.2)**	(2.6)	946.2
Loss (gain) on disposal of property and equipment and other assets	**14.5**	(3.9)	(471.8)	**18.2**	(4.9)	(471.4)
Gain on disposal of lubricant business	**-**	-	-	**(47.4)**	-	100.0
Loss on disposal of aviation fuel business	**-**	10.4	(100.0)	**-**	10.4	(100.0)
Restructuring and integration costs	**-**	8.1	(100.0)	**-**	8.1	(100.0)
Negative goodwill	**-**	(0.6)	(100.0)	**-**	(1.1)	(100.0)
Depreciation, amortization and impairment of property and equipment, intangibles assets and other assets	**192.8**	152.4	26.5	**470.4**	401.8	17.1
Operating income	**425.9**	384.4	10.8	**1,375.6**	1,137.0	21.0
Net earnings	**274.0**	248.1	10.4	**987.5**	804.0	22.8
Other Operating Data:						
Merchandise and service gross margin [(1)]:						
Consolidated	**34.0%**	33.6%	0.4	**33.9%**	33.8%	0.1
United States	**33.3%**	32.8%	0.5	**33.2%**	32.7%	0.5
Europe	**43.9%**	40.5%	3.4	**42.3%**	41.0%	1.3
Canada	**32.4%**	32.2%	0.2	**32.8%**	33.0%	(0.2)
Growth of same-store merchandise revenues [(3)] [(4)]:						
United States	**5.0%**	4.5%		**5.1%**	3.4%	
Europe	**4.3%**	1.7%		**3.0%**	1.6%	
Canada	**3.5%**	3.6%		**3.1%**	3.3%	
Road transportation fuel gross margin:						
United States (cents per gallon) [(4)]	**19.90**	24.93	(20.2)	**21.18**	24.15	(12.3)
Europe (cents per litre) [(5)]	**8.69**	9.81	(11.4)	**9.26**	10.90	(15.0)
Canada (CA cents per litre) [(4)]	**6.29**	6.12	2.8	**6.50**	6.39	1.7
Volume of road transportation fuel sold [(5)]:						
United States (millions of gallons)	**2,177.6**	1,491.3	46.0	**5,557.8**	3,720.3	49.4
Europe (millions of litres)	**2,544.1**	2,455.1	3.6	**6,551.8**	6,400.0	2.4
Canada (millions of litres)	**918.8**	904.1	1.6	**2,399.8**	2,326.4	3.2
Growth of (decrease in) same-store road transportation fuel volume [(4)]:						
United States	**6.2%**	2.8%		**7.5%**	2.3%	
Europe	**2.9%**	2.1%		**3.1%**	2.0%	
Canada	**(0.5%)**	(0.5%)		**1.4%**	(0.5%)	
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.48**	0.44	9.1	**1.74**	1.42	22.5
Diluted net earnings per share (dollars per share)	**0.48**	0.44	9.1	**1.73**	1.41	22.7

	January 31, 2016	April 26, 2015	Variation $
Balance Sheet Data:			
Total assets	**11,200.4**	10,989.9	210.5
Interest-bearing debt	**2,769.9**	3,068.3	(298.4)
Shareholders' equity	**4,733.5**	3,889.1	844.4
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (6)	**0.28 : 1**	0.39 : 1	
Net interest-bearing debt/Adjusted EBITDA (7) (11)	**0.83 : 1**	1.18 : 1	
Adjusted net interest-bearing debt/Adjusted EBITDAR (8) (11)	**1.90 : 1**	2.17 : 1	
Returns:			
Return on equity (9) (11)	**25.4%**	24.9%	
Return on capital employed (10) (11)	**17.6%**	16.2%	

(1) Includes revenues derived from franchise fees, royalties, suppliers rebates on some purchases made by franchisees and licensees as well as wholesale merchandise.
(2) Includes revenues from rental of assets, from sale of aviation and marine fuel, heating oil, kerosene, lubricants and chemicals. Aviation operations were sold in December 2014 and lubricants operations were sold in October 2015.
(3) Does not include services and other revenues (as described in footnote 1 and 2 above). Growth in Canada is calculated based on Canadian dollars. Growth in Europe is calculated based on Norwegian Krone. Includes results from The Pantry stores for the 16 and 40-week periods ended January 31, 2016.
(4) For company-operated stores only. Includes results from The Pantry stores for the 16 and 40-week periods ended January 31, 2016.
(5) Total road transportation fuel.
(6) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by the addition of shareholders' equity and long-term debt, net of cash and cash equivalents and temporary investments. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(7) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by EBITDA (Earnings Before Interest, Tax, Depreciation, Amortization and Impairment) adjusted for non-recurring items. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(8) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt plus the product of eight times rent expense, net of cash and cash equivalents and temporary investments divided by EBITDAR (Earnings Before Interest, Tax, Depreciation, Amortization, Impairment and Rent expense) adjusted for non-recurring items. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(9) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: net earnings divided by average equity for the corresponding period. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(10) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: earnings before income taxes and interests divided by average capital employed for the corresponding period. Capital employed represents total assets less short-term liabilities not bearing interests. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(11) This ratio is presented on a pro forma basis. As of January 31, 2016, it includes Couche-Tard's and The Pantry's results for the 52-week period ended January 31, 2016. As of April 26, 2015, it includes Couche-Tard's results for fiscal year ended April 26, 2015 as well as The Pantry's results for the 52-week period ended April 26, 2015. The Pantry's earnings and balance sheet figures have been adjusted to make their presentation in line with Couche-Tard's policies.

Revenues

Our revenues were $9.3 billion for the third quarter of fiscal 2016, up by $223.3 million, an increase of 2.5% compared with the corresponding quarter of fiscal 2015, mainly attributable to the outstanding contribution from acquisitions and newly opened stores as well as by the continued solid growth in same-store merchandise revenues and road transportation fuel volumes in both North America and Europe. These items, which contributed to the increase in revenues, were partly offset by a lower road transportation fuel average selling price, by the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, by the disposal of our aviation fuel business during the third quarter of fiscal 2015 and by the disposal of our lubricants business during the second quarter of fiscal 2016.

For the first three quarters of fiscal 2016, our revenues decreased by $496.9 million, down by 1.8% compared with the first three quarters of fiscal 2015, mainly attributable to a lower road transportation fuel average selling price, to the negative net impact from the translation of revenues of our Canadian and European operations into US dollars and to the disposal of our aviation fuel and lubricant businesses. These items, which contributed to the decrease in revenues, were partly offset by the contribution from acquisitions and newly opened stores and by the growth in same-store merchandise revenues and road transportation fuel volumes in both North America and Europe.

More specifically, the growth in merchandise and service revenues for the third quarter of fiscal 2016 was $568.6 million. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $683.2 million or 29.3%. This increase is attributable to the contribution from acquisitions which amounted to approximately $587.0 million, to newly opened stores as well as to strong organic growth. Same-store merchandise revenues increased by 5.0% in the United States, including The Pantry stores, by 4.3% in Europe and by 3.5% in Canada. Overall, our performance is attributable to our dynamic merchandising strategies, to our competitive offer and to our expanded fresh food assortment, which is attracting more customers into our stores.

For the first three quarters of fiscal 2016, the growth in merchandise and service revenues was $1.5 billion. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $1.8 billion or 29.3%. This increase is attributable to the contribution from acquisitions which amounted to approximately $1.6 billion, to newly opened stores and to strong organic growth. Same-store merchandise revenues grew by 5.1% in the United States, including The Pantry stores, by 3.0% in Europe and by 3.1% in Canada.

Road transportation fuel revenues increased by $33.4 million in the third quarter of fiscal 2016. Excluding the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues increased by $379.7 million or 6.1%. This increase was attributable to the contribution from acquisitions which amounted to approximately $1.2 billion, by the contribution of our recently opened stores and by strong organic growth. Same-store road transportation fuel volumes increased by 6.2% in the United States, including The Pantry stores and by 2.9% in Europe due to - among other things – our micro-market strategies as well as to the growing contribution from premium fuels and "***miles***™" and "***milesPLUS***™", our proprietary fuel brands in Europe. In Canada, our same-store road transportation fuel volumes decreased by 0.5% due, in part, to the weakening economy in the western part of the country and to competitive pressures. These factors, which contributed to the growth in revenues, were almost entirely offset by the impact of a lower average road transportation fuel selling price, which had a negative impact of approximately $1.1 billion. It should be noted that the lower average road transportation fuel selling price has no direct negative impact on our fuel gross margin. In fact, a lower fuel selling price usually works in our favor as customers tend to travel more in this context – buying more fuel – while also leaving them with more cash for discretionary spending.

