2013 Annual Report

STATOIL

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Alain Bouchard
President & Chief Executive Officer

Growth and integration

This has been our fifth straight year of record earnings. It has also been a year of record travelling, both within North America and further afield in Europe. All that travel has been for good reason, keeping us in touch with our North American operations, exploring new cultures and markets, meeting new customers and coming to understand our European operations better.

The integration of Statoil Fuel & Retail AS ("SFR") - the biggest acquisition in our history - into our family has created an exhilarating atmosphere. The process of becoming one corporation creates new opportunities and breathes fresh new life into our organization on *both* sides of the Atlantic.

Let's Start with the Numbers

Revenues were $35.5 billion, up by $12.6 billion or 54.7% over the previous year. This was attributable mainly to acquisitions and to an increase in same-store merchandise revenues and road transportation fuel volumes. Same-store merchandise revenues increased in both the United States and Canada, with particularly strong performance in fresh products.

For the fifth year our net earnings have increased, amounting to $572.8 million for fiscal 2013, up 25.2% over fiscal 2012. Excluding restructuring costs and other non-recurring items, net earnings for fiscal 2013 would have been approximately $620.9 million or $3.32 per share on a diluted basis - an increase of 39.6% compared with fiscal 2012. Adjusted EBITDA for fiscal 2013 was $1,390.2 million, an increase of $549.1 million or 65.3% compared with fiscal 2012, including a contribution from acquisitions (net of acquisition costs recorded to earnings) of $435.4 million.

President & CEO Alain Bouchard (center) with Group President Europe Jacob Schram (left) and business unit leader Ilze Silina at the launch of ***miles*** ™ in Latvia

On June 19 2012 SFR formally became part of the Alimentation Couche-Tard Inc. ("Couche-Tard") family. The acquisition was made for a total cash consideration of NOK 15.36 billion, or $2.58 billion. In North America in fiscal 2013 we added approximately 200 stores and completed the construction of a further 47. In the last 12 months we have taken the Couche-Tard network from around 10,100 to about 12,500 sites (including licensed stores), grown our family from more than 60,000 to approximately 80,000 employees, and we now have our brands on three continents.

During fiscal 2013 we recorded synergies and cost savings from various sources of approximately $28.0 million before income taxes. These savings were more than offset by expenses incurred in SFR's separation from its former parent company, for brand marketing to support our new initiatives and in IT in the rollout of new Enterprise Resource Planning (ERP) systems. We view these expenses as investments, as these new ERP systems are aimed at helping us gain efficiency and meet our cost savings and synergies goals. SFR's ERP replacement achieved its first major milestone in June 2013, "going live" to customers and partners in Sweden. Initial indications are that the project is progressing according to plan.

Our work in the area of costs savings and synergies identification is far from over. We maintain our goal of annual synergies ranging from $150.0 million to $200.0 million before the end of December 2015.

The Best of Both Worlds

Over the past year in North America and Europe we have made great strides in building mutual understanding and respect, both culturally and professionally. The acquisition is bringing out the best in all our people. As colleagues, we have demonstrated a “you have a good way too” and “let me learn your way” approach. This enthusiasm for discovering and sharing best practice is creating a promising platform for the evolution of our operations on both continents.

Personally, I have traveled to Europe more times than I can remember since the acquisition, getting to know our operations there from the inside out. I am impressed by many of our European initiatives.

Food service is an important and growing category across all our markets. In Europe it is the biggest category in our stores in Norway and Estonia. The absolute best and newest concepts – from salad and sushi bars to dedicated station chefs and gourmet coffee – are showcased at selected “super” highway stations in Norway, including our Minnesund station outside Oslo, which received international acclaim from the industry organization, NACS, the Association for Fuel and Convenience Retailing.

Our European colleagues continued their impressive track record in Health, Safety and the Environment (HSE), leading the industry in reducing job-related injuries and robberies, making HSE a competitive edge for our operations in Europe. We can all learn from their performance.

We were proud to announce the world premiere of our first signature fuel brand, ***miles*** ***TM***, in the fourth quarter. This family of standard and premium fuel products promises to take our customers further for the same price *and* to deliver improved engine performance. ***Miles*** ***TM*** drew significant positive media attention in its launch markets.

Merchandising and more

The European management, convenience and marketing teams have been visiting throughout the year to study our operations in North America. A number of our merchandising activities were identified as having potential in the European market - and it took less than a month for changes to start appearing in our Statoil-branded stores. Impressive time-to-market from our European team!

In North America there has been a focus on our stores’ check-out zones, optimizing space and product displays to improve our customers’ opportunities to make last-minute, impulsive purchases. This approach is showing encouraging returns.

The process of identifying further synergies between Couche-Tard and SFR is well under way. The opportunity to leverage our increased size and global presence is being explored with our biggest suppliers. Our enterprise resource planning (ERP) replacement projects are on track and will enable further standardization and simplification in the business.

We have worked hard on creating, for the first time, a business plan that incorporates Europe. We are well-aligned on what we want to achieve in the year to come.

Stepping Up in North America

In North America, the retail environment has been fluctuating significantly from one month to the next and even one day to the next. In the face of these challenging conditions, our North American leadership team kept performance on track and continued to develop our culture of benchmarking and continuous improvement. They have delivered steadily increased revenues and margins.

We achieved these improvements by continuing to offer our customers quality and value and by creating innovative new products and services for them. We also strengthened our grip on the “micro-market” pricing of convenience products and exercised tight control over our costs. During the year, all our business units carefully monitored traffic per store and put together action plans to maintain and gain market share. This approach is well

supported by our decentralized structure, which enables us to implement tactics that are tailored to the varied markets.

Social Engagement

Our growing store network serves millions of customers every day. That's a powerful capability. It's especially powerful when the corner store is also a fixture of the community and has a major influence on mobilizing the population around it. Couche-Tard believes there is a moral imperative requiring us to use that capability to benefit the communities we operate in - and that, increasingly, our customers expect it of us. This past year, we can be proud that dozens of organizations across North America and Europe have benefitted from the combination of our corporate and customer contributions, awareness building activities and our employee volunteers.

Senior Management Changes

After a decade as a member of the Board of Directors, Jean-Pierre Sauriol has resigned his position. Since 2003, Jean-Pierre has made a significant contribution to the further development of our company. I thank him for his long and loyal service as a board member.

In line with our practice of maintaining a strong talent pool in the organization, we have made some adjustments to our structure. Jacob Schram, formerly CEO of SFR, has been appointed Group President Europe. Jean Bernier, formerly Executive Vice President of Valero Energy Corporation, joined us as Group President Fuel Americas & Operations North-East. Darrell Davis has been promoted from Vice-President Operations, Florida to Senior Vice President Operations. Each of them brings skills and experience derived from years of retailing. I would like to welcome all three to our Executive Management Team.

Outlook

In the United States, the convenience store sector is fragmented and in a continuing consolidation phase. We are participating in this process through our acquisitions, the market share we gain when competitors close sites and by improving our offering.

In Europe and Canada, the convenience store sector is often dominated by a few major players, including integrated oil companies. Some of these integrated oil companies are in the process of selling or intend to sell their retail assets. We intend to study investment opportunities that might come to us through this process.

Whatever the context, we shall set out to continue concluding acquisitions only under conditions that create value. Organic growth should continue to be important in the growth of our net earnings; and we anticipate that the continual improvement of our offer, including fresh products, will remain a highlight. We intend to continue in this direction.

Thank you

Merging two cultures, exploring synergies and finding new ways to work together is exciting, but it is also stressful. I want to thank everybody on both continents for their support and understanding as we work to become a stronger retailer. Their ability to keep an open mind, be flexible and remain positive is truly appreciated. With a strong team, I believe we are well equipped to take on retail ventures in both new and existing markets.

Finally, I would like to thank our shareholders for their trust.

Alain Bouchard
President & Chief Executive Officer

Brian Hannasch
Chief Operating Officer

Offering Greater Value to More Customers

Fiscal 2013 has been an exciting year dominated by two major themes: responding to the value-conscious consumer and integrating our European operations. Though very different, these themes can be seen as two sides of the same coin.

Consumer confidence figures[1] showed a slow but steady increase in both North America and northern Europe last year. That said, across the globe consumers have become much more value conscious in response to the economic crisis that started five years ago. As retailers, we pride ourselves on being sensitive to our consumers' needs. Therefore, we focus on bringing them value for money.

Our expansion into Europe came at an opportune time on many levels. Although there are cultural differences, we share a common passion and approach to retail which applies equally well in Oslo, Ontario or Ohio. Over the past year, we have seen the combination of our organizations make our customer offer even stronger.

Expansion on Both Sides of the Atlantic

The acquisition of SFR and its 2,300 sites – as significant as it is – is not the only network expansion we engaged in last year. Altogether, approximately 200 additional stores were added to our network through acquisitions and 29 new stores were built in North America during the fiscal year. Overall, this was our biggest ever year of growth.

Three strategic transactions during the year were spread across North America. The acquisition of 27 Sun Mart-branded stores in Eastern Washington State enabled our US West Coast business unit's entry into this new market. The acquisition of 29 BP-branded stores in Orlando, Florida has further strengthened our market share in the region. And the addition to our network of 29 Philips 66 stores in Illinois, Missouri and Oklahoma kept us on track with our expansion and growth plans for the Midwest.

Best practice sharing goes in both directions across the Atlantic, with our most successful innovations high on the wanted list.

In addition, our International Franchise Group has enabled the Circle K brand to be seen in new markets in Central America and the Middle East, while at the same time a new joint venture in East Asia promises to accelerate our brand licensing in that region.

Central to the success of Couche-Tard is the exchange of great ideas and best practices. In one visible expression of this, current Norwegian business unit leader and SVP Dag Roger Rinde will take on the VP Operations role in the US Southeast. We see this as a significant opportunity to leverage the experience of this talented leader to expedite the exchange of best practice, benefiting the corporation and our customers.

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[1] The monthly Consumer Confidence Survey®, based on a probability-design random sample, is conducted for The Conference Board by Nielsen, a leading global provider of information and analytics around what consumers buy and watch.

Brands Built on Value

Understanding the customer is critical to retail on both sides of the Atlantic. We talk with them, survey them and watch their actions and reactions. In short, we do all we can to understand what is important to our customers and the opportunities we have to help them.

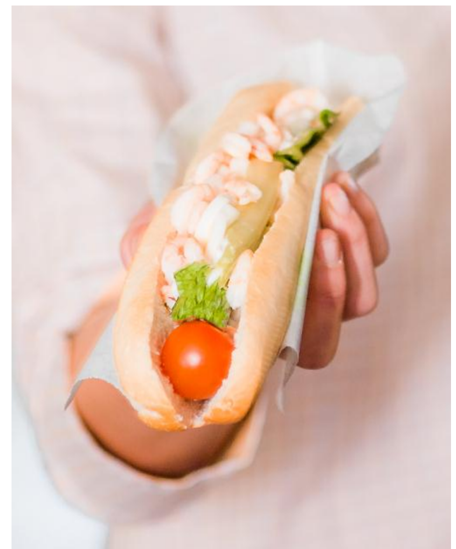
In North America, we have seen our business units effectively address our customers' needs through bundle deals, coupons and two-for-one deals. Perhaps the best examples are our Polar Pop^{TM} fountain beverage offer - a great price for any size, successfully rolled out across all our North American markets in both the US and Canada - and our value line tobacco offer, Crowns, which is proving popular in each of its launch markets in the US.

In Europe, the new Statoil fuel brand *miles* ^{TM} is a great example of how to take a strong brand offer and make it stronger. The ***miles*** ^{TM} family of fuels differentiates itself by promising to take our customers up to 3% further for the same price, while the *miles PLUS* ^{TM} premium offer takes them further *and* enhances their engines' performance. The world premiere of the *miles* ^{TM} brand in the fourth quarter attracted great consumer and media interest, with Sweden's leading independent motoring magazine validating our claims for the benefits of our *miles* ^{TM} fuel. We look forward to seeing the overall results as the brand is rolled out across all our European markets in the coming fiscal year.

Food

"Food is our common ground[2]". The past year has taught us that food, or rather food service, is a growth area with great potential in *all* our markets. In the integration work with SFR, we have seen many similarities when it comes to growing consumer demand for a fresh food service that is convenient, friendly and good value.

SFR is a step ahead, demonstrating the potential of in-store bakeries or coffee bars and a strong hot food service in several of their markets. Our North American food sales continue to grow and we have developed a prototype for a new category that we intend to pilot in a number of North American markets in the coming year.



A fresh, Made To Go (own brand) sandwich on offer at a Statoil store in Scandinavia

Merchandising

Meanwhile, our European operations are on a mission: to sharpen their focus on their convenience business and boost customer traffic in the coming year. To support them in this effort, one of Couche-Tard's leading Marketing Directors has joined SFR's Market Development team as Vice President, Convenience Merchandising. Their major tasks will be to drive the "merchandising train" through Europe, to educate our business units there in category management, and to support the development of local merchandising categories.

In the fourth quarter, a merchandising task force from SFR, made up of marketing and category convenience managers, visited our US operations. Their task was to take as much inspiration as possible from Couche-Tard's stores and "copy with pride" whatever they felt would be transferrable to our European customers.

[2] James Beard, renowned chef, food critic and author

The task force has already identified improvements in the shopping experience and sales. Some of these ideas have already been tested and initial results show an increase in units sold.

Reducing our carbon footprint

On both continents we have programs addressing energy consumption in our stores, offices, terminals, depots, factories and warehouses as well as in our distribution networks. These programs focus both on behavioural changes and on upgrading or installing new technical solutions at our facilities. Their overall goal is to decrease our energy consumption by 5% by the end of Fiscal 2014 (on top of the almost 10% reductions delivered in the previous two years). Our commitment to driving down emissions will reduce costs as well as protecting the environment.

Social involvement

Our most important corporate responsibility is to provide our products and services in a socially, environmentally and ethically responsible way. However, corporate responsibility does not end there. We look to create win-win situations in the communities and markets in which we operate. This year, our community efforts resulted in over $16 million dollars' worth of donations for organizations ranging from giant international bodies like the Red Cross to local centers for homeless children and programs for youth-at-risk. Our company, our employees and our customers engaged in activities that ranged from fish fry fundraisers in Florida to driver safety training courses in Denmark - not only raising money for good causes, but also raising morale and building ever stronger relationships in our communities.

One team, one culture

In North America we have long had a culture of continuous improvement, making small changes every day to improve our business operations. Although we come from different parts of the world, our European colleagues share this same culture. Together, we are well positioned to make the best of both worlds when it comes to consumer intelligence, retail processes and winning concepts.

Collaborating across continents and building on the best each has to offer can only make ours a stronger, more effective business.

Brian Hannasch
Chief Operating Officer

Raymond Paré
Vice-President & Chief Financial Officer

Fifth Straight Year of Record Earnings

Our disciplined approach to profitable growth and optimization continues to play a central role in our success. We can look back on a year of significant and steady development in our net earnings, against a backdrop of challenging market conditions in North America and Europe. We have made the largest acquisition in the history of our corporation, while continuing our focus on cost control, debt reduction and restructuring. This is demonstrated by our particularly strong deleveraging performance since the closing of our acquisition of SFR.

It has been a year growth on all fronts. Our acquisition in Europe was a considerable part of that growth, but North America contributed its share, too. Excluding the estimated impact of the 53rd week in Fiscal 2012, merchandise and service sales increased by 5.2% in the US and 1.5% in Canada. Road transportation fuel volume growth was exceptional, with an increase of 11.9% in the US and 5.9% in Canada. The growth in revenues was not at the expense of margin: merchandise and service gross margin as a proportion of sales increased by 0.1% in the US and 0.3% in Canada, thanks to the growing contribution from our fresh food offering. Fuel margins also increased and, once again, our teams were successful at keeping costs under control. All of this, taken together, allowed us to record an adjusted EBITDA of $1,390.2 million, an increase of $549.1 million or 65.3% over Fiscal 2012. Last but not least, net cash from operating activities was $1,161 million, an increase of 52% over Fiscal 2012, reflecting our strong earnings as well as efficient management of working capital.

One of Statoil Fuel & Retail's franchise holders in front of his store in Oslo, Norway.

With such strong operating metrics and cash flows, we were able to improve significantly our balance sheet. In just about ten months since the acquisition of SFR, we were able to reduce our net debt by $764 million - which is definitely in line with our objective of reducing our leverage.

The Art and Science of Integration

The most successful acquisitions are measured by the success of their integration. Being effective in this realm demands a balance between planning and analysis, and delivering on the daily demands of satisfying your customers. You cannot afford to compromise the operational momentum of the business during the integration process.

The work to integrate SFR into our operations began as soon as the successful completion of the US$2.58 billion deal became clear. Our goal was to improve performance through leveraging the benefits of our new scale and using our benchmarking culture, while paying down and restructuring our debt to quickly regain our financial flexibility. In that way, we would be able to continue our strategy of seizing new opportunities as they arise.

Benchmarking our new, European operations against our existing North American network helped us to identify areas from which to maximize results and cash flow. Many parts of the two organizations were

compared on both the operational and "back office" levels, identifying synergies as well as opportunities to minimize costs.

A working capital initiative within SFR is one of the actions being executed to improve capital efficiency. It aims to identify and release capital tied up in the business through minimizing accounts receivable, maximizing accounts payable and optimizing inventories. Another significant action is improving capital efficiency through the divestment of non-core strategic assets.

In its stores, SFR is focusing strongly on lean operations. Making operations leaner means eliminating waste, looking again at labor utilization, focusing marketing spend and much more.

In March 2012, we opened a business center in Riga, Latvia, which in just nine months successfully centralized a series of simplified, more cost-efficient HR and Finance routines for SFR. The Business Centre continues to play an important role in redefining the business' processes. In addition, we have successfully implemented a new financial reporting process, aligned accounting policies, created a new business plan process, and implemented a monthly business review process.

We still have our goal of $150-$200 million in cost savings. We should see the realization of these cost savings, mainly over the next two years, in parallel with the implementation of our new ERP systems.

Leveraging Scale, Knowledge and Power

Further growth continues to be on our horizon. As a larger group we have greater intellectual capital. Numerous activities aimed at making the most of best practice sharing between continents and improving our customer offers are underway. As already described by Alain, this sharing of information between our business units is continual.

Doing good is good for business

All four of our primary brands – *Couche-Tard*®, *Mac's*®, *Circle K*® and *Statoil* – have long and proud histories of commitment to the communities they serve. This is a tradition rooted in our business since its beginnings, that runs through us from the shop floor to the boardroom and from formalized group activities to individuals supporting local causes with their expertise. Such involvement has a positive impact on employee morale, creates pride in our workplace, generates interest from potential employees and attracts partners and customers with similar attitudes.

Regaining Financial Flexibility

We are well on our way to regaining our historical financial flexibility with the strong cash flow that we are generating. In the second quarter we issued CAD $345 million in Class B shares and used the net proceeds to pay down a portion of our long term debt. In the third quarter we carried out a CAD $1 billion bond offering and used the proceeds to repay part of the shorter-term indebtedness outstanding under our SFR acquisition facility. At the time of the bond issue, the bond market offered historically low interest rates while, at the same time, allowing us to spread the maturity of our debt.

Our disciplined approach, strong and improving cash flow, healthy capital structure and well-structured debt, all combined with releasing the potential of our larger group, has already helped us regain our usual flexibility. Both our adjusted earnings per share and our share price continued to show positive development, following the acquisition of SFR, the largest in Couche-Tard's history and approximately 200 stores in North America coupled with internal and external growth factors. We believe this demonstrates the effectiveness of our approach to integration. Our credit profile remains solid and our ratio

of adjusted net debt to adjusted EBITDAR (Earnings Before Interest, Tax, Depreciation, Amortization, Impairment and Rent expense) is improving, from 3.58 shortly after the closing of the acquisition of SFR to 3.05 at the end of the fiscal year, which is ahead of the objective we had set ourselves at the time of the acquisition. In addition, we currently have access to approximately $1.0 billion through our available cash and revolving unsecured operating credit agreements, giving us the flexibility we need to fund our investment opportunities, if needed. Overall our capital structure is in healthy condition - mature, yet quite flexible. As usual, we remain committed to maintaining an adequate indebtedness level to preserve our strong credit profile and keep our cost of capital as low as possible.

We look forward to another exciting year of prospects and opportunities.

Raymond Paré
Vice President & Chief Financial Officer

Management’s Discussion and Analysis

The purpose of this Management’s Discussion and Analysis (“MD&A”) is, as required by regulators, to explain management’s point of view on Alimentation Couche-Tard Inc.’s (“Couche-Tard”) financial condition and results of operations as well as its performance during the fiscal year ended April 28, 2013. More specifically, it aims to let the reader better understand our development strategy, performance in relation to objectives, future expectations and how we address risk and manage our financial resources. This MD&A also provides information to improve the reader’s understanding of the consolidated financial statements and related notes. It should therefore be read in conjunction with those documents. By “we”, “our”, “us” and “the Corporation”, we refer collectively to Couche-Tard and its subsidiaries.

Except where otherwise indicated, all financial information reflected herein is expressed in United States dollars (“US dollars”) and determined on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”). We also use measures in this MD&A that do not comply with IFRS. When such measures are presented, they are defined and the reader is informed. This MD&A should be read in conjunction with the annual consolidated financial statements and related notes included in our 2013 Annual Report, which, along with additional information relating to Couche-Tard, including the most recent Annual Information Form, is available on SEDAR at www.sedar.com and on our website at www.couche-tard.com/corporate.

Forward-Looking Statements

This MD&A includes certain statements that are “forward-looking statements” within the meaning of the securities laws of Canada. Any statement in this MD&A that is not a statement of historical fact may be deemed to be a forward-looking statement. When used in this MD&A, the words “believe”, “intend”, “expect”, “estimate” and other similar expressions are generally intended to identify forward-looking statements. It is important to know that the forward-looking statements in this MD&A describe our expectations as at July 9, 2013, which are not guarantees of future performance of Couche-Tard or its industry, and involve known and unknown risks and uncertainties that may cause Couche-Tard’s or the industry’s outlook, actual results or performance to be materially different from any future results or performance expressed or implied by such statements. Our actual results could be materially different from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. A change affecting an assumption can also have an impact on other interrelated assumptions, which could increase or diminish the effect of the change. As a result, we cannot guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not take into account the effect that transactions or special items announced or occurring after the statements are made may have on our business. For example, they do not include the effect of sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Unless otherwise required by applicable securities laws, we disclaim any intention or obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

The foregoing risks and uncertainties include the risks set forth under “Business Risks” in our 2013 Annual Report as well as other risks detailed from time to time in reports filed by Couche-Tard with securities regulators in Canada.

Our Business

We are the leader in the Canadian convenience store industry. In the United States, we are the largest independent convenience store operator in terms of number of company-operated stores. In Europe, we are a leader in convenience store and road transportation fuel in Scandinavian countries and in the Baltic States while we have a growing presence in Poland.

As of April 28, 2013, our network comprises 6,094 convenience stores throughout North America, including 4,546 stores with road transportation fuel dispensing. Our North-American network consists of 13 business units, including nine in the United States covering 39 states and the District of Columbia and four in Canada covering all ten provinces. More than 60,000 people are employed throughout our network and at the service offices in North America.

Through our acquisition of Statoil Fuel & Retail, we operate a broad retail network across Scandinavia (Norway, Sweden, Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania) and Russia with 2,292 stores as at April 28, 2013, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated service-stations

which offer road transportation fuel only. We also offer other products, including stationary energy, marine fuel, aviation fuel, lubricants and chemicals. We operate key fuel terminals and fuel depots in eight countries. Including employees at Statoil branded franchise stations, about 18,500 people work in our retail network, terminals and service offices across Europe.

In addition, under licensing agreements, about 4,190 stores are operated under the Circle K banner in ten other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Mexico, Vietnam and United Arab Emirates).

Our mission is to offer our clients a quick and outstanding service by developing a customized and friendly relationship while still finding ways to surprise them on a daily basis. In this regard, we strive to meet the demands and needs of our clientele based on their regional requirements. To do so, we offer consumers food and beverage items, road transportation fuel and other high-quality products and services designed to meet clients' demands in a clean and welcoming environment. Our positioning in the industry stems primarily from the success of our business model, which is based on a decentralized management structure, an ongoing comparison of best practices and operational expertise that is enhanced by our experience in the various regions of our network. Our positioning is also a result of our focus on in-store merchandise, as well as our continued investments in our stores.

Value creation

In the United States, the convenience store sector is fragmented and in a consolidation phase. We are participating in this process through our acquisitions and the market shares we gain when competitors close sites and by improving our offering. In Europe and Canada, the convenience store sector is often dominated by a few major players, including integrated oil companies. Some of these integrated oil companies are in the process of selling or are expected to sell their retail assets. We intend to study investment opportunities that might come to us through this process.

However, despite this context, acquisitions have to be concluded at reasonable conditions in order to create value for our Corporation and its shareholders. Therefore, we do not favour store count growth to the detriment of profitability. In addition to our participation in the consolidation phase of our sector and in the selling by integrated oil companies of their retail assets, it has to be noted that in recent years, organic contribution has played an important role in the growth of our net earnings. The on-going improvement of our offer, including fresh products, supply terms and efficiency of our business has been a highlight, especially with the absence of significant acquisitions and net growth in store count in the recent years, prior to the acquisition of Statoil Fuel & Retail. Thus, all these elements contributed to the growth in net earnings and to value creation for our shareholders and other stakeholders. We intend to continue in this direction.

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 and our debt largely denominated in US dollars.

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

	12-week period ended April 28, 2013	13-week period ended April 29, 2012	**52-week period ended April 28, 2013**	53-week period ended April 29, 2012
Average for period (1)				
Canadian Dollar	**0.9821**	1.0053	**0.9966**	1.0051
Norwegian Krone (2)	**0.1749**	-	**0.1737**	-
Swedish Krone (2)	**0.1554**	-	**0.1513**	-
Danish Krone (2)	**0.1757**	-	**0.1730**	-
Zloty (2)	**0.3156**	-	**0.3117**	-
Euro (2)	**1.3104**	-	**1.2893**	-
Lats (2)	**1.8703**	-	**1.8481**	-
Litas (2)	**0.3796**	-	**0.3735**	-
Ruble (2)	**0.0325**	-	**0.0320**	-
Period end				
Canadian Dollar	**0.9834**	1.0194	**0.9834**	1.0194
Norwegian Krone (3)	**0.1734**	-	**0.1734**	-
Swedish Krone (3)	**0.1543**	-	**0.1543**	-
Danish Krone (3)	**0.1766**	-	**0.1766**	-
Zloty (3)	**0.3163**	-	**0.3163**	-
Euro (3)	**1.3170**	-	**1.3170**	-
Lats (3)	**1.8822**	-	**1.8822**	-
Litas (3)	**0.3814**	-	**0.3814**	-
Ruble (3)	**0.0322**	-	**0.0322**	-

(1) Calculated by taking the average of the closing exchange rates of each day in the applicable period.
(2) Average rate for the period from February 1st, 2013 to April 30, 2013 for the 12-week period ended April 28, 2013 and from June 20, 2012 to April 30, 2013 for the 52-week period ended April 28, 2013. Calculated using the average exchange rate at the close of each day for the stated period.
(3) As at April 30, 2013.

Considering we use the US dollar as our reporting currency, in our consolidated financial statements and in the present document, unless indicated otherwise, results from our Canadian, European and corporate operations are translated into US dollars using the average rate for the period. Unless otherwise indicated, variances and explanations related to variations in the foreign exchange rate and the volatility of the Canadian dollar and European currencies which we discuss in the present document are therefore related to the translation in US dollars of our Canadian, European and corporate operations results.

Fiscal 2013 Overview

Net earnings amounted to $572.8 million for fiscal 2013, up 25.2% over fiscal 2012 mainly due to the contribution from acquisitions, the increased contribution of merchandise and service sales, higher road transportation fuel margins, a decrease in the income tax rate, a non-recurring curtailment gain on pension plan obligation of $19.4 million, a non-recurring income tax recovery of $34.7 million related to a reduction in the statutory tax rate in Sweden as well as a net foreign exchange gain. These items, which contributed to the growth in net earnings, were partially offset by restructuring expenses of $34.0 million, a loss of $102.9 million on foreign exchange forward contracts in relation to the acquisition of Statoil Fuel & Retail, less favourable weather conditions in the fourth quarter of fiscal 2013 as well as by the effect of the additional week of fiscal 2012.

Excluding from fiscal 2013 earnings the restructuring expense, the non-recurring curtailment gain on pension plan obligation, the non-recurring income tax recovery, the non-recurring loss on foreign exchange forward contracts, the net foreign exchange gain, acquisition costs as well as the negative goodwill and excluding from fiscal 2012 earnings the non-recurring gain on foreign exchange forward contracts, acquisition costs and negative goodwill, fiscal 2013 net earnings would have

been approximately $620.9 million ($3.32 per share on a diluted basis) compared to $444.7 million ($2.42 per share on a diluted basis) for fiscal 2012, an increase of $176.2 million, or 39.6%.

Acquisition of Statoil Fuel & Retail ASA ("Statoil Fuel & Retail")

Acquisition of Statoil Fuel & Retail

On June 19, 2012, we acquired 81.2% of the 300,000,000 issued and outstanding shares of Statoil Fuel & Retail for a cash consideration of 51.20 Norwegian Kroners ("NOK") per share for a total amount of NOK 12.47 billion or approximately $2.10 billion through a voluntary public offer (the "offer"). From June 22, 2012 to June 29, 2012, we acquired 53,238,857 additional shares of Statoil Fuel & Retail for a cash consideration of NOK 51.20 per share, totalling NOK 2.73 billion or approximately $0.45 billion, increasing our participation to 98.9%. Having reached a shareholding of more than 90%, on June 29, 2012, in accordance with Norwegian laws, we initiated the compulsory acquisition of all of the remaining Statoil Fuel & Retail shares not deposited under our offer from the holders thereof and, as a result, since such date, we own 100% of the issued and outstanding shares of Statoil Fuel & Retail. The NOK 51.20 per share cash consideration for the compulsory acquisition of all of the remaining shares of Statoil Fuel & Retail not deposited under our offer was paid on July 11, 2012. The Oslo Børs Stock Exchange confirmed the delisting of the Statoil Fuel & Retail shares effective as of the close of markets in Norway on July 12, 2012. The acquisition of the 300,000,000 issued and outstanding shares of Statoil Fuel & Retail was therefore made for a total cash consideration of NOK 15.36 billion, or $2.58 billion. During the 52-week periods ended April 28, 2013, we recorded to earnings transaction costs of $1.8 million, in connection with this acquisition, which adds to transaction costs of $0.8 million recorded to fiscal 2012 earnings.

Statoil Fuel & Retail is a leading Scandinavian road transport fuel retailer with over 100 years of operations in the region. Statoil Fuel & Retail operates a broad retail network across Scandinavia (Norway, Sweden, Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania) and Russia with approximately 2,300 sites, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated service-stations (road transportation fuel only). Statoil Fuel & Retail has a leading position in several countries where it does business and owns the land for over 900 sites and buildings for over 1,700 sites.

Statoil Fuel & Retail offers other products including stationary energy, marine fuel, aviation fuel, lubricants and chemicals. In Europe, Statoil Fuel & Retail operates key fuel terminals as well as fuel depots in eight countries.

Including employees at Statoil branded franchise stations, about 18,500 people work in Statoil Fuel & Retail's retail network across Europe, in its corporate headquarters, in its eight regional offices, in its terminals and in its depots.

This transaction has been financed using our unsecured non-revolving acquisition credit facility (the "acquisition facility")

Our results for the 12 and 52-week periods ended April 28, 2013 include those of Statoil Fuel & Retail for the period beginning February 1st, 2013 and ending April 30, 2013 and for the period beginning June 20, 2012 and ending April 30, 2013, respectively. Our consolidated balance sheet as of April 28, 2013 includes the balance sheet of Statoil Fuel & Retail as of April 30, 2013, as adjusted for our purchase price allocation.

The following table provides an overview of Statoil Fuel & Retail's accounting periods that will be incorporated in our upcoming consolidated financial statements:

Couche-Tard quarters	Statoil Fuel & Retail equivalent accounting periods	Statoil Fuel & Retail balance sheet date (2)
12-week period that will end July 21, 2013 (1st quarter of fiscal 2014)	May and June 2013 and from July 1st to July 21, 2013 (1)	June 30, 2013
12-week period that will end October 13, 2013 (2nd quarter of fiscal 2014)	From July 22 to July 31, 2013, August and September 2013 and from October 1st to October 13, 2013 (1)	September 30, 2013
16-week period that will end February 2, 2014 (3rd quarter of fiscal 2014)	From October 14 to October 31, 2013, November and December 2013 and January 2014	January 31, 2014
12-week period that will end April 27, 2014 (4th quarter of fiscal 2014)	February, March and April 2014	April 30, 2014

(1) For the period from July 1st to July 21, 2013 and the period from October 1st to October 13, 2013, Statoil Fuel & Retail results will be determined according to management's best estimates based on the current budget and trends observed during the previous periods. Any difference between estimated results and actual results will be reported in the next quarter results.

