2015 Annual Report

Table of Contents

People and Places .... Page 2

Performance Highlights .... Page 3

A Hunger for Sustainable Growth .... Page 4

Alain Bouchard, Founder & Executive Chairman of the Board

Delivering Results That Matter .... Page 7

Brian Hannasch, President & Chief Executive Officer

Management's Discussion & Analysis .... Page 12

Management's Report .... Page 44

Independent Auditor's Report .... Page 46

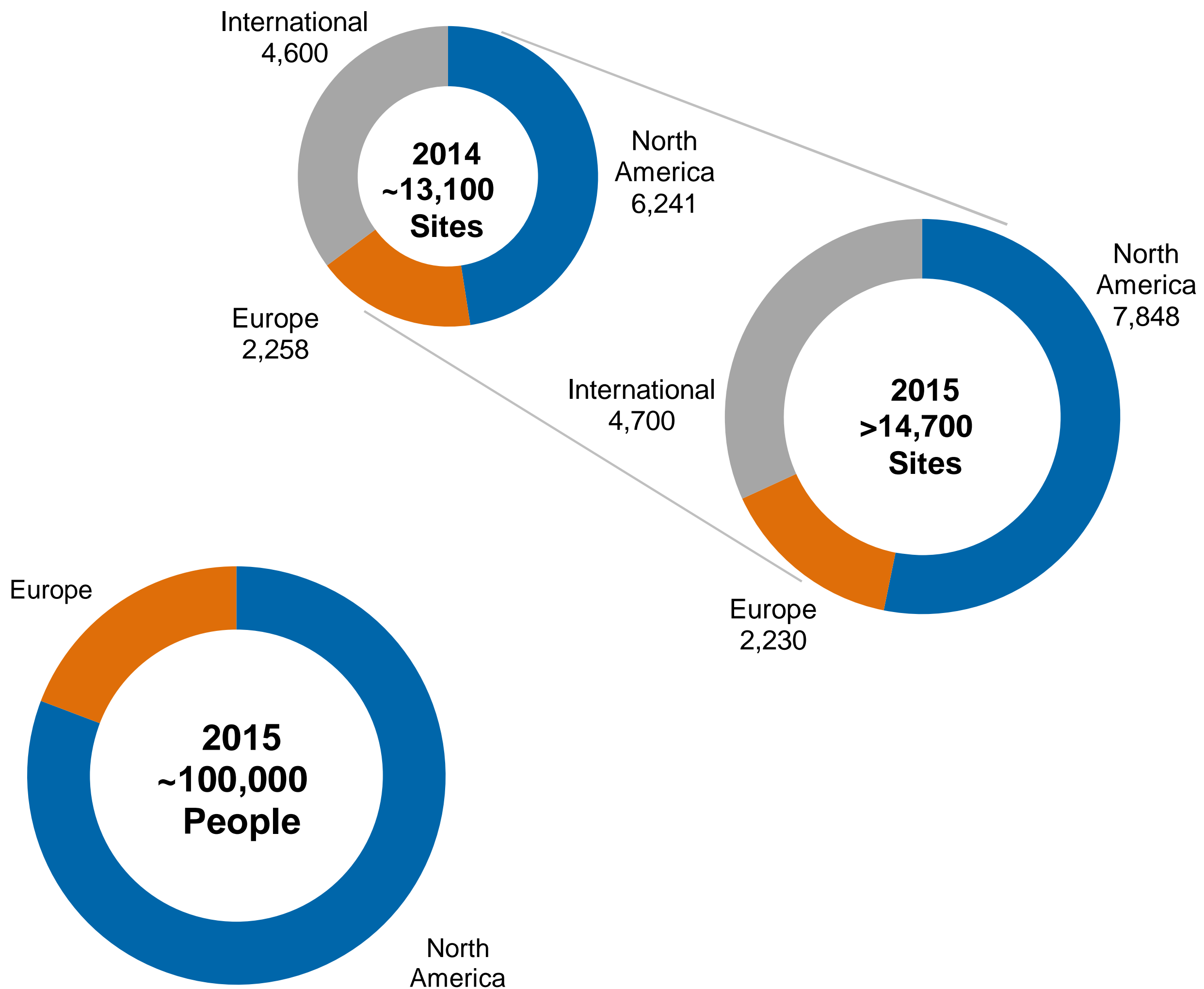
Consolidated Financial Statements .... Page 48

People and Places

As of April 26, 2015, Couche-Tard's network comprised 7,848 convenience stores throughout North America, including 6,404 stores offering road transportation fuel. About 80,000 people are employed throughout its network and service offices in North America.

In Europe, Couche-Tard operates a broad retail network across Scandinavia, Poland, the Baltics and Russia, which comprised 2,230 stores as at April 26, 2015, 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. Including employees at Statoil-branded franchise stations, about 19,000 people work in its retail network, terminals and service offices across Europe.

In addition, about 4,700 stores are operated by independent operators under the Circle K banner in 12 other countries or regions worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam) which brings to more than 14,700 the number of sites in Couche-Tard's network..



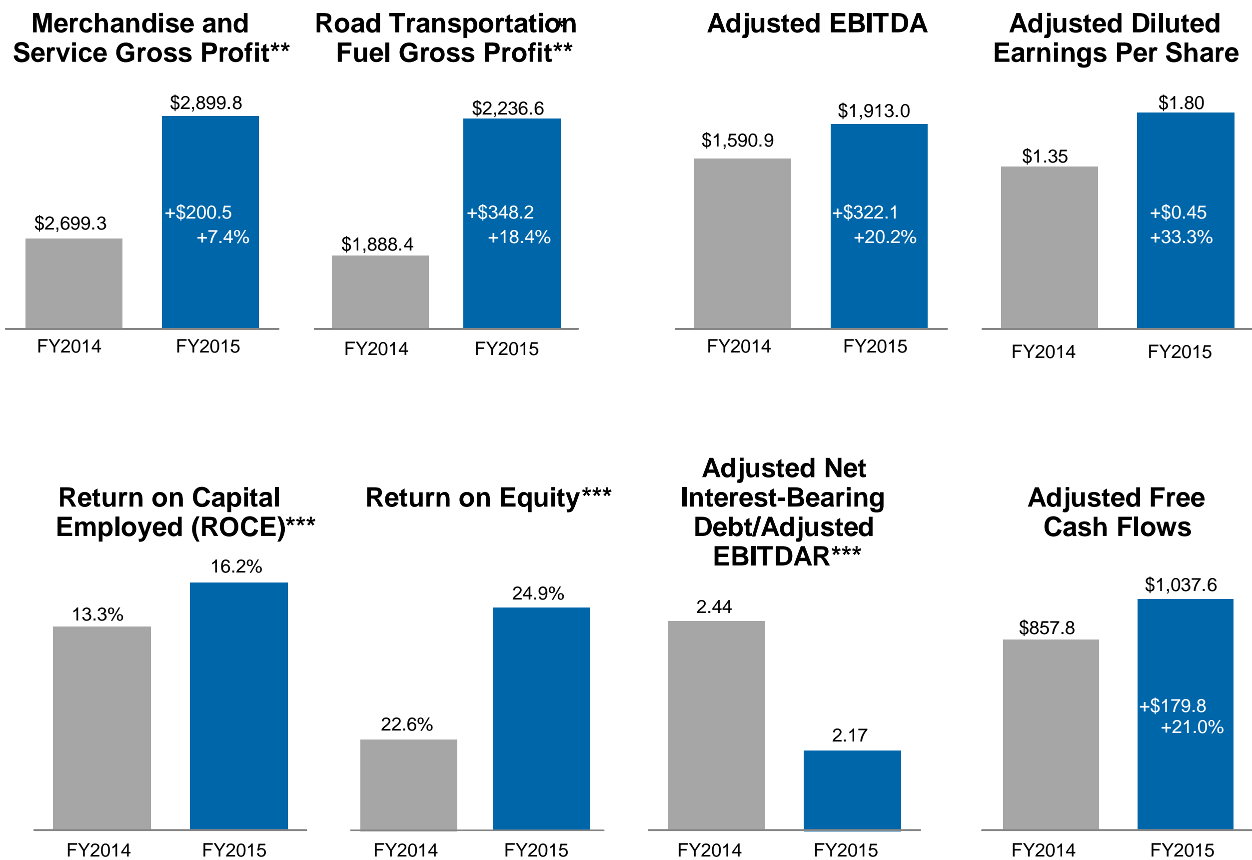
Performance Highlights

Growth of Same-Store Merchandise Revenues:

US: 3.9%*
Europe: 2.0%
Canada: 3.4%

Growth of Same-Store Road Transportation Fuel Volumes:

US: 3.4%*
Europe: 2.4%
Canada: -0.1%



All dollar figures are in USD millions, except per-share amounts which are in USD.

* Includes results for The Pantry stores since the acquisition date.

** Adjusted for the negative impact from the translation of our European and Canadian operations into US dollars.

***These ratios are presented on a pro forma basis following the acquisition of The Pantry.

Alain Bouchard

Founder & Executive Chairman of the Board

Development is in the DNA of this corporation. Since starting out with a single store in 1980, the dream has always been of creating a genuinely big network of convenience and fuel retail locations.

A Hunger for Sustainable Growth - the Strategic View

A Kangaroo Express-branded store from The Pantry, part of the Couche-Tard family

From that first store, our network has grown to include more than 10,000 corporate stores and almost 100,000 people, spanning two continents and serving around six million customers every day. Even further afield, licensing takes our brands to over a dozen more countries and to customers around the world. Our business is no longer small - but there is still ample room for further growth. We have built a reputation for smart, disciplined acquisitions, spotting the right opportunities and striking the right deals at the right price. As Executive Chairman of the Board, continued, sustainable network development is my primary focus.

In the convenience and fuel retail industry, the landscape can vary significantly from country to country and from continent to continent. In the U.S., the convenience store sector is fragmented and in a consolidation phase. We continue to actively participate in this process through our acquisitions, through gaining customers from competitors including when they close their sites, through newly constructed sites and through growing our customer base by improving our own offering.

In Europe and in Canada, the convenience store sector has been dominated by a few major players, including integrated oil companies and regional refiners. Some of those companies are selling, or are expected to sell, their retail assets. We continually look out for the right investment opportunities that might come up as a result.

