ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS THIRD QUARTER OF FISCAL YEAR 2017

- Net earnings of $287.0 million ($0.50 per share on a diluted basis) for the third quarter of fiscal 2017 compared with $274.0 million ($0.48 per share on a diluted basis) for the third quarter of fiscal 2016. Excluding certain items for both comparable periods, net earnings for the quarter would have been approximately $303.0 million[1] ($0.53 per share on a diluted basis) compared with $301.0 million[1] ($0.53 per share on a diluted basis) for the third quarter of fiscal 2016, an increase of 0.7%.
- Same-store merchandise revenues increased by 1.9% in the U.S. and by 2.5% in Europe[2] and decreased by 0.9% in Canada.
- Merchandise and service gross margin decreased by 0.4% in the U.S. to 32.9% and by 1.4% in Europe to 42.5%. In Canada, gross margin increased by 1.4% to 33.8%.
- Solid same-store road transportation fuel volumes growth of 2.8% in the U.S. and of 1.8% in Europe[2]. Same-store volumes decreased by 0.8% in Canada.
- Road transportation fuel gross margin decreased by US 1.57¢ per gallon in the U.S. to US 18.33¢ per gallon, by US 1.18¢ per litre in Europe to US 7.51¢ per litre and increased by CA 1.91¢ per litre in Canada to CA 8.20¢ per litre.
- Strong quarterly performance in cost control with an increase of 1.9% on a comparable basis.
- Couche-Tard reached its 24-month synergies objectives for The Pantry and is confident to surpass them.
- 278 sites acquired from Imperial Oil successfully integrated into Couche-Tard's network in Ontario and Quebec.
- More than 1,000 stores in North America and 910 stores in Europe now with the Corporation's new Circle K global brand.
- Return on equity and return on capital employed at 22.6% and 15.6%, respectively, on a pro forma basis.

Laval, Quebec, Canada, March 14, 2017 – For its third quarter ended January 29, 2017, Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B) announces net earnings of $287.0 million, representing $0.50 per share on a diluted basis. The results for the third quarter of fiscal 2017 were affected by a $8.4 million pre-tax accelerated depreciation and amortization expense in connection with the Corporation's global brand initiative, by pre-tax acquisition costs of $6.0 million, by a pre-tax restructuring expense of $6.0 million, by a pre-tax net foreign exchange loss of $3.0 million, as well as by a $2.7 million pre-tax curtailment gain on defined benefits pension plan obligation. The results for the comparable quarter of fiscal 2016 included a $27.2 million pre-tax curtailment gain on defined benefits pension plan obligation, a $22.9 million income tax expense stemming from an internal reorganization, a $10.4 million pre-tax write-off charge in connection with a fuel rebranding project, a $10.1 million pre-tax accelerated depreciation and amortization expense in connection with the Corporation's global brand initiative, a $9.2 million pre-tax charge on the early termination of certain fuel supply contracts, a pre-tax net foreign exchange loss of $4.1 million, as well as pre-tax acquisition costs of $2.1 million. Excluding these items, the adjusted diluted net earnings per share would have been $0.53 for the third quarter of fiscal 2017, driven by the contribution from acquisitions, by Couche-Tard's continued organic growth, as well as by the impact of a lower income tax rate, offset by lower fuel margins in the U.S. and in Europe. All financial information is in US dollars unless stated otherwise.

"Notwithstanding the headwinds seen in the overall retail industry during the quarter, we continue seeing positive results. In Europe and Canada, merchandise and service gross profits were up by 39.0% and 10.9% respectively. This quarter, we also increased our road transportation fuel volumes by 15.7% through the contribution from our acquisitions and strong organic growth in the U.S. and Europe, while our teams once again delivered a strong performance on the cost control front" stated Brian Hannasch, President and Chief Executive Officer of Alimentation Couche-Tard Inc.

[1] Please refer to section « Net earnings and adjusted net earnings » of this press release for additional information on this performance measure not defined by IFRS.

[2] Includes results from Topaz stores since the acquisition, except for its recently acquired Esso network, for which the historical information is unavailable.

“On a global front, our company-wide Circle K rebranding is a continued success in Europe while we are accelerating the pace in the United States. I am proud of the work being done in order to quickly consolidate our position as leaders in the convenience store industry and therefore bringing us closer to becoming the world’s preferred destination for convenience and fuel,” added Brian Hannasch. “We are seeing positive results from the integration of Esso. The transition went smoothly, we experience very positive response from consumers to our rebranding and merchandising initiatives and we anticipate delivering solid synergies.”

“As the closing of the CST acquisition deal is now anticipated to be in early fiscal year 2018, teams continue to be hard at work, actively planning the transition and identifying potential synergies and best practices. We have confirmed there is a lot of talent at CST and we are getting great collaboration from their teams, which is a key success factor in this process,” concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer, added, “In the third quarter we finalized the acquisition of the Esso sites while keeping our leverage ratios at a comfortable level, thanks to our strong cash flows and usual financial discipline. Additionally, we are proud to announce that we have reached and will surpass our synergies objectives for The Pantry acquisition. The integration of The Pantry stores was a real success story of which our teams can be proud of. We will be able to apply this knowledge to future acquisitions.”

Significant Items of the Third Quarter of Fiscal 2017

- More than 1,000 stores in North America and 910 stores in Europe are now proudly displaying our new Circle K global convenience brand. In connection with this rebranding, a depreciation and amortization expense of $8.4 million was recorded to earnings of the third quarter of fiscal 2017.
- In connection with The Pantry integration, we reached our 24-month cost reduction annual run rate objective of $85.0 million, and quickly surpassed our merchandises and services supply cost reduction objective of $27.0 million, as well as our target for fuel synergies associated with the fuel rebranding of approximately 1,000 stores in the Southeastern region of the U.S. We will continue our efforts towards improving our efficiency and we are confident that additional synergies will be realized.
- Our activities in the U.S. were negatively impacted by floods and power outages resulting from hurricane Matthew in October, which affected, at various levels, more than 500 of our stores, mainly through the loss of sales and incremental expenses, including inventory losses and clean-up costs. We estimate that these events had a combined negative impact of approximately $3.0 million before income taxes on our results of the third quarter of fiscal 2017, without even considering the impact on stores which remained opened but also suffered from lower customer traffic during and after the storm.
- As part of our cost reduction initiatives and the search for synergies aimed at improving our efficiency, we made the decision to proceed with the restructuring of certain activities of our European operations. As such, an additional restructuring provision of $6.0 million was recorded during the third quarter of fiscal 2017.
- During the third quarter of fiscal 2017, we announced to our employees our decision to terminate some of our defined benefits disability plans in Norway, which resulted in a pre-tax curtailment gain of $2.7 million.
- During the third quarter of fiscal 2017, we adjusted and finalized the purchase price allocation for the Topaz acquisition to reflect our fair value assessment of the assets acquired, the liabilities assumed and the goodwill for the transaction. The detailed adjustments on previously reported results are described in our MD&A.
- On October 26, 2016, we amended the term of our revolving unsecured operating credit D to extend its maturity to December 2021.

Changes in our Network for the Third Quarter of Fiscal 2017

- On September 7, 2016, we received the approval from the Canadian Competition Bureau to acquire 278 sites from Imperial Oil (“IOL”) for a total cash consideration of $1,285.7 million. 228 sites are located in Ontario, mostly in the Greater Toronto Area, and 50 sites are located in the Greater Montreal area. The integration of the sites began on September 12, 2016, and was completed on October 27, 2016.
- On October 31, 2016, we sold all of our shares in A/S Dansk Fuel (“Dansk Fuel”) to DCC Holding A/S, a subsidiary of DCC plc, for a total cash consideration of $71.5 million. Prior to this sale transaction, a capital reduction of $65.6 million was made. Those transactions did not result in any gain or loss.

- On November 15, 2016, we completed the acquisition of 23 company-operated sites located in Estonia from Sevenoil Est OÜ and its affiliates. 11 sites are full-service fuel stations and 12 are unmanned automated fuel stations.
- We are actively at work to obtain all the required approvals to finalize the CST acquisition and are confident that the transaction will close early fiscal year 2018.