(2) The consolidated balance sheet will be adjusted for significant transactions, if any, occurring between Statoil Fuel & Retail balance sheet date and Couche-Tard balance sheet date.

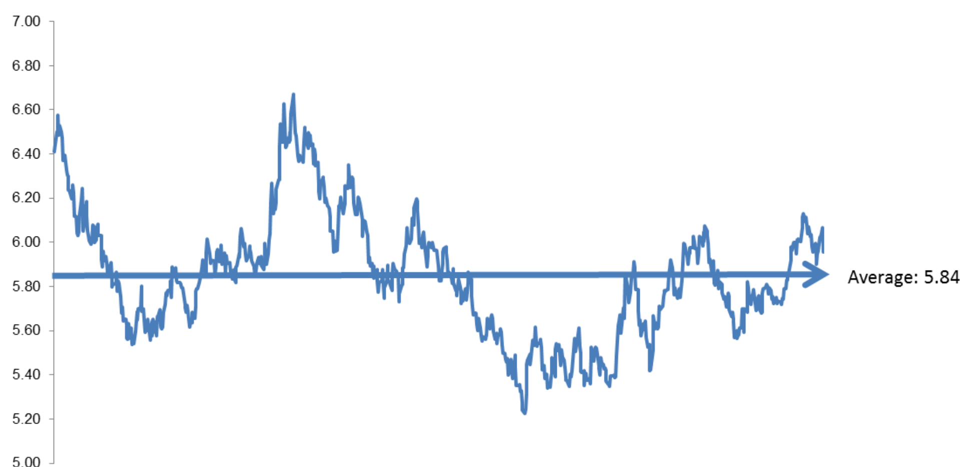
We expect that the alignment of Statoil Fuel & Retail's accounting periods with those of Couche-Tard should be made once we have finalized replacing Statoil Fuel & Retail financial systems.

Foreign exchange forward contracts

As described above, the acquisition of Statoil Fuel & Retail was denominated in NOK whereas our acquisition facility is denominated in US dollars. We had therefore determined that there was a risk related to fluctuations in the exchange rate between the US dollar and the NOK as the hypothetical weakening of the US dollar against the NOK would have increased our US dollars cash requirements in order to close the acquisition of Statoil Fuel & Retail. To mitigate this risk and because of the lack of liquidity in the currency market for the NOK, we entered into foreign exchange forward contracts (hereinafter, "forwards") with reputable financial institutions allowing us to predetermine a significant portion of the disbursement we planned to make in US dollars for the acquisition of Statoil Fuel & Retail.

In total, from April 10, 2012 to June 12, 2012, we had entered into forwards requiring us to deliver US$3.47 billion in exchange for NOK 20.14 billion, representing a weighted average rate of NOK 5.8082 per US dollar which was a favourable rate compared to the rate of 5.75 in effect as at April 18, 2012, the date our offer was announced and comparable to the average exchange rate for the last three years as demonstrated by the following graph:

NOK/USD EXCHANGE RATE JULY 2009 TO JUNE 2012



Subsequently, we modified the original maturity dates of certain forwards to make them coincide with the actual disbursement dates for the payment of Statoil Fuel & Retail shares and the repayment of certain of Statoil Fuel & Retail debts. Thus, from June 15, 2012 to August 24, 2012, we settled all of the forwards to pay for Statoil Fuel & Retail shares and certain of its debts (see details below).

Since, based on accounting standards, we could not apply hedge accounting, we recorded our investment in Statoil Fuel & Retail in our consolidated balance sheet based on the exchange rates prevailing on the settlement dates of the acquisition transaction while the changes in fair value of forwards were recorded to earnings. Cash flow wise, the sum of these two amounts is equivalent, in all material respect, to the US dollars amount we would have paid, had the transaction taken place on April 18, 2012, the date our offer was announced, or more specifically, at the average rate of NOK 5.8082 that we secured with this strategy. The impact on cash is therefore the one we had predetermined by securing the exchange rate at a favourable level compared to our modeling of the acquisition and compared to the rate at the time our offer was announced.

During fiscal 2013, we recorded to our earnings a loss of $102.9 million in relation with these forwards.

Taking into consideration the $17.0 million gain recorded in fiscal 2012 and the $102.9 million loss recorded in fiscal 2013, in total, we realized a net loss of $85.9 million on these forwards.

Synergies and cost reduction initiatives

Since the acquisition of Statoil Fuel & Retail, we have been actively working on identifying and implementing available synergies and cost reduction opportunities. Our analysis shows that opportunities are numerous and promising. Some can be implemented immediately while others may take more time to implement since they require rigorous analysis and planning. The goal is to find the right balance not to jeopardize ongoing activities and projects already underway.

During fiscal 2013, we recorded synergies and cost savings we estimate at approximately $28.0 million before income taxes. These synergies and cost reductions mainly reduced cost of sales as well as operating, selling, administrative and general expenses. The amount was determined by comparison with the reference period which was defined as Statoil Fuel & Retail's last full fiscal year previous to the acquisition (fiscal year 2011 ended December 31, 2011), but it does not necessarily represent the full annual impact of these initiatives.

These synergies and cost reductions came from a variety of sources, such as cost reduction following the delisting of Statoil Fuel & Retail, the renegotiation of certain agreements with our suppliers, the reduction in store costs, the restructuring of certain departments, etc.

The synergies and costs savings we recorded during the fiscal year were more than offset by expenses incurred for projects aimed at creating value in Europe, including the implementation of a new IT infrastructure, the rollout of an Enterprise Resource Planning ("ERP") system and marketing costs. The implementation of the new IT infrastructure and ERP system are aimed at making our operations more efficient and should therefore help us achieve our cost reduction goals. In June 2013, we successfully completed the first phase of the new ERP system rollout, going live in Sweden, one of our largest business units in Europe. Preliminary results were very positive. We expect the rollout to be completed during fiscal year 2014 in all of our business units in Europe. Our IT costs, including service fees paid to Statoil ASA, Statoil Fuel & Retail's former parent company, should go down progressively along with the completion of these projects over the course of the next quarters. As for marketing costs, they were incurred during the fourth quarter to support our new initiatives in Europe aimed at boosting sales, including "*miles*™", our new signature fuel brand as well as "Coin Offer", a new in-store program to promote our value fresh food offering. The "*miles*™" family of fuels differentiates itself by promising to take our customers up to 3% further for the same price, while the "*miles PLUS* ™" premium offer takes them further and enhances their engines' performance. "*Miles*™" world premiere in Sweden and the Baltics in the fourth quarter attracted great consumer and media interest, with Sweden's leading independent motoring magazine validating our claims for the benefits of our "*miles*™" fuel. We look forward to seeing the overall results as the brand is rolled out across all our European markets during fiscal 2014. Preliminary data show that these two these new programs seem to deliver the expected results.

Our work for the identification and implementation of available synergies and cost reduction opportunities is far from over. Our teams continue to work actively on various projects that seem promising and which, along with the implementation of new systems and marketing initiatives, should allow us to achieve our objectives. We therefore maintain our goal of annual synergies ranging from $150.0 million to $200.0 million before the end of December 2015.

Restructuring

As part of our cost reduction initiatives and the search for synergies aimed at improving our efficiency, we made the decision to proceed with the restructuring of certain activities of Statoil Fuel & Retail. As such, a restructuring provision of $34.0 million was recorded to fiscal 2013 earnings in line with our plans and the budget process.

Curtailment gain on certain defined benefits pension plans obligation

In connection with the planned restructuring of Statoil Fuel & Retail's operations, we recorded to earnings a $19.4 million non-recurring curtailment gain related to certain defined benefits pension plans with a corresponding offset to the defined benefit pension plan obligation.

Foreign exchange gain

During fiscal 2013, in connection with the financing of the acquisition transaction of Statoil Fuel & Retail, we recorded a non-recurring foreign exchange gain of $7.4 million due to NOK cash held by our U.S. operations in anticipation of the settlement of the acquisition transaction and repayment of debts of Statoil Fuel & Retail.

Statoil Fuel & Retail debt

Change of control impact on Statoil Fuel & Retail's bonds

At the time of the acquisition of Statoil Fuel & Retail, the later had issued and outstanding bonds amounting to NOK 1,500.0 million (approximately $253.0 million as at June 19, 2012). According to Statoil Fuel & Retail's bond agreements dated February 21, 2012, the bondholders had an option to require pre-payment at par plus accrued interest upon occurrence of a change of control event, for a period of two months. This condition was met on June 19, 2012, when we gained control of more than 50% of Statoil Fuel & Retail. In case bondholders exercised the option to require pre-payment, the settlement of the pre-payment had to occur within 30 business days following the date when the option was exercised. The exercise period for the options to require pre-payment expired on August 20, 2012. We have subsequently extended the option to require pre-payment until September 25, 2012. Since then, we have been actively working on redeeming the bonds for which the holders have not exercised their option to require pre-payment.

As of April 28, 2013, we had redeemed Statoil Fuel & Retail's bonds for a total of NOK 1,472.0 million (approximately $250.0 million based on the average rate), leaving NOK 28.0 million (approximately $5.0 million) still outstanding. The redemption of the bonds has been made using our acquisition facility, our revolving unsecured operating credit and our available cash.

Change of control impact on Statoil Fuel & Retail's bank facilities

According to Statoil Fuel & Retail's bank facility agreement dated August 26, 2010, majority lenders had the right to cancel their total commitments and declare all outstanding loans, together with accrued interest, immediately due and payable upon occurrence of a change of control event. The cancellation had to be given by not less than 30 days' notice to Statoil Fuel & Retail. Majority lenders requested to have the total commitments cancelled as of August 7, 2012. Following this notification, we had to repay the NOK 300.0 million (approximately $50.0 million) then outstanding under the revolving credit facility as well as the NOK 2,650.0 million (approximately $448.0 million) then outstanding under the term loan at the cancellation date on August 7, 2012. No additional drawdowns can be made under Statoil Fuel & Retail's bank facility. Repayments have been made using our acquisition facility and our available cash.

Disposal of the liquefied petroleum gas sales ("LPG") operations

On December 7, 2012, we sold Statoil Fuel & Retail's LPG operations for NOK 130.0 million (approximately $23.0 million) before working capital adjustments. The transaction did not generate any gain or loss on disposal.

Purchase price allocation and adjustments to results previously reported

During the fourth quarter of fiscal 2013, we made adjustments to the purchase price allocation of Statoil Fuel & Retail. The results of the first three quarters of fiscal 2013 have been adjusted assuming that the adjustments to the purchase price allocation of Statoil Fuel & Retail had been completed at the acquisition date. In addition, we have made changes to the classification of certain components of Statoil Fuel & Retail's statements of earnings in order to conform to Couche-Tard's presentation. The following table summarizes the impact of these adjustments.

	12-week period ended July 22, 2012			12-week period ended October 14, 2012			16-week period ended February 3, 2013		
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Revenues – Merchandise and services – Europe	32.1	(0.6)	31.5	283.6	(30.8)	252.8	372.2	(36.9)	335.3
Revenues – Road transportation fuel – Europe	221.8	-	221.8	2,216.6	102.1	2,318.7	2,999.8	(65.9)	2,933.9
Revenues – Other – Europe	109.1	-	109.1	885.0	(90.4)	794.6	1,058.9	6.9	1,065.8
Total revenues	**6,021.5**	**(0.6)**	**6,020.9**	**9,315.7**	**(19.1)**	**9,296.6**	**11,573.7**	**(95.9)**	**11,477.8**
Cost of sales – Merchandise and services – Europe	19.9	(0.6)	19.3	174.0	(28.3)	145.7	217.6	(30.8)	186.8
Cost of sales – Road transportation fuel – Europe	194.6	-	194.6	1,978.6	118.3	2 096.9	2,705.6	(45.6)	2,660.0
Cost of sales – Other – Europe	100.8	-	100.8	791.8	(96.5)	695.3	945.0	(3.5)	941.5
Total cost of sales	**5,162.5**	**(0.6)**	**5,161.9**	**8,148.3**	**(6.5)**	**8,141.8**	**10,082.1**	**(79.9)**	**10,002.2**
Gross profit – Merchandise and services – Europe	12.2	-	12.2	109.6	(2.5)	107.1	154.6	(6.1)	148.5
Gross profit – Road transportation fuel – Europe	27.2	-	27.2	238.0	(16.2)	221.8	294.2	(20.3)	273.9
Gross profit – Other – Europe	8.3	-	8.3	93.2	6.1	99.3	113.9	10.4	124.3
Total gross profit	**859.0**	**-**	**859.0**	**1,167.4**	**(12.6)**	**1,154.8**	**1,491.6**	**(16.0)**	**1,475.6**
Operating, selling, administrative and general expenses	549.1	(0.1)	549.0	801.5	(12.3)	789.2	1,100.1	(16.0)	1,084.1
Depreciation, amortization and impairment of property and equipment and other assets	66.1	-	66.1	143.3	(9.0)	134.3	182.2	0.4	182.6
	615.2	(0.1)	615.1	944.8	(21.3)	923.5	1,282.3	(15.6)	1,266.7
Operating income	**243.8**	**0.1**	**243.9**	**222.6**	**8.7**	**231.3**	**209.3**	**(0.4)**	**208.9**
Net financial expenses	121.7	0.1	121.8	14.7	1.2	15.9	49.4	-	49.4
Earnings before income taxes	**127.3**	**-**	**127.3**	**211.6**	**7.5**	**219.1**	**163.8**	**(0.4)**	**163.4**
Income taxes	24.4	-	24.4	36.4	1.4	37.8	21.3	(0.1)	21.2
Net earnings	**102.9**	**-**	**102.9**	**175.2**	**6.1**	**181.3**	**142.5**	**(0.3)**	**142.2**

	24-week period ended October 14, 2012			40-week period ended February 3, 2013		
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Revenues – Merchandise and services – Europe	315.7	(31.4)	284.3	682.4	(62.8)	619.6
Revenues – Road transportation fuel – Europe	2,438.4	102.1	2,540.5	5,535.3	(60.9)	5,474.4
Revenues – Other – Europe	994.1	(90.4)	903.7	1,955.9	13.6	1,969.5
Total revenues	**15,337.2**	**(19.7)**	**15,317.5**	**26,905.4**	**(110.1)**	**26,795.3**
Cost of sales – Merchandise and services – Europe	193.9	(28.9)	165.0	406.0	(54.2)	351.8
Cost of sales – Road transportation fuel – Europe	2,173.2	118.3	2,291.5	4,976.2	(24.7)	4,951.5
Cost of sales – Other – Europe	892.6	(96.5)	796.1	1,740.2	(2.6)	1,737.6
Total cost of sales	**13,310.8**	**(7.1)**	**13,303.7**	**23,387.4**	**(81.5)**	**23,305.9**
Gross profit – Merchandise and services – Europe	121.8	(2.5)	119.3	276.4	(8.6)	267.8
Gross profit – Road transportation fuel – Europe	265.2	(16.2)	249.0	559.1	(36.2)	522.9
Gross profit – Other – Europe	101.5	6.1	107.6	215.7	16.2	231.9
Total gross profit	**2,026.4**	**(12.6)**	**2,013.8**	**3,518.0**	**(28.6)**	**3,489.4**
Operating, selling, administrative and general expenses	1,350.6	(12.4)	1,338.2	2,451.0	(28.7)	2,422.3
Depreciation, amortization and impairment of property and equipment and other assets	209.4	(9.0)	200.4	382.4	0.6	383.0
	1,560.0	(21.4)	1,538.6	2,833.4	(28.1)	2,805.3
Operating income	**466.4**	**8.8**	**475.2**	**684.6**	**(0.5)**	**684.1**
Net financial expenses	136.4	1.3	137.7	187.0	0.1	187.1
Earnings before income taxes	**338.9**	**7.5**	**346.4**	**510.4**	**(0.6)**	**509.8**
Income taxes	60.8	1.4	62.2	83.5	(0.1)	83.4
Net earnings	**278.1**	**6.1**	**284.2**	**426.9**	**(0.5)**	**426.4**

We continue to work on some items, including the review of the remaining useful life of certain assets. Thus, the depreciation of property and equipment could be subsequently adjusted to reflect the results of this work.

Network growth

Completed transactions

In May 2012, we acquired 20 company-operated stores operating in Texas, United States from Signature Austin Stores. We lease the real estate for all sites.

In August 2012, we acquired, from Florida Holding LLC, 29 company-operated stores operating in Florida, United States. We own the land and building for 24 sites while we lease the land and own the building for the other sites. In addition, one road

transportation fuel supply agreement for a store owned and operated by an independent operator was transferred to the Corporation.

In November 2012, we acquired, from Sun Pacific Energy, 27 company-operated stores operating in Washington State, United States. We own the land and building for 26 sites while we lease these assets for the other site.

In November 2012, we acquired, from Davis Oil Company, seven company-operated stores operating in Georgia, United States. We own the land and building for all sites.

In December 2012, we acquired, from Kum & Go L.C., seven company-operated stores operating in Oklahoma, United States. We lease the land and building for all sites.

In February 2013, we purchased 29 company-operated stores located in Illinois, Missouri and Oklahoma, United States from Dickerson Petroleum Inc. We own the land and building for 25 sites while we lease the land and own the buildings for the other sites. We were also transferred road transportation fuel supply agreements for 21 sites, of which 20 are owned and operated by independent operators and one is leased by the Corporation and operated by an independent operator.

During fiscal 2013, under the June 2011 agreement with ExxonMobil, we acquired four stores operated by independent operators for which we own the land and building. In addition, 23 road transportation fuel supply agreements were transferred to us during this period.

In addition, during fiscal 2013, we acquired 32 additional company-operated stores through distinct transactions.

Subsequent to fiscal year 2013, under the June 2011 agreement with ExxonMobil, we acquired 60 stores operated by independent operators along with the related road transportation fuel supply agreements and for which we own the real estate. Additionally we were transferred six road transportation fuel supply agreements after.

Available cash was used for these acquisitions.

Store construction

During the fourth quarter of fiscal 2013, we completed the construction of eight new company-operated stores for a total of 47 new stores during fiscal 2013.

Summary of changes in our stores network during the fourth quarter and fiscal year ended April 28, 2013

The following table presents certain information regarding changes in our stores network over the 12-week period ended April 28, 2013 [1]:

	12-week period ended April 28, 2013				
Type of site	**Company-operated [2]**	**CODO [3]**	**DODO [4]**	**Franchised and other affiliated [5]**	**Total**
Number of sites, beginning of period	6,216	584	459	1,208	8,467
Acquisitions	31	2	20	-	53
Openings / constructions / additions	8	3	7	53	71
Closures / disposals / withdrawals	(30)	(1)	(6)	(168)	(205)
Conversions into Company-operated stores	13	(11)	(2)	-	-
Conversions into affiliated stores	(3)	2	-	1	-
Number of sites, end of period	6,235	579	478	1,094	8,386
Number of automated service stations included in the period end figures [6]	921	-	34	-	955

The following table presents certain information regarding changes in our stores network over the 52-week period ended April 28, 2013 (1):

	52-week period ended April 28, 2013				
Type of site	**Company-operated (2)**	**CODO (3)**	**DODO (4)**	**Franchised and other affiliated (5)**	**Total**
Number of sites, beginning of period	4,539	161	189	1,264	6,153
Acquisitions	1,737	461	308	-	2,506
Openings / constructions / additions	47	4	28	146	225
Closures / disposals / withdrawals	(114)	(25)	(42)	(317)	(498)
Conversions into Company-operated stores	31	(24)	(7)	-	-
Conversions into affiliated stores	(5)	2	2	1	-
Number of sites, end of period	6,235	579	478	1,094	8,386

(1) These figures include 50% of the stores operated through RDK, a joint venture.
(2) Sites for which the real estate is controlled by Couche-Tard (through ownership or lease agreements) and for which the stores (and/or the service-stations) are operated by Couche-Tard or one of its commission agent.
(3) Sites for which the real estate is controlled by Couche-Tard (through ownership or lease agreements) and for which the stores (and/or the service-stations) are operated by an independent operator in exchange for rent and to which Couche-Tard supplies road transportation fuel though supply contracts. Some of these sites are subject to a franchise agreement, licensing or other similar agreement under one of our main or secondary banners.
(4) Sites controlled and operated by independent operators to which Couche-Tard supplies road transportation fuel through supply contracts. Some of these sites are subject to a franchise agreement, licensing or other similar agreement under one of our main or secondary banners.
(5) Stores operated by an independent operator through a franchising, licensing or another similar agreement under one of our main or secondary banners.
(6) These sites sell road transportation fuel only.

In addition to the stores above, under licensing agreements, about 4,190 stores are operated under the Circle K banner in ten other countries worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Mexico, Vietnam and United Arab Emirates), which brings to more than 12,500 the number of sites in our network.

Issuance of Canadian dollar denominated senior unsecured notes

On November 1st, 2012, we issued Canadian dollar denominated senior unsecured notes totalling CA$1.0 billion, divided into three tranches:

	Notional amount (millions)	Maturity	Coupon rate
Tranche 1	CA$300.0	November 1st, 2017	2.861%
Tranche 2	CA$450.0	November 1st, 2019	3.319%
Tranche 3	CA$250.0	November 1st, 2022	3.899%

Interest is payable semi-annually on May 1st and November 1st of each year and the notional amount will be reimbursed at the maturity of each tranche.

In addition to allowing us to spread the maturities of a portion of our long-term debt, this issuance allows us to secure the interest rate of a portion of our long-term debt at favourable rates.

The net proceeds from the issuance, which were approximately CA$995.0 million ($997.5 million), were used to repay a portion of our acquisition facility.

Cross-currency interest rate swaps

On November 1st, 2012, in order to manage our currency risk, we entered into cross-currency interest rate swap agreements for a total notional amount of CA$1.0 billion, allowing us to synthetically convert our Canadian dollar denominated senior unsecured notes into US dollars as well as to exchange interest payments on the notional amounts, which, on a net basis, provides us with financing at even more favourable conditions than those we secured through the issuance of the Canadian dollar denominated senior unsecured notes.

Receive – Notional (millions)	Receive – Rate	Pay – Notional (millions)	Pay – Rate	Maturity
CA$300.0	2.861%	US$300.7	2.0340%	November 1st, 2017
CA$125.0	3.319%	US$125.4	2.7325%	November 1st, 2019
CA$20.0	3.319%	US$20.1	2.7375%	November 1st, 2019
CA$305.0	3.319%	US$305.9	2.7400%	November 1st, 2019
CA$125.0	3.899%	US$125.4	3.4900%	November 1st, 2022
CA$125.0	3.899%	US$125.4	3.4925%	November 1st, 2022

We have identified and documented the cross-currency interest rate swap agreements as foreign exchange hedges of our net investment in our U.S. operations. According to the related accounting treatment, the changes in fair value of the swap agreements as well as the difference between interests received and interests paid are included in other comprehensive income rather than in the consolidated statement of earnings.

Income tax recovery

During the fourth quarter of fiscal 2013, we recorded a $34.7 million income tax recovery related to the effect on deferred income taxes of a decrease in our statutory income tax rate in Sweden.

Share issuance

On August 14, 2012, we issued 7,302,500 Class B subordinate voting shares at a price of CA$47.25 per share, for gross proceeds of approximately CA$345.0 million ($347.9 million).

The net proceeds of the issuance, CA$330.0 million ($333.4 million), were mainly used to repay a portion of our revolving unsecured operating credits then outstanding.

Share repurchase programs

We had a share repurchase program which allowed us to repurchase up to 2,684,420 Class A multiple voting shares and up to 11,126,400 Class B subordinate voting shares issued and outstanding as at October 11, 2011. The program expired on October 24, 2012. We did not repurchase any share under this program during fiscal 2013.

Dividends

During its July 9, 2013 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA$0.075 per share for the fourth quarter of fiscal 2013 to shareholders on record as at July 18, 2013 and approved its payment for August 1st, 2013. This is an eligible dividend within the meaning of the *Income Tax Act of Canada*.

During fiscal 2013, the Board declared total dividends averaging CA$0.3 per share.

Outstanding shares and stock options

As at July 5, 2013, Couche-Tard had 49,367,280 Class A multiple voting shares and 138,214,034 Class B subordinate voting shares issued and outstanding. In addition, as at the same date, Couche-Tard had 2,232,620 outstanding stock options for the purchase of Class B subordinate voting shares.

Statement of Earnings Categories

Merchandise and Service Revenues. In-store merchandise revenues are comprised primarily of the sale of tobacco products, fresh food offerings, including quick service restaurants, beer/wine, grocery items, candy, snacks and various beverages. Merchandise sales in Europe also include wholesale of merchandise and goods to certain independent operators and franchisees made from our distribution center. Service revenues include fees from automatic teller machines, sales of calling cards and gift cards, revenues from car washes, the commission on sale of lottery tickets and issuance of money orders, fees for cashing cheques as well as sales of postage stamps and bus tickets. Service revenues also include franchise fees, license fees from affiliates and royalties from franchisees.

Road Transportation Fuel Revenues. We include in our revenues the total dollar amount of road transportation fuel sales, including any imbedded taxes when they are included in the purchase price, if we take ownership of the road transportation fuel inventory. In the United States and in Europe, in some instances, we purchase road transportation fuel and sell it to certain independent store operators at cost plus a mark-up. We record the full value of these revenues (cost plus mark-up) as road transportation fuel revenues. Where we act as a selling agent for a petroleum distributor, only the commission we earn is recorded as revenue.

Other Income. Other income includes the sale of stationary energy, marine and aviation fuel, lubricants and chemical products. Other income also includes rent revenue from operating leases for certain land and buildings we own as well as car rental revenues.

Gross Profit. Gross profit consists mainly of revenues less the cost of merchandise and road transportation fuel sold. Cost of sales is mainly comprised of the specific cost of merchandise and road transportation fuel sold, including applicable freight less vendor rebates. For in-store merchandise, the cost of inventory is generally determined using the retail method (retail price less a normal margin), and for road transportation fuel, it is generally determined using the average cost method. The road transportation fuel gross margin for stores generating commissions corresponds to the sales commission.

Operating, Selling, Administrative and General Expenses. The primary components of operating, selling, administrative and general expenses are labour, net occupancy costs, electronic payment modes fees, commissions to dealers and overhead.

Key performance indicators used by management, which can be found under “Analysis of consolidated results for the fiscal year ended April 28, 2013 - Other Operating Data”, are merchandise and service gross margin, growth of same-store merchandise revenues, road transportation fuel gross margin and growth of same-store road transportation fuel volume, return on equity and return on capital employed.

Summary analysis of consolidated results for the fourth quarter of fiscal 2013

The following table highlights certain information regarding our operations for the 12 and 13-week periods ended April 28, 2013 and April 29, 2012, respectively:

(In millions of US dollars, unless otherwise stated)	**12-week period ended April 28, 2013**	13-week period ended April 29, 2012	Change %
Revenues	**8,776.0**	6,055.7	44.9
Operating income	**154.6**	138.0	(2.0)
Net earnings	**146.4**	117.8	24.3
Selected Operating Data:			
Merchandise and service gross margin (1):			
Consolidated	**34.6%**	32.8%	1.8
United States	**32.7%**	32.8%	(0.1)
Europe	**46.2%**	-	-
Canada	**33.1%**	32.9%	0.2
Growth of same-store merchandise revenues (2) (3) (4):			
United States	**0.1%**	3.4%	(3.3)
Canada	**0.9%**	5.4%	(4.5)
Road transportation fuel gross margin (3):			
United States (cents per gallon)	**19.30**	16.98	13.7
Europe (cents per litre)	**9.83**	-	-
Canada (CA cents per litre)	**6.01**	5.60	7.3
Growth (decrease) of same-store road transportation fuel volume (3) (4):			
United States	**1.1%**	0.2%	0.9
Canada	**(1.4%)**	0.1%	(1.5)

(1) Includes other revenues derived from franchise fees, royalties and rebates on some purchases made by franchisees and licensees.
(2) Does not include services and other revenues (as described in footnote 1 above). Growth in Canada is calculated based on Canadian dollars.
(3) For company-operated stores only.
(4) On a 12-week comparable basis.

Revenues

Our revenues were $8.8 billion in the fourth quarter of fiscal 2013, up $2.7 billion, an increase of 44.9%, mainly attributable to acquisitions. This item contributing to the growth in revenues was partially offset by the unfavourable weather conditions in several of our markets, the negative impact of the 13th week in the fourth quarter of 2012, a lower road transportation fuel average retail price at the pump and by a weaker Canadian dollar.

More specifically, the growth of merchandise and service revenues for the fourth quarter of fiscal 2013 was $150.8 million or 9.3%, of which approximately $278.0 million was generated by acquisitions, partially offset by the impact of the 13th week in

the fourth quarter of 2012. As for internal growth, on a 12-week comparable basis, same-store merchandise revenues increased by 0.1% in the United States and 0.9% in Canada despite the unfavourable weather conditions in several of our markets. The increase in same-store merchandise sales is attributable to our merchandising strategies, to the economic conditions in each of our markets as well as to the investments we made to enhance service and the offering of products in our stores. More specifically, in the U.S., for the cigarettes category, the changes made to the supply terms of the industry and to our pricing strategies as well as the competitive environment had an unfavourable impact on our sales for that product category because of their deflationary effect. Thus, we estimate that excluding tobacco products sales, our same-store merchandise revenues in the United States increased by 2.0% on a 12-week comparable basis. The negative impact in the cigarettes category was offset by the nice performance in fresh products. As for the weaker Canadian dollar, it had an unfavourable impact of approximately $12.0 million on merchandise and service revenues of the fourth quarter of fiscal 2013.

Road transportation fuel revenues increased by $1.9 billion or 42.1% in the fourth quarter of fiscal 2013, of which approximately $2.2 billion stems from acquisitions, partially offset by the impact of the 13th week in the fourth quarter of 2012. In the United States, same-store road transportation fuel volume increased by 1.1% while it decreased by 1.4% in Canada. Volume growth in the United States is satisfactory when compared with data from the U.S. Federal Highway Administration's Traffic Volume Trends reports which indicate that, in February and March 2013, traffic on the roads and streets decreased by 1.4% and 1.5% respectively, compared with February and March 2012 while it increased by 1.2% in April 2013 compared with April 2012.

The lower average retail price of road transportation fuel generated a decrease in revenues of approximately $128.0 million as shown in the following table, starting with the first quarter of the fiscal year ended April 29, 2012:

Quarter	1st	2nd	3rd	**4th**	Weighted average
52-week period ended April 28, 2013					
United States (US dollars per gallon)	3.49	3.65	3.35	**3.61**	3.51
Canada (CA cents per litre)	112.62	117.41	110.43	**115.65**	113.77
53-week period ended April 29, 2012					
United States (US dollars per gallon)	3.67	3.49	3.31	**3.73**	3.54
Canada (CA cents per litre)	114.08	112.90	109.88	**117.05**	113.27

As for the weaker Canadian dollar, it had an unfavourable impact of approximately $16.0 million on road transportation fuel sales of the fourth quarter of fiscal 2013.

Other income showed an increase of $699.2 million for the fourth quarter of fiscal 2013, due entirely to acquisitions. Other revenues include revenue from rental of assets, from sale of aviation and marine fuel, heating oil, kerosene, lubricants and chemicals.

Gross profit

The consolidated merchandise and service gross margin grew by $81.6 million or 15.4% in the fourth quarter of fiscal 2013. In the United States, the gross margin is down 0.1% to 32.7% while in Canada, it increased by 0.2% to 33.1%. This performance reflects changes in the product-mix, the changes we brought to our supply terms as well as our merchandising strategy in line with market competitiveness and economic conditions within each market. More specifically, in the United States, the slight decrease in the margin as a percentage of sales reflects the impact of our pricing strategies in the cigarettes category, partially offset by a shift in product mix towards higher margin categories, including fresh products. In Europe, the margin was 46.2%, which is in line with our expectations and historical margins recorded by Statoil Fuel & Retail at this time of the year. The higher merchandise and service gross margin as a percentage of sales in Europe reflects price and cost structures as well as a revenue mix that are different from those in North America.

