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

- Net earnings of $324.0 million ($0.57 per share on a diluted basis) for the second quarter of fiscal 2017 compared with $415.7 million ($0.73 per share on a diluted basis) for the second quarter of fiscal 2016. Excluding certain items for both comparable periods, net earnings for the quarter would have been approximately $331.0 million[1] ($0.58 per share on a diluted basis) compared with $375.0 million ($0.66 per share on a diluted basis) for the second quarter of fiscal 2016, a decrease of 11.7%, mostly attributable to unusually high fuel margins in the U.S. during the second quarter of fiscal 2016.
- Same-store merchandise revenues up 2.3% in the U.S., 3.4% in Europe[2] and 1.2% in Canada.
- Merchandise and service gross margin of 33.3% in the U.S., up 20bps, 41.4% in Europe, up 70bps and 33.6% in Canada, up 70bps.
- Same-store road transportation fuel volumes grew by 3.5% in the U.S., by 0.1% in Europe[2] and decreased by 0.8% in Canada.
- Road transportation fuel gross margin of US 19.87¢ per gallon in the U.S., down US 5.79¢ per gallon, US 9.10¢ per litre in Europe, down US 0.52¢ per litre and CA 6.75¢ per litre in Canada, down CA 0.15¢ per litre.
- 278 Imperial Oil retail sites successfully integrated to Couche-Tard's network in Ontario and Québec, of which 173 sites had been integrated by the end of the second quarter.
- On November 16, 2016, approval by CST's shareholders of the definitive merger agreement with Couche-Tard, for a total enterprise value of approximately $4.4 billion.
- 777 stores in North America and 653 stores in Europe now display the Corporation's new Circle K global brand.
- The Corporation's revolving unsecured operating credit D was amended to extend its maturity to December 2021.
- Quarterly dividend increased to CA 9.0¢ per share, an increase of more than 16%.
- Return on equity and return on capital employed were 24.8% and 17.8%, respectively, on a pro forma basis.

Laval, Québec, Canada, November 22, 2016 – For its second quarter ended October 9, 2016, Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B) announces net earnings of $324.0 million, representing $0.57 per share on a diluted basis. The results for the second quarter of fiscal 2017 were affected by pre-tax acquisition costs of $7.6 million, by a $6.5 million pre-tax accelerated depreciation and amortization expense in connection with the Corporation's global brand initiative, as well as by a pre-tax net foreign exchange gain of $5.3 million. The results for the second quarter of fiscal 2016 included a pre-tax net gain of $47.4 million from the disposal of the lubricants business, $8.6 million in pre-tax integration costs and expenses in connection with the Corporation's global brand initiative, a pre-tax net foreign exchange loss of $1.9 million, as well as acquisition costs of $0.8 million before taxes. Excluding these items, the adjusted diluted net earnings per share would have been $0.58 for the second quarter of fiscal 2017 compared with $0.66 for the second quarter of fiscal 2016, a decrease of 12.1%. This decrease is attributable to lower fuel margins in the U.S, compared with unusually high fuel margins in the corresponding period of the previous fiscal year and to the impact of a higher consolidated income tax rate. These items, which contributed to the decrease in net earnings, were partially offset by the impact of Couche-Tard's continued organic growth and by the contribution from acquisitions. All financial information is in US dollars unless stated otherwise.

"This was a very active quarter on the acquisition front. In August, we signed an agreement to acquire CST Brands, strategically strengthening our positioning in both the "U.S. sun belt" and Eastern Canada. Just a few days after that announcement, we received approval from the competition authorities to add 278 high quality Imperial Oil sites in Ontario and Quebec to the Couche-Tard family, which have been integrated to our network in October. Via these transactions alone, close to 1,600 more stores will be flying the Circle K and Couche-Tard banners in North America" says Brian Hannasch, President and CEO, Alimentation Couche-Tard.

[1] Please refer to section « Net earnings and adjusted net earnings » of this press release for additional information on this performance measure not defined by IFRS.
[2] Includes results from Topaz stores since the acquisition, except for its recently acquired Esso network, for which the historical information is unavailable.

“Meanwhile our global Circle K brand continues to gain momentum on both continents. We are pleased to report that more than 1,400 stores have been rebranded globally, of which, over 650 are in Europe. Also, we have observed that changing the brand from Statoil to Circle K in Europe has, in fact, increased customer traffic at the rebranded sites. This performance exceeded our expectations as a decline in customer traffic can usually be expected when replacing established brands.”

“And finally, as an attest to our ability to balance acquisitions with organic growth, same store metrics continued to expand on both continents. These were fueled by the growing popularity of our expanded food service offering, our effective merchandising strategies as well the rollout of our coffee concept, *Simply Great Coffee*, in a growing number of stores in North America. On that note, *Simply Great Coffee* has been selected the winner of CSNews’ Hot Beverages Innovator of the Year Award 2016, which makes us quite confident about the future performance of this product category,” concluded Mr. Hannasch.

Claude Tessier, Chief Financial Officer, says, “Our disciplined approach and commitment to fully integrating our acquisitions continues to yield results. Second quarter adjusted earnings per share and operating cash flow stood strong at $0.58 and $509.1 million, respectively. Our adjusted net interest-bearing debt on adjusted EBITDAR was 1.98, which puts us in a good position for the CST acquisition.” Mr. Tessier continues, “Our Board of Directors approved an increase in the quarterly dividend of CA 1.25¢ per share to CA 9.0¢ per share, an increase of more than 16.0%.”

Significant items of the second quarter of fiscal 2017

- A total of 777 stores in North America and 653 stores in Europe are now proudly displaying our new global convenience brand, Circle K. In connection with this rebranding, an incremental depreciation and amortization expense of $6.5 million was recorded to earnings in the second quarter of fiscal 2017.

- In connection with The Pantry integration, our current cost reduction run rate reached $78.0 million compared to our 24-month objective of $85.0 million. For merchandises and services supply cost reductions, we have quickly reached our projected run rate of approximately $27.0 million. As for fuel synergies associated with the fuel rebranding of approximately 1,000 stores in the U.S. southeast, we have also reached our target.

- During the quarter, our activities in the U.S. were negatively affected by events outside the normal course of business, including floods in Louisiana in August, the Colonial pipeline leak in September, as well as hurricane Matthew in October. These events affected at various levels more than 500 of our stores, mainly through loss of merchandise and road transportation fuel sales and incremental expenses, including inventory losses and clean-up costs. We were however able to limit the impact on our earnings through preventive actions. As such, we estimate that these events had a combined negative impact of approximately $4.0 million before income taxes on our results of the second quarter of fiscal 2017.

- On October 26, 2016, we amended the term of our revolving unsecured operating credit D to extend its maturity to December 2021.

Changes in our network for the second quarter of fiscal 2017

- On August 21, 2016, we signed a definitive merger agreement to acquire CST Brands Inc. (“CST”) for a total enterprise value of approximately $4.4 billion, including assumed debt. The transaction has been approved by CST's stockholders on November 16, 2016 and is still subject to regulatory approvals in the United States and Canada. We expect this transaction to close before the end of fiscal year 2017.

  We have also entered into an agreement with Parkland Fuel Corporation (“Parkland”) pursuant to which we would sell certain Canadian assets of CST to Parkland after the merger with CST for approximately $750.0 million. This transaction is subject to customary regulatory approval and closing conditions.

- On August 29, 2016, we signed an agreement to purchase 53 company-operated sites from American General Investments, LLC and North American Financial Group, LLC. The sites are located in Louisiana, United States and currently operate under the store brand Cracker Barrel. The transaction is expected to close before the end of fiscal year 2017 and is subject to the standard regulatory approvals and closing conditions.

- On September 7, 2016, we received the approval from the Canadian Competition Bureau to acquire 278 sites from Imperial Oil (“IOL”), of which 228 are located in Ontario, mostly in the Greater Toronto Area, and 50 are located in the Greater Montreal area. The integration of the sites began on September 12, 2016, and was completed on October 27, 2016. As of October 9, 2016, 173 sites had been integrated to our network. The agreement also includes 13 land banks and one dealer site as well as a long-term supply contract for Esso-branded fuel. Of the 278 sites, we lease the land and building for one site, we lease the land and owns the building for 38 sites and we own both these assets for the remaining 239 sites. At closing, all sites were operating under a commission agency model under which a third party operates the site.