The following table shows the average selling price of road transportation fuel in our various markets, starting with the fourth quarter of the fiscal year ended April 27, 2014:

52-week period ended January 31, 2016:

Quarter	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Weighted average
United States (US dollars per gallon)	2.34	2.64	2.36	1.99	2.31
Europe (US cents per litre)	66.51	72.16	66.12	57.04	64.89
Canada (CA cents per litre)	93.63	103.17	97.79	88.41	95.35

52-week period ended February 1, 2015:

Quarter	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Weighted average
United States (US dollars per gallon)	3.47	3.59	3.36	2.54	3.18
Europe (US cents per litre)	104.11	101.53	95.18	73.99	92.53
Canada (CA cents per litre)	118.74	121.64	117.00	96.27	112.11

For the first three quarters of fiscal 2016, road transportation fuel revenues decreased by $726.9 million. Excluding the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues increased by $598.4 million or 3.1%. This increase was attributable to the contribution from acquisitions which amounted to approximately $3.5 billion, to the contribution of our recently opened stores and to organic growth. Same-store road transportation fuel volumes increased by 7.5% in the United States, including The Pantry stores, by 3.1% in Europe and by 1.4% in Canada. These growth factors were partly offset by the impact of the lower average selling price of road transportation fuel, which resulted in a decrease in revenues of approximately $3.9 billion.

Other revenues decreased by $378.7 million in the third quarter of fiscal 2016 and by $1.2 billion in the first three quarters of fiscal 2016. These decreases are mainly explained by the disposal of our aviation fuel and lubricants businesses, which had an impact of approximately $233.0 million in the third quarter of fiscal 2016 and $899.0 million in the first three quarters of fiscal 2016. The negative net impact from the translation of revenues from our European operations into US dollars explains a large part of the remaining decrease.

Gross profit

In the third quarter of fiscal 2016, the consolidated merchandise and service gross profit was $987.3 million, an increase of $204.2 million compared with the corresponding quarter of fiscal 2015. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service gross profit increased by $244.2 million or 31.2%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $198.0 million, and to organic growth. The gross margin increased by 0.5% in the United States to 33.3%, by 3.4% in Europe to 43.9% and by 0.2% in Canada to 32.4%. Overall, this performance reflects changes in the product mix and the improvements we brought to our supply terms, as well as our merchandising strategy in line with market competitiveness and the economic conditions within each market. In Europe, the growth in margin is attributable to the change in our product mix toward categories with higher margins, including car washes.

During the first three quarters of fiscal 2016, the consolidated merchandise and service gross profit was $2.6 billion, an increase of $503.4 million compared with the corresponding period of fiscal 2015. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service gross profit increased by $633.4 million or 29.9%. The gross margin increased by 0.5% in the United States and by 1.3% in Europe. In Canada it was 32.8%, a decrease of 0.2%.

In the third quarter of fiscal 2016, the road transportation fuel gross margin was 19.90 ¢ per gallon in the United States, CA6.29 ¢ per litre in Canada and 8.69 ¢ per litre in Europe. The decrease in Europe is almost entirely attributable to the net

impact of the translation of our European results into US dollars. In local currencies, the margin in Europe was higher than the margin of the third quarter of fiscal 2015. The road transportation fuel gross margin of our company-operated stores in the United States and the impact of expenses related to electronic payment modes for the last eight quarters, starting with the fourth quarter of the fiscal year ended April 27, 2014, were as follows:

(US cents per gallon)

52-week period ended January 31, 2016:

Quarter	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Weighted average
Before deduction of expenses related to electronic payment modes	15.46	18.34	25.66	19.90	20.04
Expenses related to electronic payment modes	4.12	4.37	4.19	3.84	4.11
After deduction of expenses related to electronic payment modes	11.34	13.97	21.47	16.06	15.93

52-week period ended February 1, 2015:

Quarter	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Weighted average
Before deduction of expenses related to electronic payment modes	14.85	23.08	24.17	24.93	22.06
Expenses related to electronic payment modes	4.98	5.27	5.03	4.33	4.85
After deduction of expenses related to electronic payment modes	9.87	17.81	19.14	20.60	17.20

As demonstrated by the table above, road transportation fuel margins in the United States can be volatile from one quarter to another but tend to normalize in the longer term. Margin volatility and expenses related to electronic payment modes are not as significant in Europe and Canada.

For the first three quarters of fiscal 2016, the road transportation fuel gross margin was 21.18 ¢ per gallon in the United States, it was CA6.50 ¢ per litre in Canada and it stood at 9.26 ¢ per litre in Europe. The decrease in Europe is entirely attributable to the impact of the translation of our European results into US dollars.

Operating, selling, administrative and general expenses

For the third quarter and first three quarters of fiscal 2016, operating, selling, administrative and general expenses increased by 15.5% and 13.8%, respectively, compared with the corresponding periods of fiscal 2015 but increased by only 2.7% and 2.1%, respectively, if we exclude certain items as demonstrated by the following table:

	16-week period ended January 31, 2016	40-week period ended January 31, 2016
Total variance as reported	**15.5%**	**13.8%**
Subtract:		
Increase from incremental expenses related to acquisitions	21.6%	22.1%
Decrease from the net impact of foreign exchange translation	(6.3%)	(7.8%)
Decrease from divestment of the aviation fuel and lubricant businesses	(3.2%)	(2.6%)
Increase from charges on the termination of fuel supply agreements	0.9%	0.4%
Decrease from lower electronic payment fees, excluding acquisitions	(0.4%)	(0.7%)
Increase from non-recurring integration costs and expenses in connection with our global brand initiatives	-	0.3%
Acquisition costs recognized to earnings of fiscal 2016	0.2%	0.1%
Acquisition costs recognized to earnings of fiscal 2015	-	(0.1%)
Remaining variance	**2.7%**	**2.1%**

The remaining variance in expenses is mainly due to normal inflation, to the higher expenses needed to support our strong organic growth, to the higher average number of stores and to proportionally higher operational expenses in our recently built stores, as these stores generally have a larger footprint than the average of our existing network. We continue to favor a rigorous control of costs throughout our organization, while ensuring we maintain the quality of service we offer to our customers.

Earnings before interest, taxes, depreciation, amortization and impairment (EBITDA) and adjusted EBITDA

During the third quarter of fiscal 2016, EBITDA increased by 15.2% compared with the same quarter last year, reaching $627.5 million.

Excluding the non-recurring items shown in the table below from EBITDA of the third quarter of fiscal 2016 and of the third quarter of fiscal 2015, the adjusted EBITDA for the third quarter of fiscal 2016 increased by $60.1 million or 10.7% compared with the corresponding period of the previous fiscal year. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $67.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $26.0 million.

Excluding the non-recurring items shown in the table below from EBITDA for the first three quarters of fiscal 2016 and fiscal 2015, adjusted EBITDA for the first three quarters of fiscal 2016 increased by $252.0 million or 16.0% compared with the corresponding period of the previous fiscal year, reaching $1.8 billion. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $219.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $113.0 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, use these measures to evaluate our financial and operating performance. Note that our definition of these measures may differ from the one used by other public corporations:

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 31, 2016**	February 1, 2015	**January 31, 2016**	February 1, 2015
Net earnings, as reported	**274.0**	248.1	**987.5**	804.0
Add:				
Income taxes	**127.2**	102.8	**335.8**	260.7
Net financial expenses	**33.5**	41.2	**75.8**	89.8
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**192.8**	152.4	**470.4**	401.8
EBITDA	**627.5**	544.5	**1,869.5**	1,556.3
Remove:				
Curtailment gain on pension plan obligation	**27.2**	2.6	**27.2**	2.6
Write-off expense on fuel rebranding	**(10.4)**	-	**(10.4)**	-
Charge on early termination of fuel supply agreements	**(9.2)**	-	**(9.2)**	-
Net gain from the disposal of the lubricants business	**-**	-	**47.4**	-
Non-recurring integration costs and expenses in connection with our global brand initiatives	**-**	-	**(8.6)**	-
Loss on disposal of the aviation fuel business	**-**	(10.4)	**-**	(10.4)
Restructuring and integration costs	**-**	(8.1)	**-**	(8.1)
Negative goodwill	**-**	0.6	**-**	1.1
Adjusted EBITDA	**619.9**	559.8	**1,823.1**	1,571.1

Depreciation, amortization and impairment of property and equipment, intangible assets and other assets

For the third quarter and first three quarters of fiscal 2016, depreciation, amortization and impairment expenses increased by $40.4 million and $68.6 million, respectively, mainly as a result of investments made through acquisitions, the replacement of equipment, the addition of new stores and the ongoing improvement of our network. The depreciation, amortization and impairment expense was also increased by the accelerated depreciation and amortization of certain assets in connection with our global rebranding project, which had an impact of $10.1 million and by the acceleration of the depreciation and amortization of certain of The Pantry stores' assets which will need to be replaced or upgraded before the end of their current useful lives. Those items, which contributed to the increase in depreciation, amortization and impairment expenses, were partially offset by the net impact of the translation of our European and Canadian operations into US dollars.

Net financial expenses

The third quarter of fiscal 2016 shows net financial expenses of $33.5 million, a decrease of $7.7 million compared with the third quarter of fiscal 2015. Excluding the net foreign exchange losses of $4.1 million and $16.6 million recorded respectively in the third quarters of fiscal 2016 and fiscal 2015, net financial expenses increased by $4.8 million. This increase is mainly attributable to the rise in our long term debt in connection with the financing of The Pantry acquisition and the assumption of its finance leases obligations, partly offset by the reduction in our average debt balance following repayments made on our revolving and acquisition facilities during fiscal years 2015 and 2016. The net foreign exchange loss of $4.1 million for the third quarter of fiscal 2016 is mainly due to the impact of foreign exchange variations on certain cash balances.