In the fourth quarter of fiscal 2013, the road transportation fuel gross margin for our company-operated stores in the United States increased by 2.32¢ per gallon, from 16.98¢ per gallon last year to 19.30¢ per gallon this year. In Canada, the gross margin increased to CA6.01¢ per litre compared with CA5.60¢ per litre for the fourth quarter of fiscal 2012. The road transportation fuel gross margin of our company-operated stores in the United States as well as the impact of expenses related to electronic payment modes for the last eight quarters, starting with the first quarter of fiscal year ended April 29, 2012, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	**4th**	Weighted average
52-week period ended April 28, 2013					
Before deduction of expenses related to electronic payment modes	23.20	15.20	17.80	**19.30**	18.77
Expenses related to electronic payment modes	4.97	5.15	4.79	**5.03**	4.97
After deduction of expenses related to electronic payment modes	18.23	10.05	13.01	**14.27**	13.80
53-week period ended April 29, 2012					
Before deduction of expenses related to electronic payment modes	19.95	17.04	14.84	**16.98**	16.99
Expenses related to electronic payment modes	5.29	5.20	4.74	**5.06**	5.04
After deduction of expenses related to electronic payment modes	14.66	11.84	10.10	**11.92**	11.95

Operating, selling, administrative and general expenses

For the fourth quarter of fiscal 2013, operating, selling, administrative and general expenses rose by 52.5% compared with the fourth quarter of fiscal 2012, but they decreased by 5.5%, if we exclude certain items, as demonstrated by the following table:

	12-week period ended April 28, 2013
Total variance as reported	**52.5%**
Subtract:	
Increase from incremental expenses related to acquisitions	59.5%
Decrease from lower electronic payment fees, excluding acquisitions	(0.9%)
Negative goodwill recognized to earnings of fiscal 2012	1.1%
Negative goodwill recognized to earnings of fiscal 2013	(0.6%)
Decrease from the weaker Canadian dollar	(0.7%)
Acquisition costs recognized to earnings of fiscal 2012	(0.5%)
Acquisition costs recognized to earnings of fiscal 2013	0.1%
Remaining variance, including the impact of the additional week in the fourth quarter of fiscal 2012	**(5.5%)**

The decrease in electronic payment fees stems mainly from the decrease in the average retail price of road transportation fuel. The remaining variance is mainly due to the impact of the additional week in the fourth quarter of fiscal 2012. We continue to favour a tight control of our costs throughout the organization while making sure to maintain the quality of the service we offer our clients.

In Europe, the decrease in expenses recorded in relation with our cost reduction initiatives were more than offset by costs incurred for projects aimed at creating value, including the implementation of a new IT infrastructure and the rollout of an Enterprise Resource Planning ("ERP") system. Our IT costs should go down progressively along with the completion of these projects over the course of the next quarters. Expenses of the quarter also include marketing costs to support our sales initiatives to boost sales in Europe, including "*miles*TM", our new signature fuel brand as well as "Coin Offer", a new in-store program to promote our value fresh food offering.

Restructuring

In the fourth quarter of fiscal 2013, we recorded to earnings restructuring expenses of $34.0 million in line with the planned restructuring of Statoil Fuel & Retail's operations.

Curtailment gain on certain defined benefits pension plans obligation

During the fourth quarter of fiscal 2013, in connection with the planned restructuring of Statoil Fuel & Retail's operations, we recorded to earnings a $19.4 million non-recurring curtailment gain related to certain defined benefits pension plans with a corresponding offset to the defined benefit plan accrued benefit obligation.

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

During the fourth quarter of fiscal 2013, EBITDA increased by 45.2% compared to the corresponding period of the previous fiscal year, reaching $295.7 million. Net of acquisition costs recorded to earnings, acquisitions contributed $80.0 million to EBITDA, while the exchange rate variation had a negative impact of approximately $1.0 million.

Excluding the restructuring expenses as well as the curtailment gain on certain defined benefits pension plans obligation recorded during the fourth quarter of fiscal 2013, adjusted EBITDA increased by $106.7 million or 52.4% compared to the corresponding period of the previous fiscal year, reaching $310.3 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, use these measures to evaluate the Corporation's financial and operating performance. Note that our definition of these measures may differ from the one used by other public corporations:

(in millions of US dollars)	**12-week period ended April 28, 2013**	13-week period ended April 29, 2012
Net earnings, as reported	**146.4**	117.8
Add:		
Income taxes	**(9.5)**	36.5
Net financial expenses (revenues)	**20.7**	(12.9)
Depreciation and amortization and impairment of property and equipment and other assets	**138.1**	62.2
EBITDA	**295.7**	203.6
Add:		
Restructuring costs	**34.0**	-
Curtailment gain on defined benefits pension plans obligation	**(19.4)**	-
Adjusted EBITDA	**310.3**	203.6

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

For the fourth quarter of fiscal 2013, depreciation, amortization and impairment expense increased due to the investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network.

In addition, following the acquisition of Statoil Fuel & Retail, we have undertaken an analysis of the remaining useful lives of Statoil Fuel & Retail property and equipment in order to modify the depreciation periods accordingly. Based on our preliminary analysis, we concluded that the modification of depreciation periods would reduce the depreciation expense, which was reflected in the depreciation expense for the fourth quarter of fiscal 2013. However, given the volume of assets to process, our analytical work has not been completed yet. Additional changes to the depreciation expense could be made.

Net financial expenses

The fourth quarter of fiscal 2013 shows net financing expenses of $20.7 million, an increase of $33.6 million compared to the fourth quarter of fiscal 2012. Excluding a net foreign exchange gain of $6.8 million recorded in the fourth quarter of 2013 and excluding the non-recurring gain of $17.0 million recorded on foreign exchange forward contracts in the fourth quarter of fiscal 2012, the increase in net financing expenses is $23.4 million. The increase is mainly due to the additional debt required to finance the acquisition of Statoil Fuel & Retail and debt assumed through its acquisition. With respect to the net foreign exchange gain of $6.8 million, it is mainly due to the impact of the exchange rate fluctuations on certain inter-company balances as well as to the impact of exchange rates fluctuations on U.S. dollars denominated sales made by our European operations.

Income taxes

The fourth quarter of fiscal 2013 shows an income tax recovery of $9.5 million, compared to an income tax expense of $36.5 million for the corresponding quarter of the previous year. The income tax recovery in the fourth quarter of fiscal 2013 stems mainly from the effect on deferred income taxes of a decrease in our statutory income tax rate in Sweden.

Excluding this item, the income tax rate for the fourth quarter of fiscal 2013 would have been 18.4% compared to a rate of 23.7% for the corresponding quarter of the previous year.

Net earnings

We closed the fourth quarter of fiscal 2013 with net earnings of $146.4 million, compared to $117.8 million the previous fiscal year, an increase of $28.6 million or 24.3%. Diluted net earnings per share stood at $0.77 compared to $0.65 the previous year, an increase of 18.5%. The exchange rate variation did not have a significant impact on net earnings of the fourth quarter of fiscal 2013.

Excluding from net earnings of the fourth quarter of fiscal 2013 the restructuring expenses, the non-recurring curtailment gain on defined benefits pension plans obligation, acquisition costs, the non-recurring income tax recovery, the negative goodwill as well as the net foreign exchange gain and excluding from the fourth quarter of fiscal 2012 the non-recurring gain on foreign exchange contracts, acquisition costs as well as the negative goodwill, net earnings for the fourth quarter 2013 would have stood at approximately $115.5 million ($0.61 per share on a diluted basis) compared to $102.4 million ($0.57 per share on a diluted basis) in the fourth quarter of fiscal 2012, up $13.1 million, or 12.8%, despite the negative impact of the additional week in the fourth quarter of fiscal 2012.

Analysis of consolidated results for the fiscal year ended April 28, 2013

The following table highlights certain information regarding our operations for the 52-week periods ended April 28, 2013 and April 24, 2011 and for the 53-week period ended April 29, 2012:

(In millions of US dollars, unless otherwise stated)	**2013 – 52 weeks**	2012 – 53 weeks	2011 – 52 weeks
Statement of Operations Data:			
Merchandise and service revenues [1]:			
United States	**4,548.6**	4,408.0	4,133.6
Europe	**866.1**	-	-
Canada	**2,181.7**	2,190.9	2,049.9
Total merchandise and service revenues	**7,596.4**	6,598.9	6,183.5
Road transportation fuel revenues:			
United States	**14,872.6**	13,650.5	10,205.7
Europe	**7,537.9**	-	-
Canada	**2,860.8**	2,724.9	2,148.2
Total road transportation fuel revenues	**25,271.3**	16,375.4	12,353.9
Other revenues [2]:			
United States	**6.6**	5.5	5.4
Europe	**2,668.6**	-	-
Canada	**0.5**	0.5	0.5
Total other revenues	**2,675.7**	6.0	5.9
Total revenues	**35,543.4**	22,980.3	18,543.3
Merchandise and service gross profit [1]:			
United States	**1,505.9**	1,452.6	1,369.8
Europe	**381.6**	-	-
Canada	**733.0**	729.8	702.9
Total merchandise and service gross profit	**2,620.5**	2,182.4	2,072.7
Road transportation fuel gross profit:			
United States	**782.5**	637.9	537.3
Europe	**719.1**	-	-
Canada	**162.6**	148.8	135.7
Total road transportation fuel gross profit	**1,664.2**	786.7	673.0
Other revenues gross profit [2]:			
United States	**6.6**	5.5	5.4
Europe	**317.8**	-	-
Canada	**0.5**	0.5	0.5
Total other revenues gross profit	**324.9**	6.0	5.9
Total gross profit	**4,609.6**	2,975.1	2,751.6
Operating, selling, administrative and general expenses	**3,235.2**	2,155.6	2,033.3
Restructuring costs	**34.0**	-	-
Curtailment gain on defined benefits pension plans obligation	**(19.4)**	-	-
Depreciation, amortization and impairment of property and equipment and other assets	**521.1**	239.8	213.7
Operating income	**838.7**	579.7	501.6
Net earnings	**572.8**	457.6	369.2
Other Operating Data:			
Merchandise and service gross margin [1]:			
Consolidated	**34.5%**	33.1%	33.5%
United States	**33.1%**	33.0%	33.1%
Europe	**44.1%**	-	-
Canada	**33.6%**	33.3%	34.3%
Growth of same-store merchandise revenues [3] [4] [5]:			
United States	**1.0%**	2.7%	4.2%
Canada	**2.0%**	2.8%	1.8%
Road transportation fuel gross margin :			
United States (cents per gallon) [4] [5]	**18.77**	16.99	15.54
Europe (cents per litre) [6]	**9.88**	-	-
Canada (CA cents per litre) [4] [5]	**5.84**	5.45	5.38

(In millions of US dollars, unless otherwise stated)	**2013 – 52 weeks**	2012 – 53 weeks	2011 – 52 weeks
Volume of road transportation fuel sold [6]:			
United States (millions of gallons)	**4,276.2**	3,896.2	3,517.7
Europe (millions of litres)	**7,281.1**	-	-
Canada (millions of litres)	**2,819.9**	2,713.5	2,565.4
Growth of (decrease in) same-store road transportation fuel volume [4]:			
United States	**0.6%**	0.1%	0.7%
Canada	**0.0%**	(0.9%)	3.9%
Per Share Data:			
Basic net earnings per share (dollars per share)	**3.10**	2.54	2.00
Diluted net earnings per share (dollars per share)	**3.07**	2.49	1.96
	April 28, 2013	April 29, 2012	April 24, 2011
Balance Sheet Data:			
Total assets	**10,546.2**	4,376.8	3,838.1
Interest-bearing debt	**3,605.1**	665.2	501.5
Shareholders' equity	**3,216.7**	2,174.6	1,979.4
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization [7]	**0.48 : 1**	0.14 : 1	0.09 : 1
Net interest-bearing debt/Adjusted EBITDA [8]	**1.98 : 1 [9]**	0.43 : 1	0.26 : 1
Adjusted net interest bearing debt/Adjusted EBITDAR [10]	**3.05 : 1 [9]**	2.10 : 1	2.09 : 1
Returns:			
Return on equity [11]	**21.5% [9]**	22.0%	20.3%
Return on capital employed [12]	**11.0% [9]**	19.0%	18.1%

(1) Includes revenues derived from franchise fees, royalties, suppliers rebates on some purchases made by franchisees and licensees as well as merchandise wholesale.
(2) Includes revenues from rental of assets, from sale of aviation and marine fuel, liquefied petroleum gas ("LPG"), heating oil, kerosene, lubricants and chemicals.
(3) Does not include services and other revenues (as described in footnote 1 above). Growth in Canada is calculated based on Canadian dollars.
(4) For company-operated stores only.
(5) On a comparable 52-week basis.
(6) Total road transportation fuel.
(7) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by the addition of shareholders' equity and long-term debt, net of cash and cash equivalents and temporary investments. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(8) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt, net of cash and cash equivalents and temporary investments divided by EBITDA (Earnings Before Interest, Tax, Depreciation, Amortization and Impairment) adjusted for restructuring expenses and curtailment gain on certain defined benefits pension plans obligation. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(9) This ratio is presented on a pro forma basis. It includes Couche-Tard's results for fiscal year ended April 28, 2013 as well as Statoil Fuel & Retail's results for the 12-month period ended April 30, 2013. Statoil Fuel & Retail balance sheet and earnings have been adjusted to make their presentation in line with Couche-Tard's policies and for fair value adjustments to assets acquired, including goodwill, and to liabilities assumed.
(10) This ratio is presented for information purposes only and represents a measure of financial condition used especially in financial circles. It represents the following calculation: long-term interest-bearing debt plus the product of eight times rent expense, net of cash and cash equivalents and temporary investments divided by EBITDAR (Earnings Before Interest, Tax, Depreciation, Amortization, Impairment and Rent expense) adjusted for restructuring costs as well as curtailment gain on certain defined benefits pension plans obligation. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(11) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: net earnings divided by average equity for the corresponding period. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.
(12) This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: earnings before income taxes and interests divided by average capital employed for the corresponding period. Capital employed represents total assets less short-term liabilities not bearing interests. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations.

Revenues

Our revenues were $35.5 billion in fiscal 2013, up $12.6 billion, or 54.7%, mainly attributable to acquisitions and to the increase in same-stores merchandise revenues and road transportation fuel volumes, partially offset by the effect of the 53rd week of fiscal year 2012, by the impact of a decrease in road transportation fuel sales due to lower average retail prices at the pump, unfavourable weather conditions during the fourth quarter in many of our markets as well as by the weaker Canadian dollar.

More specifically, the growth of merchandise and service revenues for fiscal 2013 was $997.5 million or 15.1%, of which approximately $1,049.0 million was generated by acquisitions, partially offset by the negative impact of the additional week in fiscal 2012. As for internal growth, on a 52-week comparable basis, same-store merchandise revenues increased by 1.0% in the United States and 2.0% in Canada. For the Canadian and U.S. markets, the variance in same-store merchandise sales is attributable to our merchandising strategies, to the economic conditions in each of our markets as well as to the investments we made to enhance service and the offering of products in our stores. More specifically, in the U.S., for the cigarettes category, the changes made to the supply terms of the industry and to our pricing strategies as well as the competitive

environment had an unfavourable impact on our sales for that product category because of their deflationary effect. Thus, we estimate that excluding tobacco products sales, our same-store merchandise revenues in the United States increased by 3.4% on a 52-week comparable basis, the negative impact in the cigarettes category having been more than offset by the strong performance in fresh products. The growth in sales was partially offset by the effect of the additional week in fiscal year 2012. As for the weaker Canadian dollar, it had an unfavourable impact of approximately $19.0 million on merchandise and service revenues of fiscal 2013.

Road transportation fuel revenues increased by $8.9 billion or 54.3% in fiscal 2013, of which approximately $9.1 billion stems from acquisitions, partially offset by the negative impact of the additional week in fiscal 2012. The still fragile economy has continued to put pressure on road transportation fuel consumption, which can explain the flat same-store road transportation fuel volume in Canada as well as the modest increase of 0.6% in the United States. Volume growth in the United States is satisfactory when compared with data from the U.S. Federal Highway Administration's Traffic Volume Trends reports which indicate that, from May 2012 to April 2013, traffic on the roads and streets decreased by 0.1% compared with the corresponding prior period. These items contributing to the growth in revenues were partially offset by the impact of the additional week in fiscal 2012 as well as by the lower average road transportation fuel price at the pump.

The lower average retail price of road transportation fuel generated a decrease in revenues of approximately $68.0 million as shown in the following table, starting with the first quarter of the fiscal year ended April 29, 2012:

Quarter	1st	2nd	3rd	4th	**Weighted average**
52-week period ended April 28, 2013					
United States (US dollars per gallon)	3.49	3.65	3.35	3.61	**3.51**
Canada (CA cents per litre)	112.62	117.41	110.43	115.65	**113.77**
53-week period ended April 29, 2012					
United States (US dollars per gallon)	3.67	3.49	3.31	3.73	**3.54**
Canada (CA cents per litre)	114.08	112.90	109.88	117.05	**113.27**

As for the weaker Canadian dollar, it had an unfavourable impact of approximately $23.0 million on road transportation fuel sales of fiscal 2013.

Other income showed an increase of $2.7 billion for fiscal 2013, entirely due to acquisitions. Other revenues include revenues derived from the rental of assets, the sale of aviation and marine fuel, the sale of liquid petroleum gas ("LPG"), heating oil, kerosene, lubricants and chemicals. We sold our LPG operations in December 2012.

Gross profit

The consolidated merchandise and service gross margin grew by $438.1 million or 20.1% in fiscal 2013. In the United States, the gross margin is up by 0.1% to 33.1% while in Canada, it increased by 0.3% to 33.6%. This performance reflects the shift in our product-mix toward higher margin categories, including fresh products, the modifications we brought to our supply terms as well as our merchandising strategy in line with market competitiveness and economic conditions within each market. In the United States, the improvement in margin as a percentage of sales was partially offset by our price strategies in the cigarettes category. In Europe, the margin was 44.1%, which is consistent with our expectations and historical margins recorded by Statoil Fuel & Retail. The higher merchandise and services gross margin as a percentage of sales in Europe reflects price and cost structures as well as a product-mix that are different from those in North America.

In fiscal 2013, the road transportation fuel gross margin for our company-operated stores in the United States increased by 1.78¢ per gallon, from 16.99¢ per gallon in fiscal 2012 to 18.77¢ per gallon in fiscal 2013. In Canada, the road transportation fuel gross margin reached CA 5.84¢ per liter in fiscal 2013 compared to CA 5.45¢ in fiscal 2012. The road transportation fuel gross margin of our company-operated stores in the United States as well as the impact of expenses related to electronic payment modes for the last eight quarters, starting with the first quarter of fiscal year ended April 29, 2012, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	4th	**Weighted average**
52-week period ended April 28, 2013					
Before deduction of expenses related to electronic payment modes	23.20	15.20	17.80	19.30	**18.77**
Expenses related to electronic payment modes	4.97	5.15	4.79	5.03	**4.97**
After deduction of expenses related to electronic payment modes	18.23	10.05	13.01	14.27	**13.80**
53-week period ended April 29, 2012					
Before deduction of expenses related to electronic payment modes	19.95	17.04	14.84	16.98	**16.99**
Expenses related to electronic payment modes	5.29	5.20	4.74	5.06	**5.04**
After deduction of expenses related to electronic payment modes	14.66	11.84	10.10	11.92	**11.95**

Operating, selling, administrative and general expenses

For fiscal 2013, operating, selling, administrative and general expenses rose by 50.1% compared with fiscal 2012, but decreased by 0.9% if we exclude certain items, as demonstrated by the following table:

Total variance as reported	**50.1%**
Subtract:	
Increase from incremental expenses related to acquisitions	51.4%
Decrease from lower electronic payment fees (excluding acquisitions)	(0.1%)
Decrease from the weakening of the Canadian dollar	(0.3%)
Acquisition costs recognized to earnings of fiscal 2012	(0.3%)
Acquisition costs recognized to earnings of fiscal 2013	0.2%
Negative goodwill recognized to earnings of fiscal 2012	0.3%
Negative goodwill recognized to earnings of fiscal 2013	(0.2%)
Remaining variance, including the impact of the additional week in fiscal 2012	**(0.9%)**

The decrease in electronic payment fees stems mainly from the lower average retail price of road transportation fuel. The remaining variance is mainly due to the impact of the 53rd week in fiscal 2012. We continue to favour a tight control of our costs throughout the organization while making sure to maintain the quality of the service we offer our clients.

In Europe, the decrease in expenses recorded in relation with our cost reduction initiatives were more than offset by costs incurred for projects aimed at creating value, including the implementation of a new IT infrastructure and the rollout of an Enterprise Resource Planning ("ERP") system. Our IT costs should go down progressively along with the completion of these projects over the course of the next quarters. Fiscal 2013 expenses also include marketing costs to support our sales initiatives to boost sales, including "*milesTM*", our new signature fuel brand as well as "Coin Offer", a new in-store program to promote our value fresh food offering.

Restructuring costs

During fiscal 2013, we recorded restructuring expenses of $34.0 million in line with the planned restructuring of Statoil Fuel & Retail's operations.

Curtailment gain on certain defined benefits pension plans obligation

During fiscal 2013, in connection with the planned restructuring of Statoil Fuel & Retail's, we recorded to earnings a $19.4 million non-recurring curtailment gain related to certain defined benefits pension plans with a corresponding offset to the defined benefit plan obligation.

Earnings before interests, taxes, depreciation, amortization and impairment (EBITDA) and Adjusted EBITDA

During fiscal 2013, EBITDA increased by 63.5% compared to fiscal 2012, reaching $1,375.6 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $450.0 million to EBITDA while the exchange rate variation had a negative impact of approximately $2.0 million.

Excluding from fiscal 2013 restructuring costs and the curtailment gain on certain defined benefits pension plans obligation, adjusted EBITDA increased by $549.1 million or 65.3% compared to fiscal 2012, reaching $1,390.2 million.

It should be noted that EBITDA and Adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, use these measures to evaluate the Corporation's financial and operating performance. Note that our definition of these measures may differ from the one used by other public corporations:

(in millions of US dollars)	**52-week period ended April 28, 2013**	53-week period ended April 29, 2012
Net earnings, as reported	**572.8**	457.6
Add:		
Income taxes	**73.9**	146.3
Net financial expenses (revenues)	**207.8**	(2.6)
Depreciation, amortization and impairment of property and equipment and other assets	**521.1**	239.8
EBITDA	**1,375.6**	841.1
Add:		
Restructuring costs	**34.0**	-
Curtailment gain on defined benefits pension plans obligation	**(19.4)**	-
Adjusted EBITDA	**1,390.2**	841.1

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

For fiscal 2013, depreciation expense increased due to the investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network.

In addition, following the acquisition of Statoil Fuel & Retail, we have undertaken an analysis of the remaining useful lives of Statoil Fuel & Retail property and equipment in order to modify the depreciation periods accordingly. Based on our preliminary analysis, we concluded that the modification of depreciation periods would reduce the depreciation expense, which was reflected in the depreciation expense for fiscal 2013. However, given the volume of assets to process, our analytical work has not been completed yet. Additional changes to the depreciation expense could be made.

Net financial expenses (revenues)

For fiscal 2013, we recorded net financial expenses of $207.8 million compared to net financial revenues of $2.6 million in fiscal 2012. Excluding the non-recurring loss of $102.9 million on foreign exchange forwards contracts and the net foreign exchange gain of $3.2 million recorded during fiscal 2013, as well as excluding the $17.0 million gain recorded on foreign exchange forwards contracts in fiscal 2012, net financial expenses posted an increase of $93.7 million compared to fiscal year 2012, mainly due to the additional debt required to finance the acquisition of Statoil Fuel & Retail and debt assumed through its acquisition. With respect to the net foreign exchange gain of $3.2 million, it is mainly due to a gain from the impact of the exchange rate fluctuations on certain inter-company balances, a non-recurring foreign exchange gain of $7.4 million recorded on our NOK cash held by our U.S. operations in connection with the financing of the acquisition of Statoil Fuel & Retail partially offset by the impact of exchange rates fluctuations on U.S. dollars denominated sales made by our European operations.

Income taxes

The income tax rate for fiscal 2013 is 11.4%. The decrease is partly due to the effect on deferred income taxes of a decrease in our statutory income tax rate in Sweden. Excluding this non-recurring item, the income tax rate for fiscal 2013 would have been 16.8% compared to a rate of 24.2% for fiscal 2012.

Net earnings

We closed fiscal 2013 with net earnings of $572.8 million, compared to $457.6 million the previous fiscal year, an increase of $115.2 million or 25.2%. Diluted net earnings per share stood at $3.07 compared to $2.49 the previous year, an increase of 23.3%. The exchange rate variation did not have a significant impact on net earnings of fiscal 2013.

Excluding from fiscal 2013 net earnings the non-recurring loss on foreign exchange forward contracts, restructuring costs, the non-recurring curtailment gain on certain defined benefits pension plan, the net foreign exchange gain, the non-recurring income tax recovery, acquisition costs as well as the negative goodwill and excluding the non-recurring gain on foreign exchange forward contracts, acquisition costs and the negative goodwill from earnings of fiscal 2012, net earnings for fiscal 2013 would have stood at approximately $620.9 million ($3.32 per share on a diluted basis) compared to $444.7 million ($2.42 per share on a diluted basis) for fiscal 2012, up $176.2 million, or 39.6%, despite the negative impact of the additional week in fiscal 2012.

Financial Position as at April 28, 2013

As shown by our indebtedness ratios included in the "Selected Consolidated Financial Information" section and our net cash provided by operating activities, our financial position is excellent.

Our total consolidated assets amounted to $10.5 billion as at April 28, 2013, an increase of $6.2 billion over the balance as at April 29, 2012. This increase stems primarily from the overall rise in assets resulting from the acquisitions we made during fiscal year 2013, partially offset by the weakening of the Canadian dollar compared to the US dollar at the balance sheet date.

For fiscal 2013, we recorded a return on capital employed of 11.0%[1].

Shareholders' equity amounted to $3.2 billion as at April 28, 2013, up $1.0 billion compared to April 29, 2012, mainly reflecting net earnings of fiscal 2013 as well as the issuance of shares, partially offset by dividends declared and the decrease in accumulated other comprehensive income following the weakening of the Canadian dollar as at the balance sheet date. For fiscal 2013, we recorded a return on equity of 21.5%[2].

Liquidity and Capital Resources

Our principal sources of liquidity are our net cash provided by operating activities and our credit facilities. Our principal uses of cash are to finance our acquisitions and capital expenditures, pay dividends, meet debt service requirements as well as provide for working capital. We expect that cash generated from operations and borrowings available under our revolving unsecured credit facilities will be adequate to meet our liquidity needs in the foreseeable future.

On September 22, 2012, our term revolving unsecured operating credits A ($326.0 million), B ($154.0 million) and C ($40.0 million) matured. On October 19, 2012, we increased by $275.0 million the maximum borrowings available under our term revolving unsecured operating D, bringing to $1,275.0 million the maximum borrowings available under operating credit D. As at April 28, 2013, $345.5 million of our revolving unsecured operating credit D had been used. As at the same date, the weighted average effective interest rate was 1.75% and standby letters of credit in the amount of CA$2.2 million and $28.4 million were outstanding.

On October 31, 2012, we entered into a new credit facility of a maximum amount of $50.0 million with an initial term of 50 months. The credit facility is available in the form of a revolving unsecured operating credit, available in US dollars ("Term revolving unsecured operating credit E"). The amounts borrowed bear interest at variable rates based on the US base rate or the LIBOR rate plus a variable margin. Standby fees, which vary based on a leverage ratio and on the utilization rate of the

1 This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: earnings before income taxes and interests divided by average capital employed. Capital employed represents total assets less short-term liabilities not bearing interests. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations. This ratio is presented on a pro forma basis. It includes Couche-Tard's results for fiscal year ended April 28, 2013 as well as Statoil Fuel & Retail's results for the 12-month period ended April 30, 2013. Statoil Fuel & Retail balance sheet and earnings have been adjusted to make their presentation in line with Couche-Tard's policies and for fair value adjustments to assets acquired, including goodwill, and to liabilities assumed.

2 This ratio is presented for information purposes only and represents a measure of performance used especially in financial circles. It represents the following calculation: net earnings divided by average equity. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other public corporations. This ratio is presented on a pro forma basis. It includes Couche-Tard's results for fiscal year ended April 28, 2013 as well as Statoil Fuel & Retail's results for the 12-month period ended April 30, 2013. Statoil Fuel & Retail balance sheet and earnings have been adjusted to make their presentation in line with Couche-Tard's policies and for fair value adjustments to assets acquired, including goodwill, and to liabilities assumed.

credit facility, apply to the unused portion of the credit facility. The variable margin used to determine the interest rate applicable to amounts borrowed is determined according to a leverage ratio of the Corporation. As at April 28, 2013, the term revolving unsecured operating credit E was unused.

As at April 28, 2013, $948.9 million were available under the Corporation's credit agreements and we were in compliance with the restrictive covenants and ratios imposed by the credit agreements at that date. Thus, at the same date, we had access to more than $1.6 billion through our available cash and revolving unsecured operating credit agreements.

Through our acquisition of Statoil Fuel & Retail, we have access to bank overdraft facilities totalling approximately $336.0 million. As of April 28, 2013, the bank overdraft facility is unused.

Selected Consolidated Cash Flow Information

(In millions of US dollars)	**52-week period ended April 28, 2013**	53-week period ended April 29, 2012	Variation
Operating activities	**$**	$	$
Net cash provided by operating activities	**1,161.4**	763.8	397.6
Investing activities			
Business acquisitions	**(2,644.6)**	(380.3)	(2,264.3)
Purchase of property and equipment and other assets, net of proceeds from the disposal of property and equipment and other assets	**(486.9)**	(288.8)	(198.1)
Net settlement of foreign exchange forward contracts	**(86.4)**	-	(86.4)
Proceeds from sales and lease back transaction	**30.3**	-	30.3
Other	**1.1**	(22.7)	23.8
Net cash used in investing activities	**(3,186.5)**	(691.8)	(2,494.7)
Financing activities			
Borrowings under the acquisition facility, net of financing costs	**3,190.2**	-	3,190.2
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs	**997.5**	-	997.5
Repayment of the acquisition facility	**(995.5)**	-	(995.5)
Repayment of non-current debt assumed on business acquisition	**(800.5)**	-	(800.5)
Net (decrease) increase in other debt	**(314,5)**	157.1	(471.6)
Issuance of shares on public offering, net of issuance costs	**333.4**	-	333.4
Issuance of shares upon exercise of stock-options	**8.1**	19.2	(11.1)
Share repurchase	**-**	(201.1)	201.1
Dividends	**(55.6)**	(49.8)	(5.8)
Net cash provided (used in) by financing activities	**2,363.1**	(74.6)	2,437.7
Credit rating			
Standard and Poor's	**BBB-**	BBB-	

Operating activities

During fiscal 2013, net cash from the operation of our store's network reached $1,161.4 million, up $397.6 million compared to fiscal year 2012, mainly due to higher net earnings not taking into account non-cash items, including depreciation, amortization and impairment of property and equipment and other assets.

Investing activities

During fiscal 2013, investing activities were primarily for the acquisition of Statoil Fuel & Retail and additional stores for a total amount of $2,644.6 million as well as for net investment in property and equipment and other assets which amounted to $486.9 million. Net investments in property and equipment and other assets were primarily for the replacement of equipment in some of our stores in order to enhance our offering of products and services, the addition of new stores as well as the ongoing improvement of our network. We also concluded a sale and lease back transaction for net proceeds of $30.3 million.

Financing activities

During fiscal 2013, we borrowed an amount of $3,190.2 million under our acquisition facility, net of financing costs, we received a net amount of $997.5 million following the issuance of Canadian dollars denominated unsecured senior notes and we received a net amount of $333.4 million from the issuance of 7,302,500 class B subordinate voting shares. These funds were used to finance the acquisition of Statoil Fuel & Retail for $2,583.3 million, to repay a portion of the debt assumed as part of this acquisition for an amount of $800.5 million as well as to repay a portion of our operating credits. During the same period, we paid $55.6 million in dividends.

Contractual Obligations and Commercial Commitments

Set out below is a summary of our material contractual obligations as at April 28, 2013 (1):

	2014	2015	2016	2017	2018	Thereafter	Total
	(in millions of US dollars)						
Long-term debt (2)	603.3	0.3	1,594.6	348.4	294.0	687.8	**3,528.4**
Finance lease obligations	19.2	27.4	10.7	5.5	4.5	24.3	**91.6**
Operating lease obligations	334.2	306.4	279.5	250.7	221.3	1,262.5	**2,654.6**
Total	956.7	334.2	1,884.8	604.6	519.8	1,974.5	**6,274.6**

(1) The summary does not include the payments required under defined benefit pension plans.
(2) Does not include future interest payments.

