ALIMENTATION COUCHE-TARD ANNOUNCES ITS RESULTS FOR ITS FIRST QUARTER OF FISCAL YEAR 2023

- Net earnings were $872.4 million, or $0.85 per diluted share for the first quarter of fiscal 2023 compared with $764.4 million, or $0.71 per diluted share for the first quarter of fiscal 2022. Adjusted net earnings[1] were approximately $875.0 million compared with $758.0 million for the first quarter of fiscal 2022. Adjusted diluted net earnings per share[1] were $0.85, representing an increase of 19.7% from $0.71 for the corresponding quarter of last year.
- Total merchandise and service revenues of $4.1 billion, an increase of 0.1%. Same-store merchandise revenues increased by 3.5% in the United States, by 2.8% in Europe and other regions[1], and decreased by 1.3% in Canada.
- Merchandise and service gross margin[1] decreased by 0.3% in the United States to 33.9%, and increased by 0.5% in Europe and other regions to 38.9%, and by 0.8% in Canada to 33.1%.
- Same-store road transportation fuel volumes decreased by 4.0% in the United States, by 3.7% in Europe and other regions, and increased by 0.4% in Canada.
- Road transportation fuel gross margin[1] of 49.00¢ per gallon in the United States, an increase of 12.25¢ per gallon, US 12.26¢ per liter in Europe and other regions, an increase of US 1.94¢ per liter, and CA 14.04¢ per liter in Canada, an increase of CA 3.12¢ per liter. Fuel margins remained healthy throughout the network, due to favorable market conditions and the continued work on the optimization of the supply chain.
- Despite the growth in expenses of 9.4%, the Corporation has deployed strategic efforts to mitigate costs increases and inflationary pressures, which is demonstrated by the normalized growth of expenses[1] of 7.3%, remaining below inflation.
- Sequential improvement of the leverage ratio[1] at 1.31 : 1, and of the return on capital employed[1] at 15.9%, both driven by strong earnings.
- On April 22, 2022, the Corporation renewed its share repurchase program which allows it to repurchase up to 10.0% of the public float. Under the renewed program, shares for a net amount of $478.0 million were repurchased during the quarter.
- On August 30, 2022, subsequent to the end of the quarter, the Corporation also announces that, following satisfaction of closing conditions, it has closed its proposed acquisition of Cape D'Or Holdings Limited, Barrington Terminals Limited and other related holding entities in Atlantic Canada.

Laval, Québec, Canada – August 30, 2022 – For its first quarter ended July 17, 2022, Alimentation Couche-Tard Inc. ("Couche-Tard" or the "Corporation") (TSX: ATD) announces net earnings of $872.4 million, representing $0.85 per share on a diluted basis. The results for the first quarter of fiscal 2023 were affected by pre-tax acquisition costs of $1.2 million, as well as by a pre-tax net foreign exchange loss of $1.0 million. The results for the comparable quarter of fiscal 2022 were affected by a pre-tax net foreign exchange gain of $8.6 million as well as by pre-tax acquisition costs of $0.8 million. Excluding these items, the adjusted net earnings[1] were approximately $875.0 million, or $0.85 per share on a diluted basis for the first quarter of fiscal 2023, compared with $758.0 million, or $0.71 per share on a diluted basis for the first quarter of fiscal 2022, an increase of 19.7% in the adjusted diluted net earnings per share[1], driven by higher road transportation fuel gross margins[1], by organic growth in the convenience activities, as well as by the favorable impact of the share repurchase program, partly offset by higher expenses. All financial information presented is in US dollars unless stated otherwise.

"In the face of continued and historic inflationary conditions and high fuel prices, we are pleased to report strong results this quarter, especially in convenience where we had healthy same stores sales in our U.S. market. We also continued to generate robust fuel margins across all of our platforms. In this period of high inflation and high prices, we remain focused on delivering a strong and consistent value to our customers and on maintaining cost discipline in our operations" said Brian Hannasch, President and Chief Executive Officer of Alimentation Couche-Tard.

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

"We are proud of the progress we made this quarter in our vision to become the world's preferred destination in convenience and mobility. With our *Fresh Food, Fast* priority, we are hitting key targets in site numbers and seeing very strong growth in our private label brands as consumers look for value. To enhance the customer experience at our locations, we are progressing with the roll out of our innovative, easy-to-use, smart checkout technology after announcing plans to deploy 10,000 units in 7,000 stores during the next three years. Also, after a year of record organic growth in store builds, we added 30 more new sites this quarter" concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer, added: "We delivered another impressive quarter highlighted by increases of 10.6% in adjusted EBITDA[1] and 19.7% in adjusted diluted net earnings per share[1] compared to the first quarter of fiscal 2022, bringing our last four quarters adjusted EBITDA[1] to more than $5.4 billion. Our customary cost discipline, combined with an improving labor market, have allowed us to limit the normalized growth of expenses[1] to 7.3%, compared to the first quarter of last year, more than 1% below inflation, which was particularly notable once again this quarter. Our financial position remains strong, highlighted by our leverage ratio[1] of 1.31, providing us with opportunities for the future. I am especially proud of our teams' execution this quarter which resulted in sequential improvements on both of our key return metrics."

