



ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS FOURTH QUARTER AND FISCAL YEAR 2017

- Results of the fourth quarter and of fiscal 2017 include an extra week. All same-store information is presented on a comparable basis of 12 and 52 weeks, respectively.

Quarter

- Net earnings of \$277.6 million (\$0.49 per share on a diluted basis) for the fourth quarter of fiscal 2017 compared with \$203.9 million (\$0.36 per share on a diluted basis) for the fourth quarter of fiscal 2016. Excluding certain items for both comparable periods, net earnings for the quarter would have been approximately \$298.0 million¹ (\$0.52 per share on a diluted basis) compared with \$219.0 million¹ (\$0.38 per share on a diluted basis) for the fourth quarter of fiscal 2016, an increase of 36.1%.
- Same-store merchandise revenues increased by 1.6% in the U.S., by 2.7% in Europe and decreased by 0.9% in Canada.
- Merchandise and service gross margin decreased by 0.4% in the U.S. to 33.3%. Gross margin increased by 0.9% in Europe and by 1.8% in Canada, reaching 44.0% and 34.7%, respectively.
- Same-store road transportation fuel volumes growth of 1.7% in the U.S. and of 0.7% in Europe. Same-store volumes decreased by 0.2% in Canada.
- Road transportation fuel gross margin decreased by US 1.31¢ per gallon in the U.S. to US 15.47¢ per gallon. In Europe, gross margin increased by US 0.09¢ per litre to US 7.83¢ per litre and increased by CA 1.96¢ per litre in Canada to CA 8.05¢ per litre.
- Strong quarterly performance in cost control with an increase of only 2.3% on a comparable basis, despite the extra week in the fourth quarter of fiscal 2017. Excluding this extra week, Couche-Tard believes that expenses were relatively flat to the previous year.
- Acquisition of CST Brands Inc. ("CST") on June 28, 2017, for a total enterprise value of \$4.4 billion, including assumed net debt. Disposal, on the same date, of a significant portion of CST's Canadian assets for an amount of CA \$986.0 million. An agreement was also reached to dispose of 70 sites in the U.S. to Empire Petroleum Partners, LLC, which is expected to close in the second quarter of fiscal 2018. After those transactions, a total of 1,263 sites in the U.S. and in Canada will join the Couche-Tard family of merchants.
- Subsequent to the end of the quarter, the Corporation acquired 53 company-operated sites which are operating under the *Cracker Barrel* brand in Louisiana and including 11 quick service restaurants.
- On July 10, 2017, subsequent to the end of the quarter, the Corporation entered into an agreement to acquire all the issued and outstanding shares of Holiday Stationstores, Inc. and certain affiliated companies, which operate a network of 374 corporate stores and 148 franchisees in the U.S. Midwest region and in Alaska.
- The Corporation's global rebranding project is now successfully completed in Scandinavia and was launched in Poland and the Baltic countries. More than 1,300 stores in North America and more than 1,200 stores in Europe now display Couche-Tard's new Circle K global brand.

Fiscal Year 2017

- Diluted net earnings per share were \$2.12 compared with \$2.09 for fiscal 2016, an increase of 1.4%, while adjusted diluted net earnings per share were \$2.21¹ compared with \$2.08¹ for fiscal 2016, an increase of 6.2%.
- Since April 24, 2016, addition of more than 2,000 stores through new openings and acquisitions, including the recently acquired CST Brands and Cracker Barrel sites.
- Return on equity and return on capital employed at 22.5% and 15.8%, respectively, on a pro-forma basis.

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.

Laval, Quebec, Canada, July 12, 2017 – For its fourth quarter ended April 30, 2017, Alimentation Couche-Tard Inc. (TSX: ATD.A ATD.B) announces net earnings of \$277.6 million, representing \$0.49 per share on a diluted basis. The results for the fourth quarter of fiscal 2017 exceptionally include 13 weeks and were affected by a pre-tax net foreign exchange loss of \$15.1 million, pre-tax acquisition costs of \$6.4 million, a \$5.3 million pre-tax accelerated depreciation and amortization expense in connection with the Corporation's global brand initiative, a pre-tax restructuring expense of \$2.1 million, as well as, a \$1.2 million pre-tax curtailment gain on its defined benefits pension plan obligation. The results for the comparable quarter of fiscal 2016 included a \$7.7 million pre-tax accelerated depreciation and amortization expense in connection with the Corporation's global brand initiative, a net pre-tax foreign exchange loss of \$5.8 million, a \$3.2 million pre-tax charge on early termination of certain fuel supply contracts and pre-tax acquisition costs of \$2.7 million. Excluding these items, the adjusted diluted net earnings per share would have been \$0.52 for the fourth quarter of fiscal 2017, an increase of 36.8%, driven by the contribution from acquisitions, by Couche-Tard's continued organic growth, by the impact of a lower income tax rate, as well as by the impact of the extra week, partly offset by lower fuel margins in the U.S. All financial information is in US dollars unless stated otherwise.