Long-Term Debt. As at April 28, 2013, our long-term debt reached $2,984.3 million, the details of which are as follows:

i. Borrowing of $2,197.3 million under our acquisition facility denominated in US dollars, maturing in June 2015. The effective interest rate was 2.37% as at April 28, 2013. We are required to make annual repayments in 2014 and 2015. The annual repayments are dependent on an adjusted leverage ratio reached at the date of the calculation as well as on the amount of excess cash flows and are caped at a certain amount. For fiscal 2014, the repayment will be $603.0 million. For fiscal 2015, the amount expected to be repaid cannot be reasonably estimated but the maximum amount required to be repaid as per the agreement is $250.0 million.

ii. Canadian dollar denominated senior unsecured notes totalling $978.7 million, divided into three tranches:

   a. Tranche 1 with a notional amount of CA$300.0 million, maturing on November 1st, 2017, bearing interest at 2.861%
   b. Tranche 2 with a notional amount of CA$450.0 million, maturing on November 1st, 2019 bearing interest at 3.319%
   c. Tranche 3 with a notional amount of CA$250.0 million, maturing on November 1st, 2022 bearing interest at 3.899%.

iii. US Dollar denominated borrowings of $345.5 million under our revolving unsecured operating credits denominated in US dollars, maturing in December 2016. The weighted average effective interest rate was 1.75% as at April 28, 2013. Standby letters of credit in the amount of CA$2.2 million and $28.4 million were outstanding as at April 28, 2013.

iv. Floating-rate bonds denominated in NOK totalling $2.6 million maturing in February 2017. As at April 28, 2013, the effective interest rate was 5.04%.

v. Fixed-rate bonds denominated in NOK totalling $2.3 million maturing in February 2019. As at April 28, 2013, bearing interest at 5.75%.

vi. Other long-term debts of $78.7 million, including obligations related to building and equipment under finance leases.

Finance Leases and Operating Leases Obligations. We lease an important portion of our real estate using conventional operating leases and finance leases mainly for the rental of stores, land, equipment and office buildings. Generally our real estate leases in Canada are for primary terms of five to ten years and in the United States, they are for ten to 20 years, in both cases, usually with options to renew. In Europe, the lease terms range from short-term contracts to contracts with maturities up to 100 years and most lease contracts include options to renew at market prices. When leases are determined to be operating leases, obligations and related assets are not included in our consolidated balance sheets. Under certain of the store leases, we are subject to additional rent based on store revenues as well as future escalations in the minimum

lease amount. When leases are determined to be finance leases, obligations and related assets are included in our consolidated balance sheets.

Contingencies. Various claims and legal proceedings have been initiated against us in the normal course of our operations and through acquisitions. Although the outcome of such matters is not predictable with assurance, we have no reason to believe that the outcome of any such current matter could reasonably be expected to have a materially adverse impact on our financial position, results of operations or the ability to carry on any of our business activities.

We are covered by insurance policies that have significant deductibles. At this time, we believe that we are adequately covered through the combination of insurance policies and self-insurance. Future losses which exceed insurance policy limits or, under adverse interpretations, are excluded from coverage would have to be paid out of general corporate funds. In association with our workers' compensation policies, we issue letters of credit as collateral for certain policies.

Guarantees. We assigned a number of lease agreements for premises to third parties. Under some of these agreements, we retain ultimate responsibility to the landlord for payment of amounts under the lease agreements should the sublessees fail to pay. As at April 28, 2013, the total future lease payments under such agreements are approximately $1.0 million and the fair value of the guarantee is not significant. Historically, we have not made any significant payments in connection with these indemnification provisions. In Europe, we have issued guarantees to third parties and on behalf of third parties for maximum undiscounted future payments totalling $21.7 million. These guarantees primarily relate to financial guarantee commitments for car rental agreements and on behalf of retailers in Sweden. Guarantees on behalf of retailers in Sweden comprise items such as guarantees towards retailer's car washes, store inventory, in addition to guarantees towards suppliers of electricity and heating. The carrying amount and fair value of the guarantee commitments recognized in the balance sheet at April 28, 2013 were not significant.

We also issue surety bonds for a variety of business purposes, including bonds for taxes, lottery sales, wholesale distribution and alcoholic beverage sales. In most cases, a municipality or state governmental agency, as a condition of operating a store in that area, requires the surety bonds.

Other commitments. In Europe, we have entered into contracts for the delivery of road transportation fuel. The contracts give us the right to use and the obligation to pay some transport capacity over the life of these contracts, from July 1st, 2011 to June 30, 2016. A binding commitment arises following the approval of a production plan for the coming month. Thus, as at April 28, 2013, there was a commitment for one month totalling approximately $8.0 million.

We have reached an agreement with an oil company which gives us the right to use the JET trademark and the obligation to pay for this trademark license. The agreement took effect on November 1st, 2010 and will end on December 31, 2015. The annual license fees totalled $4.0 million.

We are conducting a project that includes the design and implementation of a new ERP system for our European operations. The project was launched in 2011 and scheduled for completion in 2014. Contractual obligations under this project were approximately $9.0 million as at April 28, 2013.

In June 2011, we entered into an agreement with ExxonMobil which, as at April 28, 2013, binds us to purchase 117 stores subject to the results of ExxonMobil’s obligation to submit a bona fide offer to the independent operators. An amount of $21.6 million is held in escrow for this transaction.

Off-Balance Sheet Arrangements

In the normal course of business, we finance some of our off-balance sheet activities through operating leases for properties on which we conduct our retail business. Our future commitments are included under “Operating Lease Obligations” in the table above.

Selected Quarterly Financial Information

The Corporation's 52-week reporting cycle is divided into quarters of 12 weeks each except for the third quarter, which comprises 16 weeks. When a fiscal year, such as fiscal 2012, contains 53 weeks, the fourth quarter comprises 13 weeks. The following is a summary of selected consolidated financial information derived from the Corporation's interim consolidated financial statements for each of the eight most recently completed quarters. The results of the first three quarters of fiscal 2013 have been adjusted to reflect the changes to the preliminary allocation of the purchase price of Statoil Fuel & Retail and reclassification of certain items.

(In millions of US dollars except for per share data)	52-week period ended April 28, 2013				53-week period ended April 29, 2012			
Quarter	4th	3rd	2nd	1st	4th	3rd	2nd	1st
Weeks	**12 weeks**	**16 weeks**	**12 weeks**	**12 weeks**	13 weeks	16 weeks	12 weeks	12 weeks
Revenues	**8,776.0**	**11,467.0**	**9,287.7**	**6,012.6**	6,055.7	6,597.3	5,151.2	5,176.1
Operating income before depreciation, amortization and impairment of property and equipment and other assets	**292.7**	**391.4**	**365.6**	**310.0**	200.1	186.5	200.6	232.3
Depreciation, amortization and impairment of property and equipment and other assets	**138.1**	**182.5**	**134.3**	**66.1**	62.2	75.7	52.4	49.5
Operating income	**154.6**	**208.9**	**231.3**	**243.9**	137.9	110.8	148.2	182.8
Share of earnings of joint ventures and associated companies accounted for using the equity method	**3.0**	**3.9**	**3.7**	**5.2**	3.4	7.0	5.2	6.0
Net financial expenses (revenues)	**20.7**	**49.4**	**15.9**	**121.8**	(13.0)	4.6	2.5	3.3
Net earnings	**146.4**	**142.2**	**181.3**	**102.9**	117.8	86.8	113.5	139.5
Net earnings per share								
Basic	**$0.78**	**$0.76**	**$0.98**	**$0.58**	$0.66	$0.49	$0.62	$0.76
Diluted	**$0.77**	**$0.75**	**$0.97**	**$0.57**	$0.65	$0.48	$0.61	$0.75

The influence of the volatility of road transportation fuel gross margin and seasonality has an impact on the variability of our quarterly net earnings. Given acquisitions made in recent years and higher retail prices at the pump, road transportation fuel revenues have become a more significant segment of our business and therefore our quarterly results are more sensitive to the volatility of road transportation fuel gross margins. However, road transportation fuel margins tend to be less volatile when considered on an annual basis or a longer term. With that said, the majority of our operating income is still derived from merchandise and service sales.

Analysis of consolidated results for the fiscal year ended April 29, 2012

Revenues

Our revenues were $23.0 billion in fiscal 2012, up $4.4 billion, or 23.9%, mainly attributable to an increase in road transportation fuel sales due to higher average retail prices at the pump, to acquisitions, to the growth of same-store merchandise and service sales in the United States and Canada, to the growth of same-store road transportation fuel volume in the United States as well as the 53rd week in fiscal 2012.

More specifically, the growth of merchandise and service revenues for fiscal 2012 was $415.4 million or 6.7%, of which approximately $84.0 million was generated by acquisitions. As for internal growth, on a 52-week comparable basis, same-store merchandise revenues increased by 2.7% in the United States and 2.8% in Canada. For the Canadian and U.S. markets, the variance in same-store merchandise sales is attributable to our merchandising strategies, to the economic conditions in each of our markets as well as to the investments we made to enhance service and the offering of products in our stores. In the United States, a cigarette manufacturer modified its supply terms and price structure, at the beginning of the first quarter of fiscal 2012, in order to encourage retailers to decrease or maintain low unit prices on certain of its products, which has put a deflationary pressure on our cigarettes sales. Thus, we estimate that excluding tobacco products sales, our same-store merchandise sales in the United States increased by 5.3% on a 52-week comparable basis. As for the stronger Canadian dollar, it had a favourable impact of approximately $40.0 million on merchandise and service revenues of fiscal 2012.

Road transportation fuel revenues increased by $4.0 billion or 32.6% in fiscal 2012, of which approximately $1.1 billion stems from acquisitions. The still fragile economy and higher retail prices at the pump have continued to put pressure on road transportation fuel consumption, which can explain the almost flat same-store road transportation fuel volume growth on a 52-week comparable basis in the United States as well as the slight decrease of 0.9% in Canada.

The higher average retail price of road transportation fuel generated an increase in revenues of approximately $2.5 billion as shown in the following table, starting with the first quarter of the fiscal year ended April 24, 2011:

Quarter	1st	2nd	3rd	4th	**Weighted average**
53-week period ended April 29, 2012					
United States (US dollars per gallon)	3.67	3.49	3.31	3.73	**3.54**
Canada (CA cents per litre)	114.08	112.90	109.88	117.05	**113.27**
52-week period ended April 24, 2011					
United States (US dollars per gallon)	2.72	2.67	2.89	3.44	**2.92**
Canada (CA cents per litre)	91.46	90.47	97.76	108.53	**96.91**

As for the stronger Canadian dollar, it had a favourable impact of approximately $41.0 million on road transportation fuel sales of fiscal 2012.

Gross profit

The consolidated merchandise and service gross margin grew by $109.7 million or 5.3% in fiscal 2012. The consolidated margin was 33.1%, a reduction of 0.4% compared with fiscal 2011. In the United States, the gross margin is down by only 0.1% to 33.0% while in Canada, it fell by 1.0% to 33.3%. This performance reflects changes in the product-mix, the improvements we brought to our supply terms as well as our merchandising strategy in line with market competitiveness and economic conditions within each market. More precisely, these margin reductions reflect more aggressive promotions in certain categories to protect store traffic as well as increases in the cost of certain of our products which we absorbed without passing it on to consumers. However, in terms of absolute dollars, the increase in same-store merchandise sales more than offset the decrease in margin percentage of these products, demonstrating that our strategies paid off.

In fiscal 2012, the road transportation fuel gross margin for our company-operated stores in the United States increased by 1.45¢ per gallon, from 15.54¢ per gallon in fiscal 2011 to 16.99¢ per gallon in fiscal 2012. However, taking into consideration expenses related to electronic payment modes, the net margin per gallon increased by only 0.81¢ per gallon. In Canada, the gross margin rose slightly to CA5.45¢ per litre compared with CA5.38¢ per litre for fiscal 2011. The road transportation fuel gross margin of our company-operated stores in the United States as well as the impact of expenses related to electronic payment modes for the last eight quarters, starting with the first quarter of fiscal year ended April 24, 2011, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	4th	**Weighted average**
53-week period ended April 29, 2012					
Before deduction of expenses related to electronic payment modes	19.95	17.04	14.84	16.98	**16.99**
Expenses related to electronic payment modes	5.29	5.20	4.74	5.06	**5.04**
After deduction of expenses related to electronic payment modes	14.66	11.84	10.10	11.92	**11.95**
52-week period ended April 24, 2011					
Before deduction of expenses related to electronic payment modes	18.83	16.84	13.12	14.06	**15.54**
Expenses related to electronic payment modes	4.15	4.16	4.36	4.93	**4.40**
After deduction of expenses related to electronic payment modes	14.68	12.68	8.76	9.13	**11.14**

Operating, selling, administrative and general expenses

For fiscal 2012, operating, selling, administrative and general expenses rose by 6.0% compared with fiscal 2011, but increased by only 1.8% if we exclude certain items, as demonstrated by the following table:

Total variance as reported	**6.0%**
Subtract:	
Increase from incremental expenses related to acquisitions	2.1%
Increase from higher electronic payment fees	2.0%
Increase from the strengthening of the Canadian dollar	0.6%
Acquisition costs recognized to earnings of fiscal 2011	(0.5%)
Acquisition costs recognized to earnings of fiscal 2012	0.3%
Negative goodwill recognized to earnings of fiscal 2012	(0.3%)
Remaining variance, including the impact of the additional week in fiscal 2012	**1.8%**

The increase in electronic payment fees stems mainly from the rise in the average retail price of road transportation fuel. The remaining variance is mainly due to the impact of the 53rd week in fiscal 2012 and, to a lesser extent, to additional expenses necessary to support growth in same-store merchandise sales as well as to the normal increase in costs due to inflation.

Moreover, excluding expenses related to electronic payment modes and acquisitions costs for both comparable periods as well as the negative goodwill recorded to earnings of fiscal 2012, expenses in proportion to merchandise and services sales represented 28.8% of sales during fiscal 2012, compared to 29.4% during fiscal 2011.

Earnings before interests, taxes, depreciation and amortization (EBITDA)

During fiscal 2012, EBITDA increased by 14.4% compared to fiscal 2011, reaching $841.1 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $26.0 million to EBITDA while the exchange rate variation had a positive impact of $4.5 million.

It should be noted that EBITDA is not a performance measure defined by IFRS, but we, as well as investors and analysts, use this measure to evaluate the Corporation's financial and operating performance. Note that our definition of this measure may differ from the one used by other public corporations:

(in millions of US dollars)	**Fiscal 2012**	Fiscal 2011
	53 weeks	52 weeks
Net earnings, as reported	**457.6**	369.2
Add:		
Income taxes	**146.3**	121.2
Net financial (revenues) expenses	**(2.6)**	31.1
Depreciation and amortization of property and equipment and other assets	**239.8**	213.7
EBITDA	**841.1**	735.2

Depreciation and amortization of property and equipment and other assets

For fiscal 2012, depreciation expense increased due to the investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network. Since the second quarter of fiscal 2012, depreciation and amortization expense includes amortization of intangible assets related to the fuel supply contracts acquired from ExxonMobil.

Net financial expenses (revenues)

For fiscal 2012, we recorded net financial revenues of $2.6 million compared to net financial expenses of $31.1 million in fiscal 2011. Excluding the $17.0 million gain recorded on foreign exchange forward contracts, fiscal 2012 posted net financial expenses of $14.4 million, down $16.7 million compared to fiscal 2011, mainly because of the early redemption of our $350.0 million subordinated unsecured debt during the third quarter of fiscal 2011, which contributed to decrease the average

interest rate on our borrowings. Moreover, following the early redemption of our subordinated unsecured debt, we recorded a non-recurring charge of $3.0 million to fiscal 2011 results. The reduction in financial expenses from the lower average interest rate was partially offset by the slight increase in our indebtedness attributable to amounts disbursed for share repurchases and acquisitions.

Income taxes

The income tax rate for fiscal 2012 is 24.2% compared to a rate of 24.7% for fiscal 2011.

Net earnings

We closed fiscal 2012 with net earnings of $457.6 million, compared to $369.2 million the previous fiscal year, an increase of $88.4 million or 23.9%. Diluted net earnings per share stood at $2.49 compared to $1.96 the previous year, an increase of 27.0%. The exchange rate variation did not have a significant impact on net earnings of fiscal 2012.

Excluding from fiscal 2012 net earnings the non-recurring gain on forwards, acquisition costs as well as negative goodwill and excluding acquisition costs from earnings of fiscal 2011, net earnings for fiscal 2012 would have stood at approximately $444.7 million ($2.42 per share on a diluted basis) compared to $377.1 million ($2.00 per share on a diluted basis) for fiscal 2011, up $67.6 million, or 17.9%.

Internal Controls

We maintain a system of internal controls over financial reporting designed to safeguard assets and ensure that financial information is reliable. We also maintain a system of disclosure controls and procedures designed to ensure the reliability, completeness and timeliness of the information we disclose in this MD&A and other public disclosure documents, also taking into account materiality. Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Corporation in reports filed with securities regulatory agencies is recorded and/or disclosed on a timely basis, as required by law, and is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and its Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. As at April 28, 2013, our management, following their assessment, certifies the design and operating effectiveness of disclosure controls and procedures.

We undertake ongoing evaluations of the effectiveness of internal controls over financial reporting and implement control enhancements, when appropriate. As at April 28, 2013, our management and our external auditors reported that these internal controls were effective.

Management and external auditors' evaluation of the effectiveness of internal controls over financial reporting and reporting procedures as at April 28, 2013 exclude controls, policies and procedures of Statoil Fuel & Retail which was acquired during fiscal 2013. The design and evaluation of the control effectiveness for reporting procedures and internal control over financial reporting of Statoil Fuel & Retail should be completed during fiscal 2014.

The audited financial information relating to Statoil Fuel & Retail and included in the consolidated financial statements as at April 28, 2013 is as follows:

Consolidated Statement of Earnings	**$**
Revenues	11,072.6
Net earnings	98.4

Balance sheet	**%**
Current assets	57.0
Non-current assets	54.0
Current liabilities	48.0
Non-current liabilities	18.0

Critical Accounting Policies and Estimates

Estimates. This MD&A is based on our consolidated financial statements, which have been prepared in accordance with IFRS. These standards require us to make certain estimates and assumptions that affect our financial position and results of operations as reflected in our consolidated financial statements. On an ongoing basis, we review our estimates, including those relating to supplier rebates, useful life of tangible and intangible assets, environmental costs, income taxes, lease accounting, employees future benefits and asset retirement obligations based on available information. These estimates are based on our best knowledge of current events and actions that the Corporation may undertake in the future. Actual results may differ from the estimates.

Inventory. Our inventory is comprised mainly of products purchased for resale including tobacco products, fresh goods, beer and wine, grocery items, candies and snacks, other beverages and road transportation fuel. Inventories are valued at the lesser of cost and net realizable value. Cost of merchandise is generally valued based on the retail price less a normal margin and the cost of road transportation fuel inventory is generally determined according to the average cost method. The cost of lubricant inventory and aviation fuel is determined using the first in first out method. Inherent in the determination of margins are certain management judgments and estimates, which could affect ending inventory valuations and results of operations.

Impairment of Long-lived Assets. Property and equipment are tested for impairment should events or circumstances indicate that their book value may not be recoverable, as measured by comparing their net book value to their recoverable amount, which corresponds to the higher of fair value less costs to sell and value in use. Should the carrying amount of long-lived assets exceed their fair value, an impairment loss in the amount of the excess would be recognized. Our evaluation of the existence of impairment indicators is based on market conditions and our operational performance. The variability of these factors depends on a number of conditions, including uncertainty about future events. These factors could cause us to conclude that impairment indicators exist and require that impairment tests be performed, which could result in determining that the value of certain long-lived assets is impaired, resulting in a write-down of such long-lived assets.

Goodwill and Other Intangibles Assets. Goodwill and other intangibles assets with indefinite-life are evaluated for impairment annually, or more often if events or changes in circumstances indicate that the value of certain goodwill or intangibles may be impaired. For the purpose of this impairment test, management uses estimates and assumptions to establish the fair value of our reporting units and intangible assets. If these assumptions and estimates prove to be incorrect, the carrying value of our goodwill or other intangible assets may be overstated. Our annual impairment test is performed in the first quarter of each fiscal year.

Asset retirement obligations. Asset retirement obligations relate to estimated future costs to remove underground road transportation fuel storage tanks and are based on our prior experience in removing these tanks, estimated tank useful life, lease terms for those tanks installed on leased properties, external estimates and governmental regulatory requirements. A discounted liability is recorded for the present value of an asset retirement obligation with a corresponding increase to the carrying value of the related long-lived asset at the time an underground storage tank is installed. To determine the initial liability, the future estimated cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The amount added to property and equipment is amortized and an accretion expense is recognized in connection with the discounted liability over the remaining life of the tank or lease term for leased properties.

Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased to reflect the passage of time and then adjusted for variations in the current market-based discount rate or the scheduled underlying cash flows required to settle the liability.

Environmental Matters. We provide for estimated future site remediation costs to meet government standards for known site contamination when such costs can be reasonably estimated. Estimates of the anticipated future costs for remediation activities at such sites are based on our prior experience with remediation sites and consideration of other factors such as the condition of the site contamination, location of sites and the experience of the contractors that perform the environmental assessments and remediation work.

In each of the U.S. states in which we operate, with the exception of Michigan, Iowa, Florida, Arizona, Texas and Washington State, there is a state fund to cover the cost of certain environmental remediation activities after applicable trust fund deductible is met, which varies by State. These state funds provide insurance for road transportation fuel facilities operations to cover some of the costs of cleaning up certain contamination to the environment caused by the usage of underground road

transportation fuel equipment. Underground road transportation fuel storage tank registration fees and/or a road transportation fuel tax in each of the states finance the trust funds. We pay the annual registration fees and remit the sales taxes to the applicable states where we are a member of the trust fund. Insurance coverage is different in the various states.

Income Taxes. Deferred income tax assets and liabilities are recognized for the future income tax consequences attributable to temporary differences between the financial statement carrying values of assets and liabilities and their respective income tax bases. Deferred income tax assets or liabilities are measured using enacted or substantively enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The calculation of current and deferred income taxes requires management to make estimates and assumptions and to exercise a certain amount of judgment regarding the financial statement carrying values of assets and liabilities which are subject to accounting estimates inherent in those balances, the interpretation of income tax legislation across various jurisdictions, expectations about future operating results and the timing of reversal of temporary differences and possible audits of tax fillings by the regulatory authorities. Management believes it has adequately provided for income taxes based on current available information.

Changes or differences in these estimates or assumptions may result in changes to the current or deferred income tax balances on the consolidated balance sheets, a charge or credit to income tax expense in the consolidated statement of earnings and may result in cash payments or receipts.

Employee future benefits. We accrue our obligations under employee pension plans and the related costs, net of plan assets. We have adopted the following accounting policies with respect to the defined benefit plans:

- The accrued benefit obligations and the cost of pension benefits earned by active employees are actuarially determined using the projected unit credit method pro-rated on service and pension expense is recorded in earnings as the services are rendered by active employees. The calculations reflect our best estimate of salary escalation and retirement ages of employees;
- The discount rate on the benefit obligation is equal to the yield at the measurement date on high quality corporate bonds that have maturity dates approximating the terms of our obligations;
- Plan assets are valued at fair value;
- Actuarial gains and losses arise from increases or decreases in the present value of the defined benefit obligation because of changes in actuarial assumptions and experience adjustments. Actuarial gains and losses are recognized immediately in Other comprehensive income with no impact on net earnings;
- Past service costs are recorded to earnings at the earlier of the following dates:
  - When the plan amendment or curtailment occurs;
  - When we recognizes related restructuring costs or termination benefits;
- Net interest on the defined benefit liability (asset) represents the net defined benefit liability (asset), multiplied by the discount rate and is recorded in financial expenses.

The pension cost recorded in net earnings for the defined contribution plans is equivalent to the contribution which we are required to pay in exchange for services provided by the employees.

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of pension obligations. We determine the appropriate discount rate at the end of each fiscal year. This is the rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, we consider the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Insurance and Workers' Compensation. We use a combination of insurance, self-insured retention, and self-insurance for a number of risks including workers' compensation (in certain American states), property damages, and general liability claims. Accruals for loss incidences are made based on our claims experience and actuarial assumptions followed in the insurance industry. A material revision to our liability could result from a significant change to our claims experience or the actuarial assumptions of our insurers. Actual losses could differ from accrued amounts. Workers' compensation is covered by government-imposed insurance in Canada and in Europe and by third-party insurance in our United States operations, except in certain states where we are self-insured. With respect to the third-party insurance in the United States, independent

actuarial estimates of the aggregate liabilities for claims incurred serve as a basis for our share of workers' compensation losses.

Recently Issued Accounting Standards

Revised Standards

Financial Statement Presentation

In June 2011, the IASB issued amendments to International Accounting Standard (“IAS”) 1, “Presentation of Financial Statements”. The amendments govern the presentation of Other Comprehensive Income (“OCI”) in the financial statements, primarily by requiring OCI items that may be reclassified to the consolidated statements of earnings to be presented separately from those that remain in equity.

These changes are applicable for fiscal years beginning on or after July 1, 2012. We will apply these changes for our first quarter of fiscal year 2014 and do not expect that the adoption of these changes will have a material impact on our consolidated financial statements.

Financial Instruments – Presentation and disclosure

In December 2011, the IASB issued revised versions of IFRS 7, “Financial Instruments: Disclosures” and IAS 32, “Financial Instruments: Presentation”. The modifications clarify the offsetting rules and state new disclosure requirements for offsetting of financial assets and financial liabilities on the consolidated balance sheets.

The changes applied to IFRS 7 are applicable for fiscal years beginning on or after January 1, 2013 while changes applied to IAS 32 are applicable for fiscal years beginning on or after January 1, 2014. We will apply these changes for our first quarters of fiscal years 2014 and 2015 respectively and do not expect that the adoption of these changes will have a material impact on our consolidated financial statements.

New standards

Financial Instruments

In November 2009, the IASB issued a new standard, IFRS 9, “Financial Instruments”, which is the first phase of the IASB’s three-phase project to replace IAS 39, “Financial Instruments: Recognition and Measurement”. The standard provides guidance on the classification and measurement of financial liabilities and requirements for the derecognition of financial assets and financial liabilities.

IFRS 9 is applicable for fiscal years beginning on or after January 1, 2015. We will apply these new standards for our first quarter of fiscal year 2016 and are still evaluating the impact on our consolidated financial statements.

Consolidated financial statements

In May 2011, the IASB issued a new standard, IFRS 10, “Consolidated Financial Statements”, which requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, “Consolidation—Special Purpose Entities” and parts of IAS 27, “Consolidated and Separate Financial Statements”.

Joint Arrangements

In May 2011, the IASB issued a new standard, IFRS 11, “Joint Arrangements”, which requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, “Interests in Joint Ventures” and SIC-13, “Jointly Controlled Entities—Non-monetary Contributions by Venturers”.

Disclosure of Interest in Other Entities

In May 2011, the IASB issued a new standard, IFRS 12, "Disclosure of Interest in Other Entities". IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard includes existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

Fair Value Measurement

In May 2011, the IASB issued a new standard, IFRS 13, "Fair Value Measurement". IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

IFRS 10, 11, 12 and 13 are all applicable for fiscal years beginning on or after January 1, 2013. We will apply these new standards for our first quarter of fiscal year 2014 and are still evaluating their impact on our consolidated financial statements.

Business Risks

We are constantly looking to control and improve our operations. In this perspective, identification and management of risks are key components of such activities. We have identified and assessed key risk factors that could negatively impact the Corporation's objectives and its ensuing performance.

We manage risks on an ongoing basis and implement a series of measures designed to mitigate key risks described in the above section and their financial impact.

Road Transportation Fuel. Our results are sensitive to the changes in road transportation fuel retail price and gross margin. Factors beyond our control such as market-driven changes in supply terms, road transportation fuel price fluctuations due to, amongst other things, general political and economic conditions, as well as the market's limited ability to absorb road transportation fuel retail price fluctuations, are all factors that could influence road transportation fuel retail price and related gross margin. During fiscal 2013, road transportation fuel revenues accounted for approximately 71.1% of our total revenue, yet the road transportation fuel gross margin represented only about 36.1% of our overall gross profits. In fiscal 2013, a change of one cent per gallon would have resulted in a change of approximately $69.0 million in road transportation fuel gross profit, with a corresponding impact on net earnings of approximately $0.25 per share on a diluted basis.

Electronic Payment Modes. We are exposed to significant fluctuations in expenses related to electronic payment modes resulting from large changes in road transportation fuel retail prices, particularly in our U.S. markets, because the majority of this expense is based on a percentage of the retail prices of road transportation fuel. For fiscal 2013, a variation of 10% in our expenses associated with electronic payment modes would have had an impact on net earnings of approximately $0.10 per share on a diluted basis.

Seasonality and Natural Disasters. Weather conditions can have an impact on our revenues as historical purchase patterns indicate that our customers increase their transactions and also purchase higher margin items when weather conditions are favourable. We have operations in the Southeast and West coast regions of the United States and, although these regions are generally known for their mild weather, these regions are susceptible to severe storms, hurricanes, earthquakes and other natural disasters.

Economic Conditions. Our revenues may be negatively influenced by changes in global, national, regional and/or local economic variables and consumer confidence. Changes in economic conditions could adversely affect consumer spending patterns, travel and tourism in certain of our market areas.

For several years, the global capital and credit markets and the global economy have experienced significant uncertainty, characterized by the bankruptcy, failure, collapse or sale of various financial institutions, the European sovereign debt crisis and a considerable level of intervention from governments around the world. These conditions may, in particular, adversely affect the demand for our products. As the contraction of the global capital and credit markets spreads throughout the broader economy, major markets around the world have experienced very weak or negative economic growth. Although

there may be signs of economic recovery, the markets remain fragile and could again enter periods of negative economic growth. There can be no assurance that our business will not be adversely affected by adverse global economic conditions.

Tobacco Products. Tobacco products represent our largest product category of merchandise and service revenues. For fiscal 2013, revenues of tobacco products were approximately 38.0% of total merchandise and service revenues. Significant increases in wholesale cigarette costs and a tax increase on tobacco products, as well as current and future legislation and national and local campaigns to discourage smoking in the United States, Canada and Europe, may have an adverse impact on the demand for tobacco products, and may therefore adversely affect our revenues and profits in light of the competitive landscape and consumer sensitivity to the price of such products.

In addition, we sell brands of cigarettes that are manufactured to be sold by Couche-Tard on an exclusive basis and we could be sued for health problems caused by the use of tobacco products. In fact, various health-related legal actions, proceedings and claims arising out of the sale, distribution, manufacture, development, advertising and marketing of cigarettes have been brought against vendors of tobacco products. Any unfavourable verdict against us in a health-related suit could adversely affect our business, financial condition and results of operations. In conformity with accounting standards, we have not established any reserves for the payment of expenses or adverse results related to any potential health-related litigation.

Competition. The industries and geographic areas in which we operate are highly competitive and marked by a constant change in terms of the number and type of retailers offering the products and services found in our stores. We compete with other convenience store chains, independent convenience stores, gas station operators, large and small food retailers, quick service restaurants, local pharmacies and pharmacy chains and dollar stores. There can be no assurance that we will be able to compete successfully against our competitors. Our business may also be adversely affected if we do not sustain our ability to meet customer requirements relative to price, quality, customer service and service offerings.

Environmental Laws and Regulations. Our operations, particularly those relating to the storage, transportation and sale of fuel products, are subject to numerous environmental laws and regulations in the countries in which we operate, including laws and regulations governing the quality of fuel products, ground pollution and emissions and discharges into air and water, the implementation of targets regarding the use of certain bio-fuel or renewable energy products, the handling and disposal of hazardous wastes, the use of vapour reduction systems to capture fuel vapour, and the remediation of contaminated sites.

Our operations expose us to certain risks, particularly at our terminals and other storage facilities, where large quantities of fuel are stored, and at our fuel stations. These risks include equipment failure, work accidents, fires, explosions, vapour emissions, spills and leaks at storage facilities and/or in the course of transportation to or from our or a third party's terminals, fuel stations, airports or other sites. In addition, we are also exposed to the risk of accidents involving the tanker trucks used in our fuel product distribution system. These types of hazards and accidents may cause personal injuries or the loss of life, business interruptions and/or property, equipment and environmental contamination and damage. Further, we may be subject to litigation, compensation claims, governmental fines or penalties or other liabilities or losses in relation to such incidents and accidents and may incur significant costs as a result. Under various national, provincial, state and local laws and regulations, we may, as the owner or operator, be liable for the costs of removal or remediation of contamination at our current or former sites, whether or not we knew of, or caused, the presence of such contamination. Such incidents and accidents may also affect our reputation or our brands, leading to a decline in the sales of our products and services and may adversely impact our business, financial condition and results of operations.

