ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS SECOND QUARTER OF FISCAL YEAR 2014

- Results for the second quarter of fiscal 2014 include those of Statoil Fuel & Retail for the period from July 22, 2013 to October 13, 2013 (84 days) while results for the second quarter of fiscal 2013 included Statoil Fuel & Retail's for a period of 92 days.
- Net earnings of $229.8 million for the second quarter of fiscal 2014, up 26.8%. Excluding the non-recurring items, net earnings would have been approximately $249.0 million compared with $171.0 million for the second quarter of fiscal 2013, an increase of 45.6%.
- Diluted net earnings per share of US$1.21 for the second quarter of fiscal 2014 compared with US$0.97, in the second quarter of fiscal 2013, up 24.7%.
- Adjusted diluted net earnings per share of US$1.32 for the second quarter of fiscal 2014 compared with US$0.91 for the second quarter of fiscal 2013, up 45.1%.
- Same-store merchandise revenues up 4.5% in the U.S., 1.9% in Europe and 3.2% in Canada.
- Merchandise and service gross margin stood at 32.8% in the U.S., at 39.9% in Europe and at 33.2% in Canada.
- Same-store road transportation fuel volume up 1.7% in the U.S., up 2.2% in Europe and up 1.5% in Canada.
- Road transportation fuel gross margin stood at US21.56¢ per gallon in the United States, at US11.43¢ per litre in Europe and at CA6.67¢ per litre in Canada.
- Dividend increased by 14.3%, from CA8.75¢ to CA10.0¢.
- Adjusted leverage ratio of 2.63:1 for the 52-week period ended October 13, 2013 compared with 3.58:1 following Statoil Fuel & Retail's acquisition in June 2012.

Laval, Quebec, Canada, November 26, 2013 – For its second quarter of fiscal 2014, Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B) announces net earnings of $229.8 million, up $48.6 million or 26.8%, which equals $1.21 per share on a diluted basis, an increase of $0.24 per share or 24.7% over diluted net earnings per share of the second quarter of fiscal 2013. Some items affected the results of the second quarter, mainly a foreign exchange loss of $25.0 million. On the other hand, the results from the second quarter of fiscal 2013 included a non-recurring gain of $10.6 million on foreign exchange forward contracts as well as a foreign exchange gain of $3.8 million. Excluding these items as well as the negative goodwill and acquisition costs from both comparable quarter results, the diluted net earnings per share would have been $1.32 for the second quarter of fiscal 2014 compared with $0.91 for the second quarter of fiscal 2013, an increase of 45.1%. This increase is mainly attributable to higher road transportation fuel gross margins, to the growing contribution of merchandise and service revenues, to higher road transportation fuel volumes as well as to the contribution from acquisitions. These items, which contributed to the growth in net earnings, were partially offset by the negative net impact related to the translation of earnings from Couche-Tard's Canadian and European operations into the US dollar. All financial information is in US dollars unless stated otherwise.

"The results for the second quarter were very strong and confirmed the trend from the first quarter, especially in Europe where our fuel brand "*miles*TM" and our fresh food initiatives continued to deliver strong results" declared Alain Bouchard, President and Chief Executive Officer. "Both in-store revenues and road transportation fuel volumes had a positive impact and were further supported by strong fuel margins and a nice contribution from our recent acquisitions. In North America, the pricing strategies we put in place in the first quarter to support in-store traffic growth proved their effectiveness in both the U.S. and Canada where same-store merchandise revenues increased significantly without affecting the margin as much as it did in the first quarter " Mr. Bouchard concluded.

Raymond Paré, Vice-President and Chief Financial Officer, indicated: "Overall, our efforts to increase sales combined with strong road transportation fuel margins resulted in a 25.5% increase in adjusted EBITDA which allowed us to, once again, reduce our debt, improve our leverage ratio and further strengthen our balance sheet. Our adjusted net interest-bearing debt to adjusted EBITDAR ratio stood at 2.63 : 1, a significant improvement compared to the ratio of 3.58 : 1 recorded shortly after the acquisition of Statoil Fuel & Retail and also compared to the 2.97 : 1 ratio as of July 21, 2013. Our objective remains to continue improving our financial flexibility to take advantage of opportunities".

Highlights of the second quarter of Fiscal 2014

Statoil Fuel & Retail

Quarterly results

Couche-Tard's results for the 12 and 24-week periods ended October 13, 2013 include those of Statoil Fuel & Retail for the period beginning July 22, 2013 and ending October 13, 2013 and for the period beginning May 1st, 2013 and ending October 13, 2013, respectively. Couche-Tard's results for the 12 and 24-week periods ended October 14, 2012 include those of Statoil Fuel & Retail for the period beginning July 1st, 2012 and ending September 30, 2012 and for the period beginning June 20, 2012 and ending September 30, 2012, respectively. Thus, Couche-Tard's results for the second quarter of fiscal 2014 include those of Statoil Fuel & Retail for a period of 84 days compared with 92 days for the second quarter of fiscal 2013.

Because Couche-Tard's and Statoil Fuel & Retail's accounting periods are not aligned, Statoil Fuel & Retail results for the period from October 1st, 2013 to October 13, 2013 were determined according to management's best estimates based on the current budget and trends observed during the previous periods. Any difference between estimated results and actual results will be reported in the next quarter results. Couche-Tard's consolidated balance sheet and store count as of October 13, 2013 includes the balance sheet and store count of Statoil Fuel & Retail as of September 30, 2013, as adjusted for significant transactions.

The following table provides an overview of Statoil Fuel & Retail's accounting periods that will be incorporated in Couche-Tard's upcoming consolidated financial statements:

Couche-Tard Quarters	Statoil Fuel & Retail Equivalent Accounting Periods	Statoil Fuel & Retail Balance Sheet Date (1)
16-week period that will end February 2, 2014 (3rd quarter of fiscal 2014)	From October 14 to October 31, 2013, November and December 2013 and January 2014	January 31, 2014
12-week period that will end April 27, 2014 (4th quarter of fiscal 2014)	February, March and April 2014	April 30, 2014
12-week period that will end July 20, 2014 (1st quarter of fiscal 2015)	From May 1st to July 20, 2014	June 30, 2014
12-week period that will end October 12, 2014 (2nd quarter of fiscal 2015)	From July 21, 2014 to October 12, 2014	September 30, 2014

(1) The consolidated balance sheet will be adjusted for significant transactions, if any, occurring between Statoil Fuel & Retail balance sheet date and Couche-Tard balance sheet date.

The Corporation expects that the work toward the alignment of Statoil Fuel & Retail's accounting periods with those of Couche-Tard should start once the replacement of Statoil Fuel & Retail's financial systems is finalized, which is scheduled to be completed by the end of fiscal 2014.

Synergies and cost reduction initiatives

Since the acquisition of Statoil Fuel & Retail, Couche-Tard has been actively working on identifying and implementing available synergies and cost reduction opportunities. The Corporation's analysis shows that opportunities are numerous and promising. Some can be implemented immediately while others may take more time to implement since they require rigorous analysis and planning. The implementation of a new ERP system will also be required before some of the identified opportunities can be put in place. The goal is to find the right balance in order not to jeopardize ongoing activities and projects already underway.

During the 12-week period ended October 13, 2013, Couche-Tard recorded synergies and cost savings it estimated at approximately $13.0 million, before income taxes. These synergies and cost reductions mainly affected operating, selling, administrative and general expenses as well as cost of sales. Since the acquisition, Couche-Tard estimates its realized total annual synergies and cost savings to amount to approximately $51.0 million, before income taxes. Management believes these amounts do not necessarily represent the full annual impact of all of the Corporation's initiatives.

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 suppliers, the reduction of in-store costs and the restructuring of certain departments.

Couche-Tard's work for the identification and implementation of available synergies and cost reduction opportunities is far from over. Teams continue to work actively on various projects that seem promising and which, along with the implementation of new systems and marketing initiatives, should allow Couche-Tard to achieve its objectives. Couche-Tard therefore maintains its goal of annual synergies ranging from $150.0 million to $200.0 million before the end of December 2015.

The Corporation's synergies and cost reductions estimate is based on a number of important factors and assumptions. Among other things, its synergies and cost savings objective is based on its comparative analysis of organizational structures and current level of spending across its network as well as on its ability to bridge the gap, when relevant. Its synergies and cost reduction objective is also based on its assessment of current contracts in Europe and North America and how the Corporation expects to be able to renegotiate these contracts to take advantage of its increased purchasing power. In addition, its synergies and cost reduction objective assumes that the Corporation will be able to establish an effective process for sharing best practices across its network. Finally, its objective is also based on its ability to implement effectively and timely a new ERP system. A significant change in these facts and assumptions could impact significantly the Corporation's synergies and cost reductions estimate.

Network growth

Completed transactions

In September 2013, Couche-Tard acquired nine stores operating in Illinois, United States from Baron-Huot Oil Company. Eight of these stores are company-operated and one is operated by an independent operator. The Corporation owns the land and building for eight sites while it leases these assets for the other site.

In addition, during the second quarter of fiscal 2014, Couche-Tard acquired one additional company-operated store, one additional store operated by an independent dealer as well as three road transportation fuel supply agreements.

Available cash was used for these acquisitions.

Outstanding transactions

On October 24, 2013, subsequent to the end of the second quarter of fiscal 2014, Couche-Tard signed an agreement to acquire, from Publix Super Markets Inc., 13 company-operated stores, 11 of which are located in Florida and the other two in Georgia, United States. Pursuant to this transaction, Couche-Tard would own the land and buildings for nine sites and would lease these assets for the other four sites.

On November 15, 2013, subsequent to the end of the second quarter of fiscal 2014, Couche-Tard signed an agreement to acquire 23 company-operated stores operating in New Mexico, United States from Albuquerque Convenience and Retail LLC. Pursuant to this transaction, the Corporation would own the land and buildings for 22 sites and would lease these assets for the other site.

Couche-Tard expects to close both transactions in December 2013. These transactions are subject to standard regulatory approvals and closing conditions.

