Q4 2014

ALIMENTATION COUCHE-TARD INC.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12 and 52-week periods ended April 27, 2014

CONSOLIDATED STATEMENTS OF EARNINGS

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

For the periods ended	12 weeks **April 27, 2014**	12 weeks April 28, 2013	52 weeks **April 27, 2014**	52 weeks April 28, 2013
	$	$	**$**	$
Revenues	**8,952.3**	8,776.0	**37,956.6**	35,543.4
Cost of sales	**7,834.2**	7,655.7	**32,965.3**	30,933.8
Gross profit	**1,118.1**	1,120.3	**4,991.3**	4,609.6
Operating, selling, administrative and general expenses	**822.0**	815.8	**3,423.1**	3,239.6
Negative goodwill	**(0.2)**	(2.8)	**(48.4)**	(4.4)
Restructuring costs	**-**	34.0	**-**	34.0
Curtailment gain on defined benefits pension plans obligation	**-**	(19.4)	**(0.9)**	(19.4)
Depreciation, amortization and impairment of property and equipment, intangibles and other assets (Note 6)	**142.0**	138.1	**583.2**	521.1
	963.8	965.7	**3,957.0**	3,770.9
Operating income	**154.3**	154.6	**1,034.3**	838.7
Share of earnings of joint ventures and associated companies accounted for using the equity method	**3.9**	3.0	**22.7**	15.8
Financial expenses	**20.7**	29.5	**111.4**	118.0
Financial revenues	**(2.5)**	(2.0)	**(10.9)**	(9.9)
Loss on foreign exchange forward contracts	**-**	-	**-**	102.9
Foreign exchange loss (gain)	**8.7**	(6.8)	**10.1**	(3.2)
Net financial expenses	**26.9**	20.7	**110.6**	207.8
Earnings before income taxes	**131.3**	136.9	**946.4**	646.7
Income taxes	**(13.8)**	(9.5)	**134.2**	73.9
Net earnings	**145.1**	146.4	**812.2**	572.8
Net earnings attributable to:				
Shareholders of the Corporation	**144.8**	146.4	**811.2**	572.8
Non-controlling interest (Note 5)	**0.3**	-	**1.0**	-
Net earnings	**145.1**	146.4	**812.2**	572.8
Net earnings per share (Note 7)				
Basic	**0.26**	0.26	**1.44**	1.03
Diluted	**0.25**	0.26	**1.43**	1.02
Weighted average number of shares (in thousands)	**565,720**	562,572	**564,511**	555,083
Weighted average number of shares – diluted (in thousands)	**568,478**	567,421	**568,140**	560,567
Number of shares outstanding at end of period (in thousands)	**565,748**	562,708	**565,748**	562,708

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		52 weeks	
For the periods ended	**April 27, 2014**	April 28, 2013	**April 27, 2014**	April 28, 2013
	$	$	**$**	$
Net earnings	**144.1**	146.4	**811.2**	572.8
Other comprehensive income				
Items that may be reclassified subsequently to earnings				
Translation adjustments				
Changes in cumulative translation adjustments (1)	**99.5**	(102.7)	**42.4**	183.3
Change in fair value of financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (2)	**9.3**	(10.2)	**(45.7)**	(16.9)
Net interest on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (3)	**0.6**	1.8	**2.6**	1.8
Cash flow hedges				
Change in fair value of financial instruments (4)	**(3.9)**	3.9	**2.8**	7.6
Loss (gain) realized on financial instruments reclassified to earnings (5)	**4.4**	(3.3)	**(1.1)**	(7.8)
Items that will never be reclassified to earnings				
Net actuarial (loss) gain (6)	**(2.7)**	(26.8)	**0.1**	1.0
Other comprehensive income (loss)	**107.2**	(137.3)	**1.1**	169.0
Comprehensive income	**251.3**	9.1	**812.3**	741.8
Comprehensive income attributable to:				
Shareholders of the Corporation	**251.0**	9.1	**811.3**	749.7
Non-controlling interest	**0.3**	-	**1.0**	(7.9)
Comprehensive income	**251.3**	9.1	**812.3**	741.8

(1) For the 52-week period ended April 28, 2013, this amount includes a gain of $20.7, net of income taxes of $3.2. This gain arises from the translation of the US dollar denominated long-term debt which was previously designated as a foreign exchange hedge of the Corporation's net investment in its U.S. operations.