Acquisitions. Acquisitions have been and will continue to be a significant part of our growth strategy. Our ability to identify strategic acquisitions in the future may be limited by the number of attractive acquisition targets with motivated sellers, internal demands on our resources and, to the extent necessary, our ability to obtain financing on satisfactory terms for larger acquisitions, if at all.

Achieving anticipated benefits and synergies of an acquisition will depend in part on whether the operations, systems, management and cultures of our corporation and the acquired business can be integrated in an efficient and effective manner and whether the presumed bases or sources of synergies produce the benefits anticipated. We may not be able to achieve anticipated synergies and cost savings for an acquisition for many reasons, including contractual constraints, an inability to take advantage of expected synergistic savings and increased operating efficiencies, loss of key employees, or changes in tax laws and regulations. The process of integrating an acquired business may lead to greater than expected operating costs, significant one-time write-offs or restructuring charges, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, or suppliers). Failure to successfully integrate an acquired business may have an adverse effect on our business, financial condition and results of operations.

Although we perform a due diligence investigation of the businesses or assets that we acquire, there may be liabilities or expenses of the acquired business or assets that we do not uncover during our due diligence investigation and for which we, as a successor owner, may be responsible. The discovery of any material liabilities relating to an acquisition could have a material adverse effect on our business, financial condition and results of operations.

Legislative and Regulatory Requirements. As discussed above under "Environmental Laws and Regulations", our operations are subject to numerous environmental laws and regulations. In addition, convenience store operations are subject to extensive regulations, including regulations relating to the sale of alcohol and tobacco products, various food safety and product quality requirements, minimum wage laws, and tax laws and regulations. We currently incur substantial operating and capital costs for compliance with existing health, safety, environmental and other laws and regulations applicable to our operations. If we fail to comply with any laws and regulations or permit limitations or conditions, or fail to obtain any necessary permits or registrations, or to extend current permits or registrations upon expiry of their terms, or to comply with any restrictive terms contained in our current permits or registrations, we may be subject to, among other things, civil and criminal penalties and, in certain circumstances, the temporary or permanent curtailment or shutdown of a part of our operations. In addition, the laws and regulations applicable to our operations are subject to change and it is expected that, given the nature of our business, we will continue to be subject to increasingly stringent health, safety, environmental laws and regulations and other laws and regulations that may increase the cost of operating our business above currently expected levels and require substantial future capital and other expenditures. As a result, there can be no assurance that the effect of any future laws and regulations or any changes to existing laws and regulation, or their current interpretation, on our business, financial condition and results of operations would not be material.

Our business may also be affected by laws and regulations addressing global climate change and the role in it played by fossil fuel combustion and the resulting carbon emissions. Some jurisdictions in which we operate have enacted measures to limit carbon emissions, and such measures increase the costs of petroleum-based fuels above what they otherwise would be and may adversely affect the demand for road transportation fuel. Similarly, adoption of other environmental protection measures affecting the petroleum supply chain, such as more stringent requirements applicable to the exploration, drilling, and transportation of crude oil and to the refining and transportation of petroleum products, may also increase the costs of petroleum-based fuels with similar effects on demand for road transportation fuel. The impact of such developments, individually or in combination, could adversely affect our sales of road transportation fuel.

Interest Rates. We are exposed to interest rate fluctuations associated with changes in the short-term interest rate. Borrowings under our credit facilities bear interest at variable rates, and other debt we incur could likewise be variable-rate debt. As of April 28, 2013, we carried variable rate debt of approximately $2,545.0 million. Based on the amount of our variable rate debt as at April 28, 2013, a one percentage point increase in interest rates would increase our total annual interest expense by $25.0 million or $0.14 per share on a diluted basis. If market interest rates increase, variable-rate debt will create higher debt service requirements, which could adversely affect our cash flow. We do not currently use derivative instruments to mitigate this risk.

Liquidity. Liquidity risk is the risk that we will encounter difficulties in meeting our obligations associated with financial liabilities and lease commitments. We are exposed to this risk mainly through our long-term debt, accounts payable and accrued expenses and our lease agreements. Our liquidities are provided mainly by cash flows from operating activities and borrowings available under our revolving credit facilities.

Litigation. In the ordinary course of business, we are a defendant in a number of legal proceedings, suits, and claims common to companies engaged in our business and an adverse outcome in such proceedings could adversely affect our business, financial condition and results of operations.

Insurance. We carry comprehensive liability, fire and extended coverage insurance on most of our facilities, with policy specifications and insured limits customarily carried in our industry for similar properties. There can be no assurance that we will be able to continue to obtain such insurance on favourable terms or at all. Some types of losses, such as losses resulting from wars, acts of terrorism, or natural disasters, generally are not insured because they are either uninsurable or not economically practical.

Acts of War or Terrorism. Acts of war and terrorism could impact general economic conditions and the supply and price of crude oil. Such events could adversely impact our business, financial condition and results of operations.

Exchange Rate. Our functional currency is the Canadian dollar. As such, our investments in our U.S. and European operations are exposed to net changes in currency exchange rates. Should changes in currency exchange rates occur, the

amount of our net investment in our U.S. and European operations could increase or decrease. From time to time, we use cross-currency interest swap rate agreements to hedge a portion of this risk.

We are also exposed to foreign currency risk with respect to a portion of our long-term debt denominated in U.S. dollars. As at April 28, 2013, all else being equal, a hypothetical variation of 5.0% of the U.S. dollar against the Canadian dollar would have had a net impact of $4.6 million on net earnings. We do not currently use derivative instruments to mitigate this risk.

We use the U.S. dollar as our reporting currency. As such, changes in currency exchange rates could materially increase or decrease our foreign currency-denominated net assets on consolidation which would increase or decrease, as applicable, shareholders' equity. In addition, changes in currency exchange rates will affect the translation of the revenue and expenses of our Canadian and European operations and will result in lower or higher net earnings than would have occurred had the exchange rate not changed.

In addition to currency translation risks, we incur a currency transaction risk, mostly in Europe, whenever one of our subsidiaries enters into a revenue contract with a different currency than its functional currency. Given the volatility of exchange rates, we may not be able to manage our currency transaction and/or translation risks effectively, and volatility in currency exchange rates could have an adverse effect on our business, financial condition and results of operations.

Credit Risk. We are exposed to credit risk arising from our embedded total return swaps and cross-currency interest rate swaps when these swaps result in a receivable from financial institutions. We do not currently use derivative instruments to mitigate this risk.

Dependence on Third Party Suppliers. Our fuel business is dependent upon the supply of refined oil products from a relatively limited number of suppliers and upon a distribution network serviced principally by third-party tanker trucks. In the case of our key suppliers, an event causing disruptions to any of these suppliers' supply chains or refineries could have a significant effect on our ability to receive refined oil products for sale or raw materials for use in the production of our lubricants, or result in us paying a higher cost to obtain such products.

Accounts Receivable. We are exposed to risk relating to the creditworthiness and performance of our customers, suppliers and contract counterparties. At April 28, 2013, we had outstanding accounts receivable totaling $1,616.0 million. This amount primarily consists of credit card receivables, vendor rebates due from our suppliers and receivables arising from the sale of fuel to independent, franchised or licensed gas station operators as well as to other industrial and commercial clients. Contracts with longer payment cycles or difficulties in enforcing contracts or collecting accounts receivables could lead to material fluctuations in our cash flows and could adversely impact our business, financial condition and results of operations.

Long-Term Changes in Customer Behaviour. In the road transportation fuel and convenience business sector, customer traffic is generally driven by consumer preferences and spending trends, growth rates for automobile and truck traffic and trends in travel and tourism. A decline in the number of potential customers using our fuel stations and convenience stores due to changes in consumer preferences, changes in discretionary consumer spending or modes of transportation could adversely impact our business, financial condition and results of operations.

Global Operations. We have significant operations in multiple jurisdictions throughout the world. Some of the risks inherent in the scope of our international operations include: the difficulty of enforcing agreements and collecting receivables through certain foreign legal systems; more expansive legal rights of foreign labor unions and employees; foreign currency exchange rate fluctuations; the potential for changes in local economic conditions; potential tax inefficiencies in repatriating funds from foreign subsidiaries; and exchange controls and restrictive governmental actions, such as restrictions on transfer or repatriation of funds and trade protection matters, including prohibitions or restrictions on acquisitions or joint ventures. Any of these factors could materially and adversely affect our business, financial condition and results of operations.

Outlook

During fiscal year 2014, we expect to pursue our investments with caution in order to, amongst other things, improve our network. We also intend to keep an ongoing focus on our sales, supply terms and operating expenses while keeping an eye on growth opportunities that may be available to us.

We will continue to pay special attention to the integration of Statoil Fuel & Retail. To do this, we have formed a multidisciplinary team whose objectives are to ensure an effective integration and to identify opportunities for improvement,

including available synergies. Within this framework, we also intend to put in place strategies that will enable us to reduce our debt level in order to regain our financial flexibility and maintain the quality of our credit profile.

Finally, in line with our business model, we intend to continue to focus our resources on the sale of fresh products and on innovation, including the introduction of new products and services, in order to satisfy the needs of our large clientele.

July 9, 2013

Management's Report

The consolidated financial statements of Alimentation Couche-Tard Inc. and the financial information contained in this Annual Report are the responsibility of management. This responsibility is applied through a judicious choice of accounting procedures and principles, the application of which requires the informed judgment of management. The consolidated financial statements were prepared according to generally accepted accounting principles in Canada as set out in the Handbook of the Canadian Institute of Chartered Accountants – Part I, which incorporates International Financial Reporting Standards ("IFRS''), as issued by the International Accounting Standards Board ("IASB") and were approved by the Board of Directors. In addition, the financial information included in the Annual Report is consistent with the consolidated financial statements.

Alimentation Couche-Tard Inc. maintains accounting and administrative control systems which, in the opinion of management, ensure reasonable accuracy, relevance and reliability of financial information and well-ordered, efficient management of the Corporation's affairs.

The Board of Directors is responsible for approving the consolidated financial statements included in this Annual Report, primarily through its Audit Committee. This committee, which holds periodic meetings with members of management as well as with the external auditors, reviewed the consolidated financial statements of Alimentation Couche-Tard Inc. and recommended their approval to the Board of Directors.

The consolidated financial statements for the fiscal years ended April 28, 2013 and April 29, 2012 were audited by PricewaterhouseCoopers LLP, chartered professional accountants, and their report indicates the extent of their audit and their opinion on the consolidated financial statements.

July 9, 2013

Is/ Alain Bouchard	*Is/ Raymond Paré*
Alain Bouchard President and Chief Executive Officer	Raymond Paré Vice-President and Chief Financial Officer

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for Alimentation Couche-Tard Inc, as such term is defined in Canadian securities regulations. With our participation management carried out an evaluation of the effectiveness of our internal control over financial reporting, as of the end of our fiscal year ended April 28, 2013. The framework on which such evaluation was based is contained in the report entitled *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. On June 19, 2012, the Corporation acquired Statoil, Fuel & Retail ASA ("SFR"). Management excluded from its evaluation of the effectiveness of our internal control over financial reporting, SFR's internal control over financial reporting. SFR's results since the acquisition date are included in the Corporation's consolidated financial statements and constituted approximately 55.0% of total consolidated assets as of April 28, 2013, approximately 31.0% of consolidated revenues and 17.0% of consolidated net earnings for the fiscal year then ended. Refer to note 4 to the consolidated financial statements for a discussion of this acquisition. Based on this evaluation, management concluded that Alimentation Couche-Tard Inc.'s internal control over financial reporting was effective as at April 28, 2013.

PricewaterhouseCoopers LLP, chartered professional accountants, audited the effectiveness of Alimentation Couche-Tard Inc.'s internal control over financial reporting as at April 28, 2013 and have issued their unqualified opinion thereon, which is included herein.

July 9, 2013

/s/ Alain Bouchard
Alain Bouchard
President and
Chief Executive Officer

/s/ Raymond Paré
Raymond Paré
Vice-President and
Chief Financial Officer

Independent Auditor's Report

To the Shareholders of
Alimentation Couche-Tard Inc.

July 9, 2013

We have completed integrated audits of Alimentation Couche-Tard Inc. and its subsidiaries' consolidated financial statements for the fiscal year ended April 28, 2013 and April 29, 2012 and its internal control over financial reporting as at April 28, 2013. Our opinions, based on our audits, are presented below.

Consolidated financial statements

We have audited the accompanying consolidated financial statements of Alimentation Couche-Tard Inc. and its subsidiaries, which comprise the consolidated balance sheets as at April 28, 2013 and April 29, 2012 and the consolidated statements of earnings, comprehensive income, changes in shareholders' equity and cash flows for the fiscal years ended April 28, 2013 and April 29, 2012, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Alimentation Couche-Tard Inc. and its subsidiaries as at April 28, 2013 and April 29, 2012 and their financial performance and their cash flows for fiscal years ended April 28, 2013 and April 29, 2012 in accordance with International Financial Reporting Standards.

Report on internal control over financial reporting

We have also audited the effectiveness of Alimentation Couche-Tard Inc. and its subsidiaries' internal control over financial reporting as at April 28, 2013.

Management's responsibility for internal control over financial reporting

Management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting.

Auditor's responsibility

Our responsibility is to express an opinion, based on our audit, on whether the company's internal control over financial reporting was effectively maintained in accordance with criteria established in *Internal Control - Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CICA Handbook – Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control, based on the assessed risk, and performing such other procedures as we consider necessary in the circumstances.

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Statoil, Fuel & Retail ASA, which is included in the 2013 consolidated financial statements of Alimentation Couche-Tard Inc., and constituted approximately 55.0% of total assets as of April 28, 2013, approximately 31.0% of revenue, and approximately 17.0% of net earnings for the fiscal year ended April 28, 2013. Our audit of internal control over financial reporting of Alimentation Couche-Tard Inc. also did not include an evaluation of the internal control over financial reporting of Statoil, Fuel & Retail ASA.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Canadian generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Opinion

In our opinion, Alimentation Couche-Tard Inc. and its subsidiaries maintained, in all material respects, effective internal control over financial reporting as at April 28, 2013 in accordance with criteria established in *Internal Control - Integrated Framework*, issued by COSO.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers LLP[1]

PricewaterhouseCoopers LLP[1]

Montreal, Canada

[1] CPA auditor, CA, public accountancy permit No. A119427

Consolidated Statements of Earnings

For the fiscal years ended April 28, 2013 and April 29, 2012

(in millions of US dollars (Note 2), except per share amounts)

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Revenues	**35,543.4**	22,980.3
Cost of sales	**30,933.8**	20,005.2
Gross profit	**4,609.6**	2,975.1
Operating, selling, administrative and general expenses (Note 6)	**3,235.2**	2,155.6
Restructuring costs (Note 22)	**34.0**	-
Curtailment gain on defined benefits pension plans obligation (Note 25)	**(19.4)**	-
Depreciation, amortization and impairment of property and equipment, intangible and other assets	**521.1**	239.8
	3,770.9	2,395.4
Operating income	**838.7**	579.7
Share of earnings of joint ventures and associated companies accounted for using the equity method (Note 5)	**15.8**	21.6
Financial expenses	**118.0**	15.6
Financial revenues	**(9.9)**	(1.2)
Loss (gain) on foreign exchange forward contracts (Note 26)	**102.9**	(17.0)
Foreign exchange gain from currency conversion	**(3.2)**	-
Net financial expenses (revenues) (Note 8)	**207.8**	(2.6)
Earnings before income taxes	**646.7**	603.9
Income taxes (Note 9)	**73.9**	146.3
Net earnings	**572.8**	457.6
Net earnings per share (Note 10)		
Basic	**3.10**	2.54
Diluted	**3.07**	2.49

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

Consolidated Statements of Comprehensive Income

For the fiscal years ended April 28, 2013 and April 29, 2012
(in millions of US dollars (Note 2), except per share amounts)

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Net earnings	**572.8**	457.6
Other comprehensive income		
Translation adjustments		
Changes in cumulative translation adjustments (1)	**183.3**	(26.4)
Change in fair value of financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (2)	**(16.9)**	-
Net interest on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (3)	**1.8**	-
Cash flow hedges		
Change in fair value of financial instruments (4) (Note 26)	**7.6**	5.9
Gain realized on financial instruments transferred to earnings (5) (Note 26)	**(7.8)**	(5.1)
Available-for-sale financial instrument		
Gain realized on the disposal of a financial instrument transferred to earnings (6)	**-**	(0.6)
Net actuarial gain (loss) (Note 25) (7)	**1.0**	(4.9)
Other comprehensive income (loss)	**169.0**	(31.1)
Comprehensive income	**741.8**	426.5
Comprehensive income attributable to:		
Shareholders of the Corporation	**749.7**	426.5
Non-controlling interest	**(7.9)**	-
Comprehensive income	**741.8**	426.5

(1) For the fiscal years ended April 28, 2013 and April 29, 2012 these amounts include a gain of $20.7 and a loss of $10.5, respectively, arising from the translation of US dollar denominated long-term debt which was previously designated as a foreign exchange hedge of the Corporation's net investment in its US operations (net of income taxes of $3.2 and $1.6, respectively).
(2) This amount is net of income taxes of $3.4.
(3) This amount is net of income taxes of $0.8.
(4) For the fiscal years ended April 28, 2013 and April 29, 2012 these amounts are net of income taxes of $2.6 and $1.9, respectively.
(5) For the fiscal years ended April 28, 2013 and April 29, 2012 these amounts are net of income taxes of $2.8 and $1.6, respectively.
(6) This amount is net of income taxes.
(7) For the fiscal years ended April 28, 2013 and April 29, 2012 these amounts are net of income taxes of $0.3 and $1.7, respectively.

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

Consolidated Statements of Changes in Shareholders' Equity

For the fiscal years ended April 28, 2013 and April 29, 2012
(in millions of US dollars (Note 2))

2013 (52 weeks)

	Attributable to shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income (1)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of year	**321.0**	**17.9**	**1,826.8**	**8.9**	**2,174.6**		**2,174.6**
Comprehensive income:							
Net earnings			**572.8**		**572.8**		**572.8**
Other comprehensive income (loss)				**176.9**	**176.9**	**(7.9)**	**169.0**
Comprehensive income					**749.7**	**(7.9)**	**741.8**
Dividends			**(55.6)**		**(55.6)**		**(55.6)**
Acquisition of control of Statoil Fuel & Retail ASA (Note 4)					**-**	**487.2**	**487.2**
Acquisition of non-controlling interest in Statoil Fuel & Retail ASA (Note 4)					**-**	**(479.3)**	**(479.3)**
Class B subordinate voting shares issued for cash on public offering, net of transaction costs (2) (Note 23)	**337.2**				**337.2**		**337.2**
Stock option-based compensation expense (Note 24)		**2.7**			**2.7**		**2.7**
Initial fair value of stock options exercised	**4.1**	**(4.1)**			**-**		**-**
Cash received upon exercise of stock options	**8.1**				**8.1**		**8.1**
Balance, end of year	**670.4**	**16.5**	**2,344.0**	**185.8**	**3,216.7**	**-**	**3,216.7**

(1) The year-end balance comprises a cumulative translation adjustment gain of $204.3, a cumulative loss of $16.9 on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (net of income taxes of $3.5), a cumulative gain of $1.8 on net interest on financial instruments designated as a hedge of the Corporation's net investment in its U.S. operations (net of income taxes of $0.8), a cumulative gain of $1.7 on a financial instrument designated as a cash flow hedge (net of income taxes of $0.4) and a cumulative net actuarial loss of $5.1 (net of income taxes of $2.0).

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

2012 (53 weeks)

	Attributable to shareholders of the Corporation				
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income (3)	Shareholders' equity
	$	$	$	$	$
Balance, beginning of year	323.8	19.3	1,596.3	40.0	1,979.4
Comprehensive income:					
Net earnings			457.6		457.6
Other comprehensive income (loss)				(31.1)	(31.1)
Total comprehensive income					426.5
Dividends			(49.8)		(49.8)
Stock option-based compensation expense (Note 24)		0.4			0.4
Initial fair value of stock options exercised	1.8	(1.8)			-
Cash received upon exercise of stock options	19.2				19.2
Repurchase and cancellation of shares (Note 23)	(23.8)				(23.8)
Excess of acquisition cost over book value of Class A multiple voting shares and Class B subordinate voting shares repurchased and cancelled			(177.3)		(177.3)
Balance, end of year	321.0	17.9	1,826.8	8.9	2,174.6

(1) The year-end balance comprises a cumulative translation adjustment gain of $13.1, a cumulative gain of $1.9 on a financial instrument designated as a cash flow hedge (net of income taxes of $0.6) and a cumulative net actuarial loss of $6.1 (net of income taxes of $2.3).

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

Consolidated Statements of Cash Flows

For the fiscal years ended April 28, 2013 and April 29, 2012
(in millions of US dollars (Note 2))

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Operating activities		
Net earnings	**572.8**	457.6
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation, amortization and impairment of property and equipment, intangible and other assets, net of amortization of deferred credits	**486.3**	199.7
Deferred income taxes	**(122.1)**	24.2
Loss (gain) on foreign exchange forward contracts (Note 26)	**102.9**	(17.0)
Restructuring costs (Note 22)	**34.0**	-
Curtailment gain on defined benefits pension plans obligation (Note 25)	**(19.4)**	-
Deferred credits	**17.3**	10.7
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received (Note 5)	**(9.6)**	(16.8)
Loss on disposal of property and equipment and other assets	**8.3**	9.8
Negative goodwill (Note 4)	**(4.4)**	(6.9)
Other	**26.4**	17.8
Changes in non-cash working capital (Note 11)	**68.9**	84.7
Net cash provided by operating activities	**1,161.4**	763.8
Investing activities		
Business acquisitions (Note 4)	**(2,644.6)**	(380.3)
Purchases of property and equipment and other assets	**(537.3)**	(316.6)
Net settlement of foreign exchange forward contracts	**(86.4)**	-
Proceeds from disposal of property and equipment and other assets	**50.4**	27.8
Proceeds from sale and leaseback transactions	**30.3**	-
Restricted cash	**1.1**	(22.7)
Net cash used in investing activities	**(3,186.5)**	(691.8)
Financing activities		
Borrowings under the unsecured non-revolving acquisition credit facility, net of financing costs (Note 19)	**3,190.2**	-
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs (Note 19)	**997.5**	-
Repayment of the unsecured non-revolving acquisition credit facility (Note 19)	**(995.5)**	-
Repayment of non-current debt assumed on business acquisition	**(800.5)**	-
Net (decrease) increase in other debt (Note 19)	**(314.5)**	157.1
Issuance of shares on public offering, net of transaction costs (Note 23)	**333.4**	-
Issuance of shares upon exercise of stock-options	**8.1**	19.2
Repurchase of shares (Note 23)	**-**	(201.1)
Cash dividends paid	**(55.6)**	(49.8)
Net cash provided by (used in) financing activities	**2,363.1**	(74.6)
Effect of exchange rate fluctuations on cash and cash equivalents	**16.0**	(2.8)
Net increase (decrease) in cash and cash equivalents	**354.0**	(5.4)
Cash and cash equivalents, beginning of year	**304.3**	309.7
Cash, cash equivalents, end of year	**658.3**	304.3
Supplemental information:		
Interest paid	**76.9**	7.3
Interest and dividends received	**11.7**	6.1
Income taxes paid	**172.3**	91.1
Cash and cash equivalents components:		
Cash and demand deposits	**619.2**	253.5
Liquid investments	**39.1**	50.8
	658.3	304.3

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

Consolidated Balance Sheets

As at April 28, 2013 and April 29, 2012

(in millions of US dollars (Note 2))

	2013	2012
	$	$
Assets		
Current assets		
Cash and cash equivalents	**658.3**	304.3
Restricted cash	**21.6**	22.7
Accounts receivable (Note 12)	**1,616.0**	304.4
Inventories (Note 13)	**846.0**	543.9
Prepaid expenses	**57.8**	28.6
Foreign exchange forward contracts (Note 26)	**-**	17.2
Income taxes receivable	**81.6**	39.9
	3,281.3	1,261.0
Property and equipment (Note 14)	**5,079.9**	2,248.3
Goodwill (Note 15)	**1,081.0**	502.9
Intangible assets (Note 16)	**834.7**	217.0
Other assets (Note 17)	**136.3**	68.2
Investment in joint ventures and associated companies (Note 5)	**84.2**	65.0
Deferred income taxes (Note 9)	**48.8**	14.4
	10,546.2	4,376.8
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 18)	**2,351.1**	909.4
Provisions (Note 22)	**96.5**	50.1
Income taxes payable	**70.0**	46.5
Current portion of long-term debt (Note 19)	**620.8**	484.4
	3,138.4	1,490.4
Long-term debt (Note 19)	**2,984.3**	180.8
Provisions (Note 22)	**358.8**	107.5
Pension benefit liability (Note 25)	**109.7**	39.5
Financial liabilities (Note 20)	**20.4**	-
Deferred credits and other liabilities (Note 21)	**156.7**	121.9
Deferred income taxes (Note 9)	**561.2**	262.1
	7,329.5	2,202.2
Shareholders' equity		
Capital stock (Note 23)	**670.4**	321.0
Contributed surplus	**16.5**	17.9
Retained earnings	**2,344.0**	1,826.8
Accumulated other comprehensive income	**185.8**	8.9
	3,216.7	2,174.6
	10,546.2	4,376.8

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

On behalf of the Board,

/s/ Alain Bouchard
Alain Bouchard
Director

/s/ Réal Plourde
Réal Plourde
Director

Notes to the Consolidated Financial Statements

For the fiscal years ended April 28, 2013 and April 29, 2012
(in millions of US dollars, except share and stock option data)

1. Governing statutes and nature of operations

Alimentation Couche-Tard Inc. (the “Corporation”) is incorporated under the Business Corporations Act (Quebec). The Corporation’s head office is located in Laval, at 4204 Boulevard Industriel, Quebec, Canada.

As at April 28, 2013, the Corporation operates and licenses 8,386 convenience stores across North America, Scandinavia (Norway, Sweden and Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania), and Russia, of which 6,235 are company-operated, and generates income primarily from the sales of tobacco products, grocery items, beverages, fresh food offerings, including quick service restaurants, other retail products and services, road transportation fuel, stationary energy, marine and aviation fuel, lubricants and chemicals.

2. Basis of presentation

Year-end date

The Corporation’s year-end is the last Sunday of April of each year. The fiscal years ended April 28, 2013 and April 29, 2012 are referred to as 2013 and 2012. The fiscal year ended April 28, 2013 had 52 weeks (53 weeks in 2012).

Basis of presentation

The Corporation prepares its consolidated financial statements in accordance with generally accepted accounting principles in Canada as set out in the Handbook of the Canadian Institute of Chartered Accountants – Part I, which incorporates International Financial Reporting Standards (“IFRS’’), as issued by the International Accounting Standards Board (“IASB”).

Reporting currency

The parent corporation’s functional currency is the Canadian dollar. However, the Corporation uses the US dollar as its reporting currency to provide more relevant information considering its predominant operations in the United States and its debt largely denominated in US dollars.

Approval of the financial statements

The Corporation’s consolidated financial statements were approved on July 9, 2013 by the board of directors who also approved their publication.

Comparative figures

Certain comparative figures of the consolidated financial statements have been reclassified to comply with the presentation adopted in the fiscal year ended April 28, 2013:

- Rental income from assets owned by the Corporation are now presented as revenue instead of a reduction of rent expense in Operating, selling, administrative and general expenses resulting in an increase in revenues and accompanying increase in Operating, selling, administrative and general expenses for fiscal 2013 of $7.1 ($6.0 for 2012);
- Sales taxes on road transportation fuel in California, United States are now reported on a net basis in revenues instead of on a gross basis in revenues and cost of sales resulting in a reduction in revenues and cost of sales for fiscal 2013 of $36.5 ($23.3 in 2012);
- Income taxes receivable and payable are now presented on a gross basis depending on the various jurisdictions instead of net resulting in an increase in income taxes receivable and income taxes payable of $70.0 as at April 28, 2013 ($46.5 as at April 29, 2012);
- Accounts receivable and payable with the same counterparty where the Corporation has the legal right as well as the intention to settle on a net basis, are now presented on a net basis instead of gross resulting in a decrease in accounts receivable and accounts payable and accrued liabilities of $119.2 as at April 28, 2013 ($116.3 as at April 29, 2012).

These reclassifications had no impact on net earnings, comprehensive income or equity of the Corporation as of April 28, 2013 or April 29, 2012.

3. Accounting policies

Change in accounting policy

On April 30, 2012, the Corporation early adopted the revised version of IAS 19, “Employee Benefits”, issued by the IASB, which retroactively modifies accounting rules for defined benefit pension plans. The revised version of the standard contains multiple modifications, including the elimination of the corridor approach, which allowed deferring part of the actuarial gains and losses, enhanced guidance on measurement of plan assets and defined benefit obligations, streamlining the presentation of changes in assets and liabilities arising from defined benefit plans as well as the introduction of enhanced disclosures for defined benefit plans.

Following the adoption of this revised standard, the Corporation also elected to present net interests on the net defined benefit liability (asset) in Financial expenses rather than in Operating, selling, administrative and general expenses, as they were previously presented. The increase in financial expenses and accompanying decrease in Operating, selling, administrative and general expenses for the fiscal year ended April 28, 2013 is $2.8 ($2.1 for 2012).This adoption had no other significant impact on the Corporation’s consolidated financial statements.

Use of estimates and judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. On an ongoing basis, management reviews its estimates. These estimates are based on management's best knowledge of current events and actions that the Corporation may undertake in the future. Actual results could differ from those estimates. The most significant accounting judgments and estimates that the Corporation has made in the preparation of the consolidated financial statements are discussed along with the relevant accounting policies when applicable and relate primarily to the following topics: Vendor rebates, determination of the useful lives of tangible and intangible assets, income taxes, leases, employee future benefits, provisions and business combinations.

Principles of consolidation

The consolidated financial statements include the accounts of the Corporation and its subsidiaries, all of which are wholly owned. They also include the Corporation's share of earnings of joint ventures and associated companies accounted for using the equity method. All intercompany balances and transactions have been eliminated on consolidation.

Subsidiaries are entities over which the Corporation has control, where control is defined as the power to govern financial and operating policies. The Corporation generally has directly or indirectly a shareholding of 100% of the voting rights in its subsidiaries. These criteria are reassessed regularly and subsidiaries are fully consolidated from the date control is transferred to the Corporation, and are deconsolidated from the date control ceases.

Foreign currency translation

Functional currency

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the parent corporation and its Canadian operations is the Canadian dollar. The functional currency of foreign subsidiaries is generally their local currency, mainly the US dollar for US operations and various other European currencies for operations in Europe.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the relevant functional currency as follows: Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date and revenues and expenses are translated at the average exchange rate on a 4-week period basis. Non-monetary assets and liabilities are translated at historical rates or at the rate on the date they were valued at fair value. Gains and losses arising from such translation, if any, are reflected in the consolidated statement of earnings except when deferred in equity as qualifying net investment hedge.

Consolidation and foreign operations

The consolidated financial statements are consolidated in Canadian dollars using the following procedure: Assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at the average exchange rate on a 4-week period basis. Individual transactions with a significant impact on the consolidated statement of earnings are translated using the transaction date exchange rate.

Gains and losses arising from such translation are included in Accumulated other comprehensive income in Shareholders' equity. The translation difference derived from each foreign subsidiary, associated company or joint venture is transferred to the consolidated statement of earnings as part of the gain or loss arising from the divestment or liquidation of such a foreign entity when there is a loss of control, joint control or significant influence, respectively.

Reporting currency

The Corporation has adopted the US dollar as its reporting currency. The Canadian dollar consolidated financial statements are translated into the reporting currency using the procedure described above. Capital stock, Contributed surplus and Retained earnings are translated using historical rates. Non-monetary assets at fair value are translated at the rate on the date on which their fair value was determined. Gains and losses arising from translation are included in Accumulated other comprehensive income in Shareholders' equity.

Net earnings per share

Basic net earnings per share is calculated by dividing the net earnings available to Class A and Class B shareholders by the weighted average number of Class A and Class B shares outstanding during the year. Diluted net earnings per share is calculated using the average weighted number of shares outstanding plus the weighted average number of shares that would be issued upon the conversion of all potential dilutive stock-options into common shares.

Revenue recognition

For its three major product categories, merchandise and services, road transportation fuel and other, the Corporation generally recognizes revenue at point of sales for convenience operations Merchandise sales primarily comprise the sale of tobacco products, grocery items, candy and snacks, beverages, beer, wine and fresh food offerings, including quick service restaurants. Merchandise sales in Europe also include sale of merchandise and goods to certain independent operators and franchisees made from the Corporation's distribution center which are generally recognized according to delivery conditions.