Robust Finances Fuel Growth

A newly-constructed site under the Circle K banner in Tampa, Florida.

In Fiscal 2015, our strong cash flows - from excellent results - enabled us to carry on the rapid reduction in our debt levels. We improved our return on capital employed, bringing it to 16.2% at the end of the fiscal year - up from 12.6% following the acquisition of Statoil Fuel & Retail in 2012. Couche-Tard is in robust financial health. That in turn enables us to continue the organic growth of our network and to be on the lookout for interesting investment opportunities.

In March we acquired The Pantry, a leading convenience store operator in the southeastern United States and one of the country’s largest independently operated convenience store chains. The Pantry operates nearly 1,500 stores in 13 states, mostly under the “Kangaroo Express” brand. Days after closing on The Pantry deal, we entered into an agreement with A/S Dansk Shell to acquire their Danish retail business (comprising 315 service stations, their commercial fuel business and their aviation fuel business in

Denmark). This transaction is currently subject to the standard regulatory approvals and closing conditions, though we expect it to close before the end of Fiscal 2016.

In Vilnius, capital of Lithuania, we have for the first time opened a “standalone” (non-fuel) convenience store. This pilot store, opened in February 2015, will be operated for at least a year before any conclusions are drawn - but the initial performance is encouraging.

Customers enjoying a break outside our first standalone convenience store in Europe

This year we also entered into agreements to license our Circle K brand in two new countries: Costa Rica in Central America and Egypt in the Middle East, taking the total number of countries touched by the Circle K brand to 14.

In last year’s report we declared that we would further increase our focus on the construction of new sites and the relocation and reconstruction of existing sites as well as the acquisition of individual stores. In Fiscal 2015 we acquired 32 company-operated stores through distinct transactions and completed the construction, relocation or reconstruction of 72 stores - not just reaching our target of 80-100 stores but slightly exceeding it, delivering a significant increase over the previous year.

Altogether (including multiple-site acquisitions) a total of 1,655 corporate stores have been added to our network in Fiscal 2015. 52 new stores were built and 1,603 corporate stores were acquired in North America and in Europe.

Focus on Customers On-The-Go

In addition to acquiring new sites and enhancing existing ones, the sustainable growth of our business relies on our ability to react to pressures and opportunities from our customers, suppliers, partners and in the wider markets in which we operate. In sales we focus on key categories including food, coffee, cold beverages, fuel and car wash for customers on-the-go.

The evidence shows that we have developed excellent teams with the right expertise and technology to recognize and respond to the trends in our markets. It also shows that we are out-performing much of the opposition - but our hunger for growth means we will never be complacent; we will never stop looking for improvement.

Modern machines that are cost-efficient to maintain and easy for customers to use: Simply Great Coffee for customers on the go

Looking ahead

Completing the integration of The Pantry’s operations into the Couche-Tard family is a clear priority for Fiscal 2016. In Europe, working with the competition authorities to achieve a successful conclusion to the A/S Dansk Shell acquisition will attract a similar focus.

We continue to balance our debt structure while developing our revolving credit facilities. We do this to maintain the health of our balance sheet and optimize our options for growth. The discipline this demands has resulted in a significant improvement in our return on capital employed (ROCE) by 290 basis points in just one year. Looking ahead, we see opportunities to further improve our investment grade rating.

Across the entire business we will continue to be vigilant for further opportunities for growth. We will ensure we retain our reputation for smart choices and financial discipline, while further accelerating our efforts in store construction, reconstruction and individual store acquisitions.

Alain Bouchard
Founder & Executive Chairman

Brian Hannasch

President & Chief Executive Officer

We aspire to be *the world's preferred destination for convenience and fuel*. In the past year we have moved closer to this goal, expanding our network through both acquisitions and newly-constructed sites, while continually improving our business. In Fiscal 2015 our teams have successfully created more products and services that are relevant for our customers. At the same time they have sharpened our retail execution, improved our operational efficiency and reduced our costs.

Delivering Results That Matter

We have delivered our seventh straight year of record earnings. Our net earnings have increased to $933.5 million, up 14.9% over Fiscal 2014. Excluding non-recurring items, net earnings for Fiscal 2015 would have been approximately $1,022.0 million, or $1.80 per share on a diluted basis - an increase of 33.4% compared with Fiscal 2014. On an adjusted basis, EBITDA for Fiscal 2015 was $1,913.0 million, an increase of $322.1 million or 20.2% compared with Fiscal 2014, including a contribution from acquisitions (net of acquisition costs recorded to earnings) of $43.0 million.

We continue to actively work in all our operations to identify and implement synergies and realize cost reduction opportunities. In parallel we are working to improve our top line, simultaneously driving up same-store merchandising figures and increasing fuel volumes. Further opportunities are promising, as we have established effective processes for both controlling costs and sharing best practices across our network. We maintain our goal of annual synergies with Europe of up to $200 million before the end of December 2015.

Impressive Potential

With the recent acquisition of The Pantry in the South-Eastern United States, we look at the year ahead with ongoing enthusiasm. This latest addition to our worldwide network has impressive potential for contributing to the growth of the Corporation. We are already working on the integration of The Pantry's stores into our existing network. We anticipate that this integration effort will result in the realization of cost reductions of at least $85.0 million over the next 24 months. In addition, we expect to grow fuel and convenience sales in this region through the exchange and implementation of best practice from both companies as well as through improved supply conditions.

*Business unit leader Tom Graven-Lauritzen filling up with **miles™** brand fuel after launching it in his Polish market*

Fueling Performance

In Fiscal 2015, average retail prices for road transportation fuel decreased. In this environment, we successfully delivered an increase in fuel volumes and margins across both North America and Europe. We owe this to solid performance on fuel retailing in the U.S. and the further expansion of our proprietary ***miles™*** fuel brand in Europe, where it continues to gain traction and perform well against the market. Today our ***miles™*** brand fuel can be found in seven of our eight European markets: Norway, Sweden, Denmark and the Baltic countries plus the most recent national roll-out in Poland, just after the close of Fiscal 2015. Today we have a total of 1,688 stations selling ***miles™*** with international approval from our customers and increased market share right across our Scandinavia and Central & Eastern Europe business areas.

Overall, premium fuels were our fastest-growing product this year. Increased customer demand is driven by car manufacturers' fuel recommendations on their newer models, as well as the general desire of car lovers for the benefits of premium fuels, including improved fuel consumption, extended engine life and enhanced performance.

We are also proud to report that, at the same time, our Swedish and Danish fuel customers have responded enthusiastically to the conversion in Fiscal 2015 of nearly all our unmanned service stations in these Scandinavian markets to our own INGO brand. Customer retention through the rebranding program was 100% and in fact INGO has already attracted additional customers.

Performing in Convenience

In addition to growing fuel volumes, our same-store merchandise sales delivered solid results on both continents, led by the U.S. which delivered its strongest results since 2007. More than ever, time-starved customers are seeking an enjoyable and efficient experience. We seek to give them exactly what they are looking for - and more. Making our customers' lives easier means offering them the products and services they want in a friendly and efficient manner that fits into their busy day. We prioritize our strategy, tactics and investment to make this a reality. With around 10,000 stores and almost 100,000 employees, each improvement we make has the potential for making a profound impact on the nearly six million customers who visit us every day, as well as on our suppliers, partners and other stakeholders.

Fiscal 2015 has been characterized by strong contributions from organic growth in merchandise sales. One great example has been the roll out of our Simply Great Coffee program in Europe, delivering black coffee, espressos, lattés and cappuccinos as well as rich hot chocolate. This range of high quality drinks is based on a unique blend of beans for each country and uses fresh milk. The program is generating positive results, with the product ranked #1 in brand awareness in six of the seven business units measured. In total we have rolled out Simply Great Coffee to 700 stations in Europe and we are piloting it at 71 locations in North America.

In Europe, the revival of the hot dog is going strong. In Fiscal 2015 we sold 12 million more hot dogs at Statoil stations than we did in Fiscal 2013. That represents a 26% growth. The key driving factor is our permanent product promotion, known as our "Coin offer", which was introduced in 2013. Through this promotion, customers can always come into one of our stores to purchase "a hot dog for a coin" at Statoil. Taking a cue from this successful product, we are currently testing a new Real Hot Dog concept in two European markets. This concept is built around the idea of a gourmet hot dog offer with specialized toppings and is already delivering encouraging results.

Brian Hannasch (left) with foodvenience store manager James Clark in Texas, USA

In North America, we are also responding to our customers' desire for a fresh and convenient food offer. In Texas we took our "foodvenience" (food prepared on-site + convenience) offer to the next level, opening our first purpose-built store in February, which will act as the prototype for our future foodvenience developments. This type of innovation, along with the hard work of our teams, gives us great organic growth in our merchandise and service sales.

Merchandising has Stepped Up

We have seen that focusing on a step-change in merchandising has improved our performance in Europe. We have refreshed floor plans and improved product placement across the network. We have expanded product categories, increased focus on private label products and introduced new hardware and marketing materials, as well as implementing best practices in category management training and merchandising principles. Together these efforts have delivered a 3.2% growth in Gross Margin and a 2.0% growth in same-store merchandise sales for the European network.

Private Label

In the last year we have accelerated our efforts in private label. We have spent time, energy and effort to ensure that the products we develop - carrying the Circle K brand in the U.S., the Made To Go and Statoil brands in Europe and in Canada the Favorites brand (or *Nos Favoris* in French) - are at the right quality and a reasonable price. Our intent is to use private label products to build customer loyalty and increase brand equity while increasing profits.

Since May 2014 in North America we have introduced 111 private label items. Our efforts are paying off on both continents, where private label is one the fastest growing of our merchandise product categories. We will continue to focus on developing this segment.

Private label products offer customers good value while generating attractive margins

Corporate Responsibility

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. In the Couche-Tard family we look to create win-win situations in all the communities and markets in which we operate.

To ensure we can focus our efforts and make a real impact, we are concentrating on three areas of Corporate Responsibility: people, community and the environment.

People

We are committed to providing a safe and stimulating work environment for all our people. We strive to offer competitive compensation, training and opportunities for advancement to every employee. In both North America and Europe we have our own academies dedicated to improving our people's business skills. We invest almost 2.5% of our total annual salaries to the training and professional development of our employees.

Circle K has supported Capstone Adaptive Learning & Therapy Centers for more than 25 years. This year sees the 5th annual Circle K 5k Run/Walk benefitting Capstone at Pensacola Beach, FL.