- During the second quarter of fiscal year 2017, in connection with the acquisition of all shares of Dansk Fuel A/S ("Dansk Fuel") from A/S Dansk Shell on May 1, 2016, we transferred 77 sites from Dansk Fuel to our Danish subsidiary and converted those 77 sites to the company-operated model. As of October 9, 2016, we had completed the transfer and conversion of all 127 retained sites. During the same period, we also divested 24 of our legacy sites to Dansk Fuel.

- Subsequent to the end of the second quarter, on October 31, 2016, we sold all of our shares in Dansk Fuel to DCC Holding A/S, a subsidiary of DCC plc.

- Subsequent to the end of the second quarter, on November 15, 2016, we completed the acquisition, from Sevenoil Est OÜ and its affiliates, of 23 company-operated sites located in Estonia of which 11 are full service fuel stations with convenience stores and 12 are unmanned automated fuel stations.

Summary of changes in our store network during the second quarter and first half-year of fiscal 2017

The following table presents certain information regarding changes in our store network over the 12-week period ended October 9, 2016:

	12-week period ended October 9, 2016				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	7,965	520	1,020	1,066	10,571
Acquisitions	2	249	-	-	251
Openings / constructions / additions	11	-	6	20	37
Closures / disposals / withdrawals	(51)	(3)	(22)	(23)	(99)
Store conversion	80	(82)	2	-	-
Number of sites, end of period	8,007	684	1,006	1,063	10,760
Number of automated fuel stations included in the period end figures	946	-	18	-	964

The following table presents certain information regarding changes in our store network over the 24-week period ended October 9, 2016:

	24-week period ended October 9, 2016				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	7,929	530	1,016	1,072	10,547
Acquisitions	3	299	-	-	302
Openings / constructions / additions	25	0	20	43	88
Closures / disposals / withdrawals	(80)	(6)	(39)	(52)	(177)
Store conversion	130	(139)	9	-	-
Number of sites, end of period	8,007	684	1,006	1,063	10,760

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:

	12-week periods ended		24-week periods ended	
	October 9, 2016	October 11, 2015	**October 9, 2016**	October 11, 2015
Average for period				
Canadian Dollar	**0.7656**	0.7601	**0.7705**	0.7839
Norwegian Krone	**0.1208**	0.1212	**0.1207**	0.1245
Swedish Krone	**0.1173**	0.1182	**0.1187**	0.1190
Danish Krone	**0.1502**	0.1495	**0.1506**	0.1495
Zloty	**0.2589**	0.2657	**0.2570**	0.2676
Euro	**1.1179**	1.1159	**1.1206**	1.1155
Ruble	**0.0155**	0.0155	**0.0154**	0.0169

Summary analysis of consolidated results for the second quarter and first half-year of fiscal 2017

The following table highlights certain information regarding our operations for the 12 and 24-week periods ended October 9, 2016, and October 11, 2015.

	12-week periods ended			24-week periods ended		
(in millions of US dollars, unless otherwise stated)	**October 9, 2016**	October 11, 2015	Variation %	**October 9, 2016**	October 11, 2015	Variation %
Statement of Operations Data:						
Merchandise and service revenues [(1)]:						
United States	**1,791.3**	1,748.7	2.4	**3,604.2**	3,509.1	2.7
Europe	**284.0**	207.5	36.9	**547.6**	413.5	32.4
Canada	**450.9**	441.0	2.2	**907.2**	912.0	(0.5)
Total merchandise and service revenues	**2,526.2**	2,397.2	5.4	**5,059.0**	4,834.6	4.6
Road transportation fuel revenues:						
United States	**3,665.0**	3,985.6	(8.0)	**7,472.9**	8,423.3	(11.3)
Europe	**1,477.8**	1,336.7	10.6	**2,829.2**	2,711.6	4.3
Canada	**523.3**	518.3	1.0	**1,025.2**	1,080.0	(5.1)
Total road transportation fuel revenues	**5,666.1**	5,840.6	(3.0)	**11,327.3**	12,214.9	(7.3)
Other revenues [(2)]:						
United States	**3.0**	3.8	(21.1)	**6.0**	7.5	(20.0)
Europe	**249.1**	195.0	27.7	**472.6**	359.1	31.6
Canada	**1.1**	0.2	450.0	**1.2**	0.3	300.0
Total other revenues	**253.2**	199.0	27.2	**479.8**	366.9	30.8
Total revenues	**8,445.5**	8,436.8	0.1	**16,866.1**	17,416.4	(3.2)
Merchandise and service gross profit [(1)]:						
United States	**597.0**	578.0	3.3	**1,199.0**	1,161.4	3.2
Europe	**117.5**	84.5	39.1	**227.5**	170.7	33.3
Canada	**151.6**	144.9	4.6	**303.0**	301.2	0.6
Total merchandise and service gross profit	**866.1**	807.4	7.3	**1,729.5**	1,633.3	5.9
Road transportation fuel gross profit:						
United States	**348.9**	432.8	(19.4)	**711.4**	750.2	(5.2)
Europe	**241.8**	199.5	21.2	**452.0**	385.3	17.3
Canada	**41.4**	39.0	6.2	**80.7**	76.2	5.9
Total road transportation fuel gross profit	**632.1**	671.3	(5.8)	**1,244.1**	1,211.7	2.7
Other revenues gross profit [(2)]:						
United States	**3.0**	3.8	(21.1)	**6.0**	7.5	(20.0)
Europe	**45.2**	48.2	(6.2)	**86.2**	97.3	(11.4)
Canada	**1.1**	0.1	1000.0	**1.1**	0.3	266.7
Total other revenues gross profit	**49.3**	52.1	(5.4)	**93.3**	105.1	(11.2)
Total gross profit	**1,547.5**	1,530.8	1.1	**3,066.9**	2,950.1	4.0
Operating, selling, administrative and general expenses	**930.3**	886.6	4.9	**1,846.1**	1,766.6	4.5
Loss (gain) on disposal of property and equipment and other assets	**0.4**	5.6	(92.9)	**(1.2)**	3.7	(132.4)
Gain on the disposal of the lubricant business	**-**	(47.4)	(100.0)	**-**	(47.4)	(100.0)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**154.2**	137.6	12.1	**299.2**	277.6	7.8
Operating income	**462.6**	548.2	(15.6)	**922.8**	949.7	(2.8)
Net earnings	**324.0**	415.7	(22.1)	**648.4**	713.5	(9.1)
Other Operating Data:						
Merchandise and service gross margin [(1)]:						
Consolidated	**34.3%**	33.7%	0.6	**34.2%**	33.8%	0.4
United States	**33.3%**	33.1%	0.2	**33.3%**	33.1%	0.2
Europe	**41.4%**	40.7%	0.7	**41.5%**	41.3%	0.2
Canada	**33.6%**	32.9%	0.7	**33.4%**	33.0%	0.4
Growth of same-store merchandise revenues [(3)] [(4)]:						
United States	**2.3%**	5.2%		**2.3%**	5.2%	
Europe[(5)]	**3.4%**	3.1%		**4.4%**	2.2%	
Canada	**1.2%**	3.6%		**1.0%**	3.0%	
Road transportation fuel gross margin:						
United States (cents per gallon) [(4)]	**19.87**	25.66	(22.6)	**20.36**	22.01	(7.5)
Europe (cents per litre) [(6)]	**9.10**	9.62	(5.5)	**8.91**	9.61	(7.3)
Canada (CA cents per litre) [(4)]	**6.75**	6.90	(2.2)	**6.76**	6.64	1.8
Volume of road transportation fuel sold [(6)]:						
United States (millions of gallons)	**1,769.3**	1,698.6	4.2	**3,521.2**	3,380.2	4.2
Europe (millions of litres)[(5)]	**2,658.4**	2,073.0	28.2	**5,073.9**	4,007.7	26.6
Canada (millions of litres)	**810.1**	752.2	7.7	**1,563.1**	1,481.0	5.5
Growth of same-store road transportation fuel volume [(4)]:						
United States	**3.5%**	7.4%		**3.0%**	8.4%	
Europe	**0.1%**	3.5%		**0.6%**	2.7%	
Canada	**(0.8%)**	3.7%		**(0.1%)**	2.4%	
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.57**	0.73	(21.9)	**1.15**	1.26	(8.7)
Diluted net earnings per share (dollars per share)	**0.57**	0.73	(21.9)	**1.14**	1.25	(8.8)