Significant Items of the First Quarter of Fiscal 2023

- On April 22, 2022, the Toronto Stock Exchange approved the renewal of our share repurchase program, which took effect on April 26, 2022. The renewed share repurchase program allows us to repurchase up to 79,703,614 shares, representing 10.0% of the shares comprising the public float as at April 20, 2022, and the share repurchase period will end no later than April 25, 2023. During the first quarter of fiscal 2023, we repurchased 10,940,400 shares, for an amount of $478.0 million.
- On May 9, 2022, we established a commercial paper program in the United States on a private placement basis. The commercial paper program allows us to issue, at our discretion, unsecured commercial paper notes with maturities not exceeding 397 days. The aggregate principal amount of unsecured commercial paper notes outstanding at any one time cannot exceed $2.5 billion and our term revolving unsecured operating credit facility serves as a liquidity backstop for the repayment of the unsecured commercial paper notes. As at July 17, 2022, there were no outstanding unsecured commercial paper notes.
- On April 28, 2022, we exercised the Series B common share warrants in Fire & Flower for a total consideration of CA $37.8 million ($29.5 million), which increased our interests in Fire & Flower to 35.3%.

Changes in our Network during the First Quarter of Fiscal 2023

- We acquired one company-operated store since the beginning of the first quarter of fiscal 2023.
- We completed the construction of 23 stores and the relocation or reconstruction of 7 stores, reaching a total of 30 stores since the beginning of fiscal 2023. As of July 17, 2022, another 54 stores were under construction and should open in the upcoming quarters.
- During the first quarter of fiscal 2023, we invested an amount of $30.1 million in a joint venture with Musket Corporation, which then acquired four road transportation fuel terminals located in Florida, Illinois, and North Carolina, United States.
- On August 30, 2022, subsequent to the end of the quarter, we announce that, following satisfaction of closing conditions, we have closed our proposed acquisition of all the issued and outstanding shares of Cape D'Or Holdings Limited, Barrington Terminals Limited, and other related holding entities which operate an independent convenience store and fuel network in Atlantic Canada under the Esso, Go! Store and Wilsons Gas Stops brands (collectively "Wilsons"). The Wilsons network comprises 79 company-owned and operated convenience retail and fuel locations, 2 company-owned and dealer-operated locations, 137 dealer-owned and operated locations, and a fuel terminal in Halifax, Canada. The transaction was settled for a consideration, subject to post-closing adjustments including debt repayment, of CA $346.8 million ($265.9 million), using available cash. In connection with obtaining the Competition Bureau (Canada) approval for the transaction, we entered into a consent agreement with the Commissioner of Competition to divest 34 company-owned and operated convenience retail and fuel locations, 1 company-owned and dealer-operated location, and 12 dealer-owned and operated locations in New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island, Canada.

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

Summary of changes in our store network

The following table presents certain information regarding changes in our store network over the 12-week period ended July 17, 2022:

	12-week period ended July 17, 2022				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	9,808	370	713	1,275	12,166
Acquisitions	1	—	—	—	1
Openings / constructions / additions	23	2	1	24	50
Closures / disposals / withdrawals	(41)	(2)	(7)	(10)	(60)
Store conversions	5	(1)	(9)	5	—
Number of sites, end of period	**9,796**	**369**	**698**	**1,294**	**12,157**
Circle K branded sites under licensing agreements					1,905
Total network					**14,062**
Number of automated fuel stations included in the period-end figures	979	—	1	—	980

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	
	July 17, 2022	July 18, 2021
Average for the period(1)		
Canadian dollar	**0.7778**	0.8167
Norwegian krone	**0.1031**	0.1188
Swedish krone	**0.0995**	0.1187
Danish krone	**0.1412**	0.1620
Zloty	**0.2248**	0.2662
Euro	**1.0503**	1.2044
Ruble	**Not Applicable**	0.0136
Hong Kong dollar	**0.1274**	0.1288

(1) Calculated by taking the average of the closing exchange rates of each day in the applicable period.

For the analysis of consolidated results, the impact of the translation of our foreign currency operations into US dollars is defined as the impact from the translation of our Canadian, European and Asian operations into US dollars. Variances of our foreign currency operations into US dollars are determined as being the difference between the corresponding period results in local currencies translated at the current period average exchange rate and the corresponding period results in local currencies translated at the corresponding period average exchange rate.