Community

This year, our community efforts resulted in over US$20 million in donations for organizations ranging from national bodies like the American Red Cross to local centers for homeless children and programs for youth at risk.

In addition to our larger programs and campaigns, great effort goes into supporting dozens of organizations at a smaller scale in both North America and Europe. These initiatives have spanned in-store campaigns, the sale of charity calendars and other articles, and a wide range of fundraising activities. We are proud of, and grateful for, the energy, enthusiasm and commitment our people show as they actively engage in these causes across the globe.

You can find out much more about our community efforts, including details of a wide range of individual programs in ten countries, at www.couche-tard.com.

Environment

In North America we are in the fifth year of a continuing journey to reduce energy consumption in our stores, offices and other facilities. Over the last three years we have driven down electrical consumption by 11.4% or almost one *billion* kilowatt hours. In Fiscal 2016 one of our focus areas will be to ensure all our programs - including those in The Pantry and our European operations - are aligned and working towards the same goals.

Increasing use of long-life and LED lighting creates a bright solution for welcoming customers and reducing emissions

Our current efforts in this area across all our operations include increasing the use of LED lighting solutions, occupancy sensors, lighting controllers and HVAC optimizers. These infrastructure improvements are accompanied by employee engagement programs aimed at raising awareness of energy consumption. Actions as simple as turning off unused lights can add up to significant savings. Together, these initiatives allow us to reduce both maintenance and energy costs without negatively impacting the experience we offer our customers.

Couche-Tard is one of the largest retail blenders of renewable fuels in North America including Ethanol blending and biodiesel. Biofuels are part of our customer offer across all our European markets, while in our larger markets, including Sweden and Norway, we also provide charging stations for electric cars.

You can find out much more about our environmental efforts, including details of a wide range of environmental partnerships and other programs, at www.couche-tard.com.

Outlook

As the global economies slowly continue to improve in the U.S. and fuel prices decline globally, consumers will find more disposable income in their pockets. To be better positioned to compete for our share of our customers' wallets in the coming year, we will further strengthen our efforts to meet their demand for a "more modern convenience store". This means continually improving our range of products, the ease of shopping and the selection of fresh foods we offer. It means identifying and exploiting the right network growth opportunities, and it means motivating and empowering our family of 100,000 people that engage with our customers every day so they can deliver the best possible customer experience.

This is our recipe for increasing traffic, capturing new customers and bringing our existing customers back more often.

Brian Hannasch
President & Chief Executive 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 ending April 26, 2015. 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 2015 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 http://corpo.couche-tard.com/.

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", "could", "should", "intend", "expect", "estimate", "assume" 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 14, 2015, which are not guarantees of the 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, monetization, 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 2015 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 countries while we have a significant presence in Poland.

As of April 26, 2015, our network comprises 7,848 convenience stores throughout North America, including 6,404 stores offering road transportation fuel. Our North-American network consists of 14 business units, including ten in the United States covering 41 states and four in Canada covering all ten provinces. About 80,000 people are employed throughout our network and at the service offices in North America.

In Europe, we operate a broad retail network across Scandinavia (Norway, Sweden, Denmark), Poland, the Baltics (Estonia, Latvia, Lithuania) and Russia with 2,230 stores as at April 26, 2015, 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, lubricants and chemicals and we operate key fuel terminals and fuel depots in six countries. Including employees at Statoil branded franchise stations, about 19,000 people work in our retail network, terminals and service offices across Europe.

In addition, about 4,700 stores are operated by independent operators under the Circle K banner in 12 other countries or regions worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam) which brings the total network to over 14,700 stores.

Our mission is to offer our customers a quick and outstanding service by developing a customized and friendly relationship with them while still finding ways to pleasantly surprise them on a daily basis. In this regard, we strive to meet the demands and needs of our customers based on their regional requirements. To do this, we offer food and beverage items, road transportation fuel and other high-quality products and services designed to meet or exceed customers' demands in a clean 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 investment in our people and 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.

No matter the 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 potentially in the acquisition of integrated oil companies' retail assets, it has to be noted that organic contribution has played an important role in the recent 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 and The Pantry . 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 the significant portion of our debt 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 periods ended		**52-week periods ended**		
	April 26, 2015	April 27, 2014	**April 26, 2015**	April 27, 2014	April 28, 2013
Average for period					
Canadian Dollar [(1)]	**0.7993**	0.9045	**0.8708**	0.9439	0.9966
Norwegian Krone [(2)]	**0.1277**	0.1659	**0.1454**	0.1665	0.1737
Swedish Krone [(2)]	**0.1174**	0.1542	**0.1333**	0.1533	0.1513
Danish Krone [(2)]	**0.1471**	0.1845	**0.1656**	0.1805	0.1730
Zloty [(2)]	**0.2673**	0.3289	**0.2959**	0.3200	0.3117
Euro [(2)]	**1.0980**	1.3770	**1.2431**	1.3466	1.2893
Lats [(3)]	**-**	-	**-**	1.9002	1.8481
Litas [(4)]	**-**	0.3989	**0.3790**	0.3897	0.3735
Ruble [(2)]	**0.0170**	0.0280	**0.0213**	0.0300	0.0320

	As at April 26, 2015	As at April 27, 2014
Period end		
Canadian Dollar	**0.8217**	0.9061
Norwegian Krone	**0.1286**	0.1681
Swedish Krone	**0.1159**	0.1537
Danish Krone	**0.1457**	0.1858
Zloty	**0.2697**	0.3301
Euro	**1.0875**	1.3870
Litas	**-**	0.4018
Ruble	**0.0196**	0.0281

(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, 2015 to April 30, 2015 for the 12-week period ended April 26, 2015, from May 1st, 2014 to April 30, 2015 for the 52-week period ended April 26, 2015, from February 1st, 2014 to April 30, 2014 for the 12-week period ended April 27, 2014, from May 1st, 2013 to April 30, 2014 for the 52-week period ended April 27, 2014 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) On January 1st, 2014, Latvia changed its currency from the Lats to the Euro. The average rate is for the period from May 1st, 2013 to December 31, 2013 for the 52-week period ended April 27, 2014 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.
(4) On January 1st, 2015, Lithuania changed its currency from the Litas to the Euro. The average rate is for the period from May 1st, 2014 to December 31, 2014 for the 52-week period ended April 26, 2015, from February 1st, 2014 to April 30, 2014 for the 12-week period ended April 27, 2014 and from May 1st, 2013 to April 30, 2014 for the 52-week period ended April 27, 2014. Calculated using the average exchange rate at the close of each day for the stated period.

On January 1st, 2015, Lithuania changed its official currency from the Litas to the Euro. Results from the Lithuanian operations prior to the conversion date were converted using the Litas exchange rates as described in footnote 4 above while results following this date were converted using Euro exchange rates. Balance sheet items from Lithuanian operations as at April 26, 2015 were converted using the Euro exchange rate. This change in currency did not materially affect our consolidated financial statements.

Considering we use the US dollar as our reporting currency, in our consolidated financial statements and in the present document, unless otherwise indicated, 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 regarding changes 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 into US dollars of our Canadian, European and corporate operations results.

Fiscal 2015 Overview

Net earnings amounted to $933.5 million for fiscal 2015. Fiscal 2015 results were affected by restructuring and integration costs of $30.3 million in connection with the acquisition of The Pantry and restructuring activities in Europe, a net foreign exchange loss of $22.7 million, a non-recurring $41.8 million tax expense related to an internal reorganization, an $11.0 million loss from the disposal of our aviation fuel business, a curtailment gain on defined benefits pension plans obligation of $2.6 million as well as a negative goodwill of $1.2 million. On the other hand, the results of fiscal 2014 included a negative goodwill of $48.4 million, a non-recurring income tax recovery of $28.2 million, a net foreign exchange loss of $10.1 million, a $6.8 million impairment charge over a non-operational lubricant plant in Poland, as well as a $0.9 million curtailment gain on pensions plan obligation.

Excluding these items as well as acquisition costs from both periods, fiscal 2015 net earnings would have been approximately $1,022.0 million ($1.80 per share on a diluted basis) compared with $766.0 million ($1.35 per share on a diluted basis) for fiscal 2014, an increase of $256.0 million, or 33.4%. This significant growth in net earnings is attributable to higher road transportation fuel margins, to the continuous strong organic growth from merchandise and services and road transportation fuel, to the contribution from acquisitions as well as to the decrease in financial expenses following the repayment of a significant portion of our debt during the first three quarters. These items, which contributed to the growth in net earnings, were partially offset by the negative net impact from the translation of revenues and expenses from our Canadian and European operations into the US dollar and by a higher tax rate.

Acquisition of The Pantry Inc. (“The Pantry”)

On March 16, 2015, we acquired 100% of the outstanding shares of The Pantry, a leading convenience store operator in the southeastern United States and one of the largest independently operated convenience store chains in the United States, through an all-cash transaction valued at $36.75 per share or $850.7 million. During the 52-week periods ended April 26, 2015, we recorded to earnings transaction costs of $0.9 million, in connection with this acquisition.

The Pantry operates approximately 1,500 convenience stores in 13 states under select banners, including Kangaroo Express®, its primary operating banner. The Pantry's stores offer a broad selection of merchandise and other services

designed to appeal to the convenience needs of its customers. In addition, the majority of its stores dispense road transportation fuel.

We financed this transaction using our existing credit facilities, for which the limit has been increased for the purpose of this transaction. More details on our credit facilities are available under the section “Liquidity and Capital Resources”.

Our results for the 12 and 52-week periods ended April 26, 2015 include those of The Pantry for the period beginning March 16, 2015 and ending April 26, 2015. Our consolidated balance sheet as of April 26, 2015 includes The Pantry’s balance sheet at that date. As the acquisition closed shortly before the end of fiscal 2015 and given the size of the transaction, we have not completed our fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction. Consequently, the balance sheet for The Pantry includes the net book values from The Pantry’s accounting records at that date, adjusted to be in line with the Corporation’s accounting policies. The difference between the purchase price and the net book value related to this acquisition was included in goodwill in the preliminary purchase price allocation and the fair values of assets acquired and liabilities assumed will be adjusted during fiscal 2016.

