ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS FIRST QUARTER OF FISCAL YEAR 2015

- Record net earnings of $269.5 million ($0.47 per share on a diluted basis) for the first quarter of fiscal 2015. Excluding non-recurring items for both comparable periods, net earnings would have been $276.0 million ($0.48 per share on a diluted basis) compared to $220.0 million ($0.39 per share on a diluted basis) for the first quarter of fiscal 2014, an increase of 25.5%.
- Same-store merchandise revenues up 2.8% in the U.S., 1.2% in Europe and 3.3% in Canada.
- Merchandise and service gross margin stood at 32.8% in the U.S., at 41.9% in Europe and at 33.3% in Canada, for a consolidated margin of 34.1%, an increase of 0.3%.
- Same-store road transportation fuel volume up 1.8% in the U.S., 1.7% in Europe and 0.3% in Canada.
- Road transportation fuel gross margin at US23.08¢ per gallon in the U.S., at US11.67¢ per litre in Europe and at CA6.44¢ per litre in Canada.
- New quarterly dividend increase of 12.5% to CA4.5¢ per share.
- Moody's increased the Corporation's Canadian dollar denominated senior unsecured notes credit rating to Baa2.
- Announcement this morning of an agreement for the sale of the aviation fuel business activities.

Laval, Québec, Canada, September 3, 2014 – For its first quarter of fiscal 2015 ended July 20, 2014, Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B) announces record net earnings of $269.5 million, up 5.7% over the first quarter of fiscal year 2014 and representing $0.47 per share on a diluted basis. The results for the first quarter of fiscal 2015 include a net foreign exchange loss of $8.7 million while the results from the first quarter of fiscal 2014 included a negative goodwill of $41.6 million as well as a net foreign exchange gain of $13.2 million. Excluding these items as well as the acquisition fees from both comparable quarters results and negative goodwill from results of the first quarter of fiscal 2015, the diluted net earnings per share would have been $0.48 for the first quarter of fiscal 2015 compared with $0.39 for the first quarter of fiscal 2014 which represents an increase of 23.1%. This increase is largely attributable to strong organic growth from merchandises and services and road transportation fuel, supported by the contribution from acquisitions as well as by the decrease in financial expenses following repayments by the Corporation of a significant portion of its debt. These items, which contributed to the increase in net earnings, were offset in part by the strengthening of the US dollar against other major functional currencies of the Corporation. All financial information is in US dollars unless stated otherwise.

"We are extremely pleased with the results of the first quarter. Although higher fuel margins have certainly contributed to our excellent results, driven by both improved supply contract terms and favorable market conditions during the quarter, what stands out above all is the continued strong performance of our teams which enabled us to post strong organic growth on all fronts" declared Alain Bouchard, President and Chief Executive Officer. "This performance reflects the strength of our business model which relies not only on growth through acquisitions but also on the constant improvement of our existing network, namely through in-store innovation and cost control at all levels, allowing us to create value for our shareholders, even in the absence of significant acquisitions. That being said, we always keep looking at various opportunities regardless of size. Furthermore, we plan to accelerate the pace of construction and reconstruction of stores during the current and subsequent years" concluded Mr. Bouchard.

Raymond Paré, Vice President and Chief Financial Officer, indicated: "The substantial cash flows resulting from our strong first quarter results have allowed us to repay a significant portion of our debt which resulted in further improving our leverage ratios. Thus, to date, we have completed the repayment of our $3.2 billion acquisition facility that we used to finance the acquisition of Statoil Fuel & Retail, just over two years ago. Return on capital employed also continues to grow, reaching 14% for the last twelve-month period. All of these factors have certainly contributed to Moody's decision to improve the credit rating on our senior notes to Baa2, which is great news for our partners and shareholders".

Overview of the First Quarter of Fiscal 2015

Statoil Fuel & Retail

Period results

Our results for the 12-week period ended July 20, 2014 include those of Statoil Fuel & Retail for the period beginning May 1st, 2014 and ending July 20, 2014, resulting in a period of 81 days. Our results for the 12-week period ended July 21, 2013 include those of Statoil Fuel & Retail for the period beginning May 1st, 2013 and ending July 21, 2013, covering a total of 82 days.

Our consolidated balance sheet and store count as of July 20, 2014 include Statoil Fuel & Retail's balance sheet and store count as of June 30, 2014, as adjusted for significant transactions, if any, which occurred between those two dates.

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

Couche-Tard Quarters	Statoil Fuel & Retail Equivalent Accounting Periods	Statoil Fuel & Retail Balance Sheet Date (1)
12-week period ending October 12, 2014 (2nd quarter of fiscal 2015)	From July 21, 2014 to October 12, 2014	September 30, 2014
16-week period ending February 1st, 2015 (3rd quarter of fiscal 2015)	From October 13, 2014 January 31st, 2015	January 31, 2015
12-week period ending April 26, 2015 (4th quarter of fiscal 2015)	From February 1st, 2015 to April 30, 2015	April 30, 2015
12-week period ending July 19, 2015 (1st quarter of fiscal 2016)	From May 1st, 2015 to July 19, 2015	June 30, 2015

(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.

We expect that the work toward the alignment of Statoil Fuel & Retail's accounting periods with those of Couche-Tard should start once we have finalized the optimization of Statoil Fuel & Retail financial systems, which should be done during fiscal 2015.

Synergies and cost reduction initiatives

Since the acquisition of Statoil Fuel & Retail, we have been actively working on identifying and implementing available synergies and cost reduction opportunities. Our analysis show 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 optimization of our new ERP system in Europe will also be required before we can put in place some of the identified opportunities. 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 July 20, 2014, we recorded synergies and cost savings estimated at approximately $12.0 million, before income taxes. These synergies and cost reductions mainly impacted operating, selling, administrative and general expenses as well as cost of sales. Since the acquisition, we estimate that total realized annual synergies and cost savings amount to approximately $97.0 million, before income taxes. We believe these amounts do not represent the full annual impact of all of our 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 our suppliers, the reduction of in-store costs and the restructuring of certain departments.

Our work for the identification and implementation of available synergies and cost reduction opportunities is far from over. Our teams continue to work actively on various projects that seem promising and which, along with the implementation and optimization of new systems, should allow us to achieve our objectives. We therefore maintain our goal of annual synergies ranging from $150.0 million to $200.0 million before the end of December 2015.