Store construction

Couche-Tard completed the construction of six new stores during the 12-week period ended October 13, 2013.

Summary of changes in Couche-Tard's stores network during the second quarter and first half-year of fiscal 2014

The following table presents certain information regarding changes in Couche-Tard's stores network over the 12-week period ended October 13, 2013 (1):

	12-week period ended October 13, 2013				
Type of site	**Company-operated (2)**	**CODO (3)**	**DODO (4)**	**Franchised and other affiliated (5)**	**Total**
Number of sites, beginning of period	6,211	635	532	1,107	8,485
Acquisitions	9	1	4	-	14
Openings / constructions / additions	7	-	5	19	31
Closures / disposals / withdrawals	(19)	(4)	(5)	(19)	(47)
Store conversion	7	(9)	1	1	-
Number of sites, end of period	6,215	623	537	1,108	8,483
Number of automated service stations included in the period end figures (6)	914	-	30	-	944

The following table presents certain information regarding changes in Couche-Tard's stores network over the 24-week period ended October 13, 2013 [(1)]:

	24-week period ended October 13, 2013				
Type of site	**Company-operated** [(2)]	**CODO** [(3)]	**DODO** [(4)]	**Franchised and other affiliated** [(5)]	**Total**
Number of sites, beginning of period	6,235	579	478	1,094	8,386
Acquisitions	12	61	54	-	127
Openings / constructions / additions	11	2	13	50	76
Closures / disposals / withdrawals	(56)	(5)	(8)	(37)	(106)
Store conversion	13	(14)	-	1	-
Number of sites, end of period	6,215	623	537	1,108	8,483

(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 agent.
(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 its 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 Couche-Tard's main or secondary banners.
(5) Stores operated by an independent operator through a franchising, licensing or another similar agreement under one of Couche-Tard's main or secondary banners.
(6) These sites sell road transportation fuel only.

In addition, under licensing agreements, about 4,200 stores are operated under the Circle K banner in ten other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Mexico, Vietnam and United Arab Emirates) which brings to more than 12,680 the number of sites in Couche-Tard's network.

Issuance of Canadian dollar denominated senior unsecured notes

On August 21, 2013, Couche-Tard issued Canadian dollar denominated senior unsecured notes totaling CA$300.0 million, maturing August 21, 2020 and bearing interest at a rate of 4.214%. Interest is payable on August 21st and February 21st of each year and notional amount will be repaid at maturity. The net proceeds from the issuance, which were CA$298.3 million ($285.6 million), were used to repay a portion of the Corporation's acquisition facility.

Dividends

The Board of Directors ("the Board") decided to increase the quarterly dividend by CA1.25¢ per share to CA10.0¢ per share, an increase of 14.3%.

During its November 26, 2013 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA10.0¢ per share for the second quarter of fiscal 2014 to shareholders on record as at December 5, 2013 and approved its payment for December 19, 2013. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Exchange Rate Data

Couche-Tard uses the US dollar as its reporting currency which provides more relevant information given the predominance of its operations in the United States and the significant portion of its debt denominated in US dollars.

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

	12-week periods ended		**24-week periods ended**	
	October 13, 2013	October 14, 2012	**October 13, 2013**	October 14, 2012
Average for period				
Canadian Dollar [(1)]	**0.9654**	1.0118	**0.9681**	0.9971
Norwegian Krone [(2)]	**0.1676**	0.1692	**0.1685**	0.1690
Swedish Krone [(2)]	**0.1539**	0.1483	**0.1526**	0.1476
Danish Krone [(2)]	**0.1791**	0.1680	**0.1772**	0.1681
Zloty [(2)]	**0.3161**	0.3027	**0.3120**	0.3017
Euro [(2)]	**1.3361**	1.2508	**1.3211**	1.2512
Lats [(2)]	**1.9020**	1.7965	**1.8823**	1.7970
Litas [(2)]	**0.3870**	0.3623	**0.3827**	0.3624
Ruble [(2)]	**0.0306**	0.0313	**0.0309**	0.0312

	As at October 13, 2013	As at April 28, 2013
Period end		
Canadian Dollar	**0.9658**	0.9834
Norwegian Krone	**0.1668**	0.1734
Swedish Krone	**0.1545**	0.1543
Danish Krone	**0.1818**	0.1766
Zloty	**0.3234**	0.3163
Euro	**1.3559**	1.3170
Lats	**1.9294**	1.8822
Litas	**0.3927**	0.3814
Ruble	**0.0310**	0.0322

(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 July 22, 2013 to October 13, 2013 for the 12-week period ended October 13, 2013, from May 1st, 2013 to October 13, 2013 for the 24-week period ended October 13, 2013, from July 1st, 2012 to September 30, 2012 for the 12-week period ended October 14, 2012 and from June 20, 2012 to September 30, 2012 for the 24-week period ended October 14, 2012. Calculated using the average exchange rate at the close of each day for the stated period.

Considering Couche-Tard uses the US dollar as its reporting currency in its consolidated financial statements and in the present document, unless indicated otherwise, results from its Canadian, European and corporate operations are translated into US dollars using the average rate for the period. Unless otherwise indicated, variances and explanations related to variations in the foreign exchange rate and the volatility of the Canadian dollar and European currencies which are discussed in the present document are therefore related to the translation in US dollars of its Canadian, European and corporate operations results.

Summary analysis of consolidated results for the second quarter and first half year of fiscal 2014

The following table highlights certain information regarding Couche-Tard's operations for the 12 and 24-week periods ended October 13, 2013 and October 14, 2012. The figures for the 12 and 24-week periods ended October 14, 2012 include those of Statoil Fuel & Retail for the period beginning July 1st, 2012 and ending September 30, 2012 and for the period beginning June 20, 2012 and ending September 30, 2012, respectively.

	12-week period ended			24-week period ended		
(In millions of US dollars, unless otherwise stated)	**October 13, 2013**	October 14, 2012	Variation %	**October 13, 2013**	October 14, 2012	Variation %
Statement of Operations Data:						
Merchandise and service revenues [(1)]:						
United States	**1,146.9**	1,069.6	7.2	**2,300.6**	2,158.5	6.6
Europe	**239.1**	252.8	(5.4)	**487.6**	284.3	71.5
Canada	**530.3**	545.2	(2.7)	**1,075.8**	1,098.7	(2.1)
Total merchandise and service revenues	**1,916.3**	1,867.6	2.6	**3,864.0**	3,541.5	9.1
Road transportation fuel revenues:						
United States	**3,668.5**	3,587.8	2.2	**7,268.4**	6,931.2	4.9
Europe	**2,061.7**	2,318.7	(11.1)	**4,113.8**	2,540.5	61.9
Canada	**719.8**	717.4	0.3	**1,412.3**	1,380.2	2.3
Total road transportation fuel revenues	**6,450.0**	6,623.9	(2.6)	**12,794.5**	10,851.9	17.9
Other revenues [(2)]:						
United States	**3.5**	1.5	133.3	**5.9**	3.0	96.7
Europe	**639.9**	794.6	(19.5)	**1,246.4**	903.7	37.9
Canada	**0.2**	0.1	100.0	**0.3**	0.2	50.0
Total other revenues	**643.6**	796.2	(19.2)	**1,252.6**	906.9	38.1
Total revenues	**9,009.9**	9,287.7	(3.0)	**17,911.1**	15,300.3	17.1
Merchandise and service gross profit [(1)]:						
United States	**375.8**	355.6	5.7	**747.8**	718.5	4.1
Europe	**95.4**	99.3	(3.9)	**196.4**	111.5	76.1
Canada	**176.3**	183.7	(4.0)	**361.6**	373.3	(3.1)
Total merchandise and service gross profit	**647.5**	638.6	1.4	**1,305.8**	1,203.3	8.5
Road transportation fuel gross profit:						
United States	**220.2**	145.9	50.9	**410.2**	366.1	12.0
Europe	**229.4**	221.8	3.4	**438.5**	249.0	76.1
Canada	**44.7**	39.8	12.3	**81.4**	76.8	6.0
Total road transportation fuel gross profit	**494.3**	407.5	21.3	**930.1**	691.9	34.4
Other revenues gross profit [(2)]:						
United States	**3.5**	1.5	133.3	**5.9**	3.0	96.7
Europe	**94.1**	107.1	(12.1)	**180.5**	115.4	56.4
Canada	**0.2**	0.1	100.0	**0.3**	0.2	50.0
Total other revenues gross profit	**97.8**	108.7	(10.0)	**186.7**	118.6	57.4
Total gross profit	**1,239.6**	1,154.8	7.3	**2,422.6**	2,013.8	20.3
Operating, selling, administrative and general expenses	**782.3**	789.5	(0.9)	**1,563.5**	1,339.4	16.7
Negative goodwill	**-**	(0.3)	(100.0)	**(41.6)**	(1.2)	3,366.7
Depreciation, amortization and impairment of property and equipment and other assets	**129.3**	134.3	(3.7)	**255.2**	200.4	27.3
Operating income	**328.0**	231.3	41.9	**645.5**	475.2	35.8
Net earnings	**229.8**	181.3	26.8	**484.8**	284.2	70.6
Other Operating Data:						
Merchandise and service gross margin [(1)]:						
Consolidated	**33.8%**	34.2%	(0.4)	**33.8%**	34.0%	(0.2)
United States	**32.8%**	33.2%	(0.4)	**32.5%**	33.3%	(0.8)
Europe	**39.9%**	39.3%	0.6	**40.3%**	39.2%	1.1
Canada	**33.2%**	33.7%	(0.5)	**33.6%**	34.0%	(0.4)
Growth of same-store merchandise revenues [(3)] [(4)]:						
United States	**4.5%**	0.4%		**3.6%**	1.6%	
Europe	**1.9%**	-		**1.9%**	-	
Canada	**3.2%**	0.4%		**1.9%**	2.7%	
Road transportation fuel gross margin :						
United States (cents per gallon) [(4)]	**21.56**	15.20	41.8	**20.50**	19.16	7.0
Europe (cents per litre) [(5)]	**11.43**	9.94	15.0	**10.84**	10.07	7.7
Canada (CA cents per litre) [(4)]	**6.67**	5.85	14.0	**6.10**	5.73	6.5
Volume of road transportation fuel sold [(5)]:						
United States (millions of gallons)	**1,079.3**	990.9	8.9	**2,116.2**	1,959.1	8.0
Europe (millions of litres)	**2,006.7**	2,230.5	(10.0)	**4,044.8**	2,472.9	63.6
Canada (millions of litres)	**701.8**	675.2	3.9	**1,394.7**	1,347.7	3.5
Growth of (decrease in) same-store road transportation fuel volume [(4)]:						
United States	**1.7%**	(0.5%)		**1.4%**	0.3%	
Europe	**2.2%**	-		**2.0%**	-	
Canada	**1.5%**	0.2%		**0.6%**	1.2%	
Per Share Data:						
Basic net earnings per share (dollars per share)	**1.22**	0.98	24.5	**2.58**	1.56	65.4
Diluted net earnings per share (dollars per share)	**1.21**	0.97	24.7	**2.56**	1.54	66.2