Summary Analysis of Consolidated Results for the First Quarter of Fiscal 2023

The following table highlights certain information regarding our operations for the 12-week periods ended July 17, 2022, and July 18, 2021, and the results analysis in this section should be read in conjunction with this table. Europe and other regions include the results from our operations in Asia.

	12-week periods ended		
(in millions of US dollars, unless otherwise stated)	**July 17, 2022**	July 18, 2021	Variation %
Statement of Operations Data:			
Merchandise and service revenues[1]:			
United States	**2,904.9**	2,829.4	2.7
Europe and other regions	**537.1**	561.4	(4.3)
Canada	**630.5**	677.2	(6.9)
Total merchandise and service revenues	**4,072.5**	4,068.0	0.1
Road transportation fuel revenues:			
United States	**9,681.4**	6,463.7	49.8
Europe and other regions	**2,975.9**	1,793.6	65.9
Canada	**1,661.8**	1,137.9	46.0
Total road transportation fuel revenues	**14,319.1**	9,395.2	52.4
Other revenues[2]:			
United States	**9.7**	10.8	(10.2)
Europe and other regions	**250.5**	100.0	150.5
Canada	**5.9**	4.9	20.4
Total other revenues	**266.1**	115.7	130.0
Total revenues	**18,657.7**	13,578.9	37.4
Merchandise and service gross profit[1][3]:			
United States	**985.3**	967.7	1.8
Europe and other regions	**208.7**	215.4	(3.1)
Canada	**208.9**	219.0	(4.6)
Total merchandise and service gross profit	**1,402.9**	1,402.1	0.1
Road transportation fuel gross profit[3]:			
United States	**1,031.4**	804.8	28.2
Europe and other regions	**280.7**	246.7	13.8
Canada	**132.4**	108.0	22.6
Total road transportation fuel gross profit	**1,444.5**	1,159.5	24.6
Other revenues gross profit[2][3]:			
United States	**9.7**	10.8	(10.2)
Europe and other regions	**19.8**	22.7	(12.8)
Canada	**5.9**	4.9	20.4
Total other revenues gross profit	**35.4**	38.4	(7.8)
Total gross profit[3]	**2,882.8**	2,600.0	10.9
Operating, selling, general and administrative expenses	**1,398.1**	1,278.1	9.4
Gain on disposal of property and equipment and other assets	**(13.0)**	(37.3)	(65.1)
Depreciation, amortization and impairment	**319.2**	314.3	1.6
Operating income	**1,178.5**	1,044.9	12.8
Net financial expenses	**67.1**	74.3	(9.7)
Net earnings	**872.4**	764.4	14.1
Per Share Data:			
Basic net earnings per share (dollars per share)	**0.85**	0.71	19.7
Diluted net earnings per share (dollars per share)	**0.85**	0.71	19.7
Adjusted diluted net earnings per share (dollars per share)[3]	**0.85**	0.71	19.7

(in millions of US dollars, unless otherwise stated)	12-week periods ended **July 17, 2022**	 July 18, 2021	 Variation %
Other Operating Data:			
Merchandise and service gross margin[(1)(3)]:			
Consolidated	**34.4%**	34.5%	(0.1)
United States	**33.9%**	34.2%	(0.3)
Europe and other regions	**38.9%**	38.4%	0.5
Canada	**33.1%**	32.3%	0.8
Growth of (decrease in) same-store merchandise revenues[(4)]:			
United States[(5)(6)]	**3.5%**	(0.2%)	
Europe and other regions[(3)]	**2.8%**	5.9%	
Canada[(5)(6)]	**(1.3%)**	(9.6%)	
Road transportation fuel gross margin[(3)]:			
United States (cents per gallon)	**49.00**	36.75	33.3
Europe and other regions (cents per liter)	**12.26**	10.32	18.8
Canada (CA cents per liter)	**14.04**	10.92	28.6
Total volume of road transportation fuel sold:			
United States (millions of gallons)	**2,105.0**	2,189.6	(3.9)
Europe and other regions (millions of liters)	**2,288.8**	2,391.7	(4.3)
Canada (millions of liters)	**1,212.1**	1,211.9	—
Growth of (decrease in) same-store road transportation fuel volume[(5)]:			
United States	**(4.0%)**	11.8%	
Europe and other regions	**(3.7%)**	6.3%	
Canada	**0.4%**	10.4%	

(in millions of US dollars, unless otherwise stated)	**As at July 17, 2022**	As at April 24, 2022	Variation $
Balance Sheet Data:			
Total assets	**29,350.6**	29,591.6	(241.0)
Interest-bearing debt[(3)]	**9,299.0**	9,439.9	(140.9)
Equity	**12,418.3**	12,437.6	(19.3)
Indebtedness Ratios[(3)]:			
Net interest-bearing debt/total capitalization	**0.36 : 1**	0.37 : 1	
Leverage ratio	**1.31 : 1**	1.39 : 1	
Returns[(3)]:			
Return on equity	**22.4%**	21.8%	
Return on capital employed	**15.9%**	15.4%	