(2) For the 12 and 52-week periods ended April 27, 2014, these amounts are net of income taxes of $1.3 and $7.8, respectively. For the 12 and 52-week periods ended April 28, 2013, these amounts are net of income taxes of $2.0 and $3.5, respectively.

(3) For the 12 and 52-week periods ended April 27, 2014, these amounts are net of income taxes of $0.2 and $0.9, respectively. For the 12 and 52-week periods ended April 28, 2013, these amounts are net of income taxes of $0.8.

(4) For the 12 and 52-week periods ended April 27, 2014, these amounts are net of income taxes of $1.4 and $1.0, respectively. For the 12 and 52-week periods ended April 28, 2013, these amounts are net of income taxes of $1.8 and $2.6, respectively.

(5) For the 12 and 52-week periods ended April 27, 2014, these amounts are net of income taxes of $1.6 and $0.4, respectively. For the 12 and 52-week periods ended April 28, 2013, these amounts are net of income taxes of $1.8 and $2.8, respectively.

(6) For the 12 and 52-week periods ended April 27, 2014, these amounts are net of income taxes of $0.7 and $0.2, respectively. For the 12 and 52-week periods ended April 28, 2013, these amounts are net of income taxes of $10.5 and $0.3, 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 52-week period ended April 27, 2014

	Attributable to the shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of period	**670.4**	**16.5**	**2,344.0**	**185.8**	**3,216.7**	**-**	**3,216.7**
Comprehensive income:							
Net earnings			**811.2**		**811.2**	**1.0**	**812.2**
Other comprehensive income				**1.1**	**1.1**		**1.1**
Comprehensive income					**812.3**	**1.0**	**813.3**
Dividends			**(64.6)**		**(64.6)**		**(64.6)**
Addition to non-controlling interest (Note 5)					**-**	**13.2**	**13.2**
Redemption liability (Note 5)			**(13.2)**		**(13.2)**		**(13.2)**
Stock option-based compensation expense		**1.8**			**1.8**		**1.8**
Initial fair value of stock options exercised	**6.7**	**(6.7)**			**-**		**-**
Cash received upon exercise of stock options	**9.4**				**9.4**		**9.4**
Balance, end of period	**686.5**	**11.6**	**3,077.4**	**186.9**	**3,962.4**	**14.2**	**3,976.6**

For the 52-week period ended April 28, 2013

	Attributable to the shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance, beginning of period	321.0	17.9	1,826.8	8.9	2,174.6		2,174.6
Comprehensive income:							
Net earnings			572.8		572.8		572.8
Other comprehensive income				176.9	176.9	(7.9)	169.0
Comprehensive income (loss)					749.7	(7.9)	741.8
Dividends			(55.6)		(55.6)		(55.6)
Acquisition of control of Statoil Fuel & Retail					-	487.2	487.2
Acquisition of non-controlling interest in Statoil Fuel & Retail					-	(479.3)	(479.3)
Class B subordinate voting shares issued for cash on public offering, net of transaction costs [(1)]	337.2				337.2		337.2
Stock option-based compensation expense		2.7			2.7		2.7
Initial fair value of stock options exercised	4.1	(4.1)			-		-
Cash received upon exercise of stock options	8.1				8.1		8.1
Balance, end of period	670.4	16.5	2,344.0	185.8	3,216.7	-	3,216.7

(1) This amount is net of transaction costs which are net of a related income tax benefit of $3.8.

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)