As our goal previously stated is considered a forward looking statement, we are required, pursuant to securities laws, to clarify that our synergies and cost reductions estimate is based on a number of important factors and assumptions. Among other things, our synergies and cost savings objective is based on our comparative analysis of organizational structures and current level of spending across our network as well as on our ability to bridge the gap, where relevant. Our synergies and cost reduction objective is also based on our assessment of current contracts in Europe and North America and how we expect to be able to renegotiate these contracts to take advantage of our increased purchasing power. In addition, our synergies and cost reduction objective assumes that we will be able to establish and maintain an effective process for sharing best practices across our network. Finally, our objective is also based on our ability to optimize our newly implemented ERP system. An important change in these facts and assumptions could significantly impact our synergies and cost reductions estimate as well as the timing of implementation of our different initiatives.

Network growth

Completed transactions

In June 2014, we acquired 13 company operated-stores and two non-operating sites in South Carolina, United States from Garvin Oil Company. We own the land and buildings for all sites.

In addition, during the first quarter of fiscal 2015, we acquired five additional company-operated stores through distinct transactions.

Available cash was used for these acquisitions.

Outstanding transactions

In July 2014, we entered into an agreement with Tri Star Marketing inc. to acquire 55 company-operated stores in the U.S. states of Illinois and Indiana. Pursuant to this transaction, we would own the land and buildings for 54 sites and would lease those assets for the remaining site. We expect that this transaction will close in October 2014. This transaction is subject to standard regulatory approvals and closing conditions.

Store construction

We completed the construction of 11 new stores during the first quarter of fiscal 2015. We should be able to complete the construction or raze and rebuild a total of 80 to 100 stores during fiscal year 2015, which would represent a significant increase compared to the previous fiscal year.

Additional changes to our network

In May 2014, through our Circle K Asia subsidiary, we entered into a 25-year master licensing agreement with RJ Corp. The agreement governs the development of the Circle K brand in four key regions of India which include major cities like Deli, Mumbai, Goa, Gujarat, Bangalore and Madras.

Summary of changes in our stores network during the first quarter of fiscal 2015

The following table presents certain information regarding changes in our stores network over the 12-week period ended July 20, 2014 (1):

	12-week period ended July 20, 2014				
Type of site	**Company-operated (2)**	**CODO (3)**	**DODO (4)**	**Franchised and other affiliated (5)**	**Total**
Number of sites, beginning of period	6,236	609	529	1,125	8,499
Acquisitions	18	-	-	-	18
Openings / constructions / additions	12	-	7	24	43
Closures / disposals / withdrawals	(35)	(6)	(4)	(22)	(67)
Store conversion	5	(11)	6	-	-
Number of sites, end of period	6,236	592	538	1,127	8,493
Number of automated service stations included in the period end figures (6)	910	-	27	-	937

(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 franchising, licensing or other similar agreement under one of our main or secondary banners.
(4) Sites controlled and operated by independent operators to which Couche-Tard supplies road transportation fuel through supply contracts. Some of these sites are subject to a franchising, licensing or other similar agreement under one of our main or secondary banners.
(5) Stores operated by an independent operator through a franchising, licensing or other similar agreement under one of our main or secondary banners.
(6) These sites sell road transportation fuel only.

In addition, under licensing agreements, about 4,600 stores are operated under the Circle K banner in 12 other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, Philippines, Vietnam and United Arab Emirates) which brings to more than 13,000 the number of sites in our network.

Dividends

During its September 3, 2014 meeting, the Board of Directors decided to increase the quarterly dividend by CA0.5¢ per share to CA4.5¢ per share, an increase of 12.5%.

At the same meeting, the Corporation's Board of Directors declared a quarterly dividend of CA4.5¢ per share for the first quarter of fiscal 2015 to shareholders on record as at September 12, 2014 and approved its payment for September 26, 2014. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Outstanding shares and stock options

As at August 29, 2014, Couche-Tard had 148,101,840 Class A multiple voting shares and 417,658,626 Class B subordinate voting shares issued and outstanding. In addition, as at the same date, Couche-Tard had 3,528,640 outstanding stock options for the purchase of Class B subordinate voting shares.

Credit Rating on our Canadian dollar denominated unsecured notes

On August 1st, 2014, Moody's Corporation, a credit rating agency, improved the credit rating on our Canadian dollar denominated unsecured notes, raising it to Baa2 in recognition of our ability to generate strong cash flows and of the efforts we have made to exceed our goal of reducing our debt following our acquisition of Statoil Fuel & Retail in June 2012.

Disposal of aviation fuel business

On September 3rd, 2014, subsequent to the end of the first quarter of fiscal 2015, we reached an agreement to sell our aviation fuel business to Air BP. The sale would be done through a share purchase agreement pursuant to which Air BP would acquire 100% of all issued and outstanding shares of Statoil Fuel & Retail Aviation AS. This transaction which is subject to standard regulatory approvals and closing conditions is expected to be completed by the end of December 2014.

Exchange Rate Data

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

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

	12-week periods ended	
	July 20, 2014	July 21, 2013
Average for period		
Canadian Dollar (1)	**0.9236**	0.9707
Norwegian Krone (2)	**0.1656**	0.1693
Swedish Krone (2)	**0.1499**	0.1511
Danish Krone (2)	**0.1829**	0.1752
Zloty (2)	**0.3285**	0.3076
Euro (2)	**1.3647**	1.3060
Lats (3)	**-**	1.8625
Litas (2)	**0.3955**	0.3783
Ruble (2)	**0.0289**	0.0312

	As at July 20, 2014	As at April 27, 2014
Period end		
Canadian Dollar	**0.9314**	0.9061
Norwegian Krone	**0.1615**	0.1681
Swedish Krone	**0.1461**	0.1537
Danish Krone	**0.1812**	0.1858
Zloty	**0.3257**	0.3301
Euro	**1.3514**	1.3870
Litas	**0.3918**	0.4018
Ruble	**0.0285**	0.0281

(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 May 1st, 2014 to July 20, 2014 for the 12-week period ended July 20, 2014 and from May 1st, 2013 to July 21, 2013 for the 12-week period ended July 21, 2013. Calculated using the average exchange rate at the close of each day for the stated period.

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

Summary analysis of consolidated results for the first quarter of fiscal 2015

The following table highlights certain information regarding our operations for the 12-week periods ended July 20, 2014 and July 21, 2013.