Synergies and cost reduction initiatives

We are already working on realizing the identified synergies and cost reduction opportunities. We estimate achieving a minimum of $85.0 million[1] in cost reductions over the 24 months following the acquisition in addition to growing in-store sales and fuel volumes in this geographic area through the improvement of our operations and a better brand combination by sharing our business awareness, each company’s best practices and better supply conditions.

Since the acquisition, we have already taken actions that should allow us to record cost reductions we estimate to approximately $45.0 million before income taxes on an annual basis. These cost reductions should mainly reduce operating, selling, administrative and general expenses as thus are mainly related to the reduction of overhead costs.

The Pantry’s debt

On March 16, 2015, we repaid The Pantry’s senior secured term loan for an amount of $250.6 million, comprising the principal amount, accrued interests and related fees. Additionally, on April 15, 2015, we redeemed 35% of The Pantry’s senior unsecured notes at 108% of the nominal value and the remaining 65% of the senior unsecured notes were redeemed on April 16, 2015 at 114% of their nominal value for a total amount of $280.0 million plus accrued interests. These premiums include contractual prepayment penalties. The term loan repayment and redemption of the bonds have been made using our existing credit facilities.

The decision to repay The Pantry’s senior unsecured notes was made in light of Couche-Tard’s financing conditions being significantly more favorable.

Outstanding transactions

On March 17, 2015, we entered into an agreement with A/S Dansk Shell, to acquire their retail business, comprising 315 service stations, their commercial fuel business and their aviation fuel business. The service stations are located in Denmark and comprise 225 full service-stations, 75 unmanned automated fuel stations and 15 truck stops. Of the 315 sites 140 are owned by Shell, 115 are leased from third parties and 60 are dealer-owned. We are already operating a strong network in Denmark and we believe this new acquisition would complement it very well. This transaction is subject to standard regulatory approvals and closing conditions and we expect it will close before the end of fiscal year 2016. We expect to finance this transaction with our available cash and existing credit facilities.

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

Statoil Fuel & Retail

Period results

Our results for the 12 and 52-week periods ended April 26, 2015 include those of Statoil Fuel & Retail for the period beginning February 1st, 2015 and ending April 30, 2015 and for the period beginning May 1st, 2014 and ending April 30, 2015, respectively. Our results for the 12 and 52-week periods ended April 27, 2014 include those of Statoil Fuel & Retail for the period beginning February 1st, 2014 and ending April 30, 2014 and for the period beginning May 1st, 2013 and ending April 30, 2014, respectively. 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. Thus, our results of the 52-week periods ended April 26, 2015 and April 27, 2014 include those of Statoil Fuel & Retail for a period of 365 days while our results of the 52-week period ended April 28, 2013 include those of Statoil Fuel & Retail for a period of 315 days.

Our consolidated balance sheet and store count as of April 26, 2015 include Statoil Fuel & Retail's balance sheet and store count as of April 30, 2015, as adjusted for significant transactions, if any, which occurred between those two dates.

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 (1)
12-week period ending July 19, 2015 (1st quarter of fiscal 2016)	From May 1st, 2015 to July 19, 2015	June 30, 2015
12-week period ending October 11, 2015 (2nd quarter of fiscal 2016)	From July 20, 2015 to October 11, 2015	September 30, 2015
16-week period ending January 31, 2016 (3rd quarter of fiscal 2016)	From October 12, 2015 to January 31, 2016	January 31, 2016
12-week period ending April 24, 2016 (4th quarter of fiscal 2016)	From February 1, 2016 to April, 30 2016	April 30, 2016

(1) 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.

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.

During fiscal 2015, we recorded synergies and cost savings we estimated at approximately $71.0 million, before income taxes. These synergies and cost reductions mainly impacted operating, selling, administrative and general expenses as well as the cost of sales. Since the acquisition, we estimate that total realized annual synergies and cost savings amount to approximately $160.0 million, before income taxes, which allows us to exceed the lower range of synergies and cost reduction objectives that we had set following the acquisition. We believe these amounts do not necessarily represent the full annual impact of all of our initiatives.

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

Our work around the identification and implementation of available synergies and cost reduction opportunities is not over. Our analysis show that several promising opportunities still exist. Our teams continue to work actively on various projects which, along with the implementation and optimization of new information systems, should allow us to achieve our goal of annual synergies of up to $200.0 million before the end of December 2015[1].

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

Network growth

Completed transactions

On June 23, 2014, we acquired 13 company operated-stores and two non-operating sites in South Carolina, United States from Garvin Oil Company. We own the land and buildings for all sites.

On October 8, 2014, we acquired 55 stores in Illinois and Indiana, United States from Tri Star Marketing Inc. Among these, 54 are company-operated and one is operated by an independent operator. We own the land and buildings for 54 sites and lease the land and own the building for the remaining site. Through this transaction, we also acquired three biodiesel blending facilities.

In addition, during fiscal 2015, we acquired 32 additional company-operated stores through distinct transactions.

Available cash was used for these acquisitions.

Store construction

We completed the construction, relocation or reconstruction of 72 stores during fiscal 2015. As of April 26, 2015, 26 stores were under construction and should open in the upcoming quarters.

Consequently, in fiscal year 2015, we were able to add to or improve our existing network with a total of 104 stores through the construction of new stores, the relocation or reconstruction of existing stores and the acquisition of single stores. This represents a significant increase compared with the previous fiscal year and exceeded our objective of 80 to 100 stores established for fiscal 2015.

Transaction subsequent to fiscal year-end

On June 2, 2015, subsequently to year-end, we acquired from Cinco J, Inc., Tiger Tote Food Stores, Inc., and their affiliates, 21 company-operated stores in the US States of Texas, Mississippi and Louisiana. We own the land and buildings for 18 sites and lease the land and own the buildings for the remaining three sites. As part of this agreement we also acquired 141 dealer fuel supply agreements and five development properties in addition to acquiring customer relations for 124 dealer sites.

Summary of changes in our stores network during the fourth quarter and fiscal 2015

The following table presents certain information regarding changes in our stores network over the 12-week period ended April 26, 2015 [(1)]:

	12-week period ended April 26, 2015				
Type of site	**Company-operated [(2)]**	**CODO [(3)]**	**DODO [(4)]**	**Franchised and other affiliated [(5)]**	**Total**
Number of sites, beginning of period	6,288	573	542	1,144	8,547
Acquisitions	1,515	-	56	-	1,571
Openings / constructions / additions	16	1	3	24	44
Closures / disposals / withdrawals	(36)	(7)	(6)	(35)	(84)
Conversions into Company-operated stores	6	(3)	(2)	(1)	-
Conversions into affiliated stores	(2)	(5)	7	-	-
Number of sites, end of period	7,787	559	600	1,132	10,078
Number of automated service-stations included in the period end figures [(6)]	904	-	26	-	930

The following table presents certain information regarding changes in our stores network over the 52-week period ended April 26, 2015 [(1)]:

Type of site	52-week period ended April 26, 2015				
	Company-operated [(2)]	CODO [(3)]	DODO [(4)]	Franchised and other affiliated [(5)]	Total
Number of sites, beginning of period	6,236	609	529	1,125	8,499
Acquisitions	1,603	-	57	-	1,660
Openings / constructions / additions	52	1	23	107	183
Closures / disposals / withdrawals	(119)	(21)	(25)	(99)	(264)
Conversions into Company-operated stores	21	(13)	(7)	(1)	-
Conversions into affiliated stores	(6)	(17)	23	-	-
Number of sites, end of period	7,787	559	600	1,132	10,078

(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 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.
(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, about 4,700 stores are operated by independent operators under the Circle K banner in 12 other countries or regions worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, the Philippines, Vietnam and the United Arab Emirates) which brings to more than 14,700 the number of sites in our network.

Credit Rating on our Canadian dollar denominated unsecured notes

In August 2014 and in September 2014, Moody's Corporation and Standard & Poor Rating Services, credit rating agencies, both improved the credit rating on our Canadian dollar denominated unsecured notes, raising it to Baa2 and BBB, respectively, in recognition of our ability to generate strong cash flows and of the efforts we have made to exceed our debt reduction objective following our acquisition of Statoil Fuel & Retail in June 2012.

Disposal of the aviation fuel business

On December 31, 2014, we closed the sale of our aviation fuel business through a share purchase agreement pursuant to which BP Global Investments Ltd. acquired 100% of all issued and outstanding shares of Statoil Fuel & Retail Aviation AS for total proceeds of $107.4 million including an amount of $91.4 million for intercompany debt assumed by the buyer and of which $12.3 million is receivable as at April 26, 2015. We recognized a preliminary loss on disposal of $11.0 million as well as a preliminary curtailment gain on defined benefits pension plans obligation of $2.6 million in relation to this sale transaction. The disposal also resulted in a $1.9 million cumulated loss on translation adjustments being reclassified to earnings and included in the loss on disposal. These preliminary figures are subject to change until final closing adjustments. The total impact of this transaction on net earnings of fiscal 2015 was a net loss of approximately $6.8 million (net of income taxes of $1.6 million).

Restructuring and integration costs

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 our European operations. As such, an additional restructuring provision of $8.3 million was recorded during fiscal 2015 in line with our plans and the budget process.

Additionally, in connection with the acquisition of The Pantry, we incurred integration costs for an amount of $22.0 million. Those costs are mainly related to severance and termination payments and provisions and the remaining is related to bonus and retention payments.

Hedge of the net investment in foreign operations

As of October 13, 2014, we designated our entire US dollar denominated long-term debt as a foreign exchange hedge of our net investment in our US operations. Accordingly, since the designation, the gains or losses arising from the translation of the US dollar denominated debt are recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of our net investment in our US operations. Should a portion of the hedging relationship become ineffective, the ineffective portion would be recorded in the consolidated statement of earnings under Financial expenses. During fiscal 2015, an exchange loss of $15.4 million before income taxes was recorded to Other comprehensive income in line with this hedge.

Dividends

During its July 14, 2015 meeting, the Corporation's Board of Directors declared a quarterly dividend of CA5.5¢ per share for the fourth quarter of fiscal 2015 to shareholders on record as at July 23, 2015 and approved its payment for August 6, 2015. This is an eligible dividend within the meaning of the Income Tax Act of Canada.

During fiscal 2015, the Board declared total dividends of CA19.0¢ per share.