The first three quarters of fiscal 2016 show net financial expenses of $75.8 million, a decrease of $14.0 million compared with the first three quarters of fiscal 2015. Excluding the net foreign exchange gain of $0.8 million recorded in the first three quarters of fiscal 2016 and the net foreign exchange loss of $26.2 million recorded in the first three quarters of fiscal 2015, net financial expenses increased by $13.0 million. This increase is mainly attributable to reasons similar to those of the third quarter. The net foreign exchange gain of $0.8 million for the first three quarters of fiscal 2016 is mainly due to the impact of foreign exchange variations on certain cash balances.

Income taxes

The income tax rate for third quarter of fiscal 2016 was 31.7%, impacted by a tax expense of $22.9 million in connection with an internal reorganization finalized in December 2015, for which benefits should materialized in the future. Excluding the impact of this reorganization, we estimate that the income tax rate for the quarter would have been approximately 26.0%.

For the first three quarters of fiscal 2016, the income tax rate was 25.4%. The income tax rate was affected by the fact that the net gain from the disposal of the lubricants business is not entirely taxable, partly offset by the impact of the internal reorganization. Excluding those items, we estimate that the income tax rate for the first three quarters would have been approximately 24.7%.

Net earnings

We closed the third quarter of fiscal 2016 with net earnings of $274.0 million, compared with $248.1 million for the third quarter of the previous fiscal year, an increase of $25.9 million or 10.4%. Diluted net earnings per share stood at $0.48, compared with $0.44 the previous year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a negative net impact of approximately $10.0 million on net earnings of the third quarter of fiscal 2016.

Excluding the items shown in the table below from net earnings of the third quarter of fiscal 2016 and fiscal 2015, this quarter's net earnings would have been approximately $301.0 million, compared with $289.0 million for the comparable quarter of the previous year, an increase of $12.0 million or 4.2%. Adjusted diluted net earnings per share would have been approximately $0.53 for the third quarter of fiscal 2016, compared with $0.51 for the corresponding period of fiscal 2015, an increase of 3.9%.

For the first three quarters of fiscal 2016, net earnings were $987.5 million, compared with $804.0 million for the comparable period of the previous fiscal year, an increase of $183.5 million or 22.8%. Diluted net earnings per share stood at $1.73 compared with $1.41 the previous year, an increase of 22.7%. The translation of revenues and expenses from our Canadian and European operations into US dollars had a negative net impact of approximately $52.0 million on net earnings of the first three quarters of fiscal 2016.

Excluding the items shown in the table below from net earnings for the first three quarters of fiscal 2016 and fiscal 2015, net earnings of the first three quarters for fiscal 2016 would have been approximately $968.0 million, up $90.0 million or 10.3%, while adjusted diluted earnings per share would have been approximately $1.70 compared with $1.54 the previous year, an increase of 10.4%.

The table below reconciles adjusted net earnings to reported net earnings:

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 31, 2016**	February 1, 2015	**January 31, 2016**	February 1, 2015
Net earnings, as reported	**274.0**	248.1	**987.5**	804.0
Remove:				
Curtailment gain on pension plans obligation	**27.2**	2.6	**27.2**	2.6
Tax expense stemming from an internal reorganisation	**(22.9)**	(16.1)	**(22.9)**	(41.8)
Write-off expense on fuel rebranding	**(10.4)**	-	**(10.4)**	-
Impact of accelerated depreciation and amortization	**(10.1)**	-	**(10.1)**	-
Charge on early termination of fuel supply agreements	**(9.2)**	-	**(9.2)**	-
Net foreign exchange (loss) gain	**(4.1)**	(16.6)	**0.8**	(26.2)
Acquisition costs	**(2.1)**	(0.3)	**(3.5)**	(1.5)
Net gain from the disposal of the lubricants business	**-**	-	**47.4**	-
Non-recurring integration costs and expenses in connection with our global brand initiatives	**-**	-	**(8.6)**	-
Loss on disposal of the aviation fuel business	**-**	(10.4)	**-**	(10.4)
Restructuring costs	**-**	(8.1)	**-**	(8.1)
Negative goodwill	**-**	0.6	**-**	1.1
Tax impact of the items above and rounding	**4.6**	7.4	**8.8**	10.3
Adjusted net earnings	**301.0**	289.0	**968.0**	878.0

Financial Position as at January 31, 2016

As shown by our indebtedness ratios included in the "Summary analysis of consolidated results for the third quarter and first three quarters of fiscal 2016" section and our net cash provided by operating activities, our financial position is excellent.

Our total consolidated assets amounted to $11.2 billion as at January 31, 2016, an increase of $210.5 million over the balance as at April 26, 2015. This increase stems primarily from the overall rise in assets resulting from the acquisitions we made during the first three quarters of fiscal 2016 as well as from cash made available for the acquisition of Topaz partly offset by the negative net impact of the appreciation of the US dollar compared to the functional currencies of our operations in Canada

and Europe at the balance sheet date and by the effect of the disposal of the lubricants business. It should be noted that we have updated our balance sheet as of April 26, 2015 to reflect the adjustments made to the preliminary purchase price allocation for The Pantry acquisition.

During the 52-week period ended on January 31, 2016, we recorded a return on capital employed of 17.6%.

Significant balance sheet variations are explained as follows:

Accounts receivable

Accounts receivable decreased by $170.4 million, from $1.2 billion as at April 26, 2015 to $1.0 billion as at January 31, 2016. The decrease mainly stems from lower road transportation fuel selling prices, from the disposal of the lubricants business as well as from the negative net impact of exchange rates variation at the balance sheet date, which was approximately $4.0 million. The decrease was partly offset by the increase resulting from acquisitions.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities decreased by $399.1 million, from $2.2 billion as at April 26, 2015 to $1.8 billion as at January 31, 2016. The decrease mainly stems from a lower road transportation fuel cost, from the disposal of the lubricants business as well as from the negative net impact of exchange rates variation at the balance sheet date, which was approximately $77.0 million. The decrease was partly offset by the increase resulting from acquisitions.

Long-term debt and current portion of long-term debt

Long-term debt decreased by $298.4 million, from $3.1 billion as at April 26, 2015 to $2.8 billion as at January 31, 2016. Long-term debt decreased from the net debt repayments of approximately $1.2 billion we made during the first three quarters of fiscal 2016 as well as from the impact of the weakening of the Canadian dollar against the US dollar, which was approximately $202.0 million. This decrease was partly offset by the issuance of Canadian dollar denominated senior unsecured notes for an amount of $562.0 million as well as by amounts drawn on our credit facilities in preparation for the acquisition of Topaz on February 1, 2016.

Other financial liabilities

Other financial liabilities increased by $177.3 million, from $161.6 million as at April 26, 2015 to $338.9 million as at January 31, 2016. The increase stems from the change in fair value of our cross-currency interest rate swaps, which is determined based on market rates obtained from our financial institutions for similar financial instruments. Change in fair value of this financial instrument is recorded in other comprehensive income.

Shareholders' equity

Shareholders' equity amounted to $4.7 billion as at January 31, 2016, up $844.4 million compared with April 26, 2015, mainly reflecting net earnings for the first three quarters of fiscal 2016, partly offset by dividends declared and other comprehensive loss for the first three quarters of fiscal 2016. For the 52-week period ended January 31, 2016, we recorded a return on equity of 25.4%.

Liquidity and Capital Resources

Our sources of liquidity remain unchanged compared with the fiscal year ended April 26, 2015 except for the changes in our operating credit D, as described below. For further information, please refer to our 2015 Annual Report. Capital expenditures, acquisitions and dividends paid during the third quarter of fiscal 2016 were financed using available cash and our revolving unsecured credit facilities. We expect that cash generated from our operations together with borrowings available under our revolving unsecured credit facilities will be adequate to meet our liquidity needs in the foreseeable future.

Our revolving credit facilities are detailed as follow:

Revolving unsecured operating credit D, maturing in December 2019 ("operating credit D")

Credit agreement consisting of a revolving unsecured facility of a maximum amount of $2,525.0 million. On November 20, 2015, we amended our operating credit D to extend its maturity until December 2019. On January 25, 2016, we amended our operating credit D to add the euro as an available currency. No other terms were changed significantly. As at January 31, 2016, $1,185.8 million of our operating credit D had been used. As at the same date, the effective interest rate was 1.08% and standby letters of credit in the amount of CA$3.2 million and $53.9 million were outstanding.

Term revolving unsecured operating credit E, maturing in December 2016 ("operating credit E")

Credit agreement consisting of an initial maximum amount of $50.0 million with an initial term of 50 months. The credit facility is available in the form of a revolving unsecured operating credit, available in US dollars. The amounts borrowed, if any, bear interest at variable rates based on the US base rate or the LIBOR rate plus a variable margin. As at January 31, 2016, operating credit E was unused.