	October 9, 2016	April 24, 2016	Variation $
Balance Sheet Data:			
Total assets	**13,605.9**	12,305.6	1,300.3
Interest-bearing debt	**3,571.3**	2,857.0	714.3
Shareholders' equity	**5,586.1**	5,043.6	542.5
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (7)	**0.33 : 1**	0.31 : 1	
Net interest-bearing debt/Adjusted EBITDA (8) (12)	**1.08 : 1**	0.97 : 1	
Adjusted net interest-bearing debt/Adjusted EBITDAR (9) (12)	**1.98 : 1**	1.98 : 1	
Returns:			
Return on equity (10) (12)	**24.8%**	27.0%	
Return on capital employed (11) (12)	**17.8%**	18.5%	

(1) Includes revenues derived from franchise fees, royalties, suppliers rebates on some purchases made by franchisees and licensees as well as wholesale merchandise.
(2) Includes revenues from rental of assets, from sale of aviation and marine fuel, heating oil, kerosene, lubricants and chemicals.
(3) Does not include services and other revenues (as described in footnote 1 and 2 above). Growth in Canada and in Europe is calculated based on local currencies.
(4) For company-operated stores only.
(5) Includes results from Topaz stores since the acquisition, except for its recently acquired Esso network, for which the historical information is unavailable.
(6) Total road transportation fuel.
(7) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by the addition of shareholders' equity and long-term debt, net of cash and cash equivalents and temporary investments. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(8) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by EBITDA (Earnings before Interest, Tax, Depreciation, Amortization and Impairment) adjusted for specific items. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(9) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt plus the product of eight times rent expense, net of cash and cash equivalents and temporary investments divided by EBITDAR (Earnings before Interest, Tax, Depreciation, Amortization, Impairment and Rent expense) adjusted for specific items. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(10) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: net earnings divided by average equity for the corresponding period. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(11) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: earnings before income taxes and interests divided by average capital employed for the corresponding period. Capital employed represents total assets less short-term liabilities not bearing interests. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(12) This ratio is presented on a pro forma basis. As of October 9, 2016, it includes Couche-Tard's, Topaz's and IOL's results for the 52-week period ended October 9, 2016. As of April 24, 2016, it includes Couche-Tard's results for fiscal year ended April 24, 2016, as well as Topaz's results for the 52-week period ended April 24, 2016. Topaz's earnings and balance sheet figures have been adjusted to make their presentation in line with Couche-Tard's policies. Given the timing of the acquisition of Topaz and of IOL, we have not yet completed the fair value assessment of the assets acquired, the liabilities assumed and the goodwill for these transactions.

Revenues

Our revenues were $8.4 billion for the second quarter of fiscal 2017, up by $8.7 million or 0.1%, compared with the corresponding quarter of fiscal 2016, mainly attributable to the contribution from acquisitions and recently opened stores as well as to the continued growth in same-store merchandise revenues and road transportation fuel volumes in both North America and Europe. These items, which contributed to the growth in revenues, were partly offset by a lower road transportation fuel average selling price and to the disposal of our lubricants business during the second quarter of fiscal 2016.

For the first half-year of fiscal 2017, our revenues decreased by $550.3 million, down 3.2% compared with the first half-year of fiscal 2016 due to a lower road transportation fuel average selling price, the disposal of our lubricants business, in addition to the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, partly offset by a lower road transportation fuel average selling price and to the disposal of our lubricants business during the second quarter of fiscal 2016.

More specifically, the growth in merchandise and service revenues for the second quarter of fiscal 2017 was $129.0 million. Excluding the net positive impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $125.0 million or 5.2%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $78.0 million, as well as to organic growth. Same-store merchandise revenues increased by 2.3% in the United States, by 3.4% in Europe and by 1.2% in Canada. Overall, our performance is attributable to our dynamic merchandising strategies, to the encouraging reaction from customers to the launch of our new global brand, to our competitive offer and to our expanded fresh food assortment, which are attracting more customers into our stores. Our merchandise and service revenues in Western Canada continue to be affected by a challenging economy, while our U.S. operations were temporarily affected by the combined negative impact of floods in Louisiana, the Colonial pipeline leak in Alabama, as well as hurricane Mathew in the Southeast. Moreover, revenues for certain product categories in the U.S. were also negatively affected by a deflationary impact on sales prices.

For the first half-year of fiscal 2017, the growth in merchandise and service revenues was $224.4 million. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by $241.0 million or 5.0%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $143.0 million and to strong organic growth. Same-store merchandise revenues grew by 2.3% in the United States, by 4.4% in Europe and by 1.0% in Canada.

Road transportation fuel revenues decreased by $174.5 million in the second quarter of fiscal 2017. Excluding the net negative impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues decreased by $177.0 million or 3.0%. This decrease was attributable to the impact of a lower average road transportation fuel selling price, which had a negative impact of approximately $635.0 million on our revenues, partly offset by the contribution from acquisitions, which amounted to approximately $282.0 million and by our organic growth. Same-store road transportation fuel volumes increased by 3.5% in the United States and by 0.1% in Europe due to – among other things – the positive response from customers to our Circle K rebranding initiatives, to our fuel branding and micro-market strategies as well as to the growing contribution from premium fuel. In the U.S., fuel volumes were negatively impacted by disruptions caused by our fuel rebranding activities in the Southeast, in addition to the negative combined impact of the floods in Louisiana, the Colonial pipeline leak in Alabama, as well as hurricane Matthew in the Southeast region. In Canada, same-store road transportation fuel volumes decreased by 0.8%, still impacted by a challenging economy in Western Canada.

The following table shows the average selling price of road transportation fuel in our various markets, starting with the third quarter of the fiscal year ended April 26, 2015:

Quarter	3rd	4th	1st	2nd	Weighted average
52-week period ended October 9, 2016					
United States (US dollars per gallon)	1.99	1.86	2.20	2.10	**2.04**
Europe (US cents per litre)	57.04	51.59	58.65	58.01	**56.29**
Canada (CA cents per litre)	88.41	82.28	92.66	90.36	**88.63**
52-week period ended October 11, 2015					
United States (US dollars per gallon)	2.54	2.34	2.64	2.36	**2.47**
Europe (US cents per litre)	73.99	66.51	72.16	66.12	**69.55**
Canada (CA cents per litre)	96.27	93.63	103.17	97.79	**97.73**

We believe that the lower average road transportation fuel selling price has no direct negative impact on our fuel gross margin. In fact, a lower fuel selling price usually works in our favor as customers tend to travel more in this context – buying more fuel – while also leaving them with more cash for their discretionary spending.

For the first half-year of fiscal 2017, road transportation fuel revenues decreased by $887.6 million. Excluding the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues decreased by $835.0 million or 6.8%. This decrease was attributable to the lower average selling price of road transportation fuel, which resulted in a decrease in revenues of approximately $1.7 billion. The decrease was partially offset by the contribution from acquisitions, which amounted to approximately $534.0 million, by the contribution of our recently opened stores as well as by organic growth. Same-store road transportation fuel volumes increased by 3.0% in the United States, by 0.6% in Europe and decreased by 0.1% in Canada.

Other revenues increased by $54.2 million in the second quarter of fiscal 2017 and by $112.9 million in the first half-year of fiscal 2017, mainly explained by the contribution from acquisitions, which amounted to approximately $127.0 million in the second quarter of fiscal 2017 and to $238.0 million in the first half of fiscal 2017, partly offset by the disposal of our lubricants business, which had an impact of approximately $33.0 million in the second quarter of fiscal 2017 and $72.0 million in the first half of fiscal 2017.

Gross profit

In the second quarter of fiscal 2017, the consolidated merchandise and service gross profit was $866.1 million, an increase of $58.7 million compared with the corresponding quarter of fiscal 2016. Excluding the net positive impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service gross profit increased by $58.0 million or 7.1%. This increase is attributable to the contribution from acquisitions, which amounted to approximately $27.0 million, and to organic growth. The gross margin increased by 0.2% in the United States to 33.3%, by 0.7% in Canada to 33.6% and by 0.7% in Europe, to 41.4%. Overall, this performance reflects changes in our product mix towards higher margin categories, including fresh food and hot dispensed beverages, the improvements we brought to our supply terms, as well as our merchandising strategy in line with market competitiveness and the economic conditions within each market.