Summary of changes in our store network during the third quarter and first three quarters of fiscal 2017

The following table presents certain information regarding changes in our store network over the 16-week period ended January 29, 2017:

	16-week period ended January 29, 2017				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	8,007	684	1,006	1,063	10,760
Acquisitions	32	104	1	-	137
Openings / constructions / additions	23	4	10	16	53
Closures / disposals / withdrawals	(42)	(13)	(29)	(19)	(103)
Store conversion	11	(14)	3	-	-
Number of sites, end of period	8,031	765	991	1,060	10,847
Number of automated fuel stations included in the period-end figures	964	-	17	-	981

The following table presents certain information regarding changes in our store network over the 40-week period ended January 29, 2017:

	40-week period ended January 29, 2017				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	7,929	530	1,016	1,072	10,547
Acquisitions	35	403	1	-	439
Openings / constructions / additions	48	4	30	59	141
Closures / disposals / withdrawals	(122)	(19)	(68)	(71)	(280)
Store conversion	141	(153)	12	-	-
Number of sites, end of period	8,031	765	991	1,060	10,847

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.

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 29, 2017	January 31, 2016	**January 29, 2017**	January 31, 2016
Average for period				
Canadian Dollar	**0.7504**	0.7347	**0.7624**	0.7638
Norwegian Krone	**0.1186**	0.1157	**0.1198**	0.1209
Swedish Krone	**0.1104**	0.1171	**0.1152**	0.1182
Danish Krone	**0.1440**	0.1460	**0.1479**	0.1480
Zloty	**0.2445**	0.2527	**0.2517**	0.2614
Euro	**1.0714**	1.0893	**1.1000**	1.1050
Ruble	**0.0161**	0.0144	**0.0157**	0.0158

Summary analysis of consolidated results for the third quarter and first three quarters of fiscal 2017

The following table highlights certain information regarding our operations for the 16 and 40-week periods ended January 29, 2017, and January 31, 2016.

	16-week periods ended			40-week periods ended		
(in millions of US dollars, unless otherwise stated)	**January 29, 2017**	January 31, 2016	Variation %	**January 29, 2017**	January 31, 2016	Variation %
Statement of Operations Data:						
Merchandise and service revenues [1]:						
United States	**2,188.8**	2,156.9	1.5	**5,793.0**	5,666.0	2.2
Europe	**364.9**	254.1	43.6	**912.5**	667.6	36.7
Canada	**519.9**	489.5	6.2	**1,427.1**	1,401.5	1.8
Total merchandise and service revenues	**3,073.6**	2,900.5	6.0	**8,132.6**	7,735.1	5.1
Road transportation fuel revenues:						
United States	**4,820.7**	4,306.7	11.9	**12,293.7**	12,730.0	(3.4)
Europe	**2,027.5**	1,414.8	43.3	**4,856.6**	4,126.4	17.7
Canada	**1,124.7**	554.1	103.0	**2,149.9**	1,634.1	31.6
Total road transportation fuel revenues	**7,972.9**	6,275.6	27.0	**19,300.2**	18,490.5	4.4
Other revenues [2]:						
United States	**3.8**	4.3	(11.6)	**9.8**	11.8	(16.9)
Europe	**360.7**	150.6	139.5	**833.3**	509.7	63.5
Canada	**4.8**	0.1	4,800.0	**6.0**	0.4	1,425.0
Total other revenues	**369.3**	155.0	138.3	**849.1**	521.9	62.7
Total revenues	**11,415.8**	9,331.1	22.3	**28,281.9**	26,747.5	5.7
Merchandise and service gross profit [1]:						
United States	**720.7**	717.2	0.5	**1,919.7**	1,878.6	2.2
Europe	**155.0**	111.5	39.0	**382.4**	282.2	35.5
Canada	**175.9**	158.6	10.9	**478.9**	459.8	4.2
Total merchandise and service gross profit	**1,051.6**	987.3	6.5	**2,781.0**	2,620.6	6.1
Road transportation fuel gross profit:						
United States	**404.6**	434.1	(6.8)	**1,116.0**	1,184.3	(5.8)
Europe	**255.8**	221.2	15.6	**707.8**	606.5	16.7
Canada	**100.9**	42.2	139.1	**181.5**	118.4	53.3
Total road transportation fuel gross profit	**761.3**	697.5	9.1	**2,005.3**	1,909.2	5.0
Other revenues gross profit [2]:						
United States	**3.8**	4.3	(11.6)	**9.8**	11.8	(16.9)
Europe	**57.1**	50.9	12.2	**143.3**	148.2	(3.3)
Canada	**4.7**	0.1	4,600.0	**6.0**	0.4	1,400.0
Total other revenues gross profit	**65.6**	55.3	18.6	**159.1**	160.4	(0.8)
Total gross profit	**1,878.5**	1,740.1	8.0	**4,945.4**	4,690.2	5.4
Operating, selling, administrative and general expenses	**1,251.3**	1,134.1	10.3	**3,097.2**	2,900.6	6.8
Restructuring costs	**6.0**	-	100.0	**6.0**	-	100.0
Curtailment gains on defined benefits pension plan obligation	**(2.7)**	(27.2)	(90.1)	**(2.7)**	(27.2)	(90.1)
(Gain) loss on disposal of property and equipment and other assets	**(4.8)**	14.5	(133.1)	**(6.0)**	18.2	(133.0)
Gain on the disposal of the lubricant business	**-**	-	-	**-**	(47.4)	(100.0)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**210.1**	192.8	9.0	**513.2**	470.4	9.1
Operating income	**418.6**	425.9	(1.7)	**1,337.7**	1,375.6	(2.8)
Net earnings	**287.0**	274.0	4.7	**931.3**	987.5	(5.7)
Other Operating Data:						
Merchandise and service gross margin [1]:						
Consolidated	**34.2%**	34.0%	0.2	**34.2%**	33.9%	0.3
United States	**32.9%**	33.3%	(0.4)	**33.1%**	33.2%	(0.1)
Europe	**42.5%**	43.9%	(1.4)	**41.9%**	42.3%	(0.4)
Canada	**33.8%**	32.4%	1.4	**33.6%**	32.8%	0.8
Growth of (decrease in) same-store merchandise revenues [3] [4]:						
United States	**1.9%**	5.0%		**2.2%**	5.1%	
Europe[5]	**2.5%**	4.3%		**3.7%**	3.0%	
Canada	**(0.9%)**	3.5%		**0.3%**	3.1%	
Road transportation fuel gross margin:						
United States (cents per gallon) [4]	**18.33**	19.90	(7.9)	**19.57**	21.18	(7.6)
Europe (cents per litre) [6]	**7.51**	8.69	(13.6)	**8.35**	9.26	(9.8)
Canada (CA cents per litre) [4]	**8.20**	6.29	30.4	**7.50**	6.50	15.4
Volume of road transportation fuel sold [6]:						
United States (millions of gallons)	**2,242.4**	2,177.6	3.0	**5,763.6**	5,557.8	3.7
Europe (millions of litres)	**3,405.3**	2,544.1	33.9	**8,479.2**	6,551.8	29.4
Canada (millions of litres)	**1,648.5**	918.8	79.4	**3,211.6**	2,399.8	33.8
Growth of (decrease in) same-store road transportation fuel volume [4]:						
United States	**2.8%**	6.2%		**2.9%**	7.5%	
Europe[5]	**1.8%**	2.9%		**1.1%**	3.1%	
Canada	**(0.8%)**	(0.5%)		**(0.4%)**	1.4%	
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.51**	0.48	6.3	**1.64**	1.74	(5.7)
Diluted net earnings per share (dollars per share)	**0.50**	0.48	4.2	**1.64**	1.73	(5.2)
Adjusted diluted net earnings per share (dollars per share)	**0.53**	0.53	-	**1.68**	1.70	(1.2)

	January 29, 2017	April 24, 2016	Variation $
Balance Sheet Data:			
Total assets	**13,785.0**	12,264.8	1,520.2
Interest-bearing debt	**3,680.1**	2,838.1	842.0
Shareholders' equity	**5,810.3**	5,041.1	769.2
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (7)	**0.35 : 1**	0.28 : 1	
Net interest-bearing debt/Adjusted EBITDA (8) (12)	**1.25 : 1**	0.95 : 1	
Adjusted net interest-bearing debt/Adjusted EBITDAR (9) (12)	**2.15 : 1**	1.94 : 1	
Returns:			
Return on equity (10) (12)	**22.6%**	27.0%	
Return on capital employed (11) (12)	**15.6%**	19.2%	

(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 the rental of assets, from the sale of aviation and marine fuel, heating oil, kerosene, lubricants and chemicals.
(3) Does not include services and other revenues (as described in footnotes 1 and 2 above). Growth in Canada and in Europe is calculated based on local currencies.
(4) For company-operated stores only.
(5) Includes results from Topaz stores since the acquisition, except for its recently acquired Esso network, for which the historical information is unavailable.
(6) Total road transportation fuel.
(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 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.
(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, net of cash and cash equivalents and temporary investments divided by EBITDA (Earnings before Interest, Tax, Depreciation, Amortization and Impairment) adjusted for specific 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 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 specific 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.
(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: 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.
(11) 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.
(12) This ratio is presented on a pro forma basis. As of January 29, 2017, it includes Couche-Tard's and IOL's results for the 52-week period ended January 29, 2017. As of April 24, 2016, it includes Couche-Tard's results for the fiscal year ended April 24, 2016, as well as Topaz's results for the 52-week period ended April 24, 2016. Topaz's earnings and balance sheet figures have been adjusted to make their presentation in line with Couche-Tard's policies. Given the timing of the acquisition of IOL, we have not yet completed the fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction.