"During the last quarter, we continued to experience strong results in Europe while observing softer conditions in the broader North American retail industry as well as a weak fuel margin environment in the United States which both contributed to a slowdown in our organic growth in these regions. Despite the challenges we faced in our North America, we delivered 36.8% growth in adjusted diluted earnings per share, which is a true testament to our many strengths. We continue to benefit from our geographic diversification, our excellence in integrating acquisitions and realizing associated synergies and our strong cost control culture—a pursuit of our ongoing quest for financial efficiency" stated Brian Hannasch, President and CEO of Alimentation Couche-Tard.

"At Circle K and Couche-Tard, we thrive on selling people time, a main focus of our global brand strategy. In the deployment of our global positioning, fiscal 2017 was a successful year in increasing our presence by converting more than 2,400 stores throughout our network. This year marked the first time we introduced our global Circle K brand to our customers in Scandinavia. Here, the challenge was to successfully transition from the well-established Statoil brand without affecting customer traffic in stores. We are pleased to report outstanding results and that our integration teams surpassed the desired results with increased customer traffic at the rebranded sites, all the while managing the initial risks identified for the company, a performance that exceeded our expectations," added Brian Hannasch.

"And of course, having announced the closing of the CST Brands acquisition a few weeks ago, the next months will also be dedicated to the integration and the identification and evaluation of potential costs synergies as well as working on welcoming CST and CAPL to the Couche-Tard/Circle K family," concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer stated, "Overall, our proven ability to manage and control expenses, to grow organically and to successfully integrate acquisitions has allowed us to post record net earnings and operating cash flow which we cleverly used to further deleverage our balance sheet." He added, "With the CST transaction having closed, we remain committed to our usual financial discipline so that we can continue to thrive on our capacity to seek out the right acquisitions at the right price for the benefit of our stakeholders."

Significant Items of the Fourth Quarter of Fiscal 2017

- We successfully completed our rebranding project in Scandinavia and launched our new Circle K global convenience brand in Poland and the Baltic countries while the rollout in North America is progressing steadily and, up to now, results have been very encouraging. More than 1,300 stores in North America and more than 1,200 stores in Europe are now proudly displaying our new global brand. In connection with this rebranding, a depreciation and amortization expense of \$5.3 million was recorded to earnings for the fourth quarter of fiscal 2017.
- Every five years, our fiscal year contains 53 weeks and the fourth quarter comprises 13 weeks, as is the case for fiscal 2017. All same-store information is presented on a comparable basis of 52 and 12 weeks, respectively.

Acquisition of CST Brands, Inc.

- On June 28, 2017, we completed the acquisition of all the issued and outstanding shares of CST Brands, Inc. ("CST") through an all-cash transaction valued at US\$48.53 per share, with a total enterprise value of approximately \$4.4 billion including net debt assumed. CST is based in San Antonio, Texas and employs more than 14,000 people at over

2,000 locations throughout the Southwestern U.S., with an important presence in Texas, the Southeastern U.S., the State of New York and Eastern Canada.

- On the same day, we sold to Parkland Fuel Corporation ("Parkland") a significant portion of CST's Canadian assets for approximately CA \$986.0 million. The disposed assets were mainly comprised of CST's dealers and agent's network, its heating-oil business, 159 company-operated sites, as well as its Montreal head office. As a result, we retained 157 of CST's company-operated sites in Canada.
- As per the requirements of the US Federal Trade Commission, we entered into an agreement to sell 70 company-operated sites to Empire Petroleum Partners, LLC ("Empire"). This transaction is subject to customary regulatory approval and closing conditions and is expected to close during the second quarter of fiscal 2018.
- Once the transaction with Empire is completed, the CST acquisition will have allowed us to add 1,263 sites to our North American network, for a value of approximately \$3.7 billion.
- Pursuant to the acquisition of CST, we also became the general partner of CrossAmerica Partners LP ("CAPL"), own 100% of its Incentive Distribution Rights and hold a 20.5% equity investment in it. CAPL supplies road transportation fuel under various brands to more than 1,100 locations in the United States. The combination of CAPL with our existing wholesale network of more than 700 stores will make us a leading wholesaler of road transportation fuel in the US.
- At the acquisition date, we repaid all of CST's outstanding revolving credit loans and term loans and also launched the process to allow us to repay all of CST's outstanding senior notes, which is expected to be completed by the end of July 2017.
- In order to finance this acquisition, as well as the payments of CST's outstanding debt, on June 27, 2017, we entered into a new credit agreement consisting of an unsecured non-revolving acquisition credit facility of an aggregate maximum amount of \$4.3 billion. It is available exclusively to finance the acquisition of CST and the repayment of any of CST's and its subsidiaries' outstanding debt.
- Our initial assessment of the expected costs reductions¹ ranges from \$150.0 to \$200.0 million over the next 3 years. We are actively working on our integration plan and refining this initial assessment to take into account CST's latest results and the announced divestments. Once our plans are finalized, we will communicate our final costs synergy target for the retained business.

Changes in our Network

During the fourth quarter of fiscal 2017, we acquired 2 company-operated stores through distinct transactions and we completed the construction, relocation or reconstruction of 43 stores. As of April 30, 2017, 35 stores were under construction and should open in the upcoming quarters.