Available liquidities

As at January 31, 2016, a total of approximately $1.3 billion was available under our revolving unsecured operating credit facilities and we were in compliance with the restrictive covenants and ratios imposed by the credit agreements at that date. Thus, at the same date, we had access to approximately $2.3 billion through our available cash and revolving unsecured operating credit facilities.

Selected Consolidated Cash Flow Information

	16-week periods ended			**40-week periods ended**		
(in millions of US dollars)	**January 31, 2016**	February 1, 2015	Variation	**January 31, 2016**	February 1, 2015	Variation
Operating activities						
Net cash provided by operating activities	**216.8**	350.2	(133.4)	**1,228.0**	1,242.9	(14.9)
Investing activities						
Purchase of property and equipment, intangible assets and other assets, net of proceeds from the disposal of property and equipment and other assets	**(317.1)**	(156.0)	(161.1)	**(548.2)**	(312.1)	(236.1)
Business acquisitions	**(73.5)**	(7.3)	(66.2)	**(183.6)**	(163.0)	(20.6)
Proceeds from disposal of the lubricants business	**-**	-	-	**81.0**	-	81.0
Proceeds from disposal of the aviation fuel business	**-**	94.6	(94.6)	**-**	94.6	(94.6)
Other	**0.1**	-	0.1	**0.7**	(0.3)	1.0
Net cash used in investing activities	**(390.5)**	(68.7)	(321.8)	**(650.1)**	(380.8)	(269.3)
Financing activities						
Net increase (decrease) of revolving unsecured operating credit	**698.5**	(320.0)	1,018.5	**(654.2)**	(205.0)	(449.2)
Cash dividends paid	**(27.8)**	(22.4)	(5.4)	**(74.9)**	(66.5)	(8.4)
Net decrease in other debt	**(8.6)**	(5.7)	(2.9)	**(15.8)**	(15.3)	(0.5)
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs	**-**	-	-	**562.0**	-	562.0
Repurchase of non-controlling interest	**-**	-	-	**(11.8)**	-	(11.8)
Issuance of shares upon exercise of stock options	**-**	-	-	**0.2**	-	0.2
Repayments under the unsecured non-revolving acquisition credit facility	**-**	-	-	**-**	(555.0)	555.0
Net cash from (used in) financing activities	**662.1**	(348.1)	1,010.2	**(194.5)**	(841.8)	647.3
Credit ratings						
Standard and Poor's – Corporate credit rating				**BBB**	BBB-	
Moody's - Senior unsecured notes credit rating				**Baa2**	Baa2	

Operating activities

During the third quarter of fiscal 2016, net cash from our operations reached $216.8 million, down $133.4 million compared with the third quarter of fiscal year 2015, while net cash from our operations for the first three quarters of fiscal 2016 reached $1,228.0 million, down $14.9 million compared with the corresponding period of fiscal year 2015. In both cases, the decrease is mainly due to changes in working capital.

Investing activities

During the third quarter of fiscal 2016, investing activities were primarily for net investments in property and equipment, intangible assets and other assets which amounted to $317.1 million and for business acquisitions for an amount of $73.5 million.

Since the beginning of the fiscal year, investing activities were also primarily for net investments in property and equipment, intangible assets and other assets, which amounted to $548.2 million and for business acquisitions for an amount of $183.6 million. These items were partly offset by the net proceeds from the disposal of the lubricants business, which amounted to $81.0 million.

Net investments in property and equipment, intangible assets and other assets were primarily for the replacement of equipment in some of our stores in order to enhance our offering of products and services, the addition of new stores and the ongoing improvement of our network, as well as for information technology.

Financing activities

During the third quarter of fiscal 2016, we drew net amounts of $698.5 million under our operating credit D. These amounts were drawn in preparation for the closing of the Topaz acquisition on February 1, 2016, as well as for investments in property and equipment. We also paid dividends for an amount of $27.8 million.

During the first three quarters of fiscal 2016, we repaid a total net amount of $654.2 million on our operating credit D, which includes the amounts drawn in preparation for the Topaz acquisition as well as for investments in property and equipment. During the same period, we issued Canadian dollar denominated senior unsecured notes for an amount of $562.0 million. We also paid dividends for an amount of $74.9 million and repurchased the non-controlling interest in Circle K Asia for a cash consideration of $11.8 million.

Contractual Obligations and Commercial Commitments

There were no major changes with respect to our contractual obligations and commercial commitments during the 40-week period ended January 31, 2016. For more information, please refer to our 2015 Annual Report.

Internal Controls over Financial Reporting

There were no changes in our internal controls over financial reporting during the 40-week period ended January 31, 2016 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

As mentioned in our 2015 annual report, we excluded The Pantry's internal control over financial reporting from our evaluation of the overall effectiveness of our internal control over financial reporting. This is due to the timing of the transaction, which occurred on March 16, 2015. The limitation was primarily based on the time required to assess The Pantry's controls over financial reporting and to confirm they are consistent with ours, as permitted by the Canadian Securities Administrator's National Instrument 52-109 for 365 days following an acquisition. We expect to finalize our assessment by March 2016.

The Pantry's balance sheet and results are included in our consolidated financial statements since the acquisition date. They constituted approximately 17.0% of total consolidated assets as of January 31, 2016 while they represented approximately 18.0% of consolidated revenues and approximately 4.0% of consolidated net earnings for the 40-week period ending on January 31, 2016.

Selected Quarterly Financial Information

Our 52-week reporting cycle is divided into quarters of 12 weeks each except for the third quarter, which comprises 16 weeks. When a fiscal year, such as fiscal 2017, contains 53 weeks, the fourth quarter comprises 13 weeks. The following is a summary of selected consolidated financial information derived from our interim consolidated financial statements for each of the eight most recently completed quarters.

(in millions of US dollars except for per share data)	40-week period ended January 31, 2016			52-week period ended April 26, 2015				Extract from 52-week period ended April 27, 2014
Quarter	**3rd**	2nd	1st	4th	3rd	2nd	1st	4th
Weeks	**16 weeks**	12 weeks	12 weeks	12 weeks	16 weeks	12 weeks	12 weeks	12 weeks
Revenues	**9,331.1**	8,436.8	8,979.6	7,285.5	9,107.8	8,946.3	9,190.3	8,954.1
Operating income before depreciation, amortization and impairment of property and equipment, intangibles assets and other assets	**618.7**	685.8	541.5	314.7	536.8	510.0	492.0	296.3
Depreciation, amortization and impairment of property and equipment, intangibles assets and other assets	**192.8**	137.6	140.0	128.6	152.4	122.7	126.7	142.0
Operating income	**425.9**	548.2	401.5	186.1	384.4	387.3	365.3	154.3
Share of earnings of joint ventures and associated companies accounted for using the equity method	**8.8**	8.2	6.5	4.4	7.7	5.1	4.7	3.9
Net financial expenses	**33.5**	25.2	17.1	15.6	41.2	18.6	30.0	26.9
Net earnings	**274.0**	415.7	297.8	129.5	248.1	286.4	269.5	145.1
Net earnings per share								
Basic	**$0.48**	$0.73	$0.52	$0.23	$0.44	$0.51	$0.48	$0.26
Diluted	**$0.48**	$0.73	$0.52	$0.23	$0.44	$0.50	$0.47	$0.25

The volatility of road transportation fuel gross margins, mostly in the United States, and seasonality both have an impact on the variability of our quarterly net earnings. With that said, the majority of our operating income is derived from merchandise and service sales.

Outlook

For the remainder of fiscal 2016, our priority will be to work on the integration of Topaz into our network. We also look forward to continuing our work on the integration of The Pantry stores into our network and to realizing synergies associated with that integration in addition to pursuing our work around value creation in Europe. We will also continue working to improve and expand our network, including the construction of new stores and the relocation and reconstruction of existing stores. We also intend to maintain our ongoing focus on sales, supply terms and operating expenses while keeping an eye on growth opportunities that may be available in our various markets.

We will also work toward the deployment of our new global convenience brand, Circle K™, throughout North America, Europe and our licensed stores worldwide. We are setting out to make it easy for existing and new customers in more countries than ever before to prefer Circle K™ as their destination for convenience and fuel, with a fresh look and feel and even better products for people on the go, always combined with fast and friendly service.

Much as in previous years, we will pay special attention to the reduction of our debt level. Thus we will continue improving our financial flexibility and the quality of our credit rating, allowing us to be adequately positioned to realize potential acquisition opportunities.