	October 13, 2013	April 28, 2013	Variation $
Balance Sheet Data:			
Total assets	**10,785.8**	10,546.2	239.6
Interest-bearing debt	**3,156.9**	3,605.1	(448.2)
Shareholders' equity	**3,664.4**	3,216.7	447.7
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (6)	**0.39 : 1**	0.48 : 1	
Net interest-bearing debt/Adjusted EBITDA (7)	**1.51 : 1**	1.98 : 1 (8)	
Adjusted net interest bearing debt/Adjusted EBITDAR (9)	**2.63 : 1**	3.05 : 1 (8)	
Returns:			
Return on equity (10)	**23.5%**	21.5% (8)	
Return on capital employed (11)	**12.8%**	11.0% (8)	

(1) Includes revenues derived from franchise fees, royalties, suppliers rebates on some purchases made by franchisees and licensees as well as merchandise wholesale.

(2) Includes revenues from rental of assets, from sale of aviation and marine fuel, heating oil, kerosene, lubricants and chemicals. Revenues for the 12 and 24-week periods ended October 14, 2012 include revenues from the Liquefied Petroleum Gas ("LPG")'s operations. Those operations were sold in December 2012.

(3) Does not include services and other revenues (as described in footnote 1 above). Growth in Canada is calculated based on Canadian dollars. Growth in Europe is calculated based on Norwegian Krone.

(4) For company-operated stores only.

(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 restructuring expenses, curtailment gain on certain defined benefits pension plans obligation and negative goodwill. 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 on a pro forma basis. It includes Couche-Tard's results for fiscal year ended April 28, 2013 as well as Statoil Fuel & Retail's results for the 12-month period ended April 30, 2013. Statoil Fuel & Retail balance sheet and earnings have been adjusted to make their presentation in line with Couche-Tard's policies and for fair value adjustments to assets acquired, including goodwill, and to liabilities assumed.

(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 restructuring costs, curtailment gain on certain defined benefits pension plans obligation as well as negative goodwill. 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.

Operating results

Couche-Tard's **revenues** were $9.0 billion in the second quarter of fiscal 2014, down $0.3 billion, a decrease of 3.0%, mainly attributable to lower road transportation fuel retail prices, to the negative net impact from the translation of revenues from its Canadian and European operations into the US dollars, to the divesture of its Liquid Petroleum Gas ("LPG") business in December 2012 as well as to the fact that the second quarter of fiscal 2014 only includes 84 days of Statoil Fuel & Retail results compared with 92 days for the second quarter of fiscal 2013. These items contributing to the reduction in revenues were partly offset by the contribution from acquisitions as well as by the growth in same-store merchandise revenues and road transportation fuel volume in both North America and Europe.

For the first half-year of fiscal 2014, Couche-Tard's revenues grew by $2.6 billion, an increase of 17.1% compared to the first half-year of fiscal 2013 mainly because of the contribution from acquisitions as well as the increase in same-store merchandise revenues and road transportation fuel volume in both North America and Europe. These items that contributed to the increase in revenues were partially offset by lower road transportation fuel retail prices as well as by the negative net impact from the translation of revenues from the Corporation's Canadian and European operations into the United States dollar.

More specifically, the growth of **merchandise and service revenues** for the second quarter of fiscal 2014 was $48.7 million or 2.6%, of which approximately $28.3 million was generated by acquisitions. As for internal growth, same-store merchandise revenues increased by 4.5% in the United States and 3.2% in Canada. This strong increase in same-store merchandise sales is attributable to Couche-Tard's merchandising strategies, to the economic conditions in each of these two markets as well as to the investments made to enhance service and the offering of products in stores. In both countries, Couche-Tard continued to favour pricing strategies aimed at boosting in-store traffic which helped the Corporation gain momentum in terms of transactions count while the fresh food category continued to post a nice growth in several of its markets. In Europe, the exchange of best practices, the implementation of new and sustainable merchandising strategies as well as the investments made through extensive marketing campaigns to promote in-store offering allowed Couche-Tard to turn around the negative sales trend that existed when it acquired Statoil Fuel & Retail. Consequently, same-store merchandise revenues posted a nice growth of 1.9% for a second consecutive quarter. Items that contributed to the increase in revenues were partly offset by the negative net impact from the translation of revenues from the Corporation's Canadian and European operations into the United States dollar, which amounted to approximately $29.0 million as well as the fact that the second quarter of fiscal 2014 only includes 84 days of Statoil Fuel & Retail results compared with 92 days for the second quarter of fiscal 2013.

In the first half-year of fiscal 2014, merchandise and service revenues rose by $322.5 million, a 9.1% increase compared to the same period last fiscal year, mainly because of the contribution from acquisitions and the increase in same-store merchandise revenues of 3.6% in the United States and of 1.9% in both Europe and Canada. Items which contributed to the increase in revenues were partly offset by the negative net impact from the translation of revenues from Couche-Tard's Canadian and European operations into the US dollars, which amounted to approximately $35.0 million.

Road transportation fuel revenues decreased by $173.9 million or 2.6% in the second quarter of fiscal 2014. This decrease was mainly attributable to the negative net impact from the translation of revenues from Couche-Tard's Canadian and European operations into the US dollars which amounted to approximately $169.0 million as well as to the fact that the second quarter of fiscal 2014 only includes 84 days of Statoil Fuel & Retail results compared with 92 days for the second quarter of fiscal 2013. The lower average retail price of road transportation fuel also contributed to the decrease generating a reduction in revenues of approximately $209.0 million as shown in the following table, starting with the third quarter of the fiscal year ended April 29, 2012:

Quarter	3rd	4th	1st	**2nd**	Weighted average
52-week period ended October 13, 2013					
United States (US dollars per gallon)	3.35	3.61	3.51	**3.45**	3.47
Europe (US cents per litre)	104.70	103.80	100.72	**103.25**	103.40
Canada (CA cents per litre)	110.43	115.65	114.53	**117.05**	114.18
53-week period ended October 14, 2012					
United States (US dollars per gallon)	3.31	3.73	3.49	**3.65**	3.54
Europe (US cents per litre)	-	-	-	**103.96**	103.96
Canada (CA cents per litre)	109.88	117.0	112.62	**117.41**	114.02

Items that contributed to the reduction in revenues were partly offset by the $214.8 million contribution from acquisitions and by organic growth. In the United States and in Canada, same-store road transportation fuel volume increased by 1.7% and by 1.5%, respectively while in Europe, same-store road transportation fuel volume increased by 2.2% which is also a nice improvement over the trend Couche-Tard's European network was posting before the acquisition of Statoil Fuel & Retail.

Couche-Tard's new fuel brand "*miles*TM" launched in some of its European markets is delivering encouraging results and was a nice contributor to the second quarter performance.

For the first half-year of fiscal 2014, road transportation fuel revenues increased by $1.94 billion or 17.9%. Acquisitions contributed to an increase in revenues of approximately $2.2 billion while same-store road transportation fuel volume increased by 1.4% in the United States, by 2.0% in Europe and by 0.6% in Canada. Items which contributed to the growth were partially offset by the negative net impact from the translation of revenues from Couche-Tard's Canadian and European operations into the US dollars, which amounted to approximately $149.0 million, and by the lower average retail price of road transportation fuel which generated a decrease in revenues of approximately $158.0 million.

Other revenues decreased by $152.6 million in the second quarter of fiscal 2014, mostly attributable to the divesture of Couche-Tard's LPG activities in December 2012, to the decrease in aviation fuel revenues as well as to the fact that the second quarter of fiscal 2014 only includes 84 days of Statoil Fuel & Retail results compared with 92 days for the second quarter of fiscal 2013. For the first half-year of fiscal 2014, other revenues showed an increase of $345.7 million, mainly attributable to the contribution from acquisitions, partially offset by lower LPG and aviation fuel revenues.

In the second quarter of fiscal 2014, the **consolidated merchandise and service gross margin** grew by $8.9 million or 1.4% compared with the corresponding quarter of fiscal 2013. In the United States, the gross margin was down 0.4% to 32.8% while in Canada, it decreased by 0.5% to 33.2%. In Europe, the gross margin increased by 0.6% to 39.9%. Overall, this performance reflects changes in the product-mix, the modifications brought to supply terms as well as merchandising strategy in line with market competitiveness and economic conditions within each market. More specifically, in North America, the decrease in the margin as a percentage of sales mainly reflects the impact of Couche-Tard's pricing strategies aimed at increasing store traffic which had a favourable impact on revenues but brought the margin percentage down. However, on a net basis, this strategy had a positive impact as the merchandise and service gross profit increased significantly. The higher merchandise and service gross margin as a percentage of sales in Europe reflects price and cost structures as well as a revenue mix that are different from those in North America.

During the first half-year of fiscal 2014, the consolidated merchandise and service gross margin increased by $102.5 million or 8.5%. The gross margin was 32.5% in the United States, a decrease of 0.8%, it was 33.6% in Canada, down 0.4% while in Europe, it was 40.3%, an increase of 1.1%.