(In millions of US dollars, unless otherwise stated)	**12-week period ended July 20, 2014**	12-week period ended July 21, 2013	Variation %
Statement of Operations Data:			
Merchandise and service revenues [1]:			
United States	**1,197.2**	1,153.7	3.8
Europe	**258.3**	248.5	3.9
Canada	**528.3**	545.5	(3.2)
Total merchandise and service revenues	**1,983.8**	1,947.7	1.9
Road transportation fuel revenues:			
United States	**3,915.5**	3,599.9	8.8
Europe	**1,972.8**	2,052.1	(3.9)
Canada	**724.1**	692.5	4.6
Total road transportation fuel revenues	**6,612.4**	6,344.5	4.2
Other revenues [2]:			
United States	**3.6**	2.4	50.0
Europe	**589.3**	606.5	(2.8)
Canada	**0.1**	0.1	0.0
Total other revenues	**593.0**	609.0	(2.6)
Total revenues	**9,189.2**	8,901.2	3.2
Merchandise and service gross profit [1]:			
United States	**392.1**	372.0	5.4
Europe	**108.1**	101.0	7.0
Canada	**176.0**	185.3	(5.0)
Total merchandise and service gross profit	**676.2**	658.3	2.7
Road transportation fuel gross profit:			
United States	**249.2**	190.0	31.2
Europe	**224.6**	209.1	7.4
Canada	**41.7**	36.7	13.6
Total road transportation fuel gross profit	**515.5**	435.8	18.3
Other revenues gross profit [2]:			
United States	**3.6**	2.4	50.0
Europe	**84.9**	86.4	(1.7)
Canada	**0.1**	0.1	0.0
Total other revenues gross profit	**88.6**	88.9	(0.3)
Total gross profit	**1,280.3**	1,183.0	8.2
Operating, selling, administrative and general expenses	**788.8**	781.2	1.0
Negative goodwill	**(0.5)**	(41.6)	(98.8)
Depreciation, amortization and impairment of property and equipment and other assets	**126.7**	125.9	0.6
Operating income	**365.3**	317.5	28.0
Net earnings	**269.5**	255.0	5.7
Other Operating Data:			
Merchandise and service gross margin [1]:			
Consolidated	**34.1%**	33.8%	0.3
United States	**32.8%**	32.2%	0.6
Europe	**41.9%**	40.6%	1.3
Canada	**33.3%**	34.0%	(0.7)
Growth of same-store merchandise revenues [3] [4]:			
United States	**2.8%**	2.7%	
Europe	**1.2%**	1.9%	
Canada	**3.3%**	0.7%	
Road transportation fuel gross margin :			
United States (cents per gallon) [4]	**23.08**	19.42	18.8
Europe (cents per litre) [5]	**11.67**	10.26	13.8
Canada (CA cents per litre) [4]	**6.44**	5.52	16.7
Volume of road transportation fuel sold [5]:			
United States (millions of gallons)	**1,103.5**	1,036.9	6.4
Europe (millions of litres)	**1,924.2**	2,038.1	(5.6)
Canada (millions of litres)	**707.8**	692.9	2.2
Growth of (decrease in) same-store road transportation fuel volume [4]:			
United States	**1.8%**	1.2%	
Europe	**1.7%**	1.8%	
Canada	**0.3%**	(0.4%)	
Per Share Data:			
Basic net earnings per share (dollars per share)	**0.48**	0.45	6.7
Diluted net earnings per share (dollars per share)	**0.47**	0.45	4.4

	July 20, 2014	April 27, 2014	Variation $
Balance Sheet Data:			
Total assets	**10,438.6**	10,545.0	(106.4)
Interest-bearing debt	**2,469.4**	2,606.4	(137.0)
Shareholders' equity	**4,106.8**	3,962.4	144.4
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (6)	**0.31 : 1**	0.35 : 1	
Net interest-bearing debt/Adjusted EBITDA (7)	**1.12 : 1**	1.32 : 1	
Adjusted net interest bearing debt/Adjusted EBITDAR (8)	**2.23 : 1**	2.44 : 1	
Returns:			
Return on equity (9)	**22.1%**	22.6%	
Return on capital employed (10)	**14.0%**	13.3%	

(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.
(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 Krones.
(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 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.
(9) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: net earnings divided by average equity for the corresponding period. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(10) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: earnings before income taxes and interests divided by average capital employed for the corresponding period. Capital employed represents total assets less short-term liabilities not bearing interests. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.

Revenues

Our revenues were $9.2 billion in the first quarter of fiscal 2015, up $288.0 million, an increase of 3.2%, mainly attributable to the contribution from acquisitions, to the continued growth in same-store merchandise revenues and road transportation fuel volume in both North America and Europe as well as to higher road transportation fuel average retail prices. These items contributing to the growth in revenues were partly offset by the negative net impact from the translation of revenues of our Canadian and European operations into US dollars.

More specifically, the growth of merchandise and service revenues for the first quarter of fiscal 2015 was $36.1 million. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service revenues increased by $60.1 million or 3.1%. This increase is attributable to the contribution from acquisitions amounting to approximately $12.0 million as well as to strong organic growth. Same-store merchandise revenues increased by 2.8% in the United States and by 3.3% in Canada. Our performance in North America is attributable to our dynamic merchandising strategies, our competitive offer as well as our expanded fresh food offer which attracted an increased number of customers in our stores. Our performance in the United States is even more impressive considering we were once again able to grow store traffic while increasing our gross margin. 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 us to turn around the negative sales trend that existed when we acquired Statoil Fuel & Retail. Consequently, for a seventh consecutive quarter, same-store merchandise revenues in Europe posted a growth, which was of 1.2% for the first quarter of fiscal 2015, mainly driven by increased fresh food, coffee and tobacco sales.

Road transportation fuel revenues increased by $267.9 million in the first quarter of fiscal 2015. Excluding the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues increased by $297.9 million or 4.7%. This increase was mainly attributable to the contribution from acquisitions amounting to approximately $131.0 million, to organic growth as well as to the overall higher road transportation fuel average retail price, which had an impact of approximately $47.0 million. In the United States and in Canada, same-store road transportation fuel volume increased by 1.8% and 0.3%, respectively. In Europe, for the seventh consecutive quarter, same-store road transportation fuel volume showed a positive development where same-store volume increased by 1.7% which represents a strong improvement over the trend that our European network was posting before we acquired Statoil Fuel & Retail. Our new fuel brand "*miles*™" launched in some of our European markets is delivering encouraging results and was again a great contributor to this quarter performance. With respect to the decrease in road transportation fuel total volume in Europe, it derives from the lost volume in our wholesale segment following the non-renewal of several low return contracts, as well as of fewer days in the first quarter of fiscal 2015 compared to the same period in fiscal 2014.

