ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS THIRD QUARTER OF FISCAL YEAR 2022

- Net earnings were $746.4 million, or $0.70 per diluted share for the third quarter of fiscal 2022 compared with $607.5 million, or $0.55 per diluted share for the third quarter of fiscal 2021. Adjusted net earnings[1] were approximately $746.0 million compared with $622.0 million for the third quarter of fiscal 2021. Adjusted diluted net earnings per share[1] were $0.70, representing an increase of 25.0% from $0.56 for the corresponding quarter of last year.
- Total merchandise and service revenues of $4.8 billion, an increase of 5.8%. Same-store merchandise revenues increased 3.7% in the United States, 7.2% in Europe and other regions, and decreased 0.8% in Canada. On a 2-year basis, same-store merchandise revenues increased at a compound annual growth rate of 3.4% in the United States, 5.0% in Europe, and 2.1% in Canada.
- Merchandise and service gross margin increased 1.0% in the United States to 33.6%, 0.2% in Canada to 31.6%, and decreased 0.7% in Europe and other regions to 37.8%, which was impacted by the integration of Circle K Hong Kong.
- Same-store road transportation fuel volume increased 3.2% in the United States, 3.2% in Europe and other regions, and 7.2% in Canada. On a 2-year basis, same-store road transportation fuel volume decreased at a compound annual rate of 6.8% in the United States, 3.4% in Europe, and 7.4% in Canada, still impacted by work from home trends and resurgence of COVID-19 cases toward the end of the quarter.
- Road transportation fuel gross margin of 39.63¢ per gallon in the United States, an increase of 8.87¢ per gallon, and CA 11.78¢ per liter in Canada, an increase of CA 1.45¢ per liter. In Europe and other regions, it decreased by US 0.53¢ per liter to US 10.83¢ per liter. Fuel margins remained healthy throughout our network, due to favorable market conditions and the continued work on the optimization of our supply chain.
- On a 2-year basis, excluding the costs of employee retention measures implemented, which totaled approximately $28.0 million, normalized expenses increased at a compound annual growth rate of 3.7%, slightly below inflation level.
- Under its share repurchase program, the Corporation repurchased shares for an amount of $509.7 million during the quarter, and an amount of $230.7 million subsequent to the end of the quarter, reaching a total of $1.3 billion under the current program. Subsequent to the end of the quarter, the Toronto Stock Exchange approved the amendment of our current share repurchase program to increase the maximum number of shares that may be repurchased.
- Subsequent to the end of the quarter, and following the escalation of the conflict in Ukraine, the Corporation announced that it is suspending the operations of its 38 company-operated stores in Russia, and is implementing plans to take care of its employees in a responsible and safe manner.

Laval, Québec, Canada – March 15, 2022 – For its third quarter ended January 30, 2022, Alimentation Couche-Tard Inc. ("Couche-Tard" or the "Corporation") (TSX: ATD) announces net earnings of $746.4 million, representing $0.70 per share on a diluted basis. The results for the third quarter of fiscal 2022 were affected by a pre-tax net foreign exchange gain of $4.2 million, as well as pre-tax acquisition costs of $3.2 million. The results for the comparable quarter of fiscal 2021 were affected by a pre-tax net foreign exchange loss of $16.5 million, as well as pre-tax acquisition costs of $5.2 million. Excluding these items, the adjusted net earnings[1] were approximately $746.0 million, or $0.70 per share on a diluted basis for the third quarter of fiscal 2022, compared with $622.0 million, or $0.56 per share on a diluted basis for the third quarter of fiscal 2021, an increase of 25.0% in the adjusted diluted net earnings per share[1], explained by higher road transportation fuel margins, organic growth in both the convenience and road transportation fuel activities, as well as by the favorable impact of its share repurchase program partly offset by higher operating expenses. All financial information presented is in US dollars unless stated otherwise.

"Two years after the start of the pandemic and during a quarter where the Omicron variant surged across our network, I am proud to announce that we had good results during the third quarter in both convenience and fuel. Same store merchandise sales were particularly strong in Europe as well as in the U.S. with our freshly prepared food programs and packaged beverages among the main drivers of growth. Across the business, in fuel volumes and traffic we saw strong results early in the quarter, but both were impacted by work from home orders and rise in COVID-19 cases, especially towards the end of the

[1] Please refer to the section "Non-IFRS Measures" for additional information on performance measures not defined by IFRS.

quarter in our larger urban centers in North America and Europe. However, we continue to achieve healthy fuel margins and benefit from strategic initiatives on which we remain laser focused. I am grateful for the continued commitment of our team members, customers, and shareholders over the quarter and, as restrictive measures are reducing, I am optimistic that traffic and volumes will continue to revert toward normal levels as the impacts of Omicron fade" said Brian Hannasch, President and Chief Executive Officer of Alimentation Couche-Tard.

