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

- Net earnings were $737.4 million, or $0.73 per diluted share for the third quarter of fiscal 2023 compared with $746.4 million, or $0.70 per diluted share for the third quarter of fiscal 2022. Adjusted net earnings[1] were approximately $741.0 million compared with $746.0 million for the third quarter of fiscal 2022. Adjusted diluted net earnings per share[1] were $0.74, representing an increase of 5.7% from $0.70 for the corresponding quarter of last year. The translation of foreign currencies into US dollar had a net unfavorable impact of approximately $28.0 million on net earnings and adjusted net earnings[1].
- Total merchandise and service revenues of $5.0 billion, an increase of 3.5%. Same-store merchandise revenues[2] increased by 4.8% in the United States, by 3.5% in Europe and other regions[1], and by 2.3% in Canada.
- Merchandise and service gross margin[1] decreased by 0.4% in the United States to 33.2%, by 0.5% in Europe and other regions to 37.3%, and increased by 0.7% in Canada to 32.3%.
- Same-store road transportation fuel volumes decreased by 2.3% in the United States, by 1.2% in Europe and other regions, and increased by 0.5% in Canada.
- Road transportation fuel gross margin[1] of 46.85¢ per gallon in the United States, an increase of 7.22¢ per gallon, CA 12.52¢ per liter in Canada, an increase of CA 0.74¢ per liter, and US 8.01¢ per liter in Europe and other regions, a decrease of US 2.82¢ per liter, driven by the impact of currency translation as well as by the volatility of the European fuel market. Fuel margins remained healthy throughout the network due to favorable market conditions and the continued work on the optimization of the supply chain.
- Subsequent to the end of the quarter, the Corporation closed the acquisition of 65 express tunnel car wash sites conveniently located in our core markets in the United States. The Corporation also reached an agreement to acquire 45 modern high-quality company-owned and operated convenience retail and fuel sites, in the United States.
- During the third quarter and first three quarters of fiscal 2023, the Corporation repurchased shares for amounts of $1.2 billion and $1.9 billion, respectively. Subsequent to the end of the quarter, shares were repurchased for an amount of $373.0 million.

Laval, Québec, Canada – March 15, 2023 – For its third quarter ended January 29, 2023, Alimentation Couche-Tard Inc. ("Couche-Tard" or the "Corporation") (TSX: ATD) announces net earnings of $737.4 million, representing $0.73 per share on a diluted basis, compared with $746.4 million for the corresponding quarter of fiscal 2022, representing $0.70 per share on a diluted basis. The results for the third quarter of fiscal 2023 were affected by pre-tax acquisition costs of $2.7 million, as well as by a pre-tax net foreign exchange loss of $1.6 million. The results for the comparable quarter of fiscal 2022 were affected by a pre-tax net foreign exchange gain of $4.2 million, as well as by pre-tax acquisition costs of $3.2 million. Excluding these items, the adjusted net earnings[1] were approximately $741.0 million, or $0.74 per share on a diluted basis for the third quarter of fiscal 2023, compared with $746.0 million, or $0.70 per share on a diluted basis for corresponding quarter of fiscal 2022, an increase of 5.7% in the adjusted diluted net earnings per share[1]. This increase is primarily driven by higher road transportation fuel gross profit[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 and by the net negative impact from the translation of our foreign currency operations into US dollars. All financial information presented is in US dollars unless stated otherwise.

[1] Please refer to the "Non-IFRS Measures" section for additional information on performance measures not defined by IFRS.
[2] 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.

“As our markets across the globe, especially those in Europe, continue to face persistently high inflationary conditions, we have remained focused and committed to delivering a strong and consistent value to our customers and maintaining cost discipline in our operations. In convenience across the network, we had notable sales in our food program as well as with our private brand items, both offering high quality at lower price points. Throughout the quarter, we continued to be pleased with the resilience of our customers, and through our localized pricing efforts and on-going fuel promotions, we are providing them with further benefits. While our mobility results are still impacted by stay-at-home work patterns and higher prices, we continued to generate healthy fuel margins offsetting the decline in volumes,” said Brian Hannasch, President and Chief Executive Officer of Alimentation Couche-Tard.

“We are excited by the progress we made expanding the network in both store count and services for our mobility customers. First, we closed on the acquisition to acquire True Blue Car Wash LLC, which operates 65 express tunnel car wash sites in the U.S. Southwest and Midwest. These sites are a natural extension of our leading car wash network and a great opportunity to extend our brand into a very attractive industry subcategory. We also announced a definitive agreement to acquire 45 Big Red Stores in Arkansas adding exceptional locations to our footprint in the state. Following the fulfillment of our obligations with the Competition Bureau (Canada), we can now bring the benefits of the Wilsons acquisition to our Canadian market. These additions to the network clearly strengthen our vision to become the world’s preferred destination in convenience and mobility,” concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer, added: “Our results for the third quarter of fiscal 2023 reflect the effective execution of our cost optimization initiatives as well as our disciplined approach to deploy capital. On the cost side, our efforts have helped to mitigate the impacts from higher inflation across our network and we were pleased with the improvement we observed as the quarter progressed. On capital allocation, we have repurchased almost 27.0 million shares during the third quarter and almost 62.0 million shares over the past four quarters, making a noticeable impact on our adjusted diluted net earnings per share[1]. Our financial position remains strong, highlighted by our leverage ratio[1] of 1.46, providing us with ample opportunities for the future. Our key return metrics continue to improve both sequentially and year-over-year with return on equity[1] reaching 23.3% and return on capital employed[1] reaching 16.6%. I am pleased by the teams’ execution of our various initiatives this quarter and as we approach the end of our Double Again strategy, we will be looking to renew some of our initiatives, including around cost optimization.”