Summary of changes in our store network during the fourth quarter and fiscal 2017

The following table presents certain information regarding changes in our store network over the 13-week period ended April 30, 2017:

Type of site	13-week period ended April 30, 2017				Total
	Company-operated	CODO	DODO	Franchised and other affiliated	
Number of sites, beginning of period	8,031	766	991	1,060	10,848
Acquisitions	2	-	-	-	2
Openings / constructions / additions	43	1	17	44	105
Closures / disposals / withdrawals	(57)	(3)	(14)	(12)	(86)
Store conversion	(8)	(8)	16	-	-
Number of sites, end of period	8,011	756	1,010	1,092	10,869
Number of automated fuel stations included in the period-end figures	967	-	17	-	984

¹ As our previously stated goal is considered a forward looking statement, we are required, pursuant to securities laws, to clarify that our synergies and cost reductions estimate is based on a number of important factors and assumptions. Among other things, our synergies and cost savings objective is based on our comparative analysis of organizational structures and current level of spending across our network as well as on our ability to bridge the gap, where relevant. Our synergies and cost reduction objective is also based on our assessment of current contracts in North America and how we expect to be able to renegotiate these contracts to take advantage of our increased purchasing power. In addition, our synergies and cost reduction objective assumes that we will be able to establish and maintain an effective process for sharing best practices across our network. Finally, our objective is also based on our ability to integrate CST's system with ours. An important change in these facts and assumptions could significantly impact our synergies and cost reductions estimate as well as the timing of the implementation of our different initiatives.

The following table presents certain information regarding changes in our store network over the 53-week period ended April 30, 2017:

Type of site	53-week period ended April 30, 2017				Total
	Company-operated	CODO	DODO	Franchised and other affiliated	
Number of sites, beginning of period	7,929	530	1,016	1,072	10,547
Acquisitions	37	404	1	-	442
Openings / constructions / additions	91	5	47	103	246
Closures / disposals / withdrawals	(179)	(22)	(82)	(83)	(366)
Store conversion	133	(161)	28	-	-
Number of sites, end of period	8,011	756	1,010	1,092	10,869

Changes in our network after the fourth quarter of fiscal 2017

- On May 30, 2017, we acquired 53 company-operated sites from American General Investments, LLC and North American Financial Group, LLC, located in Louisiana, United States. These convenience stores operate under the *Cracker Barrel* brand and include 11 quick service restaurants.
- On July 7, 2017, we acquired, from Empire, 53 fuel supply contracts with independent dealers in the Atlanta, GA metro area.
- On July 10, 2017, we entered into an agreement with Holiday Companies to acquire all issued and outstanding shares of Holiday Stationstores, Inc. and certain affiliated companies ("Holiday"). Holiday is an important convenience store and fuel player in the U.S. Midwest region, with 522 sites, of which 374 are operated by Holiday and 148 are operated by franchisees. Holiday also has a strong car wash business with 221 locations, a food commissary operation and a fuel terminal in Newport, Minnesota. Its stores are located in Minnesota, Wisconsin, Washington, Idaho, Montana, Wyoming, North Dakota, South Dakota, Michigan and Alaska. This transaction is subject Holiday's parent company's shareholders' approval and to customary regulatory approvals and closing conditions. This transaction is expected to close during the fourth quarter of fiscal year 2018 and we expect to finance this transaction using our available cash and existing credit facilities.

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:

Average for period	13-week period ended	12-week period ended	53-week period ended	52-week period ended
	April 30, 2017	April 24, 2016	April 30, 2017	April 24, 2016
Canadian Dollar	0.7518	0.7508	0.7598	0.7607
Norwegian krone	0.1181	0.1186	0.1194	0.1203
Swedish krone	0.1121	0.1203	0.1144	0.1188
Danish krone	0.1436	0.1501	0.1468	0.1486
Zloty	0.2495	0.2582	0.2512	0.2606
Euro	1.0681	1.1190	1.0920	1.1085
Ruble	0.0173	0.0141	0.0161	0.0153

Summary analysis of consolidated results for the fourth quarter and fiscal 2017

The following table highlights certain information regarding our operations for the 13 and 53-week periods ended April 30, 2017, and for the 12- and 52-week periods ended April 24, 2016.