During the first half-year of fiscal 2017, the consolidated merchandise and service gross profit was $1.7 billion, an increase of $96.2 million compared with the corresponding period of fiscal 2016. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, consolidated merchandise and service gross profit increased by $102.0 million or 6.3%. The gross margin was 33.3% in the United States, an increase of 0.2%, it was 41.5% in Europe, an increase of 0.2%, while in Canada it was 33.4%, an increase of 0.4%.

In the second quarter of fiscal 2017, the road transportation fuel gross margin was 19.87¢ per gallon in the United States a significant decrease of 5.79¢ per gallon while it was CA 6.75¢ per litre in Canada and 9.10¢ per litre in Europe. The decrease of 0.52¢ per litre in Europe is mostly attributable to the impact of lower margins in Ireland compared with our margins in continental Europe. Excluding the results for Ireland, road transportation fuel gross margin increased in Europe.

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 third quarter of the fiscal year ended April 26, 2015, were as follows:

(US cents per gallon)

Quarter	3rd	4th	1st	2nd	**Weighted average**
52-week period ended October 9, 2016					
Before deduction of expenses related to electronic payment modes	19.90	16.78	20.86	19.87	**19.40**
Expenses related to electronic payment modes	3.84	3.74	4.08	3.99	**3.91**
After deduction of expenses related to electronic payment modes	16.06	13.04	16.78	15.88	**15.49**
52-week period ended October 11, 2015					
Before deduction of expenses related to electronic payment modes	24.93	15.46	18.34	25.66	**21.23**
Expenses related to electronic payment modes	4.33	4.12	4.37	4.19	**4.26**
After deduction of expenses related to electronic payment modes	20.60	11.34	13.97	21.47	**16.97**

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

For the first half-year of fiscal 2017, the road transportation fuel gross margin was 20.36¢ per gallon in the United States, CA 6.76¢ per litre in Canada and stood at 8.91¢ per litre in Europe. Similar to the second quarter, the decrease in margin in Europe is entirely attributable to lower margins in Ireland compared with our margins in continental.

Other revenues gross profit decreased by $2.8 million in the second quarter of fiscal 2017 and by $11.8 million in the first half-year of fiscal 2017. This decrease is mainly explained by the disposal of our lubricants business, which had an impact of approximately $10.0 million in the second quarter of fiscal 2017 and $21.0 million in the first half of fiscal 2017, partly offset by the contribution from acquisitions, which amounted to approximately $7.0 million in the second quarter of fiscal 2017 and $12.0 million in the first half of fiscal 2017.

Operating, selling, administrative and general expenses

For the second quarter and first half-year of fiscal 2017, operating, selling, administrative and general expenses increased by 4.9% and 4.5%, respectively, compared with the corresponding periods of fiscal 2016, but increased by only 1.7% and 1.9%, respectively, if we exclude certain items as demonstrated by the following table:

	12-week period ended October 9, 2016	**24-week period ended October 9, 2016**
Total variance as reported	**4.9%**	**4.5%**
Subtract:		
Increase from incremental expenses related to acquisitions	5.2%	4.7%
Decrease from divestment of the lubricants business	(2.0%)	(1.5%)
Integration costs and expenses in connection with our global brand initiatives	(1.0%)	(0.5%)
Acquisition costs recognized to earnings of fiscal 2017	0.9%	0.5%
Increase (decrease) from the net impact of foreign exchange translation	0.1%	(0.4%)
Decrease from lower electronic payment fees, excluding acquisitions	-	(0.2%)
Remaining variance	**1.7%**	**1.9%**

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

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

During the second quarter of fiscal 2017, EBITDA decreased from $694.0 million to $622.1 million, a decline of 10.4% compared with the same quarter last year.

Excluding the specific items shown in the table below from EBITDA of the second quarter of fiscal 2017 and of the second quarter of fiscal 2016, the adjusted EBITDA for the second quarter of fiscal 2017 decreased by $26.4 million or 4.0% compared with the corresponding period of the previous fiscal year, mainly because of lower road transportation fuel gross margins in the U.S. Acquisitions contributed approximately $24.0 million to adjusted EBITDA, while the variation in exchange rates had a positive net impact of approximately $1.0 million.

During the first half-year of fiscal 2017, EBITDA decreased from $1,242.0 million to $1,236.8 million, a decline of 0.4% compared with the same period last year.

Excluding the specific items shown in the table below from EBITDA of the first half-year of fiscal 2017 and of the same period of fiscal 2016, the adjusted EBITDA for the first half-year of fiscal 2017 increased by $40.8 million or 3.4% compared with the corresponding period of the previous fiscal year, also negatively impacted by lower road transportation fuel gross margins in the U.S. Acquisitions contributed approximately $43.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $7.0 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, consider that those performance measures facilitate the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program. Note that our definition of these measures may differ from the one used by other public corporations:

	12-week periods ended		**24-week periods ended**	
(in millions of US dollars)	**October 9, 2016**	October 11, 2015	**October 9, 2016**	October 11, 2015
Net earnings, as reported	**324.0**	415.7	**648.4**	713.5
Add:				
Income taxes	**122.6**	115.5	**243.5**	208.6
Net financial expenses	**21.3**	25.2	**45.7**	42.3
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**154.2**	137.6	**299.2**	277.6
EBITDA	**622.1**	694.0	**1,236.8**	1,242.0
Remove:				
Acquisition costs	**(7.6)**	(0.8)	**(8.5)**	(1.4)
Net gain from the disposal of the lubricants business	**-**	47.4	**-**	47.4
Integration costs and expenses in connection with our global brand initiatives	**-**	(8.6)	**-**	(8.6)
Adjusted EBITDA	**629.7**	656.0	**1,245.3**	1,204.6

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

For the second quarter and first half-year of fiscal 2017, depreciation, amortization and impairment expenses increased by $16.6 million and $21.6 million, respectively, mainly as a result of investments made through acquisitions, the replacement of equipment, the addition of new stores and the ongoing improvement of our network. The depreciation, amortization and impairment expense was also increased by the accelerated depreciation and amortization of certain assets in connection with our global rebranding project, which had an impact of $6.5 million for the second quarter of fiscal 2017 and $13.4 million for the first half-year of fiscal 2017. These items, which contributed to the increase in depreciation, amortization and impairment expenses, were partially offset by the net impact of the translation of our European and Canadian operations into US dollars.

Net financial expenses

The second quarter of fiscal 2017 shows net financial expenses of $21.3 million, a decrease of $3.9 million compared with the second quarter of fiscal 2016. Excluding the net foreign exchange gain of $5.3 million and the net foreign exchange loss of $1.9 million recorded, respectively, in the second quarters of fiscal 2017 and fiscal 2016, net financial expenses increased by $3.3 million. This increase is mainly attributable to our higher average long-term debt. The net foreign exchange gain of $5.3 million for the second quarter of fiscal 2017 is mainly due to the impact of foreign exchange variations on certain cash balances.

The first half-year of fiscal 2017 shows net financial expenses of $45.7 million, an increase of $3.4 million compared with the first half-year of fiscal 2016. Excluding the net foreign exchange gains of $8.5 million and of $4.9 million recorded in the first half-years of fiscal 2017 and 2016, respectively, net financial expenses increased by $7.0 million for reasons similar to those of the second quarter. The net foreign exchange gain of $8.5 million is mainly due to the impact of foreign exchange variations on certain cash balances.

Income taxes

The income tax rate for the second quarter of fiscal 2017 was 27.5% compared with an income tax rate of 21.7% for the second quarter of fiscal 2016. The income tax rate for the second quarter of 2016 was lowered by the non-taxable net gain from the disposal of our lubricant business. Excluding the impact of this transaction, we estimate that the income tax rate for the second quarter of fiscal 2016 would have been approximately 24.2%. The increase in our income tax rate stems from our growing presence in the United States, where our income tax rate is the highest. For the first half-year of fiscal 2017, the income tax rate was 27.3%.

Net earnings and adjusted net earnings

We closed the second quarter of fiscal 2017 with net earnings of $324.0 million, compared with $415.7 million for the second quarter of the previous fiscal year, a decrease of $91.7 million or 22.1%. Diluted net earnings per share stood at $0.57, compared with $0.73 the previous year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a positive net impact of approximately $1.0 million on net earnings of the second quarter of fiscal 2017.