Service revenues include the commission on sale of lottery tickets and issuance of money orders, fees from automatic teller machines, sales of calling cards and gift cards, fees for cashing cheques, sales of postage stamps and bus tickets and car wash revenues. These revenues are recognized at the time of the transaction. Service revenues also include franchise and license fees, which are recognized in revenues over the period of the agreement to which the fees relate as well as royalties from franchisees and licensees, which are recognized periodically based on sales reported by franchise and license operators.

In markets where refined oil products are purchased excluding excise duties, revenues from sales to customers are reported net of duties taxes. In markets where refined oil products are purchased including excise duties, revenues and costs of goods sold are reported including these duties.

Other revenues include sale of stationary energy, marine fuel, aviation fuel, lubricants and chemicals which are generally recognized according to delivery conditions. Other revenues also include rental income from operating leases, which is recognized on a straight-line basis, over the term of the lease.

Cost of sales and vendor rebates

Cost of sales mainly comprises the cost of finished goods, input materials and transportation costs when they are incurred to bring products to the point of sale. For the Corporation's own production, such as production of lubricants, the cost of goods sold also includes direct labour costs, production overheads, and production facility operating costs.

The Corporation records cash received from vendors related to vendor rebates as a reduction in the price of the vendors' products and reflects them as a reduction of cost of sales and related inventory in its consolidated statements of earnings and balance sheets when it is probable that they will be received. The Corporation estimates the probability based on the consideration of a variety of factors, including quantities of items sold or purchased, market shares and other conditions specified in the contracts. The accuracy of the Corporation's estimates can be affected by many factors, some of which are beyond its control, including changes in economic conditions and consumer buying trends. Historically, the Corporation has not experienced significant differences in its estimates compared with actual results. Amounts received but not yet earned are presented in deferred credits.

Operating, selling, administrative and general expenses

The main items comprising Operating, selling, administrative and general expenses are labour, net occupancy costs, credit and debit card fees, overhead as well as transportation costs incurred to bring products to the final customer.

Cash and cash equivalents

Cash includes cash and demand deposits. Cash equivalents include highly liquid investments that can be readily converted into cash for a fixed amount and that mature less than three months from the date of acquisition.

Restricted cash

Restricted cash comprises escrow deposits for pending acquisitions.

Inventories

Inventories are valued at the lesser of cost and net realizable value. The cost of merchandise is generally valued based on the retail price less a normal margin. The cost of road transportation motor fuel inventory is generally determined according to the average cost method. The cost of lubricant products and aviation fuel is determined according to the first-in, first-out method.

Income taxes

The income tax expense recorded to earnings is the sum of the deferred income taxes and current income taxes that are not recognized in Other comprehensive income or directly to Shareholders' equity.

The Corporation uses the balance sheet liability method to account for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between the carrying amounts and tax bases of assets and liabilities using enacted or substantively enacted tax rates and laws, as appropriate, at the date of the consolidated financial statements for the years in which the temporary differences are expected to reverse. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Corporation is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The Corporation is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Property and equipment, depreciation, amortization and impairment

Property and equipment are stated at cost less accumulated depreciation and are depreciated over their estimated useful lives using the straight-line method based on the following periods:

Buildings and building components	3 to 40 years
Equipment	3 to 40 years
Buildings under finance leases	Lease term
Equipment under finance leases	Lease term

Building components include air conditioning and heating systems, plumbing and electrical fixtures. Equipment includes signage, fuel equipment and in-store equipment.

Leasehold improvements and property and equipment on leased properties are amortized and depreciated over the lesser of their useful lives and the term of the lease.

Property and equipment are tested for impairment should events or circumstances indicate that their book value may not be recoverable, as measured by comparing their net book value to their recoverable amount which corresponds to the higher of fair value less costs to sell and value in use of the asset or cash-generating unit. Should the carrying amount of property and equipment exceed their recoverable amount, an impairment loss in the amount of the excess would be recognized.

The Corporation performs an annual evaluation of residual values, estimated useful lives and depreciation methods used for property and equipment and any change resulting from this evaluation is applied prospectively by the Corporation.

Goodwill

Goodwill is the excess of the cost of an acquired business over the fair value of underlying net assets acquired from the business at the time of acquisition. Goodwill is not amortized. Rather it is tested for impairment annually during the Corporation's first quarter or more frequently should events or changes in circumstances indicate that it might be impaired or if necessary due to the timing of acquisitions. Should the carrying amount of a cash-generating unit's goodwill exceed its recoverable amount, an impairment loss would be recognized.

Intangible assets

Intangible assets mainly comprise trademarks, franchise agreements, customer relationships, motor fuel supply agreements, software and licenses. Licenses and trademarks that have indefinite lives since they do not expire, are recorded at cost, are not amortized and are tested for impairment annually during the first quarter, or more frequently should events or changes in circumstances indicate that they might be impaired or if necessary due to the timing of acquisitions. Motor fuel supply agreements, franchise agreements and trademarks with finite lives are recorded at cost and are amortized using the straight-line method over the term of the agreements they relate to. Customer relationships, software and other intangible assets are amortized using the straight-line method over a period of five to 15 years.

Deferred charges

Deferred charges are mainly expenses incurred in connection with the analysis and signing of the Corporation's revolving unsecured operating credits amortized using the straight-line method over the period of the corresponding contract. Deferred charges also include expenses incurred in connection with the analysis and signing of operating leases which are deferred and amortized on a straight-line basis over the lease term.

Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, the Corporation analyzes whether an arrangement is or contains a lease by assessing if:

- fulfilment of the arrangement is dependent on the use of a specified asset or assets; and
- the arrangement conveys a right to use the asset or assets.

The Corporation has assessed that some arrangements with franchisees contain embedded lease agreements and accordingly, accounts for a portion of those agreements as lease agreement.

The Corporation distinguishes between lease contracts and capacity contracts. Lease contracts provide the right to use a specific asset for a period of time. Capacity contracts confer the right to and the obligation to pay for availability of certain capacity volumes related primarily to transportation. Such capacity contracts that do not involve specified single assets or that do not involve substantially all the capacity of an undivided interest in a specific asset are not considered to qualify as leases for accounting purposes. Capacity payments are recognized in the consolidated statements of earnings in Operating, selling, administrative and general expenses.

Lease arrangements in which the Corporation is a lessee

The Corporation accounts for finance leases in instances where it has acquired substantially all the benefits and risks incidental to ownership of the leased property. In some cases, the characterisation of a lease transaction is not always evident, and management uses judgment in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and benefits incidental to ownership to the Corporation. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The Corporation's activities involve a considerable number of lease agreements, most of which are determined to be operational in nature. The cost of assets under finance leases represents the present value of minimum lease payments or the fair value of the leased property, whichever is lower, and is amortized on a straight-line basis over the term of the lease or useful life of the asset, whichever is shorter. Assets under finance leases are presented under Property and equipment in the consolidated balance sheet.

Leases that do not transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as operating leases. When a lease contains a predetermined fixed escalation of the minimum rent, the Corporation recognizes the related rent expense on a straight-line basis over the term of the lease and, consequently, records the difference between the recognized rental expense and the amounts payable under the lease as deferred rent expense.

The Corporation also receives tenant allowances, which are amortized on a straight-line basis over the term of the lease or useful life of the asset, whichever is shorter.

Gains and losses resulting from sale and leaseback transactions are recorded in the consolidated statements of earnings at the transaction date except if:

- the sale price is below fair value and the loss is compensated for by future lease payments below market price, in which case it shall be deferred and amortized in proportion to the lease payments over the period during which the asset is expected to be used; or
- the sale price is above fair value, in which case the excess shall be deferred and amortized over the period during which the asset is expected to be used.

Lease arrangements in which the Corporation is a lessor

Leases in which the Corporation transfers substantially all the risks and rewards of ownership of an asset to a third party are classified as finance leases. The Corporation recognizes assets held under a finance lease in the consolidated balance sheets and presents them as accounts receivable. Lease payments received under finance leases are apportioned between the financial revenues and reduction of the receivable.

Leases that do not transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as operating leases. When a lease contains a predetermined fixed escalation of the minimum rent, the Corporation recognizes the related rent revenue on a straight-line basis over the term of the lease and, consequently, records the difference between the recognized rental revenue and the amounts receivable under the lease as deferred rent revenue.

Financing costs

Financing costs related to term loans and debt securities are included in the initial carrying amount of the corresponding debt and are amortized using the effective interest rate method that is based on the estimated cash flow over the expected life of the liability. Financing costs related to revolving loans are included in other assets and are amortized using the straight-line method over the expected life of the underlying agreement.

Stock-based compensation and other stock-based payments

Stock-based compensation costs are measured at the grant date of the award based on the fair value method for all transactions entered into starting in fiscal year 2003.

The fair value of stock options is recognized over the vesting period of each respective vesting portion as compensation expense with a corresponding increase in contributed surplus. When stock options are exercised, the corresponding contributed surplus is transferred to capital stock.

The Phantom Stock Units (“PSU”) compensation cost and the related liability are recorded on a straight-line basis over the corresponding vesting period based on the fair market value of Class B shares and the best estimate of the number of PSUs that will ultimately be paid. The recorded liability is adjusted periodically to reflect any variation in the fair market value of the Class B shares and revisions to the estimated number of PSUs that will ultimately be paid.

Employee future benefits

The Corporation accrues its obligations under employee pension plans and the related costs, net of plan assets. The Corporation has adopted the following accounting policies with respect to the defined benefit plans:

- The accrued benefit obligations and the cost of pension benefits earned by active employees are actuarially determined using the projected unit credit method pro-rated on service and pension expense is recorded in earnings as the services are rendered by active employees. The calculations reflect management’s best estimate of salary escalation and retirement ages of employees;
- Plan assets are valued at fair value;

- Actuarial gains and losses arise from increases or decreases in the present value of the defined benefit obligation because of changes in actuarial assumptions and experience adjustments. Actuarial gains and losses are recognized immediately in Other comprehensive income with no impact on net earnings;

- Past service costs are recorded to earnings at the earlier of the following dates:
  - When the plan amendment or curtailment occurs;
  - When the Corporation recognizes related restructuring costs or termination benefits;

- Net interest on the defined benefit liability (asset) represents the net defined benefit liability (asset), multiplied by the discount rate and is recorded in financial expenses.

The pension cost recorded in net earnings for the defined contribution plans is equivalent to the contribution which the Corporation is required to pay in exchange for services provided by the employees.

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of pension obligations. The Corporation determines the appropriate discount rate at the end of each fiscal year. This is the rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Corporation considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

The present value of provisions depends on a number of factors that are assessed on a regular basis using a number of assumptions, including the discount rate, the expected cash flow to settle the obligation and the number of years until the realization of the provision. Any changes in these assumptions or in governmental regulations will impact the carrying amount of provisions. Where the actual cash flows are different from the amounts that were initially recorded, such differences will impact earnings in the period in which the payment is made. Historically, the Corporation has not experienced significant differences in its estimates compared with actual results.

Environmental costs

The Corporation provides for estimated future site remediation costs to meet government standards for known site contaminations when such costs can be reasonably estimated. Estimates of the anticipated future costs for remediation activities at such sites are based on the Corporation’s prior experience with remediation sites and consideration of other factors such as the condition of the site contamination, location of sites and experience with contractors that perform the environmental assessments and remediation work. In order to determine the initial recorded liability, the present value of estimated future cash flows was calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Asset retirement obligations

Asset retirement obligations relate to estimated future costs to remove road transportation fuel storage tanks and are based on the Corporation’s prior experience in removing these tanks, estimated tank useful life, lease terms for those tanks installed on leased properties, external estimates and governmental regulatory requirements. A discounted liability is recorded for the present value of an asset retirement obligation with a corresponding increase to the carrying value of the related long-lived asset at the time a storage tank is installed. To determine the initial recorded liability, the future estimated cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The amount added to property and equipment is amortized and an accretion expense is recognized in connection with the discounted liability over the remaining life of the tank or lease term for leased properties.

Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased to reflect the passage of time and then adjusted for variations in the current market-based discount rate or the scheduled underlying cash flows required to settle the liability.

Obligations related to general liability and workers’ compensation

In the United States, the Corporation is self-insured for certain losses related to general liability and workers’ compensation. The expected ultimate cost for claims incurred as of the balance sheet date is discounted and is recognized as a liability. This cost is estimated based on analysis of the Corporation’s historical data and actuarial estimates. In order to determine the initial recorded liability, the present value of estimated future cash flows is calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Restructuring

Restructuring provisions are recognized only when a detailed formal plan for the restructuring exists and the plan has either commenced or the plan's main features have been announced to those affected by it. In order to determine the initial recorded liability, the present value of estimated future cash flows are calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

A detailed formal plan usually includes:

- identifying the concerned business or part of the business;
- the principal locations affected;
- details regarding the employees affected;
- the restructuring's timing; and
- the expenditures that will have to be undertaken.

Financial instruments recognition and measurement

The Corporation has made the following classifications for its financial assets and financial liabilities:

Financial assets and financial liabilities	Classification	Subsequent measurement [1]	Classification of gains and losses
Cash and cash equivalents	Loans and receivables	Amortized cost	Net earnings
Restricted cash	Loans and receivables	Amortized cost	Net earnings
Accounts receivable	Loans and receivables	Amortized cost	Net earnings
Investments in publicly-traded securities	Available for sale	Fair value	Other comprehensive income
Bank indebtedness and long-term debt	Other financial liabilities	Amortized cost	Net earnings
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost	Net earnings

(1) Initial measurement of all financial assets and financial liabilities is at fair value.

Hedging and derivative financial instruments

Embedded total return swap

The Corporation uses an investment contract which includes an embedded total return swap to manage current and forecasted risks related to changes in the fair value of the PSUs granted by the Corporation. The embedded total return swap is recorded at fair value on the consolidated balance sheets under other assets.

The Corporation has documented and designated the embedded total return swap as a cash flow hedge of the anticipated cash settlement transaction related to the granted PSUs. The Corporation has determined that the embedded total return swap is an effective hedge at the time of the establishment of the hedge and for the duration of the embedded total return swap. The changes in the fair value of the total return swap are initially recorded in other comprehensive income and subsequently reclassified to consolidated net earnings in the same period that the change in the fair value of the PSUs affects consolidated net earnings. Should it become probable that the hedged transaction will not occur, any gains, losses, revenues or expenses associated with the hedging item that had previously been recognized in Other comprehensive income as a result of applying hedge accounting will be recognized in the reporting period's net earnings under Operating, selling, administrative and general expenses.

Hedge of the Corporation's net investment in its US operations

Until November 1, 2012, the Corporation had designated its entire US dollar denominated long-term debt as a foreign exchange hedge of its net investment in its U.S. operations. Accordingly, the portion of the gains or losses arising from the translation of the US dollar denominated debt that was determined to be an effective hedge was recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of the Corporation's net investment in its U.S. operations. Since November 1, 2012, the Corporation no longer designates its US dollar denominated long-term debt as a foreign exchange hedge of its net investment in its U.S. operations. Accordingly, the gains or losses arising from the translation of the US dollar denominated debt is now recorded in the consolidated statements of earnings under Financial expenses.

As of November 1, 2012, the Corporation has documented and designated its cross-currency interest rate swap agreements (Note 20) as a foreign exchange hedge of its net investment in its US operations. The Corporation has determined that the cross-currency interest rate swap is an effective hedge at the time of the establishment of the hedge and for the duration of the cross-currency interest rate swap. The gains or losses arising from the fair value variation of the cross-currency interest rate swaps are recognized in Other comprehensive income along with the difference between interests received and interests paid. Should a portion of the hedging relationship become ineffective, the ineffective portion would be recorded in the consolidated statements of earnings under Financial expenses.

Foreign exchange forward contracts

The Corporation, from time to time, uses foreign exchange forward contracts ("forwards") to manage the currency fluctuation risk associated with forecasted cash disbursements denominated in foreign currencies. Forwards are recorded at fair value on the consolidated balance sheets. Changes in the fair value of forwards are recorded in net financial (revenues) expenses.

Cross currency swaps

The Corporation, from time to time, uses cross currency swaps to manage the currency fluctuation risk associated with forecasted cash disbursements in foreign currency. The Corporation is exposed to foreign currency risk with respect to a portion of its aviation fuel operations for which purchases and sales are denominated in different currencies. Cross currency swaps are recorded at fair value on the consolidated balance sheets. Changes in their fair value are recorded in net financial (revenues) expenses.

Guarantees

A guarantee is defined as a contract or an indemnification agreement contingently requiring a Corporation to make payments to a third party based on future events. These payments are contingent on either changes in an underlying or other variables that are related to an asset, liability, or an equity security of the indemnified party or the failure of another entity to perform under an obligating agreement. It could also be an indirect guarantee of the indebtedness of another party. Guarantees are initially recognized at fair value and subsequently revaluated when the loss becomes probable.

Business combinations

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the aggregate of the fair values (at the date of acquisition) of assets given, liabilities incurred or assumed, and equity instruments issued by the Corporation in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3, "Business Combinations", are recognized at their fair values at the acquisition date. Direct acquisition costs are recorded in earnings when incurred.

Goodwill arising from business combinations is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess ("Negative goodwill") is recognized immediately to earnings.

Determination of the fair value of the acquired assets and liabilities requires judgement and the use of assumptions that, if changed, may affect the consolidated statements of earnings and consolidated balance sheets.

Earnings from the businesses acquired are included in the consolidated statements of earnings from their respective dates of acquisition.

Recently issued accounting standards not yet implemented

Revised Standards

Financial Statement Presentation

In June 2011, the IASB issued amendments to International Accounting Standard ("IAS") 1, "Presentation of Financial Statements". The amendments govern the presentation of Other Comprehensive Income ("OCI") in the financial statements, primarily by requiring OCI items that may be reclassified to the consolidated statements of earnings to be presented separately from those that remain in equity.

These changes are applicable for fiscal years beginning on or after July 1, 2012. The Corporation will apply these changes for its first quarter of fiscal year 2014 and does not expect that the adoption of these changes will have a material impact on its consolidated financial statements.

Financial Instruments – Presentation and disclosure

In December 2011, the IASB issued revised versions of IFRS 7, "Financial Instruments: Disclosures" and IAS 32, "Financial Instruments: Presentation". The modifications clarify the offsetting rules and state new disclosure requirements for offsetting of financial assets and financial liabilities on the consolidated balance sheets.

The changes applied to IFRS 7 are applicable for fiscal years beginning on or after January 1, 2013 while changes applied to IAS 32 are applicable for fiscal years beginning on or after January 1, 2014. The Corporation will apply these changes for its first quarters of fiscal years 2014 and 2015 respectively and does not expect that the adoption of these changes will have a material impact on its consolidated financial statements.

New standards

Financial Instruments

In November 2009, the IASB issued a new standard, IFRS 9, "Financial Instruments", which is the first phase of the IASB's three-phase project to replace IAS 39, "Financial Instruments: Recognition and Measurement". The standard provides guidance on the classification and measurement of financial liabilities and requirements for the derecognition of financial assets and financial liabilities.

IFRS 9 is applicable for fiscal years beginning on or after January 1, 2015. The Corporation will apply these new standards for its first quarter of fiscal year 2016 and is still evaluating the impact on its consolidated financial statements.

Consolidated financial statements

In May 2011, the IASB issued a new standard, IFRS 10, "Consolidated Financial Statements", which requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, "Consolidation—Special Purpose Entities" and parts of IAS 27, "Consolidated and Separate Financial Statements".

Joint Arrangements

In May 2011, the IASB issued a new standard, IFRS 11, "Joint Arrangements", which requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, "Interests in Joint Ventures" and SIC-13, "Jointly Controlled Entities—Non-monetary Contributions by Venturers".

Disclosure of Interest in Other Entities

In May 2011, the IASB issued a new standard, IFRS 12, "Disclosure of Interest in Other Entities". IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard includes existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

Fair Value Measurement

In May 2011, the IASB issued a new standard, IFRS 13, "Fair Value Measurement". IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

IFRS 10, 11, 12 and 13 are all applicable for fiscal years beginning on or after January 1, 2013. The Corporation will apply these new standards for its first quarter of fiscal year 2014 and is still evaluating their impact on its consolidated financial statements.

4. Business acquisitions

The Corporation has made the following business acquisitions:

2013

Acquisition of Statoil Fuel & Retail ASA ("Statoil Fuel & Retail")

On June 19, 2012, the Corporation acquired 81.2% of the 300,000,000 issued and outstanding shares of Statoil Fuel & Retail for a cash consideration of 51.20 Norwegian Kroners ("NOK") per share for a total amount of NOK 12.47 billion or approximately $2.10 billion through a voluntary public offer (the "offer"). From June 22, 2012 to June 29, 2012, the Corporation acquired 53,238,857 additional shares of Statoil Fuel & Retail for a cash consideration of 51.20 NOK per share, totalling NOK 2.73 billion or approximately $0.45 billion, increasing the Corporation's participation to 98.9%. Having reached a shareholding of more than 90%, on June 29, 2012, in accordance with Norwegian laws, the Corporation initiated the compulsory acquisition of all of the remaining Statoil Fuel & Retail shares not deposited under the offer from the holders thereof and, as a result, since such date, the Corporation owns 100% of the issued and outstanding shares of Statoil Fuel & Retail. The 51.20 NOK per share cash consideration for the compulsory acquisition of all of the remaining shares of Statoil Fuel & Retail not deposited under this offer was paid on July 11, 2012. The Oslo Børs Stock Exchange confirmed the delisting of the Statoil Fuel & Retail shares effective as of the close of markets in Norway on July 12, 2012. The acquisition of the 300,000,000 issued and outstanding shares of Statoil Fuel & Retail was therefore made for a total cash consideration of NOK 15.36 billion, or $2.58 billion. The Corporation determined the acquisition date to be June 19, 2012.

Statoil Fuel & Retail is a leading Scandinavian road transportation fuel retailer with over 100 years of operations in the region. Statoil Fuel & Retail operates a broad retail network across Scandinavia (Norway, Sweden, Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania), and Russia with approximately 2,300 sites, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated service-stations (offering road transportation fuel only). Statoil Fuel & Retail has a leading position in several countries where it does business and owns the land for over 900 sites and buildings for over 1,700 sites.

Statoil Fuel & Retail's other products include stationary energy, marine and aviation fuel, lubricants and chemicals. In Europe, Statoil Fuel & Retail operates key fuel terminals as well as fuel depots in eight countries.

During fiscal year 2013, the Corporation recorded transaction costs of $1.8 million, in Operating, selling, administrative and general expenses, in connection with this acquisition, which adds to transaction costs of $0.8 million recorded in earnings for the year ended April 29, 2012.

The Corporation financed this acquisition through borrowings under its acquisition facility (Note 19).

Purchase price allocation based on the estimated fair value on the date of acquisition is as follows:

	Fair value accounted for at the acquisition date
	$
Assets	
Current assets	
Cash and cash equivalents	193.7
Restricted cash	0.8
Accounts receivable	1,597.3
Inventories	283.4
Prepaid expenses	10.4
Income taxes receivable	3.7
	2,089.3
Property and equipment	2,576.8
Identifiable intangible assets	616.5
Other assets	36.6
Investment in associated companies	7.4
Deferred income taxes	22.1
	5,348.7
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	1,680.1
Provisions	25.2
Income taxes payable	17.6
Bank loans and current portion of long-term debt	845.3
	2,568.2
Long-term debt	53.6
Provisions	197.8
Pension benefit liability	80.1
Other liabilities	5.5
Deferred income taxes	346.2
	3,251.4
Non-controlling interest	487.2
Net identifiable assets	1,610.1
Acquisition goodwill	493.9
Consideration paid in cash on June 19, 2012 for the acquisition of control (81.2%)	2,104.0
Consideration paid in cash for shares held by non-controlling shareholders	479.3
Cash and cash equivalents acquired	(193.7)
Bank overdraft assumed	34.1
Net cash flow for the acquisition	2,423.7

The Corporation expects that the acquired goodwill will not be deductible for tax purposes.

The Corporation acquired Statoil Fuel & Retail with the aim of diversifying its operations geographically. This acquisition generated goodwill in the amount of $493.9 mainly due to future growth potential of establishing a platform in Europe as well as an assembled and trained workforce. Since the date of acquisition, Statoil Fuel & Retail's revenues and net earnings amounted to $11,072.6 and $98.4, respectively. The following summary presents the pro-forma consolidated results of the Corporation for fiscal year 2013 under the assumption that Statoil Fuel & Retail was acquired on April 30, 2012. These amounts do not include the potential synergies that could result from the acquisition. This information is provided for illustrative purposes only and does not necessarily reflect actual or future consolidated results of the Corporation after the combination.

	$
Revenues	37,348.2
Net earnings	578.1

Statoil Fuel & Retail's fiscal year does not coincide with the Corporation's fiscal year. The Corporation's consolidated statements of earnings, comprehensive income, changes in equity and cash flows for fiscal year 2013 include those of Statoil Fuel & Retail for the period beginning June 20, 2012 and ending April 30, 2013. The Corporation's consolidated balance sheet as at April 28, 2013 includes the balance sheet of Statoil Fuel & Retail as at April 30, 2013.

The Corporation anticipates that the alignment of Statoil Fuel & Retail's accounting period with those of the Corporation should be made once the replacement of Statoil Fuel & Retail financial systems is finalized.

Other acquisitions

- On May 8, 2012, the Corporation purchased 20 company-operated stores located in Texas, United States from Signature Austin Stores. The Corporation leases the land and buildings for all sites.
- On August 27, 2012, the Corporation purchased 29 company-operated stores located in Florida, United States from Florida Oil Holdings, LLC. The Corporation owns the land and buildings for 24 sites while it leases the land and owns the buildings for the other sites. The Corporation was also transferred a road transportation fuel supply agreement for one store owned and operated by an independent operator.
- On November 2, 2012, the Corporation acquired, from Sun Pacific Energy, 27 company-operated stores operating in Washington State, United States. The Corporation owns the land and buildings for 26 sites while it leases these assets for the other site.
- On November 28, 2012, the Corporation acquired, from Davis Oil Company, seven company-operated stores operating in Georgia, United States. The Corporation owns the land and buildings for all sites.
- On December 31, 2012, the Corporation acquired, from Kum & Go, L.C., seven company-operated stores operating in Oklahoma, United States. The Corporation leases the land and buildings for all sites.
- On February 11, 2013, the Corporation acquired 29 company-operated stores located in the states of Illinois, Missouri and Oklahoma in the United States from Dickerson Petroleum Inc. The Corporation owns the land and building for 25 sites while it leases the land and owns the buildings for the other sites. In addition, 21 road transportation fuel supply agreements were acquired by the Corporation, 20 of which are for sites owned and operated by independent operators while one site is leased by the Corporation.
- During fiscal year 2013, under the June 2011 agreement with ExxonMobil, the Corporation acquired four stores operated by independent operators for which the real estate is owned by the Corporation along with the related road transportation fuel supply agreements. Additionally, 23 road transportation fuel supply agreements were transferred to the Corporation during this period.
- During fiscal year 2013, the Corporation also acquired 32 other stores through distinct transactions. The Corporation leases the land and owns the building for one site, leases the land and buildings for ten sites and owns these same assets for the other sites.

Acquisition costs in connection with these acquisitions and other unrealized acquisitions of $2.3 are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $220.9. Since the Corporation has not completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill for all transactions, the preliminary allocations of certain acquisitions are subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed. Purchase price allocations based on the estimated fair value on the date of acquisition and available information as at the date of publication of these consolidated financial statements is as follows:

	$
Tangible assets acquired	
Inventories	**14.2**
Property and equipment	**159.0**
Other assets	**0.4**
Total tangible assets	**173.6**
Liabilities assumed	
Accounts payable and accrued liabilities	**2.1**
Provisions	**7.6**
Deferred credit and other liabilities	**3.8**
Total liabilities	**13.5**
Net tangible assets acquired	**160.1**
Intangible assets	**3.0**
Goodwill	**62.2**
Negative goodwill recorded to Operating, selling, administrative and general expenses	**(4.4)**
Total cash consideration paid	**220.9**

The Corporation expects that approximately $44.5 of the goodwill related to these transactions will be deductible for tax purposes.

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill in the amount of $62.2 mainly due to the strategic location of stores acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $633.5 and $6.9, respectively. Considering the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro-forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

Disposal of the liquefied petroleum gas sales ("LPG") operations

On December 7, 2012, the Corporation sold Statoil Fuel & Retail's LPG operations for NOK 130.0 million (approximately $23.0 million) before working capital adjustments. No gain or loss was generated from this disposal.

2012

- In May 2011, the Corporation purchased 11 company-operated stores located in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia from Shell Canada Products. The Corporation leases the land and buildings for four sites and owns both these assets for the other sites.
- In June 2011, the Corporation signed an agreement with ExxonMobil for 322 stores and motor fuel supply agreements for another 65 stores. All stores are operated in Southern California, United States. The transaction is scheduled to close in stages: the first stages occurred during the month of August 2011. The transaction is subject to standard regulatory approvals and closing conditions. The following is a summary of progress made during the 2012 fiscal year and steps that should be completed subsequently:
    - In August 2011, the Corporation purchased one company-operated store for which it owns the land and building and it acquired the motor fuel supply agreements for 63 other stores;
    - In October 2011, the Corporation acquired one company-operated store for which it owns the land and building as well as 83 stores operated by independent operators for which the Corporation owns the buildings and leases the land;
    - At end of October 2011 and beginning of November 2011, the Corporation acquired 72 company-operated stores for which it owns the land and buildings for 37 stores and leases the land and owns the building for the other stores;
    - Between January 29, 2012 and April 29, 2012, the Corporation acquired eight stores operated by independent operators for which the real estate is owned by the Corporation along with the related motor fuel supply agreements. Additionally, during this time period, 13 independent operators elected to accept ExxonMobil's bona fide offer. Consequently, 13 fuel supply agreements were transferred to the Corporation during this period;
- On October 13, 2011, the Corporation acquired from Chico Enterprises Inc., 26 company-operated stores operating in northern West Virginia, United States. The Corporation owns the real estate for 25 sites and owns the building and leases the land for the other site.
- On November 16 and 17, 2011, the Corporation acquired from ExxonMobil, 33 company-operated stores operating under the "On the Run" banner in Louisiana, United States. The Corporation owns the buildings for 33 sites as well as land for 25 sites and leases the land for the other eight sites.
- On December 12, 2011, the Corporation acquired from Neighbors Stores Inc., 11 company-operated stores operating under the "Neighbors" banner in North Carolina, United States. The Corporation owns the buildings for eight sites as well as land for nine sites and leases these same assets for the other sites.
- On April 11, 2012, the Corporation acquired from Dead River Company, 17 company-operated stores operating in Maine, United States. Two quick service restaurants were also transferred to the Corporation. The Corporation owns the buildings and land for 16 sites and leases these same assets for the other three sites.
- During fiscal year 2012, the Corporation also acquired 19 other stores through distinct transactions. The Corporation leases the land and buildings for 11 sites and owns both these assets for the other sites.

Acquisition costs in the amount of $6.8 were included in Operating, selling, administrative and general expenses in connection with these and other unrealized acquisitions.

These acquisitions were settled for a total cash consideration of $380.3. Purchase price allocations based on the estimated fair value on the dates of acquisition are as follows:

	$
Tangible assets acquired	
Inventories	**19.2**
Property and equipment	**281.4**
Other assets	**5.5**
Total tangible assets	**306.1**
Liabilities assumed	
Accounts payable and accrued liabilities	**1.3**
Provisions	**30.9**
Total liabilities	**32.2**
Net tangible assets acquired	**273.9**
Intangible assets	**45.8**
Goodwill	**67.5**
Negative goodwill recorded to Operating, selling, administrative and general expenses	**(6.9)**
Total consideration paid	**380.3**

Approximately $4.8 of the goodwill related to these transactions was deductible for tax purposes.

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill in the amount of $67.5 mainly due to the strategic location of stores acquired.

5. Interest in joint ventures and associated companies

	2013	2012
	$	$
Investment in joint ventures	**81.7**	65.0
Investment in associated companies	**2.5**	-
	84.2	65.0

Investment in joint ventures

The Corporation owns a 50.01% interest in a joint venture, RDK Ventures LLC ("RDK"), which operates convenience stores located in the greater Chicago metropolitan area of the United States. The Corporation also owns varying interests in different joint ventures related primarily to aviation fuel operations in Europe.