	13-week period ended April 30, 2017	12-week period ended April 24, 2016	Variation %	53-week period ended April 30, 2017	52-week period ended April 24, 2016	Variation %
<i>(in millions of US dollars, unless otherwise stated)</i>						
Statement of Operations Data:						
Merchandise and service revenues ⁽¹⁾ :						
United States	1,876.8	1,700.5	10.4	7,669.8	7,366.5	4.1
Europe	293.3	266.2	10.2	1,205.8	933.8	29.1
Canada	421.4	370.1	13.9	1,848.5	1,771.6	4.3
Total merchandise and service revenues	2,591.5	2,336.8	10.9	10,724.1	10,071.9	6.5
Road transportation fuel revenues:						
United States	4,198.3	3,134.1	34.0	16,492.0	15,864.1	4.0
Europe	1,616.8	1,295.9	24.8	6,473.4	5,422.3	19.4
Canada	939.2	385.7	143.5	3,089.0	2,019.8	52.9
Total road transportation fuel revenues	6,754.3	4,815.7	40.3	26,054.4	23,306.2	11.8
Other revenues ⁽²⁾ :						
United States	4.2	3.1	35.5	14.0	14.9	(6.0)
Europe	265.0	241.4	9.8	1,098.4	751.1	46.2
Canada	7.6	0.1	7,500.0	13.6	0.5	2,620.0
Total other revenues	276.8	244.6	13.2	1,126.0	766.5	46.9
Total revenues	9,622.6	7,397.1	30.1	37,904.5	34,144.6	11.0
Merchandise and service gross profit ⁽¹⁾ :						
United States	625.3	573.7	9.0	2,545.0	2,452.3	3.8
Europe	129.0	114.8	12.4	511.4	397.0	28.8
Canada	146.2	121.6	20.2	625.2	581.4	7.5
Total merchandise and service gross profit	900.5	810.1	11.2	3,681.6	3,430.7	7.3
Road transportation fuel gross profit:						
United States	291.6	295.1	(1.2)	1,407.6	1,479.4	(4.9)
Europe	209.8	205.0	2.3	917.5	811.5	13.1
Canada	80.5	30.5	163.9	262.0	148.9	76.0
Total road transportation fuel gross profit	581.9	530.6	9.7	2,587.1	2,439.8	6.0
Other revenues gross profit ⁽²⁾ :						
United States	4.2	3.1	35.5	14.0	14.9	(6.0)
Europe	42.2	47.4	(11.0)	185.5	195.6	(5.2)
Canada	7.6	0.1	7,500.0	13.6	0.5	2,620.0
Total other revenues gross profit	54.0	50.6	6.7	213.1	211.0	1.0
Total gross profit	1,536.4	1,391.3	10.4	6,481.8	6,081.5	6.6
Operating, selling, administrative and general expenses	1,003.3	935.9	7.2	4,100.5	3,836.5	6.9
Loss on disposal of property and equipment and other assets	17.8	0.6	2,866.7	11.8	18.8	(37.2)
Restructuring costs	2.1	-	100.0	8.1	-	100.0
Curtailment gains on defined benefits pension plan obligation	(1.2)	-	100.0	(3.9)	(27.2)	(85.7)
Gain on the disposal of the lubricant business	-	-	-	-	(47.4)	(100.0)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	154.4	162.7	(5.1)	667.6	633.1	5.4
Operating income	360.0	292.1	23.2	1,697.7	1,667.7	1.8
Net earnings	277.6	203.9	36.1	1,208.9	1,191.4	1.5
Other Operating Data:						
Merchandise and service gross margin ⁽¹⁾ :						
Consolidated	34.7%	34.7%	-	34.3%	34.1%	0.2
United States	33.3%	33.7%	(0.4)	33.2%	33.3%	(0.1)
Europe	44.0%	43.1%	0.9	42.4%	42.5%	(0.1)
Canada	34.7%	32.9%	1.8	33.8%	32.8%	1.0
Growth of (decrease in) same-store merchandise revenues ^{(3) (6)} :						
United States ⁽⁴⁾	1.6%	3.2%		2.0%	4.6%	
Europe ⁽⁵⁾	2.7%	2.2%		3.5%	2.8%	
Canada ⁽⁴⁾	(0.9%)	2.2%		0.1%	2.9%	
Road transportation fuel gross margin:						
United States (cents per gallon) ⁽⁴⁾	15.47	16.78	(7.8)	18.56	20.15	(7.9)
Europe (cents per litre) ⁽⁶⁾	7.83	7.74	1.2	8.22	8.82	(6.8)
Canada (CA cents per litre) ⁽⁴⁾	8.05	6.09	32.2	7.66	6.41	19.5
Total volume of road transportation fuel sold:						
United States (millions of gallons)	1,879.5	1,702.5	10.4	7,643.1	7,260.2	5.3
Europe (millions of litres)	2,681.0	2,649.0	1.2	11,160.2	9,200.8	21.3
Canada (millions of litres)	1,338.6	672.4	99.1	4,550.1	3,072.3	48.1
Growth of (decrease in) same-store road transportation fuel volume ⁽⁶⁾ :						
United States ⁽⁴⁾	1.7%	3.6%		2.6%	6.6%	
Europe ⁽⁵⁾	0.7%	1.1%		1.0%	2.6%	
Canada ⁽⁴⁾	(0.2%)	(0.8%)		(0.3%)	0.9%	
Per Share Data:						
Basic net earnings per share (dollars per share)	0.49	0.36	36.1	2.13	2.10	1.4
Diluted net earnings per share (dollars per share)	0.49	0.36	36.1	2.12	2.09	1.4
Adjusted diluted net earnings per share (dollars per share)	0.52	0.38	36.8	2.21	2.08	6.2

	April 30, 2017	April 24, 2016	Variation \$
Balance Sheet Data:			
Total assets	14,171.2	12,264.8	1,906.4
Interest-bearing debt	3,348.2	2,838.1	510.1
Shareholders' equity	6,009.6	5,041.1	968.5
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization ⁽⁷⁾	0.31 : 1	0.31 : 1	
Net interest-bearing debt/Adjusted EBITDA ^{(8) (12)}	1.09 : 1	0.95 : 1	
Adjusted net interest-bearing debt/Adjusted EBITDAR ^{(9) (12)}	2.02 : 1	1.93 : 1	
Returns:			
Return on equity ^{(10) (12)}	22.5%	27.0%	
Return on capital employed ^{(11) (12)}	15.8%	19.2%	

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

(2) Includes revenues from the rental of assets, from the sale of aviation and marine fuel, heating oil, kerosene, lubricants (until September 30, 2015) and chemicals.