In the second quarter of fiscal 2014, the **road transportation fuel gross margin** for company-operated stores in the United States increased by 6.63 ¢ per gallon, from 15.20 ¢ per gallon last year to 21.56 ¢ per gallon this year. In Canada, the gross margin increased to CA6.67 ¢ per litre compared with CA5.85 ¢ per litre for the second quarter of fiscal 2013. In Europe, the total road transportation fuel gross margin was 11.43 ¢ per litre for the second quarter of fiscal 2014, an increase of 1.49 ¢ per litre compared with 9.94 ¢ per litre for the second quarter of fiscal 2013. The road transportation fuel gross margin for company-operated stores in the United States as well as the impact of expenses related to electronic payment modes for the last eight quarters, starting with the third quarter of fiscal year ended April 29, 2012, were as follows:

(US cents per gallon)

Quarter	3rd	4th	1st	**2nd**	Weighted average
52-week period ended October 13, 2013					
Before deduction of expenses related to electronic payment modes	17.80	19.30	19.42	**21.56**	19.42
Expenses related to electronic payment modes	4.79	5.03	4.99	**5.04**	4.95
After deduction of expenses related to electronic payment modes	13.01	14.27	14.43	**16.52**	14.47
53-week period ended October 14, 2012					
Before deduction of expenses related to electronic payment modes	14.84	16.98	23.20	**15.20**	17.38
Expenses related to electronic payment modes	4.74	5.06	4.97	**5.15**	4.97
After deduction of expenses related to electronic payment modes	10.10	11.92	18.23	**10.05**	12.41

For the first half-year of fiscal 2014, the road transportation fuel gross margin for company-operated stores in the United States increased by 1.34¢ per gallon, from 19.16¢ per gallon last fiscal year to 20.50¢ per gallon this fiscal year. In Canada, the margin increased, reaching CA6.10¢ per litre compared with CA5.73¢ per litre for the comparable period of fiscal 2013. The total road transportation fuel margin in Europe stood at 10.84¢ per litre, an increase of 0.37¢ per litre.

For the second quarter and first half-year of fiscal 2014, **operating, selling, administrative and general expenses** respectively decreased by 0.9% and increased by 16.7% compared with the second quarter and first half-year of fiscal 2013, but decreased by 2.1% and 1.7%, respectively, excluding certain items, as demonstrated by the following table:

	12-week period ended October 13, 2013	24-week period ended October 14, 2013
Total variance as reported	**(0.9%)**	**16.7%**
Subtract:		
Increase from incremental expenses related to acquisitions	1.3%	18.5%
Increase from higher electronic payment fees, excluding acquisitions	-	0.2%
Decrease from the net impact of foreign exchange currencies	(0.1%)	(0.1%)
Acquisition costs recognized to earnings of fiscal 2014	0.1%	-
Acquisition costs recognized to earnings of fiscal 2013	(0.1%)	(0.2%)
Remaining variance	**(2.1%)**	**(1.7%)**

The remaining variance for the second quarter of fiscal 2014 is mainly due to the lower number of days from Couche-Tard's European operations, partly offset by higher expenses to support organic growth. For the first half-year of fiscal 2014, the variance in operating expenses comes from sound management of expenses across the Corporation's operations as well as from the impact of synergies. Couche-Tard continues to favour a tight control of its costs throughout the organization while making sure to maintain the quality of the service offered to clients.

In Europe, expense level is still affected by costs incurred for projects aimed at creating value, including the implementation of a new IT infrastructure and the rollout of an ERP system. Although they were lower than in the previous quarters, IT costs should continue to go down progressively along with the completion of these projects over the course of the next quarters but Couche-Tard nonetheless expects higher costs in quarters during which the ERP system will be rolled out in the different business units.

During the second quarter of fiscal 2014, **EBITDA** increased by 25.3% compared to the corresponding period of the previous fiscal year, reaching $462.8 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $10.0 million to EBITDA, while the variation in exchange rates had a negative impact of approximately $14.0 million. As for the first half-year of fiscal 2014, EBITDA increased by 33.7% compared to the corresponding period of the previous fiscal year, reaching $914.9 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $139.0 million to EBITDA of the first half-year of fiscal 2014 while the variation in exchange rate had an unfavorable impact of approximately $15.0 million.

Excluding the impact of the negative goodwill for the second quarter of fiscal 2013, the second quarter of fiscal 2014 adjusted EBITDA increased by $94.0 million or 25.5% compared to the corresponding period of the previous fiscal year, reaching $462.8 million. For the first half-year, excluding the negative goodwill for both comparable periods, adjusted EBITDA increased by $190.2 million or 27.8% compared to the corresponding period of the previous fiscal year, reaching $873.3 million.

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

	12-week period ended		**24-week period ended**	
(in millions of US dollars)	**October 13, 2013**	October 14, 2012	**October 13, 2013**	October 14, 2012
Net earnings, as reported	**229.8**	181.3	**484.8**	284.2
Add:				
Income taxes	**53.5**	37.8	**113.0**	62.2
Net financial expenses	**50.2**	15.9	**61.9**	137.7
Depreciation and amortization and impairment of property and equipment and other assets	**129.3**	134.3	**255.2**	200.4
EBITDA	**462.8**	369.3	**914.9**	684.5
Remove:				
Negative goodwill	**-**	(0.5)	**(41.6)**	(1.4)
Adjusted EBITDA	**462.8**	368.8	**873.3**	683.1

For the second quarter of fiscal 2014, **depreciation, amortization and impairment expense** decreased mainly due to the fact that the second quarter of fiscal 2014 only includes 84 days of Statoil Fuel & Retail results compared with 92 days for the second quarter of fiscal 2013. For the first half-year of fiscal 2014, depreciation, amortization and impairment expense increased due to investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of the network.

In addition, following the acquisition of Statoil Fuel & Retail, Couche-Tard has undertaken an analysis of the remaining useful lives of Statoil Fuel & Retail property and equipment in order to modify the depreciation periods accordingly. Based on its preliminary analysis, Couche-Tard concluded that the modification of depreciation periods would reduce the depreciation expense, which was reflected in the depreciation expense for the first quarter of fiscal 2014. However, given the volume of assets to process, the analytical work has not been completed yet but will be completed for the third quarter of fiscal 2014. Additional changes to the depreciation expense could be made.

The second quarter of fiscal 2014 shows **net financial expenses** of $50.2 million, an increase of $34.3 million compared to the second quarter of fiscal 2013. Excluding the net foreign exchange loss of $25.0 million and the net foreign exchange gain of $3.8 million recorded respectively in the second quarter of fiscal 2014 and in the second quarter of fiscal 2013 as well as the $10.6 million non-recurring gain on foreign exchange forward contracts recorded in the second quarter of fiscal 2013, the decrease in net financial expenses is $5.1 million. The decrease is mainly attributable to the reduction in long-term debt following repayments made on the revolving and acquisition facilities. With respect to the net foreign exchange loss of $25.0 million, it is mainly due to the impact of the exchange rate fluctuations on certain inter-company balances as well as to the impact of exchange rates fluctuations on US dollars denominated sales made by Couche-Tard's European operations.

For the first half-year of fiscal 2014, Couche-Tard recorded net financial expenses of $61.9 million compared to $137.7 million for the comparable period of fiscal 2013. Excluding the net foreign exchange loss of $11.8 million and the net foreign exchange gain of $10.0 million recorded respectively in the first half-year of fiscal 2014 and in the first half-year of fiscal 2013 as well as the $102.9 million non-recurring loss on foreign exchange forward contracts recorded in the first half-year of fiscal 2013, the first half-year of fiscal 2014 posted net financial expenses of $50.1 million, up $5.3 million compared to the first half-year of fiscal 2013. The increase is mainly due to the fact that the first-half year of fiscal 2013 did not include the full impact of the financing costs related to the acquisition of Statoil Fuel & Retails since this acquisition closed on in the later part of June 2012. The $11.8 million foreign exchange net loss is mainly composed of items similar to those of the second quarter.

The **income tax** rate for the second quarter of fiscal 2014 was 18.9%, compared to 17.3% for the corresponding quarter of the previous fiscal year. For the first half-year of fiscal 2014, the rate is 18.9% compared to a rate of 18.0% for the first half-year of the previous fiscal year. The income tax rate for the second quarter and the first half-year of fiscal 2014 was higher than expected because of overall higher taxable income in the United States where Couche-Tard has its highest statutory tax rate. Excluding the net impact from the negative goodwill recorded in the first quarter of fiscal 2014, the income tax rate would have been approximately 17.5% for the first half-year of fiscal 2014.

Couche-Tard closed the second quarter of fiscal 2014 with **net earnings** of $229.8 million, compared to $181.3 million for the second quarter of the previous fiscal year, an increase of $48.5 million or 26.8%. Diluted net earnings per share stood at $1.21 compared to $0.97 the previous year, an increase of 24.7%. The conversion of revenues from Couche-Tard's Canadian and European operations into the US dollars had a negative impact of approximately $12.0 million on net earnings of the second quarter of fiscal 2014.

Excluding from the second quarter of fiscal 2014 earnings the net foreign exchange loss as well as acquisition costs and excluding from the second quarter of fiscal 2013 earnings the non-recurring gain on foreign exchange forward contracts, the net foreign exchange gain, acquisition costs as well as the negative goodwill, the second quarter of fiscal 2014 net earnings would have been approximately $249.0 million ($1.32 per share on a diluted basis) compared to $171.0 million ($0.91 per share on a diluted basis) for the corresponding period of fiscal 2013, an increase of $78.0 million, or 45.6%.

For the first half-year of fiscal 2014, net earnings were $484.8 million, compared to $284.2 million the previous fiscal year, an increase of $200.6 million or 70.6%. Diluted net earnings per share stood at $2.56 compared to $1.54 the previous year, an increase of 66.2%.

Excluding from net earnings of the first half-year of fiscal 2014 the negative goodwill, the net foreign exchange gain as well as acquisition costs and excluding from net earnings of the first-half year of fiscal 2013 the non-recurring loss on forwards, the net foreign exchange gain as well as acquisition costs, net earnings would have stood at approximately $468.0 million, up $115.0 million or 32.6%, while diluted earnings per share would have stood at approximately $2.47, an increase of 28.6%.