Issuance of Canadian dollar denominated senior unsecured notes

On June 2, 2015, subsequent to the end of fiscal 2015, we proceeded with the issuance of Canadian dollar denominated senior unsecured notes totaling CA$700.0 million with a coupon rate of 3.6% and maturing on June 2, 2025. Interest is payable semi-annually on June 2nd and December 2nd of each year. The net proceeds from the issuance were mainly used to repay a portion of our term revolving unsecured operating credit facility.

Cross-currency interest rate swaps

Between June 12, 2015 and June 19, 2015, following the issuance of notes detailed above, we entered into cross-currency interest rate swap agreements for a total notional amount of CA$700.0 million, allowing us to synthetically convert a portion of our Canadian dollar denominated debt into US dollars.

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Maturity
CA$175.0	3.6%	US$142.2	3.8099%	June 2, 2025
CA$175.0	3.6%	US$142.7	3.8650%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8540%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8700%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8570%	June 2, 2025
CA$50.0	3.6%	US$41.3	3.8230%	June 2, 2025

Outstanding shares and stock options

As at July 10, 2015, Couche-Tard had 148,101,840 Class A multiple voting shares and 419,265,459 Class B subordinate voting shares issued and outstanding. In addition, as at the same date, Couche-Tard had 2,514,271 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 products, including quick service restaurants, beer/wine, grocery items, candy, snacks and various beverages. Merchandise sales in Europe also include the 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 embedded 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 fuel, aviation fuel (until December 31, 2014), 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 labor, 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 26, 2015 - 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 2015

The following table highlights certain information regarding our operations for the 12-week periods ended April 26, 2015 and April 27, 2014. This data includes results from The Pantry, starting from March 16, 2015, the acquisition date.

(In millions of US dollars, unless otherwise stated)	**12-week period ended April 26, 2015**	12-week period ended April 27, 2014	Change %
Revenues	**7,285.5**	8,954.1	(18.6)
Operating income	**186.2**	154.3	20.6
Net earnings	**129.5**	145.1	(10.8)
Selected Operating Data:			
Merchandise and service gross margin [1]:			
Consolidated	**34.1%**	34.3%	(0.2)
United States	**33.4%**	33.1%	0.3
Europe	**42.1%**	42.3%	(0.2)
Canada	**32.5%**	32.4%	0.1
Growth of same-store merchandise revenues [2] [3]:			
United States	**5.2%**	4.4%	
Europe	**3.0%**	2.5%	
Canada	**3.8%**	1.6%	
Road transportation fuel gross margin:			
United States (cents per gallon) [3]	**15.46**	14.85	4.1
Europe (cents per litre) [4]	**8.55**	10.54	(18.9)
Canada (CA cents per litre) [3]	**6.18**	5.86	5.5
Growth of same-store road transportation fuel volume [3]:			
United States	**6.4%**	2.8%	
Europe	**3.7%**	3.2%	
Canada	**1.5%**	1.7%	

(1) Includes other revenues derived from franchise fees, royalties and rebates on some purchases made by franchisees and licensees as well as merchandise wholesale.
(2) Does not include services and other revenues (as described in footnote 1 above). Growth in Canada and Europe is calculated based on local currencies. Includes results for The Pantry stores since the acquisition date.
(3) For company-operated stores only. Includes results for The Pantry stores since the acquisition date.
(4) Total road transportation fuel.

Revenues

Our revenues were $7.3 billion in the fourth quarter of fiscal 2015, down $1.7 billion, a decrease of 18.6%, mainly attributable to lower road transportation fuel average selling prices, to the negative net impact from the translation of revenues of our

Canadian and European operations into US dollars and to the sale of our aviation fuel business. Those items contributing to the reduction in total revenues were partly offset by the contribution from acquisitions as well as by the nice growth in same-store merchandise revenues and road transportation fuel volume in both North America and Europe.

More specifically, the growth of merchandise and service revenues for the fourth quarter of fiscal 2015 was $222.3 million. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $105.0 million, consolidated merchandise and service sales increased by $327.3 million or 18.2%. This increase is attributable to the contribution from acquisitions which amounted to approximately $245.0 million as well as to strong organic growth. Same-store merchandise revenues increased by 5.2% in the United States, by 3.8% in Canada and by 3.0% in Europe. Our performance is attributable to our dynamic merchandising strategies, our competitive offer as well as to our expanded fresh food offer which is attracting more customers in our stores.

Road transportation fuel revenues decreased by $1.4 billion in the fourth quarter of fiscal 2015. Excluding the negative net impact from the translation of revenues from our Canadian and European operations into US dollars, which amounted to approximately $476.0 million, road transportation fuel revenues decreased by $914.4 million or 14.2%. This decrease was mainly attributable to lower road transportation fuel average selling prices, which had a negative impact of approximately $1.7 billion as well as to the impact on our European wholesale business of the non-renewal of low return fuel supply contracts. These items contributing to the reduction in road transportation fuel revenues were partly offset by the contribution from acquisitions amounting to approximately $563.0 million, by the contribution from our recently opened stores as well as by organic growth. Same-store road transportation fuel volume increased by 6.4% in the United States, by 3.7% in Europe and by 1.5% in Canada due to amongst other things, the perfecting of our pricing strategies as well as the contribution of "*miles*TM" in Europe.

The following table shows the average selling price of road transportation fuel in our markets, starting with the first quarter of the fiscal year ended April 27, 2014. Average prices for Europe are also impacted by the translation into US dollars.

Quarter	1st	2nd	3rd	4th	Weighted average
52-week period ended April 26, 2015					
United States (US dollars per gallon)	3.59	3.36	2.54	2.34	**2.89**
Europe (US cents per litre)	101.53	95.18	73.99	66.51	**83.53**
Canada (CA cents per litre)	121.64	117.00	96.27	93.63	**106.59**
52-week period ended April 27, 2014					
United States (US dollars per gallon)	3.51	3.45	3.24	3.47	**3.41**
Europe (US cents per litre)	100.72	103.25	107.49	104.11	**104.38**
Canada (CA cents per litre)	114.53	117.05	113.11	118.74	**115.63**

Other revenues decreased by $500.5 million in the fourth quarter of fiscal 2015. This decrease is mainly attributable to the disposal of our aviation fuel business, to the negative net impact from the translation of revenues of our European operations into US dollars, as well as to the decrease in marine fuel and heating oil revenues due to lower selling prices and volume.

Gross profit

In the fourth quarter of fiscal 2015, the consolidated merchandise and service gross margin was $688.6 million, an increase of $73.9 million compared with the corresponding quarter of fiscal 2014. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $40.0 million, consolidated merchandise and service gross margin increased by $113.9 million or 18.5%, attributable to the contribution from acquisitions which amounted to approximately $84.0 million as well as to organic growth. In the United States, the gross margin was up 0.3% from 33.1% to 33.4% and up 0.1% in Canada from 32.4% to 32.5% while it decreased by 0.2% in Europe to 42.1%. Overall, 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.

In the fourth quarter of fiscal 2015, the road transportation fuel gross margin for our company-operated stores in the United States increased by 0.61 ¢ per gallon, from 14.85 ¢ per gallon last year to 15.46 ¢ per gallon this year. In Canada, the gross margin increased to CA6.18¢ per litre compared with CA5.86 ¢ per litre for the fourth quarter of fiscal 2014. In Europe, the total road transportation fuel gross margin was 8.55 ¢ per litre for the fourth quarter of fiscal 2015, a decrease of 1.99 ¢ per litre compared with 10.54 ¢ per litre for the fourth quarter of fiscal 2014. This decrease is entirely attributable to the impact of the translation of our European results into US dollars. In local currencies, the margin in Europe was higher than that of the fourth quarter of fiscal 2014. 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 27, 2014, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	4th	**Weighted average**
52-week period ended April 26, 2015					
Before deduction of expenses related to electronic payment modes	23.08	24.17	24.93	15.46	**21.74**
Expenses related to electronic payment modes	5.27	5.03	4.33	4.12	**4.63**
After deduction of expenses related to electronic payment modes	17.81	19.14	20.60	11.34	**17.11**
52-week period ended April 27, 2014					
Before deduction of expenses related to electronic payment modes	19.42	21.56	17.02	14.85	**18.11**
Expenses related to electronic payment modes	4.99	5.04	4.79	4.98	**4.94**
After deduction of expenses related to electronic payment modes	14.43	16.52	12.23	9.87	**13.18**

As demonstrated by the table above, road transportation fuel margin in the United States are volatile from a quarter to another. Expenses related to electronic payment modes and associated volatility are not as significant in Europe and in Canada.

Operating, selling, administrative and general expenses

For the fourth quarter of fiscal 2015, operating, selling, administrative and general expenses increased by 1.6% compared with the fourth quarter of fiscal 2014 and increased by 2.2% if we exclude certain items, as demonstrated by the following table:

	12-week period ended April 26, 2015
Total variance as reported	**1.6%**
Subtract:	
Increase from incremental expenses related to acquisitions	11.0%
Decrease from the net impact of foreign exchange translation	(10.2%)
Decrease from divestment of the aviation fuel business	(2.4%)
Increase from revision of estimates and other non-recurring expenses	1.9%
Decrease from lower electronic payment fees, excluding acquisitions	(1.0%)
Acquisition costs recognized to earnings of fiscal 2015	0.1%
Remaining variance	**2.2%**

The remaining variance for the fourth quarter of fiscal 2015 is mainly due to normal inflation, as well as to higher expenses needed to support our strong organic growth. We continue to favor tight control of costs throughout the organization while making sure to maintain the quality of service we offer to our customers.

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

During the fourth quarter of fiscal 2015, EBITDA increased by 6.3% compared with the corresponding period of the previous fiscal year, reaching $319.2 million.

Excluding the restructuring and integration costs, the loss on disposal of the aviation fuel business as well as the negative goodwill from both comparable periods, the fourth quarter of fiscal 2015 adjusted EBITDA increased by $41.9 million or 14.0% compared with the corresponding period of the previous fiscal year, totalling $341.9 million. Net of acquisition, restructuring and integration costs recorded to earnings, acquisitions contributed approximately $27.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $28.0 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, 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:

	12-week period ended	
(in millions of US dollars)	**April 26, 2015**	April 27, 2014
Net earnings, as reported	**129.5**	145.1
Add:		
Income taxes	**45.5**	(13.8)
Net financial expenses	**15.6**	26.9
Depreciation, amortization and impairment of property and equipment and other assets	**128.6**	142.0
EBITDA	**319.2**	300.2
Remove:		
Restructuring and integration costs	**22.2**	-
Loss on disposal of the aviation fuel business	**0.6**	-
Negative goodwill	**(0.1)**	(0.2)
Adjusted EBITDA	**341.9**	300.0

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

For the fourth quarter of fiscal 2015, depreciation, amortization and impairment expense decreased by $13.4 million mainly due to the net impact from the translation of our European and Canadian operations into US dollars, partially offset by the impact of investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network.