(3) Does not include services and other revenues (as described in footnotes 1 and 2 above). Growth in Canada and in Europe is calculated based on local currencies.

(4) For company-operated stores only.

(5) Results for fiscal 2017 include results from Topaz stores since the acquisition, except for its recently acquired Esso network, for which the historical information is unavailable.

(6) Presented on a comparable basis of 12 and 52 weeks.

(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 April 30, 2017, it includes Couche-Tard's and IOL's results for the 53-week period ended April 30, 2017. As of April 24, 2016, it includes Couche-Tard's results for the 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.

Revenues

Our revenues were \$9.6 billion for the fourth quarter of fiscal 2017, up by \$2.2 billion, an increase of 30.1% compared with the corresponding quarter of fiscal 2016, mainly attributable to a higher average road transportation fuel selling price, to the contribution from acquisitions, to the continued growth in same-store merchandise revenues and road transportation fuel volumes in the U.S. and in Europe, as well as to the impact of the 13th week in the fourth quarter of fiscal 2017. These items, which contributed to the increase in revenues, were partly offset by the negative net impact from the translation of revenues of our Canadian and European operations into US dollars.

For fiscal 2017, our revenues were \$37.9 billion, an increase of \$3.8 billion, or 11.0%, compared with fiscal 2016, mainly attributable to the contribution from acquisitions, to the continued growth in same-store merchandise revenues and road transportation fuel volumes, to a higher average road transportation fuel selling price, as well as to the impact of the 53rd week in fiscal 2017. These items, which contributed to the increase in revenues, were partly offset by the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, and by the impact from the disposal of our lubricant business during the second quarter of fiscal 2016.

More specifically, the growth in merchandise and service revenues for the fourth quarter of fiscal 2017 was \$254.7 million. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by \$266.4 million or 11.4%. This increase is attributable to the contribution from acquisitions, which amounted to approximately \$42.0 million, to the impact of the 13th week in the fourth quarter of fiscal 2017, as well as to organic growth. On a 12-week comparable basis, same-store merchandise revenues increased by 1.6% in the United States, despite the general softness in the retail industry and generally unfavorable weather conditions. In Europe, same-store merchandise revenues increased by 2.7% on a 12-week comparable basis, driven by the success of our rebranding activities and the rollout and improvements of our food programs. In Canada, same-store merchandise revenues decreased by 0.9% on a 12-week comparable basis, still impacted by the challenging economic conditions and competitive landscape in the western part of the country.

For fiscal 2017, the growth in merchandise and service revenues was \$652.2 million. Excluding the net negative impact from the translation of our European and Canadian operations into US dollars, merchandise and service revenues increased by \$681.7 million or 6.8%. This increase is attributable to the contribution from acquisitions, which amounted to approximately \$317.0 million, to the impact of the 53rd week in fiscal 2017 and to our organic growth. On a 52-week comparable basis, same-store merchandise revenues grew by 2.0% in the United States, by 3.5% in Europe and by 0.1% in Canada.

Road transportation fuel revenues increased by \$1.9 billion in the fourth quarter of fiscal 2017. Excluding the negative net impact from the translation of revenues of our Canadian and European operations into US dollars, road transportation fuel revenues increased by \$2.0 billion or 41.2%. This increase was attributable to the impact of a higher average road transportation fuel selling price, which had a positive impact of approximately \$1.1 billion, to the contribution from acquisitions, which amounted to approximately \$501.0 million, to the impact of the 13th week in the fourth quarter of fiscal 2017 and to our organic growth. On a 12-week comparable basis, same-store road transportation fuel volumes increased by 1.7% in the United States and by 0.7% in Europe due to – among other things – the positive response from customers to our fuel rebranding initiatives and micro-market strategies, as well as to the growing contribution from premium fuel. In the Southeastern U.S., fuel volumes continued to be negatively impacted by disruptions caused by our fuel rebranding activities. In Canada, same-store road transportation fuel volumes decreased by 0.2% on a 12-week comparable basis, mainly as a result of the challenging economy in Western Canada.

The following table shows the average selling price of road transportation fuel in our various markets, starting with the first quarter of the fiscal year ended April 24, 2016:

Quarter	1 st	2 nd	3 rd	4 th	Weighted average
53-week period ended April 30, 2017					
United States (US dollars per gallon)	2.20	2.10	2.18	2.25	2.18
Europe (US cents per litre)	58.65	58.01	61.87	62.46	60.40
Canada (CA cents per litre)	92.66	90.36	94.67	97.20	94.35
52-week period ended April 24, 2016					
United States (US dollars per gallon)	2.64	2.36	1.99	1.86	2.20
Europe (US cents per litre)	72.16	66.12	57.04	51.59	60.92
Canada (CA cents per litre)	103.17	97.79	88.41	82.28	92.86

For fiscal 2017, road transportation fuel revenues increased by \$2.7 billion. Excluding the negative net impact from the translation of our Canadian and European operations into US dollars, road transportation fuel revenues increased by \$2.9 billion or 12.4%. This increase was attributable to the contribution from acquisitions, which amounted to approximately \$2.0 billion, to the impact of the 53rd week in fiscal 2017, to the higher average selling price of road transportation fuel, which resulted in an increase in revenues of approximately \$38.0 million, and to our organic growth. On a 52-week comparable basis, same-store road transportation fuel volumes increased by 2.6% in the United States and by 1.0% in Europe, while they decreased by 0.3% in Canada.