Revenues

Our revenues were $11.4 billion for the third quarter of fiscal 2017, up by $2.1 billion or 22.3%, compared with the corresponding quarter of fiscal 2016, mainly attributable to the contribution from acquisitions, to a higher average road transportation fuel selling price as well as to the continued growth in same-store merchandise revenues and road transportation fuel volumes in the United States and Europe.

For the first three quarters of fiscal 2017, our revenues increased by $1.5 billion, or 5.7%, compared with the first three quarters of fiscal 2016, mainly attributable to the contribution from acquisitions and to the continued growth in same-store merchandise revenues and road transportation fuel volumes, partly offset by a lower average road transportation fuel selling price, the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, in addition to the impact from the disposal of our lubricant business during the second quarter of fiscal 2016.

More specifically, the growth in merchandise and service revenues for the third quarter of fiscal 2017 was $173.1 million. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $174.0 million or 6.0%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $121.0 million, as well as to our organic growth. Same-store merchandise revenues increased by 1.9% in the United States and by 2.5% in Europe. In Canada, same-store merchandise revenues decreased by 0.9% still impacted by the challenging economic conditions in the western part of the country.

For the first three quarters of fiscal 2017, the growth in merchandise and service revenues was $397.5 million. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $415.0 million or 5.4%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $265.0 million, and to our organic growth. Same-store merchandise revenues grew by 2.2% in the United States, by 3.7% in Europe and by 0.3% in Canada.

Road transportation fuel revenues increased by $1,697.3 million in the third quarter of fiscal 2017. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, road transportation fuel revenues increased by $1,725.6 million or 27.5%. This increase was attributable to the contribution from acquisitions, which amounted to approximately $894.0 million, to the impact of a higher average road transportation fuel selling price, which had a positive impact of approximately $655.0 million on our revenues, as well as to our organic growth. Same-store road transportation fuel volumes increased by 2.8% in the United States and by 1.8% in Europe due to – among other things – the positive response from customers to our fuel rebranding initiatives and micro-market strategies, as well as to the growing contribution from premium fuel. In the Southeastern U.S. region, fuel volumes were negatively impacted by disruptions caused by our fuel rebranding activities and by hurricane Matthew. In Canada, same-store road transportation fuel volumes decreased by 0.8%, mainly as a result of the challenging economy in Western Canada.

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 26, 2015:

Quarter	4th	1st	2nd	3rd	**Weighted average**
52-week period ended January 29, 2017					
United States (US dollars per gallon)	1.86	2.20	2.10	2.18	**2.09**
Europe (US cents per litre)	51.59	58.65	58.01	61.87	**57.83**
Canada (CA cents per litre)	82.28	92.66	90.36	94.67	**91.30**
52-week period ended January 31, 2016					
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**

For the first three quarters of fiscal 2017, road transportation fuel revenues increased by $809.7 million. Excluding the negative net impact from the translation of our Canadian and European operations into US dollars, road transportation fuel revenues increased by $898.0 million or 4.9%. This increase was attributable to the contribution from acquisitions, which amounted to approximately $1.5 billion, to the contribution from our recently opened stores, as well as to our organic growth. Same-store road transportation fuel volumes increased by 2.9% in the United States and by 1.1% in Europe while they decreased by 0.4% in Canada. These factors which contributed to the increase in revenues were partially offset by the lower average selling price of road transportation fuel, which resulted in a decrease in revenues of approximately $1.0 billion.

Other revenues increased by $214.3 million in the third quarter of fiscal 2017 and by $327.2 million in the first three quarters of fiscal 2017, mainly explained by the contribution from acquisitions, which amounted to approximately $213.0 million in the third quarter of fiscal 2017 and to $450.0 million in the first three quarters of fiscal 2017. The increase of the first three quarters of fiscal 2017 was partly offset by the disposal of our lubricant business during the second quarter of fiscal 2016, which had an impact of approximately $72.0 million.

Gross profit

In the third quarter of fiscal 2017, the consolidated merchandise and service gross profit was $1,051.6 million, an increase of $64.3 million compared with the corresponding quarter of fiscal 2016. 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 $65.0 million or 6.6%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $62.0 million, and to organic growth. The gross margin decreased by 0.4% in the United States, to 32.9% because of a change in our product mix towards lower margin categories and margin decreased by 1.4% in Europe, to 42.5%, because of the impact of a different product mix in Ireland. In Canada, the gross margin increased by 1.4%, to 33.8% because of a different product mix in our recently acquired Esso stores network. We keep working on improving our supply terms and our merchandising strategies in order to bring them in line with the market competitiveness and the economic conditions within each market.

During the first three quarters of fiscal 2017, the consolidated merchandise and service gross profit was $2.8 billion, an increase of $160.4 million compared with the corresponding period of fiscal 2016. 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 $167.0 million or 6.4%. The gross margin was 33.1% in the United States, a decrease of 0.1%, it was 41.9% in Europe, a decrease of 0.4%, while in Canada it was 33.6%, an increase of 0.8%.

In the third quarter of fiscal 2017, the road transportation fuel gross margin was 18.33¢ per gallon in the United States, a decrease of 1.57¢ per gallon, while it was 7.51¢ per litre in Europe, a decrease of 1.18¢ per litre. In the United States and in Europe, the decrease in the margin is attributable to the volatility created by increasing crude oil prices. In addition, the decrease in the margin in Europe is also attributable to the impact of lower margins in Ireland compared with our margins in continental Europe. In Canada, the road transportation fuel gross margin was CA 8.20¢ per litre, an increase of CA 1.91¢, attributable to a higher margin in our newly acquired Esso stores network and to a more favourable competitive environment.

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 26, 2015, were as follows:

(US cents per gallon)

Quarter	4th	1st	2nd	3rd	Weighted average
52-week period ended January 29, 2017					
Before deduction of expenses related to electronic payment modes	16.78	20.86	19.87	18.33	**18.94**
Expenses related to electronic payment modes	3.74	4.08	3.99	3.99	**3.96**
After deduction of expenses related to electronic payment modes	13.04	16.78	15.88	14.34	**14.98**
52-week period ended January 31, 2016					
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**

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 long-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 2017, the road transportation fuel gross margin was 19.57¢ per gallon in the United States, CA 7.50¢ per litre in Canada and 8.35¢ per litre in Europe.

Other revenues gross profit increased by $10.3 million in the third quarter of fiscal 2017. This increase is mainly explained by the contribution from acquisitions, which amounted to approximately $14.0 million in the third quarter of fiscal 2017.

Other revenues gross profit decreased by $1.3 million in the first three quarters of fiscal 2017. This decrease is mainly explained by the disposal of our lubricant business in the second quarter of fiscal 2016, which had an impact of approximately $21.0 million and to lower margins, partly offset by the contribution from acquisitions, which amounted to approximately $28.0 million.

Operating, selling, administrative and general expenses

For the third quarter and first three quarters of fiscal 2017, operating, selling, administrative and general expenses increased by 10.3% and 6.8%, respectively, compared with the corresponding periods of fiscal 2016, but increased by only 1.9% for both periods, if we exclude certain items as demonstrated by the following table:

	16-week period ended January 29, 2017	**40-week period ended January 29, 2017**
Total variance as reported	**10.3%**	**6.8%**
Adjust for:		
Increase from incremental expenses related to acquisitions	(8.5%)	(6.2%)
Charge on early termination of fuel supply agreements recognized to earnings in fiscal 2016	0.8%	0.3%
Increase from higher electronic payment fees, excluding acquisitions	(0.6%)	(0.1%)
Acquisition costs recognized to earnings of fiscal 2017	(0.5%)	(0.5%)
Acquisition costs recognized to earnings of fiscal 2016	0.2%	0.1%
Decrease from the net impact of foreign exchange translation	0.2%	0.3%
Decrease from divestment of the lubricant business	-	0.9%
Integration expenses in connection with our global brand initiatives recognized in fiscal 2016	-	0.3%
Remaining variance	**1.9%**	**1.9%**

The remaining variance in expenses is mainly due to normal inflation, to higher advertising and marketing activities in connection with our global brand project, to higher expenses needed to support our 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 favour 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 2017, EBITDA increased from $627.5 million to $637.1 million, a growth of 1.5% compared with the same quarter last year.