Net financial expenses

The fourth quarter of fiscal 2015 shows net financial expenses of $15.6 million, a decrease of $11.3 million compared with the fourth quarter of fiscal 2014. Excluding the net foreign exchange gain of $3.5 million and the net foreign exchange loss of $8.7 million recorded respectively in the fourth quarter of fiscal 2015 and in the fourth quarter of fiscal 2014, the net financial expenses increased by $0.9 million. This increase is mainly attributable to the increase of our long term debt following the acquisition of The Pantry , including the interest expense on The Pantry's debt we assumed until its repayment as well as fees related to the reimbursement of The Pantry's senior secured term loan. The net foreign exchange gain of $3.5 million is mainly due to the impact of the exchange rate fluctuations on certain bank balances denominated in US dollars in our European divisions.

Income taxes

The fourth quarter of fiscal 2015 shows an income tax expense of $45.5 million, corresponding to a tax rate of 26.0%, compared with an income tax recovery of $13.8 million for the corresponding quarter of the previous year and a tax rate of 29.3% for the third quarter of fiscal 2015. The income tax recovery in the fourth quarter of fiscal 2014 emanated mainly from a foreign loss only deductible and recognized for tax purposes as well as from the effect on deferred income taxes of a decrease in our statutory income tax rate in Norway and in Denmark.

Excluding those items, the income tax rate for the fourth quarter of fiscal 2014 would have been 11.0%. The remaining increase is attributable to the higher proportion of our taxable income recorded in the United States, where the tax rates are higher and to the reimbursement of a large portion of our external debt before the acquisition of The Pantry.

Net earnings

We closed the fourth quarter of fiscal 2015 with net earnings of $129.5 million, compared with $145.1 million for the fourth quarter of the previous fiscal year. Diluted net earnings per share stood at $0.23, compared with $0.25 for the previous year. The translation of revenues from our Canadian and European operations into the US dollars had a negative net impact of approximately $8.6 million on net earnings of the fourth quarter of fiscal 2015.

Excluding from the fourth quarter of fiscal 2015 earnings restructuring and integration costs of $22.2 million, the net foreign exchange gain of $3.5 million, acquisition costs of $1.2 million, the $0.6 million loss from the disposal of our aviation fuel business as well as the negative goodwill of $0.1 million and excluding from the fourth quarter of fiscal 2014 earnings the non-recurring income tax recovery, the net foreign exchange loss, the negative goodwill as well as acquisition costs, the fourth quarter of fiscal 2015 net earnings would have been approximately $142.0 million, compared with $123.0 million for the fourth quarter of fiscal 2014, an increase of $19.0 million or 15.4%. Adjusted diluted net earnings per share were $0.25 for the fourth quarter of fiscal 2015 compared with $0.22 for the corresponding period of fiscal 2014, an increase of 13.6%.

Summary analysis of consolidated results for fiscal 2015

The following table highlights certain information regarding our operations for the 52-week periods ended April 26, 2015, April 27, 2014 and April 28, 2013. The figures for the 52-week period ended April 28, 2013 include those of Statoil Fuel & Retail for the period beginning June 20, 2012 and ending April 28, 2013. This data includes results from The Pantry, starting from March 16, 2015, the acquisition date.

	52-weeks		
(In millions of US dollars, unless otherwise stated)	**2015**	2014	2013
Statement of Operations Data:			
Merchandise and service revenues [1]:			
United States	**5,311.0**	4,821.7	4,551.8
Europe	**990.4**	1,048.4	867.5
Canada	**1,974.4**	2,082.7	2,182.9
Total merchandise and service revenues	**8,275.8**	7,952.8	7,602.2
Road transportation fuel revenues:			
United States	**14,599.0**	15,493.3	14,872.6
Europe	**7,111.0**	8,824.9	7,537.9
Canada	**2,571.9**	2,890.6	2,860.8
Total road transportation fuel revenues	**24,281.9**	27,208.8	25,271.3
Other revenues [2]:			
United States	**16.0**	14.7	6.6
Europe	**1,955.7**	2,784.7	2,668.6
Canada	**0.5**	1.1	0.5
Total other revenues	**1,972.2**	2,800.5	2,675.7
Total revenues	**34,529.9**	37,962.1	35,549.2
Merchandise and service gross profit [1]:			
United States	**1,748.4**	1,575.8	1,505.9
Europe	**408.2**	434.2	357.1
Canada	**649.2**	689.3	733.0
Total merchandise and service gross profit	**2,805.8**	2,699.3	2,596.0
Road transportation fuel gross profit:			
United States	**1,093.3**	796.1	782.5
Europe	**870.9**	928.8	719.1
Canada	**164.4**	163.5	162.6
Total road transportation fuel gross profit	**2,128.6**	1,888.4	1,664.2
Other revenues gross profit [2]:			
United States	**16.0**	14.7	6.6
Europe	**317.1**	384.6	339.8
Canada	**0.5**	1.1	0.5
Total other revenues gross profit	**333.6**	400.4	346.9
Total gross profit	**5,268.0**	4,988.1	4,607.1
Operating, selling, administrative and general expenses	**3,376.9**	3,419.9	3,237.1
Restructuring and integration costs	**30.3**	-	34.0
Loss on disposal of the aviation fuel business	**11.0**	-	-
Curtailment gain on defined benefits pension plans obligation	**(2.6)**	(0.9)	(19.4)
Negative goodwill	**(1.2)**	(48.4)	(4.4)
Depreciation, amortization and impairment of property and equipment and other assets	**530.4**	583.2	521.1
Operating income	**1,323.2**	1,034.3	838.7
Net earnings	**933.5**	812.2	572.8
Other Operating Data:			
Merchandise and service gross margin [1]:			
Consolidated	**33.9%**	33.9%	34.1%
United States	**32.9%**	32.7%	33.1%
Europe	**41.2%**	41.4%	41.2%
Canada	**32.9%**	33.1%	33.6%
Growth of same-store merchandise revenues [3] [4]:			
United States	**3.9%**	3.8%	1.0%
Europe	**2.0%**	1.6%	-
Canada	**3.4%**	1.9%	2.0%
Road transportation fuel gross margin :			
United States (cents per gallon) [4]	**21.74**	18.11	18.77
Europe (cents per litre) [5]	**10.33**	10.94	9.88
Canada (CA cents per litre) [4]	**6.35**	5.98	5.84
Volume of road transportation fuel sold [5]:			
United States (millions of gallons)	**5,118.9**	4,611.5	4,276.2
Europe (millions of litres)	**8,428.5**	8,488.4	7,281.1
Canada (millions of litres)	**2,987.6**	2,920.9	2,819.9
Growth of (decrease in) same-store road transportation fuel volume [4]:			
United States	**3.4%**	1.7%	0.6%
Europe	**2.4%**	2.5%	-
Canada	**(0.1%)**	1.3%	0.0%
Per Share Data:			
Basic net earnings per share (dollars per share)	**1.65**	1.44	1.03
Diluted net earnings per share (dollars per share)	**1.64**	1.43	1.02

	April 26, 2015	April 27, 2014	April 28, 2013
Balance Sheet Data:			
Total assets	**10,837.8**	10,545.0	10,546.2
Interest-bearing debt	**3,074.6**	2,606.4	3,605.1
Shareholders' equity	**3,892.6**	3,962.4	3,216.7
Indebtedness Ratios:			
Net interest-bearing debt/total capitalization (6)	**0.39 : 1**	0.35 : 1	0.48 : 1
Net interest-bearing debt/Adjusted EBITDA (7)	**1.18 : 1**(9)	1.32 : 1	1.99 : 1 (8)
Adjusted net interest-bearing debt/Adjusted EBITDAR (10)	**2.17 : 1**(9)	2.44 : 1	3.06 : 1 (8)
Returns:			
Return on equity (11)	**24.9%**(9)	22.6%	21.5% (8)
Return on capital employed (12)	**16.2%**(9)	13.3%	11.0% (8)

(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, heating oil, kerosene, lubricants, chemicals and Liquefied Petroleum Gas ("LPG")'s operations. LPG operations were sold in December 2012. Aviation operations were sold in December 2014.

(3) Does not include services and other revenues (as described in footnote 1 above). Growth in Canada is calculated based on Canadian dollars. Growth in Europe is calculated based on Norwegian Kroner. Includes results from The Pantry stores since the acquisition date.

(4) For company-operated stores only. Includes results from The Pantry stores since the acquisition date.

(5) Total road transportation fuel.

(6) 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.

(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 EBITDA (Earnings Before Interest, Tax, Depreciation, Amortization and Impairment) adjusted for restructuring expenses, curtailment gain on certain defined benefits pension plans obligation and negative goodwill. 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 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.

(9) This ratio is presented on a pro forma basis. It includes Couche-Tard's results for fiscal year ended April 26, 2015 as well as The Pantry's results for the 52-week period ended April 26, 2015. The Pantry's earnings and balance sheet figures have been adjusted to make their presentation in line with Couche-Tard's policies. Given the size and the timing of the transaction, we have not completed the fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction. Consequently, the pro forma ratio has not been adjusted for fair value adjustments.

(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, curtailment gain on certain defined benefits pension plans obligation as well as negative goodwill. 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 $34.5 billion in fiscal 2015, down $3.4 billion, a decrease of 9.0%, mainly attributable to lower road transportation fuel average retail prices, to the negative net impact from the translation of revenues of our Canadian and European operations into US dollars and to the sale of our aviation fuel business. Those items contributing to the reduction in total revenues were partly offset by the continued growth in same-store merchandise revenues and road transportation fuel volume in both North America and Europe as well as by the contribution from acquisitions.