Other revenues increased by \$32.2 million in the fourth quarter of fiscal 2017 and by \$359.5 million in fiscal 2017. The increase in fiscal 2017 is mainly explained by the contribution from acquisitions, which amounted to approximately \$451.0 million, partly offset by the disposal of our lubricant business during the second quarter of fiscal 2016, which had an impact of approximately \$72.0 million.

Gross profit

In the fourth quarter of fiscal 2017, our consolidated merchandise and service gross profit was \$900.5 million, an increase of \$90.4 million compared with the corresponding quarter 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 \$95.4 million or 11.8%. This increase is attributable to the contribution from acquisitions, which amounted to approximately \$32.0 million, to the impact of the 13th week in the fourth quarter of fiscal 2017 and to our organic growth. The gross margin decreased by 0.4% in the United States to 33.3% because of a change in our product mix towards lower margin categories as well as from higher promotional activity compared to the previous year. The margin increased by 0.9% in Europe to 44.0%, benefiting from the roll-out of our food programs in our recently acquired stores. In Canada, the gross margin increased by 1.8% to 34.7% because of a different revenue mix in our recently acquired IOL stores network.

During fiscal 2017, the consolidated merchandise and service gross profit was \$3.7 billion, an increase of \$250.9 million compared with 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 \$262.9 million or 7.7%. The gross margin was 33.2% in the United States, a decrease of 0.1%, it was 42.4% in Europe, a decrease of 0.1%, while in Canada it was 33.8%, an increase of 1.0%.

In the fourth quarter of fiscal 2017, the road transportation fuel gross margin was 15.47¢ per gallon in the United States, a decrease of 1.31¢ per gallon, attributable to the volatility created by increasing crude oil prices. In Europe, the road transportation gross margin was 7.83¢ per litre, an increase of 0.09¢ per litre. In Canada, the road transportation fuel gross margin was CA 8.05¢ per litre, an increase of CA 1.96¢ per litre, attributable to higher margins in our newly acquired IOL stores network.

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 first quarter of the fiscal year ended April 24, 2016, were as follows:

(US cents per gallon)

Quarter	1 st	2 nd	3 rd	4 th	Weighted average
53-week period ended April 30, 2017					
Before deduction of expenses related to electronic payment modes	20.86	19.87	18.33	15.47	18.56
Expenses related to electronic payment modes	4.08	3.99	3.99	4.12	4.04
After deduction of expenses related to electronic payment modes	16.78	15.88	14.34	11.35	14.52
52-week period ended April 24, 2016					
Before deduction of expenses related to electronic payment modes	18.34	25.66	19.90	16.78	20.15
Expenses related to electronic payment modes	4.37	4.19	3.84	3.74	4.02
After deduction of expenses related to electronic payment modes	13.97	21.47	16.06	13.04	16.13

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 run. Margin volatility and expenses related to electronic payment modes are not as significant in Europe and Canada.

For fiscal 2017, the road transportation fuel gross margin was 18.56¢ per gallon in the United States, a decrease of 1.59¢ per gallon. In Europe, the road transportation gross margin was 8.22¢ per litre, a decrease of 0.60¢ per litre, mainly attributable to the impact of lower margins in Ireland compared with our margins in continental Europe. In Canada, the road transportation fuel gross margin was CA 7.66¢ per litre, an increase of CA 1.25¢ per litre.

Other revenues gross profit increased by \$3.4 million in the fourth quarter of fiscal 2017, driven by slightly improved margins. In fiscal 2017, other revenues gross profit increased by \$2.1 million, which was derived from the contribution from acquisitions, which amounted to approximately \$35.0 million, partly offset by the disposal of our lubricant business in the second quarter of fiscal 2016, which had an impact of approximately \$21.0 million, and by the negative net impact from the translation of our Canadian and European operations into US dollars.

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

For the fourth quarter and fiscal 2017, expenses increased by 7.2% and 6.9%, respectively, compared with the corresponding periods of fiscal 2016, but increased by only 2.3% and 2.1% respectively, if we exclude certain items as demonstrated by the following table:

	13-week period ended April 30, 2017	53-week period ended April 30, 2017
Total variance as reported	7.2%	6.9%
Adjust for:		
Increase from incremental expenses related to acquisitions	(3.8%)	(5.7%)
Increase from higher electronic payment fees, excluding acquisitions	(1.6%)	(0.5%)
Acquisition costs recognized to earnings of fiscal 2017	(0.7%)	(0.5%)
Decrease from the net impact of foreign exchange translation	0.6%	0.5%
Charge on early termination of fuel supply agreements recognized to earnings in fiscal 2016	0.3%	0.3%
Acquisition costs recognized to earnings of fiscal 2016	0.3%	0.2%
Decrease from divestment of the lubricant business	-	0.7%
Integration costs and expenses in connection with our global brand initiatives recognized in fiscal 2016	-	0.2%
Remaining variance	2.3%	2.1%

The remaining variance in expenses for the fourth quarter of fiscal 2017 is mainly due to the impact of the 13th week, largely offset by our rigorous cost controls. We estimate that on a 12-week comparable basis, expenses for the quarter were on par with the comparable quarter of the previous year. As for fiscal 2017, in addition to the impact of the 53rd week, the remaining variance is due to normal inflation, to higher advertising and marketing activities in connection with our global brand 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 favour 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 fourth quarter of fiscal 2017, EBITDA increased from \$461.3 million to \$521.6 million, a growth of 13.1% compared with the same quarter last year.