"Over the quarter, we have worked hard to overcome the historic labor and supply chain issues in our industry and are pleased to report significant improvement in more recent periods. *Fresh Food, Fast* has continued to grow across the globe, with over 3,200 stores now carrying the program, and we are seeing strong year-over-year sales growth. Here, our operators continue to focus on execution of our strategy and optimizing our assortment. In our Circle K fuel rebrand, we completed over 180 sites in the third quarter, and in Europe we now have over 1,000 electric vehicle chargers. We continue to rollout localized data driven pricing, promotions and assortment, and in parallel have begun introducing innovative technologies, which will bring ease and speed to our check out and delivery process as well as supplement our labor force with hourly workers. We have also put great attention on hiring, training, and retention of our team members and are seeing positive momentum." concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer, added: "We delivered once again a solid quarter as evidenced by increases of 15.2% in gross profit[1] dollars and 18.0% in adjusted EBITDA[1] compared to the third quarter of last year, in an overall challenging environment in which we diligently managed higher-than-usual inflation and supply chain disruptions. We have continued to advance on our key strategic priorities, including our fuel initiatives, network development and cost optimization initiatives across our network, bringing our last four quarters adjusted EBITDA[1] above $5.2 billion. Our financial position remains strong, highlighted by our leverage ratio of 1.33, which allowed us during the quarter to upsize our current share repurchase program from almost 32.1 million shares to over 46.8 million shares. We are actively managing our balance sheet and as a result, we repurchased close to $750.0 million of shares during the quarter and subsequent to the end of the quarter. On March 3, 2022, we also completed the early repayment of our Canadian-dollar-denominated senior unsecured notes issued on November 1, 2012. We also intend to renew our share repurchase program upon expiry on April 25, 2022, at a level of 10.0% of the then-prevailing public float, giving us the opportunity to repurchase approximately $3.2 billion over the upcoming fiscal year."

Significant Items of the Third Quarter of Fiscal 2022

- As the COVID-19 pandemic had a significant impact on our prior year financial results, looking at gross profit[1] on a 2-year basis provides additional insight given the volatility in the various key measures of our business. Excluding the disposal of CAPL and the acquisition of Circle K Hong Kong, merchandise and service, as well as road transportation fuel gross profit[1], are higher by 6.8% and 27.6%, respectively, compared with the pre-pandemic third quarter of fiscal 2020.

- On December 8, 2021, as a result of all Couche-Tard's co-founders reaching the age of 65 years old, all of our Class B subordinate voting shares automatically converted into Class A multiple voting shares on a share-for-share basis. Following the automatic conversion, only Class A multiple voting shares of Couche-Tard are traded on the Toronto Stock Exchange under the symbol "ATD".

- On April 21, 2021, the Toronto Stock Exchange approved the implementation of a share repurchase program, which took effect on April 26, 2021. The program initially allowed us to repurchase up to 4.0% of the Class B subordinate voting shares of the public float as at April 19, 2021 (the "Public float"). On January 31, 2022, subsequent to the end of the third quarter of fiscal 2022, the Toronto Stock Exchange approved the amendment of our current share repurchase program to increase the maximum number of shares that may be repurchased to 5.8% of the Public float.

  During the third quarter and first three quarters of fiscal 2022, we repurchased 13,013,743 and 27,836,638 shares, respectively. These repurchases were settled for amounts of $509.7 million and $1.0 billion, respectively. In addition, subsequent to the end of the third quarter of fiscal 2022, we repurchased 5,486,727 shares for an amount of $230.7 million.

- On March 3, 2022, subsequent to the end of the third quarter of fiscal 2022 and following the delivery of a redemption notice dated January 31, 2022, we fully repaid our CA $250.0 million Canadian-dollar-denominated senior unsecured notes issued on November 1, 2012, which were set to mature on November 1, 2022. The repayment of CA $254.1 million ($200.6 million) was settled using cash on hand and included an early redemption premium of CA $4.1 million ($3.2 million). We also settled the cross-currency interest rate swaps associated with these Canadian-dollar-denominated senior unsecured notes.

[1] Please refer to the section "Non-IFRS Measures" for additional information on performance measures not defined by IFRS.

Changes in our Network during the Third Quarter of Fiscal 2022

- We acquired 34 company-operated stores, including 19 stores operating under the Pic Quik brand, located in New Mexico, United States, as well as 9 stores operating under the Londis brand, located in Ireland. In addition, we acquired 17 dealer-operated stores operating under the Purple Cow brand, located in Southeastern United States, 22 fuel supply agreements and a small sized company, specializing in technological solutions for retailers and convenience stores. We settled these transactions using our available cash.
- On July 30, 2021, we entered into a binding agreement in connection with the acquisition of Cape D'Or Holdings Limited, Barrington Terminals Limited, and other related holding entities, which operate an independent convenience store and fuel network in Atlantic Canada under the Esso, Go! Store and Wilsons Gas Stops brands (collectively "Wilsons"). The Wilsons network comprises 79 company-operated convenience retail and fuel locations, 147 dealer locations, and a fuel terminal in Halifax, Canada. The transaction is expected to close in the first half of fiscal year 2023 and is subject to customary closing conditions and regulatory approvals, including those under the *Competition Act* (Canada).
- On March 22, 2021, based on the outcome of a strategic review of our network, we announced our intention to sell certain sites across 28 states in the United States and 6 provinces in Canada. During the third quarter of fiscal 2022, we completed the sale of 146 sites to various buyers for cash consideration of $147.0 million, which resulted in a gain of $20.2 million. As at January 30, 2022, 59 sites in the United States and 9 sites in Canada met the criteria for classification as held for sale, however, 57 sites in the United States and 27 sites in Canada no longer met a held for sale criterion, which resulted in an amount of $11.7 million recorded to Depreciation, amortization and impairment.
- We completed the construction of 32 stores and the relocation or reconstruction of 3 stores, reaching a total of 75 stores since the beginning of fiscal 2022. As of January 30, 2022, another 85 stores were under construction and should open in the upcoming quarters.

Summary of changes in our store network

The following table presents certain information regarding changes in our store network over the 16-week period ended January 30, 2022:

	16-week period ended January 30, 2022				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	9,925	392	691	1,262	12,270
Acquisitions	34	17	22	—	73
Openings / constructions / additions	32	—	10	70	112
Closures / disposals / withdrawals	(145)	(5)	(10)	(31)	(191)
Store conversion	11	(10)	(1)	—	—
Number of sites, end of period	**9,857**	**394**	**712**	**1,301**	**12,264**
Circle K branded sites under licensing agreements					1,880
Total network					**14,144**
Number of automated fuel stations included in the period-end figures	975	—	13	—	988

Exchange Rate Data

We use the US dollar as our reporting currency, which provides more relevant information given the predominance of our operations in the United States.