Excluding the specific items shown in the table below from EBITDA of the third quarter of fiscal 2017 and of the comparable period of fiscal 2016, the adjusted EBITDA for the third quarter of fiscal 2017 increased by $24.4 million or 3.9% compared with the corresponding period of the previous fiscal year, mainly through the contribution from acquisitions and organic growth, partly offset by the lower road transportation fuel gross margins in the United States and in Europe. Acquisitions contributed approximately $82.0 million to the adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $2.0 million.

During the first three quarters of fiscal 2017, EBITDA increased from $1,869.5 million to $1,874.1 million, a growth of 0.2% compared with the same period last year.

Excluding the specific items shown in the table below from EBITDA of the first three quarters of fiscal 2017 and of the same period of fiscal 2016, the adjusted EBITDA for the first three quarters of fiscal 2017 increased by $65.4 million or 3.6% compared with the corresponding period of the previous fiscal year for reasons similar to those of the third quarter. Acquisitions contributed approximately $102.0 million to the adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $9.0 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, consider that those performance measures facilitate the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program. 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 29, 2017**	January 31, 2016	**January 29, 2017**	January 31, 2016
Net earnings, as reported	**287.0**	274.0	**931.3**	987.5
Add:				
Income taxes	**96.7**	127.2	**339.6**	335.8
Net financial expenses	**43.3**	33.5	**90.0**	75.8
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**210.1**	192.8	**513.2**	470.4
EBITDA	**637.1**	627.5	**1,874.1**	1,869.5
Adjust for:				
Acquisition costs	**6.0**	2.1	**14.6**	3.5
Restructuring charges	**6.0**	-	**6.0**	-
Curtailment gains on pension plan obligation	**(2.7)**	(27.2)	**(2.7)**	(27.2)
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 lubricant business	**-**	-	**-**	(47.4)
Integration expenses in connection with our global brand initiatives	**-**	-	**-**	8.6
Adjusted EBITDA	**646.4**	622.0	**1,892.0**	1,826.6

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

For the third quarter and first three quarters of fiscal 2017, depreciation, amortization and impairment expense increased by $17.3 million and $42.8 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 for the third quarter of fiscal 2017 and for the first three quarters of fiscal 2017 include a charge for the accelerated depreciation and amortization of certain assets in connection with our global rebranding project, amounting to $8.4 million and $21.8 million, respectively. These items, which contributed to the increase in depreciation, amortization and impairment expense, 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 2017 shows net financial expenses of $43.3 million, an increase of $9.8 million compared with the third quarter of fiscal 2016. Excluding the net foreign exchange losses of $3.0 million and of $4.1 million recorded, respectively, in the third quarters of fiscal 2017 and fiscal 2016, net financial expenses increased by $10.9 million. This increase is mainly attributable to our higher average long-term debt in connection with our recent acquisitions. The net foreign exchange loss of $3.0 million for the third quarter of fiscal 2017 is mainly due to the impact of foreign exchange variations on certain cash balances.

The first three quarters of fiscal 2017 show net financial expenses of $90.0 million, an increase of $14.2 million compared with the first three quarters of fiscal 2016. Excluding the net foreign exchange gains of $5.5 million and of $0.8 million recorded in the first three quarters of fiscal 2017 and 2016, respectively, net financial expenses increased by $18.9 million for the same reason as for the third quarter. The net foreign exchange gain of $5.5 million is mainly due to the impact of foreign exchange variations on certain cash balances.

Income taxes

The income tax rate for the third quarter of fiscal 2017 was 25.2% compared with a normalized income tax rate of 26.0% for the third quarter of fiscal 2016. The decrease in the income tax rate stems from proportionally lower earnings in the United States where our statutory income tax rate is the highest. For the first three quarters of fiscal 2017, the income tax rate was 26.7%.

Net earnings and adjusted net earnings

We closed the third quarter of fiscal 2017 with net earnings of $287.0 million, compared with $274.0 million for the third quarter of the previous fiscal year, an increase of $13.0 million or 4.7%. Diluted net earnings per share stood at $0.50, compared with $0.48 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 $1.0 million on net earnings of the third quarter of fiscal 2017.

Excluding the items shown in the table below from net earnings of the third quarter of fiscal 2017 and fiscal 2016, net earnings for the third quarter of fiscal 2017 would have been approximately $303.0 million, compared with $301.0 million for the comparable quarter of the previous year, an increase of $2.0 million or 0.7% while adjusted diluted net earnings per share would have been approximately $0.53 for both the third quarters of fiscal 2017 and fiscal 2016.

For the first three quarters of fiscal 2017, net earnings were $931.3 million, compared with $987.5 million for the comparable period of fiscal year 2016, a decrease of $56.2 million or 5.7%. Diluted net earnings per share stood at $1.64, compared with $1.73 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 $9.0 million on net earnings of the first three quarters of fiscal 2017.

Excluding the items shown in the table below from net earnings of the first three quarters of fiscal 2017 and fiscal 2016, net earnings for the first three quarters of fiscal 2017 would have been approximately $958.0 million, compared with $968.0 million for the comparable period of the previous year, a decrease of $10.0 million or 1.0%. Adjusted diluted net earnings per share would have been approximately $1.68 for the first three quarters of fiscal 2017, compared with $1.70 for the corresponding period of fiscal 2016, a decrease of 1.2%.

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

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 29, 2017**	January 31, 2016	**January 29, 2017**	January 31, 2016
Net earnings, as reported	**287.0**	274.0	**931.3**	987.5
Adjust for:				
Accelerated depreciation and amortization expense	**8.4**	10.1	**21.8**	10.1
Acquisition costs	**6.0**	2.1	**14.6**	3.5
Restructuring charges	**6.0**	-	**6.0**	-
Net foreign exchange loss (gain)	**3.0**	4.1	**(5.5)**	(0.8)
Curtailment gains on pension plans obligation	**(2.7)**	(27.2)	**(2.7)**	(27.2)
Tax expense stemming from an internal reorganization	**-**	22.9	**-**	22.9
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 lubricant business	**-**	-	**-**	(47.4)
Integration expenses in connection with our global brand initiatives	**-**	-	**-**	8.6
Tax impact of the items above and rounding	**(4.7)**	(4.6)	**(7.5)**	(8.8)
Adjusted net earnings	**303.0**	301.0	**958.0**	968.0

It should be noted that adjusted net earnings is not a performance measure defined by IFRS, but we, as well as investors and analysts, consider this measure useful for evaluating the underlying performance of our operations on a comparable basis. Note that our definition of this measure may differ from the one used by other public corporations.

Dividends

During its March 14, 2017 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA 9.0¢ per share for the third quarter of fiscal 2017 to shareholders on record as at March 23, 2017, and approved its payment for April 6, 2017. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Profile

Couche-Tard is the leader in the Canadian convenience store industry. In the United States, it is the largest independent convenience store operator in terms of the number of company-operated stores. In Europe, Couche-Tard is a leader in convenience store and road transportation fuel retail in the Scandinavian countries (Norway, Sweden and Denmark), in the Baltic States (Estonia, Latvia and Lithuania) and in Ireland and with also an important presence in Poland.

As of January 29, 2017, Couche-Tard's network comprised of 8,081 convenience stores throughout North America, including 6,710 stores with road transportation fuel dispensing. Its North American network consists of 15 business units, including 11 in the United States covering 41 states and 4 in Canada covering all 10 provinces. Approximately 80,000 people are employed throughout its network and at its service offices in North America.

In Europe, Couche-Tard operates a broad retail network across Scandinavia, Ireland, Poland, the Baltics states and Russia through ten business units. As of January 29, 2017, Couche-Tard's network comprised of 2,766 stores, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel sites which only offer road transportation fuel. Couche-Tard also offers other products, including stationary energy, marine fuel, aviation fuel, lubricants and chemicals. Including employees at its branded franchise stores, approximately 25,000 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, close to 1,700 stores are operated under the Circle K banner in 13 other countries and territories worldwide (China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam), which brings the total network to more than 12,500 stores.