	12 weeks		52 weeks	
For the periods ended	**April 27, 2014**	April 28, 2013	**April 27, 2014**	April 28, 2013
	$	$	**$**	$
Operating activities				
Net earnings	**145.1**	146.4	**812.2**	572.8
Adjustments to reconcile net earnings to net cash provided by operating activities				
Depreciation, amortization and impairment of property and equipment, intangible and other assets, net of amortization of deferred credits	**135.1**	132.5	**553.9**	486.3
Loss on disposal of property and equipment and other assets	**3.9**	10.7	**7.6**	8.3
Deferred income taxes	**2.6**	(86.2)	**(60.9)**	(122.1)
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received	**(2.0)**	(1.5)	**9.8**	(9.6)
Deferred credits	**2.1**	(0.1)	**11.4**	17.3
Negative goodwill (Note 3)	**(0.2)**	(2.8)	**(48.4)**	(4.4)
Restructuring costs	**-**	34.0	**-**	34.0
Curtailment gain on defined benefits pension plans obligation	**-**	(19.4)	**(0.9)**	(19.4)
Loss on foreign exchange forward contracts	**-**	-	**-**	102.9
Other	**(0.9)**	(5.4)	**30.0**	26.4
Changes in non-cash working capital	**38.3**	278.4	**114.6**	68.9
Net cash provided by operating activities	**324.0**	486.6	**1,429.3**	1,161.4
Investing activities				
Purchase of property and equipment and other assets	**(186.6)**	(171.1)	**(529.4)**	(537.3)
Proceeds from disposal of property and equipment and other assets	**10.9**	12.7	**70.4**	50.4
Business acquisitions (Note 3)	**(1.4)**	(51.5)	**(159.6)**	(2,644.6)
Restricted cash	**(0.3)**	(0.2)	**20.6**	1.1
Proceeds from sale and leaseback transactions	**-**	30.3	**-**	30.3
Net settlement of foreign exchange forward contracts	**-**	-	**-**	(86.4)
Net cash used in investing activities	**(177.4)**	(179.8)	**(598.0)**	(3,186.5)
Financing activities				
Repayment under the unsecured non-revolving acquisition credit facility	**(280.0)**	-	**(1,648.0)**	(995.5)
Net increase (decrease) in other debt	**96.1**	5.4	**431.3**	(314.5)
Cash dividends paid	**(17.4)**	(13.9)	**(64.6)**	(55.6)
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs (Note 4)	**-**	-	**285.6**	997.5
Issuance of shares upon exercise of stock-options	**-**	-	**9.4**	8.1
Borrowings under the unsecured non-revolving acquisition credit facility, net of financing costs	**-**	-	**-**	3,190.2
Repayment of non-current debt assumed on business acquisition	**-**	-	**-**	(800.5)
Issuance of shares on public offering, net of transaction costs	**-**	-	**-**	333.4
Net cash (used in) provided by financing activities	**(201.3)**	(8.5)	**(986.3)**	2,363.1
Effect of exchange rate fluctuations on cash and cash equivalents	**19.1**	(15.8)	**6.0**	16.0
Net (decrease) increase in cash and cash equivalents	**(35.6)**	282.5	**(149.0)**	354.0
Cash, cash equivalents and bank overdraft, beginning of period	**544.9**	375.8	**658.3**	304.3
Cash, cash equivalents and bank overdraft, end of period	**509.3**	658.3	**509.3**	658.3
Bank overdraft, end of period (1)			**1.8**	-
Cash and cash equivalents, end of period			**511.1**	658.3
Supplemental information:				
Interest paid	**14.1**	17.6	**78.5**	76.9
Interest and dividends received	**0.3**	2.5	**41.3**	11.7
Income taxes paid	**29.7**	83.7	**172.3**	172.3
Cash and cash equivalents components:				
Cash and demand deposits			**484.5**	619.2
Liquid investments			**26.6**	39.1
			511.1	658.3

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

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

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

	As at April 27, 2014	As at April 28, 2013
	$	$
Assets		
Current assets		
Cash and cash equivalents	**511.1**	658.3
Restricted cash	**1.0**	21.6
Accounts receivable	**1,726.4**	1,616.0
Inventories	**848.0**	846.0
Prepaid expenses	**60.0**	57.8
Income taxes receivable	**68.4**	81.6
	3,214.9	3,281.3
Property and equipment	**5,131.0**	5,079.9
Goodwill	**1,088.7**	1,081.0
Intangible assets	**823.5**	834.7
Other assets	**159.8**	136.3
Investment in joint ventures and associated companies	**75.4**	84.2
Deferred income taxes	**51.7**	48.8
	10,545.0	10,546.2
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**2,510.3**	2,351.1
Provisions	**102.4**	96.5
Income taxes payable	**29.8**	70.0
Bank loans and current portion of long-term debt (Note 4)	**20.3**	620.8
	2,662.8	3,138.4
Long-term debt (Note 4)	**2,586.1**	2,984.3
Provisions	**390.5**	358.8
Pension benefit liability	**119.8**	109.7
Other financial liabilities	**73.9**	20.4
Deferred credits and other liabilities	**169.5**	156.7
Deferred income taxes	**565.8**	561.2
	6,568.4	7,329.5
Equity		
Capital stock (Note 9)	**686.5**	670.4
Contributed surplus	**11.6**	16.5
Retained earnings	**3,077.4**	2,344.0
Accumulated other comprehensive income (Note 8)	**186.9**	185.8
Equity attributable to shareholders of the Corporation	**3,962.4**	3,216.7
Non-controlling interest	**14.2**	-
	3,976.6	3,216.7
	10,545.0	10,546.2