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

	16-week periods ended		40-week periods ended	
	January 30, 2022	January 31, 2021	**January 30, 2022**	January 31, 2021
Average for the period				
Canadian dollar	**0.7932**	0.7733	**0.8000**	0.7541
Norwegian krone	**0.1142**	0.1129	**0.1156**	0.1090
Swedish krone	**0.1120**	0.1177	**0.1150**	0.1129
Danish krone	**0.1532**	0.1613	**0.1573**	0.1568
Zloty	**0.2476**	0.2660	**0.2561**	0.2604
Euro	**1.1396**	1.2005	**1.1699**	1.1672
Ruble	**0.0136**	0.0132	**0.0136**	0.0135
Hong Kong dollar(1)	**0.1284**	0.1290	**0.1285**	0.1290

(1) For the 16 and 40-week periods ended January 31, 2021, calculated by taking the average of the closing exchange rates of each day starting December 21, 2020.

Summary Analysis of Consolidated Results for the Third Quarter and First Three Quarters of Fiscal 2022

The following table highlights certain information regarding our operations for the 16 and 40-week periods ended January 30, 2022 and January 31, 2021. Europe and other regions include the results from our operations in Asia.

	16-week periods ended			40-week periods ended		
(in millions of US dollars, unless otherwise stated)	**January 30, 2022**	January 31, 2021	Variation %	**January 30, 2022**	January 31, 2021	Variation %
Statement of Operations Data:						
Merchandise and service revenues[1]:						
United States	**3,355.5**	3,274.9	2.5	**8,938.9**	8,862.7	0.9
Europe and other regions	**715.9**	541.1	32.3	**1,857.7**	1,278.9	45.3
Canada	**722.5**	713.9	1.2	**2,044.2**	2,006.9	1.9
Total merchandise and service revenues	**4,793.9**	4,529.9	5.8	**12,840.8**	12,148.5	5.7
Road transportation fuel revenues:						
United States	**8,945.6**	5,626.3	59.0	**22,064.1**	13,970.6	57.9
Europe and other regions	**2,951.3**	1,813.7	62.7	**6,899.8**	4,492.3	53.6
Canada	**1,605.4**	1,039.5	54.4	**4,011.0**	2,592.2	54.7
Total road transportation fuel revenues	**13,502.3**	8,479.5	59.2	**32,974.9**	21,055.1	56.6
Other revenues[2]:						
United States	**14.6**	17.3	(15.6)	**36.8**	34.3	7.3
Europe and other regions	**257.3**	123.4	108.5	**504.9**	268.1	88.3
Canada	**8.3**	7.4	12.2	**17.6**	16.7	5.4
Total other revenues	**280.2**	148.1	89.2	**559.3**	319.1	75.3
Total revenues	**18,576.4**	13,157.5	41.2	**46,375.0**	33,522.7	38.3
Merchandise and service gross profit[1][3][4]:						
United States	**1,127.0**	1,066.9	5.6	**3,026.8**	2,964.0	2.1
Europe and other regions	**270.6**	208.1	30.0	**708.8**	505.9	40.1
Canada	**228.5**	224.0	2.0	**655.8**	631.0	3.9
Total merchandise and service gross profit	**1,626.1**	1,499.0	8.5	**4,391.4**	4,100.9	7.1
Road transportation fuel gross profit[3][4]:						
United States	**1,087.9**	812.7	33.9	**2,684.4**	2,378.2	12.9
Europe and other regions	**342.0**	335.7	1.9	**866.7**	855.4	1.3
Canada	**148.8**	118.3	25.8	**372.5**	297.3	25.3
Total road transportation fuel gross profit	**1,578.7**	1,266.7	24.6	**3,923.6**	3,530.9	11.1
Other revenues gross profit[2][4]:						
United States	**14.6**	16.5	(11.5)	**36.8**	33.5	9.9
Europe and other regions	**31.9**	40.4	(21.0)	**78.4**	98.7	(20.6)
Canada	**8.3**	7.5	10.7	**17.6**	16.8	4.8
Total other revenues gross profit	**54.8**	64.4	(14.9)	**132.8**	149.0	(10.9)
Total gross profit[3][4]	**3,259.6**	2,830.1	15.2	**8,447.8**	7,780.8	8.6
Operating, selling, administrative and general expenses[3]	**1,801.3**	1,582.2	13.8	**4,400.7**	3,901.9	12.8
Gain on disposal of property and equipment and other assets	**(26.4)**	(5.4)	388.9	**(60.5)**	(49.3)	22.7
Depreciation, amortization and impairment	**456.3**	418.7	9.0	**1,096.3**	1,014.0	8.1
Operating income	**1,028.4**	834.6	23.2	**3,011.3**	2,914.2	3.3
Net financial expenses	**87.9**	105.6	(16.8)	**229.5**	270.8	(15.3)
Net earnings	**746.4**	607.5	22.9	**2,205.6**	2,141.6	3.0
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.70**	0.55	27.3	**2.07**	1.93	7.3
Diluted net earnings per share (dollars per share)	**0.70**	0.55	27.3	**2.06**	1.92	7.3
Adjusted diluted net earnings per share (dollars per share)[4]	**0.70**	0.56	25.0	**2.06**	1.93	6.7