Significant Item of the Third Quarter of Fiscal 2023

- During the third quarter and first three quarters of fiscal 2023, we repurchased 26.9 million and 42.6 million shares, for amounts of $1.2 billion and $1.9 billion, respectively. Subsequent to the end of the quarter, 8.1 million shares were repurchased for an amount of $373.0 million.

  As at January 29, 2023, an automatic securities purchase plan was in place and allowed a designated broker to repurchase our shares on our behalf within pre-established parameters, giving rise to a liability of $391.3 million which is recorded in Other short-term financial liabilities on the consolidated balance sheet.

Changes in our Network during the Third Quarter of Fiscal 2023

- On January 13, 2023, we entered into a binding agreement to acquire 45 company-owned and operated convenience retail and fuel sites operating under the Big Red Stores brand and located in the state of Arkansas, United States. The transaction, which would be financed using our available cash and/or existing credit facilities, is expected to close in the first half of calendar year 2023 and is subject to customary closing conditions and regulatory approvals.
- On February 8, 2023, subsequent to the end of the quarter, we acquired all of the memberships interests of True Blue Car Wash LLC (“True Blue”). True Blue operates 65 express tunnel car wash sites under the brands Clean Freak and Rainstorm, in the Midwest and Southwest regions of the United States. The transaction was settled for a consideration of $395.9 million, including debt repayment, and is subject to post closing adjustments. The transaction was financed using borrowings available under our United States commercial paper program and available cash.
- We acquired four company-operated stores, reaching a total of six company-operated stores since the beginning of fiscal 2023. We settled these transactions using our available cash.
- We completed the construction of 34 stores and the relocation or reconstruction of 4 stores, reaching a total of 91 stores since the beginning of fiscal 2023. As of January 29, 2023, another 60 stores were under construction and should open in the upcoming quarters.

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

- In connection with obtaining the Competition Bureau (Canada) approval for the Wilsons network acquisition, 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 Atlantic Canada.

  On March 1, 2023, subsequent to the end of the quarter, we divested these locations and 5 additional dealer-owned and operated locations for a consideration, subject to post-closing adjustments, of CA $77.6 million ($57.0 million). In addition, the consideration includes a contingent consideration receivable based on the future performance of the divested locations and which can go up to a maximum amount of CA $11.3 million ($8.5 million). We assessed that the fair value of the contingent consideration receivable was not significant.

- During the quarter, as a result of the continued strategic review of our network, we entered into multiple sales agreements with various buyers for 31 sites in the United States. As at January 29, 2023, the assets and liabilities related to these sites were classified as held for sale and we expect that they will be sold during the fourth quarter of fiscal 2023.

Summary of changes in our store network

The following table presents certain information regarding changes in our store network over the 16-week period ended January 29, 2023:

	16-week period ended January 29, 2023				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	9,879	366	834	1,288	12,367
Acquisitions	4	—	—	—	4
Openings / constructions / additions	34	—	7	20	61
Closures / disposals / withdrawals	(36)	(1)	(20)	(34)	(91)
Store conversions	6	(6)	(1)	1	—
Number of sites, end of period	**9,887**	**359**	**820**	**1,275**	**12,341**
Circle K branded sites under licensing agreements					1,991
Total network					**14,332**
Number of automated fuel stations included in the period-end figures	977	—	1	—	978

Exchange Rate Data

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

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

	16-week periods ended		40-week periods ended	
	January 29, 2023	January 30, 2022	**January 29, 2023**	January 30, 2022
Average for the period(1)				
Canadian dollar	**0.7388**	0.7932	**0.7577**	0.8000
Norwegian krone	**0.0991**	0.1142	**0.1005**	0.1156
Swedish krone	**0.0942**	0.1120	**0.0959**	0.1150
Danish krone	**0.1394**	0.1532	**0.1386**	0.1573
Zloty	**0.2201**	0.2476	**0.2189**	0.2561
Euro	**1.0368**	1.1396	**1.0307**	1.1699
Ruble	**Not Applicable**	0.0136	**Not Applicable**	0.0136
Hong Kong dollar	**0.1279**	0.1284	**0.1276**	0.1285

(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 Third Quarter and First Three Quarters of Fiscal 2023

The following table highlights certain information regarding our operations for the 16 and 40-week periods ended January 29, 2023 and January 30, 2022, 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.