Excluding the items shown in the table below from net earnings of the second quarter of fiscal 2017 and fiscal 2016, net earnings for the second quarter of fiscal 2017 would have been approximately $331.0 million, compared with $375.0 million for the comparable quarter of the previous year, a decrease of $44.0 million or 11.7%. Adjusted diluted net earnings per share would have been approximately $0.58 for the second quarter of fiscal 2017, compared with $0.66 for the corresponding period of fiscal 2016, a decrease of 12.1%.

For the first half-year of fiscal 2017, net earnings were $648.4 million, compared with $713.5 million for the comparable period of fiscal year 2016, a decrease of $65.1 million or 9.1%. Diluted net earnings per share stood at $1.14, compared with $1.25 the previous year. The translation of revenues and expenses from our Canadian and European operations into US dollars had a negative net impact of approximately $7.0 million on net earnings of the half-year of fiscal 2017.

Excluding the items shown in the table below from net earnings of the first half-year of fiscal 2017 and fiscal 2016, net earnings for the first half-year of fiscal 2017 would have been approximately $659.0 million, compared with $667.0 million for the comparable period of the previous year, a decrease of $8.0 million or 1.2%. Adjusted diluted net earnings per share would have been approximately $1.16 for the first half-year of fiscal 2017, compared with $1.17 for the corresponding period of fiscal 2016, a decrease of 0.9%.

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

	12-week periods ended		**24-week periods ended**	
(in millions of US dollars)	**October 9, 2016**	October 11, 2015	**October 9, 2016**	October 11, 2015
Net earnings, as reported	**324.0**	415.7	**648.4**	713.5
Remove:				
Impact of accelerated depreciation and amortization	**(6.5)**	-	**(13.4)**	-
Acquisition costs	**(7.6)**	(0.8)	**(8.5)**	(1.4)
Net foreign exchange gain (loss)	**5.3**	(1.9)	**8.5**	4.9
Net gain from the disposal of the lubricants business	**-**	47.4	**-**	47.4
Integration costs and expenses in connection with our global brand initiatives	**-**	(8.6)	**-**	(8.6)
Tax impact of the items above and rounding	**1.8**	4.6	**2.8**	4.2
Adjusted net earnings	**331.0**	375.0	**659.0**	667.0

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

Dividends

During its November 22, 2016 meeting, the Corporation's Board of Directors (the "Board") approved an increase in the quarterly dividend of CA 1.25¢ per share to CA 9.0¢ per share, an increase of more than 16.0%.

During the same meeting, the Board declared a quarterly dividend of CA 9.0¢ per share for the second quarter of fiscal 2017 to shareholders on record as at December 1, 2016, and approved its payment for December 15, 2016. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Profile

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

As of October 9, 2016, Couche-Tard's network comprised of 8,001 convenience stores throughout North America, including 6,616 stores with road transportation fuel dispensing. Its North American network consists of 15 business units, including 11 in the United States covering 41 states and 4 in Canada covering all 10 provinces. Approximately 80,000 people are employed throughout its network and at its service offices in North America.

In Europe, Couche-Tard operates a broad retail network across Scandinavia, Ireland, Poland, the Baltics states and Russia through ten business units. As of October 9, 2016, Couche-Tard's network comprised of 2,759 stores, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel sites which only offer road transportation fuel. Couche-Tard also offers other products, including stationary energy, marine fuel, aviation fuel, lubricants and chemicals. Including employees at its branded franchise stores, approximately 25,000 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, more than 1,500 stores are operated under the Circle K banner in 13 other countries and territories worldwide (China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam), which brings the total network to close to 12,300 stores.

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

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The statements set forth in this press release, which describes Couche-Tard's objectives, projections, estimates, expectations or forecasts, may constitute forward-looking statements within the meaning of securities legislation. Positive or negative verbs such as "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 November 22, 2016 at 2:30 P.M. (EDT)

Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B), will be issuing on November 22, 2016, the financial results for its second quarter of 2017. Therefore, Couche-Tard invites analysts known to the Corporation to send their two questions to its management before 11:00 AM (EST) on November 22, 2016.

Financial analysts and investors who wish to listen to the webcast on Couche-Tard's results which will take place online on November 22, 2016, at 2:30 P.M. (EDT) 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 or by dialing 1-866-865-3087 or the international number 1-647-427-7450, followed by the access code 16626101#. 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)

	12 weeks		24 weeks	
For the periods ended	**October 9, 2016**	October 11, 2015	**October 9, 2016**	October 11, 2015
	$	$	**$**	$
Revenues	**8,445.5**	8,436.8	**16,866.1**	17,416.4
Cost of sales	**6,898.0**	6,906.0	**13,799.2**	14,466.3
Gross profit	**1,547.5**	1,530.8	**3,066.9**	2,950.1
Operating, selling, administrative and general expenses	**930.3**	886.8	**1,846.1**	1,766.5
Loss (gain) on disposal of property and equipment and other assets	**0.4**	5.6	**(1.2)**	3.7
Gain on disposal of lubricants business (Note 4)	**-**	(47.4)	**-**	(47.4)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**154.2**	137.6	**299.2**	277.6
	1,084.9	982.6	**2,144.1**	2,000.4
Operating income	**462.6**	548.2	**922.8**	949.7
Share of earnings of joint ventures and associated companies accounted for using the equity method	**5.3**	8.2	**14.8**	14.7
Financial expenses	**27.8**	25.1	**56.5**	50.7
Financial revenues	**(1.2)**	(1.8)	**(2.3)**	(3.5)
Foreign exchange (gain) loss from currency conversion	**(5.3)**	1.9	**(8.5)**	(4.9)
Net financial expenses	**21.3**	25.2	**45.7**	42.3
Earnings before income taxes	**446.6**	531.2	**891.9**	922.1
Income taxes	**122.6**	115.5	**243.5**	208.6
Net earnings	**324.0**	415.7	**648.4**	713.5
Net earnings attributable to:				
Shareholders of the Corporation	**324.0**	415.7	**648.4**	713.3
Non-controlling interest	**-**	-	**-**	0.2
Net earnings	**324.0**	415.7	**648.4**	713.5
Net earnings per share (Note 6)				
Basic	**0.57**	0.73	**1.14**	1.26
Diluted	**0.57**	0.73	**1.14**	1.25
Weighted average number of shares – basic (in thousands)	**567,712**	567,414	**567,695**	567,391
Weighted average number of shares – diluted (in thousands)	**569,288**	569,209	**569,252**	569,208
Number of shares outstanding at end of period (in thousands)	**567,872**	567,418	**567,872**	567,418

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)

	12 weeks		24 weeks	
For the periods ended	**October 9, 2016**	October 11, 2015	**October 9, 2016**	October 11, 2015
	$	$	**$**	$
Net earnings	**324.0**	415.7	**648.4**	713.5
Other comprehensive income				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Changes in cumulative translation adjustments (1)	**49.3**	129.7	**27.4**	200.7
Change in fair value of cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its foreign operations (2)	**(33.5)**	(21.3)	**(78.5)**	(101.7)
Net interest on cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its foreign operations (3)	**(0.8)**	(0.5)	**(0.9)**	(1.1)
Cash flow hedges				
Change in fair value of financial instruments (4)	**3.3**	2.6	**3.7**	8.7
Gain realized on financial instruments transferred to earnings (5)	**(2.4)**	(2.4)	**(4.2)**	(7.5)
Available-for-sale investment				
Change in fair value of an available-for-sale investment (6)	**8.7**	-	**20.4**	-
Items that will never be reclassified to earnings				
Net actuarial (loss) gain (7)	**(5.8)**	(5.8)	**(7.4)**	21.8
Other comprehensive income (loss)	**18.8**	102.3	**(39.5)**	120.9
Comprehensive income	**342.8**	518.0	**608.9**	834.4
Comprehensive income attributable to:				
Shareholders of the Corporation	**342.8**	518.0	**608.9**	834.2
Non-controlling interest	**-**	-	**-**	0.2
Comprehensive income	**342.8**	518.0	**608.9**	834.4

(1) For the 12 and 24-week periods ended October 9, 2016, these amounts include a loss of $29.1 (net of income taxes of $4.5) and a loss of $29.0 (net of income taxes of $4.5), respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts include a gain of $0.1 (net of income taxes) and a loss of $78.9 (net of income taxes of $12.5), respectively. This gain and these losses arise from the translation of US dollar, Norwegian krone and euro denominated long-term debts designated as foreign exchange hedges of the Corporation's net investments in its operations in the US and Norway, respectively and the translation of US dollar denominated long-term debt, in combination with cross currency interest rate swaps, designated a foreign exchange hedge of the Corporation's net investments in its operations in Denmark, the Baltics and Ireland.