The following table shows the average retail price of road transportation fuel in our various markets, starting with the second quarter of the fiscal year ended April 28, 2013:

Quarter	2nd	3rd	4th	**1st**	Weighted average
52-week period ended July 20, 2014					
United States (US dollars per gallon)	3.45	3.24	3.47	**3.59**	3.43
Europe (US cents per litre)	103.25	107.49	104.11	**101.53**	106.46
Canada (CA cents per litre)	117.05	113.11	118.74	**121.64**	117.34
52-week period ended July 21, 2013					
United States (US dollars per gallon)	3.65	3.35	3.61	**3.51**	3.52
Europe (US cents per litre)	103.96	104.71	103.80	**100.72**	103.59
Canada (CA cents per litre)	117.41	110.43	115.65	**114.53**	114.23

Other revenues were quite stable with a slight decrease of $16.0 million in the first quarter of fiscal 2015.

Gross profit

In the first quarter of fiscal 2015, the consolidated merchandise and service gross profit was $676.2 million, an increase of $17.9 million compared with the corresponding quarter of fiscal 2014. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service gross profit increased by $26.9 million or 4.1%. This increase is attributable to the contribution from acquisitions which amounted to approximately $4.0 million as well as to our improved consolidated gross margin. In the United States and in Europe, the gross margin increased by 0.6% and 1.3%, respectively, while it decreased by 0.7% in Canada. Overall, this performance reflects changes in the product-mix, the improvements we brought to our supply terms as well as our merchandising strategy in line with market competitiveness and economic conditions within each market. More specifically, in the United States, the gross margin was favorably impacted by the shift of our product-mix toward higher margin categories, including fresh food as well as by a lower level of promotional activity than during the first quarter of fiscal 2014. In Europe, the increase in gross margin came from increased coffee and fresh food sales, two high margin categories, while in Canada, the decrease is attributable to changes in our product-mix following increased cigarette sales as well as to our pricing strategies aimed at increasing store traffic.

In the first quarter of fiscal 2015, the road transportation fuel gross margin for our company-operated stores in the United States increased by 3.66 ¢ per gallon, from 19.42 ¢ per gallon last year to 23.08 ¢ per gallon this year. In Canada, the gross margin also increased to CA6.44¢ per litre compared with CA5.52¢ per litre for the first quarter of fiscal 2014. In Europe, the total road transportation fuel gross margin was 11.67 ¢ per litre for the first quarter of fiscal 2015, an increase of 1.41 ¢ per litre compared with 10.26 ¢ per litre for the first quarter of fiscal 2014. The road transportation fuel gross margin of our 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 second quarter of fiscal year ended April 28, 2013, were as follows:

(US cents per gallon)

Quarter	2nd	3rd	4th	**1st**	Weighted average
52-week period ended July 20, 2014					
Before deduction of expenses related to electronic payment modes	21.56	17.02	14.85	**23.08**	18.99
Expenses related to electronic payment modes	5.04	4.79	4.98	**5.27**	5.00
After deduction of expenses related to electronic payment modes	16.52	12.23	9.87	**17.81**	13.99
52-week period ended July 21, 2013					
Before deduction of expenses related to electronic payment modes	15.20	17.80	19.30	**19.42**	17.95
Expenses related to electronic payment modes	5.15	4.79	5.03	**4.99**	4.98
After deduction of expenses related to electronic payment modes	10.05	13.01	14.27	**14.43**	12.97

As demonstrated by the table above, although road transportation fuel margin can be volatile from a quarter to another, they tend to normalize on an annual basis.

Expenses related to electronic payment modes and associated volatility are not as significant in Europe and in Canada.

Operating, selling, administrative and general expenses

For the first quarter of fiscal 2015, operating, selling, administrative and general expenses increased by 1.0% compared with the first quarter of fiscal 2014 but increased by only 0.7% if we exclude certain items, as demonstrated by the following table:

	12-week period ended July 20, 2014
Total variance as reported	**1.0%**
Subtract:	
Increase from incremental expenses related to acquisitions	0.7%
Increase from higher electronic payment fees, excluding acquisitions	0.6%
Decrease from the net impact of foreign exchange translation	(1.0%)
Remaining variance	**0.7%**

The remaining variance is mainly due to normal inflation as well as to higher expenses needed to support our organic growth. We continue to favour a tight control of our costs throughout the organization while making sure to maintain the quality of service we offer our clients.

In Europe, expense level is still affected by the optimization of our new ERP system. Our IT costs should continue to decrease progressively over the course of the next quarters.

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

During the first quarter of fiscal 2015, EBITDA increased by 9.9% compared to the same quarter last year, reaching $496.7 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $8.0 million to EBITDA, while the variation in exchange rates had a net negative impact of approximately $4.0 million.

Excluding the negative goodwill from both comparable periods, the first quarter of fiscal 2015 adjusted EBITDA increased by $85.7 million or 20.9% compared to the corresponding period of the previous fiscal year.

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

	12-week period ended	
(in millions of US dollars)	**July 20, 2014**	July 21, 2013
Net earnings, as reported	**269.5**	255.0
Add:		
Income taxes	**70.5**	59.5
Net financial expenses	**30.0**	11.7
Depreciation, amortization and impairment of property and equipment and other assets	**126.7**	125.9
EBITDA	**496.7**	452.1
Remove:		
Negative goodwill	**(0.5)**	(41.6)
Adjusted EBITDA	**496.2**	410.5

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

For the first quarter of fiscal 2015, depreciation, amortization and impairment expense increased due to investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network.

Net financial expenses

The first quarter of fiscal 2015 shows net financial expenses of $30.0 million, an increase of $18.3 million compared to the first quarter of fiscal 2014. Excluding the net foreign exchange loss of $8.7 million and the net foreign exchange gain of $13.2 million recorded respectively in the first quarter of fiscal 2015 and in the first quarter of fiscal 2014, net financial expenses decreased by $3.6 million. The decrease is mainly attributable to the reduction of our long-term debt following repayments made on our revolving and acquisition facilities partly offset by a higher average effective interest rate as well as by the accelerated amortization of our financing fees following the repayment of our acquisition facility ahead of its maturity. The net foreign exchange loss of $8.7 million is mainly due to the impact of the exchange rate fluctuations on certain inter-company balances and on our external long term debt as well as to the impact of exchange rates fluctuations on US dollars denominated sales made by our European operations.

Income taxes

The first quarter of fiscal 2015 shows an income tax rate of 20.7%, compared to an income tax rate of 18.9% for the corresponding quarter of the previous year. This increase is mainly derived from our overall higher taxable income, especially in the United States where we have our highest statutory tax rate as well as from the decrease in our financial fees following the significant repayments we made on our long-term debt.