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

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

1. CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION

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

The interim financial statements were prepared in accordance with the same accounting policies and methods as the audited annual consolidated financial statements for the year ended April 28, 2013, except for those disclosed in Note 2. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements and notes thereto in the Corporation's 2013 Annual Report. The results of operations for the interim periods presented do not necessarily reflect results expected for the full fiscal year. The Corporation's business follows a seasonal pattern. The busiest period is the first half-year of each fiscal year, which includes summer's sales. These interim financial statements have not been subject to a review engagement by the Corporation's external auditors.

On July 7, 2014, the Corporation's interim financial statements were approved by the board of directors who also approved their publication.

2. ACCOUNTING CHANGES

Revised Standards

Financial Statement Presentation

On April 29, 2013, the Corporation adopted amendments to International Accounting Standard ("IAS") 1, "Presentation of Financial Statements". The amendments govern the presentation of Other Comprehensive Income ("OCI") in the financial statements, primarily by requiring OCI items that may be reclassified to the consolidated statements of earnings to be presented separately from those will not be reclassified. The Corporation adopted this presentation and there was no other significant impact on the Corporation's consolidated financial statements.

New standards

Consolidated financial statements

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

Joint Arrangements

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

Disclosure of Interest in Other Entities

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

Fair Value Measurement

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

Impairment of Assets

On April 29, 2013, the Corporation early-adopted amendments to IAS 36 requiring additional disclosures about the recoverable amount of impaired non-financial assets if that amount is based on fair value less costs to sell. The adoption of these amendments had no impact on the Corporation's consolidated financial statements.

Offsetting financial assets and financial liabilities

On April 29, 2013, the Corporation early-adopted amendments to IAS 32 "Financial Instruments - Presentation" which was amended to clarify the requirements for offsetting financial assets and financial liabilities. The Corporation also early-adopted amendments to IFRS 7 "Financial Instruments - Disclosures" which was amended to improve disclosures on offsetting of financial assets and financial liabilities. These amendments did not impact the Corporation's consolidated financial statements, but additional information will be required in the annual financial statements.

Recently issued but not yet implemented

Classification and measurement of financial assets and financial liabilities

In November 2009, the IASB issued IFRS 9, "Financial Instruments". Which will replace the various rules of IAS 39, "Financial Instruments: Recognition and Measurement" with a single approach to determine whether a financial asset is measured at amortized cost or fair value. In October 2010, the IASB revised IFRS 9, adding requirements for classification and measurement of financial liabilities. In November 2013, the IASB incorporated a new hedge accounting model into IFRS 9 to enable financial statement users to better understand an entity's risk exposure and its risk management activities. Also, the IASB deferred mandatory application of IFRS 9 to an unspecified date. The Corporation will assess, in due course, the impact of IFRS 9 on its consolidated financial statements.

3. BUSINESS ACQUISITIONS

- On December 13, 2013, the Corporation acquired 23 company-operated stores operating in New Mexico, United States from Albuquerque Convenience and Retail LLC. The Corporation owns the land and buildings for all sites.
- On December 10, 2013, the Corporation acquired, from Publix Super Markets Inc., 11 company-operated stores, nine of which are located in Florida and the other two in Georgia, United States. The Corporation owns the land and buildings for eight sites and leases the land and owns the building for the other three sites.
- On September 24, 2013, the Corporation acquired nine stores located in Illinois, United States from Baron-Huot Oil Company. Eight of these stores are company-operated and one is operated by an independent operator. The Corporation owns the real estate for eight sites and leases the land and building for one site.
- During the 52-week period ended April 27, 2014, under the June 2011 agreement with ExxonMobil, the Corporation acquired 60 stores operated by independent operators along with the related road transportation fuel supply agreements. The Corporation owns the real estate for all sites. Also, an additional 53 road transportation fuel supply agreements were acquired by the Corporation during this period.
- During the 52-week period ended April 27, 2014, the Corporation also acquired 10 other stores through distinct transactions. The Corporation leases the land and buildings for five sites, leases the land and owns the building for one site and owns these same assets for the other sites.