For more information on Alimentation Couche-Tard Inc., please visit: http://corpo.couche-tard.com.

Contacts:

Media relations: Marie-Noëlle Cano, Senior Director – Global Communications
Tel: (450) 662-6632, ext. 4611
communication@couche-tard.com

Investor Relations: Claude Tessier, Chief Financial Officer
Tel: (450) 662-6632, ext. 4407
investor.relations@couche-tard.com

Webcast on March 14, 2017, at 2:30 P.M. (EDT)

Couche-Tard invites analysts known to the Corporation to send their two questions to its management before 11:00 AM (EDT) on March 14, 2017.

Financial analysts, investors, medias and any individuals interested in listening to the webcast on Couche-Tard's results which will take place online on March 14th, 2017, at 2:30 P.M. (EDT) can do so by either accessing the Corporation's website at http://corpo.couche-tard.com by clicking in the "Investor Relations/Corporate presentations" section or by dialing 1-866-865-3087 or the international number 1-647-427-7450, followed by the access code 76548088#.

Rebroadcast: For individuals who will not be able to listen to the live webcast, a recording of the webcast will be available on the Corporation's website for a period of 90 days.

CONSOLIDATED STATEMENTS OF EARNINGS

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

	16 weeks		40 weeks	
For the periods ended	**January 29, 2017**	January 31, 2016	**January 29, 2017**	January 31, 2016
	$	$	**$**	$
Revenues	**11,415.8**	9,331.1	**28,281.9**	26,747.5
Cost of sales	**9,537.3**	7,591.0	**23,336.5**	22,057.3
Gross profit	**1,878.5**	1,740.1	**4,945.4**	4,690.2
Operating, selling, administrative and general expenses	**1,251.3**	1,134.1	**3,097.2**	2,900.6
Restructuring costs	**6.0**	-	**6.0**	-
Curtailment gains on defined benefits pension plan obligation (Note 9)	**(2.7)**	(27.2)	**(2.7)**	(27.2)
Gain on disposal of lubricant business (Note 4)	**-**	-	**-**	(47.4)
(Gain) loss on disposal of property and equipment and other assets	**(4.8)**	14.5	**(6.0)**	18.2
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**210.1**	192.8	**513.2**	470.4
	1,459.9	1,314.2	**3,607.7**	3,314.6
Operating income	**418.6**	425.9	**1,337.7**	1,375.6
Share of earnings of joint ventures and associated companies accounted for using the equity method	**8.4**	8.8	**23.2**	23.5
Financial expenses	**42.3**	30.9	**99.8**	81.6
Financial revenues	**(2.0)**	(1.5)	**(4.3)**	(5.0)
Foreign exchange loss (gain) from currency conversion	**3.0**	4.1	**(5.5)**	(0.8)
Net financial expenses	**43.3**	33.5	**90.0**	75.8
Earnings before income taxes	**383.7**	401.2	**1,270.9**	1,323.3
Income taxes	**96.7**	127.2	**339.6**	335.8
Net earnings	**287.0**	274.0	**931.3**	987.5
Net earnings attributable to:				
Shareholders of the Corporation	**287.0**	274.0	**931.3**	987.3
Non-controlling interest	**-**	-	**-**	0.2
Net earnings	**287.0**	274.0	**931.3**	987.5
Net earnings per share (Note 6)				
Basic	**0.51**	0.48	**1.64**	1.74
Diluted	**0.50**	0.48	**1.64**	1.73
Weighted average number of shares – basic (in thousands)	**567,882**	567,427	**567,769**	567,405
Weighted average number of shares – diluted (in thousands)	**569,296**	569,230	**569,278**	569,188
Number of shares outstanding at the end of period (in thousands)	**567,901**	567,449	**567,901**	567,449

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 29, 2017	January 31, 2016	**January 29, 2017**	January 31, 2016
	$	$	**$**	$
Net earnings	**287.0**	274.0	**931.3**	987.5
Other comprehensive loss				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Changes in cumulative translation adjustments (1)	**(75.0)**	(90.7)	**(47.6)**	110.0
Change in fair value of cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its foreign operations (2)	**40.0**	(116.4)	**(38.5)**	(218.1)
Net interest on cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its foreign operations (3)	**(1.4)**	(1.3)	**(2.3)**	(2.4)
Cash flow hedges				
Change in fair value of financial instruments (4)	**(1.9)**	(0.4)	**1.8**	8.3
Loss (gain) realized on financial instruments transferred to earnings (5)	**0.4**	(1.2)	**(3.8)**	(8.7)
Available-for-sale investment				
Change in fair value of an available-for-sale investment (6)	**(0.9)**	(2.8)	**19.5**	(2.8)
Items that will never be reclassified to earnings				
Net actuarial gain (7)	**20.0**	6.9	**12.6**	28.7
Other comprehensive loss	**(18.8)**	(205.9)	**(58.3)**	(85.0)
Comprehensive income	**268.2**	68.1	**873.0**	902.5
Comprehensive income attributable to:				
Shareholders of the Corporation	**268.2**	68.1	**873.0**	902.3
Non-controlling interest	**-**	-	**-**	0.2
Comprehensive income	**268.2**	68.1	**873.0**	902.5

(1) For the 16 and 40-week periods ended January 29, 2017, these amounts include a gain of $44.6 (net of income taxes of $6.9) and a gain of $15.6 (net of income taxes of $2.4), respectively. 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. These gains and losses arise from the translation of US-dollar-, Norwegian-krone- and euro-denominated long-term debts, and, for a portion of the year, in combination with cross-currency interest rate swaps, designated as foreign exchange hedges of the Corporation's net investments in its operations in the US, Norway, Denmark, the Baltics and Ireland.

(2) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $0 and $0.5, respectively. 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.

(3) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $0.1 and $1.8, respectively. 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.

(4) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $0.7 and $0.7, respectively. 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.

(5) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $0.3 and $1.2, respectively. 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.

(6) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $0.1 and $2.7, respectively. For the 16 and 40-week periods ended January 31, 2016, these amounts are net of income taxes of $0.

(7) For the 16 and 40-week periods ended January 29, 2017, these amounts are net of income taxes of $5.8 and $0.5, respectively. 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.

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 29, 2017**
	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive loss (Note 7)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**699.8**	**14.8**	**5,020.6**	**(694.1)**	**5,041.1**	**-**	**5,041.1**
Comprehensive income:							
Net earnings	**-**	**-**	**931.3**	**-**	**931.3**	**-**	**931.3**
Other comprehensive loss	**-**	**-**	**-**	**(58.3)**	**(58.3)**	**-**	**(58.3)**
Comprehensive income					**873.0**	**-**	**873.0**
Dividends declared	**-**	**-**	**(107.2)**	**-**	**(107.2)**	**-**	**(107.2)**
Stock option-based compensation expense	**-**	**3.1**	**-**	**-**	**3.1**	**-**	**3.1**
Initial fair value of stock options exercised	**0.9**	**(0.9)**	**-**	**-**	**-**	**-**	**-**
Cash received upon exercise of stock options	**0.3**	**-**	**-**	**-**	**0.3**	**-**	**0.3**
Balance, end of period	**701.0**	**17.0**	**5,844.7**	**(752.4)**	**5,810.3**	**-**	**5,810.3**

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 7)	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 10)	-	-	13.0	-	13.0	-	13.0
Repurchase of non-controlling interest (Note 10)	-	-	-	-	-	(11.8)	(11.8)
Non-controlling interest transferred to contributed surplus (Note 10)	-	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

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)