(1) Includes revenues derived from franchise fees, royalties, suppliers' rebates on some purchases made by franchisees and licensees, as well as from wholesale of merchandise. Franchise fees from international licensed stores are presented in the United States.
(2) Includes revenues from the rental of assets and from the sale of aviation fuel and energy for stationary engines.
(3) Please refer to the “Non-IFRS measures” section for additional information on our capital management measure as well as performance measures not defined by IFRS.
(4) This measure represents the growth of (decrease in) cumulated merchandise revenues between the current period and comparative period for those stores that were open for at least 23 days out of every 28-day period included in the reported periods. Merchandise revenues are defined as Merchandise and service revenues excluding service revenues.
(5) For company-operated stores only.
(6) Calculated based on respective functional currencies.

Revenues

Our revenues were $18.7 billion for the first quarter of fiscal 2023, up by $5.1 billion, an increase of 37.4% compared with the corresponding quarter of fiscal 2022, mainly attributable to a higher average road transportation fuel and other fuel products selling price, organic growth on merchandise and service revenues, and the contribution from acquisitions while being partly offset by lower road transportation fuel demand, the impact of the divestiture of sites following the strategic review of our network as well as the net negative impact of approximately $336.0 million from the translation of our foreign currency operations into US dollars.

Merchandise and service revenues

Total merchandise and service revenues for the first quarter of fiscal 2023 were $4.1 billion, an increase of $4.5 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $78.0 million. The remaining increase of approximately $82.0 million, or 2.0%, is primarily attributable to organic growth in the United States and Europe and other regions, and to the contribution from acquisitions which amounted to approximately $31.0 million, while being partly offset by the disposal of stores following the strategic review of our network. Same-store merchandise revenues increased by 3.5% in the United States, by 2.8%[1] in Europe and other regions, and decreased by 1.3% in Canada. Same-store merchandise revenues in Canada were strongly impacted by increased competition of the illicit market in the cigarettes category compared with the corresponding quarter of fiscal 2022.

Road transportation fuel revenues

Total road transportation fuel revenues for the first quarter of fiscal 2023 were $14.3 billion, an increase of $4.9 billion compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $249.0 million. The remaining increase of approximately $5.2 billion, or 55.1%, is attributable to a higher average road transportation fuel selling price, which had an impact of approximately $5.5 billion partly offset by the impact of lower road transportation fuel demand. Same-store road transportation fuel volumes decreased by 4.0% in the United States and by 3.7% in Europe and other regions, and increased by 0.4% in Canada. During the quarter, road transportation fuel demand remained unfavorably impacted by the significant rise in retail prices driven by the increase in crude oil costs, from work from home trends and the impact from our fuel rebranding activities.

The following table shows the average selling price of road transportation fuel of our company-operated stores in our various markets for the last eight quarters. The average selling price of road transportation fuel consists of the road transportation fuel revenues divided by the volume of road transportation fuel sold:

Quarter	2nd	3rd	4th	1st	Weighted average
52-week period ended July 17, 2022					
United States (US dollars per gallon)	3.08	3.28	3.94	4.61	3.69
Europe and other regions (US cents per liter)	86.29	96.66	120.84	129.11	106.91
Canada (CA cents per liter)	123.00	129.39	150.30	179.15	143.78
52-week period ended July 18, 2021					
United States (US dollars per gallon)	2.14	2.16	2.72	2.97	2.48
Europe and other regions (US cents per liter)	63.19	65.84	79.29	79.09	71.42
Canada (CA cents per liter)	92.00	92.54	108.99	117.51	101.90

Other revenues

Total other revenues for the first quarter of fiscal 2023 were $266.1 million, an increase of $150.4 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $11.0 million. The remaining increase of approximately $161.0 million, or 139.2%, is primarily driven by higher prices and higher demand on our other fuel products, which had a minimal impact on gross profit[1].

Gross profit[1]

Our gross profit was $2.9 billion for the first quarter of fiscal 2023, up by $282.8 million or 10.9%, compared with the corresponding quarter of fiscal 2022, mainly attributable to higher road transportation fuel gross margins and organic growth in our convenience activities, while being partly offset by the net negative impact of the translation of our foreign currency operations into US dollars of approximately $60.0 million.

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

Merchandise and service gross profit

In the first quarter of fiscal 2023, our merchandise and service gross profit was $1.4 billion, an increase of $0.8 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $29.0 million. The remaining increase of approximately $30.0 million, or 2.1%, is primarily due to organic growth driven by pricing initiatives. Our gross margin[1] decreased by 0.3% in the United States to 33.9%, while it increased by 0.5% in Europe and other regions to 38.9%, and by 0.8% in Canada to 33.1%.