(2) For the 12 and 24-week periods ended October 9, 2016, these amounts are net of income taxes of $0 and $0.5, respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts are net of income taxes of $7.0 and $6.7, respectively.

(3) For the 12 and 24-week periods ended October 9, 2016, these amounts are net of income taxes of $0.8 and $1.7, respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts are net of income taxes of $0.4 and $0.6, respectively.

(4) For the 12 and 24-week periods ended October 9, 2016, these amounts are net of income taxes of $1.5 and $1.4, respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts are net of income taxes of $1.0 and $3.6, respectively.

(5) For the 12 and 24-week periods ended October 9, 2016, these amounts are net of income taxes of $1.2 and $1.5, respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts are net of income taxes of $1.0 and $2.8, respectively.

(6) For the 12 and 24-week periods ended October 9, 2016 this amount is net of income taxes of $1.4 and $2.8, respectively.

(7) For the 12 and 24-week periods ended October 9, 2016, these amounts are net of income taxes of $4.3 and $6.3, respectively. For the 12 and 24-week periods ended October 11, 2015, these amounts are net of income taxes of $2.3 and $7.2, respectively.

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions of US dollars, unaudited)

For the 24-week period ended							**October 9, 2016**
	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive loss (Note 7)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**699.8**	**14.8**	**5,022.2**	**(693.2)**	**5,043.6**	**-**	**5,043.6**
Comprehensive income:							
Net earnings			**648.4**		**648.4**		**648.4**
Other comprehensive loss				**(39.5)**	**(39.5)**		**(39.5)**
Comprehensive income					**608.9**	**-**	**608.9**
Dividends declared			**(68.3)**		**(68.3)**		**(68.3)**
Stock option-based compensation expense		**1.7**			**1.7**		**1.7**
Initial fair value of stock options exercised	**0.9**	**(0.9)**			**-**		**-**
Cash received upon exercise of stock options	**0.2**				**0.2**		**0.2**
Balance, end of period	**700.9**	**15.6**	**5,602.3**	**(732.7)**	**5,586.1**	**-**	**5,586.1**

For the 24-week period ended							October 11, 2015
	Attributable to the shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive loss (Note 7)	Total	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance, beginning of period	697.2	10.7	3,919.8	(738.6)	3,889.1	13.9	3,903.0
Comprehensive income:							
Net earnings			713.3		713.3	0.2	713.5
Other comprehensive income				120.9	120.9	-	120.9
Comprehensive income					834.2	0.2	834.4
Dividends declared			(47.1)		(47.1)	(0.7)	(47.8)
Nullification of redemption liability			13.0		13.0	-	13.0
Repurchase of non-controlling interest						(11.8)	(11.8)
Non-controlling interest transferred to contributed surplus		1.6			1.6	(1.6)	-
Stock option-based compensation expense		1.7			1.7		1.7
Initial fair value of stock options exercised	0.1	(0.1)			-		-
Cash received upon exercise of stock options	0.2				0.2		0.2
Balance, end of period	697.5	13.9	4,599.0	(617.7)	4,692.7	-	4,692.7

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

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

For the periods ended	12 weeks		24 weeks	
	October 9, 2016	October 11, 2015	**October 9, 2016**	October 11, 2015
	$	$	**$**	$
Operating activities				
Net earnings	**324.0**	415.7	**648.4**	713.5
Adjustments to reconcile net earnings to net cash provided by operating activities				
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets, net of amortization of deferred credits	**154.1**	136.3	**299.5**	258.7
Deferred income taxes	**(5.6)**	(26.6)	**5.5**	(35.6)
Deferred credits	**5.5**	6.9	**14.8**	10.9
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**0.5**	(4.0)	**(5.6)**	(7.7)
Loss (gain) on disposal of property and equipment and other assets	**0.4**	5.6	**(1.2)**	3.7
Gain on disposal of lubricants business (Note 4)	**-**	(47.4)	**-**	(47.4)
Other	**(2.5)**	13.2	**(1.2)**	12.8
Changes in non-cash working capital	**32.7**	111.4	**(37.9)**	102.3
Net cash provided by operating activities	**509.1**	611.1	**922.3**	1,011.2
Investing activities				
Business acquisitions (Note 3)	**(828.0)**	(23.1)	**(829.4)**	(110.1)
Purchase of property and equipment, intangible assets and other assets	**(181.3)**	(186.1)	**(312.4)**	(274.2)
Proceeds from disposal of property and equipment and other assets	**17.3**	20.8	**39.9**	43.1
Investment in an associated company held-for-sale (Note 3)	**(7.4)**	-	**(301.4)**	-
Deposit for business acquisition	**3.4**	-	**(0.5)**	-
Restricted cash	**(5.3)**	1.2	**(4.8)**	0.6
Proceeds from disposal of lubricants business (Note 4)	**-**	81.0	**-**	81.0
Net cash used in investing activities	**(1,001.3)**	(106.2)	**(1,408.6)**	(259.6)
Financing activities				
Net increase (decrease) in term revolving unsecured operating credit D (Note 5)	**770.4**	(765.6)	**(51.0)**	(1,352.7)
Cash dividend paid	**(68.3)**	(47.1)	**(68.3)**	(47.1)
Net decrease in other debt	**(6.9)**	(3.1)	**(14.9)**	(7.2)
Issuance of euro denominated senior unsecured notes, net of financing costs (Note 5)	**(2.0)**	-	**851.8**	-
Issuance of shares upon exercise of stock options	**0.2**	0.2	**0.2**	0.2
Repurchase of non-controlling interest (note 9)	**-**	(11.8)	**-**	(11.8)
Settlement of cross-currency interest rate swaps	**-**	-	**(9.8)**	-
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs	**-**	-	**-**	562.0
Net cash provided by (used in) financing activities	**693.4**	(827.4)	**708.0**	(856.6)
Effect of exchange rate fluctuations on cash and cash equivalents	**8.5**	(28.8)	**9.5**	2.3
Net increase (decrease) in cash and cash equivalents	**209.7**	(351.3)	**231.2**	(102.7)
Cash and cash equivalents, beginning of period	**620.9**	824.4	**599.4**	575.8
Cash and cash equivalents, end of period	**830.6**	473.1	**830.6**	473.1
Supplemental information:				
Interest paid	**12.0**	10.2	**43.4**	29.6
Interest and dividends received	**4.4**	5.7	**10.6**	9.9
Income taxes paid	**23.1**	35.0	**147.9**	137.0
Cash and cash equivalents components:				
Cash and demand deposits			**586.4**	368.1
Liquid investments			**244.2**	105.0
			830.6	473.1

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 October 9, 2016	As at April 24, 2016
	$	$
Assets		
Current assets		
Cash and cash equivalents	**830.6**	599.4
Restricted cash	**6.5**	1.7
Accounts receivable	**1,433.2**	1,416.7
Inventories	**867.2**	816.7
Prepaid expenses	**64.5**	67.9
Income taxes receivable	**-**	32.9
Investment in an associated company held-for-sale (Notes 3 and 12)	**137.3**	-
	3,339.3	2,935.3
Property and equipment	**6,879.8**	6,411.0
Goodwill	**2,293.9**	1,843.1
Intangible assets	**604.4**	631.9
Other assets	**350.3**	342.0
Investment in joint ventures and associated companies	**96.6**	91.2
Deferred income taxes	**41.6**	51.1
	13,605.9	12,305.6
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**2,464.4**	2,518.9
Provisions	**113.0**	105.6
Income taxes payable	**113.5**	54.1
Current portion of long-term debt (Note 5)	**29.3**	28.6
	2,720.2	2,707.2
Long-term debt (Note 5)	**3,542.0**	2,828.4
Provisions	**464.4**	475.0
Pension benefit liability	**104.2**	100.3
Other financial liabilities	**282.6**	221.8
Deferred credits and other liabilities	**260.6**	264.9
Deferred income taxes	**645.8**	664.4
	8,019.8	7,262.0
Equity		
Capital stock (Note 8)	**700.9**	699.8
Contributed surplus	**15.6**	14.8
Retained earnings	**5,602.3**	5,022.2
Accumulated other comprehensive loss (Note 7)	**(732.7)**	(693.2)
	5,586.1	5,043.6
	13,605.9	12,305.6

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

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

1. CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION

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

The interim financial statements were prepared in accordance with the same accounting policies and methods as the audited annual consolidated financial statements for the year ended April 24, 2016. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto in the Corporation's 2016 Annual Report. The results of operations for the interim periods presented do not necessarily reflect results expected for the full fiscal year. The Corporation's business follows a seasonal pattern. The busiest period is the first half-year of each fiscal year, which includes summer's sales.