For the periods ended	16 weeks January 29, 2017	16 weeks January 31, 2016	40 weeks January 29, 2017	40 weeks January 31, 2016
	$	$	**$**	$
Operating activities				
Net earnings	**287.0**	274.0	**931.3**	987.5
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	**209.5**	181.1	**512.9**	439.8
Curtailment gains on defined benefits pension plan obligation (Note 9)	**(2.7)**	(27.2)	**(2.7)**	(27.2)
Deferred income taxes	**(13.6)**	24.3	**(8.1)**	(11.3)
Deferred credits	**5.8**	8.3	**20.6**	19.2
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**(5.0)**	(2.5)	**(10.6)**	(10.2)
(Gain) loss on disposal of property and equipment and other assets	**(4.8)**	14.5	**(6.0)**	18.2
Gain on disposal of lubricant business (Note 4)	**-**	-	**-**	(47.4)
Other	**8.2**	(15.5)	**7.0**	(2.7)
Changes in non-cash working capital	**(192.4)**	(240.2)	**(230.1)**	(137.9)
Net cash provided by operating activities	**292.0**	216.8	**1,214.3**	1,228.0
Investing activities				
Business acquisitions (Note 3)	**(499.3)**	(73.5)	**(1,328.7)**	(183.6)
Purchase of property and equipment, intangible assets and other assets	**(315.3)**	(333.6)	**(627.7)**	(607.8)
Proceeds from sale of an associated company held-for-sale (Note 3)	**71.5**	-	**71.5**	-
Capital reduction received from an associated company held-for-sale (Note 3)	**65.6**	-	**65.6**	-
Proceeds from disposal of property and equipment and other assets	**38.9**	16.5	**78.8**	59.6
Deposit for business acquisition	**19.2**	-	**18.7**	-
Investment in an associated company held-for-sale (Note 3)	**(6.7)**	-	**(308.1)**	-
Restricted cash	**-**	0.1	**(4.8)**	0.7
Proceeds from disposal of lubricant business (Note 4)	**-**	-	**-**	81.0
Net cash used in investing activities	**(626.1)**	(390.5)	**(2,034.7)**	(650.1)
Financing activities				
Net increase (decrease) in term revolving unsecured operating credit D (Note 5)	**167.6**	698.5	**116.6**	(654.2)
Cash dividends paid	**(38.9)**	(27.8)	**(107.2)**	(74.9)
Net decrease in other debts	**(8.5)**	(8.6)	**(23.4)**	(15.8)
Settlement of cross-currency interest rate swaps	**4.9**	-	**(4.9)**	-
Issuance of shares upon exercise of stock options	**0.1**	-	**0.3**	0.2
Issuance of euro-denominated senior unsecured notes, net of financing costs (Note 5)	**-**	-	**851.8**	-
Issuance of Canadian-dollar-denominated senior unsecured notes, net of financing costs	**-**	-	**-**	562.0
Repurchase of non-controlling interest (Note 10)	**-**	-	**-**	(11.8)
Net cash provided by (used in) financing activities	**125.2**	662.1	**833.2**	(194.5)
Effect of exchange rate fluctuations on cash and cash equivalents	**(7.6)**	10.6	**1.9**	12.9
	(216.5)	499.0	**14.7**	396.3
Cash and cash equivalents, beginning of period	**830.6**	473.1	**599.4**	575.8
Cash and cash equivalents, end of period	**614.1**	972.1	**614.1**	972.1
Supplemental information:				
Interest paid	**42.2**	36.2	**85.6**	65.8
Interest and dividends received	**5.8**	7.7	**16.4**	17.6
Income taxes paid	**198.0**	196.5	**345.9**	333.5
Cash and cash equivalents components:				
Cash and demand deposits			**614.1**	972.1

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

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

	As at January 29, 2017	As at April 24, 2016 (adjusted, Note 1)
	$	$
Assets		
Current assets		
Cash and cash equivalents	**614.1**	599.4
Restricted cash	**6.5**	1.7
Accounts receivable	**1,360.1**	1,370.4
Inventories	**942.8**	816.7
Prepaid expenses	**63.7**	60.7
Income taxes receivable	**47.9**	32.9
	3,035.1	2,881.8
Property and equipment	**7,162.9**	6,371.5
Goodwill	**2,425.5**	1,773.2
Intangible assets	**674.5**	755.9
Other assets	**346.9**	344.9
Investment in joint ventures and associated companies	**107.5**	91.2
Deferred income taxes	**32.6**	46.3
	13,785.0	12,264.8
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**2,365.9**	2,469.0
Provisions	**114.2**	107.0
Other short-term financial liabilities (Note 12)	**14.4**	-
Income taxes payable	**64.6**	54.6
Current portion of long-term debt (Note 5)	**32.9**	29.2
	2,592.0	2,659.8
Long-term debt (Note 5)	**3,647.2**	2,808.9
Provisions	**459.0**	473.0
Pension benefit liability	**95.3**	100.3
Other long-term financial liabilities (Note 12)	**246.7**	221.8
Deferred credits and other liabilities	**264.1**	267.6
Deferred income taxes	**670.4**	692.3
	7,974.7	7,223.7
Equity		
Capital stock (Note 8)	**701.0**	699.8
Contributed surplus	**17.0**	14.8
Retained earnings	**5,844.7**	5,020.6
Accumulated other comprehensive loss (Note 7)	**(752.4)**	(694.1)
	5,810.3	5,041.1
	13,785.0	12,264.8

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

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

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 Canadian generally accepted accounting principles 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 24, 2016. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto in the Corporation's 2016 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 the summer's sales.

On March 14, 2017, the Corporation's interim financial statements were approved by the Board of Directors, which also approved their publication.

Comparative figures

The Corporation has made adjustments and finalized the preliminary purchase price allocation for the acquisition of Topaz. As a result, the Consolidated Balance Sheet as at April 24, 2016, was adjusted to consider these changes. See Note 3 for details on the adjustments made to the purchase price allocation for this acquisition. Changes also had the following impact on the previously reported consolidated statements of earnings:

	12-week period ended April 24, 2016			52-week period ended April 24, 2016		
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Revenues	7,397.1	-	7,397.1	34,144.6	-	34,144.6
Cost of Sales	6,005.8	-	6,005.8	28,063.1	-	28,063.1
Gross profit	1,391.3	-	1,391.3	6,081.5	-	6,081.5
Operating, selling, administrative and general expenses	934.5	1.4	935.9	3,835.1	1.4	3,836.5
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	162.0	0.7	162.7	632.4	0.7	633.1
Operating income	294.2	(2.1)	292.1	1,669.8	(2.1)	1,667.7
Net financial expenses	31.7	0.5	32.2	107.5	0.5	108.0
Earnings before income taxes	269.0	(2.5)	266.5	1,592.3	(2.5)	1,589.8
Income taxes	62.8	(0.3)	62.5	398.6	(0.3)	398.3
Net earnings	206.2	(2.3)	203.9	1,193.7	(2.3)	1,191.4

	12-week period ended July 17, 2016			12-week period ended October 9, 2016			24-week period ended October 9, 2016		
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Revenues	8,420.6	-	8,420.6	8,445.5	-	8,445.5	16,866.1	-	16,866.1
Cost of Sales	6,901.2	-	6,901.2	6,898.0	-	6,898.0	13,799.2	-	13,799.2
Gross profit	1,519.4	-	1,519.4	1,547.5	-	1,547.5	3,066.9	-	3,066.9
Operating, selling, administrative and general expenses	915.8	-	915.8	930.3	(0.2)	930.1	1,846.1	(0.2)	1,845.9
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	145.0	1.4	146.4	154.2	2.5	156.7	299.2	3.9	303.1
Operating income	460.2	(1.4)	458.8	462.6	(2.3)	460.3	922.8	(3.7)	919.1
Net financial expenses	24.4	0.4	24.8	21.3	0.6	21.9	45.7	1.0	46.7
Earnings before income taxes	445.3	(1.8)	443.5	446.6	(3.0)	443.6	891.9	(4.7)	887.2
Income taxes	120.9	(0.2)	120.7	122.6	(0.4)	122.2	243.5	(0.6)	242.9
Net earnings	324.4	(1.6)	322.8	324.0	(2.6)	321.4	648.4	(4.2)	644.2

2. ACCOUNTING CHANGES

Recently issued but not yet implemented

In June 2016, the IASB issued "Classification and Measurement of Share-based Payment Transactions", amending IFRS 2 "Share-based Payment", and clarifying how to account for certain types of share-based payment transactions, such as the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments. These amendments are effective for annual periods beginning on or after January 1, 2018. The amendments are to be applied prospectively, with a retrospective application permitted. The Corporation is currently evaluating the impact of these amendments on its consolidated financial statements.

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

3. BUSINESS ACQUISITIONS

Acquisition of certain Canadian assets from Imperial Oil Limited

On September 7, 2016, the Corporation received the approval of the Canadian Competition Bureau to acquire 278 sites from Imperial Oil, of which 228 are located in Ontario, mostly in the Greater Toronto Area, and 50 in the Greater Montreal Area. The agreement also includes 13 land banks and 1 dealer site as well as a long-term supply contract for Esso-branded fuel. The integration of the sites began on September 12, 2016, and was completed on October 27, 2016. Of the 278 sites, the Corporation leases the land and building for 1 site, leases the land and owns the building for 40 sites, and owns both these assets for the remaining 237 sites. At closing, all sites were operating under a commission agency model under which a third party operates the site.