Road transportation fuel gross profit

In the first quarter of fiscal 2023, our road transportation fuel gross profit was $1.4 billion, an increase of $285.0 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $29.0 million. The remaining increase in our gross profit was approximately $314.0 million, or 27.1%. In the United States, our road transportation fuel gross margin[1] was 49.00¢ per gallon, an increase of 12.25¢ per gallon, in Europe and other regions, our road transportation fuel gross margin[1] was US 12.26¢ per liter, an increase of US 1.94¢ per liter, and in Canada, it was CA 14.04¢ per liter, an increase of CA 3.12¢ per liter. Fuel margins remained healthy throughout our network, due to favorable market conditions and the continued work on the optimization of our supply chain.

The road transportation fuel gross margin[1] of our company-operated stores in the United States and the impact of expenses related to electronic payment modes for the last eight quarters, were as follows:

(US cents per gallon)

Quarter	2nd	3rd	4th	1st	Weighted average
52-week period ended July 17, 2022					
Before deduction of expenses related to electronic payment modes	37.68	41.02	47.55	50.95	44.01
Expenses related to electronic payment modes(1)	5.31	5.74	6.61	7.21	6.18
After deduction of expenses related to electronic payment modes	32.37	35.28	40.94	43.74	37.83
52-week period ended July 18, 2021					
Before deduction of expenses related to electronic payment modes	37.48	31.86	35.25	37.58	35.34
Expenses related to electronic payment modes(1)	4.79	4.66	5.10	5.38	4.96
After deduction of expenses related to electronic payment modes	32.69	27.20	30.15	32.20	30.38

(1) Expenses related to electronic payment modes are determined by allocating the portion of total electronic payment modes, which are included in Operating, selling, general and administrative expenses, deemed related to our United-States company-operated stores road transportation fuel transactions.

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

Other revenues gross profit

In the first quarter of fiscal 2023, other revenues gross profit was $35.4 million, a decrease of $3.0 million compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $2.0 million.

Operating, selling, general and administrative expenses ("expenses")

For the first quarter of fiscal 2023, expenses increased by 9.4% compared with the corresponding period of fiscal 2022. Normalized growth of expenses[1] was 7.3%, as shown in the table below:

	12-week periods ended	
	July 17, 2022	July 18, 2021
Growth of expenses, as reported	**9.4%**	**11.3%**
Adjusted for:		
Increase from higher electronic payment fees, excluding acquisitions	**(3.7%)**	(2.4%)
Decrease (increase) from the net impact of foreign exchange translation	**2.5%**	(3.4%)
Increase from incremental expenses related to acquisitions	**(0.9%)**	(2.2%)
Decrease from changes in acquisition costs recognized to earnings	**—%**	0.2%
Normalized growth of expenses[1]	**7.3%**	**3.5%**

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

For the first quarter of fiscal 2023, we have continued to deploy strategic efforts in order to mitigate the impact of a higher inflation level and continued pressure on wages, which is demonstrated by our normalized growth of expenses[1] of 7.3%, which is below inflation, despite the challenging market conditions. The normalized growth of expenses[1] in the first quarter was mainly driven by inflationary pressures, most notably on higher occupancy costs, higher costs from rising minimum wages, as well as by incremental investments in our stores to support our strategic initiatives partly offset by the impact of lower pressure in the employment market.

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

During the first quarter of fiscal 2023, EBITDA stood at $1.5 billion, an increase of 10.6% compared with the corresponding quarter of fiscal 2022. Adjusted EBITDA for the first quarter of fiscal 2023 increased by $144.4 million, or 10.6%, compared with the corresponding quarter of fiscal 2022, mainly due to higher road transportation fuel margins, and organic growth in our convenience operations, partly offset by higher expenses. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $28.0 million.

Depreciation, amortization and impairment ("depreciation")

For the first quarter of fiscal 2023, our depreciation expense increased by $4.9 million compared with the first quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net favorable impact of approximately $9.0 million. The remaining increase of approximately $14.0 million, or 4.5%, is mainly driven by the replacement of equipment, the ongoing improvement of our network and the impact from investments made through acquisitions.

Net financial expenses

Net financial expenses for the first quarter of fiscal 2023 were $67.1 million, a decrease of $7.2 million compared with the corresponding period of fiscal 2022. A portion of the decrease is explained by certain items that are not considered indicative of future trends, as shown in the table below:

	12-week periods ended		
(in millions of US dollars)	**July 17, 2022**	July 18, 2021	**Variation**
Net financial expenses, as reported	**67.1**	74.3	**(7.2)**
Explained by:			
Change in fair value of financial instruments and amortization of deferred differences	**0.9**	(10.1)	**11.0**
Net foreign exchange (loss) gain	**(1.0)**	8.6	**(9.6)**
Remaining variation	**67.0**	72.8	**(5.8)**

The remaining variation is mainly driven by the reduction of long-term debt compared with the corresponding period of fiscal 2022.