On November 22, 2016, the Corporation's interim financial statements were approved by the Board of Directors who also approved their publication.

Comparative figures

The Corporation has made adjustments to the preliminary purchase price allocation for the acquisition of Topaz. As a result, changes were made to: Property and equipment, Goodwill and Deferred income taxes assets, Accounts payable and accrued liabilities and Current Provisions in the Consolidated Balance Sheet as at April 24, 2016.

2. ACCOUNTING CHANGES

Recently issued but not yet implemented

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

3. BUSINESS ACQUISITIONS

Acquisition of certain Canadian assets from Imperial Oil

On September 7, 2016, the Corporation received the approval from the Canadian Competition Bureau to acquire from Imperial Oil 278 sites, of which 228 are located in Ontario, mostly in the Greater Toronto Area, and 50 are located in the Greater Montreal area. The integration of the sites began on September 12, 2016 and was completed on October 27, 2016. As of October 9, 2016, 173 sites had been integrated to the Corporation's network. The agreement also includes 13 land banks and 2 dealer sites, as well as a long-term supply contract for Esso-branded fuel. Of the 173 sites, the Corporation leases the land and building for 1 site, leases the land and owns the building for 26 sites and owns both these assets for the remaining 146 sites. At closing, all sites were operating under a commission agency model under which a third party operates the site.

Acquisition costs of \$6.4 in connection with this acquisition are included in Operating, selling, administrative and general expenses.

As of October 9, 2016, the cash consideration for the 173 acquired sites amounted to \$805.3. Since the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for all transactions, the preliminary purchase price allocations of this acquisition is subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

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

The preliminary purchase price allocation 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	**9.6**
Property and equipment	**404.7**
Other assets	**6.8**
Total tangible assets	**421.1**
Liabilities assumed	
Provisions	**10.1**
Total liabilities	**10.1**
Net tangible assets acquired	**411.0**
Goodwill	**394.3**
Total cash consideration paid	**805.3**

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

This acquisition was concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. This acquisition generated goodwill mainly due to the strategic location of stores acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $32.3 and $1.9, respectively. Considering the nature of this acquisition, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded this acquisition at the beginning of its fiscal year.

Other acquisitions

- On May 1, 2016, the Corporation completed the acquisition of all the shares of Dansk Fuel A/S ("Dansk Fuel") from A/S Dansk Shell, comprising 315 service stations, a commercial fuel business and an aviation fuel business, all located in Denmark, for a total consideration of $301.4.

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

  - will retain 127 sites, of which 82 are owned and 45 are leased from third parties;
  - will divest the remaining of the Dansk Fuel business in addition to 24 of its legacy sites; and
  - Couche-Tard and Dansk Fuel will operate separately.

  In order to meet these requirements, the Corporation signed an agreement for the sale of the shares of Dansk Fuel to DCC Holding A/S, a subsidiary of DCC plc. Until approval and completion of this transaction, a trustee had been appointed to manage and operate Dansk Fuel. As the Corporation did not have control over Dansk Fuel's operation as at October 9, 2016, its investment in Dansk Fuel is accounted for as an investment in an associated company using the equity method and is presented as an investment in an associated company held-for-sale on the consolidated balance sheet. The sale of all the shares of Dansk Fuel to DCC Holding A/S closed on October 31, 2016, subsequent to quarter end.

  During the 24-week period ended October 9, 2016, the Corporation transferred all 127 retained sites from Dansk Fuel to its Danish subsidiary for a deemed consideration of $169.6. The Corporation gained control over the operations of the retained sites as they were transferred from Dansk Fuel to its Danish subsidiary and from that date, the results and assets related to these sites were included in its balance sheet and its consolidated earnings. Of the 127 retained sites, 72 are full-service stations, 49 are unmanned automated fuel stations and 6 are truck stops, all of which were dealer-operated at the transfer date.

- During the 24-week period ended October 9, 2016, the Corporation has reached agreements with the independent dealers of the Dansk Fuel sites and converted all the retained sites to company-operated sites. During the same period, the Corporation also acquired two stores through distinct transactions. The Corporation owns the land and building for these sites. These transactions were settled for a total cash consideration of $24.1. Since the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for all transactions, the preliminary purchase price allocations of these acquisitions are subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

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

For the 24-week period ended October 9, 2016, acquisition costs of $2.2 in connection with these acquisitions and other unrealized or ongoing acquisitions are included in Operating, selling, administrative and general expenses.

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

	$
Tangible assets acquired	
Inventories	**11.0**
Property and equipment	**105.8**
Other assets	**3.6**
Total tangible assets	**120.4**
Liabilities assumed	
Accounts payable and accrued liabilities	**0.4**
Provisions	**3.8**
Deferred credits and other liabilities	**1.4**
Total liabilities	**5.6**
Net tangible assets acquired	**114.8**
Goodwill	**78.9**
Total consideration	**193.7**
Deemed consideration for the transfer of 127 sites from Dansk Fuel A/S	**169.6**
Total cash consideration paid	**24.1**

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

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill mainly due to the strategic location of stores acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $48.0 and $1.7, respectively. Considering the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

Acquisition of Topaz

On February 1, 2016, the Corporation acquired all outstanding shares of Topaz Energy Group Limited, Resource Property Investment Fund plc and Esso Ireland Limited, collectively known as "Topaz" for a total cash consideration of €257.5 or $280.4 plus a contingent consideration of a maximum undiscounted amount of €15.0 ($16.3) payable upon signature of two contracts. The fair value of the contingent consideration was estimated at €15.0 ($16.3) using the Corporation's knowledge of the negotiations' progress at the acquisition date and represents the Corporation's best estimate. Topaz is the leading convenience and fuel retailer in Ireland with a network comprising 444 service stations. Of these service stations, 158 are operated by Topaz and 286 by dealers. As a result of this transaction, the Corporation became owner of the land and buildings for 77 sites, lessee of the land and owner of the buildings for 24 sites and lessee of these same assets for the remaining sites. The agreement also encompasses a significant commercial fuel operation, with over 30 depots and two owned terminals.

Given the size and timing of the transaction, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction. Consequently, the fair value adjustments related to this acquisition are included in goodwill in the preliminary purchase price allocation. The Corporation's preliminary work has identified the following intangible assets which have not yet been valued in this preliminary allocation: customer relations, software, favorable leases and a trademark. This preliminary purchase price allocation is subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed by the end of the 2017 fiscal year. The table below shows Topaz's initial purchase price allocation as reported in the Corporation's 2016 annual consolidated financial statements and the changes made to adjust this allocation based on available information as at the date of authorization of these consolidated financial statements.

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

	Initial allocation	Changes	Adjusted allocation
	$	$	$
Assets			
Current assets			
Cash and cash equivalents	28.4		28.4
Accounts receivable	213.5		213.5
Inventories	38.1		38.1
Prepaid expenses	12.9		12.9
	292.9	-	292.9
Property and equipment	509.0	5.9	514.9
Identifiable intangible assets	5.1		5.1
Other assets	5.1		5.1
Deferred income taxes	2.2	2.8	5.0
	814.3	8.7	823.0
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	237.7	2.1	239.8
Provisions	2.4	(0.5)	1.9
Current portion of long-term debt	231.3		231.3
	471.4	1.6	473.0
Long term debt	153.0		153.0
Provisions	19.5		19.5
Pension benefit liability	9.6		9.6
	653.5	1.6	655.1
Net identifiable assets	160.8	7.1	167.9
Acquisition goodwill	136.4	(7.6)	128.8
Consideration	297.2	(0.5)	296.7
Consideration to receive	-	(0.5)	(0.5)
Contingent consideration	16.3		16.3
Cash and cash equivalents acquired	28.4		28.4
Net cash flow for the acquisition	252.5	-	252.5

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

This acquisition was concluded in order to penetrate new markets and to increase its economies of scale.

Acquisition of CST Brands Inc.