The Corporation's investment in joint ventures is recorded according to the equity method. The following amounts represent the Corporation's share of the joint ventures' assets, liabilities, revenues, expenses, net earnings and cash flows:

	2013	2012
	$	$
Balance sheets		
Current assets	**37.5**	25.1
Long-term assets	**103.4**	81.7
Current liabilities	**28.4**	22.9
Long-term liabilities	**30.8**	18.9

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Statements of earnings		
Revenues	**623.0**	546.1
Expenses	**606.8**	524.5
Net earnings	**15.8**	21.6
Statements of cash flows		
Operating activities	**21.0**	25.1
Investing activities	**(6.7)**	(19.7)
Financing activities	**(15.9)**	(11.3)

On May 11, 2011, RDK, purchased four company-operated stores located in the Chicago area, United States, from Gas City, Ltd. RDK leases the land and buildings for one site and owns both these assets for the other sites.

On November 8, 9 and 10, 2011, RDK, acquired from Supervalu Inc., 27 stores operating in the Chicago area, Illinois, United States. The agreement also includes the transfer to RDK of two vacant land parcels. Out of the 27 stores, 14 are company-operated while the other 13 are operated by independent operators. RDK owns the real estate for 24 sites as well as the two vacant land parcels, owns the building and leases the land for two sites and leases both these assets for the remaining site.

Investment in associated companies

The Corporation's investment in associated companies is recorded according to the equity method. The following amounts represent the Corporation's share of its associates' assets, liabilities, revenues and net earnings:

	2013	2012
	$	$
Balance sheets		
Assets	**9.1**	-
Liabilities	**6.5**	-

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Statements of earnings		
Revenues	**4.6**	-
Net earnings	**-**	-

6. Supplementary information relating to expenses

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Cost of sales	**30,933.8**	20,005.2
Selling expenses	**2,506.0**	1,950.2
Administrative expenses	**619.2**	205.4
Operating expenses	**110.0**	-
	34,169.0	22,160.8

Includes rent expense of $322.7 ($243.1 in 2012), net of sub-leasing income of $31.6 ($20.5 in 2012).

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Employee benefit charges		
Salaries	**1,239.4**	776.6
Fringe benefits and other employer contributions	**185.4**	79.0
Employee future benefits (Note 25)	**77.4**	48,2
Termination benefits	**34.8**	1.5
Curtailment gain on defined benefits pension plans obligation (Note 25)	**(19.4)**	-
Stock-based compensation and other stock-based payments (Note 24)	**5.9**	4.8
	1,523.5	910,1

7. Compensation of key management personnel

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Salaries and other current benefits	**9.9**	5.9
Stock-based compensation and other stock-based payments	**2.7**	2.3
Employee future benefits (Note 25)	**3.1**	2.1
	15.7	10.3

Key management personnel comprises Members of the Board of Directors and senior management.

8. Net financial expenses (revenues)

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Financial expenses		
Interest expense		
Interest on long-term debt	**85.8**	5.5
Interest on finance lease obligations	**3.2**	0.6
Interest on bank overdrafts and bank loans	**3.1**	-
Interest on defined benefit plans (Note 25)	**2.8**	2.1
Accretion of provisions (Note 22)	**13.1**	5.9
Other finance costs	**10.0**	1.5
	118.0	15.6
Financial revenues		
Interest on bank deposits	**0.5**	0.2
Other financial revenues	**9.4**	1.0
	9.9	1.2
Foreign exchange gain	**(3.2)**	-
Loss (gain) on foreign exchange forward contracts	**102.9**	(17.0)
Net financial expenses (revenues)	**207.8**	(2.6)

9. Income taxes

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Current income taxes	**196.0**	122.1
Deferred income taxes	**(122.1)**	24.2
	73.9	146.3

The principal items which resulted in differences between the Corporation's effective income tax rates and the combined statutory rates in Canada are detailed as follows:

	2013	2012
	%	%
Combined statutory income tax rate in Canada[a]	**26.90**	27.91
Impact of other jurisdictions' tax rates	**(11.91)**	0.03
Impact of tax rate changes	**(6.23)**	0.11
Other permanent differences	**2.67**	(3.82)
Effective income tax rate	**11.43**	24.23

(a) The Corporation's combined statutory income tax rate in Canada includes the appropriate provincial income tax rates.

The components of deferred income tax assets and liabilities are as follows:

						2013
	Balance as at April 29, 2012	Recognized to earnings	Recognized directly to other comprehensive income or equity	Transfer from income taxes payable	Recognized through business acquisitions	Balance as at April 28, 2013
	$	$	$	$	$	$
Deferred income tax assets						
Property and equipment	(1.8)	4.3	0.7	-	25.0	28.2
Expenses deductible during the following years	11.5	(2.4)	3.4	-	4.6	17.1
Goodwill	(0.6)	(0.6)	(0.2)	-	(8.2)	(9.6)
Deferred charges	3.3	3.3	-	-	-	6.6
Tax attributes	2.3	1.2	-	-	0.6	4.1
Asset retirement obligations	1.5	2.2	-	-	-	3.7
Deferred credits	(1.6)	(0.4)	(0.1)	-	-	(2.1)
Unrealized exchange gain	(2.3)	3.7	(2.2)	-	-	(0.8)
Other	2.1	(2.3)	1.7	-	0.1	1.6
	14.4	9.0	3.3	-	22.1	48.8
Deferred income tax liabilities						
Property and equipment	254.0	(32.9)	17.6	-	286.0	524.7
Goodwill	26.2	(22.4)	3.8	-	138.1	145.7
Expenses deductible during the following years	(55.2)	17.6	(2.2)	-	(48.1)	(87.9)
Intangible assets	68.0	(6.4)	3.0	-	-	64.6
Asset retirement obligations	(21.8)	(12.8)	(1.9)	-	(28.1)	(64.6)
Tax attributes	(1.2)	(72.7)	(2.6)	43.5	(13.7)	(46.7)
Deferred charges	2.3	26.6	-	-	-	28.9
Deferred credits	(10.2)	(2.0)	-	-	-	(12.2)
Revenues taxable during the following years	3.9	(0.3)	-	-	-	3.6
Unrealized exchange gain	1.9	(0.1)	(0.8)	-	-	1.0
Other	(5.8)	(7.7)	5.6	-	12.0	4.1
	262.1	(113.1)	22.5	43.5	346.2	561.2

				2012
	Balance as at April 24, 2011	Recognized to earnings	Recognized directly to other comprehensive income or equity	Balance as at April 29, 2012
	$	$	$	$
Deferred income tax assets				
Expenses deductible during the following years	7.2	4.8	(0.5)	11.5
Deferred charges	1.3	2.0	-	3.3
Tax attributes	1.1	1.2	-	2.3
Unrealized exchange gain	3.8	(9.3)	3.2	(2.3)
Property and equipment	0.1	(1.9)	-	(1.8)
Deferred credits	(0.8)	(0.8)	-	(1.6)
Asset retirement obligations	-	1.5	-	1.5
Goodwill	0.1	(0.7)	-	(0.6)
Other	0.1	-	2.0	2.1
	12.9	(3.2)	4.7	14.4
Deferred income tax liabilities				
Property and equipment	208.6	45.4	-	254.0
Intangible assets	68.8	(0.8)	-	68.0
Expenses deductible during the following years	(49.0)	(6.2)	-	(55.2)
Goodwill	24.1	2.1	-	26.2
Asset retirement obligations	(21.5)	(0.3)	-	(21.8)
Deferred credits	(10.3)	0.1	-	(10.2)
Revenues taxable during the following years	21.2	(17.3)	-	3.9
Deferred charges	1.8	0.5	-	2.3
Unrealized exchange gain	10.2	(5.1)	(3.2)	1.9
Tax attributes	(4.2)	3.0	-	(1.2)
Other	(5.4)	(0.4)	-	(5.8)
	244.3	21.0	(3.2)	262.1

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2013	2012
	$	$
Deferred tax assets:		
Deferred tax asset to be recovered in more than 12 months	**45.6**	15.2
Deferred tax asset to be recovered within 12 months	**3.2**	(0.8)
	48.8	14.4
Deferred tax liabilities:		
Deferred tax liabilities to be settled in more than 12 months	**581.5**	281.1
Deferred tax liabilities to be settled within 12 months	**(20.3)**	(19.0)
	561.2	262.1

Deferred income tax liabilities that would be payable on the retained earnings of certain subsidiaries have not been recognized because such amounts are not expected to materialize in the foreseeable future. Temporary differences related to these investments amounted to $709.0 ($383.2 in 2012).

10. Net earnings per share

The following table presents the information for the computation of basic and diluted net earnings per share:

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Net earnings available to Class A and B shareholders	**572.8**	457.6
Weighted average number of shares (in thousands)	**185,028**	180,420
Dilutive effect of stock options (in thousands)	**1,828**	3,163
Weighted average number of diluted shares (in thousands)	**186,856**	183,583
Basic net earnings per share available for Class A and B shareholders	**3.10**	2.54
Diluted net earnings per share available for Class A and B shareholders	**3.07**	2.49

In calculating diluted net earnings per share for 2013, 35,000 stock options are excluded due to their antidilutive effect (no excluded stock options in 2012).

During fiscal 2013, the Board declared total dividends averaging CA$0.3 per share.

11. Supplementary information relating to the consolidated statements of cash flows

The changes in non-cash working capital are detailed as follows:

	2013 (52 weeks)	2012 (53 weeks)
	$	$
Accounts receivable	**372.5**	3.7
Inventories	**8.1**	(3.7)
Prepaid expenses	**(17.2)**	(5.7)
Accounts payable and accrued liabilities	**(319.1)**	58.8
Income taxes payable	**24.6**	31.6
	68.9	84.7

12. Accounts receivable

	2013	2012
	$	$
Trade accounts receivable and vendor rebates receivable	**966.5**	167.0
Provision for doubtful accounts	**(31.1)**	(1.6)
Trade accounts receivable and vendor rebates receivable - net	**935.4**	165.4
Credit and debit cards receivable	**572.5**	93.5
Other accounts receivable	**108.1**	45.5
	1,616.0	304.4

The following details the aging of trade accounts receivable and vendor rebates receivable that are not impaired:

	2013	2012
	$	$
Not past due	**827.2**	151.1
Past due 1-30 days	**80.2**	7.8
Past due 31-60 days	**6.7**	4.1
Past due 61-90 days	**7.8**	2.2
Past due 91 days and over	**13.5**	0.2
	935.4	165.4

Movements in the Corporation's provision for doubtful accounts are as follows:

	2013	2012
	$	$
Balance, beginning of year	**1.6**	2.3
Business acquisitions	**30.1**	-
Provision for doubtful accounts, net of unused beginning balance	**6.9**	(0.4)
Receivables written off during the year	**(9.2)**	(0.3)
Effect of exchange rate variations	**1.7**	-
Balance, end of year	**31.1**	1.6

13. Inventories

	2013	2012
	$	$
Merchandise	**446.4**	382.9
Road transportation fuel	**329.5**	161.0
Lubricant products	**34.9**	-
Aviation fuel	**31.6**	-
Other products	**3.6**	-
	846.0	543.9

14. Property and equipment

	Land	Building and building components	Equipment	Leasehold improvements	Total
	$	$	$	$	$
Year ended April 28, 2013					
Net book amount, beginning	**683.3**	**434.5**	**925.0**	**205.5**	**2,248.3**
Additions	**93.6**	**169.4**	**180.6**	**42.5**	**486.1**
Business acquisitions (Note 4)	**615.8**	**1,247.9**	**870.2**	**1.9**	**2,735.8**
Disposals	**(46.5)**	**(8.5)**	**(41.6)**	**(1.9)**	**(98.5)**
Depreciation, amortization and impairment expense	**(0.4)**	**(97.8)**	**(279.8)**	**(43.1)**	**(421.1)**
Transfers	**-**	**0.4**	**(0.2)**	**(0.2)**	**-**
Effect of exchange rate variations	**33.6**	**60.0**	**37.9**	**(2.2)**	**129.3**
Net book amount, end	**1,379.4**	**1,805.9**	**1,692.1**	**202.5**	**5,079.9**
As at April 28, 2013					
Cost	**1,379.9**	**2,095.9**	**2,808.1**	**481.0**	**6,764.9**
Accumulated depreciation, amortization and impairment	**(0.5)**	**(290.0)**	**(1,116.0)**	**(278.5)**	**(1,685.0)**
Net book amount	**1,379.4**	**1,805.9**	**1,692.1**	**202.5**	**5,079.9**
Portion related to finance leases	**30.8**	**32.1**	**41.4**	**-**	**104.3**
Year ended April 29, 2012					
Net book amount, beginning	570.1	396.5	785.1	183.7	1,935.4
Additions	13.3	22.8	218.0	50.6	304.7
Business acquisitions (Note 4)	113.6	63.1	88.6	16.1	281.4
Disposals	(12.3)	(9.3)	(16.4)	(2.1)	(40.1)
Depreciation and amortization expense	-	(36.5)	(146.3)	(40.3)	(223.1)
Transfers	-	-	0.7	(0.7)	-
Effect of exchange rate variations	(1.4)	(2.1)	(4.7)	(1.8)	(10.0)
Net book amount, end	683.3	434.5	925.0	205.5	2,248.3
As at April 29, 2012					
Cost	683.3	631.7	1,812.4	454.4	3,581.8
Accumulated depreciation and amortization	-	(197.2)	(887.4)	(248.9)	(1,333.5)
Net book amount	683.3	434.5	925.0	205.5	2,248.3
Portion related to finance leases	-	0.1	12.1	-	12.2

15. Goodwill

	2013	2012
	$	$
Net book amount, beginning of year	**502.9**	440.9
Business acquisitions (Note 4)	**556.1**	67.5
Effect of exchange rate variations	**22.0**	(5.5)
Net book amount, end of year	**1,081.0**	502.9

16. Intangible assets

	Trademarks	**Franchise agreements**	**Software (a)**	**Customer relationships**	**Licenses**	**Fuel supply agreements**	**Other**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Year ended April 28, 2013								
Net book amount, beginning	**154.7**	**-**	**12.7**	**-**	**19.4**	**29.9**	**0.3**	**217.0**
Additions	**-**	**-**	**76.7**	**-**	**0.2**	**-**	**0.5**	**77.4**
Business acquisitions (Note 4)	**275.3**	**141.8**	**44.7**	**144.3**	**-**	**0.8**	**12.6**	**619.5**
Disposals	**-**	**-**	**(0.2)**	**(11.6)**	**-**	**(0.1)**	**-**	**(11.9)**
Depreciation and amortization expense	**(15.8)**	**(15.9)**	**(5.6)**	**(39.3)**	**-**	**(18.6)**	**(0.9)**	**(96.1)**
Effect of exchange rate variations	**15.5**	**6.1**	**3.2**	**3.7**	**-**	**-**	**0.3**	**28.8**
Net book amount, end	**429.7**	**132.0**	**131.5**	**97.1**	**19.6**	**12.0**	**12.8**	**834.7**
As at April 28, 2013								
Cost	**445.9**	**148.5**	**173.7**	**136.9**	**19.6**	**45.9**	**15.8**	**986.3**
Accumulated depreciation and amortization	**(16.2)**	**(16.5)**	**(42.2)**	**(39.8)**	**-**	**(33.9)**	**(3.0)**	**(151.6)**
Net book amount	**429.7**	**132.0**	**131.5**	**97.1**	**19.6**	**12.0**	**12.8**	**834.7**
Year ended April 29, 2012								
Net book amount, beginning	154.7	-	14.1	-	19.3	-	0.5	188.6
Additions	-	-	3.4	-	0.2	-	-	3.6
Business acquisitions (Note 4)	-	-	-	-	-	45.8	-	45.8
Disposals	-	-	-	-	(0.1)	(0.1)	(0.1)	(0.3)
Depreciation and amortization expense	-	-	(4.6)	-	-	(15.8)	(0.1)	(20.5)
Effect of exchange rate variations	-	-	(0.2)	-	-	-	-	(0.2)
Net book amount, end	154.7	-	12.7	-	19.4	29.9	0.3	217.0
As at April 29, 2012								
Cost	154.7	-	50.5	-	19.4	45.5	1.2	271.3
Accumulated depreciation and amortization	-	-	(37.8)	-	-	(15.6)	(0.9)	(54.3)
Net book amount	154.7	-	12.7	-	19.4	29.9	0.3	217.0

(a) The net book amount as at April 28, 2013 includes $113.7 related to a development in progress (none as at April 29, 2012).

17. Other assets

	2013	2012
	$	$
Pension benefit asset (Note 25)	**22.1**	-
Investment contract including an embedded total return swap (Note 26)	**19.1**	13.4
Environmental costs receivable (Note 22)	**11.7**	13.0
Deferred charges, net	**8.1**	9.1
Deposits	**7.7**	7.3
Other	**67.6**	25.4
	136.3	68.2

18. Accounts payable and accrued liabilities

	2013	2012
	$	$
Accounts payable and accrued expenses	1,386.1	696.4
Sales and excise taxes	633.6	91.1
Salaries and related benefits	178.9	74.3
Deferred credits	18.4	14.7
Other	134.1	32.9
	2,351.1	909.4

19. Long-term debt

	2013	2012
	$	$
Unsecured non-revolving acquisition credit facility, maturing in June 2015 (a)	2,197.3	-
Canadian dollar denominated senior unsecured notes (b)	978.7	-
US dollar term revolving unsecured operating credit D, maturing in December 2016 (c)	345.5	116.0
Canadian dollar term revolving unsecured operating credit D, maturing in December 2016 (c)	-	53.0
US dollar term revolving unsecured operating credit A, matured in September 2012 (d)	-	312.7
Canadian dollar term revolving unsecured operating credit A, matured in September 2012 (d)	-	13.6
US dollar term revolving unsecured operating credit B, matured in September 2012 (d)	-	147.3
Canadian dollar term revolving unsecured operating credit B, matured in September 2012 (d)	-	6.7
NOK fixed-rate bonds, 5.75%, maturing in February 2019	2.3	-
NOK floating-rate bonds, 5.04%, maturing in February 2017	2.6	-
Note payable, secured by the assets of certain stores, 8.75%, repayable in monthly instalments, maturing in 2019	2.0	3.6
Obligations related to buildings and equipment under finance leases, rates varying from 1.42% to 12.28%, payable on various dates until 2080	76.7	12.3
	3,605.1	665.2
Current portion of long-term debt	620.8	484.4
	2,984.3	180.8

(a) Unsecured non-revolving acquisition credit facility

As at April 28, 2013, the Corporation has a credit agreement consisting of an unsecured non-revolving acquisition credit facility of an initial maximum amount of $3,200.0 (“acquisition facility”) with an initial term of three years. The acquisition facility was available exclusively to finance, directly or indirectly, the acquisition of Statoil Fuel & Retail ASA and the related acquisition costs or the repayment of any of Statoil Fuel & Retail ASA and its subsidiaries’ outstanding debt. The acquisition facility was available i) in Canadian dollars by the way of prime rate loans or bankers’ acceptances, ii) in US dollars by the way of US base rate loans or LIBOR loans. Depending on the form and the currency of the loan, the amounts borrowed bear interest at variable rates based on the Canadian prime rate, the bankers’ acceptance rate, the US base rate or LIBOR plus a variable margin. Having reached the maximum amount that can be borrowed under the acquisition facility, and given its non-revolving nature, the Corporation can no longer borrow additional amounts under this facility. Under the credit agreement, the Corporation needs to maintain certain financial ratios and respect certain restrictive provisions.

Under this acquisition facility the Corporation is required to make annual repayments in fiscal 2014 and fiscal 2015. The annual repayments are dependent on the level of an adjusted leverage ratio at the date of the calculation as well as on the amount of the Corporation’s excess cash flows and are caped at a certain amount. For fiscal 2014, the repayment will be $603.0. For fiscal 2015, the amount expected to be repaid cannot be reasonably estimated but the maximum amount required to be repaid as per the agreement is $250.0.

As at April 28, 2013, the effective interest rate is 2.37% (rate of 2.25% on borrowed amounts) and the Corporation was in compliance with the restrictive provisions and ratios imposed by the credit agreement.

(b) Canadian dollar denominated senior unsecured notes

On November 1st, 2012, the Corporation issued Canadian dollar denominated senior unsecured notes totalling CA$ 1.0 billion, divided into three tranches:

	Notional amount	Maturity	Coupon rate	Effective rate as at April 28, 2013
Tranche 1	CA$300.0	November 1, 2017	2.861%	3.0%
Tranche 2	CA$450.0	November 1, 2019	3.319%	3.4%
Tranche 3	CA$250.0	November 1, 2022	3.899%	4.0%

The net proceeds from the issuance, which were approximately $997.5 (CA$995.0), were mainly used to repay a portion of the Corporation's unsecured non-revolving acquisition credit facility. The total amount of the notes is subject to cross-currency interest rate swaps (Note 20).

(c) Term revolving unsecured operating credit D

As at April 28, 2013, the Corporation has a credit agreement consisting of a revolving unsecured facility of a maximum amount of $1,275.0, with an initial term of five years. The credit facility is available in the following forms:

- A term revolving unsecured operating credit, available i) in Canadian dollars, ii) in US dollars, iii) in the form of Canadian dollar bankers' acceptances, with stamping fees and iv) in the form of standby letters of credit not exceeding $100.0 or the equivalent in Canadian dollars, with applicable fees. Depending on the form and the currency of the loan, the amounts borrowed bear interest at variable rates based on the Canadian prime rate, the bankers' acceptance rate, the US base rate or LIBOR plus a variable margin; and
- An unsecured line of credit in the maximum amount of $50.0, available in Canadian or US dollars, bearing interest at variable rates based, depending on the form and currency of the loan, on the Canadian prime rate, the US prime rate or the US base rate plus a variable margin.

Standby fees, which vary based on a leverage ratio and on the utilization rate of the credit facility, apply to the unused portion of the credit facility. Stamping fees, standby letters of credit fees and the variable margin used to determine the interest rate applicable to amount borrowed are determined according to a leverage ratio of the Corporation.

Under the credit agreement, the Corporation must maintain certain financial ratios and respect certain restrictive provisions.

As at April 28, 2013, the effective interest is 1.75% (1.1% in 2012) for the US dollar portion and was 2.05% in 2012 for the Canadian dollar portion. In addition, as at April 28, 2013, CA$2.2 (CA$1.4 in 2012) and $28.4 ($28.5 in 2012) are used for standby letters of credit. As at April 28, 2013 and April 29, 2012, the available line of credit was unused and the Corporation was in compliance with the restrictive provisions and ratios imposed by the credit agreement.

(d) Term revolving unsecured operating credits A, B and C

As at April 29, 2012, the Corporation had credit agreements consisting of three revolving unsecured facilities of initial maximum amounts of $326.0 (Operating credit A), $154.0 (Operating credit B) and $40.0 (Operating credit C) each, with initial terms of five years, 51 months and 42 months respectively.

The credit facilities were available in the form of a term revolving unsecured operating credit, available i) in Canadian dollars, ii) in US dollars, iii) in the form of Canadian dollar bankers' acceptances, with stamping fees and iv) in the form of standby letters of credit not exceeding $50.0 or the equivalent in Canadian dollars, with applicable fees. Depending on the form and the currency of the loan, the amounts borrowed bore interest at variable rates based on the Canadian prime rate, the bankers' acceptance rate, the US base rate or the LIBOR rate plus a variable margin.

Standby fees, which varied based on a leverage ratio and on the utilization rate of the credit facilities, applied to the unused portion of the credit facilities. Stamping fees, standby letters of credit fees and the variable margin used to determine the interest rate applicable to amounts borrowed were determined according to a leverage ratio of the Corporation. Under the credit agreements, the Corporation needed to maintain certain financial ratios and respect certain restrictive provisions.

These operating credits matured in September 2012, were repaid and can no longer be used by the Corporation.

Term revolving unsecured operating credit E

As at April 28, 2013, the Corporation has a credit agreement consisting of a revolving unsecured facility of an initial maximum amount of $50.0 with an initial term of 50 months. The credit facility is available in the form of a revolving unsecured operating credit, available in US dollars. The amounts borrowed bear interest at variable rates based on the US base rate or the LIBOR rate plus a variable margin.

Standby fees, which vary based on a leverage ratio and on the utilization rate of the credit facility, apply to the unused portion of the credit facility. The variable margin used to determine the interest rate applicable to amounts borrowed is determined according to a leverage ratio of the Corporation.

Under the credit agreement, the Corporation must maintain certain financial ratios and respect certain restrictive provisions.

As at April 28, 2013, Operating credit E was unused.

Bank overdraft facilities

The Corporation has access to bank overdraft facilities totalling approximately $336.0. As of April 28, 2013, these were unused.

Instalments on obligations related to finance leases for the next fiscal years are as follows:

	Obligations related to buildings and equipment under finance leases
	$
2014	19.2
2015	27.4
2016	10.7
2017	5.5
2018	4.5
2019 and thereafter	24.3
	91.6
Interest expense included in minimum lease payments	14.9
	76.7

20. Cross-currency interest rate swaps

On November 1, 2012, the Corporation entered into cross-currency interest rate swap agreements for a total notional amount of CA$1.0 billion, allowing it to synthetically convert its Canadian dollar denominated debt into US dollars.

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Fair value as at April 28, 2013	Maturity
CA$300.0	2.861%	US$300.7	2.0340%	$5.1	November 1, 2017
CA$125.0	3.319%	US$125.4	2.7325%	$2.6	November 1, 2019
CA$20.0	3.319%	US$20.1	2.7325%	$0.4	November 1, 2019
CA$305.0	3.319%	US$305.9	2.7400%	$6.8	November 1, 2019
CA$125.0	3.899%	US$125.4	3.4900%	$2.9	November 1, 2022
CA$125.0	3.899%	US$125.4	3.4925%	$2.6	November 1, 2022
Total financial liabilities				$20.4	

The cross-currency interest rate swap agreements were designated as a foreign exchange hedge of the Corporation's net investment in its U.S. operations.

21. Deferred credits and other liabilities

	2013	2012
	$	$
Deferred rent expense	**47.4**	41.2
Deferred branding credits	**16.2**	13.8
Deferred credits	**16.4**	4.6
Other liabilities	**76.7**	62.3
	156.7	121.9

22. Provisions

The reconciliation of the Corporation's main provisions is as follows:

	Asset retirement obligations (a)	Provision for site restoration costs (b)	Restructuring provision (c)	Provision for workers' compensation (d)	Provision for general liability (d)	Other provisions	Total
	$	$	$	$	$	$	$
2013							
Balance, beginning of year	**66.5**	**52.3**	**-**	**25.7**	**13.1**	**-**	**157.6**
Business acquisitions (Note 4)	**166.5**	**58.9**	**-**	**-**	**-**	**5.2**	**230.6**
Liabilities incurred	**3.7**	**9.6**	**34.0**	**15.7**	**10.7**	**1.3**	**75.0**
Liabilities settled	**(3.3)**	**(19.6)**	**-**	**(14.6)**	**(8.8)**	**(0.2)**	**(46.5)**
Accretion expense	**12.5**	**0.3**	**-**	**0.3**	**-**	**-**	**13.1**
Reversal of provisions	**(0.1)**	**(4.2)**	**-**	**-**	**-**	**-**	**(4.3)**
Change in estimates	**15.6**	**0.5**	**-**	**0.9**	**0.2**	**-**	**17.2**
Effect of exchange rate variations	**8.5**	**3.2**	**0.1**	**-**	**-**	**0.8**	**12.6**
Balance, end of year	**269.9**	**101.0**	**34.1**	**28.0**	**15.2**	**7.1**	**455.3**
Current portion of provisions							**96.5**
Long-term portion of provisions							**358.8**
2012							
Balance, beginning of year	60.8	25.5	-	25.0	13.7	-	125.0
Business acquisitions (Note 4)	2.1	28.8	-	-	-	-	30.9
Liabilities incurred	0.7	8.9	-	14.3	5.5	-	29.4
Liabilities settled	(1.5)	(7.8)	-	(14.3)	(6.3)	-	(29.9)
Accretion expense	4.8	0.3	-	0.7	0.1	-	5.9
Reversal of provisions	-	(3.1)	-	-	-	-	(3.1)
Change in estimates	-	(0.2)	-	-	0.1	-	(0.1)
Effect of exchange rate variations	(0.4)	(0.1)	-	-	-	-	(0.5)
Balance, end of year	66.5	52.3	-	25.7	13.1	-	157.6
Current portion of provisions							50.1
Long-term portion of provisions							107.5

(a) The total undiscounted amount of estimated cash flows to settle the asset retirement obligations is approximately $519.0 and is expected to be incurred over the next 40 years. Should changes occur in estimated future removal costs, tank useful lives, lease terms or governmental regulatory requirements, revisions to the liability could be made.
(b) Site restoration costs should be disbursed over the next 20 years.
(c) Restructuring costs should be settled over the next two years.
(d) Workers' compensation and general liability indemnities should be disbursed over the next five years.

Environmental costs

The Corporation is subject to Canadian, US and European legislations governing the storage, handling and sale of road transportation fuel and other petroleum-based products. The Corporation considers that it is compliant with all important aspects of the current environmental legislations.

The Corporation has an ongoing training program for its employees on environmental issues and performs preventive site testing and site restoration in cooperation with regulatory authorities. The Corporation also examines its motor fuel equipment annually.

In each of the US states in which the Corporation operates, with the exception of Michigan, Iowa, Florida, Arizona, Texas, West Virginia and Washington State, there is a state fund to cover the cost of certain environmental remediation activities after the applicable trust fund deductible is met, which varies by state. These state funds provide insurance for motor fuel facilities operations to cover some of the costs of cleaning up certain contamination to the environment caused by the usage of road transportation fuel equipment. Road transportation fuel storage tank registration fees and/or a motor fuel tax in each of the states finance the trust funds. The Corporation pays annual registration fees and remits sales taxes to applicable states. Insurance coverage is different in the various states.

In order to provide for the above-mentioned restoration costs, the Corporation has recorded a $101.0 provision for environmental costs as at April 28, 2013 ($52.3 as at April 29, 2012). Of this amount, $34.8 ($19.6 as at April 29, 2012) is included in current provisions and the remainder is included in long-term provisions. Furthermore, the Corporation has recorded an amount of $13.9 for environmental costs receivable from trust funds as at April 28, 2013 ($15.1 as at April 29, 2012), of which $2.2 ($2.1 as at April 29, 2012) is included in Accounts receivable and the remainder is included in Other assets.

Notes to the Consolidated Financial Statements

For the fiscal years ended April 28, 2013 and April 29, 2012
(in millions of US dollars, except share and stock option data)

23. Capital stock

Authorized

Unlimited number of shares without par value

- First and second preferred shares issuable in series, non-voting, ranking prior to other classes of shares with respect to dividends and payment of capital upon dissolution. The Board of Directors is authorized to determine the designation, rights, privileges, conditions and restrictions relating to each series of shares prior to their issuance.
- Class A multiple voting and participating shares, ten votes per share except for certain situations which provide for only one vote per share, convertible into Class B subordinate voting shares on a share-for-share basis at the holder's option. Under the articles of amendment, no new Class A multiple voting shares may be issued.
- Class B subordinate voting and participating shares, convertible automatically into Class A multiple voting shares on a share-for-share basis upon the occurrence of certain events.

The order of priority for the payment of dividends is as follows:

- first preferred shares;
- second preferred shares; and
- Class B subordinate voting shares and Class A multiple voting shares, ranking pari passu.

Issued and fully paid

The changes in number of outstanding shares are as follows:

	2013	2012
Class A multiple voting shares		
Balance, beginning of year	**53,686,412**	53,694,712
Repurchase and cancellation of shares [(a)]	**-**	(3,700)
Conversion into Class B shares	**(4,319,132)**	(4,600)
Balance, end of year	**49,367,280**	53,686,412
Class B subordinate voting shares		
Balance, beginning of year	**125,366,596**	129,899,045
Repurchase and cancellation of shares [(a)]	**-**	(6,969,200)
Issued on public offering [(b)]	**7,302,500**	-
Issued as part of a previous acquisition	**176**	992
Issued on conversion of Class A shares	**4,319,132**	4,600
Stock options exercised	**1,213,657**	2,431,159
Balance, end of year	**138,202,061**	125,366,596

(a) Since October 25, 2011, the Corporation had a share repurchase program which expired on October 24, 2012. This program allowed the Corporation to repurchase up to 2,684,420 of the 53,688,412 Class A multiple voting shares and up to 11,126,400 of the 111,264,009 Class B subordinate voting shares issued and outstanding as at October 11, 2011 (representing 5.0% of the Class A multiple voting shares issued and outstanding and 10.0% of the Class B subordinate voting shares of the public float, as at that date, respectively, as defined by applicable rules). In accordance with Toronto Stock Exchange requirements, the Corporation could repurchase a daily maximum of 1,000 Class A multiple voting shares and of 82,118 Class B subordinate voting shares. When making such repurchases, the number of Class A multiple voting shares and of Class B subordinate voting shares in circulation is reduced and the proportionate interest of all remaining shareholders in the Corporation's share capital is increased on a pro rata basis. All shares repurchased under the share repurchase program were cancelled upon repurchase. The Corporation did not repurchase any shares under this program during the year ended on April 28, 2013.