Income taxes

The income tax rate for the first quarter of fiscal 2023 was 21.9% compared with 21.3% for the corresponding quarter of fiscal 2022. The increase is mainly stemming from the impact of a different mix in our earnings across the various jurisdictions in which we operate.

Net earnings and adjusted net earnings[1]

Net earnings for the first quarter of fiscal 2023 were $872.4 million, compared with $764.4 million for the first quarter of the previous fiscal year, an increase of $108.0 million, or 14.1%. Diluted net earnings per share stood at $0.85, compared with $0.71 for the corresponding quarter of the previous fiscal year. The translation of revenues and expenses from our foreign currency operations into US dollars had a net negative impact of approximately $20.0 million on net earnings of the first quarter of fiscal 2023.

Adjusted net earnings for the first quarter of fiscal 2023 were approximately $875.0 million, compared with $758.0 million for the first quarter of fiscal 2022, an increase of $117.0 million, or 15.4%. Adjusted diluted net earnings per share were $0.85 for the first quarter of fiscal 2023, compared with $0.71 for the corresponding quarter of fiscal 2022, an increase of 19.7%.

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

Dividends

During its August 30, 2022 meeting, the Board of Directors declared a quarterly dividend of CA 11.0¢ per share for the first quarter of fiscal 2023 to shareholders on record as at September 8, 2022, and approved its payment effective September 22, 2022. This is an eligible dividend within the meaning of the *Income Tax Act* (Canada).

Non-IFRS Measures

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

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

- Gross profit;
- Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA") and adjusted EBITDA;
- Adjusted net earnings; and
- Interest-bearing debt;

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

- Merchandise and service gross margin and Road transportation fuel gross margin;
- Normalized growth of operating, selling, general and administrative expenses;
- Growth of same-store merchandise revenues for Europe and other regions;
- Adjusted diluted net earnings per share;
- Leverage ratio; and
- Return on equity and return on capital employed.

The following capital management measure is used in our financial disclosures:

- Net interest-bearing debt/total capitalization.

Supplementary financial measures are also used in our financial disclosures and those measures are described where they are presented.

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

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

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

	12-week periods ended	
(in millions of US dollars)	**July 17, 2022**	July 18, 2021
Revenues	**18,657.7**	13,578.9
Cost of sales, excluding depreciation, amortization and impairment	**15,774.9**	10,978.9
Gross profit	**2,882.8**	2,600.0

Please note that the same reconciliation applies in the determination of gross profit by category and by geography presented in the section "Summary Analysis of Consolidated Results".

Merchandise and service gross margin. Merchandise and service gross margin consists of Merchandise and service gross profit divided by Merchandise and service revenues, both measures are presented in the section ''Summary Analysis of Consolidated Results''. Merchandise and service gross margin is considered useful for evaluating how efficiently we generate gross profit by dollar of revenue.

Road transportation fuel gross margin. Road transportation fuel gross margin consists of Road transportation fuel gross profit divided by total volume of road transportation fuel sold. For the United States and Europe and other regions, both measures are presented in the section ''Summary Analysis of Consolidated Results''. For Canada, this measure is presented in functional currency and the table below reconciles, for road transportation fuel, Revenues and Cost of sales, excluding depreciation, amortization and impairment, as per IFRS, to gross profit and the resulting road transportation fuel gross margin. This measure is considered useful for evaluating how efficiently we generate gross profit by gallon or liter of road transportation fuel sold.

	12-week periods ended	
(in millions of Canadian dollars, unless otherwise noted)	**July 17, 2022**	July 18, 2021
Road transportation fuel revenues	**2,136.5**	1,394.1
Road transportation fuel cost of sales, excluding depreciation, amortization and impairment	**1,966.3**	1,261.8
Road transportation fuel gross profit	**170.2**	132.3
Total road transportation fuel volume sold	**1,212.1**	1,211.9
Road transportation fuel gross margin (CA cents per liter)	**14.04**	10.92

Normalized growth of operating, selling, general and administrative expenses ("normalized growth of expenses"). Normalized growth of expenses consists of the growth of Operating, selling, general and administrative expenses adjusted for the impact of the changes in our network, the impact of more volatile items over which we have limited control, as well as the impact from changes in accounting policies and adoption of accounting standards. This measure is considered useful for evaluating our ability to control our expenses on a comparable basis.