Excluding the specific items shown in the table below from EBITDA of the fourth quarter of fiscal 2017 and of the fourth quarter of fiscal 2016, the adjusted EBITDA for the fourth quarter of fiscal 2017 increased by \$61.7 million or 13.2% compared with the corresponding period of the previous fiscal year, mainly through the contribution from acquisitions, the impact of the 13th week in the fourth quarter of fiscal 2017 and organic growth, partly offset by the lower road transportation fuel gross margins in the

United States. Acquisitions contributed approximately \$57.0 million to the adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately \$8.0 million.

During fiscal 2017, EBITDA increased from \$2,330.8 million to \$2,395.7 million, a growth of 2.8% compared with fiscal 2016.

Excluding the specific items shown in the table below from EBITDA of fiscal 2017 and of fiscal 2016, the adjusted EBITDA for fiscal 2017 increased by \$127.1 million or 5.5% compared with the previous fiscal year mainly due to the contribution from acquisitions, to the impact of the 53rd week in fiscal 2017 and to organic growth, partly offset by the lower road transportation fuel gross margins in the United States. Acquisitions contributed approximately \$140.0 million to the adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately \$15.0 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:

(in millions of US dollars)	13-week period ended April 30, 2017	12-week period ended April 24, 2016	53-week period ended April 30, 2017	52-week period ended April 24, 2016
Net earnings, as reported	277.6	203.9	1,208.9	1,191.4
Add:				
Income taxes	43.6	62.5	383.2	398.3
Net financial expenses	46.0	32.2	136.0	108.0
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	154.4	162.7	667.6	633.1
EBITDA	521.6	461.3	2,395.7	2,330.8
Adjusted for:				
Acquisition costs	6.4	2.7	21.0	6.2
Restructuring costs	2.1	-	8.1	-
Curtailment gains on pension plan obligation	(1.2)	-	(3.9)	(27.2)
Charge on early termination of fuel supply agreements	-	3.2	-	12.4
Net gain from the disposal of the lubricants business	-	-	-	(47.4)
Write-off expense on fuel rebranding	-	-	-	10.4
Integration costs and expenses in connection with our global brand initiatives	-	-	-	8.6
Adjusted EBITDA	528.9	467.2	2,420.9	2,293.8

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

For the fourth quarter of fiscal 2017, depreciation, amortization and impairment expense decreased by \$8.3 million, mainly as a result of the net impact of the translation of our European and Canadian operations into US dollars, partly offset by the impact from 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 for the fourth quarter of fiscal 2017 includes a charge for the accelerated depreciation and amortization of certain assets in connection with our global rebranding project, amounting to \$5.3 million.

For fiscal 2017, depreciation, amortization and impairment expense increased by \$34.5 million, 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. These items, which contributed to the increase in depreciation, amortization and impairment expense, were partially offset by the net impact of the translation of our European and Canadian operations into US dollars. The depreciation, amortization and impairment expense for fiscal 2017 includes a charge for the accelerated depreciation and amortization of certain assets in connection with our global rebranding project, amounting to \$27.1 million.

Net financial expenses

Net financial expenses for the fourth quarter of fiscal 2017 were \$46.0 million, an increase of \$13.8 million compared with the fourth quarter of fiscal 2016. Excluding the net foreign exchange losses of \$15.1 million and of \$5.8 million recorded, respectively, in the fourth quarters of fiscal 2017 and of fiscal 2016, net financial expenses increased by \$4.5 million. This increase is mainly attributable to our higher average long-term debt in connection with our recent acquisitions, partly offset by the repayments made. The net foreign exchange loss of \$15.1 million for the fourth quarter of fiscal 2017 is mainly due to the impact of foreign exchange variations on certain cash balances and working capital items.

Net financial expenses for fiscal 2017 were \$136.0 million, an increase of \$28.0 million compared with fiscal 2016. Excluding the net foreign exchange losses of \$9.6 million and of \$5.0 million recorded in fiscal 2017 and 2016, respectively, net financial

expenses increased by \$23.4 million for the same reasons as for the fourth quarter. The net foreign exchange loss of \$9.6 million is mainly due to the impact of foreign exchange variations on certain cash balances and working capital items.

Income taxes

The income tax rate for the fourth quarter of fiscal 2017 was 13.6% compared with an income tax rate of 23.5% for the fourth quarter of fiscal 2016. The decrease in the income tax rate stems from proportionally lower earnings in the United States where our statutory income tax rate is the highest as well as from the impact of a different mix in our earnings across the various states. For fiscal 2017, the income tax rate decreased from 25.1% to 24.1% for similar reasons to those of the fourth quarter.