For the 52-week period ended April 27, 2014, acquisition costs of $1.3 in connection with these acquisitions and other unrealized acquisitions are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $159.6. Since the Corporation has not completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for all transactions, the preliminary allocations of certain acquisitions are subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

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

Purchase price allocations based on the estimated fair value on the date of acquisition and available information as at the date of publication of these consolidated financial statements is as follows:

	$
Tangible assets acquired	
Inventories	**4.6**
Property and equipment	**162.3**
Other assets	**14.3**
Total tangible assets	**181.2**
Liabilities assumed	
Accounts payable and accrued liabilities	**0.4**
Provisions	**19.6**
Total liabilities	**20.0**
Net tangible assets acquired	**161.2**
Intangible assets	**30.8**
Goodwill	**16.0**
Negative goodwill recorded to earnings	**(48.4)**
Total cash consideration paid	**159.6**

The Corporation expects that $3.0 of the goodwill related to these transactions will be deductible for tax purposes.

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill mainly due to the strategic location of stores acquired and negative goodwill due to the difference between the acquisition price and the fair value of net assets acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $504.0 and $4.2, respectively. Considering the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

4. BANK LOANS AND LONG-TERM DEBT

	As at April 27, 2014	As at April 28, 2013
	$	$
Canadian dollar denominated senior unsecured notes maturing on various dates from November 2017 to November 2022	**1,172.7**	978.7
US dollar denominated term revolving unsecured operating credit D, maturing in December 2017	**793.5**	345.5
US dollar denominated unsecured non-revolving acquisition credit facility, maturing in June 2015	**552.3**	2,197.3
NOK denominated floating rate bonds, maturing in February 2017	**2.5**	2.6
NOK denominated fixed rate bonds, maturing in February 2019	**2.2**	2.3
Borrowings under bank overdraft facilities, maturing at various dates	**1.8**	-
Other debts, including finance leases, maturing at various dates	**81.4**	78.7
	2,606.4	3,605.1
Bank loans and current portion of long-term debt	**20.3**	620.8
	2,586.1	2,984.3

Issuance of Canadian dollar denominated senior unsecured notes

On August 21, 2013, the Corporation issued Canadian dollar denominated senior unsecured notes totalling CA$300.0, maturing August 21, 2020 and bearing interest at a rate of 4.214%. Interest is payable semi-annually on August 21st and February 21st of each year. The net proceeds from the issuance, which were approximately $285.6 (CA$298.3), were used to repay a portion of the Corporation's acquisition credit facility. This new debt is presented along with the Canadian dollar denominated senior unsecured notes maturing on various dates from November 2017 to November 2022.

US dollar denominated term revolving unsecured operating credit D

On November 4, 2013, the Corporation extended by one year the term of the revolving unsecured operating credit D agreement. The agreement will expire in December 2017.

5. NON-CONTROLLING INTEREST

During the 52-week period ended April 27, 2014, the Corporation, along with another party, established a new corporation: Circle K Asia s.à.r.l. ("Circle K Asia"), in which both parties hold a 50% interest. Subsequently, each party made a capital contribution of $13.2. Under the agreement signed between the parties, the Corporation, under certain circumstances, may repurchase all of the other party's shares in Circle K Asia. Consequently, Circle K Asia was fully consolidated in the Corporation's financial statements and the other party's interest in Circle K Asia was recorded under "Non-controlling interest" in the consolidated statements of earnings, comprehensive income, changes in equity and consolidated balance sheet. Under other circumstances, the Corporation must repurchase all of the other party's shares in Circle K Asia. Consequently, a redemption liability was recorded against shareholders' equity. Subsequent changes to this liability are recorded to Operating, selling, administrative and general expenses.