	16-week periods ended			**40-week periods ended**		
(in millions of US dollars, unless otherwise stated)	**January 29, 2023**	January 30, 2022	Variation %	**January 29, 2023**	January 30, 2022	Variation %
Statement of Operations Data:						
Merchandise and service revenues[1]:						
United States	**3,541.6**	3,355.5	5.5	**9,349.5**	8,938.9	4.6
Europe and other regions	**713.0**	715.9	(0.4)	**1,801.0**	1,857.7	(3.1)
Canada	**706.6**	722.5	(2.2)	**1,955.0**	2,044.2	(4.4)
Total merchandise and service revenues	**4,961.2**	4,793.9	3.5	**13,105.5**	12,840.8	2.1
Road transportation fuel revenues:						
United States	**9,411.5**	8,945.6	5.2	**27,328.9**	22,064.1	23.9
Europe and other regions	**3,475.5**	2,951.3	17.8	**9,288.9**	6,899.8	34.6
Canada	**1,828.2**	1,605.4	13.9	**4,943.1**	4,011.0	23.2
Total road transportation fuel revenues	**14,715.2**	13,502.3	9.0	**41,560.9**	32,974.9	26.0
Other revenues[2]:						
United States	**14.2**	14.6	(2.7)	**32.4**	36.8	(12.0)
Europe and other regions	**343.2**	257.3	33.4	**859.3**	504.9	70.2
Canada	**21.3**	8.3	156.6	**34.2**	17.6	94.3
Total other revenues	**378.7**	280.2	35.2	**925.9**	559.3	65.5
Total revenues	**20,055.1**	18,576.4	8.0	**55,592.3**	46,375.0	19.9
Merchandise and service gross profit[1][3]:						
United States	**1,175.5**	1,127.0	4.3	**3,148.3**	3,026.8	4.0
Europe and other regions	**266.1**	270.6	(1.7)	**685.9**	708.8	(3.2)
Canada	**228.2**	228.5	(0.1)	**642.1**	655.8	(2.1)
Total merchandise and service gross profit	**1,669.8**	1,626.1	2.7	**4,476.3**	4,391.4	1.9
Road transportation fuel gross profit[3]:						
United States	**1,265.9**	1,087.9	16.4	**3,355.3**	2,684.4	25.0
Europe and other regions	**252.8**	342.0	(26.1)	**775.3**	866.7	(10.5)
Canada	**163.5**	148.8	9.9	**420.8**	372.5	13.0
Total road transportation fuel gross profit	**1,682.2**	1,578.7	6.6	**4,551.4**	3,923.6	16.0
Other revenues gross profit[2][3]:						
United States	**14.2**	14.6	(2.7)	**32.4**	36.8	(12.0)
Europe and other regions	**23.6**	31.9	(26.0)	**61.8**	78.4	(21.2)
Canada	**10.7**	8.3	28.9	**21.6**	17.6	22.7
Total other revenues gross profit	**48.5**	54.8	(11.5)	**115.8**	132.8	(12.8)
Total gross profit[3]	**3,400.5**	3,259.6	4.3	**9,143.5**	8,447.8	8.2
Operating, selling, general and administrative expenses	**1,916.1**	1,801.3	6.4	**4,747.2**	4,400.7	7.9
Gain on disposal of property and equipment and other assets	**(4.9)**	(26.4)	(81.4)	**(38.3)**	(60.5)	(36.7)
Depreciation, amortization and impairment	**463.2**	456.3	1.5	**1,136.3**	1,096.3	3.6
Operating income	**1,026.1**	1,028.4	(0.2)	**3,298.3**	3,011.3	9.5
Net financial expenses	**82.5**	87.9	(6.1)	**207.7**	229.5	(9.5)
Net earnings	**737.4**	746.4	(1.2)	**2,420.2**	2,205.6	9.7
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.73**	0.70	4.3	**2.38**	2.07	15.0
Diluted net earnings per share (dollars per share)	**0.73**	0.70	4.3	**2.38**	2.06	15.5
Adjusted diluted net earnings per share (dollars per share)[3]	**0.74**	0.70	5.7	**2.41**	2.06	17.0

(in millions of US dollars, unless otherwise stated)	16-week periods ended			40-week periods ended		
	January 29, 2023	January 30, 2022	Variation %	**January 29, 2023**	January 30, 2022	Variation %
Other Operating Data:						
Merchandise and service gross margin[(1)(3)]:						
Consolidated	**33.7%**	33.9%	(0.2)	**34.2%**	34.2%	—
United States	**33.2%**	33.6%	(0.4)	**33.7%**	33.9%	(0.2)
Europe and other regions	**37.3%**	37.8%	(0.5)	**38.1%**	38.2%	(0.1)
Canada	**32.3%**	31.6%	0.7	**32.8%**	32.1%	0.7
Growth of (decrease in) same-store merchandise revenues[(4)]:						
United States[(5)(6)]	**4.8%**	3.7%		**4.6%**	1.7%	
Europe and other regions[(3)]	**3.5%**	7.2%		**3.1%**	5.8%	
Canada[(5)(6)]	**2.3%**	(0.8%)		**(0.1%)**	(4.2%)	
Road transportation fuel gross margin[(3)]:						
United States (cents per gallon)	**46.85**	39.63	18.2	**48.21**	37.75	27.7
Europe and other regions (cents per liter)	**8.01**	10.83	(26.0)	**9.79**	10.60	(7.6)
Canada (CA cents per liter)	**12.52**	11.78	6.3	**12.96**	11.33	14.4
Total volume of road transportation fuel sold:						
United States (millions of gallons)	**2,702.2**	2,745.1	(1.6)	**6,959.4**	7,110.4	(2.1)
Europe and other regions (millions of liters)	**3,157.0**	3,158.2	—	**7,922.0**	8,179.8	(3.2)
Canada (millions of liters)	**1,769.0**	1,591.5	11.2	**4,286.5**	4,127.9	3.8
Growth of (decrease in) same-store road transportation fuel volume[(5)]:						
United States	**(2.3%)**	3.2%		**(2.7%)**	5.7%	
Europe and other regions	**(1.2%)**	3.2%		**(3.5%)**	2.9%	
Canada	**0.5%**	7.2%		**(1.8%)**	6.6%	