Acquisition costs of $12.1 in connection with this acquisition are included in Operating, selling, administrative and general expenses. Our preliminary work has identified the following intangible assets which have not yet been valued in this preliminary allocation: customer relations and favorable leases.

The cash consideration for the 278 acquired sites amounted to $1,285.7. 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 purchase price allocation of this acquisition is subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

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

	$
Tangible assets acquired	
Inventories	**13.8**
Property and equipment	**687.5**
Other assets	**8.1**
Total tangible assets	**709.4**
Liabilities assumed	
Accounts payable and accrued liabilities	**0.1**
Provisions	**19.5**
Total liabilities	**19.6**
Net tangible assets acquired	**689.8**
Goodwill	**595.9**
Total cash consideration paid	**1,285.7**

The Corporation expects that all of the goodwill related to this transaction will be deductible for tax purposes.

This acquisition was concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. Since the date of acquisition, revenues and net earnings from these stores amounted to $573.4 and $33.1, respectively. Considering the nature of this acquisition, the available financial information does not allow for the accurate disclosure of pro forma revenues and net earnings had the Corporation concluded this acquisition at the beginning of its fiscal year.

Other acquisitions

- On May 1, 2016, the Corporation completed the acquisition of all the shares of Dansk Fuel A/S ("Dansk Fuel") from A/S Dansk Shell, which comprises 315 service stations, a commercial fuel business and an aviation fuel business, all located in Denmark, for a total consideration of $308.1.

  As per the requirements of the European Commission, the Corporation:

  - retained 127 sites, of which 82 are owned and 45 are leased from third parties;

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

- o divested the remaining of the Dansk Fuel business in addition to 24 of its legacy sites;
- o operated separately from Dansk Fuel.

In order to meet these requirements, the Corporation signed an agreement for the sale of the shares of Dansk Fuel to DCC Holding A/S, a subsidiary of DCC plc. Until approval and completion of this transaction, a trustee had been appointed to manage and operate Dansk Fuel. As the Corporation did not have control over Dansk Fuel's operations, its investment in Dansk Fuel was accounted for as an investment in an associated company using the equity method. The sale of all the shares of Dansk Fuel to DCC Holding A/S closed on October 31, 2016, for a consideration of $71.5. Prior to this transaction, a capital reduction of $65.6 took place.

During the 40-week period ended January 29, 2017, the Corporation transferred all 127 retained sites from Dansk Fuel to its Danish subsidiary for a deemed consideration of $177.6. The Corporation gained control over the operations of the retained sites gradually as they were transferred from Dansk Fuel to its Danish subsidiary, and from the respective transfer dates the results and assets related to these sites were included in its consolidated balance sheet and its consolidated earnings and cash flows. Of the 127 retained sites, 72 are full-service stations, 49 are unmanned automated fuel stations and 6 are truck stops, all of which were dealer-operated at the transfer date.

- During the 40-week period ended January 29, 2017, the Corporation reached agreements with the independent dealers of the Dansk Fuel sites and converted all the retained sites to company-operated sites.
- On November 15, 2016, the Corporation completed the acquisition of 23 company-operated sites located in Estonia from Sevenoil Est OÜ and its affiliates, 11 full-service fuel stations and 12 unmanned automated fuel stations. As per the agreement, the Corporation leases the land and building for 3 sites and owns those assets for the remaining sites.
- During the 40-week period ended January 29, 2017, the Corporation also acquired 11 stores through distinct transactions. The Corporation owns the land and building for these sites.

These transactions were settled for a total cash consideration of $220.6. 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 purchase price allocations of these acquisitions are subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed. For the 40-week period ended January 29, 2017, acquisition costs of $2.5 in connection with these acquisitions and other unrealized or ongoing acquisitions are included in Operating, selling, administrative and general expenses.

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

	$
Tangible assets acquired	
Inventories	**12.7**
Property and equipment	**122.8**
Other assets	**7.9**
Total tangible assets	**143.4**
Liabilities assumed	
Accounts payable and accrued liabilities	**2.2**
Provisions	**4.2**
Deferred credits and other liabilities	**7.2**
Total liabilities	**13.6**
Net tangible assets acquired	**129.8**
Goodwill	**90.8**
Total consideration	**220.6**
Deemed consideration for the transfer of 127 sites from Dansk Fuel	**177.6**
Total cash consideration paid	**43.0**

The Corporation expects that all 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 $156.9 and $4.3, 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.

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

Acquisition of Topaz

On February 1, 2016, the Corporation acquired all outstanding shares of Topaz Energy Group Limited, Resource Property Investment Fund PLC and Esso Ireland Limited, collectively known as "Topaz" for a total cash consideration of €257.5 or $280.4 plus a contingent consideration of a maximum undiscounted amount of €15.0 ($16.3) payable upon the signature of two contracts. The fair value of the contingent consideration was estimated at €15.0 ($16.3) using the Corporation's knowledge of the negotiations' progress at the acquisition date and represents the Corporation's best estimate. 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. As a result of this transaction, the Corporation became the owner of the land and building for 77 sites, lessee of the land and owner of the building for 24 sites and lessee of these same assets for the remaining sites. The agreement also encompasses a significant commercial fuel operation, with over 30 depots and 2 owned terminals.

The table below shows Topaz's initial purchase price allocation as reported in the Corporation's 2016 annual consolidated financial statements and the changes made to adjust it to the final allocation:

	Initial allocation	Changes	Final allocation
	$	$	$
Assets			
Current assets			
Cash and cash equivalents	28.4	-	28.4
Accounts receivable	213.5	(24.4)	189.1
Inventories	38.1	-	38.1
Prepaid expenses	12.9	(2.2)	10.7
	292.9	(26.6)	266.3
Property and equipment	509.0	(33.9)	475.1
Identifiable intangible assets	5.1	122.5	127.6
Other assets	5.1	3.3	8.4
Deferred income taxes	2.2	(2.2)	-
	814.3	63.1	877.4
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	237.7	(21.7)	216.0
Provisions	2.4	0.9	3.3
Income taxes payable	-	0.6	0.6
Current portion of long-term debt	231.3	(0.2)	231.1
	471.4	(20.4)	451.0
Long-term debt	153.0	(19.1)	133.9
Provisions	19.5	(1.9)	17.6
Pension benefit liability	9.6	-	9.6
Deferred credits and other liabilities	-	2.6	2.6
Deferred income taxes	-	27.0	27.0
	653.5	(11.8)	641.7
Net identifiable assets	160.8	74.9	235.7
Acquisition goodwill	136.4	(75.4)	61.0
Consideration	297.2	(0.5)	296.7
Consideration receivable	-	(0.5)	(0.5)
Contingent consideration	16.3	-	16.3
Cash and cash equivalents acquired	28.4	-	28.4
Net cash flow for the acquisition	252.5	-	252.5

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

This acquisition was concluded in order to penetrate new markets and increase its economies of scale. This acquisition generated goodwill mainly due to the important footprint of its network in Ireland.

Acquisition of CST Brands Inc.

On August 21, 2016, the Corporation signed a definitive merger agreement to acquire CST Brands Inc. ("CST") for a total enterprise value of approximately $4.4 billion, including assumed debt. The transaction was approved by CST's stockholders on November 16, 2016, and is still subject to regulatory approval in the United States and Canada. The Corporation expects the transaction to close early in fiscal year 2018.

The Corporation also entered into an agreement with Parkland Fuel Corporation ("Parkland") pursuant to which the Corporation would sell certain Canadian assets of CST to Parkland subsequent to the merger with CST for approximately $750.0. This transaction is subject to customary regulatory approval and closing conditions.

4. DISPOSAL OF BUSINESS

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

5. LONG-TERM DEBT

	As at January 29, 2017	As at April 24, 2016 (adjusted, Note 1)
	$	$
Canadian-dollar-denominated senior unsecured notes (Note 12)	**1,520.2**	1,573.2
US-dollar-denominated term revolving unsecured operating credit D, maturing in December 2021	**987.5**	841.2
Euro-denominated senior unsecured notes maturing in May 2026 (Note 12)	**796.3**	-
NOK-denominated senior unsecured notes maturing in February 2026 (Note 12)	**80.3**	81.8
NOK-floating-rate bonds, 5.04%, maturing in February 2017	**1.8**	1.8
NOK-fixed-rate bonds, 5.75%, maturing in February 2019	**1.6**	1.6
Canadian-dollar-denominated term revolving unsecured operating credit D, maturing in December 2021	**-**	43.0
Other debts, including finance leases, maturing at various dates	**292.4**	295.5
	3,680.1	2,838.1
Current portion of long-term debt	**32.9**	29.2
	3,647.2	2,808.9

Euro-denominated senior unsecured notes

On May 6, 2016, the Corporation proceeded with the issuance of euro-denominated senior unsecured notes totalling €750.0 with a coupon rate of 1.875% and maturing on May 6, 2026. Interest is payable annually on May 6. The net proceeds from the issuance were mainly used to repay a portion of the Corporation's term revolving unsecured operating credit facilities.