Net earnings

We closed the first quarter of fiscal 2015 with net earnings of $269.5 million, compared to $255.0 million for the first quarter of the previous fiscal year. Diluted net earnings per share stood at $0.47, compared to $0.45 the previous year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a net negative impact of approximately $3.0 million on net earnings of the first quarter of fiscal 2015.

Excluding from the first quarter of fiscal 2015 net earnings the net foreign exchange loss, the negative goodwill as well as acquisition costs and excluding from the first quarter of fiscal 2014 net earnings the negative goodwill, the net foreign exchange gain as well as acquisition costs, this quarter net earnings would have been approximately $276.0 million, compared to $220.0 million last year, an increase of $56.0 million or 25.5%. Adjusted diluted net earnings per share would have been $0.48 for the first quarter of fiscal 2015 compared to $0.39 for the corresponding period of fiscal 2014, an increase of 23.1%.

Financial Position as at July 20, 2014

As shown by our indebtedness ratios included in the “Selected Consolidated Financial Information” section and our net cash provided by operating activities, our financial position is excellent.

Our total consolidated assets amounted to $10.4 billion as at July 20, 2014, a decrease of $106.4 million over the balance as at April 27, 2014. This decrease stems primarily from the net negative impact of the exchange rates variation at the balance sheet date, partly offset by the overall rise in assets resulting from the acquisitions we made during the first quarter of fiscal 2015.

During the 52-week period ended on July 20, 2014, we recorded a return on capital employed of 14.0%[1].

Significant balance sheet variations are explained as follows:

Property and equipment

Property and equipment decreased by $66.9 million, from $5,131.0 million as at April 27, 2014 to $5,064.1 million as at July 20, 2014, mainly as a result of the net negative impact of the exchange rates variation at the balance sheet date, which was approximately $66.0 million.

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

Long-term debt decreased by $137.0 million, from $2,606.4 million as at April 27, 2014 to $2,469.4 million as at July 20, 2014, partly as a result of the impact of the strengthening of the Canadian dollar against the United States dollar at the balance sheet date. Excluding the foreign exchange impact, our long-term debt decreased by approximately $170.0 million from repayments made from available cash. As a result, our debt, net of cash and cash equivalents, amounted to $1,870.2 million as at July 20, 2014, a reduction of $225.1 million compared to the balance as at April 27, 2014.

Subsequent to the end of the quarter, we also repaid a total of $260.0 million on our acquisition facility and revolving facilities from available cash. Following these repayments, we have fully reimbursed our $3.2 billion acquisition facility used for the acquisition of Statoil Fuel & Retail in June 2012.

Shareholders’ Equity

Shareholders’ equity amounted to $4.1 billion as at July 20, 2014, up $144.4 million compared to April 27, 2014, mainly reflecting net earnings of the first quarter of fiscal 2015, partly offset by dividends declared and other comprehensive loss. For the 52-week period ended July 20, 2014, we recorded a return on equity of 22.1% [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 quarter of fiscal 2015 and for the last three quarters of fiscal 2014.

[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 quarter of fiscal 2015 and for the last three quarters of fiscal 2014.

Liquidity and Capital Resources

Our sources of liquidity remain unchanged compared with the fiscal year ended April 27, 2014. For further information, please refer to our 2014 Annual Report. With respect to our capital expenditures and acquisitions carried out in the first quarter of fiscal 2015, they were financed using available cash. We expect that cash generated from operations together with borrowings available under our revolving unsecured credit facilities will be adequate to meet our liquidity needs in the foreseeable future.

Our revolving credit facilities are detailed as follow:

US dollar term revolving unsecured operating credit D, maturing in December 2017

On May 16, 2014, we amended our term revolving unsecured operating credit D to increase the maximum amount available from $1,275.0 million to $1,525.0 million, an increase of $250.0 million, without incurring additional fees. All other terms remain unchanged. As at July 20, 2014, $973.5 million of our revolving unsecured operating credit D had been used. As at the same date, the effective interest rate was 1.19% and standby letters of credit in the amount of CA$1.3 million and $29.4 million were outstanding.

Term revolving unsecured operating credit E, maturing in December 2016

Credit agreement consisting of an initial maximum amount of $50.0 with an initial term of 50 months. The credit facility is available in the form of a revolving unsecured operating credit, available in US dollars. The amounts borrowed bear interest at variable rates based on the US base rate or the LIBOR rate plus a variable margin. As at July 20, 2014, the term credit E was unused.

Available liquidities

As at July 20, 2014, a total of approximately $571.0 million were available under our revolving unsecured credit facilities and we were in compliance with the restrictive covenants and ratios imposed by the credit agreements at that date. Thus, at the same date, we had access to approximately $1.2 billion through our available cash and revolving unsecured operating credit agreements.

Selected Consolidated Cash Flow Information

	12-week periods ended		
(In millions of US dollars)	**July 20, 2014**	July 21, 2013	Variation
Operating activities			
Net cash provided by operating activities	**351.3**	310.3	40.0
Investing activities			
Purchase of property and equipment and other assets, net of proceeds from the disposal of property and equipment and other assets	**(54.3)**	(54.4)	0.1
Business acquisitions	**(31.8)**	(91.4)	59.6
Other	**(0.3)**	20.7	(21.0)
Net cash used in investing activities	**(86.4)**	(125.1)	38.7
Financing activities			
Repayment of the acquisition facility	**(360.0)**	(603.0)	243.0
Net increase in other debt	**175.0**	400.4	(225.4)
Issuance of shares upon exercise of stock-options	**-**	1.2	(1.2)
Net cash used in financing activities	**(185.0)**	(201.4)	16.4
Credit ratings			
Standard and Poor's – Corporate credit rating	**BBB-**	BBB-	
Moody's - Senior unsecured notes credit rating	**Baa2**	Baa3	

Operating activities

During the first quarter of fiscal 2015, net cash from our operations reached $351.3 million, up $40.0 million compared to the first quarter of fiscal year 2014, 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.

Investing activities

During the first quarter of fiscal 2015, investing activities were primarily for net investments in property and equipment and other assets which amounted to $54.3 million and for acquisitions for an amount of $31.8 million. Net investments in property and equipment and other assets were primarily for the replacement of equipment in some of our stores in order to enhance our offering of products and services, the addition of new stores, the ongoing improvement of our network as well as for information technology.