Net earnings and adjusted net earnings

We closed the fourth quarter of fiscal 2017 with net earnings of \$277.6 million, compared with \$203.9 million for the fourth quarter of the previous fiscal year, an increase of \$73.7 million or 36.1%. Diluted net earnings per share stood at \$0.49, compared with \$0.36 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 \$4.0 million on net earnings of the fourth quarter of fiscal 2017.

Excluding the items shown in the table below from net earnings of the fourth quarter of fiscal 2017 and fiscal 2016, this quarter's net earnings would have been approximately \$298.0 million, compared with \$219.0 million for the comparable quarter of the previous year, an increase of \$79.0 million or 36.1%. Adjusted diluted net earnings per share would have been approximately \$0.52 for the fourth quarter of fiscal 2017, compared with \$0.38 for the corresponding period of fiscal 2016, an increase of 36.8%.

For fiscal 2017, net earnings were \$1,208.9 million, compared with \$1,191.4 million for the previous fiscal year, an increase of \$17.5 million or 1.5%. Diluted net earnings per share stood at \$2.12, compared with \$2.09 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 \$16.0 million on net earnings of fiscal 2017.

Excluding the items shown in the table below from net earnings of fiscal 2017 and fiscal 2016, net earnings for fiscal 2017 would have been approximately \$1,256.0 million, compared with \$1,186.0 million for fiscal 2016, an increase of \$70.0 million or 5.9%. Adjusted diluted net earnings per share would have been approximately \$2.21 for fiscal 2017, compared with \$2.08 for fiscal 2016, an increase of 6.2%.

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

(in millions of US dollars)	13-week period ended April 30, 2017	12-week period ended April 24, 2016	53-week period ended April 30, 2017	52-week period ended April 24, 2016
Net earnings, as reported	277.6	203.9	1,208.9	1,191.4
Adjust for:				
Net foreign exchange loss	15.1	5.8	9.6	5.0
Acquisition costs	6.4	2.7	21.0	6.2
Accelerated depreciation and amortization expense	5.3	7.7	27.1	17.8
Restructuring charges	2.1	-	8.1	-
Curtailment gains on pension plan obligation	(1.2)	-	(3.9)	(27.2)
Charge on early termination of fuel supply agreements	-	3.2	-	12.4
Net gain from the disposal of the lubricant business	-	-	-	(47.4)
Tax expense stemming from an internal reorganization	-	-	-	22.9
Write-off expense on fuel rebranding	-	-	-	10.4
Integration costs and expenses in connection with our global brand initiatives	-	-	-	8.6
Tax impact of the items above and rounding	(7.3)	(4.3)	(14.8)	(14.1)
Adjusted net earnings	298.0	219.0	1,256.0	1,186.0

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 July 12, 2017 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA 9.0¢ per share for the fourth quarter of fiscal 2017 to shareholders on record as at July 21, 2017, and approved its payment for August 4, 2017. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

During fiscal 2017, the Board declared total dividends of CA 34.75¢ per share.

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 the number of company-operated stores (corporate 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 countries (Estonia, Latvia and Lithuania), and in Ireland and also has an important presence in Poland.

As of June 30, 2017, Couche-Tard's network comprised 9,424 convenience stores throughout North America, including 8,077 stores with road transportation fuel dispensing. Its North American network consists of 18 business units, including 14 in the United States covering 42 states and 4 in Canada covering all 10 provinces. Approximately 95,000 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 and Russia through ten business units. As of June 30, 2017, Couche-Tard's network comprised 2,754 stores, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel stations which only offer road transportation fuel. Couche-Tard also offers other products, including stationary energy, marine fuel, aviation fuel and chemicals. Including employees at its branded franchise stores, approximately 25,000 people work in its retail network, terminals and service offices across Europe.

Through CrossAmerica Partners LP, Couche-Tard supplies road transportation fuel under various brands to more than 1,100 locations in the United States.

In addition, under licensing agreements, more than 1,700 stores are operated under the Circle K banner in 13 other countries and territories (China, Costa Rica, Egypt, Guam, Honduras, Hong Kong, Indonesia, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam), which brings the worldwide total network to more than 15,000 stores.

For more information on Alimentation Couche-Tard Inc. or to consult our annual Consolidated Financial Statements and Management Discussion and Analysis, 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", "can", "shall", "intend", "expect", "estimate", "assume" and other related expressions are used to identify such statements. Couche-Tard would like to point out that, by their very nature, forward-looking statements involve risks and uncertainties such that its results, or the measures it adopts, could differ materially from those indicated in or underlying these statements, or could have an impact on the degree of realization of a particular projection. Major factors that may lead to a material difference between Couche-Tard's actual results and the projections or expectations set forth in the forward-looking statements include the effects of the integration of acquired businesses and the ability to achieve projected synergies, 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 July 12, 2017, at 2:30 P.M. (EDT)

Couche-Tard invites analysts known to the Corporation to send their two questions to its management before 11:00 AM (EDT) on July 12, 2017.

Financial analysts, investors, medias and any individuals interested in listening to the webcast on Couche-Tard's results which will take place online on July 12th, 2017, at 2:30 P.M. (EDT) can do so by either accessing the Corporation's website at <http://corpo.couche-tard.com> by clicking in the "Investor Relations/Corporate presentations" section or by dialing 1-866-865-3087 or the international number 1-647-427-7450, followed by the access code 43194627#.

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