(in millions of US dollars, unless otherwise stated)	16-week periods ended January 30, 2022	16-week periods ended January 31, 2021	Variation %	40-week periods ended January 30, 2022	40-week periods ended January 31, 2021	Variation %
Other Operating Data:						
Merchandise and service gross margin[(1)(3)]:						
Consolidated	**33.9%**	33.1%	0.8	**34.2%**	33.8%	0.4
United States	**33.6%**	32.6%	1.0	**33.9%**	33.4%	0.5
Europe and other regions	**37.8%**	38.5%	(0.7)	**38.2%**	39.6%	(1.4)
Canada	**31.6%**	31.4%	0.2	**32.1%**	31.4%	0.7
Growth of (decrease in) same-store merchandise revenues[(5)]:						
United States[(6)]	**3.7%**	2.9%		**1.7%**	4.9%	
Europe and other regions[(7)]	**7.2%**	2.8%		**5.8%**	4.7%	
Canada[(6)]	**(0.8%)**	4.7%		**(4.2%)**	11.7%	
Road transportation fuel gross margin[(3)]:						
United States (cents per gallon)	**39.63**	30.76	28.8	**37.75**	35.54	6.2
Europe and other regions (cents per liter)	**10.83**	11.36	(4.7)	**10.60**	11.03	(3.9)
Canada (CA cents per liter)	**11.78**	10.33	14.0	**11.33**	10.20	11.1
Total volume of road transportation fuel sold:						
United States (millions of gallons)	**2,745.1**	2,642.2	3.9	**7,110.4**	6,691.3	6.3
Europe and other regions (millions of liters)	**3,158.2**	2,954.2	6.9	**8,179.8**	7,755.4	5.5
Canada (millions of liters)	**1,591.5**	1,482.3	7.4	**4,127.9**	3,863.0	6.9
Growth of (decrease in) same-store road transportation fuel volume[(6)]:						
United States	**3.2%**	(15.7%)		**5.7%**	(17.3%)	
Europe and other regions	**3.2%**	(10.3%)		**2.9%**	(9.1%)	
Canada	**7.2%**	(19.9%)		**6.6%**	(19.2%)	

(in millions of US dollars, unless otherwise stated)	As at January 30, 2022	As at April 25, 2021	Variation $
Balance Sheet Data:			
Total assets	**28,826.1**	28,394.5	431.6
Interest-bearing debt[(8)]	**9,497.2**	9,602.0	(104.8)
Equity	**12,819.6**	12,180.9	638.7
Indebtedness Ratios[(4)]:			
Net interest-bearing debt/total capitalization	**0.35 : 1**	0.35 : 1	
Leverage ratio	**1.33 : 1**	1.32 : 1	
Returns[(4)]:			
Return on equity	**22.2%**	24.3%	
Return on capital employed	**15.7%**	15.9%	

(1) Includes revenues derived from franchise fees, royalties, suppliers' rebates on some purchases made by franchisees and licensees, as well as from wholesale of merchandise. Franchise fees from international licensed stores are presented in the United States.
(2) Includes revenues from the rental of assets and from the sale of aviation fuel and energy for stationary engines.
(3) Please refer to the section “Change in Classification of Internal Logistics Costs” of our Management Discussion & Analysis for the 16 and 40-week periods ended January 30, 2022 for additional information on changes affecting the comparative periods.
(4) Please refer to the section “Non-IFRS measures” for additional information on these performance measures not defined by IFRS.
(5) Does not include services and other revenues (as described in footnotes 1 and 2 above). Growth in Canada and in Europe and other regions is calculated based on local currencies.
(6) For company-operated stores only.
(7) Includes the growth of same-store merchandise revenues of Circle K Hong Kong starting December 21, 2020.
(8) This measure is presented including the following balance sheet accounts: Current portion of long-term debt, Long-term debt, Current portion of lease liabilities, and Lease liabilities.

Revenues

Our revenues were $18.6 billion for the third quarter of fiscal 2022, up by $5.4 billion, an increase of 41.2% compared with the corresponding quarter of fiscal 2021. This performance is mainly attributable to a higher average road transportation fuel selling price, higher road transportation fuel demand, the contribution from acquisitions and organic growth partly offset by the net negative impact from the translation of revenues of our Canadian and European operations into US dollars, which had an impact of approximately $83.0 million.

For the first three quarters of fiscal 2022, our revenues increased by $12.9 billion, or 38.3% compared with the corresponding period of fiscal 2021, mainly attributable to similar factors as those of the third quarter.

<u>Merchandise and service revenues</u>

Total merchandise and service revenues for the third quarter of fiscal 2022 were $4.8 billion, an increase of $264.0 million compared with the corresponding quarter of fiscal 2021. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, merchandise and service revenues increased by approximately $272.0 million, or 6.0%. This increase is primarily attributable to the contribution from acquisitions, which amounted to approximately $158.0 million, as well as to organic growth. Same-store merchandise revenues increased by 3.7% in the United States, 7.2% in Europe and other regions, and decreased by 0.8% in Canada. On a 2-year basis, same-store merchandise revenues increased at a solid compound annual growth rate of 3.4% in the United States, 5.0% in Europe and 2.1% in Canada.

For the first three quarters of fiscal 2022, the growth in merchandise and service revenues was $692.3 million compared with the corresponding period of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, merchandise and service revenues increased by approximately $548.0 million, or 4.5%. Same-store merchandise revenues increased by 1.7% in the United States, by 5.8% in Europe and other regions, and decreased by 4.2% in Canada.

<u>Road transportation fuel revenues</u>

Total road transportation fuel revenues for the third quarter of fiscal 2022 were $13.5 billion, an increase of $5.0 billion compared with the corresponding quarter of fiscal 2021. Excluding the net negative impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues increased by approximately $5.1 billion, or 60.0%. This increase is mostly attributable to a higher average road transportation fuel selling price, which had a positive impact of approximately $4.6 billion, as well as to higher road transportation fuel demand. Same-store road transportation fuel volume increased by 3.2% in the United States, 3.2% in Europe and other regions, and 7.2% in Canada. On a 2-year basis, same-store road transportation fuel volume decreased at a compound annual rate of 6.8% in the United States, 3.4% in Europe, and 7.4% in Canada. While we are seeing improvement in road transportation fuel demand, road transportation fuel volumes are still generally under pressure across our network, with continued work from home trends, as well as with the rise in COVID-19 cases toward the end of the quarter.