6. IMPAIRMENT OF ASSET

During the 52-week period ended April 27, 2014, the Corporation recorded an impairment charge of $6.8 on a non-operational lubricant production plant located in Ostroweic, Poland, due to challenging market conditions for this type of asset. The fair value measurement of this asset is categorized as level 3 as it is based on purchase offers received by the Corporation. The fair value less cost to sell of this asset was determined to be $4.5.

7. NET EARNINGS PER SHARE

The following table presents the information for the computation of basic and diluted net earnings per share, adjusted for the share split described in Note 9:

	12-week period ended April 27, 2014			12-week period ended April 28, 2013		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**144.8**	**565,720**	**0.26**	146.4	562,572	0.26
Dilutive effect of stock options		**2,758**	**(0.01)**		4,849	
Diluted net earnings available for Class A and B shareholders	**144.8**	**568,478**	**0.25**	146.4	567,421	0.26

	52-week period ended April 27, 2014			52-week period ended April 28, 2013		
	Net earnings	**Weighted average number of shares (in thousands)**	**Net earnings per share**	Net earnings	Weighted average number of shares (in thousands)	Net earnings per share
	$		**$**	$		$
Basic net earnings attributable to Class A and B shareholders	**811.2**	**564,511**	**1.44**	572.8	555,083	1.03
Dilutive effect of stock options		**3,629**	**(0.01)**		5,484	(0.01)
Diluted net earnings available for Class A and B shareholders	**811.2**	**568,140**	**1.43**	572.8	560,567	1.02

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 52-week periods ended April 27, 2014, no stock options were excluded. For the 12 week period ended April 28, 2013, no stock options were excluded and for the 52-week period ended April 28, 2013, 105,000 stock options were excluded from the calculation.

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

8. ACCUMULATED OTHER COMPREHENSIVE INCOME

As at April 27, 2014

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Net interest on investment hedge	**Net investment hedge**	**Cumulative translation adjustments**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive income**
	$	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**6.1**	**(73.9)**	**246.7**	**4.4**	**(6.8)**	**176.5**
Less: Income taxes	**1.7**	**(11.3)**	**-**	**1.0**	**(1.8)**	**(10.4)**
Balance, net of income taxes	**4.4**	**(62.6)**	**246.7**	**3.4**	**(5.0)**	**186.9**

As at April 28, 2013

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Net interest on investment hedge	Net investment hedge	Cumulative translation adjustments	Cash flow hedge	Cumulative net actuarial loss	Accumulated other comprehensive income
	$	$	$	$	$	$
Balance, before income taxes	2.6	(20.4)	204.3	2.1	(7.1)	181.5
Less: Income taxes	0.8	(3.5)	-	0.4	(2.0)	(4.3)
Balance, net of income taxes	1.8	(16.9)	204.3	1.7	(5.1)	185.8

9. CAPITAL STOCK

Stock split

On March 11, 2014, the Corporation’s Board of Directors approved a three-for-one split of all the Corporation’s issued and outstanding Class “A” and “B” shares. This share split was approved by regulatory authorities and occurred on April 14, 2014. All share and per-share information in these consolidated financial statements has been adjusted retroactively to reflect this stock split.

Stock options

For the 12-week period ended April 27, 2014, a total of 40,695 stock options were exercised (312,900 for the 12-week period ended April 28, 2013). For the 52-week period ended April 27, 2014, a total of 3,167,925 stock options were exercised (3,810,972 for the 52-week period ended April 28, 2013).

Issued and outstanding shares

As at April 27, 2014, the Corporation has 148,101,840 (148,101,840 as at April 28, 2013) issued and outstanding Class A multiple voting shares each comprising ten votes per share and 417,646,072 (414,606,183 as at April 28, 2013) outstanding Class B subordinate voting shares each comprising one vote per share.

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

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 corporate stores and franchise operations. The Corporation operates its convenience store chain under several banners, including Couche-Tard, Mac's, Circle K and Statoil. Revenues from external customers mainly fall into three categories: merchandise and services, road transportation fuel and other.