Liquidity and Capital Resources

Couche-Tard's sources of liquidity remain unchanged compared with the fiscal year ended April 28, 2013. For further information, please refer to Couche-Tard's 2013 Annual Report. With respect to dividends paid as well as to capital expenditures and acquisitions carried out in the first half-year of fiscal 2014, they were financed using available cash. Couche-Tard expects that cash generated from operations together with borrowings available under its revolving unsecured credit facilities will be adequate to meet its liquidity needs in the foreseeable future.

During the first half-year of fiscal 2014, Couche-Tard repaid approximately $903.0 million of its acquisition facility from $603.0 million drawn down under its revolving facilities, $285.6 million from the issuance of Canadian dollar denominated senior unsecured notes as well as from available cash. An additional amount of $455.0 million was also repaid on its revolving facilities from available cash. As at October 13, 2013, $493.5 million of Couche-Tard's revolving unsecured operating credit D had been used. As at the same date, the weighted average effective interest rate was 1.44% and standby letters of credit in the amount of CA$2.1 million and $28.1 million were outstanding. As at October 13, 2013, the term revolving unsecured operating credit E was unused.

As at October 13, 2013, $801.3 million were available under Couche-Tard's revolving unsecured credit facilities and the Corporation was in compliance with the restrictive covenants and ratios imposed by the credit agreements at that date. Thus, at the same date, Couche-Tard had access to more than $1.6 billion through its available cash and revolving unsecured operating credit agreements.

On November 4, 2013, subsequent to the end of the second quarter of fiscal 2014, Couche-Tard extended by one year the term of its revolving unsecured operating credit agreement. The agreement will expire in December 2017.

Selected Consolidated Cash Flow Information

	12-week period ended			24-week period ended		
(In millions of US dollars)	**October 13, 2013**	October 14, 2012	Variation	**October 13, 2013**	October 14, 2012	Variation
Operating activities						
Net cash provided by operating activities	**493.6**	337.9	155.7	**803.9**	446.1	357.8
Investing activities						
Purchase of property and equipment and other assets, net of proceeds from the disposal of property and equipment and other assets	**(84.0)**	(115.5)	31.5	**(138.4)**	(159.3)	20.9
Business acquisitions	**(16.7)**	(75.2)	58.5	**(108.1)**	(2,523.5)	2,415.4
Net settlement of foreign exchange forward contracts	**-**	9.5	(9.5)	**-**	(86.4)	86.4
Other	**(0.2)**	7.7	(7.9)	**20.5**	0.5	20.0
Net cash used in investing activities	**(100.9)**	(173.5)	72.6	**(226.0)**	(2,768.7)	2,542.7
Financing activities						
Repayment of the acquisition facility	**(300.0)**	-	(300.0)	**(903.0)**	-	(903.0)
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs	**285.6**	-	285.6	**285.6**	-	285.6
Net (decrease) increase in other debt	**(259.5)**	(237.1)	(22.4)	**140.9**	(308.1)	449.0
Dividends	**(29.5)**	(27.5)	(2.0)	**(29.5)**	(27.5)	(2.0)
Issuance of shares upon exercise of stock-options	**8.1**	7.0	1.1	**9.3**	7.0	2.3
Repayment of non-current debt assumed on business acquisition	**-**	(719.0)	719.0	**-**	(769.1)	769.1
Borrowings under the acquisition facility, net of financing costs	**-**	525.9	(525.9)	**-**	3,190.2	(3,190.2)
Issuance of shares on public offering, net of issuance costs	**-**	333.4	(333.4)	**-**	333.4	(333.4)
Net cash (used in) provided by financing activities	**(295.3)**	(117.3)	(178.0)	**(496.7)**	2,425.9	(2,922.6)
Credit rating						
Standard and Poor's				**BBB-**	BBB-	

Operating activities

During the second quarter of fiscal 2014, net cash from Couche-Tard's operations reached $493.6 million, up $155.7 million compared to the second quarter of fiscal year 2013, mainly due to higher net earnings not taking into account non-cash items, including depreciation, amortization and impairment of property and equipment and other assets, as well as negative goodwill.

During the first half-year of fiscal 2014, net cash from Couche-Tard's operations reached $803.9 million, up $357.8 million compared to the corresponding period of fiscal year 2013 for reasons similar to those of the second quarter.

Investing activities

During the second quarter of fiscal 2014, investing activities were primarily for net investment in property and equipment and other assets which amounted to $84.0 million and for acquisitions for an amount of $16.7 million.

Since the beginning of the fiscal year, investing activities were also primarily for net investment in property plant and equipment and other assets, which amounted to $138.4 million and for acquisitions for an amount of $108.1 million. Following the closing of the business acquisition transaction with ExxonMobil, an amount of $20.7 million placed in escrow was repaid to Couche-Tard during the first half-year of fiscal 2014.

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

Financing activities

During the second quarter of fiscal 2014, Couche-Tard issued Canadian dollar denominated senior unsecured notes for a net amount of $285.6 million which, along with available cash, was used to repay an amount of $300.0 million under its acquisition facility. Couche-Tard also repaid a portion of $255.0 million of its operating credits using available cash.

During the first half-year of fiscal 2014, Couche-Tard repaid an amount of $903.0 million under its acquisition facility using amounts drawn from its operating credits, the net proceeds from the issuance of Canadian dollar denominated senior unsecured notes as well as available cash. Couche-Tard also repaid a portion of $455.0 million of its operating credits using available cash.

Financial Position as at October 13, 2013

As shown by the Corporation's indebtedness ratios included in the "Selected Consolidated Financial Information" section and its net cash provided by operating activities, Couche-Tard's financial position is excellent.

Couche-Tard's total consolidated assets amounted to $10.8 billion as at October 13, 2013, an increase of $239.6 million over the balance as at April 28, 2013. This increase stems primarily from the overall rise in assets resulting from the acquisitions made during the first half-year of fiscal 2014 as well as from the increase in accounts receivable, partially offset by the impact of the net appreciation of the US dollar compared to the functional currencies of Couche-Tard's operations in Canada and Europe at the balance sheet date.

During the 52-week period ended on October 13, 2013, Couche-Tard recorded a return on capital employed of 12.8%.[1]

Significant balance sheet variations are explained as follows:

Accounts receivable

Accounts receivable increased by $131.7 million, from $1,616.0 million as at April 28, 2013 to $1,747.7 million as at October 13, 2013. The increase mainly stems from timing effects and increased road transportation fuel sales to third parties.

Accounts payable

Accounts payable increased by $181.4 million, from $2,351.1 million as at April 28, 2013 to $2,532.5 million as at October 13, 2013. The increase mainly stems from timing effects and increased road transportation fuel purchases.

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

Long-term debt decreased by $448.2 million, from $3,605.1 million as at April 28, 2013 to $3,156.9 million as at October 13, 2013. In August 2013, Couche-Tard issued CA$300.0 million Canadian dollar denominated senior unsecured notes for net proceeds of US$285.6 million. Subsequently, the Corporation repaid approximately $755.0 million of its acquisition and revolving facilities from the net proceeds of this issuance as well as from available cash. As a result, Couche-Tard's debt, net of cash and cash equivalents, amounted to $2,384.1 million as at October 13, 2013, a reduction of $562.7 million compared to the balance as at April 28, 2013.

Shareholders' Equity

Shareholders' equity amounted to $3.7 billion as at October 13, 2013, up $447.7 million compared to April 28, 2013, mainly reflecting net earnings of the first half-year of fiscal 2014. For the 52-week period ended October 13, 2013, Couche-Tard recorded a return on equity of 23.5%.[2]

1 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. 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. It includes Couche-Tard's results for the first two quarters of fiscal year ending April 27, 2014 and the last two quarters of fiscal year ended April 28, 2013.

2 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. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations. It includes Couche-Tard's results for the first two quarters of fiscal year ending April 27, 2014 and the last two quarters of fiscal year ended April 28, 2013.

Selected Quarterly Financial Information

The Corporation's 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 2012, contains 53 weeks, the fourth quarter comprises 13 weeks. The following is a summary of selected consolidated financial information derived from the Corporation's interim consolidated financial statements for each of the eight most recently completed quarters.

(In millions of US dollars except for per share data)	**24-week period ended October 13, 2013**		52-week period ended April 28, 2013				Extract from the 53-week period ended April 29, 2012	
Quarter	**2nd**	1st	4th	3rd	2nd	1st	4th	3rd
Weeks	**12 weeks**	12 weeks	12 weeks	16 weeks	12 weeks	12 weeks	13 weeks	16 weeks
Revenues	**9,009.9**	8,901.2	8,776.0	11,467.0	9,287.7	6,012.6	6,055.7	6,597.3
Operating income before depreciation, amortization and impairment of property and equipment and other assets	**457.3**	443.4	292.7	391.4	365.6	310.0	200.1	186.5
Depreciation, amortization and impairment of property and equipment and other assets	**129.3**	125.9	138.1	182.5	134.3	66.1	62.2	75.7
Operating income	**328.0**	317.5	154.6	208.9	231.3	243.9	137.9	110.8
Share of earnings of joint ventures and associated companies accounted for using the equity method	**5.5**	8.7	3.0	3.9	3.7	5.2	3.4	7.0
Net financial expenses (revenues)	**50.2**	11.7	20.7	49.4	15.9	121.8	(13.0)	4.6
Net earnings	**229.8**	255.0	146.4	142.2	181.3	102.9	117.8	86.8
Net earnings per share								
Basic	**$1.22**	$1.36	$0.78	$0.76	$0.98	$0.57	$0.66	$0.49
Diluted	**$1.21**	$1.35	$0.77	$0.75	$0.97	$0.57	$0.65	$0.48

The volatility of road transportation fuel gross margin and seasonality have an impact on the variability of Couche-Tard's quarterly net earnings. Given acquisitions made in recent years and higher retail prices at the pump, road transportation fuel revenues have become a more significant segment of the Corporation's business and therefore its quarterly results are more sensitive to the volatility of road transportation fuel gross margins. However, road transportation fuel margins tend to be less volatile when considered on an annual basis or a longer term. With that said, the majority of Couche-Tard's operating income is still derived from merchandise and service sales.