More specifically, the growth of merchandise and service revenues for fiscal 2015 was $323.0 million. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $253.0 million, consolidated merchandise and service sales increased by $576.0 million or 7.2%. This increase is attributable to the contribution from acquisitions which amounted to approximately $304.0 million as well as to organic growth. Same-store merchandise revenues increased by 3.9% in the United States, by 3.4% in Canada and by 2.0% in Europe. Those increases in same-store merchandise sales are attributable to our dynamic merchandising strategies, our competitive offer as well as to our expanded fresh food offer which is attracting more customers into our stores.

Road transportation fuel revenues decreased by $2.9 billion in fiscal 2015. Excluding the negative net impact from the translation of revenues from our Canadian and European operations into US dollars which amounted to approximately $971.0 million, road transportation fuel revenues decreased by $2.0 billion or 7.2%. This decrease was mainly attributable to the lower average selling price of road transportation fuel which generated a decrease in revenues of approximately $3.4 billion, partially offset by acquisitions which contributed to an increase in revenues of approximately $854.0 million as well as by organic growth. Same-store road transportation fuel volume increased by 3.4% in the United States, by 2.4% in Europe, while it decreased by 0.1% in Canada due to amongst other things, the perfecting of our pricing strategies as well as the contribution of "*miles*TM" in Europe.

The following table shows the average selling price of road transportation fuel in our markets, starting with the first quarter of the fiscal year ended April 27, 2014. Average prices for Europe are also impacted by the translation into US dollars.

Quarter	1st	2nd	3rd	4th	Weighted average
52-week period ended April 26, 2015					
United States (US dollars per gallon)	3.59	3.36	2.54	2.34	**2.89**
Europe (US cents per litre)	101.53	95.18	73.99	66.51	**83.53**
Canada (CA cents per litre)	121.64	117.00	96.27	93.63	**106.59**
52-week period ended April 27, 2014					
United States (US dollars per gallon)	3.51	3.45	3.24	3.47	**3.41**
Europe (US cents per litre)	100.72	103.25	107.49	104.11	**104.38**
Canada (CA cents per litre)	114.53	117.05	113.11	118.74	**115.63**

Other revenues decreased by $828.3 million in fiscal 2015, mostly attributable to the disposal of the aviation fuel business, the negative net impact from the translation of revenues of our European operations into US dollars and to the decrease in marine fuel and heating oil revenues due to lower selling prices and volumes.

Gross profit

In fiscal 2015, the consolidated merchandise and service gross margin was $2.8 billion, an increase of $106.5 million compared with fiscal 2014. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $94.0 million, consolidated merchandise and service gross margin increased by $201.0 million or 7.4%. This increase is attributable to the contribution from acquisitions which amounted to approximately $103.0 million and to organic growth. In the United States, the gross margin was up 0.2% to 32.9% while it decreased by 0.2% in both Canada and Europe to reach 32.9% and 41.2% respectively. Overall, 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.

The road transportation fuel gross margin for our company-operated stores in the United States increased by 3.63 ¢ per gallon, from 18.11 ¢ per gallon during fiscal 2014 to 21.74 ¢ per gallon in fiscal 2015. In Canada, the gross margin increased to CA6.35 ¢ per litre for fiscal 2015 compared with CA5.98 ¢ per litre for fiscal 2014. In Europe, the total road transportation fuel gross margin was 10.33 ¢ per litre for fiscal 2015, a decrease of 0.61 ¢ per litre compared with 10.94 ¢ per litre for fiscal 2014. This decrease is entirely attributable to the impact of the translation of our European results into US dollars. In local currencies, the margin in Europe was higher than that of fiscal 2014. 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 27, 2014, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	4th	**Weighted average**
52-week period ended April 26, 2015					
Before deduction of expenses related to electronic payment modes	23.08	24.17	24.93	15.46	**21.74**
Expenses related to electronic payment modes	5.27	5.03	4.33	4.12	**4.63**
After deduction of expenses related to electronic payment modes	17.81	19.14	20.60	11.34	**17.11**
52-week period ended April 27, 2014					
Before deduction of expenses related to electronic payment modes	19.42	21.56	17.02	14.85	**18.11**
Expenses related to electronic payment modes	4.99	5.04	4.79	4.98	**4.94**
After deduction of expenses related to electronic payment modes	14.43	16.52	12.23	9.87	**13.18**

As demonstrated by the table above, road transportation fuel margins in the United States are volatile from one quarter to another. Expenses related to electronic payment modes and associated volatility are not as significant in Europe and in Canada.

Operating, selling, administrative and general expenses

For fiscal 2015, operating, selling, administrative and general expenses decreased by 1.3% compared with fiscal 2014, but increased by 0.8% if we exclude certain items, as demonstrated by the following table:

Total variance as reported	**(1.3%)**
Subtract:	
Decrease from the net impact of foreign exchange translation	(5.2%)
Increase from incremental expenses related to acquisitions	3.3%
Decrease from divesture of the aviation fuel business	(0.7%)
Increase from revision of estimates for provisions and other non-recurring expenses	0.6%
Decrease from lower electronic payment fees, excluding acquisitions	(0.2%)
Acquisition costs recognized to earnings of fiscal 2015	0.1%
Remaining variance	**0.8%**

We continue to favor tight control of costs throughout the organization while being sure to maintain the quality of service we offer to our customers.

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

During fiscal 2015, EBITDA increased by 14.3% compared with the previous fiscal year, reaching $1,875.5 million.

Excluding restructuring and integration costs, the loss on disposal of the aviation fuel business, the curtailment gain on pension plan obligations and the negative goodwill from both comparable periods, fiscal 2015 adjusted EBITDA increased by $322.1 million or 20.2% compared with the corresponding period of the previous fiscal year, reaching $1,913.0 million. Net of acquisition, restructuring and integration costs recorded to earnings, acquisitions contributed approximately $43.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $68.0 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, 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:

	52-weeks periods ended	
(in millions of US dollars)	**April 26, 2015**	April 27, 2014
Net earnings, as reported	**933.5**	812.2
Add:		
Income taxes	**306.2**	134.2
Net financial expenses	**105.4**	110.6
Depreciation, amortization and impairment of property and equipment and other assets	**530.4**	583.2
EBITDA	**1,875.5**	1,640.2
Remove:		
Restructuring and integration costs	**30.3**	-
Loss on disposal of the aviation fuel business	**11.0**	-
Curtailment gain on pension plan obligation	**(2.6)**	(0.9)
Negative goodwill	**(1.2)**	(48.4)
Adjusted EBITDA	**1,913.0**	1,590.9

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

For fiscal 2015, depreciation, amortization and impairment expense decreased by $52.8 million. Excluding the impairment charge of $6.8 million on a non-operational lubricant production plant recorded in fiscal 2014, depreciation, amortization and impairment expense decreased by $46.0 million. This decrease is mainly attributable to the net impact from the translation of our European and Canadian operations into US dollars, partially offset by the impact of investments made through acquisitions, replacement of equipment, addition of new stores and ongoing improvement of our network.

Net financial expenses

For fiscal 2015, we recorded net financial expenses of $105.4 million compared with $110.6 million for fiscal 2014. Excluding the net foreign exchange loss of $22.7 million and the net foreign loss of $10.1 million recorded respectively in fiscal 2015 and in fiscal 2014, fiscal 2015 posted net financial expenses of $82.7 million, down $17.8 million compared with fiscal 2014. This decrease is mainly attributable to the reduction of our long-term debt following repayments made on our revolving and acquisition facilities in the first half of fiscal 2015. The net foreign exchange loss of $22.7 million is mainly due to the impact of the exchange rate fluctuations on certain inter-company balances and loans.

Income taxes

For fiscal 2015, the income tax rate is 24.7% compared with a rate of 14.2% for the previous fiscal year. Fiscal 2015 was affected by an internal reorganization which increased the income tax expense by $41.8 million. Had this reorganization not been implemented, the income tax rate would have been approximately 21.3%. The income tax rate for fiscal 2014 was impacted by the effect on deferred taxes of a foreign loss only deductible and recognized for tax purposes as well as by a decrease in our statutory income tax rates in Norway and in Denmark. Excluding those non-recurring items, the income tax rate for fiscal 2014 would have been 15.5%.The remaining increase is attributable to the higher proportion of our results coming from the United States, where the tax rates are higher and to the reimbursement of a portion of our debt before the acquisition of The Pantry.

Net earnings

We closed fiscal 2015 with net earnings of $933.5 million, compared with $812.2 million for the previous fiscal year, an increase of $121.3 million. Diluted net earnings per share stood at $1.64 compared with $1.43 the previous year. The translation of earnings from our Canadian and European operations into the US dollars had a negative net impact of approximately $28.0 million on net earnings of fiscal 2015.

Excluding from net earnings of fiscal 2015 the loss on disposal of our aviation fuel business, restructuring and integration costs, the non-recurring tax expense of $41.8 million, the curtailment gain, the negative goodwill, the net foreign exchange loss as well as acquisition costs and excluding from net earnings of fiscal 2014 the negative goodwill, the net foreign exchange loss, the non-recurring income tax recovery, the impairment charge on a non-operational lubricant plant in Poland, the curtailment gain as well as acquisition costs, fiscal 2015 net earnings would have stood at approximately $1,022.0 million, up $256.0 million or 33.4% compared to fiscal 2014, while fiscal 2015 diluted earnings per share would have stood at approximately $1.80, an increase of 33.3%.

Financial Position as at April 26, 2015

As shown by our indebtedness ratios included in the “Summary analysis of consolidated results for fiscal 2015” section and our net cash provided by operating activities, our financial position is excellent.

Our total consolidated assets amounted to $10.8 billion as at April 26, 2015, an increase of $292.8 million over the balance as at April 27, 2014. This increase stems primarily from the overall rise in assets resulting from the acquisitions we made during fiscal 2015 partly offset by the negative net impact of the appreciation of the US dollar compared to the functional currencies of our operations in Canada and Europe at the balance sheet date as well as by the sale of our aviation fuel business.

During the 52-week period ended on April 26, 2015, we recorded a return on capital employed of 16.2%[1], taking into consideration the recent acquisition of The Pantry.

Significant balance sheet variations are explained as follows:

Accounts receivable

Accounts receivable decreased by $531.6 million, from $1.7 billion as at April 27, 2014 to $1.2 billion as at April 26, 2015. The decrease mainly stems from the net negative impact of exchange rates variation at the balance sheet date, which was approximately $294.0 million, lower road transportation fuel selling prices, as well as from the disposal of the aviation fuel business. The decrease was partly offset by the increase resulting from acquisitions.