For the first three quarters of fiscal 2022, the road transportation fuel revenues increased by $11.9 billion compared with the corresponding period of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, road transportation fuel revenues increased by approximately $11.7 billion, or 55.6%. The positive impact of the higher average road transportation fuel selling price was approximately $10.4 billion. Same-store road transportation fuel volume increased by 5.7% in the United States, 2.9% in Europe and other regions, and 6.6% in Canada.

The following table shows the average selling price of road transportation fuel of our company-operated stores in our various markets for the last eight quarters, starting with the fourth quarter of the fiscal year ended April 26, 2020:

Quarter	4th	1st	2nd	3rd	Weighted average
52-week period ended January 30, 2022					
United States (US dollars per gallon)	2.72	2.97	3.08	3.28	3.03
Europe and other regions (US cents per liter)	79.29	79.09	86.29	96.66	86.15
Canada (CA cents per liter)	108.99	117.51	123.00	129.39	120.75
52-week period ended January 31, 2021					
United States (US dollars per gallon)	2.21	2.04	2.14	2.16	2.14
Europe and other regions (US cents per liter)	60.95	56.89	63.19	65.84	62.02
Canada (CA cents per liter)	88.78	86.89	92.00	92.54	90.35

Other revenues

Total other revenues for the third quarter of fiscal 2022 were $280.2 million, an increase of $132.1 million compared with the corresponding period of fiscal 2021. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, other revenues increased by approximately $141.0 million in the third quarter of fiscal 2022, primarily driven by higher average selling prices and higher demand of our other fuel products, which had a minimal impact on gross profit[1].

For the first three quarters of fiscal 2022, total other revenues were $559.3 million, an increase of $240.2 million compared with the corresponding period of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, other revenues increased by approximately $240.0 million in the first three quarters of fiscal 2022, mainly attributable to similar factors as those of the third quarter, which had a minimal impact on gross profit[1].

Gross profit[1]

Our gross profit was $3.3 billion for the third quarter of fiscal 2022, up by $429.5 million, or 15.2%, compared with the corresponding quarter of fiscal 2021, mainly attributable to higher road transportation fuel gross margins, improved merchandise and service gross margin, organic growth and higher road transportation fuel demand partly offset by the net negative impact from the translation of our Canadian and European operations into US dollars, which had an impact of approximately $17.0 million.

For the first three quarters of fiscal 2022, our gross profit increased by $667.0 million, or 8.6%, compared with the first three quarters of fiscal 2021, mainly attributable to higher road transportation fuel demand, the contributions from acquisitions, the higher road transportation fuel gross margins in the United States and Canada, improved merchandise and service gross margin, and the net positive impact from the translation of our Canadian and European operations into US dollars.

Merchandise and service gross profit

In the third quarter of fiscal 2022, our merchandise and service gross profit was $1.6 billion, an increase of $127.1 million compared with the corresponding quarter of fiscal 2021. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, merchandise and service gross profit increased by approximately $131.0 million, or 8.8% and the contribution from acquisitions amounted to $45.0 million. Our gross margin increased by 1.0% in the United States to 33.6%, and 0.2% in Canada to 31.6%, mainly due to favorable changes in product mix and pricing initiatives. Our gross margin decreased by 0.7% in Europe and other regions to 37.8%, mainly due to the integration of Circle K Hong Kong, which has a different product mix than our European operations. Excluding Circle K Hong Kong, our gross margin in Europe and other regions would have been 42.1%, driven by favorable changes in product mix.

During the first three quarters of fiscal 2022, our merchandise and service gross profit was $4.4 billion, an increase of $290.5 million compared with the first three quarters of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, merchandise and service gross profit increased by approximately $245.0 million, or 6.0%. Our gross margin increased by 0.5% to 33.9% in the United States, decreased by 1.4% in Europe and other regions to 38.2%, and increased by 0.7% in Canada to 32.1%.

Road transportation fuel gross profit

In the third quarter of fiscal 2022, our road transportation fuel gross profit was $1.6 billion, an increase of $312.0 million compared with the corresponding quarter of fiscal 2021. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, our road transportation fuel gross profit increased by approximately $322.0 million, or 25.4%. In the United States, our road transportation fuel gross margin was 39.63¢ per gallon, an increase of 8.87¢ per gallon. In Europe and other regions, it was US 10.83¢ per liter, a decrease of US 0.53¢ per liter, and in Canada, it was CA 11.78¢ per liter, an increase of CA 1.45¢ per liter. Fuel margins remained healthy throughout our network, due to favorable market conditions and the continued work on the optimization of our supply chain.

During the first three quarters of fiscal 2022, our road transportation fuel gross profit was $3.9 billion, an increase of $392.7 million compared with the first three quarters of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, road transportation fuel gross profit increased by approximately $359.0 million, or 10.2%. The road transportation fuel gross margin was 37.75¢ per gallon in the United States, US 10.60¢ per liter in Europe and other regions, and CA 11.33¢ per liter in Canada.

[1] Please refer to the section “Non-IFRS Measures” for additional information on performance measures not defined by IFRS.