Outlook

During the remainder fiscal year 2014, Couche-Tard expects to pursue its investments with caution in order to, amongst other things, improve its network. Couche-Tard also intends to keep an ongoing focus on its sales, supply terms and operating expenses while keeping an eye on growth opportunities that may be available.

Couche-Tard will continue to pay special attention to the integration of Statoil Fuel & Retail and to the reduction of the Corporation's debt level in order to regain its financial flexibility and maintain the quality of its credit profile.

Finally, in line with its business model, Couche-Tard intends to continue focussing on the sale of fresh products and on innovation, including the introduction of new products and services, in order to satisfy the needs of its large clientele.

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 number of company-operated stores. In Europe, Couche-Tard is a leader in convenience store and road transportation fuel in Scandinavian countries and in the Baltic States while it has a growing presence in Poland.

As of October 13, 2013, Couche-Tard's network comprises 6,207 convenience stores throughout North America, including 4,698 stores with road transportation fuel dispensing. Its North-American network consists of 13 business units, including nine in the United States covering 38 states and the District of Columbia and four in Canada covering all ten provinces. More than 60,000 people are employed throughout its network and at the service offices in North America.

In Europe, Couche-Tard operates a broad retail network across Scandinavia (Norway, Sweden, Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania) and Russia with 2,276 stores as at October 13, 2013, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated service-stations which offer road transportation fuel only. The Corporation also offers other products, including stationary energy, marine fuel, aviation fuel, lubricants and chemicals. Couche-Tard operates key fuel terminals and fuel depots in eight countries. Including employees at Statoil branded franchise stations, about 18,500 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, about 4,200 stores are operated under the Circle K banner in ten other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Mexico, Vietnam and United Arab Emirates) which brings to more than 12,680 the number of sites in Couche-Tard's network.

Source

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The statements set forth in this press release, which describes Couche-Tard's objectives, projections, estimates, expectations or forecasts, may constitute forward-looking statements within the meaning of securities legislation. Positive or negative verbs such as “plan”, “evaluate”, “estimate”, “believe” and other related expressions are used to identify such statements. Couche-Tard would like to point out that, by their very nature, forward-looking statements involve risks and uncertainties such that its results, or the measures it adopts, could differ materially from those indicated or underlying these statements, or could have an impact on the degree of realization of a particular projection. Major factors that may lead to a material difference between Couche-Tard's actual results and the projections or expectations set forth in the forward-looking statements include the effects of the integration of acquired businesses and the ability to achieve projected synergies, fluctuations in margins on motor fuel sales, competition in the convenience store and retail motor fuel industries, exchange rate variations, and such other risks as described in detail from time to time in the reports filed by Couche-Tard with securities authorities in Canada and the United States. Unless otherwise required by applicable securities laws, Couche-Tard disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking information in this release is based on information available as of the date of the release.

Webcast on November 26, 2013 at 2:30 P.M. (ET)

Couche-Tard invites analysts known to the Corporation to send their two questions in advance to its management, before 11:00 A.M. (ET) on November 26, 2013.

Financial analysts and investors who wish to listen to the webcast on Couche-Tard's results which will take place online on November 26, 2013 at 2:30 P.M. (ET) can do so by accessing the Corporation's website at www.couche-tard.com/corporate and by clicking on the corporate presentations link of the investor relations section. For those who will not be able to listen to the live presentation, the 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)

For the periods ended	12 weeks		24 weeks	
	October 13, 2013	October 14, 2012	**October 13, 2013**	October 14, 2012
	$	$	**$**	$
Revenues	**9,009.9**	9,287.8	**17,911.1**	15,300.3
Cost of sales	**7,770.3**	8,133.0	**15,488.5**	13,286.5
Gross profit	**1,239.6**	1,154.8	**2,422.6**	2,013.8
Operating, selling, administrative and general expenses	**782.3**	789.5	**1,563.5**	1,339.4
Negative goodwill	**-**	(0.3)	**(41.6)**	(1.2)
Depreciation, amortization and impairment of property and equipment, intangible and other assets	**129.3**	134.3	**255.2**	200.4
	911.6	923.5	**1,777.1**	1,538.6
Operating income	**328.0**	231.3	**645.5**	475.2
Share of earnings of joint ventures and associated companies accounted for using the equity method	**5.5**	3.7	**14.2**	8.9
Financial expenses	**27.5**	33.0	**56.8**	48.4
Financial revenues	**(2.3)**	(2.7)	**(6.7)**	(3.6)
(Gain) loss on foreign exchange forward contracts	**-**	(10.6)	**-**	102.9
Foreign exchange loss (gain)	**25.0**	(3.8)	**11.8**	(10.0)
Net financial expenses	**50.2**	15.9	**61.9**	137.7
Earnings before income taxes	**283.3**	219.1	**597.8**	346.4
Income taxes	**53.5**	37.8	**113.0**	62.2
Net earnings	**229.8**	181.3	**484.8**	284.2
Net earnings attributable to:				
Shareholders of the Corporation	**229.5**	181.3	**484.4**	284.2
Non-controlling interest (Note 5)	**0.3**	-	**0.4**	-
Net earnings	**229.8**	181.3	**484.8**	284.2
Net earnings per share (Note 6)				
Basic	**1.22**	0.98	**2.58**	1.56
Diluted	**1.21**	0.97	**2.56**	1.54
Weighted average number of shares (in thousands)	**187,851**	185,316	**187,719**	182,187
Weighted average number of shares – diluted (in thousands)	**189,322**	187,012	**189,237**	184,240
Number of shares outstanding at end of period (in thousands)	**188,507**	187,354	**188,507**	187,354

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of US dollars, unaudited)

	12 weeks		24 weeks	
For the periods ended	**October 13, 2013**	October 14, 2012	**October 13, 2013**	October 14, 2012
	$	$	**$**	$
Net earnings	**229.8**	181.3	**484.8**	284.2
Other comprehensive income				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Changes in cumulative translation adjustments (1)	**93.3**	128.4	**5.6**	144.0
Change in fair value of financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (2)	**(6.7)**	-	**(13.2)**	-
Net interest on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (3)	**0.7**	-	**1.6**	-
Cash flow hedges				
Change in fair value of financial instruments (4)	**1.6**	1.7	**2.9**	3.6
Gain realized on financial instruments reclassified to earnings (5)	**(1.1)**	(2.3)	**(2.4)**	(3.6)
Items that will never be reclassified to earnings				
Net actuarial gain (6)	**2.2**	-	**2.2**	-
Other comprehensive income (loss)	**90.0**	127.8	**(3.3)**	144.0
Comprehensive income	**319.8**	309.1	**481.5**	428.2
Comprehensive income attributable to:				
Shareholders of the Corporation	**319.5**	309.1	**481.1**	436.1
Non-controlling interest	**0.3**	-	**0.4**	(7.9)
Comprehensive income	**319.8**	309.1	**481.5**	428.2

(1) For the 12 and 24-week periods ended October 14, 2012, these amounts include gains of $15.1 and $20.7, respectively (net of income taxes of $2.3 and $3.2, respectively). These gains arise from the translation of the US dollar denominated long-term debt which was previously designated as a foreign exchange hedge of the Corporation's net investment in its U.S. operations.

(2) For the 12 and 24-week periods ended October 13, 2013, these amounts are net of income taxes of $0.5 and $1.9, respectively.

(3) For the 12 and 24-week periods ended October 13, 2013, these amounts are net of income taxes of $0.4 and $0.6, respectively.

(4) For the 12 and 24-week periods ended October 13, 2013, these amounts are net of income taxes of $0.2 and $0.4, respectively. For the 12 and 24-week periods ended October 14, 2012, these amounts are net of income taxes of $0.2 and $0.8, respectively.

(5) For the 12 and 24-week periods ended October 13, 2013, these amounts are net of income taxes of $0.2 and $0.4, respectively. For the 12 and 24-week periods ended October 14, 2012, these amounts are net of income taxes of $0.3 and $0.8, respectively.

(6) For the 12 and 24-week periods ended October 13, 2013, these amounts are net of income taxes of $0.9.

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in millions of US dollars, unaudited)

For the 24-week period ended							**October 13, 2013**
	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**670.4**	**16.5**	**2,344.0**	**185.8**	**3,216.7**		**3,216.7**
Comprehensive income:							
Net earnings			**484.4**		**484.4**	**0.4**	**484.8**
Other comprehensive income (loss)				**(3.3)**	**(3.3)**		**(3.3)**
Comprehensive income					**481.1**	**0.4**	**481.5**
Dividends			**(29.5)**		**(29.5)**		**(29.5)**
Addition to non-controlling interest (Note 5)					**-**	**13.2**	**13.2**
Redemption liability (Note 5)			**(13.2)**		**(13.2)**		**(13.2)**
Stock option-based compensation expense		**(0.3)**			**(0.3)**		**(0.3)**
Initial fair value of stock options exercised	**4.3**	**(4.3)**			**-**		**-**
Cash received upon exercise of stock options	**9.3**				**9.3**		**9.3**
Balance, end of period	**684.0**	**11.9**	**2,785.7**	**182.5**	**3,664.1**	**13.6**	**3,677.7**

For the 24-week period ended							October 14, 2012
	Attributable to the shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance, beginning of period	321.0	17.9	1,826.8	8.9	2,174.6		2,174.6
Comprehensive income:							
Net earnings			284.2		284.2		284.2
Other comprehensive income				151.9	151.9	(7.9)	144.0
Comprehensive income (loss)					436.1	(7.9)	428.2
Dividends			(27.5)		(27.5)		(27.5)
Acquisition of control of Statoil Fuel & Retail					-	487.2	487.2
Acquisition of non-controlling interest in Statoil Fuel & Retail					-	(479.3)	(479.3)
Class B subordinate voting shares issued for cash on public offering, net of transaction costs (1)	336.5				336.5		336.5
Stock option-based compensation expense		0.3			0.3		0.3
Initial fair value of stock options exercised	0.3	(0.3)			-		-
Cash received upon exercise of stock options	7.0				7.0		7.0
Balance, end of period	664.8	17.9	2,083.5	160.8	2,927.0	-	2,927.0