March 15, 2016

CONSOLIDATED STATEMENTS OF EARNINGS

(in millions of US dollars, except per share amounts, unaudited)

For the periods ended	16 weeks		40 weeks	
	January 31, 2016	February 1, 2015	**January 31, 2016**	February 1, 2015
	$	$	**$**	$
Revenues	**9,331.1**	9,107.8	**26,747.5**	27,244.4
Cost of sales	**7,591.0**	7,578.0	**22,057.3**	23,147.7
Gross profit	**1,740.1**	1,529.8	**4,690.2**	4,096.7
Operating, selling, administrative and general expenses	**1,134.1**	981.6	**2,900.6**	2,548.0
Curtailement gain on defined benefits pension plans obligation (Note 10)	**(27.2)**	(2.6)	**(27.2)**	(2.6)
Loss (gain) on disposal of property and equipment and other assets	**14.5**	(3.9)	**18.2**	(4.9)
Gain on disposal of lubricants business (Note 4)	**-**	-	**(47.4)**	-
Loss on disposal of aviation fuel business	**-**	10.4	**-**	10.4
Restructuring costs	**-**	8.1	**-**	8.1
Negative goodwill	**-**	(0.6)	**-**	(1.1)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**192.8**	152.4	**470.4**	401.8
	1,314.2	1,145.4	**3,314.6**	2,959.7
Operating income	**425.9**	384.4	**1,375.6**	1,137.0
Share of earnings of joint ventures and associated companies accounted for using the equity method	**8.8**	7.7	**23.5**	17.5
Financial expenses	**30.9**	26.5	**81.6**	69.9
Financial revenues	**(1.5)**	(1.9)	**(5.0)**	(6.3)
Foreign exchange loss (gain)	**4.1**	16.6	**(0.8)**	26.2
Net financial expenses	**33.5**	41.2	**75.8**	89.8
Earnings before income taxes	**401.2**	350.9	**1,323.3**	1,064.7
Income taxes	**127.2**	102.8	**335.8**	260.7
Net earnings	**274.0**	248.1	**987.5**	804.0
Net earnings attributable to:				
Shareholders of the Corporation	**274.0**	248.0	**987.3**	803.4
Non-controlling interest	**-**	0.1	**0.2**	0.6
Net earnings	**274.0**	248.1	**987.5**	804.0
Net earnings per share (Note 7)				
Basic	**0.48**	0.44	**1.74**	1.42
Diluted	**0.48**	0.44	**1.73**	1.41
Weighted average number of shares – basic (in thousands)	**567,427**	565,923	**567,405**	565,835
Weighted average number of shares – diluted (in thousands)	**569,230**	568,761	**569,188**	568,640
Number of shares outstanding at end of period (in thousands)	**567,449**	565,988	**567,449**	565,988

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of US dollars, unaudited)

For the periods ended	16 weeks		40 weeks	
	January 31, 2016	February 1, 2015	**January 31, 2016**	February 1, 2015
	$	$	**$**	$
Net earnings	**274.0**	248.1	**987.5**	804.0
Other comprehensive income				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Changes in cumulative translation adjustments [1]	**(90.7)**	(293.3)	**110.0**	(613.9)
Changes in cumulative translation adjustments reclassified to earnings	**-**	1.9	**-**	1.9
Change in fair value of cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its US operations [2]	**(116.4)**	(80.2)	**(218.1)**	(100.4)
Net interest on cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its US operations [3]	**(1.3)**	(0.5)	**(2.4)**	0.2
Cash flow hedges				
Change in fair value of financial instruments [4]	**(0.4)**	11.7	**8.3**	16.9
Gain realized on financial instruments reclassified to earnings [5]	**(1.2)**	(9.6)	**(8.7)**	(13.0)
Available for sale investment				
Change in fair value of an available for sale investment [6]	**(2.8)**	-	**(2.8)**	-
Items that will never be reclassified to earnings				
Net actuarial gain (loss) [7]	**6.9**	(20.4)	**28.7**	(35.1)
Other comprehensive loss	**(205.9)**	(390.4)	**(85.0)**	(743.4)
Comprehensive income (loss)	**68.1**	(142.3)	**902.5**	60.6
Comprehensive income attributable to:				
Shareholders of the Corporation	**68.1**	(142.4)	**902.3**	60.0
Non-controlling interest	**-**	0.1	**0.2**	0.6
Comprehensive income (loss)	**68.1**	(142.3)	**902.5**	60.6

(1) For the 16 and 40-week periods ended January 31, 2016, these amounts include a loss of $63.9 (net of income taxes of $10.1) and a loss of $142.8 (net of income taxes of $22.6), respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts include a loss of $74.9 (net of income taxes of $11.7). These losses arise from the translation of the US dollar and euro denominated long-term debts designated as foreign exchange hedges of the Corporation's net investments in its US operations and its Danish and Baltic operations, respectively.

(2) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $0.3 and $7.0, respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts are net of income taxes of $16.0 and $18.3, respectively.

(3) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $0.3 and $0.9, respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts are net of income taxes of $0.2 and $0.1, respectively.

(4) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $0.1 and $3.5, respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts are net of income taxes of $4.4 and $6.0, respectively.

(5) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $0.4 and $3.2, respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts are net of income taxes of $3.6 and $4.9, respectively.

(6) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes.

(7) For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $2.2 and $9.4, respectively. For the 16 and 40-week periods ended February 1, 2015, these amounts are net of income taxes of $8.0 and $13.4, respectively.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions of US dollars, unaudited)

For the 40-week period ended							**January 31, 2016**
	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive loss (Note 8)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**697.2**	**10.7**	**3,919.8**	**(738.6)**	**3,889.1**	**13.9**	**3,903.0**
Comprehensive income:							
Net earnings			**987.3**		**987.3**	**0.2**	**987.5**
Other comprehensive loss				**(85.0)**	**(85.0)**		**(85.0)**
Comprehensive income					**902.3**	**0.2**	**902.5**
Dividends declared			**(74.9)**		**(74.9)**	**(0.7)**	**(75.6)**
Nullification of redemption liability (Note 11)			**13.0**		**13.0**	**-**	**13.0**
Repurchase of non-controlling interest (Note 11)					**-**	**(11.8)**	**(11.8)**
Non-controlling interest transferred to contributed surplus (Note 11)		**1.6**			**1.6**	**(1.6)**	**-**
Stock option-based compensation expense		**2.2**			**2.2**		**2.2**
Initial fair value of stock options exercised	**0.1**	**(0.1)**			**-**		**-**
Cash received upon exercise of stock options	**0.2**				**0.2**		**0.2**
Balance, end of period	**697.5**	**14.4**	**4,845.2**	**(823.6)**	**4,733.5**	**-**	**4,733.5**

For the 40-week period ended							February 1, 2015
	Attributable to the shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss) (Note 8)	Total	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance, beginning of period	686.5	11.6	3,077.4	186.9	3,962.4	14.2	3,976.6
Comprehensive income:							
Net earnings			803.4		803.4	0.6	804.0
Other comprehensive loss				(743.4)	(743.4)		(743.4)
Comprehensive income					60.0	0.6	60.6
Reduction of non-controlling interest					-	(0.6)	(0.6)
Dividends declared			(66.5)		(66.5)	(0.4)	(66.9)
Stock option-based compensation expense		2.4			2.4		2.4
Initial fair value of stock options exercised	0.6	(0.6)			-		-
Balance, end of period	687.1	13.4	3,814.3	(556.5)	3,958.3	13.8	3,972.1

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of US dollars, unaudited)

	16 weeks		40 weeks	
For the periods ended	**January 31, 2016**	February 1, 2015	**January 31, 2016**	February 1, 2015
	$	$	**$**	$
Operating activities				
Net earnings	**274.0**	248.1	**987.5**	804.0
Adjustments to reconcile net earnings to net cash provided by operating activities				
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets, net of amortization of deferred credits	**181.1**	125.7	**439.8**	353.5
Curtailement gain on defined benefits pension plans (Note 10)	**(27.2)**	(2.6)	**(27.2)**	(2.6)
Deferred income taxes	**24.3**	2.1	**(11.3)**	(65.8)
Deferred credits	**8.3**	7.8	**19.2**	11.3
Loss (gain) on disposal of property and equipment and other assets	**14.5**	(3.9)	**18.2**	(4.9)
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**(2.5)**	(2.8)	**(10.2)**	(5.9)
Gain on disposal of lubricants business (Note 4)	**-**	-	**(47.4)**	-
Loss on disposal of aviation fuel business	**-**	10.4	**-**	10.4
Restructuring costs	**-**	8.1	**-**	8.1
Negative goodwill	**-**	(0.6)	**-**	(1.1)
Other	**(15.5)**	(11.5)	**(2.7)**	(3.7)
Changes in non-cash working capital	**(240.2)**	(30.6)	**(137.9)**	139.6
Net cash provided by operating activities	**216.8**	350.2	**1,228.0**	1,242.9
Investing activities				
Purchase of property and equipment, intangible assets and other assets	**(333.6)**	(187.8)	**(607.8)**	(375.5)
Business acquisitions (Note 3)	**(73.5)**	(7.3)	**(183.6)**	(163.0)
Proceeds from disposal of property and equipment and other assets	**16.5**	31.8	**59.6**	63.4
Restricted cash	**0.1**	-	**0.7**	(0.3)
Proceeds from disposal of lubricants business (Note 4)	**-**	-	**81.0**	-
Proceeds from disposal of aviation fuel business	**-**	94.6	**-**	94.6
Net cash used in investing activities	**(390.5)**	(68.7)	**(650.1)**	(380.8)
Financing activities				
Increase in euro denominated term revolving unsecured operating credit (Note 5)	**565.7**	-	**565.7**	-
Net increase (decrease) in US dollar denominated term revolving unsecured operating credit (Note 5)	**100.5**	(320.0)	**(1,252.2)**	(205.0)
Increase in Canadian dollar denominated term revolving unsecured operating credit (Note 5)	**32.3**	-	**32.3**	-
Cash dividends paid	**(27.8)**	(22.4)	**(74.9)**	(66.5)
Net decrease in other debt	**(8.6)**	(5.7)	**(15.8)**	(15.3)
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs (Note 5)	**-**	-	**562.0**	-
Repurchase of non-controlling interest (Note 11)	**-**	-	**(11.8)**	-
Issuance of shares upon exercise of stock options	**-**	-	**0.2**	-
Repayments under the unsecured non-revolving acquisition credit facility	**-**	-	**-**	(555.0)
Net cash provided by (used in) financing activities	**662.1**	(348.1)	**(194.5)**	(841.8)
Effect of exchange rate fluctuations on cash and cash equivalents	**10.6**	(53.4)	**12.9**	(53.4)
Net increase (decrease) in cash and cash equivalents	**499.0**	(120.0)	**396.3**	(33.1)
Cash, cash equivalents and bank overdraft, beginning of period	**473.1**	598.0	**575.8**	511.1
Cash and cash equivalents, end of period	**972.1**	478.0	**972.1**	478.0
Supplemental information:				
Interest paid	**36.2**	18.5	**65.8**	48.3
Interest and dividends received	**7.7**	7.0	**17.6**	17.4
Income taxes paid	**196.5**	124.5	**333.5**	211.4
Cash and cash equivalents components:				
Cash and demand deposits			**972.1**	478.0