(b) On August 14, 2012, the Corporation issued 7,302,500 Class B subordinate voting shares at a price of CA$47.25 per share, for gross proceeds of approximately CA$345.0 ($347.9). The net proceeds of the issuance, approximately CA$330.0 ($333.4), were mainly used to repay a portion of the Corporation's revolving unsecured operating credits then outstanding.

24. Stock-based compensation and other stock-based payments

Stock option plan

The Corporation has a stock option plan (the "Plan") under which it has authorized the grant of up to 16,892,000 stock options for the purchase of its Class B subordinate voting shares.

Stock options have up to a ten-year term, vest 20.0% on the date of the grant and cumulatively thereafter on each anniversary date of the grant and are exercisable at the designated market price on the date of grant. The grant price of each stock option shall not be set below the weighted average closing price for a board lot of the Class B shares on the Toronto Stock Exchange for the five days preceding the grant. Each stock option is exercisable into one Class B share of the Corporation at the price specified in the terms of the stock option. To allow option holders to proceed with a cashless exercise of their options, the plan allows them to elect to receive a number of subordinate shares equivalent to the difference between the total number of subordinate shares underlying the options exercised and the number of subordinate shares required to settle the exercise of the options.

The table below presents the status of the Corporation's stock option plan as at April 28, 2013 and April 29, 2012 and the changes therein during the years then ended:

	2013		2012	
	Number of stock options	**Weighted average exercise price**	Number of stock options	Weighted average exercise price
		CA$		CA$
Outstanding, beginning of year	**3,488,504**	**13.42**	5,957,180	11.25
Granted	**35,000**	**47.60**	-	-
Exercised	**(1,270,324)**	**8.99**	(2,460,676)	8.15
Forfeited	**(420)**	**16.57**	(8,000)	16.35
Outstanding, end of year	**2,252,760**	**16.45**	3,488,504	13.42
Exercisable stock options, end of year	**2,180,230**	**16.02**	3,352,964	13.29

For options exercised in fiscal 2013, the weighted average share price at the date of exercise was CA$48.16 (CA$30.25 in 2012).

The following table presents information on the stock options outstanding and exercisable as at April 28, 2013:

	Options outstanding			Options exercisable	
Range of exercise prices	**Number of stock options outstanding as at April 28, 2013**	Weighted average remaining contractual life (years)	Weighted average exercise price	Number of stock options exercisable as at April 28, 2013	Weighted average exercise price
CA$			CA$		CA$
8 – 12	**815,000**	0.48	10.13	815,000	10.13
12 – 16	**151,930**	5.38	13.95	148,930	13.97
16 – 20	**866,230**	3.39	17.72	824,700	17.69
20 – 26	**384,600**	3.59	25.13	384,600	25.13
26 – 48	**35,000**	9.26	47.60	7,000	47.60
	2,252,760		16.45	2,180,230	16.02

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

	2013	2012
Expected dividends (per share)	CA$0.30	-
Expected volatility	30.00%	-
Risk-free interest rate	1.55%	-
Expected life	8 years	-

The weighted average fair value of stock options granted was CA$16.70.

For 2013, compensation cost charged to the consolidated statements of earnings amounts to $0.5 ($0.4 in 2012).

Deferred Share Unit Plan

The Corporation has a Deferred Share Unit Plan for the benefit of its external directors allowing them, at their option, to receive all or a portion of their annual compensation and directors' fee in the form of Deferred Share Units ("DSU"). A DSU is a notional unit, equivalent in value to the Corporation's Class B share. Upon leaving the Board of Directors, participants are entitled to receive the payment of their cumulated DSUs either a) in the form of cash based on the price of the Corporation's Class B shares as traded on the open market on the date of payment, or b) in Class B shares bought by the Corporation on the open market on behalf of the participant.

The DSU expense and the related liability are recorded at the grant date. The liability is adjusted periodically to reflect any variation in the market value of the Class B shares. As at April 28, 2013, the Corporation has a total of 67,325 DSUs outstanding (80,723 as at April 29, 2012) and an obligation of $4.0 ($3.5 as at April 29, 2012) is recorded in deferred credits and other liabilities. The compensation cost amounts to $1.7 in 2013 ($1.8 in 2012).

Phantom Stock Units

The Corporation has a Phantom Stock Units ("PSU") Plan allowing the Board of Directors, through its Human Resources and Corporate Governance Committee, to grant PSUs to the officers and selected key employees of the Corporation (the "Participants"). A PSU is a notional unit whose value is based on the weighted average reported closing price for a board lot of the Corporation's Class B subordinated voting share (the "Class B share") on the Toronto Stock Exchange for the five trading days immediately preceding the grant date. The PSU provides the Participant with the opportunity to earn a cash award. Each PSU initially granted vests no later than one day prior to the third anniversary of the grant date subject namely to the achievement of performance objectives of the Corporation, based on external and internal benchmarks, over a three-year performance period. PSUs are not dilutive since they are payable solely in cash.

The table below presents the status of the Corporation's PSU plan as at April 28, 2013 and April 29, 2012 and the changes therein during the years then ended in number of units:

	2013	2012
Outstanding, beginning of year	**435,883**	367,617
Granted	**217,628**	140,626
Paid	**(135,121)**	(11,103)
Cancelled	**(15,745)**	(61,257)
Outstanding, end of year	**502,645**	435,883

As at April 28, 2013, an obligation of $6.8 is recorded in accounts payable and accrued liabilities ($5.7 in 2012) and $7.7 is recorded in Deferred credits and other liabilities ($6.4 as at April 29, 2012). The obligation is subject to an embedded total return swap (Note 17). For 2013, the compensation cost amounts to $3.7 ($2.6 for 2012).

25. Employee future benefits

The Corporation has a number of funded and unfunded defined benefit and defined contribution plans that provide retirement benefits to certain employees.

Defined benefit plans

The Corporation measures its accrued defined benefit obligation and the fair value of plan assets for accounting purposes on the last Sunday of April of each year.

The Corporation has defined benefits plans in Canada and in the United States. Those plans provide benefits based on average earnings at retirement, or based on the years with the highest salaries, and the number of years of service. The most recent actuarial valuation of the pension plans for funding purposes was as at December 31, 2012 and the next required valuation will be as at December 31, 2013. Additionally, through its acquisition of Statoil Fuel & Retail on June 19, 2012, the Corporation now sponsors defined benefit plans in Norway and Sweden. Those plans also provide benefits based on salary at retirement and number of years of service.

Some plans include benefits adjustments in line with the retail price index whereas most of them do not provide such adjustments. The majority of the benefit payments are from trustee-administered funds; however, there are also a number of unfunded plans where the Corporation meets the benefit payment obligation as it falls due. Plan assets held in trusts are governed by local regulations and practice in each country, as is the nature of the relationship between the Corporation and the trustees and their composition. Responsibility for governance of the plans, investment decisions and contribution schedules lies jointly with the plan committees and the Corporation.

Information about the Corporation's defined benefit plans, in aggregate, is as follows:

	2013	2012
	$	$
Present value of accrued defined benefit obligation		
Balance, beginning of year	**64.5**	58.0
Business acquisition	**408.7**	-
Current service cost	**15.5**	1.1
Interest cost	**13.2**	3.3
Benefits paid	**(20.3)**	(3.3)
Loss from change in demographic assumptions	**37.4**	-
(Gain) loss from change in financial assumptions	**(52.6)**	3.1
Experience gains	**(2.8)**	3.8
Curtailment gain	**(19.4)**	-
Effect of exchange rate fluctuations	**14.4**	(1.5)
Balance, end of year	**458.6**	64.5
Plans' assets		
Fair value, beginning of year	**25.0**	25.5
Business acquisition	**342.2**	-
Interest income	**10.4**	1.2
Return on asset (excluding amounts included in interest income)	**(16.7)**	0.3
Employer contributions	**10.7**	0.9
Benefits paid	**(14.2)**	(2.1)
Administrative expenses	**(0.6)**	(0.1)
Effect of exchange rate fluctuations	**14.2**	(0.7)
Fair value, end of year	**371.0**	25.0

Reconciliation of the funded status of the benefit plans to the amount recorded in the consolidated financial statements:

	2013	2012
	$	$
Present value of defined benefit obligation for funded pension plans	**(352.4)**	(25.6)
Fair value of plans' assets	**371.0**	25.0
Funded status of plan – surplus (deficit)	**18.6**	(0.6)
Present value of defined benefit obligation for unfunded pension plans	**(106.2)**	(38.9)
Accrued pension benefit liability	**(87.6)**	(39.5)

The pension benefit asset of $22.1 (none as at April 29, 2012) is included in Other assets and the pension benefit liability of $109.7 ($39.5 as at April 29, 2012) is presented separately in the consolidated balance sheets.

The defined benefit obligation and plan assets are composed by country as follows:

	Canada	**United States**	**Norway**	**Sweden**	**Total**
2013	**$**	**$**	**$**	**$**	**$**
Present value of defined benefit obligation	**(65.9)**	**(5.7)**	**(263.9)**	**(123.1)**	**(458.6)**
Fair value of plans' assets	**25.7**	**-**	**209.0**	**136.3**	**371.0**
Funded status of plan – surplus (deficit)	**(40.2)**	**(5.7)**	**(54.9)**	**13.2**	**(87.6)**
2012					
Present value of defined benefit obligation	(60.9)	(3.6)	-	-	(64.5)
Fair value of plans' assets	25.0	-	-	-	25.0
Funded status of plan – surplus (deficit)	(35.9)	(3.6)	-	-	(39.5)

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As at the measurement date, plans' assets consist of:

	2013				2012			
	Quoted	**Unquoted**	**Total**		Quoted	Unquoted	Total	
	$	**$**	**$**	**%**	$	$	$	%
Cash and cash equivalents	**8.0**	**-**	**8.0**	**2.2**	0.6	-	0.6	2.4
Equity securities	**87.3**	**6.5**	**93.8**	**25.3**	7.7	-	7.7	30.8
Debt instruments								
Government	**106.6**	**5.9**	**112.5**	**30.3**	11.9	-	11.9	47.6
Corporate	**93.5**	**10.9**	**104.4**	**28.1**	4.8	-	4.8	19.2
Real estate	**-**	**30.1**	**30.1**	**8.1**	-	-	-	-
Other assets	**14.9**	**7.3**	**22.2**	**6.0**	-	-	-	-
Total	**310.3**	**60.7**	**371.0**	**100.0**	25.0	-	25.0	100.0

The Corporation's pension benefit expense for the fiscal year is determined as follows:

	2013	2012
	$	$
Current service cost, net of employee contributions	**15.5**	1.1
Administrative expenses	**0.6**	0.1
Pension expense for the year	**16.1**	1.4
Net interest expense	**2.8**	2.1
Curtailment gain	**(19.4)**	-
Amount recognized in earnings for the year	**(0.5)**	3.5

The pension expense for the year is included in Operating, selling, administrative and general expenses in the consolidated statement of earnings, the curtailment gain is presented separately in the consolidated statement of earnings while the net interest expense is included in Financial expenses.

The amount recognized in Other comprehensive income for the fiscal year is determined as follows:

	2013	2012
	$	$
Loss (gain) from change in demographic assumptions	**37.4**	-
(Gain) loss from change in financial assumptions	**(52.6)**	3.1
Experience (gain) loss	**(2.8)**	3.8
Return on asset (excluding amounts included in interest income)	**16.7**	(0.3)
Amount recognized in Other comprehensive income	**(1.3)**	(6.6)

The Corporation expects to make a contribution of $15.4 to the defined benefit plans during the next financial year.

The significant weighted average actuarial assumptions which management considers the most likely to determine the accrued benefit obligations and the pension expense are the following:

	2013				2012			
	Canada	**United States**	**Norway**	**Sweden**	Canada	United States	Norway	Sweden
	%	**%**	**%**	**%**	%	%	%	%
Discount rate	**3.95**	**3.95**	**4.00**	**3.25**	4.80	4.80	-	-
Rate of compensation increase	**3.70**	**4.00**	**3.75**	**2.50**	3.90	4.00	-	-
Rate of benefit increase	**2.25**	**2.25**	**0.75**	**1.50**	2.25	2.25	-	-
Rate of social security base amount increase (*G-amount*)	**-**	**-**	**3.50**	**2.50**	-	-	-	-

The Corporation uses mortality tables provided by regulatory authorities and actuaries associations in each country. In 2013, a new mortality table was issued by The Financial Supervisory Authority of Norway. This had an impact on the defined benefit obligation in Norway. The mortality table previously used was the last available, which was issued in 2005. The G-amount is the expected increase of pensions paid from the state. In some European countries, the Corporation is responsible for the difference between what the pensioners receive from the state and the entitled pension based on their salary at the time of retirement.

The weighted average duration of the defined benefit obligation of the Corporation is 16 years.

The sensitivity of the defined benefit obligation to changes in the weighted principal actuarial assumptions is as follows:

	Change in assumption %	Increase in assumption	Decrease in assumption
Discount rate	0.50	Decrease by 7.9%	Increase by 9.1%
Rate of compensation increase	0.50	Increase by 3.2%	Decrease by 2.9%
Rate of benefit increase	0.50	Increase by 6.6%	Decrease by 6.2%
Rate of social security base amount increase (*G-amount*)	0.50	Increase by 0.2%	Decrease by 0.0%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, because changes in some of the assumptions may be correlated. When calculating the above sensitivity analyses, the same method has been applied as when calculating the pension liability recognized in the consolidated balance sheet.

Through its defined benefit pension plans, the Corporation is exposed to the following risks:

Asset returns: The value of the plans defined benefit obligations is calculated using a discount rate set with reference to corporate bond yields. If plan assets underperform this yield, this will create a deficit. All of the capitalized plans hold a significant proportion of equities, which are expected to outperform corporate bonds in the long term. Furthermore, the Corporation actively monitors the performance of the assets to ensure the expected return. To mitigate the risks of assets underperforming, investment policies require a diversified portfolio that spreads risk across different types of instruments.

Changes in bond yields: A decrease in corporate bond yields will increase plan defined benefit obligations. However, this same decrease will increase existing bond values held by the various plans.

Change in demographic assumptions: A change in demographic assumptions (rate of salary increase or pension increase, change in mortality table) will increase or decrease the obligation.

For funded plans, the individual plans have investment policy objectives to have investment average length in line with the average expected life of the obligation and scheduled benefits payments. The Corporation and the trustees, actively monitor that the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension benefits payments. Also, as presented above, to mitigate the risks, the investments are well diversified. The Corporation does not use derivatives to offset its risk and has not changed the processes from previous fiscal year.

In Europe, it is the Corporation's responsibility to make contributions or not in the defined benefit plans. The Corporation contributes to these plans except when they are overcapitalized. The majority of funded plans in Europe are currently in surplus position. For the other funded plans, the Corporation makes payments based on the actuaries' recommendations and existing regulations. In Canada, only one plan is funded and currently runs a deficit. The Corporation is committed to make special payments in the coming years to eliminate the deficit. These contributions have no significant impact on the cash flow of the Corporation. The Corporation does not have a funded plan in the United States.

The Corporation recorded a curtailment gain on its pension obligation on some of its defined benefits pension plans. This planned curtailment results from Statoil Fuel & Retail's restructuring.

Defined contribution plans

The Corporation's total pension expense under its defined contribution plans and mandatory governmental plans for 2013 is $61.9 ($46.8 in 2012).

Deferred compensation plan – United States operations

The Corporation sponsors a deferred compensation plan that allows certain employees in its US operations to defer up to 25.0% of their base salary and 100.0% of their cash bonuses for any given year. Interest accrued on the deferral and amounts due to the participants are generally payable on retirement, except in certain limited circumstances. Obligations under this plan amount to $18.3 as at April 28, 2013 ($15.0 as at April 29, 2012) and are included in Deferred credits and other liabilities.

26. Financial instruments and capital risk management

Financial risk management objectives and policies

The Corporation's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, credit risk, liquidity risk and price risk. The Corporation uses forwards to hedge certain risk exposures, primarily foreign currency and price risk as well as a cross currency interest rate swap to hedge its foreign currency risk on a portion of its long-term debt.

Foreign currency risk

A large portion of the Corporation's consolidated revenues and expenses are received or denominated in the functional currency of the markets in which it does business. Accordingly, the Corporation's sensitivity to variations in foreign exchange rates is economically limited.

The Corporation is exposed to foreign currency risk with respect to a portion of its aviation fuel operations for which purchases and sales are denominated in different currencies. To mitigate this risk, the Corporation holds cross currency swaps.

The Corporation is also exposed to foreign currency risk with respect to a portion of its long-term debt denominated in US dollars and certain intercompany loans. As at April 28, 2013, with all other variables held constant, a hypothetical variation of 5.0% of the US dollar against the Canadian dollar would have had a net impact of $4.6 on net earnings. As at April 28, 2013, the Corporation did not hold any other derivative instruments to mitigate this risk.

The Corporation was also exposed to foreign currency risk with respect to its acquisition of Statoil Fuel & Retail for which the purchase price was denominated in Norwegian kroners ("NOK") and was financed using the Corporation's acquisition facility denominated in US dollars. The hypothetical weakening of the US dollar against the NOK would have increased the Corporation's US dollar cash requirements in order to close the acquisition of Statoil Fuel & Retail. To mitigate this risk and because of the lack of liquidity in the currency market for the NOK, the Corporation entered into foreign exchange forward contracts (hereinafter, "forwards") with reputable financial institutions allowing it to predetermine a significant portion of the disbursement it planned to make in US dollars for the acquisition of Statoil Fuel & Retail.

In total, from April 10, 2012 to June 12, 2012, the Corporation entered into forwards requiring it to deliver US$3.47 billion in exchange for NOK 20.14 billion, representing a weighted average rate of NOK 5.8082 per US dollar which is a favorable rate compared to the rate of NOK 5.75 per US dollar in effect on April 18, 2012, date of the announcement of the offer to acquire Statoil Fuel & Retail.

Subsequently, the Corporation modified the original maturity dates of certain forwards to make them coincide with the actual disbursement dates for the payment of Statoil Fuel & Retail shares and the repayment of certain of Statoil Fuel & Retail debts. Thus, from June 15, 2012 to August 24, 2012, the Corporation settled all of the forwards to pay for Statoil Fuel & Retail shares and certain of its debts.

During fiscal 2013, the Corporation recorded to earnings losses of $102.9, in relation with these forwards (gain of $17.0 in 2012).

Interest rate risk

The Corporation's fixed rate long-term debt is exposed to a risk of change in fair value due to changes in interest rates. As at April 28, 2013, the Corporation did not hold any derivative instruments to mitigate this risk.

The Corporation is exposed to a risk of change in cash flows due to changes in interest rates on its variable rate long-term debt. As at April 28, 2013, the Corporation did not hold any derivative instruments to mitigate this risk. The Corporation analyzes its cash flow exposure on an ongoing basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Corporation calculates the impact on net earnings of a defined interest rate shift. Based on variable rate long-term debt balances as at April 28, 2013, the impact on net earnings of a 1.0% shift in interest rates would have been $18.6.

Credit risk

The Corporation is exposed to credit risk with respect to Cash and cash equivalents, Trade accounts receivable and vendor rebates receivable, Credit and debit cards receivable, the investment contract including an embedded total return swap and the cross-currency interest rate swaps.

Key elements of the Corporation's credit risk management approach include credit risk policies, credit mandates, an internal credit rating process, credit risk mitigation tools and continuous monitoring and management of credit exposures. Prior to entering into transactions with new counterparties, the Corporation's credit policy requires counterparties to be formally identified, approved, and assigned internal credit ratings as well as exposure limits. Once established, counterparties are re-assessed according to policy and monitored continuously. Counterparty risk assessments are based on a quantitative and qualitative analysis of recent financial statements, when available, and other relevant business information. In addition, the Corporation evaluates any past payment performance, the counterparties' size and business diversification, and the inherent industry risk. The internal credit ratings reflect the Corporation's assessment of the counterparties' credit risk. The Corporation has maximum credit exposures for individual counterparties. The Corporation monitors outstanding balances and individual exposures against limits on a regular basis.

Credit risk related to Trade accounts receivable and vendor rebates receivable related to convenience stores' operations is limited considering the nature of the Corporation's activities and its counterparties. As at April 28, 2013, no single creditor accounted for over 10.0% of total Trade accounts receivable and vendor rebates receivable and the related maximum credit risk exposure corresponds to their carrying amount.

The Corporation mitigates the credit risk related to Cash and cash equivalents and Credit and debit cards receivable by dealing with major financial institutions that have very low or minimal credit risk. As at April 28, 2013, the maximum credit risk exposure related to Cash and cash equivalents and Credit and debit cards receivable corresponds to their carrying amount in addition to the credit risk exposure related to the Statoil/MasterCard credit cards as described below.

The Corporation offers a variety of transportation fuel loyalty cards to its business-to-business and business-to-consumer customers as a means of attracting and retaining customers. These cards provide for approximately 10-45 days delayed payment terms depending on applicable credit criteria. The Corporation also offers various credit or delayed payment terms to its stationary energy, lubricants and aviation fuel customers.

In some European markets, customers can settle their purchases by the use of a combined Statoil/MasterCard credit card. The Corporation has entered into agreements whereby the risks and rewards related to the credit cards, such as fee income, administration expenses and bad debt, are shared between the Corporation and external banks. Outstanding balances are charged to the customer monthly. The Corporation's exposure as at April 28, 2013 relates to receivables of $254.1, of which $125.9 was interest bearing. These receivables are not

recognized in the Corporation's consolidated balance sheet. For fiscal 2013, the expensed losses were not significant. In light of accurate credit assessments and continuous monitoring of outstanding balances, the Corporation believes that the credits do not represent any significant risk. The income and risks related to these arrangements with the banks are reported, settled and accounted for on a monthly basis.

The Corporation is exposed to credit risk arising from its embedded total return swap and cross-currency interest rate swaps when these swaps result in a receivable from the financial institutions. In accordance with its risk management policy, to reduce this risk, the Corporation has entered into these swaps with major financial institutions with a very low credit risk.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulties in meeting its obligations associated with financial liabilities and lease commitments. The Corporation is exposed to this risk mainly through its Long-term debt, Accounts payable and accrued expenses and lease agreements. The Corporation's liquidities are provided mainly by cash flows from operating activities and borrowings available under its revolving credit facilities.

On an ongoing basis, the Corporation monitors rolling forecasts of its liquidity reserve on the basis of expected cash flows taking into account operating needs, tax situation and capital requirements and ensures that it has sufficient flexibility under its available liquidity resources to meet its obligations.

The contractual maturities of financial liabilities as at April 28, 2013 are as follows:

	Carrying amount	Contractual cash flows	Less than one year	Between one and two years	Between two and five years	More than five years
	$	$	$	$	$	$
Non-derivative financial liabilities (1)						
Accounts payable and accrued liabilities (2)	1,670.4	1,670.4	1,670.4	-	-	-
Unsecured non-revolving acquisition credit facility	2,197.3	2,279.3	638.2	35.2	1,605.9	-
Senior unsecured notes	978.7	1,154.8	32.7	32.7	388.9	700.5
Term revolving unsecured operating credit D	345.5	367.0	6.0	6.0	355.0	-
NOK fixed-rate bonds	2.3	2.9	0.1	0.1	0.3	2.4
NOK floating-rate bonds	2.6	3.0	0.1	0.1	2.8	-
Other long-term debt	78.7	94.8	19.8	27.8	22.1	25.1
	5,275.7	5,572.2	2,367.3	101.9	2,375.0	728.0

(1) Based on spot rates, as at April 28, 2013, for balances in Canadian dollars, in NOK and balances bearing interest at variable rates.
(2) Excludes deferred credits as well as statutory accounts payable and accrued liabilities such as sales taxes, excise taxes, property taxes and certain payroll benefits.

Price risk

The Corporation's sales of refined oil products, which include road transportation fuel, stationary energy, aviation fuel and lubricants, constitute a material share of its gross profit. As a result, its business, financial position, results of operation and cash flows are affected by changes in the commodity prices of such products. The Corporation seeks to pass on any changes in purchase prices to its customers by adjusting sales prices to reflect changes in refined oil products prices. The time lag between a change in refined oil products prices and a change of prices of fuel sold by the Corporation can impact on the gross margin on sales of these products. As at April 28, 2013, the Corporation did not hold any other derivative instruments to mitigate this risk.

The Corporation is exposed to price risk with respect to its obligation related to its PSU Plan which fluctuates in part with the fair value of the Corporation's Class B shares. To mitigate this risk, the Corporation has entered into a financial arrangement with an investment grade financial institution which includes an embedded total return swap with an underlying representing Class B shares recorded at fair market value on the consolidated balance sheet under Other assets. The financial arrangement is adjusted as needed to reflect new awards, adjustments and/or settlements of PSUs. As at April 28, 2013, the impact on net earnings or shareholders' equity of a 5.0% shift of the value of the contract would not have been significant.

Fair values

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

As at April 28, 2013, the fair value of the senior unsecured notes is $1,002.6.

The following methods and assumptions were used to determine the estimated fair value of each class of financial instruments:

- The fair value of the investment contract including an embedded total return swap is based on the fair market value of the Corporation's Class B shares;
- The fair value of the senior unsecured notes are based on comparable market prices;

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

Fair value hierarchy

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

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

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

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

The Corporation categorized the fair value measurement of the Instrument including an embedded total return swap, the cross currency interest rate swap and the forwards in Level 2, as they are primarily derived from observable market inputs that are, quoted market prices.

Capital risk management

The Corporation's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce its cost of capital. The Corporation's capital comprises total Shareholders' equity and net interest-bearing debt. Net interest-bearing debt refers to Long-term debt and its current portion, net of Cash and cash equivalents and temporary investments, if any.

In order to maintain or adjust its capital structure, the Corporation may issue new shares, redeem its shares, sell assets to reduce debt or adjust the amount of dividends paid to shareholders (Notes 19 and 23).

In its capital structure, the Corporation considers its stock option, PSU and DSU plans (Note 24). From time to time, the Corporation uses share repurchase programs to achieve its capital management objectives (Note 23).

The Corporation monitors capital on the basis of the net interest-bearing debt to total capitalization ratio and also monitors its credit ratings as determined by third parties. As at the consolidated balance sheet date, the net interest-bearing debt to total capitalization ratio was as follows:

	2013	2012
	$	$
Current portion of long-term debt	**620.8**	484.4
Long-term debt	**2,984.3**	180.8
Less: Cash and cash equivalents	**658.3**	304.3
Net interest-bearing debt	**2,946.8**	360.9
Shareholders' equity	**3,216.7**	2,174.6
Net interest-bearing debt	**2,946.8**	360.9
Total capitalization	**6,163.5**	2,535.5
Net interest-bearing debt to total capitalization ratio	**47.8%**	14.2%

Under its term revolving unsecured operating credits, the Corporation must meet the following ratios on a consolidated basis:

- A leverage ratio, which is the ratio of total Long-term debt less Cash and cash equivalents to EBITDA for the four most recent quarters. EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is a non-IFRS measure;
- A fixed charge coverage ratio, which is the ratio of EBITDAR for the four most recent quarters to the total interest expense and the rent payments in the same periods. EBITDAR is a non-IFRS measure and is calculated as EBITDA plus rent payments.

The Corporation monitors these ratios regularly and is in compliance with these covenants.

The Corporation is not subject to any other significant externally imposed capital requirement.

27. Contractual obligations

Minimum lease payments

As at April 28, 2013, the Corporation has entered into operating lease agreements expiring on various dates until 2040 which call for aggregate minimum lease payments of $2,654.6 for the rental of commercial space, equipment and a warehouse. Several of these leases contain renewal options and certain sites are subleased to third parties. The minimum lease payments for the next fiscal years are as follows:

	$
Less than one year	334.2
One to five years	1,057.9
More than five years	1,262.5

As at April 28, 2013, the total amount of future minimum sublease payments expected to be received under sublease agreements related to these operating leases is $58.5.

Purchase commitments

The Corporation has entered into various product purchase agreements which require it to purchase minimum amounts or quantities of merchandise and road transportation fuel annually. The Corporation has generally exceeded such minimum requirements in the past and expects to continue doing so for the foreseeable future. Failure to satisfy the minimum purchase requirements could result in termination of the contracts, change in pricing of the products, payments to the applicable providers of a predetermined percentage of the commitments and repayments of a portion of rebates received.

The Corporation entered into contracts for the delivery of road transportation fuel. The contracts give the Corporation the right to use and the obligation to pay some transport capacity over the life of these contracts, from July 1, 2011 to June 30, 2016. A binding commitment arises following the approval of a production plan for the coming month. Thus, as at April 28, 2013, there was a commitment for one month totaling approximately $8.2.

The Corporation has an agreement with an oil company, which grants it the license to use and the obligation to pay for the use of the JET trademark. The agreement commenced on November 1, 2010 and will expire in December 31, 2015. Annual license fee amounts to $4.0.

The Corporation has a project underway which comprises the development and implementation of a new Enterprise Resource Planning solution for the organisation. The project was launched in calendar year 2011 and should be finalised in calendar year 2014. Contractual commitments related to this project amounted to approximately $8.7 as at April 28, 2013.

In June 2011, the Corporation entered into an agreement with ExxonMobil which, as at April 28, 2013, binds it to purchase 117 stores when a purchase price agreement is reached with the various independent operators who are part of this agreement. An amount of $21.6 is held in escrow for this transaction.

28. Contingencies and guarantees

Contingencies

Various claims and legal proceedings have been initiated against the Corporation in the normal course of its operations and through acquisitions. Although the outcome of such matters is not predictable with assurance, the Corporation has no reason to believe that the outcome of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or the ability to carry on any of its business activities.

Guarantees

The Corporation assigned a number of lease agreements for premises to third parties. Under some of these agreements, the Corporation retains ultimate responsibility to the landlord for payment of amounts under the lease agreements should the sublessees fail to pay. As at April 28, 2013, the total future lease payments under such agreements are approximately $1.3 and the fair value of the guarantee is not significant. Historically, the Corporation has not made any significant payments in connection with these indemnification provisions.

Also, in Europe, the Corporation has issued guarantees to third parties and on behalf of third parties for maximum undiscounted future payments totalling $21.7. These guarantees mainly relate to commitments under financial guarantees for car rental agreements and on behalf of retailers in Sweden. Guarantees on behalf of retailers in Sweden comprise items such as guarantees towards retailers' car washes and store inventory, in addition to guarantees towards suppliers of electricity and heating. The carrying amount and fair value of the guarantee commitments recognized in the consolidated balance sheet as at April 28, 2013 were not significant.

29. Segmented information

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

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

				2013 (52 weeks)				2012 (53 weeks)
	US	**Europe[(a)]**	**Canada**	**Total**	US	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues[(b)]								
Merchandise and services	**4,548.6**	**866.1**	**2,181.7**	**7,596.4**	4,408.0	-	2,190.9	6,598.9
Road transportation fuel	**14,872.6**	**7,537.9**	**2,860.8**	**25,271.3**	13,650.5	-	2,724.9	16,375.4
Other	**6.6**	**2,668.6**	**0.5**	**2,675.7**	5.5	-	0.5	6.0
	19,427.8	**11,072.6**	**5,043.0**	**35,543.4**	18,064.0	-	4,916.3	22,980.3
Gross profit								
Merchandise and services	**1,505.9**	**381.6**	**733.0**	**2,620.5**	1,452.6	-	729.8	2,182.4
Road transportation fuel	**782.5**	**719.1**	**162.6**	**1,664.2**	637.9	-	148.8	786.7
Other	**6.6**	**317.8**	**0.5**	**324.9**	5.5	-	0.5	6.0
	2,295.0	**1,418.5**	**896.1**	**4,609.6**	2,096.0	-	879.1	2,975.1
Total long-term assets[(c)]	**2,678.3**	**3,861.0**	**635.6**	**7,174.9**	2,454.3	-	633.7	3,088.0

(a) Comprises Statoil Fuel and Retail.
(b) Geographic areas are determined according to where the Corporation generates operating income (where the sale takes place) and according to the location of the long-term assets.
(c) Excluding financial instruments, deferred tax assets and post-employment benefit assets.

30. Subsequent events

Acquisition

Subsequent to fiscal year 2013, under the June 2011 agreement with ExxonMobil, the Corporation acquired 60 stores operated by independent operators along with the related road transportation fuel supply agreements and for which the real estate is owned by the Corporation. Additionally, six road transportation fuel supply agreements were transferred to the Corporation.

Dividends

During its July 9, 2013 meeting, the Corporation's Board of Directors (the "Board") declared a dividend of CA$0.075 per share to shareholders on record as at July 18, 2013 and approved its payment for August 1st, 2013.

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