(1) This amount is net of transaction costs which are net of a related income tax benefit of $3.4.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions of US dollars, unaudited)

For the periods ended	12 weeks October 13, 2013	12 weeks October 14, 2012	24 weeks October 13, 2013	24 weeks October 14, 2012
	$	$	**$**	$
Operating activities				
Net earnings	**229.8**	181.3	**484.8**	284.2
Adjustments to reconcile net earnings to net cash provided by operating activities				
Depreciation, amortization and impairment of property and equipment, intangible and other assets, net of amortization of deferred credits	**128.0**	123.4	**229.7**	180.4
Deferred income taxes	**(11.9)**	(10.9)	**(30.5)**	(8.4)
Loss (gain) on disposal of property and equipment and other assets	**3.1**	(2.8)	**3.2**	(2.4)
Deferred credits	**2.7**	8.8	**9.6**	15.6
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**2.1**	(1.3)	**(5.7)**	(5.5)
(Gain) loss on foreign exchange forward contracts	**-**	(10.6)	**-**	102.9
Negative goodwill (Note 3)	**-**	(0.3)	**(41.6)**	(1.2)
Other	**19.0**	15.3	**20.4**	27.5
Changes in non-cash working capital	**120.9**	35.0	**134.1**	(147.0)
Net cash provided by operating activities	**493.7**	337.9	**804.0**	446.1
Investing activities				
Purchase of property and equipment and other assets	**(101.1)**	(126.9)	**(179.0)**	(175.3)
Proceeds from disposal of property and equipment and other assets	**17.1**	11.4	**40.6**	16.0
Business acquisitions (Note 3)	**(16.7)**	(75.2)	**(108.1)**	(2,523.5)
Restricted cash	**(0.2)**	7.7	**20.5**	0.5
Net settlement of foreign exchange forward contracts	**-**	9.5	**-**	(86.4)
Net cash used in investing activities	**(100.9)**	(173.5)	**(226.0)**	(2,768.7)
Financing activities				
Repayment of the unsecured non-revolving acquisition credit facility	**(300.0)**	-	**(903.0)**	-
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs (Note 4)	**285.6**	-	**285.6**	-
Net (decrease) increase in other debt	**(259.5)**	(237.1)	**140.9**	(308.1)
Cash dividends paid	**(29.5)**	(27.5)	**(29.5)**	(27.5)
Issuance of shares upon exercise of stock-options	**8.1**	7.0	**9.3**	7.0
Issuance of shares on public offering, net of transaction costs	**-**	333.4	**-**	333.4
Repayment of non-current debt assumed on business acquisition	**-**	(719.0)	**-**	(769.1)
Borrowings under the unsecured non-revolving acquisition credit facility, net of financing costs	**-**	525.9	**-**	3,190.2
Net cash (used in) provided by financing activities	**(295.3)**	(117.3)	**(496.7)**	2,425.9
Effect of exchange rate fluctuations on cash and cash equivalents	**33.0**	(5.4)	**12.6**	(8.5)
	130.5	41.7	**93.9**	94.8
Cash, cash equivalents and bank overdraft, beginning of period	**621.7**	357.4	**658.3**	304.3
Cash, cash equivalents and bank overdraft, end of period	**752.2**	399.1	**752.2**	399.1
Bank overdraft, end of period [(1)]			**20.6**	161.1
Cash and cash equivalents, end of period			**772.8**	560.2
Supplemental information:				
Interest paid	**12.0**	28.8	**42.7**	34.9
Interest and dividends received	**10.2**	2.6	**14.7**	3.9
Income taxes paid	**18.6**	12.8	**97.4**	40.8
Cash and cash equivalents components:				
Cash and demand deposits			**620.0**	474.2
Liquid investments			**152.8**	86.0
			772.8	560.2

(1) Bank overdraft is included in Bank loans and current portion of long-term debt on the consolidated balance sheet.

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

CONSOLIDATED BALANCE SHEETS

(in millions of US dollars, unaudited)

	As at October 13, 2013	As at April 28, 2013
	$	$
Assets		
Current assets		
Cash and cash equivalents	**772.8**	658.3
Restricted cash	**1.1**	21.6
Accounts receivable	**1,747.7**	1,616.0
Inventories	**839.2**	846.0
Prepaid expenses	**53.6**	57.8
Income taxes receivable	**54.5**	81.6
	3,468.9	3,281.3
Property and equipment	**5,112.4**	5,079.9
Goodwill	**1,080.1**	1,081.0
Intangible assets	**844.2**	834.7
Other assets	**141.8**	136.3
Investment in joint ventures and associated companies	**90.1**	84.2
Deferred income taxes	**48.3**	48.8
	10,785.8	10,546.2
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**2,532.3**	2,351.1
Provisions	**106.7**	96.5
Income taxes payable	**91.6**	70.0
Bank loans and current portion of long-term debt (Note 4)	**38.6**	620.8
	2,769.2	3,138.4
Long-term debt (Note 4)	**3,118.3**	2,984.3
Provisions	**389.8**	358.8
Pension benefit liability	**107.5**	109.7
Financial liabilities	**35.5**	20.4
Deferred credits and other liabilities	**160.4**	156.7
Deferred income taxes	**527.4**	561.2
	7,108.1	7,329.5
Equity		
Capital stock (Note 8)	**684.0**	670.4
Contributed surplus	**11.9**	16.5
Retained earnings	**2,785.7**	2,344.0
Accumulated other comprehensive income (Note 7)	**182.5**	185.8
Equity attributable to shareholders of the Corporation	**3,664.1**	3,216.7
Non-controlling interest	**13.6**	-
	3,677.7	3,216.7
	10,785.8	10,546.2

The accompanying notes are an integral part of the interim 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 the Handbook of the Canadian Institute of Chartered Accountants − Part I, 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 28, 2013, except for 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 2013 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. These interim financial statements have not been subject to a review engagement by the Corporation's external auditors.

On November 26, 2013, 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 interim consolidated financial statements have been reclassified to comply with the presentation adopted in the fiscal year ended April 28, 2013.

Sales taxes on road transportation fuel in California, United States are now reported on a net basis in revenues instead of on a gross basis in revenues and cost of sales resulting in a reduction in revenues and cost of sales of $8.8 and $17.2 for the 12 and 24-week periods ended October 14, 2012, respectively.

This reclassification had no impact on consolidated net earnings or consolidated comprehensive income of the Corporation for the 12 and 24-week periods ended October 14, 2012.

2. ACCOUNTING CHANGES

Revised Standards

Financial Statement Presentation

On April 29, 2013, the Corporation adopted amendments to International Accounting Standard ("IAS") 1, "Presentation of Financial Statements". The amendments govern the presentation of Other Comprehensive Income ("OCI") in the financial statements, primarily by requiring OCI items that may be reclassified to the consolidated statements of earnings to be presented separately from those that remain in accumulated other comprehensive income. The Corporation adopted this presentation and there was no other significant impact on the Corporation's consolidated financial statements.

Financial Instruments – Presentation and disclosure

On April 29, 2013, the Corporation adopted the revised version of IFRS 7, "Financial Instruments: Disclosures". The modifications clarify the rules for offsetting financial assets and financial liabilities on the consolidated balance sheets. The adoption of these changes did not have a significant impact on the Corporation's consolidated financial statements.

New standards

Consolidated financial statements

On April 29, 2013, the Corporation adopted the new standard IFRS 10, "Consolidated Financial Statements", which requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under previous IFRS, consolidation was required when an entity had the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, "Consolidation—Special Purpose Entities" and parts of IAS 27, "Consolidated and Separate Financial Statements". The adoption of this standard had no impact on the Corporation's consolidated financial statements.

Joint Arrangements

On April 29, 2013, the Corporation adopted the new standard IFRS 11, "Joint Arrangements", which requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures must be accounted for using the equity method of accounting whereas for a joint operation the venturer must recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under previous IFRS, entities had the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, "Interests in Joint Ventures" and SIC-13, "Jointly Controlled Entities—Non-monetary Contributions by Venturers". The adoption of this standard had no impact on the Corporation's consolidated financial statements.

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

Disclosure of Interest in Other Entities

On April 29, 2013, the Corporation adopted the new standard IFRS 12, "Disclosure of Interest in Other Entities". IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard includes existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The adoption of this standard had no impact on the Corporation's consolidated financial statements. However, more information will be required in the notes to the Corporation's annual financial statements.

Fair Value Measurement

On April 29, 2013, the Corporation adopted the new standard IFRS 13, "Fair Value Measurement". IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under previous IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. The adoption of this standard had no impact on the Corporation's consolidated financial statements.

3. BUSINESS ACQUISITIONS

- On September 24, 2013, the Corporation acquired nine stores located in Illinois, United States from Baron-Huot Oil Company. Eight of these stores are company-operated and one is operated by an independent operator. The Corporation owns the real estate for eight sites and leases the land and building for one site.

- During the 24-week period ended October 13, 2013, under the June 2011 agreement with ExxonMobil, the Corporation acquired 61 stores operated by independent operators along with the related road transportation fuel supply agreements. The Corporation owns the real estate for 59 sites and leases the land and owns the building for one site. Also, an additional 53 road transportation fuel supply agreements were acquired by the Corporation during this period.

- During the 24-week period ended October 13, 2013, the Corporation also acquired four other stores through distinct transactions. The Corporation leases the land and buildings for two sites and owns these same assets for the other sites.