The tables below reconcile growth of Operating, selling, general and administrative expenses to normalized growth of expenses:

	12-week periods ended		
(in millions of US dollars, unless otherwise noted)	**July 17, 2022**	July 18, 2021	**Variation**
Operating, selling, general and administrative expenses, as published	**1,398.1**	1,278.1	**9.4%**
Adjusted for:			
Increase from higher electronic payment fees, excluding acquisitions	**(46.7)**	—	**(3.7%)**
Decrease from the net impact of foreign exchange translation	**31.6**	—	**2.5%**
Increase from incremental expenses related to acquisitions	**(11.1)**	—	**(0.9%)**
Increase from changes in acquisition costs recognized to earnings	**(0.4)**	—	**—**
Normalized growth of expenses	**1,371.5**	1,278.1	**7.3%**

	12-week periods ended		
(in millions of US dollars, unless otherwise noted)	**July 18, 2021**	July 19, 2020	**Variation**
Operating, selling, general and administrative expenses, as published	**1,278.1**	1,148.6	**11.3%**
Adjusted for:			
Increase from the net impact of foreign exchange translation	**(39.6)**	—	**(3.4%)**
Increase from higher electronic payment fees, excluding acquisitions	**(27.5)**	—	**(2.4%)**
Increase from incremental expenses related to acquisitions	**(25.2)**	—	**(2.2%)**
Decrease from changes in acquisition costs recognized to earnings	**2.7**	—	**0.2%**
Normalized growth of expenses	**1,188.5**	1,148.6	**3.5%**

Growth of same-store merchandise revenues for Europe and other regions. Same-store merchandise revenues represent cumulated merchandise revenues between the current period and comparative period for those stores that were open for at least 23 days out of every 28-day period included in the reported periods. Merchandise revenues are defined as Merchandise and service revenues excluding service revenues. For Europe and other regions, the growth of same-store merchandise revenues is calculated based on constant currencies using the respective current period average exchange rate for both the current and corresponding period. In Europe and other regions, same-store merchandise revenues include same-store revenues from company-operated stores, CODO and DODO stores, as well as Asian corporate stores prior to their acquisition date of December 21, 2020. These last two items are not included in our consolidated results. This measure is considered useful for evaluating our ability to generate organic growth on a comparable basis in our overall European and other regions store network.

The tables below reconcile Merchandise and service revenues, as per IFRS, to same-store merchandise revenues for Europe and other regions and the resulting percentage of growth:

	12-week periods ended	
(in millions of US dollars, unless otherwise noted)	**July 17, 2022**	July 18, 2021
Merchandise and service revenues for Europe and other regions	**537.1**	561.4
Adjusted for:		
Service revenues	**(39.8)**	(44.8)
Net foreign exchange impact	**—**	(46.7)
Merchandise revenues for stores not meeting the definition of same-store	**(19.1)**	(17.8)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**84.9**	95.7
Total Same-store merchandise revenues for Europe and other regions	**563.1**	547.8
Growth of same-store merchandise revenues for Europe and other regions	**2.8%**	

	12-week periods ended	
(in millions of US dollars, unless otherwise noted)	**July 18, 2021**	July 19, 2020
Merchandise and service revenues for Europe and other regions	**561.4**	343.2
Adjusted for:		
Service revenues	**(44.8)**	(33.7)
Net foreign exchange impact	**—**	35.7
Merchandise revenues for stores not meeting the definition of same-store	**(8.7)**	(13.6)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**113.6**	255.2
Total Same-store merchandise revenues for Europe and other regions	**621.5**	586.8
Growth of same-store merchandise revenues for Europe and other regions	**5.9%**	

Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA") and adjusted EBITDA. EBITDA represents net earnings plus income taxes, net financial expenses, and depreciation, amortization and impairment. Adjusted EBITDA represents the EBITDA adjusted for acquisition costs and other specific items for which the impact on consolidated results is not deemed indicative of future trends. These performance measures are considered useful to facilitate the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program, share repurchases, and payment of dividends.

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

	12-week periods ended	
(in millions of US dollars)	**July 17, 2022**	July 18, 2021
Net earnings	**872.4**	764.4
Add:		
Income taxes	**244.6**	206.3
Net financial expenses	**67.1**	74.3
Depreciation, amortization and impairment	**319.2**	314.3
EBITDA	**1,503.3**	1,359.3
Adjusted for:		
Acquisition costs	**1.2**	0.8
Adjusted EBITDA	**1,504.5**	1,360.1

Adjusted net earnings and adjusted diluted net earnings per share. Adjusted net earnings represents net earnings adjusted for net foreign exchange gains or losses, acquisition costs and other specific items for which the impact on consolidated results is not deemed indicative of future trends. These measures are considered useful for evaluating the underlying performance of our operations on a comparable basis.