The road transportation fuel gross margin of our company-operated stores in the United States and the impact of expenses related to electronic payment modes for the last eight quarters, starting with the fourth quarter of the fiscal year ended April 26, 2020, were as follows:

(US cents per gallon)

Quarter	4th	1st	2nd	3rd	Weighted average
52-week period ended January 30, 2022					
Before deduction of expenses related to electronic payment modes	35.25	37.58	37.68	41.02	37.75
Expenses related to electronic payment modes	5.10	5.38	5.31	5.74	5.37
After deduction of expenses related to electronic payment modes	30.15	32.20	32.37	35.28	32.38
52-week period ended January 31, 2021					
Before deduction of expenses related to electronic payment modes	46.88	42.99	37.48	31.86	39.14
Expenses related to electronic payment modes	4.97	4.88	4.79	4.66	4.81
After deduction of expenses related to electronic payment modes	41.91	38.11	32.69	27.20	34.33

Generally, during normal economic cycles, road transportation fuel margins in the United States can be volatile from one quarter to another, while in Europe and other regions and Canada, fuel margins and expenses related to electronic payment modes are not as volatile.

Other revenues gross profit

In the third quarter of fiscal 2022, other revenues gross profit was $54.8 million, a decrease of $9.6 million compared with the corresponding period of fiscal 2021. Excluding the net negative impact from the translation of our Canadian and European operations into US dollars, other revenues gross profit decreased by approximately $8.0 million in the third quarter of fiscal 2022.

In the first three quarters of fiscal 2022, other revenues gross profit was $132.8 million, a decrease of $16.2 million compared with the corresponding period of fiscal 2021. Excluding the net positive impact from the translation of our Canadian and European operations into US dollars, other revenues gross profit decreased by approximately $18.0 million for the first three quarters of fiscal 2022.

Operating, selling, administrative and general expenses (“expenses”)

For the third quarter and first three quarters of fiscal 2022, expenses increased by 13.8% and 12.8%, respectively, compared with the corresponding periods of fiscal 2021. If we exclude certain items that are not considered indicative of future trends, expenses increased by 9.8% and 7.3%, respectively.

	16-week period ended January 30, 2022	40-week period ended January 30, 2022
Total variance, as reported	**13.8%**	**12.8%**
Adjusted for:		
Increase from higher electronic payment fees, excluding acquisitions	**(2.9%)**	**(2.5%)**
Increase from incremental expenses related to acquisitions	**(1.9%)**	**(2.1%)**
Decrease (increase) from the net impact of foreign exchange translation	**0.6%**	**(1.0%)**
Decrease from changes in acquisition costs recognized to earnings	**0.2%**	**0.1%**
Remaining variance	**9.8%**	**7.3%**

The increase of expenses in the third quarter was driven by measures necessitated by the impact of the labor shortage and the need to improve employee retention, an increase of marketing initiatives and other discretionary expenses that were significantly reduced in the prior year quarter, as well as by inflationary pressures, including higher utilities costs in Europe, higher costs from rising minimum wages, and incremental investments in our stores to support our strategic initiatives. This increase was partly offset by lower COVID-19 related expenses compared to the corresponding quarter of the previous fiscal year. Excluding the costs of the retention measures implemented, which totaled approximately $28.0 million, as well as the employees related COVID-19 costs in the prior year, such as Thank you bonuses, the remaining variance for the third quarter of fiscal 2022 would have been 8.8%. On a 2-year basis, excluding the costs of those measures, we have deployed strategic efforts to mitigate costs increases and inflationary pressures, which is demonstrated by a compound annual growth rate of 3.7% in the normalized expenses, which remained slightly below inflation.

Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA[1]") and adjusted EBITDA[1]

During the third quarter of fiscal 2022, EBITDA stood at $1.5 billion, an increase of 18.3% compared with the corresponding quarter of fiscal 2021. Adjusted EBITDA for the third quarter of fiscal 2022 increased by $228.4 million, or 18.0%, compared with the corresponding quarter of fiscal 2021, mainly due to higher road transportation fuel margins and organic growth in our convenience and road transportation fuel operations, partly offset by higher operating expenses, as well as the net negative impact from the translation of our Canadian and European operations into US dollars of approximately $7.0 million.

During the first three quarters of fiscal 2022, EBITDA increased from $4.0 billion to $4.1 billion, an increase of 4.4% compared with the corresponding period of fiscal 2021. Adjusted EBITDA for the first three quarters of fiscal 2022 increased by $210.5 million, or 5.4%, compared with the corresponding period of fiscal 2021, mainly attributable to similar factors as those of the third quarter, as well as the contributions from acquisitions. The variation in exchange rates had a net positive impact of approximately $41.0 million.

Depreciation, amortization and impairment ("depreciation")

For the third quarter of fiscal 2022, our depreciation expense increased by $37.6 million compared to the third quarter of fiscal 2021. Excluding the net favorable impact from the translation of our Canadian and European operations into US dollars, the depreciation expense increased by approximately $40.0 million for the third quarter of fiscal 2022. This increase is mainly driven by the impact from investments made through acquisitions, the replacement of equipment, the ongoing improvement of our network, as well as the $11.7 million impact from reclassification of sites from assets held for sale.

For the first three quarters of fiscal 2022, our depreciation expense increased by $82.3 million compared to the first three quarters of fiscal 2021. Excluding the net unfavorable impact from the translation of our Canadian and European operations into US dollars, the depreciation expense increased by approximately $71.0 million for the first three quarters of fiscal 2022 mainly attributable to similar factors as those of the third quarter.

Net financial expenses

Net financial expenses for the third quarter and first three quarters of fiscal 2022 were $87.9 million and $229.5 million, respectively, a decrease of $17.7 million and $41.3 million compared with the corresponding periods of fiscal 2021. Excluding the items shown in the table below, net financial expenses for the third quarter and first three quarters of fiscal 2022 increased by $3.3 million and $4.8 million, respectively.