Financing activities

During the first quarter of fiscal 2015, we repaid an amount of $360.0 million under our acquisition facility using amounts drawn under our revolving facilities. During the same period, we also repaid an amount of $180.0 million on our revolving facilities using available cash.

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)	**12-week period ended July 20, 2014**	52-week period ended April 27, 2014				Extract from 52-week period ended April 28, 2013		
Quarter	**1st**	4th	3rd	2nd	1st	4th	3rd	2nd
Weeks	**12 weeks**	12 weeks	16 weeks	12 weeks	12 weeks	12 weeks	16 weeks	12 weeks
Revenues	**9,189.2**	8,952.3	11,093.2	9,009.9	8,901.2	8,776.0	11,467.0	9,287.7
Operating income before depreciation, amortization and impairment of property and equipment and other assets	**492.0**	296.3	420.5	457.3	443.4	292.7	391.4	365.6
Depreciation, amortization and impairment of property and equipment and other assets	**126.7**	142.0	186.0	129.3	125.9	138.1	182.5	134.3
Operating income	**365.3**	154.3	234.5	328.0	317.5	154.6	208.9	231.3
Share of earnings of joint ventures and associated companies accounted for using the equity method	**4.7**	3.9	4.6	5.5	8.7	3.0	3.9	3.7
Net financial expenses	**30.0**	26.9	21.8	50.2	11.7	20.7	49.4	15.9
Net earnings	**269.5**	145.1	182.3	229.8	255.0	146.4	142.2	181.3
Net earnings per share								
Basic	**$0.48**	$0.26	$0.32	$0.41	$0.45	$0.26	$0.25	$0.33
Diluted	**$0.47**	$0.25	$0.32	$0.40	$0.45	$0.26	$0.25	$0.32

The volatility of road transportation fuel gross margin and seasonality both have an impact on the variability of our 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 our business and therefore our 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 our operating income is still derived from merchandise and service sales.

Outlook

For the remainder of fiscal 2015, we expect to pursue our investments with caution in order to, amongst other things, improve our network and build additional stores. We also intend to keep an ongoing focus on our sales, supply terms and operating expenses while keeping an eye on growth opportunities that may be available.

Similar to prior years, we will pay special attention to the realization of synergies related to the Statoil Fuel & Retail's acquisition and to the reduction of our debt level in order to continue to improve our financial flexibility and hopefully further improve the quality of our credit rating.

Finally, in line with our business model, we intend 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 our 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 and Baltic countries while it has a significant presence in Poland.

As of July 20, 2014, Couche-Tard's network comprised 6,243 convenience stores throughout North America, including 4,478 stores with road transportation fuel dispensing. Its North-American network consists of 13 business units, including nine in the United States covering 40 states 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, which comprised 2,250 stores as at July 20, 2014, 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 17,500 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, about 4,600 stores are operated under the Circle K banner in 12 other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, the Philippines, Vietnam and the United Arab Emirates) which brings to more than 13,000 the number of sites in Couche-Tard's network.

Source

Raymond Paré, Vice-President and Chief Financial Officer
Tel: (450) 662-6632 ext. 4607
investor.relations@couche-tard.com

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 "believe", "could", "should", "intend", "expect", "estimate", "assume" 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 September 3, 2014 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 September 3, 2014.

Financial analysts and investors who wish to listen to the webcast on Couche-Tard's results which will take place online on September 3, 2014 at 2:30 P.M. (ET) can do so by accessing the Corporation's website at http://corpo.couche-tard.com/ 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 12-week periods ended	**July 20, 2014**	July 21, 2013
	$	$
Revenues	**9,189.2**	8,901.2
Cost of sales	**7,908.9**	7,718.2
Gross profit	**1,280.3**	1,183.0
Operating, selling, administrative and general expenses	**788.8**	781.2
Negative goodwill (Note 3)	**(0.5)**	(41.6)
Depreciation, amortization and impairment of property and equipment, intangibles and other assets	**126.7**	125.9
	915.0	865.5
Operating income	**365.3**	317.5
Share of earnings of joint ventures and associated companies accounted for using the equity method	**4.7**	8.7
Financial expenses	**23.2**	29.3
Financial revenues	**(1.9)**	(4.4)
Foreign exchange loss (gain)	**8.7**	(13.2)
Net financial expenses	**30.0**	11.7
Earnings before income taxes	**340.0**	314.5
Income taxes	**70.5**	59.5
Net earnings	**269.5**	255.0
Net earnings attributable to:		
Shareholders of the Corporation	**269.2**	254.9
Non-controlling interest	**0.3**	0.1
Net earnings	**269.5**	255.0
Net earnings per share (Note 5)		
Basic	**0.48**	0.45
Diluted	**0.47**	0.45
Weighted average number of shares (in thousands)	**565,756**	562,758
Weighted average number of shares – diluted (in thousands)	**568,504**	567,612
Number of shares outstanding at end of period (in thousands)	**565,759**	563,033

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions of US dollars, unaudited)

For the 12-week periods ended	**July 20, 2014**	July 21, 2013
	$	$
Net earnings	**269.5**	255.0
Other comprehensive income		
Items that may be reclassified subsequently to earnings		
Translation adjustments		
Changes in cumulative translation adjustments	**(121.6)**	(87.7)
Change in fair value of financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (1)	**17.9**	(6.5)
Net interest on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (2)	**0.6**	0.9
Cash flow hedges		
Change in fair value of financial instruments (3)	**(0.5)**	1.3
Gain realized on financial instruments reclassified to earnings (4)	**-**	(1.3)
Other comprehensive loss	**(103.6)**	(93.3)
Comprehensive income	**165.9**	161.7
Comprehensive income attributable to:		
Shareholders of the Corporation	**165.6**	161.6
Non-controlling interest	**0.3**	0.1
Comprehensive income	**165.9**	161.7

(1) For the 12 week periods ended July 20, 2014 and July 21, 2013, these amounts are net of income taxes of $4.5 and $2.4, respectively.

(2) For the 12 week periods ended July 20, 2014 and July 21, 2013, these amounts are net of income taxes of $0.2 and $0.2, respectively.

(3) For the 12 week periods ended July 20, 2014 and July 21, 2013, these amounts are net of income taxes of $0.5 and $0.2, respectively.

(4) For the 12 week period ended July 21, 2013, this amount is net of income taxes of $0.2.