(in millions of US dollars, unless otherwise stated)	**As at January 29, 2023**	As at April 24, 2022	Variation $
Balance Sheet Data:			
Total assets	**28,320.7**	29,591.6	(1,270.9)
Interest-bearing debt[(3)]	**9,293.8**	9,439.9	(146.1)
Equity	**12,074.4**	12,437.6	(363.2)
Indebtedness Ratios[(3)]:			
Net interest-bearing debt/total capitalization	**0.40 : 1**	0.37 : 1	
Leverage ratio	**1.46 : 1**	1.39 : 1	
Returns[(3)]:			
Return on equity	**23.3%**	21.8%	
Return on capital employed	**16.6%**	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 $20.1 billion for the third quarter of fiscal 2023, up by $1.5 billion, an increase of 8.0% compared with the corresponding quarter of fiscal 2022, mainly attributable to a higher average road transportation fuel and other fuel products selling price, the contribution from acquisitions, and organic growth of our convenience activities while being partly offset by lower fuel demand and the net negative impact of approximately $639.0 million from the translation of our foreign currency operations into US dollars.

For the first three quarters of fiscal 2023, our revenues increased by $9.2 billion, or 19.9%, compared with the corresponding period of fiscal 2022, mainly attributable to similar factors as those of the third quarter.

Merchandise and service revenues

Total merchandise and service revenues for the third quarter of fiscal 2023 were $5.0 billion, an increase of $167.3 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 $112.0 million. The remaining increase of approximately $279.0 million, or 5.8%, is primarily attributable to organic growth, and to the contribution from acquisitions which amounted to approximately $41.0 million. Same-store merchandise revenues increased by 4.8% in the United States, by 3.5% in Europe and other regions[1], and by 2.3% in Canada, driven by strong results of our *Fresh Food, Fast* program as well as by our diversified offer in the beverage category, partly offset by the continued softness of our cigarette and other tobacco product revenues from illicit competition and increased restrictions.

For the first three quarters of fiscal 2023, the growth in merchandise and service revenues was $264.7 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 $283.0 million. Same-store merchandise revenues increased by 4.6% in the United States, by 3.1% in Europe and other regions[1], and decreased by 0.1% in Canada.

Road transportation fuel revenues

Total road transportation fuel revenues for the third quarter of fiscal 2023 were $14.7 billion, an increase of $1.2 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 $501.0 million. The remaining increase of approximately $1.7 billion, or 12.7%, is attributable to a higher average road transportation fuel selling price, which had a positive impact of approximately $1.7 billion. Same-store road transportation fuel volumes decreased by 2.3% in the United States, by 1.2% in Europe and other regions, and increased by 0.5% in Canada. During the quarter, road transportation fuel demand remained unfavorably impacted by the high retail prices driven by the increase in crude oil costs compared with the corresponding quarter of fiscal 2022, and the continued work from home trends.

For the first three quarters of fiscal 2023, the road transportation fuel revenues increased by $8.6 billion 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 $1.2 billion. Same-store road transportation fuel volumes decreased by 2.7% in the United States, by 3.5% in Europe and other regions, and by 1.8% in Canada.

The following table shows the average selling price of road transportation fuel of our company-operated stores in our various markets for the last eight quarters. 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	4th	1st	2nd	3rd	Weighted average
52-week period ended January 29, 2023					
United States (US dollars per gallon)	3.94	4.61	3.84	3.50	3.94
Europe and other regions (US cents per liter)	120.84	129.11	117.39	113.55	121.16
Canada (CA cents per liter)	150.30	179.15	149.55	143.32	154.70
52-week period ended January 30, 2022					
United States (US dollars per gallon)	2.72	2.97	3.08	3.28	3.03
Europe and other regions (US cents per liter)	79.29	79.09	86.29	96.66	86.15
Canada (CA cents per liter)	108.99	117.51	123.00	129.39	120.75

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

Other revenues

Total other revenues for the third quarter of fiscal 2023 were $378.7 million, an increase of $98.5 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 $28.0 million. The remaining increase of approximately $126.0 million, or 45.0%, is primarily driven by higher prices on our other fuel products, which had a minimal impact on gross profit[1].