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 30, 2022**	January 31, 2021	**January 30, 2022**	January 31, 2021
Net financial expenses, as reported	**87.9**	105.6	**229.5**	270.8
Adjusted for:				
Change in fair value of financial instruments and amortization of deferred differences	**2.2**	1.9	**(9.6)**	5.8
Net foreign exchange gain (loss)	**4.2**	(16.5)	**17.7**	(43.8)
Net financial expenses excluding items above	**94.3**	91.0	**237.6**	232.8

Income taxes

The income tax rate for the third quarter of fiscal 2022 was 21.3% compared with 17.6% for the corresponding period of fiscal 2021. The increase for the third quarter of fiscal 2022 is mainly stemming from prior year gains taxable at a lower income tax rate.

The income tax rate for the first three quarters of fiscal 2022 was 21.3% compared with 19.7% for the first three quarters of fiscal 2021.

Net earnings and adjusted net earnings[1]

Net earnings for the third quarter of fiscal 2022 were $746.4 million, compared with $607.5 million for the third quarter of the previous fiscal year, an increase of $138.9 million, or 22.9%. Diluted net earnings per share stood at $0.70, compared with $0.55 for the corresponding quarter of the previous fiscal year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a net negative impact of approximately $5.0 million on net earnings of the third quarter of fiscal 2022.

[1] Please refer to the section "Non-IFRS Measures" for additional information on performance measures not defined by IFRS.

Adjusted net earnings for the third quarter of fiscal 2022 were approximately $746.0 million, compared with $622.0 million for the third quarter of fiscal 2021, an increase of $124.0 million, or 19.9%. Adjusted diluted net earnings per share[1] were $0.70 for the third quarter of fiscal 2022, compared with $0.56 for the corresponding quarter of fiscal 2021, an increase of 25.0%.

For the first three quarters of fiscal 2022, net earnings stood at $2.2 billion, an increase of $64.0 million, or 3.0%, compared to the first three quarters of fiscal 2021. Diluted net earnings per share stood at $2.06, compared with $1.92 for the corresponding period of the previous fiscal year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a net positive impact of approximately $30.0 million on net earnings of the first three quarters of fiscal 2022.

Adjusted net earnings for the first three quarters of fiscal 2022 stood at $2.2 billion, an increase of $45.0 million, or 2.1%, compared with the first three quarters of fiscal 2021. Adjusted diluted net earnings per share[1] were $2.06 for the first three quarters of fiscal 2022, compared with $1.93 for the first three quarters of fiscal 2021, an increase of 6.7%.

Dividends

During its March 15, 2022 meeting, the Board of Directors declared a quarterly dividend of CA 11.0¢ per share for the third quarter of fiscal 2022 to shareholders on record as at March 24, 2022, and approved its payment effective April 7, 2022. This is an eligible dividend within the meaning of the *Income Tax Act* (Canada).

Non-IFRS Measures

To provide more information for evaluating the Corporation's performance, the financial information included in our financial documents contains certain data that are not performance measures under IFRS ("non-IFRS measures"), which are also calculated on an adjusted basis to exclude specific items. We believe that providing those non-IFRS measures is useful to management, investors, and analysts, as they provide additional information to measure the performance and financial position of the Corporation.

The following non-IFRS measures are used in our financial disclosures:

- Gross profit;
- Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA") and adjusted EBITDA;
- Adjusted net earnings and adjusted diluted net earnings per share;
- Net interest-bearing debt/total capitalization and leverage ratios; and
- Return on equity and return on capital employed.

Non-IFRS measures are mainly derived from the consolidated financial statements, but do not have standardized meanings prescribed by IFRS. These non-IFRS measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with IFRS. In addition, our definitions of non-IFRS measures may differ from those of other public corporations. Any such modification or reformulation may be significant. These measures are also adjusted for the pro forma impact of our acquisitions and impacts of new accounting standards, if they are considered to be material.

Gross profit. Gross profit consists of revenues less the cost of sales, excluding depreciation, amortization and impairment. This measure is considered useful for evaluating the underlying performance of our operations.

The table below reconciles revenues and cost of sales, excluding depreciation, amortization and impairment to gross profit:

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 30, 2022**	January 31, 2021	**January 30, 2022**	January 31, 2021
Revenues	**18,576.4**	13,157.5	**46,375.0**	33,522.7
Cost of sales, excluding depreciation, amortization and impairment(1)	**15,316.8**	10,327.4	**37,927.2**	25,741.9
Gross profit(1)	**3,259.6**	2,830.1	**8,447.8**	7,780.8

(1) Please refer to the section "Change in Classification of Internal Logistics Costs" of the Management Discussion & Analysis for the 16 and 40-week periods ended January 30, 2022 for additional information on changes affecting the comparative periods.

Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA") and adjusted EBITDA. EBITDA represents net earnings plus income taxes, net financial expenses, and depreciation, amortization and impairment. Adjusted EBITDA represents EBITDA adjusted for acquisition costs and other specific items. These performance measures are considered useful to facilitate the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program, share repurchases, and payment of dividends.

[1] Please refer to the section "Non-IFRS Measures" for additional information on performance measures not defined by IFRS.

The table below reconciles net earnings, as per IFRS, to EBITDA and adjusted EBITDA:

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 30, 2022**	January 31, 2021	**January 30, 2022**	January 31, 2021
Net earnings, as reported	**746.4**	607.5	**2,205.6**	2,141.6
Add:				
Income taxes	**201.3**	129.7	**595.1**	526.0
Net financial expenses	**87.9**	105.6	**229.5**	270.8
Depreciation, amortization and impairment	**456.3**	418.7	**1,096.3**	1,014.0
EBITDA	**1,491.9**	1,261.5	**4,126.5**	3,952.4
Adjusted for:				
Acquisition costs	**3.2**	5.2	**5.8**	10.3
Gain on disposal of a property	**—**	—	**—**	(40.9)
Adjusted EBITDA	**1,495.1**	1,266.7	**4,132.3**	3,921.8

Adjusted net earnings and adjusted diluted net earnings per share. Adjusted net earnings represents net earnings adjusted for net foreign exchange gains or losses, acquisition costs and other specific items. These measures are considered useful for evaluating the underlying performance of our operations on a comparable basis.