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

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

For the 12-week period ended							**July 20, 2014**
	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income (Note 6)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**686.5**	**11.6**	**3,077.4**	**186.9**	**3,962.4**	**14.2**	**3,976.6**
Comprehensive income:							
Net earnings			**269.2**		**269.2**	**0.3**	**269.5**
Other comprehensive loss				**(103.6)**	**(103.6)**		**(103.6)**
Comprehensive income					**165.6**	**0.3**	**165.9**
Dividends			**(21.2)**		**(21.2)**		**(21.2)**
Balance, end of period	**686.5**	**11.6**	**3,325.4**	**83.3**	**4,106.8**	**14.5**	**4,121.3**

For the 12-week period ended							July 21, 2013
	Attributable to the shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income (Note 6)	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			254.9		254.9	0.1	255.0
Other comprehensive loss				(93.3)	(93.3)		(93.3)
Comprehensive income					161.6	0.1	161.7
Dividends			(13.6)		(13.6)		(13.6)
Addition to non-controlling interest					-	13.2	13.2
Redemption liability			(13.2)		(13.2)		(13.2)
Stock option-based compensation expense		(0.1)			(0.1)		(0.1)
Initial fair value of stock options exercised	0.7	(0.7)			-		-
Cash received upon exercise of stock options	1.2				1.2		1.2
Balance, end of period	672.3	15.7	2,572.1	92.5	3,352.6	13.3	3,365.9

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of US dollars, unaudited)

For the 12-week periods ended	**July 20, 2014**	July 21, 2013
	$	$
Operating activities		
Net earnings	**269.5**	255.0
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	**99.9**	101.7
Deferred income taxes	**(29.9)**	(18.6)
(Gain) loss on disposal of property and equipment and other assets	**(2.5)**	0.1
Negative goodwill (Note 3)	**(0.5)**	(41.6)
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**(0.3)**	(7.8)
Deferred credits	**0.1**	6.9
Other	**2.5**	1.4
Changes in non-cash working capital	**12.5**	13.2
Net cash provided by operating activities	**351.3**	310.3
Investing activities		
Purchase of property and equipment and other assets	**(71.1)**	(77.9)
Business acquisitions (Note 3)	**(31.8)**	(91.4)
Proceeds from disposal of property and equipment and other assets	**16.8**	23.5
Restricted cash	**(0.3)**	20.7
Net cash used in investing activities	**(86.4)**	(125.1)
Financing activities		
Repayment under the unsecured non-revolving acquisition credit facility (Note 4)	**(360.0)**	(603.0)
Net increase in other debt (Note 4)	**175.0**	400.4
Issuance of shares upon exercise of stock-options	**-**	1.2
Net cash used in financing activities	**(185.0)**	(201.4)
Effect of exchange rate fluctuations on cash and cash equivalents	**8.2**	(20.4)
	88.1	(36.6)
Cash, cash equivalents and bank overdraft, beginning of period	**511.1**	658.3
Cash and cash equivalents end of period	**599.2**	621.7
Supplemental information:		
Interest paid	**19.0**	30.7
Interest and dividends received	**5.5**	4.5
Income taxes paid	**52.9**	78.8
Cash and cash equivalents components:		
Cash and demand deposits	**588.5**	473.6
Liquid investments	**10.7**	148.1
	599.2	621.7

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

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

	As at July 20, 2014	As at April 27, 2014
	$	$
Assets		
Current assets		
Cash and cash equivalents	**599.2**	511.1
Restricted cash	**1.3**	1.0
Accounts receivable	**1,716.8**	1,726.4
Inventories	**855.3**	848.0
Prepaid expenses	**49.7**	60.0
Income taxes receivable	**22.9**	68.4
	3,245.2	3,214.9
Property and equipment	**5,064.1**	5,131.0
Goodwill	**1,075.4**	1,088.7
Intangible assets	**790.2**	823.5
Other assets	**146.6**	159.8
Investment in joint ventures and associated companies	**75.5**	75.4
Deferred income taxes	**41.6**	51.7
	10,438.6	10,545.0
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**2,473.4**	2,510.3
Provisions	**101.0**	102.4
Income taxes payable	**30.3**	29.8
Bank loans and current portion of long-term debt (Note 4)	**212.5**	20.3
	2,817.2	2,662.8
Long-term debt (Note 4)	**2,256.9**	2,586.1
Provisions	**377.3**	390.5
Pension benefit liability	**119.6**	119.8
Other financial liabilities	**51.5**	73.9
Deferred credits and other liabilities	**163.3**	169.5
Deferred income taxes	**531.5**	565.8
	6,317.3	6,568.4
Equity		
Capital stock (Note 7)	**686.5**	686.5
Contributed surplus	**11.6**	11.6
Retained earnings	**3,325.4**	3,077.4
Accumulated other comprehensive income	**83.3**	186.9
Equity attributable to shareholders of the Corporation	**4,106.8**	3,962.4
Non-controlling interest	**14.5**	14.2
	4,121.3	3,976.6
	10,438.6	10,545.0

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

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

1. CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION

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

The interim financial statements were prepared in accordance with the same accounting policies and methods as the audited annual consolidated financial statements for the year ended April 27, 2014, except those disclosed in Note 2. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements and notes thereto in the Corporation's 2014 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 September 3, 2014, the Corporation's interim financial statements were approved by the board of directors who also approved their publication.

2. ACCOUNTING CHANGES

New interpretation

On April 28, 2014, the Corporation adopted the new interpretation IFRIC 21, "Levies". The interpretation identifies the obligating event for the recognition of a liability for a levy imposed by a government and provides guidance on when to recognize the liability. The adoption of this interpretation did not have a significant impact on the Corporation's consolidated financial statements.

Recently issued but not yet implemented

Classification and measurement of financial assets and financial liabilities

In July 2014, the IASB completed IFRS 9, "Financial Instruments" in its three-part project to replace IAS 39, "Financial Instruments: Recognition and Measurement" with a single approach to determine whether a financial asset is measured at amortized cost or fair value. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The IASB completed its project to replace IAS 39 in phases, adding to the standard as it completed each phase. The standard is effective for fiscal years beginning on or after January 1st, 2018. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers", to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue related interpretations. This standard is effective for annual reporting periods beginning on or after January 1st, 2017 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

3. BUSINESS ACQUISITIONS

- On June 23, 2014 the Corporation acquired 13 company-operated stores and two non-operating stores in South Carolina, United States from Garvin Oil Company. The Corporation owns the land and buildings for all sites.
- During the 12-week period ended July 20, 2014, the Corporation also acquired five other stores through distinct transactions. The Corporation owns the land and buildings for all sites.