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
(in millions of US dollars, unaudited)

	January 31, 2016	As at April 26, 2015 (adjusted, Note 1)
	$	$
Assets		
Current assets		
Cash and cash equivalents	**972.1**	575.8
Restricted cash	**1.4**	2.1
Accounts receivable	**1,024.4**	1,194.8
Inventories	**801.4**	859.6
Prepaid expenses	**51.5**	61.0
Income taxes receivable	**-**	10.5
	2,850.8	2,703.8
Property and equipment	**5,602.6**	5,600.1
Goodwill	**1,674.4**	1,629.2
Intangible assets	**618.1**	695.9
Other assets	**319.8**	221.4
Investment in joint ventures and associated companies	**85.5**	75.6
Deferred income taxes	**49.2**	63.9
	11,200.4	10,989.9
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**1,835.1**	2,234.2
Provisions	**102.4**	138.9
Income taxes payable	**60.0**	37.3
Current portion of long-term debt (Note 5)	**20.7**	21.4
	2,018.2	2,431.8
Long-term debt (Note 5)	**2,749.2**	3,046.9
Provisions	**411.9**	413.5
Pension benefit liability	**81.4**	126.6
Other financial liabilities (Note 6)	**338.9**	161.6
Deferred credits and other liabilities	**268.5**	312.4
Deferred income taxes	**598.8**	594.1
	6,466.9	7,086.9
Equity		
Capital stock (Note 9)	**697.5**	697.2
Contributed surplus	**14.4**	10.7
Retained earnings	**4,845.2**	3,919.8
Accumulated other comprehensive loss (Note 8)	**(823.6)**	(738.6)
Equity attributable to shareholders of the Corporation	**4,733.5**	3,889.1
Non-controlling interest	**-**	13.9
	4,733.5	3,903.0
	11,200.4	10,989.9

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

1. CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION

The unaudited interim condensed consolidated financial statements (the "interim financial statements") have been prepared by the Corporation in accordance with generally accepted accounting principles in Canada as set out in Part I of the Chartered Professional Accountants of Canada (CPA Canada) Handbook – Accounting, which incorporates International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

The interim financial statements were prepared in accordance with the same accounting policies and methods as the audited annual consolidated financial statements for the year ended April 26, 2015 except those disclosed in Note 2. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements and notes thereto in the Corporation's 2015 Annual Report. The results of operations for the interim periods presented do not necessarily reflect results expected for the full fiscal year. The Corporation's business follows a seasonal pattern. The busiest period is the first half-year of each fiscal year, which includes summer's sales.

On March 15, 2016, the Corporation's interim financial statements were approved by the Board of Directors who also approved their publication.

Comparative figures

Certain comparative figures of the consolidated financial statements have been reclassified to comply with the presentation adopted in the fiscal year ended April 26, 2015. Direct car wash expenses were previously recorded as a reduction of revenue or as operating, selling, administrative and general expenses. This is no longer the case and car wash revenue is now presented at its gross amount and all direct expenses are recorded in cost of sales. For the 16 and 40-week periods ended February 1, 2015, this change resulted in an increase in revenue of $1.9 and $4.9, respectively, a decrease in gross profit of $1.1 and $2.3, respectively and a decrease in operating, selling, administrative and general expenses of $1.1 and $2.3, respectively.

The Corporation has made adjustments to the preliminary purchase price allocation for the acquisition of The Pantry Inc. As a result, changes were made to: Operating, selling, administrative and general expenses, Depreciation, amortization and impairment of property and equipment, intangibles and other assets and Financial expenses in the Consolidated Statement of Earnings for the 12-week period ended July 19, 2015. The Consolidated Balance Sheet as at April 26, 2015 was also adjusted to consider these changes. See Note 3 for details on the adjustments made to the purchase price allocation for this acquisition.

2. ACCOUNTING CHANGES

Accounting policies different from those used in the audited annual consolidated financial statements for the year ended April 26, 2015

Hedge of the net investment in foreign operations

As of January 29, 2016, the Corporation designated its entire euro denominated long-term debt as a foreign exchange hedge of its net investment in its Danish and Baltic operations. Accordingly, gains or losses arising from the translation of the euro denominated debt that is determined to be an effective hedge are recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of the Corporation's net investment in its Danish and Baltic operations. Should a portion of the hedging relationship become ineffective, the gains and losses arising from its translation would be recorded in the consolidated statement of earnings under Foreign exchange loss (gain).

Change in accounting estimates

On September 22, 2015, the Corporation announced the creation and rollout of a new, global convenience brand, “Circle K™”. In connection with this rebranding project which should span over the course of the next few years, the Corporation has accelerated the depreciation and amortization of certain existing assets. Consequently, an incremental depreciation and amortization expense of $10.1 was recorded to earnings for the 16-week period ended January 31, 2016. The incremental depreciation and amortization expense related to this change is expected to be approximately $8.0 to $10.0 for the 12-week period ended April 24, 2016, approximately $23.0 to $26.0 for the 53-week period ending April 30, 2017 and approximately $14.0 to $16.0 for the 52-week period ending April 29, 2018.

Recently issued but not yet implemented

Leases

On January 13, 2016, the IASB released IFRS 16, “Leases”, which supersedes IAS 17, “Leases”, and the related interpretations on leases: IFRIC 4, “Determining whether an arrangement contains a lease”, SIC 15, “Operating Leases – Incentives” and SIC 27, “Evaluating the substance of transactions in the legal form of a lease”. The standard is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted for companies that also apply IFRS 15, “Revenue from Contracts with Customers”. The Company is currently evaluating the impact of the standard on its consolidated financial statements.

Statement of Cash Flows

On January 29, 2016, the International Accounting Standards Board (IASB) published amendments to IAS 7, “Statement of Cash Flows”. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity’s financing activities. They are effective for annual periods beginning on or after January 1, 2017, with earlier application being permitted. The Corporation is currently evaluating the impact of the standard on its consolidated financial statements.

Income Taxes

On January 19, 2016, the IASB issued amendments to IAS 12, "Income Taxes" regarding the recognition of deferred tax assets for unrealized losses, effective for annual periods beginning on or after January 1, 2017. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The Corporation is currently evaluating the impact of these amendments on its consolidated financial statements.

3. BUSINESS ACQUISITIONS

- On December 1, 2015, the Corporation acquired from Texas Star Investments and their affiliates, 18 company-operated stores, two quick service restaurants and a dealer fuel supply network located in the US State of Texas. The Corporation owns the land and buildings for 17 sites and leases the land and owns the buildings for the remaining sites.
- On September 24, 2015, the Corporation acquired from Kocolene Marketing LLC, 13 company-operated stores in the US States of Indiana and Kentucky. The Corporation owns the land and buildings for 12 sites and leases the land and building for the remaining site.
- On June 2, 2015, the Corporation acquired from Cinco J, Inc., Tiger Tote Food Stores, Inc., and their affiliates 21 company-operated stores in the US States of Texas, Mississippi and Louisiana. The Corporation owns the land and buildings for 18 sites and leases the land and owns the buildings for the remaining three sites. As part of this agreement, the Corporation also acquired agreements for the supply of fuel to 141 stores operated by independent operators, five development properties and customer relations for 93 dealer sites.
- During the 40-week period ended January 31, 2016, the Corporation also acquired 16 other stores through distinct transactions. The Corporation owns the land and buildings for 12 sites and leases these same assets for the remaining four.