The table below reconciles reported net earnings, as per IFRS, with adjusted net earnings and adjusted diluted net earnings per share:

	16-week periods ended		40-week periods ended	
(in millions of US dollars, except per share amounts, or unless otherwise noted)	**January 30, 2022**	January 31, 2021	**January 30, 2022**	January 31, 2021
Net earnings, as reported	**746.4**	607.5	**2,205.6**	2,141.6
Adjusted for:				
Net foreign exchange (gain) loss	**(4.2)**	16.5	**(17.7)**	43.8
Acquisition costs	**3.2**	5.2	**5.8**	10.3
Gain on disposal of a property	**—**	—	**—**	(40.9)
Tax impact of the items above and rounding	**0.6**	(7.2)	**3.3**	(2.8)
Adjusted net earnings	**746.0**	622.0	**2,197.0**	2,152.0
Weighted average number of shares - diluted (in millions)	**1,061.7**	1,109.9	**1,068.6**	1,112.6
Adjusted diluted net earnings per share	**0.70**	0.56	**2.06**	1.93

Net interest-bearing debt/total capitalization. This measure represents a measure of financial condition that is especially used in financial circles.

The table below presents the calculation of this performance measure:

(in millions of US dollars, except ratio data)	**As at January 30, 2022**	As at April 25, 2021
Current portion of long-term debt and current portion of lease liabilities	**619.2**	1,526.7
Long-term debt and lease liabilities	**8,878.0**	8,075.3
Less: Cash and cash equivalents, including restricted cash	**2,552.5**	3,019.2
Net interest-bearing debt	**6,944.7**	6,582.8
Equity	**12,819.6**	12,180.9
Net interest-bearing debt	**6,944.7**	6,582.8
Total capitalization	**19,764.3**	18,763.7
Net interest-bearing debt to total capitalization ratio	**0.35 : 1**	0.35 : 1

Leverage ratio. This measure represents a measure of financial condition that is especially used in financial circles.

The table below reconciles net interest-bearing debt and adjusted EBITDA, for which the calculation methodologies are described in other tables of this section, with the leverage ratio:

	52-week periods ended	
(in millions of US dollars, except ratio data)	**January 30, 2022**	April 25, 2021
Net interest-bearing debt	**6,944.7**	6,582.8
Adjusted EBITDA	**5,215.3**	5,004.8
Leverage ratio	**1.33 : 1**	1.32 : 1

Return on equity. This measure is used to measure the relation between our profitability and our net assets. Average equity is calculated by taking the average of the opening and closing balance for the 52-week period.

The table below reconciles net earnings, as per IFRS, with the ratio of return on equity:

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**January 30, 2022**	April 25, 2021
Net earnings	**2,769.5**	2,705.5
Average equity	**12,487.3**	11,123.8
Return on equity	**22.2%**	24.3%

Return on capital employed. This measure is used to measure the relation between our profitability and capital efficiency. Earnings before interest and taxes (“EBIT”) represents net earnings plus income taxes and net financial expenses. Capital employed represents total assets less short-term liabilities not bearing interest, which excludes the current portion of long-term debt and current portion of lease liabilities. Average capital employed is calculated by taking the average of the beginning and ending balance of capital employed for the 52-week period.

The table below reconciles net earnings, as per IFRS, to EBIT with the ratio of return on capital employed:

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**January 30, 2022**	April 25, 2021
Net earnings	**2,769.5**	2,705.5
Add:		
Income taxes	**722.7**	653.6
Financial expenses	**301.2**	342.5
EBIT	**3,793.4**	3,701.6
Average capital employed	**24,175.6**	23,252.3
Return on capital employed	**15.7%**	15.9%

Profile

Couche-Tard is a global leader in convenience and fuel retail, operating in 26 countries and territories, with more than 14,100 stores, of which approximately 10,800 offer road transportation fuel. With its well-known Couche-Tard and Circle K banners, it is one of the largest independent convenience store operator in the United States and it is a leader in the convenience store industry and road transportation fuel retail in Canada, Scandinavia, the Baltics, as well as in Ireland. It also has an important presence in Poland and Hong Kong SAR. Approximately 124,000 people are employed throughout its network.

For more information on Alimentation Couche-Tard Inc. or to consult its annual Consolidated Financial Statements and Management Discussion and Analysis, please visit: https://corpo.couche-tard.com.

Contacts:

Investor relations: Jean-Philippe D. Lachance, Vice President, Investor Relations & Treasury
Tel: (450) 662-6632, ext. 4619
investor.relations@couche-tard.com

Media relations: Lisa Koenig, Head of Global Communications
Tel: (450) 662-6632, ext. 6611
communication@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”, “can”, “shall”, “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 in 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, uncertainty related to the duration and severity of the current COVID-19 pandemic, 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 March 16, 2022, at 8:00 A.M. (EDT)

Couche-Tard invites analysts known to the Corporation to ask their questions to its management on March 16, 2022, during the question and answer period of the webcast.

Financial Analysts, Investors, media and any individuals interested in listening to the webcast on Couche-Tard's results, which will take place online on March 16, 2022, at 8:00 A.M. (EDT) can do so by either accessing the Corporation's website at https://corpo.couche-tard.com/en and by clicking in the "Investors/Events & Presentations" section or by dialing 1-888-390-0549 or the international number 1-416-764-8682, followed by the access code 52847392#.

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