On August 21, 2016, the Corporation signed a definitive merger agreement to acquire CST Brands Inc. for a total enterprise value of approximately $4.4 billion, including assumed debt. The transaction has been approved by CST's stockholders on November 16, 2016 and is still subject to regulatory approvals in the United States and Canada. The Corporation expects the transaction to close before the end of fiscal year 2017.

4. DISPOSAL OF BUSINESS

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

5. LONG-TERM DEBT

	As at October 9, 2016	As at April 24, 2016
	$	$
Canadian dollar denominated senior unsecured notes	**1,502.5**	1,573.2
Euro denominated senior unsecured notes maturing in May 2026	**830.5**	-
Canadian dollar denominated term revolving unsecured operating credit D, maturing in December 2021 (Note 12)	**825.3**	43.0
NOK denominated senior unsecured notes maturing in February 2026	**83.1**	81.8
NOK floating-rate bonds, 5.04%, maturing in February 2017	**1.9**	1.8
NOK fixed-rate bonds, 5.75%, maturing in February 2019	**1.6**	1.6
US dollar denominated term revolving unsecured operating credit D, maturing in December 2021 (Note 12)	**-**	841.2
Other debt, including finance leases, maturing at various dates	**326.4**	314.4
	3,571.3	2,857.0
Current portion of long-term debt	**29.3**	28.6
	3,542.0	2,828.4

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

6. 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 October 9, 2016			12-week period ended October 11, 2015		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**324.0**	**567,712**	**0.57**	415.7	567,414	0.73
Dilutive effect of stock options		**1,576**	**-**		1,795	-
Diluted net earnings available for Class A and B shareholders	**324.0**	**569,288**	**0.57**	415.7	569,209	0.73

	24-week period ended October 9, 2016			24-week period ended October 11, 2015		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**648.4**	**567,695**	**1.14**	713.3	567,391	1.26
Dilutive effect of stock options		**1,557**	**-**		1,817	(0.01)
Diluted net earnings available for Class A and B shareholders	**648.4**	**569,252**	**1.14**	713.3	569,208	1.25

When they have an anti-dilutive effect, stock options must be excluded from the calculation of the diluted net earnings per share. For the 12 and 24-week periods ended October 9, 2016, 217,383 and 357,969 stock options were excluded, respectively and 145,011 stock options were excluded for the 12 and 24-week periods ended October 11, 2015.

7. ACCUMULATED OTHER COMPREHENSIVE LOSS

As at October 9, 2016

	Attributable to shareholders of the Corporation						
	Items that may be reclassified to earnings					**Will never be reclassified to earnings**	
	Cumulative translation adjustments	**Net investment hedge**	**Net interest on net investment hedge**	**Available-for-sale investment**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive loss**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**(406.7)**	**(316.4)**	**-**	**7.7**	**4.0**	**(29.1)**	**(740.5)**
Less: Income taxes	**-**	**(0.2)**	**(1.0)**	**1.1**	**1.1**	**(8.8)**	**(7.8)**
Balance, net of income taxes	**(406.7)**	**(316.2)**	**1.0**	**6.6**	**2.9**	**(20.3)**	**(732.7)**

As at October 11, 2015

	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 loss
	$	$	$	$	$	$
Balance, before income taxes	(354.1)	(256.6)	4.4	9.0	(14.5)	(611.8)
Less: Income taxes	-	7.0	1.1	2.3	(4.5)	5.9
Balance, net of income taxes	(354.1)	(263.6)	3.3	6.7	(10.0)	(617.7)

8. CAPITAL STOCK

Issued and outstanding shares

As at October 9, 2016, the Corporation has 147,766,540 (147,766,540 as at April 24, 2016) issued and outstanding Class A multiple voting shares each comprising ten votes per share and 420,105,242 (419,823,571 as at April 24, 2016) issued and outstanding Class B subordinate voting shares each comprising one vote per share.

Stock options

For the 12-week period ended October 9, 2016, a total of 204,300 stock options were exercised (14,025 for the 12-week period ended October 11, 2015). For the 24-week period ended October 9, 2016, a total of 318,971 stock options were exercised (60,185 for the 24-week period ended October 11, 2015).

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

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

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

The fair value of stock options granted for the 12 and 24-week periods ended October 9, 2016 was CA$18.57 per option.

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

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

10. SEGMENTED INFORMATION

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

(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 October 9, 2016				12-week period ended October 11, 2015			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**1,791.3**	**284.0**	**450.9**	**2,526.2**	1,748.7	207.5	441.0	2,397.2
Road transportation fuel	**3,665.0**	**1,477.8**	**523.3**	**5,666.1**	3,985.6	1,336.7	518.3	5,840.6
Other	**3.0**	**249.1**	**1.1**	**253.2**	3.8	195.0	0.2	199.0
	5,459.3	**2,010.9**	**975.3**	**8,445.2**	5,738.1	1,739.2	959.5	8,436.8
Gross Profit								
Merchandise and services	**597.0**	**117.5**	**151.6**	**866.1**	578.0	84.5	144.9	807.4
Road transportation fuel	**348.9**	**241.8**	**41.4**	**632.1**	432.8	199.5	39.0	671.3
Other	**3.0**	**45.2**	**1.1**	**49.3**	3.8	48.2	0.1	52.1
	948.9	**404.5**	**194.1**	**1,547.5**	1,014.6	332.2	184.0	1,530.8
Total long-term assets [(b)]	**5,168.6**	**3,770.2**	**1,366.0**	**10,304.8**	4,882.5	2,822.6	538.5	8,243.6

	24-week period ended October 9, 2016				24-week period ended October 11, 2015			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**3,604.2**	**547.6**	**907.2**	**5,059.0**	3,509.1	413.5	912.0	4,834.6
Road transportation fuel	**7,472.9**	**2,829.2**	**1,025.2**	**11,327.3**	8,423.3	2,711.6	1,080.0	12,214.9
Other	**6.0**	**472.6**	**1.2**	**479.8**	7.5	359.1	0.3	366.9
	11,083.1	**3,849.4**	**1,933.6**	**16,866.1**	11,939.9	3,484.2	1,992.3	17,416.4
Gross Profit								
Merchandise and services	**1,199.0**	**227.5**	**303.0**	**1,729.5**	1,161.4	170.7	301.2	1,633.3
Road transportation fuel	**711.4**	**452.0**	**80.7**	**1,244.1**	750.2	385.3	76.2	1,211.7
Other	**6.0**	**86.2**	**1.1**	**93.3**	7.5	97.3	0.3	105.1
	1,916.4	**765.7**	**384.8**	**3,066.9**	1,919.1	653.3	377.7	2,950.1

(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.

11. FAIR VALUE

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

Fair value hierarchy

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

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

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

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

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

Financial instruments at fair value on the consolidated balance sheets:

- The fair value of the investment contract including an embedded total return swap, which is mainly based on the fair market value of the Corporation's Class B shares, is $49.2 as at October 9, 2016 ($45.3 as at April 24, 2016) (Level 2); and

- 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 $282.6 as at October 9, 2016 ($224.0 as at April 24, 2016) (Level 2). They are presented as Other financial liabilities on the consolidated balance sheets.

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

- The fair value of the Canadian dollar denominated senior unsecured notes, which is based on observable market data, is $1,585.3 as at October 9, 2016 ($1,636.5 as at April 24, 2016);
- The fair value of the euro denominated senior unsecured notes, which is based on observable market data, is $887.1 as at October 9, 2016; and
- The fair value of the Norwegian kroner denominated senior unsecured notes, which is based on observable market data, is $84.1 as at October 9, 2016 ($82.6 as at April 24, 2016).

12. SUBSEQUENT EVENTS

Dividends

During its November 22, 2016 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA9.0¢ per share for the second quarter of fiscal 2017 to shareholders on record as at December 1, 2016 and approved its payment for December 15, 2016. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Term revolving unsecured operating credit

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

Disposal of investment

On October 31, 2016, the Corporation concluded its sale of 100% of its shares of Dansk Fuel to DCC Holding A/S, a subsidiary of DCC plc for a consideration of approximately $71.0.

Acquisition

On November 15, 2016, the Corporation completed the acquisition, from Sevenoil Est OÜ and its affiliates, of 23 company-operated sites located in Estonia of which 11 are full service fuel stations with convenience stores and 12 are unmanned automated fuel stations. Under the agreement, the Corporation owns the land and building for all sites. The Corporation financed this transaction using its available cash and existing credit facilities.