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

	12-week periods ended	
(in millions of US dollars, except per share amounts, or unless otherwise noted)	**July 17, 2022**	July 18, 2021
Net earnings	**872.4**	764.4
Adjusted for:		
Acquisition costs	**1.2**	0.8
Net foreign exchange loss (gain)	**1.0**	(8.6)
Tax impact of the items above and rounding	**0.4**	1.4
Adjusted net earnings	**875.0**	758.0
Weighted average number of shares - diluted (in millions)	**1,027.2**	1,074.4
Adjusted diluted net earnings per share	**0.85**	0.71

Interest-bearing debt. This measure represents the sum of the following balance sheet accounts: Current portion of long-term debt, Long-term debt, Current portion of lease liabilities and Lease liabilities. This measure is considered useful to facilitate the understanding of our financial position in relation with financing obligations. The calculation of this measure of financial position is detailed in the ''Net interest-bearing debt/total capitalization'' section below.

Net interest-bearing debt/total capitalization. This measure represents the basis for monitoring our capital as well as a measure of financial condition that is especially used in financial circles.

The table below presents the calculation of this performance measure:

(in millions of US dollars, except ratio data)	**As at July 17, 2022**	As at April 24, 2022
Current portion of long-term debt	**1.5**	1.4
Current portion of lease liabilities	**414.7**	425.4
Long-term debt	**5,864.9**	5,963.6
Lease liabilities	**3,017.9**	3,049.5
Interest-bearing debt	**9,299.0**	9,439.9
Less: Cash and cash equivalents	**2,195.4**	2,143.9
Net interest-bearing debt	**7,103.6**	7,296.0
Equity	**12,418.3**	12,437.6
Net interest-bearing debt	**7,103.6**	7,296.0
Total capitalization	**19,521.9**	19,733.6
Net interest-bearing debt to total capitalization ratio	**0.36 : 1**	0.37 : 1

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

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

	52-week periods ended	
(in millions of US dollars, except ratio data)	**July 17, 2022**	April 24, 2022
Net interest-bearing debt	**7,103.6**	7,296.0
Adjusted EBITDA	**5,410.5**	5,266.1
Leverage ratio	**1.31 : 1**	1.39 : 1

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

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

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**July 17, 2022**	April 24, 2022
Net earnings	**2,791.3**	2,683.3
Equity - Opening balance	**12,461.7**	12,180.9
Equity - Ending balance	**12,418.3**	12,437.6
Average equity	**12,440.0**	12,309.3
Return on equity	**22.4%**	21.8%

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

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

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**July 17, 2022**	April 24, 2022
Net earnings	**2,791.3**	2,683.3
Add:		
Income taxes	**772.6**	734.3
Net financial expenses	**273.8**	281.0
EBIT	**3,837.7**	3,698.6
Capital employed - Opening balance(1)	**24,298.1**	23,971.5
Capital employed - Ending balance(1)	**23,860.1**	24,001.0
Average capital employed	**24,079.1**	23,986.3
Return on capital employed	**15.9%**	15.4%

(1) The table below reconciles balance sheet line items, as per IFRS, to capital employed:

(in millions of US dollars)	**As at July 17, 2022**	As at July 18, 2021	As at April 24, 2022	As at April 25, 2021
Total Assets	**29,350.6**	29,137.3	29,591.6	28,394.5
Less: Current liabilities	**(5,906.7)**	(5,308.5)	(6,017.4)	(5,949.7)
Add: Current portion of long-term debt	**1.5**	62.2	1.4	1,107.3
Add: Current portion of lease liabilities	**414.7**	407.1	425.4	419.4
Capital employed	**23,860.1**	24,298.1	24,001.0	23,971.5

Profile

Couche-Tard is a global leader in convenience and fuel retail, operating in 24 countries and territories, with close to 14,100 stores, of which approximately 10,700 offer road transportation fuel. With its well-known Couche-Tard and Circle K banners, it is one of the largest independent convenience store operators in the United States and it is a leader in the convenience store industry and road transportation fuel retail in Canada, Scandinavia, the Baltics, as well as in Ireland. It also has an important presence in Poland and Hong Kong Special Administrative Region of the People's Republic of China. Approximately 122,000 people are employed throughout its network.

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

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

Media relations: Lisa Koenig, Head of Global Communications
Tel: (450) 662-6632, ext. 6611
communication@couche-tard.com

Webcast on August 31, 2022, at 8:00 A.M. (EDT)

Couche-Tard invites analysts known to the Corporation to ask their questions to its management on August 31, 2022, during the question and answer period of the webcast.

Financial Analysts, Investors, media and any individuals interested in listening to the webcast on Couche-Tard's results, which will take place online on August 31, 2022, at 8:00 A.M. (EDT) can do so by either accessing the Corporation's website at https://corpo.couche-tard.com/en and by clicking in the "Investors/Events & Presentations" section or by dialing 1-888-390-0549 or the international number 1-416-764-8682, followed by the access code 35419650#.

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.