For the first three quarters of fiscal 2023, total other revenues were $925.9 million, an increase of $366.6 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 $59.0 million. The remaining increase of approximately $426.0 million, or 76.2%, is attributable to similar factors as those of the third quarter as well as to higher demand on our other fuel products, which had a minimal impact on gross profit[1].

Gross profit[1]

Our gross profit was $3.4 billion for the third quarter of fiscal 2023, up by $140.9 million, or 4.3%, compared with the corresponding quarter of fiscal 2022, mainly attributable to higher road transportation fuel gross profit, 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 $99.0 million.

For the first three quarters of fiscal 2023, our gross profit increased by $695.7 million, or 8.2%, compared with the first three quarters of fiscal 2022, mainly attributable to similar factors as those of the third quarter.

Merchandise and service gross profit

In the third quarter of fiscal 2023, our merchandise and service gross profit was $1.7 billion, an increase of $43.7 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 $42.0 million. The remaining increase of approximately $86.0 million, or 5.3%, is primarily due to organic growth. Our gross margin[1] decreased by 0.4% in the United States to 33.2%, impacted by the promotional efforts to support our *Fresh Food, Fast* program. In Europe and other regions, our gross margin[1] decreased by 0.5% to 37.3%, and in Canada, it increased by 0.7% to 32.3%, both impacted by a change in product mix.

During the first three quarters of fiscal 2023, our merchandise and service gross profit was $4.5 billion, an increase of $84.9 million compared with the first three quarters of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $109.0 million. Our gross margin[1] in the United States decreased by 0.2% to 33.7%, by 0.1% in Europe and other regions to 38.1%, and increased by 0.7% in Canada to 32.8%.

Road transportation fuel gross profit

In the third quarter of fiscal 2023, our road transportation fuel gross profit was $1.7 billion, an increase of $103.5 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 $53.0 million. The remaining increase in our gross profit was approximately $156.0 million, or 9.9%. In the United States, our road transportation fuel gross margin[1] was 46.85¢ per gallon, an increase of 7.22¢ per gallon, and in Canada, it was CA 12.52¢ per liter, an increase of CA 0.74¢ per liter. In Europe and other regions, our road transportation fuel gross margin[1] was US 8.01¢ per liter, a decrease of US 2.82¢ per liter driven by the impact of the translation of our foreign currency operations into US dollars as well as by the volatility of the European fuel markets. Fuel margins remained healthy throughout our network, due to favorable market conditions and the continued work on the optimization of our supply chain.

During the first three quarters of fiscal 2023, our road transportation fuel gross profit was $4.6 billion, an increase of $627.8 million compared with the first three quarters of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $128.0 million. The road transportation fuel gross margin[1] was 48.21¢ per gallon in the United States, US 9.79¢ per liter in Europe and other regions, and CA 12.96¢ per liter in Canada.

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

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	4th	1st	2nd	3rd	Weighted average
52-week period ended January 29, 2023					
Before deduction of expenses related to electronic payment modes	47.55	50.95	51.11	48.39	49.45
Expenses related to electronic payment modes(1)	6.61	7.21	6.53	6.20	6.61
After deduction of expenses related to electronic payment modes	40.94	43.74	44.58	42.19	42.84
52-week period ended January 30, 2022					
Before deduction of expenses related to electronic payment modes	35.25	37.58	37.68	41.02	37.75
Expenses related to electronic payment modes(1)	5.10	5.38	5.31	5.74	5.37
After deduction of expenses related to electronic payment modes	30.15	32.20	32.37	35.28	32.38

(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 third quarter of fiscal 2023, other revenues gross profit was $48.5 million, a decrease of $6.3 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 $4.0 million.

During the first three quarters of fiscal 2023, other revenues gross profit was $115.8 million, a decrease of $17.0 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 $12.0 million.

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

For the third quarter and first three quarters of fiscal 2023, expenses increased by 6.4% and 7.9%, respectively, compared with the corresponding periods of fiscal 2022. Normalized growth of expenses[1] was 7.8% and 7.7%, respectively, as shown in the table below:

	16-week periods ended		**40-week periods ended**	
	January 29, 2023	January 30, 2022	**January 29, 2023**	January 30, 2022
Growth of expenses, as reported	**6.4%**	**13.8%**	**7.9%**	**12.8%**
Adjusted for:				
Decrease (increase) from the net impact of foreign exchange translation	**3.1%**	0.6%	**2.9%**	(1.0%)
Increase from incremental expenses related to acquisitions	**(0.9%)**	(1.9%)	**(0.9%)**	(2.1%)
Increase from higher electronic payment fees, excluding acquisitions	**(0.8%)**	(2.9%)	**(2.1%)**	(2.5%)
Decrease (increase) from changes in acquisition costs recognized to earnings	**—%**	0.2%	**(0.1%)**	0.1%
Normalized growth of expenses[1]	**7.8%**	**9.8%**	**7.7 %**	**7.3 %**

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 7.8%, in line with the average inflation observed throughout our network, despite the challenging market conditions. Normalized growth of expenses[1] was mainly driven by inflationary pressures, notably on energy costs in our European operations, costs from rising minimum wages, increased usage of software as a service solutions combined with the impact of change in accounting policy, as well as by incremental investments in our stores to support our strategic initiatives, while being partly offset by the impact of lower pressure in the employment market.