For the 12-week period ended July 20, 2014, acquisition costs of $0.2 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 $31.8. 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	**1.6**
Property and equipment	**30.8**
Total tangible assets	**32.4**
Liabilities assumed	
Accounts payable and accrued liabilities	**0.2**
Provisions	**0.3**
Total liabilities	**0.5**
Net tangible assets acquired	**31.9**
Goodwill	**0.4**
Negative goodwill recorded to earnings	**(0.5)**
Total cash consideration paid	**31.8**

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 $10.1 and $0.3, respectively. Considering the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

4. BANK LOANS AND LONG-TERM DEBT

	As at July 20, 2014	As at April 27, 2014
	$	$
Canadian dollar denominated senior unsecured notes maturing on various dates from November 2017 to November 2022	**1,205.7**	1,172.7
US dollar denominated term revolving unsecured operating credit D, maturing in December 2017	**973.5**	793.5
US dollar denominated unsecured non-revolving acquisition credit facility, maturing in June 2015	**195.0**	552.3
NOK denominated floating rate bonds, maturing in February 2017	**2.4**	2.5
NOK denominated fixed rate bonds, maturing in February 2019	**2.1**	2.2
Borrowings under bank overdraft facilities, maturing at various dates	**-**	1.8
Other debts, including finance leases, maturing at various dates	**90.7**	81.4
	2,469.4	2,606.4
Bank loans and current portion of long-term debt	**212.5**	20.3
	2,256.9	2,586.1

On May 16, 2014, the Corporation amended its term revolving unsecured operating credit D to increase the maximum amount available from $1,275.0 to $1,525.0. All other terms remain unchanged.

5. NET EARNINGS PER SHARE

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

	12-week period ended July 20, 2014			12-week period ended July 21, 2013		
	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	**269.2**	**565,756**	**0.48**	254.9	562,758	0.45
Dilutive effect of stock options		**2,748**	**(0.01)**		4,854	-
Diluted net earnings available for Class A and B shareholders	**269.2**	**568,504**	**0.47**	254.9	567,612	0.45

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-week period ended July 20, 2014 18,144 stock options were excluded (no stock options were excluded for the 12-week period ended July 21, 2013).

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

6. ACCUMULATED OTHER COMPREHENSIVE INCOME

As at July 20, 2014

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Cumulative translation adjustments	**Net investment hedge**	**Net interest on net investment hedge**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive income**
	$	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**125.1**	**(51.5)**	**6.9**	**3.4**	**(6.8)**	**77.1**
Less: Income taxes	**-**	**(6.8)**	**1.9**	**0.5**	**(1.8)**	**(6.2)**
Balance, net of income taxes	**125.1**	**(44.7)**	**5.0**	**2.9**	**(5.0)**	**83.3**

As at July 21, 2013

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Cumulative translation adjustments	Net investment hedge	Net interest on net investment hedge	Cash flow hedge	Cumulative net actuarial loss	Accumulated other comprehensive income
	$	$	$	$	$	$
Balance, before income taxes	116.6	(29.3)	3.7	2.1	(7.1)	86.0
Less: Income taxes	-	(5.9)	1.0	0.4	(2.0)	(6.5)
Balance, net of income taxes	116.6	(23.4)	2.7	1.7	(5.1)	92.5

7. CAPITAL STOCK

Stock options

For the 12-week period ended July 20, 2014, a total of 11,790 stock options were exercised (380,430 for the 12-week period ended July 21, 2013).

Issued and outstanding shares

As at July 20, 2014, the Corporation has 148,101,840 (148,101,840 as at April 27, 2014) issued and outstanding Class A multiple voting shares each comprising ten votes per share and 417,657,090 (417,646,072 as at April 27, 2014) outstanding Class B subordinate voting shares each comprising one vote per share.

8. 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.

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

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

	12-week period ended July 20, 2014				12-week period ended July 21, 2013			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**1,197.2**	**258.3**	**528.3**	**1,983.8**	1,153.7	248.5	545.5	1,947.7
Road transportation fuel	**3,915.5**	**1,972.8**	**724.1**	**6,612.4**	3,599.9	2,052.1	692.5	6,344.5
Other	**3.6**	**589.3**	**0.1**	**593.0**	2.4	606.5	0.1	609.0
	5,116.3	**2,820.4**	**1,252.5**	**9,189.2**	4,756.0	2,907.1	1,238.1	8,901.2
Gross Profit								
Merchandise and services	**392.1**	**108.1**	**176.0**	**676.2**	372.0	101.0	185.3	658.3
Road transportation fuel	**249.2**	**224.6**	**41.7**	**515.5**	190.0	209.1	36.7	435.8
Other	**3.6**	**84.9**	**0.1**	**88.6**	2.4	86.4	0.1	88.9
	644.9	**417.6**	**217.8**	**1,280.3**	564.4	396.5	222.1	1,183.0
Total long-term assets [(b)]	**2,858.2**	**3,646.4**	**605.5**	**7,110.1**	2,798.6	3,760.1	614.2	7,172.9

(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.

9. 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 estimated fair value of each class of financial instruments and the methods and assumptions that were used to determine it are as follows:

- 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 $28.7 as at July 20, 2014 ($36.6 as at April 27, 2014);
- The fair value of the senior unsecured notes, which is based on observable market data, is $1,240.9 as at July 20, 2014 ($1,191.5 as at April 27, 2014);
- 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 $51.5 as at July 20, 2014 ($73.9 as at April 27, 2014). They are presented as other financial liabilities on 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.

10. SUBSEQUENT EVENTS

Acquisition

In July 2014, the Corporation reached an agreement with Tri Star Marketing inc. to acquire 55 company operated-stores in the U.S. states of Illinois and Indiana. Pursuant to this transaction, the Corporation would own the land and buildings for 54 sites and would lease those assets for the remaining site.

The Corporation expects to close this transaction in October 2014. This transaction is subject to standard regulatory approvals and closing conditions.

Disposal of aviation fuel business

On September 3, 2014, the Corporation reached an agreement to sell its aviation fuel business to Air BP. The sale would be done through a share purchase agreement pursuant to which Air BP would acquire 100% of all issued and outstanding shares of Statoil Fuel & Retail Aviation AS. This transaction which is subject to standard regulatory approvals and closing conditions is expected to be completed by the end of December 2014.

Dividends

The Board of Directors decided to increase the quarterly dividend by CA0.5¢ per share to CA4.5¢ per share.

During its September 3, 2014 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA4.5¢ per share for the first quarter of fiscal 2015 to shareholders on record as at September 12, 2014 and approved its payment for September 26, 2014. This is an eligible dividend within the meaning of the Income Tax Act of Canada.