For the 40-week period ended January 31, 2016, acquisition costs of $3.5 in connection with these acquisitions and other unrealized or on-going acquisitions are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $183.6. Since the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for all transactions, the preliminary allocations of certain acquisitions are subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

The purchase price allocations based on the estimated fair value on the date of acquisition and available information as at the date of publication of these consolidated financial statements are as follows:

	$
Tangible assets acquired	
Inventories	**6.8**
Property and equipment	**87.6**
Other assets	**3.1**
Total tangible assets	**97.5**
Liabilities assumed	
Provisions	**1.2**
Deferred credits and other liabilities	**4.9**
Total liabilities	**6.1**
Net tangible assets acquired	**91.4**
Intangible assets	**10.9**
Goodwill	**81.3**
Total cash consideration paid	**183.6**

The Corporation expects that $10.5 of the goodwill related to these transactions will be deductible for tax purposes.

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill mainly due to the strategic location of stores acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $228.4 and $4.6, respectively. Considering the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

Acquisition of The Pantry Inc. ("The Pantry")

On March 16, 2015, the Corporation acquired 100% of the outstanding shares of The Pantry through an all-cash transaction valued at $36.75 per share. At the acquisition date, The Pantry operated over 1,500 convenience stores in 13 US states, the majority of which dispensed road transportation fuel. As a result of this transaction, the Corporation became owner of the land and buildings for 409 sites, lessor of the land and owner of the buildings for 52 sites and lessor of these same assets for the remaining sites. This acquisition was settled for a total cash consideration of $850.7.

The table below shows The Pantry's initial purchase price allocation as reported in the Corporation's 2015 annual consolidated financial statements and the changes made to adjust it to the final allocation based on available information as at the date of authorisation of these consolidated financial statements.

	Initial allocation	Changes	Final allocation
	$	$	$
Assets			
Current assets			
Cash and cash equivalents	93.8		93.8
Accounts receivable	60.9		60.9
Inventories	135.7		135.7
Prepaid expenses	25.8	(3.3)	22.5
Income taxes receivable	0.4	0.1	0.5
	316.6	(3.2)	313.4
Property and equipment	660.8	275.5	936.3
Identifiable intangible assets	11.8	74.1	85.9
Other assets	67.7	(0.8)	66.9
	1,056.9	345.6	1,402.5
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	219.7	13.8	233.5
Provisions	22.5	0.3	22.8
Current portion of finance lease obligations	7.6	(0.4)	7.2
Current portion of long-term debt	529.1		529.1
	778.9	13.7	792.6
Finance lease obligations	97.6	(5.7)	91.9
Provisions	116.2	(1.2)	115.0
Other liabilities	16.4	98.9	115.3
Deferred income taxes	44.8	51.8	96.6
	1,053.9	157.5	1,211.4
Net identifiable assets	3.0	188.1	191.1
Acquisition goodwill	847.7	(188.1)	659.6
Consideration paid in cash	850.7		850.7
Cash and cash equivalents acquired	93.8		93.8
Net cash flow for the acquisition	756.9	-	756.9

The Corporation expects that none of the goodwill related to this transaction will be deductible for tax purposes.

4. DISPOSAL OF LUBRICANTS BUSINESS

On October 1, 2015, the Corporation closed the disposal of its lubricants business to Fuchs Petrolub SE. The disposal was done through a share purchase agreement pursuant to which Fuchs Petrolub SE acquired 100% of issued and outstanding shares of Statoil Fuel & Retail Lubricants Sweden AB. Total proceeds from the disposal of the lubricants business were $81.0. The Corporation recognized a gain on disposal of $47.4 in relation to this transaction.

5. LONG-TERM DEBT

	As at January 31, 2016	As at April 26, 2015
	$	$
Canadian dollar denominated senior unsecured notes maturing on various dates from November 2017 to June 2025	**1,423.1**	1,064.2
US dollar denominated term revolving unsecured operating credit D, maturing in December 2019	**585.0**	1,837.2
Euro denominated term revolving unsecured operating credit D, maturing in December 2019	**569.3**	-
Canadian dollar denominated term revolving unsecured operating credit D, maturing in December 2019	**31.5**	-
NOK denominated floating rate bonds, maturing in February 2017	**1.7**	1.9
NOK denominated fixed rate bonds, maturing in February 2019	**1.5**	1.7
Other debts, including finance leases, maturing at various dates	**157.8**	163.3
	2,769.9	3,068.3
Current portion of long-term debt	**20.7**	21.4
	2,749.2	3,046.9

Canadian dollar denominated senior unsecured notes

On June 2, 2015, the Corporation issued Canadian dollar denominated senior unsecured notes totaling CA$ 700.0 with a coupon rate of 3.6% (effective rate of 3.6%) and maturing on June 2, 2025. Interest is payable semi-annually on June 2nd and December 2nd of each year. The Corporation used the net proceeds from the issuance to repay a portion of its term revolving unsecured operating credit D.

Revolving unsecured operating credit D

During the 40-week period ended January 31, 2016, the following amendments have been made to the Corporation's term revolving unsecured operating credit D:

- On November 20, 2015, its maturity was extended to December 2019.
- On January 25, 2016, the euro was added as an available currency under the facility. The amounts borrowed in euro bear interest at variable rates based on Euribor plus a variable margin.

No other terms were changed significantly.

6. FINANCIAL LIABILITIES

Cross-currency interest rate swaps

Between June 12, 2015 and June 19, 2015, in connection with the issuance of Canadian dollar denominated notes described in Note 5, the Corporation entered into cross-currency interest rate swap agreements for a total notional amount of CA$700.0, allowing it to synthetically convert a portion of its Canadian dollar denominated debt into US dollars.

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Fair value as at January 31, 2016	Maturity
CA$175.0	3.6%	US$142.2	3.8099%	16.8$	June 2, 2025
CA$175.0	3.6%	US$142.7	3.8650%	17.9$	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8540%	10.1$	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8700%	9.8$	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8570%	9.9$	June 2, 2025
CA$50.0	3.6%	US$41.3	3.8230%	5.6$	June 2, 2025

The Corporation is exposed to fair value risk with regards to these cross-currency interest rate swap agreements. The cross-currency interest rate swap agreements were designated as a foreign exchange hedge of the Corporation's net investment in its US operations.

7. NET EARNINGS PER SHARE

The following table presents the information for the computation of basic and diluted net earnings per share:

	16-week period ended January 31, 2016			16-week period ended February 1, 2015		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**274.0**	**567,427**	**0.48**	248.0	565,923	0.44
Dilutive effect of stock options		**1,803**	**-**		2,838	-
Diluted net earnings available for Class A and B shareholders	**274.0**	**569,230**	**0.48**	248.0	568,761	0.44

	40-week period ended January 31, 2016			40-week period ended February 1, 2015		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**987.3**	**567,405**	**1.74**	803.4	565,835	1.42
Dilutive effect of stock options		**1,783**	**(0.01)**		2,805	(0.01)
Diluted net earnings available for Class A and B shareholders	**987.3**	**569,188**	**1.73**	803.4	568,640	1.41

When they have an anti-dilutive effect, stock options must be excluded from the calculation of the diluted net earnings per share. For the 16 and 40-week periods ended January 31, 2016, 140,586 stock options were excluded and 651,274 stock options were excluded for the 16 and 40-week periods ended February 1, 2015.

8. ACCUMULATED OTHER COMPREHENSIVE LOSS

As at January 31, 2016

	Attributable to shareholders of the Corporation						
	Items that may be reclassified to earnings					**Will never be reclassified to earnings**	
	Cumulative translation adjustments	**Currency swaps net investment hedge**	**Net interest on currency swaps net investment hedge**	**Cash flow hedge**	**Accumulated fair value variation of an available for sale investment**	**Cumulative net actuarial loss**	**Accumulated other comprehensive loss**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**(444.8)**	**(372.7)**	**2.8**	**6.9**	**(2.8)**	**(5.4)**	**(816.0)**
Less: Income taxes	**-**	**7.3**	**0.8**	**1.8**	**-**	**(2.3)**	**7.6**
Balance, net of income taxes	**(444.8)**	**(380.0)**	**2.0**	**5.1**	**(2.8)**	**(3.1)**	**(823.6)**

As at February 1, 2015

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Cumulative translation adjustments	Currency swaps net investment hedge	Net interest on currency swaps net investment hedge	Cash flow hedge	Cumulative net actuarial loss	Accumulated other comprehensive loss
	$	$	$	$	$	$
Balance, before income taxes	(365.3)	(192.6)	6.4	9.4	(55.3)	(597.4)
Less: Income taxes	-	(29.6)	1.8	2.1	(15.2)	(40.9)
Balance, net of income taxes	(365.3)	(163.0)	4.6	7.3	(40.1)	(556.5)

9. CAPITAL STOCK

Stock options

For the 16-week period ended January 31, 2016, a total of 36,938 stock options were exercised (125,270 for the 16-week period ended February 1, 2015). For the 40-week period ended January 31, 2016, a total of 97,123 stock options were exercised (275,540 for the 40-week period ended February 1, 2015).