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

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

During the third quarter of fiscal 2023, EBITDA stood at $1.5 billion, a decrease of $2.1 million, or 0.1%, compared with the corresponding quarter of fiscal 2022. Adjusted EBITDA for the third quarter of fiscal 2023 decreased by $2.6 million, or 0.2%, compared with the corresponding quarter of fiscal 2022, mainly due to the translation of our foreign currency operations into US dollars which had a net negative impact of approximately $43.0 million as well as higher expenses, partly offset by an increase in road transportation fuel gross profit and organic growth in our convenience operations.

During the first three quarters of fiscal 2023, EBITDA stood at $4.4 billion, an increase of $316.3 million, or 7.7%, compared with the corresponding period of fiscal 2022. Adjusted EBITDA for the first three quarters of fiscal 2023 increased by $319.7 million, or 7.7%, compared with the corresponding period of fiscal 2022, mainly attributable to an increase in road transportation fuel gross profit and organic growth in our convenience operations, partly offset by the translation of our foreign currency operations into US dollars which had a net negative impact of approximately $118.0 million as well as higher expenses.

Depreciation, amortization and impairment (“depreciation”)

For the third quarter of fiscal 2023, our depreciation expense increased by $6.9 million compared with the third quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net favorable impact of approximately $16.0 million. The remaining increase of approximately $23.0 million, or 5.0%, is mainly driven by the replacement of equipment, the ongoing improvement of our network, and the impact from investments made through acquisitions.

For the first three quarters of fiscal 2023, our depreciation expense increased by $40.0 million compared with the first three quarters of fiscal 2022. The translation of our foreign currency operations into US dollars had a net favorable impact of approximately $39.0 million. The remaining increase of approximately $79.0 million, or 7.2%, is mainly attributable to similar factors as those of the third quarter as well as the impact of the impairment on our investment in Fire & Flower of $23.9 million.

Net financial expenses

Net financial expenses for the third quarter and first three quarters of fiscal 2023 were $82.5 million and $207.7 million, respectively, a decrease of $5.4 million and $21.8 million compared with the corresponding periods 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:

	16-week periods ended			40-week periods ended		
(in millions of US dollars)	**January 29, 2023**	January 30, 2022	**Variation**	**January 29, 2023**	January 30, 2022	**Variation**
Net financial expenses, as reported	**82.5**	87.9	**(5.4)**	**207.7**	229.5	**(21.8)**
Explained by:						
Net foreign exchange (loss) gain	**(1.6)**	4.2	**(5.8)**	**(1.1)**	17.7	**(18.8)**
Change in fair value of financial instruments and amortization of deferred differences	**(0.1)**	2.2	**(2.3)**	**0.9**	(9.6)	**10.5**
Remaining variation	**80.8**	94.3	**(13.5)**	**207.5**	237.6	**(30.1)**

The remaining variations are mainly driven by increased interest revenue due to a higher interest rate on available cash compared with the corresponding periods of fiscal 2022.

Income taxes

The income tax rate for the third quarter and first three quarters of fiscal 2023 was 21.9% compared with 21.3% for the corresponding periods 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.

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

Net earnings and adjusted net earnings[1]

Net earnings for the third quarter of fiscal 2023 were $737.4 million, compared with $746.4 million for the third quarter of the previous fiscal year, a decrease of $9.0 million, or 1.2%. Diluted net earnings per share stood at $0.73, compared with $0.70 for the corresponding quarter of the previous fiscal year. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $28.0 million on net earnings of the third quarter of fiscal 2023.

Adjusted net earnings for the third quarter of fiscal 2023 were approximately $741.0 million, compared with $746.0 million for the third quarter of fiscal 2022, a decrease of $5.0 million, or 0.7%. Adjusted diluted net earnings per share[1] were $0.74 for the third quarter of fiscal 2023, compared with $0.70 for the corresponding quarter of fiscal 2022, an increase of 5.7%.

For the first three quarters of fiscal 2023, net earnings stood at $2.4 billion, an increase of $214.6 million, or 9.7%, compared with the first three quarters of fiscal 2022. Diluted net earnings per share stood at $2.38, compared with $2.06 for the previous fiscal year. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $80.0 million on net earnings of the first three quarters of fiscal 2023.

Adjusted net earnings for the first three quarters of fiscal 2023 stood at $2.5 billion, an increase of $257.0 million, or 11.7%, compared with the first three quarters of fiscal 2022. Adjusted diluted net earnings per share[1] were $2.41 for the first three quarters of fiscal 2023, compared with $2.06 for the first three quarters of fiscal 2022, an increase of 17.0%.

Dividends

During its March 15, 2023 meeting, the Board of Directors declared a quarterly dividend of CA 14.0¢ per share for the third quarter of fiscal 2023 to shareholders on record as at March 23, 2023, and approved its payment effective April 6, 2023. 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.

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

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:

	16-week periods ended		40-week periods ended	
(in millions of US dollars)	**January 29, 2023**	January 30, 2022	**January 29, 2023**	January 30, 2022
Revenues	**20,055.1**	18,576.4	**55,592.3**	46,375.0
Cost of sales, excluding depreciation, amortization and impairment	**16,654.6**	15,316.8	**46,448.8**	37,927.2
Gross profit	**3,400.5**	3,259.6	**9,143.5**	8,447.8

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.