For the 24-week period ended October 13, 2013, acquisition costs of $0.6 in connection with these acquisitions and other unrealized acquisitions are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $108.1. Since the Corporation has not 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. 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 is as follows:

	$
Tangible assets acquired	
Inventories	**1.4**
Property and equipment	**119.6**
Other assets	**14.2**
Total tangible assets	**135.2**
Liabilities assumed	
Accounts payable and accrued liabilities	**0.1**
Provisions	**19.0**
Total liabilities	**19.1**
Net tangible assets acquired	**116.1**
Intangible assets	**25.7**
Goodwill	**7.9**
Negative goodwill recorded to earnings	**(41.6)**
Total cash consideration paid	**108.1**

The Corporation expects that none 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 and negative goodwill due to the difference between the acquisition price and the fair value of net assets acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $145.0 and $0.4, 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.

4. BANK LOANS AND LONG-TERM DEBT

	As at October 13, 2013	As at April 28, 2013
	$	$
US dollar denominated unsecured non-revolving acquisition credit facility, maturing in June 2015	**1,295.7**	2,197.3
Canadian dollar denominated senior unsecured notes maturing on various dates from November 2017 to November 2022	**1,249.6**	978.7
US dollar denominated term revolving unsecured operating credit D, maturing in December 2016	**493.5**	345.5
NOK denominated fixed rate bonds, maturing in February 2019	**2.2**	2.3
NOK denominated floating rate bonds, maturing in February 2017	**2.5**	2.6
Borrowings under bank overdraft facilities, maturing at various dates	**20.6**	-
Other debts, including finance leases, maturing at various dates	**92.8**	78.7
	3,156.9	3,605.1
Bank loans and current portion of long-term debt	**38.6**	620.8
	3,118.3	2,984.3

Issuance of Canadian dollar denominated senior unsecured notes

On August 21, 2013, the Corporation issued Canadian dollar denominated senior unsecured notes totalling CA$300.0, maturing August 21, 2020 and bearing interest at a rate of 4.214%. Interest is payable semi-annually on August 21st and February 21st of each year. The net proceeds from the issuance, which were approximately CA$298.3 ($285.6), were used to repay a portion of the Corporation's acquisition credit facility.

5. NON-CONTROLLING INTEREST

During the 24-week period ended October 13, 2013, the Corporation, along with another party, established a new corporation: Circle K Asia s.à.r.l. ("Circle K Asia"), in which both corporations hold a 50% interest. Subsequently, each party made a capital contribution of $13.2. Under the agreement signed between the parties, the Corporation, under certain circumstances, may repurchase all of the other party's shares in Circle K Asia. Consequently, Circle K Asia was fully consolidated in the Corporation's financial statements and the other party's interest in Circle K Asia was recorded under "Non-controlling interest" in the consolidated statements of earnings, comprehensive income, changes in equity and consolidated balance sheet. Under other circumstances, the Corporation must repurchase all of the other party's shares in Circle K Asia. Consequently, a redemption liability was recorded in shareholders' equity.

6. NET EARNINGS PER SHARE

	12-week period ended October 13, 2013			12-week period ended October 14, 2012		
	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	**229.5**	**187,851**	**1.22**	181.3	185,316	0.98
Dilutive effect of stock options		**1,471**	**(0.01)**		1,696	(0.01)
Diluted net earnings available for Class A and B shareholders	**229.5**	**189,322**	**1.21**	181.3	187,012	0.97

	24-week period ended October 13, 2013			24-week period ended October 14, 2012		
	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	**484.4**	**187,719**	**2.58**	284.2	182,187	1.56
Dilutive effect of stock options		**1,518**	**(0.02)**		2,053	(0.02)
Diluted net earnings available for Class A and B shareholders	**484.4**	**189,237**	**2.56**	284.2	184,240	1.54

When they have an anti-dilutive effect, stock options must be excluded from the calculation of the diluted net earnings per share. For the 12 and 24-week periods ended October 13, 2013, no stock options were excluded. For the 12 and 24-week periods ended October 14, 2012, 35,000 stock options were excluded from the calculation.

7. ACCUMULATED OTHER COMPREHENSIVE INCOME

As at October 13, 2013

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				**Will never be reclassified to earnings**	
	Net investment hedge	**Net interest on investment hedge**	**Cumulative translation adjustment**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive income**
	$	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**(35.5)**	**4.8**	**209.9**	**2.6**	**(4.0)**	**177.8**
Less: Income taxes	**(5.4)**	**1.4**	**-**	**0.4**	**(1.1)**	**(4.7)**
Balance, net of income taxes	**(30.1)**	**3.4**	**209.9**	**2.2**	**(2.9)**	**182.5**

As at October 14, 2012

	Attributable to shareholders of the Corporation			
	Items that may be reclassified to earnings		Will never be reclassified to earnings	
	Cumulative translation adjustment	Cash flow hedge	Cumulative net actuarial loss	Accumulated other comprehensive income
	$	$	$	$
Balance, before income taxes	165.0	2.5	(8.4)	159.1
Less: Income taxes	-	0.6	(2.3)	(1.7)
Balance, net of income taxes	165.0	1.9	(6.1)	160.8

8. CAPITAL STOCK

Stock options

For the 12-week period ended October 13, 2013, a total of 835,530 stock options were exercised (990,249 for the 12-week period ended October 14, 2012). For the 24-week period ended October 13, 2013, a total of 962,340 stock options were exercised (1,013,469 for the 24-week period ended October 14, 2012).

Issued and outstanding shares

As at October 13, 2013, the Corporation has 49,367,280 (49,367,280 as at April 28, 2013) issued and outstanding Class A multiple voting shares each comprising ten votes per share and 139,140,147 (138,202,061 as at April 28, 2013) outstanding Class B subordinate voting shares each comprising one vote per share.

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

9. 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 corporate stores and franchise operations. The Corporation operates its convenience store chain under several banners, including Couche-Tard, Mac's, Circle K and Statoil. 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:

	12-week period ended October 13, 2013				12-week period ended October 14, 2012			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**1,146.9**	**239.1**	**530.3**	**1,916.3**	1,069.6	252.8	545.2	1,867.6
Road transportation fuel	**3,668.5**	**2,061.7**	**719.8**	**6,450.0**	3,587.8	2,318.7	717.4	6,623.9
Other	**3.5**	**639.9**	**0.2**	**643.6**	1.5	794.6	0.1	796.2
	4,818.9	**2,940.7**	**1,250.3**	**9,009.9**	4,658.9	3,366.1	1,262.7	9,287.7
Gross Profit								
Merchandise and services	**375.8**	**95.4**	**176.3**	**647.5**	355.6	99.3	183.7	638.6
Road transportation fuel	**220.2**	**229.4**	**44.7**	**494.3**	145.9	221.8	39.8	407.5
Other	**3.5**	**94.1**	**0.2**	**97.8**	1.5	107.1	0.1	108.7
	599.5	**418.9**	**221.2**	**1,239.6**	503.0	428.2	223.6	1,154.8
Total long-term assets [(b)]	**2,797.0**	**3,821.6**	**609.1**	**7,227.7**	2,539.1	3,878.2	635.2	7,052.5

	24-week period ended October 13, 2013				24-week period ended October 14, 2012			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**2,300.6**	**487.6**	**1,075.8**	**3,864.0**	2,158.5	284.3	1,098.7	3,541.5
Road transportation fuel	**7,268.4**	**4,113.8**	**1,412.3**	**12,794.5**	6,931.2	2,540.5	1,380.2	10,851.9
Other	**5.9**	**1,246.4**	**0.3**	**1,252.6**	3.0	903.7	0.2	906.9
	9,574.9	**5,847.8**	**2,488.4**	**17,911.1**	9,092.7	3,728.5	2,479.1	15,300.3
Gross Profit								
Merchandise and services	**747.8**	**196.4**	**361.6**	**1,305.8**	718.5	111.5	373.3	1,203.3
Road transportation fuel	**410.2**	**438.5**	**81.4**	**930.1**	366.1	249.0	76.8	691.9
Other	**5.9**	**180.5**	**0.3**	**186.7**	3.0	115.4	0.2	118.6
	1,163.9	**815.4**	**443.3**	**2,422.6**	1,087.6	475.9	450.3	2,013.8

(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.

10. 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 their carrying amount given that rent is generally at market value. The carrying values of the Term revolving unsecured operating credits and Unsecured non-revolving acquisition credit approximates their fair values given that their credit spreads are similar to the credit spreads the Corporation would obtain in similar conditions at the reporting date.

The following methods and assumptions were used to determine the estimated fair value of each class of financial instruments:

- The fair value of the investment contract including an embedded total return swap, which is based on the fair market value of the Corporation's Class B shares, is $29.1 as at October 13, 2013 ($29.6 as at April 28, 2013);
- The fair value of the senior unsecured notes, which is based on observable market data, is $1,313.6 as at October 13, 2013 ($1,002.6 as at April 28, 2013);
- 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 $35.5 as at October 13, 2013 ($20.4 as at April 28, 2013). This amount is presented as Financial liabilities in the consolidated balance sheet.

Fair value hierarchy

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

Level 1: quoted prices (unadjusted) 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 Corporation categorized the fair value measurement of the Instrument including an embedded total return swap, the senior unsecured notes and the cross currency interest rate swap in Level 2, as they are primarily derived from observable market inputs that are, quoted market prices.

11. SUBSEQUENT EVENTS

Dividends

During its November 26, 2013 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA¢10.0 per share for the second quarter of fiscal 2014 to shareholders on record as at December 5, 2013 and approved its payment for December 19, 2013. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Acquisitions

On October 24, 2013, the Corporation signed an agreement to acquire, from Publix Super Markets Inc., 13 company-operated stores, 11 of which are located in Florida and the other two in Georgia, United States. Pursuant to this transaction, the Corporation would own the land and buildings for nine sites and would lease these assets for the other four sites.

On November 15, 2013, the Corporation signed an agreement to acquire 23 company-operated stores operating in New Mexico, United States from Albuquerque Convenience and Retail LLC. Pursuant to this transaction, the Corporation would own the land and buildings for 22 sites and would lease these assets for the other site.

The Corporation expects to close both transactions in December 2013. These transactions are subject to standard regulatory approvals and closing conditions.