On July 22, 2015, 145,011 stock options were granted under the Corporation's stock option plan. The fair value of stock options granted for the 40-week period ended January 31, 2016 was CA$19.22 per option.

The fair value of stock options granted was estimated at the grant date using the Black-Scholes option pricing model on the basis of the following weighted average assumptions for the stock options granted during fiscal year 2016:

- risk-free interest rate of 1.30%;
- expected life of 8 years;
- expected volatility of 29.0%;
- expected quarterly dividend of CA5.5¢ per share.

A description of the Corporation's stock-based compensation plan is included in Note 25 of the consolidated financial statements presented in the Corporation's 2015 Annual Report.

Issued and outstanding shares

As at January 31, 2016, the Corporation has 148,101,840 (148,101,840 as at April 26, 2015) issued and outstanding Class A multiple voting shares each comprising ten votes per share and 419,347,647 (419,262,255 as at April 26, 2015) outstanding Class B subordinate voting shares each comprising one vote per share.

10. CURTAILMENT GAIN ON DEFINED BENEFITS PENSION PLANS OBLIGATION

During the 16-week period ended January 31, 2016, the Corporation announced to employees its decision to convert certain of its existing defined benefits pension plans into defined contributions plans. In connection with the termination of the defined benefits plans, a pre-tax curtailment gain of $27.2 million was recorded to earnings with a corresponding offset to the defined benefits pension plans obligation.

11. REPURCHASE OF NON-CONTROLLING INTEREST IN CIRCLE K ASIA S.À.R.L.

On July 24, 2015, the Corporation exercised its option to repurchase the non-controlling interest in Circle K Asia s.à.r.l. ("Circle K Asia") for a cash consideration of $11.8. The difference between the consideration paid and the value of the non-controlling interest as at July 24, 2015 was recorded to contributed surplus. As a result of this transaction, the Corporation's redemption liability was nullified and its reversal was recorded to retained earnings. The Corporation now holds 100% of Circle K Asia's shares.

12. SEGMENTED INFORMATION

The Corporation operates convenience stores in the United States, in Europe and in Canada. It essentially operates in one reportable segment, the sale of goods for immediate consumption, road transportation fuel and other products mainly through company-operated and franchised stores. The Corporation operates its convenience store chain under several banners, including Circle K, Couche-Tard, Mac's, Kangaroo Express, Statoil and Ingo. Revenues from external customers mainly fall into three categories: merchandise and services, road transportation fuel and other.

Information on the principal revenue classes as well as geographic information is as follows:

	16-week period ended January 31, 2016				16-week period ended February 1, 2015			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**2,156.9**	**254.1**	**489.5**	**2,900.5**	1,495.4	283.2	553.3	2,331.9
Road transportation fuel	**4,306.7**	**1,414.8**	**554.1**	**6,275.6**	3,706.9	1,839.0	696.3	6,242.2
Other	**4.3**	**150.6**	**0.1**	**155.0**	5.0	528.6	0.1	533.7
	6,467.9	**1,819.5**	**1,043.7**	**9,331.1**	5,207.3	2,650.8	1,249.7	9,107.8
Gross Profit								
Merchandise and services	**717.2**	**111.5**	**158.6**	**987.3**	490.1	114.7	178.3	783.1
Road transportation fuel	**434.1**	**221.2**	**42.2**	**697.5**	365.7	240.9	47.4	654.0
Other	**4.3**	**50.9**	**0.1**	**55.3**	5.0	87.6	0.1	92.7
	1,155.6	**383.6**	**200.9**	**1,740.1**	860.8	443.2	225.8	1,529.8
Total long-term assets [(b)]	**5,005.5**	**2,716.7**	**500.4**	**8,222.6**	3,023.0	2,852.2	519.1	6,394.3

	40-week period ended January 31, 2016				40-week period ended February 1, 2015			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**5,666.0**	**667.6**	**1,401.5**	**7,735.1**	3,887.4	779.9	1,591.9	6,259.2
Road transportation fuel	**12,730.0**	**4,126.4**	**1,634.1**	**18,490.5**	11,346.2	5,756.1	2,115.1	19,217.4
Other	**11.8**	**509.7**	**0.4**	**521.9**	12.1	1,755.3	0.4	1,767.8
	18,407.8	**5,303.7**	**3,036.0**	**26,747.5**	15,245.7	8,291.3	3,707.4	27,244.4
Gross Profit								
Merchandise and services	**1,878.6**	**282.2**	**459.8**	**2,620.6**	1,272.7	319.5	525.0	2,117.2
Road transportation fuel	**1,184.3**	**606.5**	**118.4**	**1,909.2**	877.9	697.4	132.1	1,707.4
Other	**11.8**	**148.2**	**0.4**	**160.4**	12.1	259.6	0.4	272.1
	3,074.7	**1,036.9**	**578.6**	**4,690.2**	2,162.7	1,276.5	657.5	4,096.7

(a) Geographic areas are determined according to where the Corporation generates operating income (where the sale takes place) and according to the location of the long-term assets.

(b) Excluding financial instruments, deferred tax assets and post-employment benefit assets.

13. FAIR VALUES

The fair value of Trade accounts receivable and vendor rebates receivable, Credit and debit cards receivable and Accounts payable and accrued liabilities is comparable to their carrying amount given their short maturity. The fair value of Obligations related to buildings and equipment under finance leases is comparable to its carrying amount given that implicit interest rates are generally consistent with equivalent market interest rates for similar obligations. The carrying value of the term revolving unsecured operating credit D approximates its fair value given that its credit spread is similar to the credit spread the Corporation would obtain under similar conditions at the reporting date.

Fair value hierarchy

Fair value measurements are categorized in accordance with the following levels:

Level 1: Unajusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 but that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data.

The estimated fair value of each class of financial instruments, the methods and assumptions that were used to determine it and their fair value hierarchy are as follows:

Financial instruments at fair value on the consolidated balance sheet:

- The fair value of the investment contract including an embedded total return swap, which is mainly based on the fair market value of the Corporation's Class B shares, is $44.3 as at January 31, 2016 ($54.7 as at April 26, 2015) (Level 2);
- The fair value of the cross-currency interest rate swaps, which is determined based on market rates obtained from the Corporation's financial institutions for similar financial instruments, is $338.9 as at January 31, 2016 ($161.6 as at April 26, 2015) (Level 2). They are presented as other financial liabilities on the consolidated balance sheet.

Financial instruments not at fair value on the consolidated balance sheet:

- The fair value of the senior unsecured notes, which is based on observable market data, is $1,476.0 as at January 31, 2016 ($1,128.8 as at April 26, 2015).

14. SUBSEQUENT EVENTS

Acquisitions

On February 1, 2016, the Corporation acquired all outstanding shares of Topaz Energy Group Limited ("TEGL"), Resource Property Investment Fund plc ("RPIF"), and Esso Ireland Limited, collectively known as "Topaz" for a total cash consideration of €258.0 or $280.9. Topaz is the leading convenience and fuel retailer in Ireland with a network comprising 444 service stations. Of these service stations, 158 are operated by Topaz and 286 by dealers. The agreement also encompasses a

significant commercial fuels operation, with over 30 depots and two terminals. The transaction was financed using the Corporation's term revolving unsecured operating credit D. In order to plan for this transaction, as of January 31, 2016, the needed funds were drawn from the term revolving unsecured operating credit and included in cash and cash equivalent on the balance sheet. Considering that the available financial information concerning Topaz is not yet aligned with the Corporation's accounting policies, pro-forma revenues and net earnings had the Corporation concluded this acquisition at the beginning of its fiscal year are not disclosed.

On March 8, 2016, the Corporation signed an agreement with Imperial Oil ("Imperial") to acquire certain of its Canadian retail assets located in the Provinces of Ontario and Québec. The transaction comprises 279 of Imperial's Esso-branded fuel and convenience sites in Canada. Of these sites, 229 are located in Ontario - the majority of which in the Greater Toronto Area - and 50 sites are located in Québec. All of the Québec sites are in the Greater Montréal Area or on the south shore of Montréal. The agreement also includes 13 land banks and two dealer sites, as well as a long-term supply agreement for Esso branded fuel. Of the 279 sites, 238 are owned by Imperial and 41 are leased. The total transaction is priced at approximately CA$1.686 billion. Pending the customary regulatory approvals and closing conditions, the transaction is expected to close within six months.The acquisition would be financed using available cash and existing credit facilities.

Dividends

During its March 15, 2016 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA6.75¢ per share for the third quarter of fiscal 2016 to shareholders on record as at March 24, 2016 and approved its payment for April 7, 2016. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Issuance of Norwegian Krone denominated senior unsecured notes

On February 18, 2016, the Corporation issued Norwegian Krone denominated senior unsecured notes totaling NOK 675.0 million (approximatively $78.0) with a coupon rate of 3.85% and maturing on February 18, 2026. Interest is payable semi-annually on April 20th and October 20th of each year. The net proceeds from the issuance were mainly used to repay a portion of the Corporation's term revolving unsecured operating credit D.