	16-week periods ended		40-week periods ended	
(in millions of Canadian dollars, unless otherwise noted)	**January 29, 2023**	January 30, 2022	**January 29, 2023**	January 30, 2022
Road transportation fuel revenues	**2,475.2**	2,022.8	**6,517.7**	5,017.0
Road transportation fuel cost of sales, excluding depreciation, amortization and impairment	**2,253.7**	1,835.3	**5,962.2**	4,549.3
Road transportation fuel gross profit	**221.5**	187.5	**555.5**	467.7
Total road transportation fuel volume sold	**1,769.0**	1,591.5	**4,286.5**	4,127.9
Road transportation fuel gross margin (CA cents per liter)	**12.52**	11.78	**12.96**	11.33

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 from changes in accounting policies and adoption of accounting standards, the impact of more volatile items over which we have limited control including, but not limited to, the net impact of foreign exchange translation, electronic payment fees excluding acquisitions, and acquisition costs, as well as other specific items for which the impact on consolidated results is not deemed indicative of future trends. 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:

	16-week periods ended					
(in millions of US dollars, unless otherwise noted)	**January 29, 2023**	**January 30, 2022**	**Variation**	January 30, 2022	January 31, 2021	Variation
Operating, selling, general and administrative expenses, as published	**1,916.1**	**1,801.3**	**6.4%**	1,801.3	1,582.2	13.8%
Adjusted for:						
Decrease from the net impact of foreign exchange translation	**56.2**	**—**	**3.1%**	9.4	—	0.6%
Increase from incremental expenses related to acquisitions	**(16.4)**	**—**	**(0.9%)**	(30.0)	—	(1.9%)
Increase from higher electronic payment fees, excluding acquisitions	**(15.2)**	**—**	**(0.8%)**	(46.3)	—	(2.9%)
Decrease from changes in acquisition costs recognized to earnings	**0.5**	**—**	**—%**	2.4	—	0.2%
Normalized growth of expenses	**1,941.2**	**1,801.3**	**7.8%**	1,736.8	1,582.2	9.8%

	40-week periods ended					
(in millions of US dollars, unless otherwise noted)	**January 29, 2023**	**January 30, 2022**	**Variation**	January 30, 2022	January 31, 2021	Variation
Operating, selling, general and administrative expenses, as published	**4,747.2**	**4,400.7**	**7.9%**	4,400.7	3,901.9	12.8%
Adjusted for:						
Decrease (increase) from the net impact of foreign exchange translation	**130.1**	**—**	**2.9%**	(40.0)	—	(1.0%)
Increase from higher electronic payment fees, excluding acquisitions	**(92.6)**	**—**	**(2.1%)**	(96.4)	—	(2.5%)
Increase from incremental expenses related to acquisitions	**(40.7)**	**—**	**(0.9%)**	(81.2)	—	(2.1%)
(Increase) decrease from changes in acquisition costs recognized to earnings	**(3.4)**	**—**	**(0.1%)**	4.5	—	0.1%
Normalized growth of expenses	**4,740.6**	**4,400.7**	**7.7%**	4,187.6	3,901.9	7.3%

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:

	16-week periods ended			
(in millions of US dollars, unless otherwise noted)	**January 29, 2023**	**January 30, 2022**	January 30, 2022	January 31, 2021
Merchandise and service revenues for Europe and other regions	**713.0**	**715.9**	715.9	541.1
Adjusted for:				
Service revenues	**(61.3)**	**(61.4)**	(61.4)	(53.6)
Net foreign exchange impact	**—**	**(55.2)**	—	(26.8)
Merchandise revenues not meeting the definition of same-store	**(27.9)**	**(2.8)**	(48.8)	(77.6)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**92.8**	**95.7**	104.2	278.9
Total Same-store merchandise revenues for Europe and other regions	**716.6**	**692.2**	709.9	662.0
Growth of same-store merchandise revenues for Europe and other regions	**3.5%**		7.2%	

(in millions of US dollars, unless otherwise noted)	40-week periods ended			
	January 29, 2023	**January 30, 2022**	January 30, 2022	January 31, 2021
Merchandise and service revenues for Europe and other regions	**1,801.0**	**1,857.7**	1,857.7	1,278.9
Adjusted for:				
Service revenues	**(140.0)**	**(147.2)**	(147.2)	(123.4)
Net foreign exchange impact	**—**	**(160.5)**	—	8.3
Merchandise revenues not meeting the definition of same-store	**(68.8)**	**(38.0)**	(75.4)	(101.3)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**257.4**	**281.7**	321.2	785.7
Total Same-store merchandise revenues for Europe and other regions	**1,849.6**	**1,793.7**	1,956.3	1,848.2
Growth of same-store merchandise revenues for Europe and other regions	**3.1%**		5.8%	

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, the impact from changes in accounting policies and adoption of accounting standards as well as 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:

(in millions of US dollars)	16-week periods ended		40-week periods ended	
	January 29, 2023	January 30, 2022	**January 29, 2023**	January 30, 2022
Net earnings	**737.4**	746.4	**2,420.2**	2,205.6
Add:				
Income taxes	**206.7**	201.3	**678.6**	595.1
Net financial expenses	**82.5**	87.9	**207.7**	229.5
Depreciation, amortization and impairment	**463.2**	456.3	**1,136.3**	1,096.3
EBITDA	**1,489.8**	1,491.9	**4,442.8**	4,126.5
Adjusted for:				
Acquisition costs	**2.7**	3.2	**9.2**	5.8
Adjusted EBITDA	**1,492.5**	1,495.1	**4,452.0**	4,132.3

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, the impact from changes in accounting policies and adoption of accounting standards, impairment on goodwill, investments in subsidiaries, joint ventures and associated companies as well as 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:

(in millions of US dollars, except per share amounts, or unless otherwise noted)	16-week periods ended		40-week periods ended	
	January 29, 2023	January 30, 2022	**January 29, 2023**	January 30, 2022
Net earnings	**737.4**	746.4	**2,420.2**	2,205.6
Adjusted for:				
Acquisition costs	**2.7**	3.2	**9.2**	5.8
Net foreign exchange loss (gain)	**1.6**	(4.2)	**1.1**	(17.7)
Impairment of our investment in Fire & Flower	**—**	—	**23.9**	—
Tax impact of the items above and rounding	**(0.7)**	0.6	**(0.4)**	3.3
Adjusted net earnings	**741.0**	746.0	**2,454.0**	2,197.0
Weighted average number of shares - diluted (in millions)	**1,005.9**	1,061.7	**1,017.3**	1,068.6
Adjusted diluted net earnings per share	**0.74**	0.70	**2.41**	2.06

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 the financial community.

The table below presents the calculation of this performance measure:

(in millions of US dollars, except ratio data)	**As at January 29, 2023**	As at April 24, 2022
Current portion of long-term debt	**0.8**	1.4
Current portion of lease liabilities	**449.3**	425.4
Long-term debt	**5,908.6**	5,963.6
Lease liabilities	**2,935.1**	3,049.5
Interest-bearing debt	**9,293.8**	9,439.9
Less: Cash and cash equivalents	**1,133.5**	2,143.9
Net interest-bearing debt	**8,160.3**	7,296.0
Equity	**12,074.4**	12,437.6
Net interest-bearing debt	**8,160.3**	7,296.0
Total capitalization	**20,234.7**	19,733.6
Net interest-bearing debt to total capitalization ratio	**0.40 : 1**	0.37 : 1

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

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

	52-week periods ended	
(in millions of US dollars, except ratio data)	**January 29, 2023**	April 24, 2022
Net interest-bearing debt	**8,160.3**	7,296.0
Adjusted EBITDA	**5,585.7**	5,266.1
Leverage ratio	**1.46 : 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)	**January 29, 2023**	April 24, 2022
Net earnings	**2,897.9**	2,683.3
Equity - Opening balance	**12,819.6**	12,180.9
Equity - Ending balance	**12,074.4**	12,437.6
Average equity	**12,447.0**	12,309.3
Return on equity	**23.3%**	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)	**January 29, 2023**	April 24, 2022
Net earnings	**2,897.9**	2,683.3
Add:		
Income taxes	**817.8**	734.3
Net financial expenses	**259.2**	281.0
EBIT	**3,974.9**	3,698.6
Capital employed - Opening balance(1)	**24,494.0**	23,971.5
Capital employed - Ending balance(1)	**23,498.8**	24,001.0
Average capital employed	**23,996.4**	23,986.3
Return on capital employed	**16.6%**	15.4%

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

(in millions of US dollars)	**As at January 29, 2023**	As at January 30, 2022	As at April 24, 2022	As at April 25, 2021
Total Assets	**28,320.7**	28,826.1	29,591.6	28,394.5
Less: Current liabilities	**(5,272.0)**	(4,951.3)	(6,017.4)	(5,949.7)
Add: Current portion of long-term debt	**0.8**	196.9	1.4	1,107.3
Add: Current portion of lease liabilities	**449.3**	422.3	425.4	419.4
Capital employed	**23,498.8**	24,494.0	24,001.0	23,971.5

Profile

Couche-Tard is a global leader in convenience and mobility, operating in 24 countries and territories, with more than 14,300 stores, of which approximately 10,900 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.

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Webcast on March 16, 2023 at 8:00 A.M. (EDT)

Couche-Tard invites analysts known to the Corporation to ask their questions to its management on March 16, 2023, during the question and answer period of the webcast.

Financial Analysts, Investors, media and any individuals interested in listening to the webcast on Couche-Tard's results, which will take place online on March 16, 2023, at 8:00 A.M. (EDT) can do so by either accessing the Corporation's website at https://corpo.couche-tard.com/ and by clicking in the "Investors/Events & Presentations" section or by using the following link https://emportal.ink/3KmFSWM to join the conference call without the assistance of an operator. An automated system will automatically return the call to give access to the conference call.

Another option could be to access the conference call through an operator by dialing 1-888-390-0549 or the international number 1-416-764-8682, followed by the access code 59090454#.

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.