Term revolving unsecured operating credit

On October 26, 2016, the Corporation amended its term revolving unsecured operating credit D to extend its maturity to December 2021. No other terms were changed significantly.

6. 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 29, 2017			16-week period ended January 31, 2016		
	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	**287.0**	**567,882**	**0.51**	274.0	567,427	0.48
Dilutive effect of stock options	**-**	**1,414**	**(0.01)**	-	1,803	-
Diluted net earnings available for Class A and B shareholders	**287.0**	**569,296**	**0.50**	274.0	569,230	0.48

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in millions of US dollars unless otherwise noted, except per share amounts, unaudited)

	40-week period ended January 29, 2017			40-week period ended January 31, 2016		
	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	**931.3**	**567,769**	**1.64**	987.3	567,405	1.74
Dilutive effect of stock options	**-**	**1,509**	**-**	-	1,783	(0.01)
Diluted net earnings available for Class A and B shareholders	**931.3**	**569,278**	**1.64**	987.3	569,188	1.73

When they have an antidilutive 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 29, 2017, 217,383 and 357,969 stock options were excluded, respectively, and 140,586 stock options were excluded for the 16 and 40-week periods ended January 31, 2016.

7. ACCUMULATED OTHER COMPREHENSIVE LOSS

As at January 29, 2017

	Attributable to shareholders of the Corporation						
	Items that may be reclassified to earnings					**Will never be reclassified to earnings**	
	Cumulative translation adjustments	**Net investment hedge**	**Net interest on net investment hedge**	**Available-for-sale investment**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive loss**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**(482.6)**	**(276.4)**	**(1.6)**	**6.7**	**2.1**	**(3.3)**	**(755.1)**
Less: Income taxes	**-**	**(0.2)**	**(1.1)**	**1.0**	**0.6**	**(3.0)**	**(2.7)**
Balance, net of income taxes	**(482.6)**	**(276.2)**	**(0.5)**	**5.7**	**1.5**	**(0.3)**	**(752.4)**

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	Net investment hedge	Net interest on net investment hedge	Available-for-sale investment	Cash flow hedge	Cumulative net actuarial loss	Accumulated other comprehensive loss
	$	$	$	$	$	$	$
Balance, before income taxes	(444.8)	(372.7)	2.8	(2.8)	6.9	(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	(2.8)	5.1	(3.1)	(823.6)

8. CAPITAL STOCK

Issued and outstanding shares

As at January 29, 2017, the Corporation has 147,766,540 (147,766,540 as at April 24, 2016) issued and outstanding Class A multiple-voting shares, with each share comprising 10 votes, and 420,134,840 (419,823,571 as at April 24, 2016) issued and outstanding Class B subordinate voting shares, with each share comprising 1 vote.

Stock options

For the 16-week period ended January 29, 2017, a total of 30,650 stock options were exercised (36,938 for the 16-week period ended January 31, 2016). For the 40-week period ended January 29, 2017, a total of 349,621 stock options were exercised (97,123 for the 40-week period ended January 31, 2016).

On July 20, 2016, 154,256 stock options were granted under the Corporation's stock option plan. A description of the Corporation's stock based compensation plan is included in Note 25 of the consolidated financial statements presented in the 2016 Annual Report.

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

The fair value of stock options granted is 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 the period:

- Risk-free interest rate of 1.01%;
- Expected life of 8 years;
- Expected volatility of 28.0%;
- Expected quarterly dividend of CA$0.0775 per share.

The fair value of stock options granted for the 40-week period ended January 29, 2017, was CA$18.57 per option.

9. CURTAILMENT GAINS ON DEFINED BENEFITS PENSION PLAN OBLIGATION

During the 16-week period ended January 29, 2017, the Corporation announced to employees its decision to close some of its defined benefits disability plans in Norway. In connection with the termination of those plans, a pre-tax curtailment gain of $2.7 was recorded to earnings of the quarter with a corresponding decrease of the defined benefits pension plan obligation on the balance sheet.

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 contribution plans. In connection with the termination of the defined benefits plans, a pre-tax curtailment gain of $27.2 was recorded to earnings with a corresponding offset to the defined benefits pension plan obligation.

10. 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 owns 100% of Circle K Asia’s operations.

11. 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, Ingo, Topaz and Re.Store. 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 29, 2017				16-week period ended January 31, 2016			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**2,188.8**	**364.9**	**519.9**	**3,073.6**	2,156.9	254.1	489.5	2,900.5
Road transportation fuel	**4,820.7**	**2,027.5**	**1,124.7**	**7,972.9**	4,306.7	1,414.8	554.1	6,275.6
Other	**3.8**	**360.7**	**4.8**	**369.3**	4.3	150.6	0.1	155.0
	7,013.3	**2,753.1**	**1,649.4**	**11,415.8**	6,467.9	1,819.5	1,043.7	9,331.1
Gross profit								
Merchandise and services	**720.7**	**155.0**	**175.9**	**1,051.6**	717.2	111.5	158.6	987.3
Road transportation fuel	**404.6**	**255.8**	**100.9**	**761.3**	434.1	221.2	42.2	697.5
Other	**3.8**	**57.1**	**4.7**	**65.6**	4.3	50.9	0.1	55.3
	1,129.1	**467.9**	**281.5**	**1,878.5**	1,155.6	383.6	200.9	1,740.1
Total long-term assets [(b)]	**5,269.8**	**3,518.5**	**1,854.5**	**10,642.8**	5,005.5	2,716.7	500.4	8,222.6

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

	40-week period ended January 29, 2017				40-week period ended January 31, 2016			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**5,793.0**	**912.5**	**1,427.1**	**8,132.6**	5,666.0	667.6	1,401.5	7,735.1
Road transportation fuel	**12,293.7**	**4,856.6**	**2,149.9**	**19,300.2**	12,730.0	4,126.4	1,634.1	18,490.5
Other	**9.8**	**833.3**	**6.0**	**849.1**	11.8	509.7	0.4	521.9
	18,096.5	**6,602.4**	**3,583.0**	**28,281.9**	18,407.8	5,303.7	3,036.0	26,747.5
Gross profit								
Merchandise and services	**1,919.7**	**382.4**	**478.9**	**2,781.0**	1,878.6	282.2	459.8	2,620.6
Road transportation fuel	**1,116.0**	**707.8**	**181.5**	**2,005.3**	1,184.3	606.5	118.4	1,909.2
Other	**9.8**	**143.3**	**6.0**	**159.1**	11.8	148.2	0.4	160.4
	3,045.5	**1,233.5**	**666.4**	**4,945.4**	3,074.7	1,036.9	578.6	4,690.2

(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.

12. FAIR VALUE

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: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 but which 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 instrument, the methods and assumptions that were used to determine them and their fair value hierarchy are as follows:

Financial instruments at fair value on the consolidated balance sheets:

- 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 $47.3 as at January 29, 2017 ($45.3 as at April 24, 2016) (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 $261.1 as at January 29, 2017 ($224.0 as at April 24, 2016) (Level 2). They are presented as Other financial liabilities on the consolidated balance sheets.

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

- The fair value of the Canadian-dollar-denominated senior unsecured notes, which is based on observable market data, is $1,580.9 as at January 29, 2017 ($1,636.5 as at April 24, 2016);
- The fair value of the euro-denominated senior unsecured notes, which is based on observable market data, is $812.1 as at January 29, 2017;
- The fair value of the Norwegian-krone-denominated senior unsecured notes, which is based on observable market data, is $78.4 as at January 29, 2017 ($82.6 as at April 24, 2016).

13. SUBSEQUENT EVENT

Dividends

During its March 14, 2017 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA9.0¢ per share for the third quarter of fiscal 2017 to shareholders on record as at March 23, 2017, and approved its payment for April 6, 2017. This is an eligible dividend within the meaning of the Income Tax Act of Canada.