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

	12-week period ended April 27, 2014				12-week period ended April 28, 2013			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**1,119.3**	**253.3**	**419.8**	**1,792.4**	1,062.1	246.5	457.5	1,766.1
Road transportation fuel	**3,749.4**	**2,085.3**	**620.2**	**6,454.9**	3,614.8	2,063.4	630.8	6,309.0
Other	**3.7**	**700.6**	**0.7**	**705.0**	1.6	699.2	0.1	700.9
	4,872.4	**3,039.2**	**1,040.7**	**8,952.3**	4,678.5	3,009.1	1,088.4	8,776.0
Gross Profit								
Merchandise and services	**371.0**	**108.7**	**136.3**	**616.0**	346.9	107.7	151.3	605.9
Road transportation fuel	**159.4**	**211.4**	**33.6**	**404.4**	188.8	196.2	35.7	420.7
Other	**3.7**	**93.3**	**0.7**	**97.7**	1.6	92.0	0.1	93.7
	534.1	**413.4**	**170.6**	**1,118.1**	537.3	395.9	187.1	1,120.3
Total long-term assets [(b)]	**2,862.2**	**3,769.9**	**591.2**	**7,223.3**	2,678.3	3,861.0	635.6	7,174.9

	52-week period ended April 27, 2014				52-week period ended April 28, 2013			
	United States	**Europe**	**Canada**	**Total**	United States	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues [(a)]								
Merchandise and services	**4,818.9**	**1,046.8**	**2,081.5**	**7,947.2**	4,548.6	866.1	2,181.7	7,596.4
Road transportation fuel	**15,493.3**	**8,824.9**	**2,890.6**	**27,208.8**	14,872.6	7,537.9	2,860.8	25,271.3
Other	**14.7**	**2,784.8**	**1.1**	**2,800.6**	6.6	2,668.6	0.5	2,675.7
	20,326.9	**12,656.5**	**4,973.2**	**37,956.6**	19,427.8	11,072.6	5,043.0	35,543.4
Gross Profit								
Merchandise and services	**1,575.8**	**437.4**	**689.3**	**2,702.5**	1,505.9	359.6	733.0	2,598.5
Road transportation fuel	**796.1**	**928.8**	**163.5**	**1,888.4**	782.5	719.1	162.6	1,664.2
Other	**14.7**	**384.6**	**1.1**	**400.4**	6.6	339.8	0.5	346.9
	2,386.6	**1,750.8**	**853.9**	**4,991.3**	2,295.0	1,418.5	896.1	4,609.6

(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 VALUES

The fair value of Trade accounts receivable and vendor rebates receivable, Credit and debit cards receivable and Accounts payable and accrued liabilities is comparable to their carrying amount given their short maturity. The fair value of Obligations related to buildings and equipment under finance leases is comparable to their carrying amount given that rent is generally at market value. The carrying values of the Term revolving unsecured operating credits and Unsecured non-revolving acquisition credit approximates their fair values given that their credit spreads are similar to the credit spreads the Corporation would obtain in similar conditions at the reporting date.

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

- The fair value of the investment contract including an embedded total return swap, which is based on the fair market value of the Corporation’s Class B shares;
- The fair value of the senior unsecured notes, which is based on observable market data, is $1,191.5 as at April 27, 2014 ($1,002.6 as at April 28, 2013);

- The fair value of the cross-currency interest rate swaps, which is determined based on market rates obtained from the Corporation's financial institutions for similar financial instruments.
- The fair value of the foreign exchange forward contracts is determined by comparing the original rates of the contracts with rates prevailing at the revaluation date for contracts having similar values and maturities.
- The fair value of commodity futures is determined by quoted market prices.

Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

12. SUBSEQUENT EVENTS

Acquisition

On June 23, 2014, the Corporation acquired, from Garvin Oil Company, 15 company-operated stores operating in South Carolina, United States. The Corporation owns the land and buildings for all sites. Since the Corporation has not completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for this transaction, its preliminary purchase price allocation is not presented.

Dividends

During its July 7, 2014 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA¢4.0 per share for the fourth quarter of fiscal 2014 to shareholders on record as at July 16, 2014 and approved its payment for July 30, 2014. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

Term revolving unsecured operating credit D

On May 16, 2014 the Corporation increased the maximum amount of this credit facility from $1,275.0 to $1,525.0. All other conditions related to this agreement remain unchanged.