Goodwill

Goodwill increased by $728.6 million, from $1.1 billion as at April 27, 2014 to $1.8 billion as at April 26, 2015, mainly as a result of the acquisition of The Pantry . As the acquisition was closed shortly before the end of fiscal 2015 and given the size of the transaction, we have not completed our fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction. Consequently, the balance sheet for The Pantry includes the net book values from The Pantry's accounting records at that date as adjusted to be in line with the Corporation's accounting policies. The difference between the purchase price and the net book value related to this acquisition was included in goodwill in the preliminary purchase price allocation and the fair values of assets acquired and liabilities assumed will be adjusted during fiscal 2016. The increase in goodwill related to The Pantry acquisition was partly offset by the negative net impact of the exchange rates variation at the balance sheet date, which was approximately $145.0 million.

Long-term debt, bank loans and current portion of long-term debt

Long-term debt and bank loans increased by $468.2 million, from $2.6 billion as at April 27, 2014 to $3.1 billion as at April 26, 2015. Long term debt increased by approximately $1.5 billion as a result of the acquisition of The Pantry on March 16, 2015 which was financed entirely through debt, including assumed finance lease obligations. This increase was partly offset by the impact of the weakening of the Canadian dollar against the United States dollar, which was approximately $126.0 million and by the debt repayments of approximately $900.0 million we made using available cash during fiscal 2015.

Shareholders' Equity

Shareholders' equity amounted to $3.9 billion as at April 26, 2015, down $70.1 million compared with April 27, 2014, mainly due to other comprehensive loss associated with translation adjustments and to dividends declared, partly offset by net earnings of fiscal 2015. For the 52-week period ended April 26, 2015, we recorded a return on equity of 24.9%[2] taking into consideration the recent acquisition of The Pantry.

Liquidity and Capital Resources

Our principal sources of liquidity are our net cash provided by operating activities and borrowings available under our term revolving unsecured credit facilities. Our principal uses of cash are to repay our debt, finance our acquisitions and capital expenditures, pay dividends, as well as to 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.

Our revolving credit facilities are detailed as follows:

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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. The ratio is presented on a pro forma basis and it includes Couche-Tard's results for the four quarters of fiscal year ending April 26, 2015 and The Pantry's results for the 52-week period ended April 26, 2015, as adjusted to be in line with the Corporation's accounting policies.

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. The ratio is presented on a pro forma basis and it includes Couche-Tard's results for the four quarters of fiscal year ending April 26, 2015 and The Pantry's results for the 52-week period ended April 26, 2015, as adjusted to be in line with the Corporation's accounting policies.

US dollar term revolving unsecured operating credit D, maturing in December 2018 ("operating credit D")

On May 16, 2014, we amended operating credit D to increase the maximum amount available from $1,275.0 million to $1,525.0 million, an increase of $250.0 million over the limit as of April 27, 2014. On March 16, 2015, we amended this credit facility once again in order to increase the maximum amount available from $1,525.0 million to $2,525.0 million, to extend its maturity from December 2017 to December 2018 and to include an accordion feature allowing the Corporation to have access to an additional $350.0 million, if required. No upfront fees were incurred in connection with those amendments. No other terms were changed significantly.

As at April 26, 2015, $1,837.2 million of our revolving unsecured operating credit D had been used. As at the same date, the effective interest rate was 1.04% and standby letters of credit in the amount of CA$2.3 million and $54.4 million were outstanding.

During the month of June 2015, subsequent to the end of the fiscal year, we repaid an amount of $561.0 million on our term revolving unsecured operating credit D using the net proceeds of our Canadian dollar denominated senior unsecured notes issuance.

Term revolving unsecured operating credit E, maturing in December 2016 ("operating credit E")

Credit agreement consisting of a revolving unsecured facility of an initial maximum amount of $50.0 million with an initial term of 50 months. Operating credit E 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. As at April 26, 2015, operating credit E was unused.

Available liquidities

As at April 26, 2015, a total of approximately $283.0 million was available under our operating credits 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 approximately $859.0 million through our available cash and revolving unsecured operating credit agreements.

As at July 10, 2015, following the partial repayment made on our operating credit D, a total of approximately $1.3 billion was available under our operating credits. Thus, at the same date, we had access to more than $1.8 billion through our available cash and operating credits.

Selected Consolidated Cash Flow Information

	52-week periods ended		
(In millions of US dollars)	**April 26, 2015**	April 27, 2014	Variation
Operating activities			
Net cash provided by operating activities	**1,714.5**	1,429.3	285.2
Investing activities			
Business acquisitions	**(929.4)**	(159.6)	(769.8)
Purchase of property and equipment and other assets, net of proceeds from the disposal of property and equipment and other assets	**(562.9)**	(459.0)	(103.9)
Proceeds from sale of the aviation fuel business	**94.6**	-	94.6
Restricted cash	**(1.1)**	20.6	(21.7)
Net cash used in investing activities	**(1,398.8)**	(598.0)	(800.8)
Financing activities			
Net increase in other debt	**1,043.7**	448.0	595.7
Repayment of the acquisition credit facility	**(555.0)**	(1,648.0)	1,093.0
Repayment of debt assumed on business acquisition	**(529.1)**	-	(529.1)
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs	**-**	285.6	(285.6)
Net decrease in other debt	**(18.0)**	(16.7)	(1.3)
Cash dividends paid	**(86.9)**	(64.6)	(22.3)
Issuance of shares upon exercise of stock-options	**3.8**	9.4	(5.6)
Net cash used in financing activities	**(141.5)**	(986.3)	844.8
Credit rating			
Standard and Poor's	**BBB**	BBB-	
Moody's [(1)]	**Baa2**	Baa3	

(1) Moody's credit rating for Couche-Tard's senior unsecured notes

Operating activities

During fiscal 2015, net cash from our operations reached $1,714.5 million, up $285.2 million compared with fiscal year 2014, mainly due to higher net earnings.

Investing activities

During fiscal 2015, investing activities were primarily for acquisitions for an amount of $929.4 million as well as for net investment in property and equipment and other assets which amounted to $562.9 million. These items were partly offset by the proceeds from the sale of the aviation fuel business, which amounted to $94.6 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 construction of new stores, the relocation and reconstruction of existing stores, the ongoing improvement of our network as well as for information technology.

Financing activities

During fiscal 2015, we repaid the outstanding balance of $555.0 million on our acquisition facility related to the acquisition of Statoil Fuel and Retail, of which $360.0 million was drawn from our operating credit D and $195.0 million was made using available cash. During the same period, an amount of $1.4 billion was drawn from our operating credit D for the acquisition of The Pantry and the repayment of its long term debt. This increase was offset by repayments totalling approximately $900.0 million on our operating credit D using available cash, for a net increase of approximately $1.0 billion. During fiscal 2015, we also paid $86.9 million in dividends.

Contractual Obligations and Commercial Commitments

Set out below is a summary of our material contractual obligations as at April 26, 2015 (1):

	2016	2017	2018	2019	2020	Thereafter	Total
	(in millions of US dollars)						
Long-term debt (2)	0.5	2.4	300.5	2,238.1	450.3	550.1	**3,541.9**
Finance lease obligations	38.6	50.8	29.7	26.9	24.9	148.4	**319.3**
Operating lease obligations	384.0	359.5	332.7	299.0	264.6	1,122.9	**2,762.7**
Total	423.1	412.7	662.9	2,564.0	739.8	1,821.4	**6,623.9**

(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 26, 2015, our long-term totalled $3,074.6 million, the details of which are as follow:

i. Canadian dollar denominated senior unsecured notes totalling $1,064.2 million, divided into four 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%.
   d. Tranche 4 with a notional amount of CA$300.0 million, maturing on August 21st, 2020 bearing interest at 4.214%.

ii. US dollar denominated borrowings of $1,837.2 million under our revolving unsecured operating credits denominated in US dollars, maturing in December 2018. The effective interest rate was 1.04% as at April 26, 2015.

iii. Other long-term debts of $173.2 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. When possible, we will favor purchasing our assets rather than leasing them.

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 sub lessees fail to pay. As at April 26, 2015, the total future lease payments under such agreements are approximately $1.8 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 $13.4 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 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 balance sheet at April 26, 2015 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. We have entered into various product purchase agreements which require us to purchase minimum amounts or quantities of merchandise and road transportation fuel annually. We have generally exceeded such minimum requirements in the past and expect to continue doing so for the foreseeable future. Failure to satisfy the minimum purchase requirements could result in termination of the contracts, changes in the pricing of the products, payments to the applicable providers of a predetermined percentage of the commitments and repayments of a portion of rebates received.

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.

(In millions of US dollars except for per share data)	**52-week period ended April 26, 2015**				52-week period ended April 27, 2014			
Quarter	**4th**	3rd	2nd	1st	4th	3rd	2nd	1st
Weeks	**12 weeks**	16 weeks	12 weeks	12 weeks	12 weeks	16 weeks	12 weeks	12 weeks
Revenues	**7,285.5**	9,107.8	8,946.3	9,190.3	8,954.1	11,094.6	9,011.0	8,902.4
Operating income before depreciation, amortization and impairment of property and equipment and other assets	**314.7**	536.8	510.0	492.0	296.3	420.5	457.3	443.4
Depreciation, amortization and impairment of property and equipment and other assets	**128.6**	152.4	122.7	126.7	142.0	186.0	129.3	125.9
Operating income	**186.1**	384.4	387.3	365.3	154.3	234.5	328.0	317.5
Share of earnings of joint ventures and associated companies accounted for using the equity method	**4.4**	7.7	5.1	4.7	3.9	4.6	5.5	8.7
Net financial expenses	**15.6**	41.2	18.6	30.0	26.9	21.8	50.2	11.7
Net earnings	**129.5**	248.1	286.4	269.5	145.1	182.3	229.8	255.0
Net earnings per share								

(In millions of US dollars except for per share data)	52-week period ended April 26, 2015				52-week period ended April 27, 2014			
Quarter	4th	3rd	2nd	1st	4th	3rd	2nd	1st
Weeks	**12 weeks**	16 weeks	12 weeks	12 weeks	12 weeks	16 weeks	12 weeks	12 weeks
Basic	**$0.23**	$0.44	$0.51	$0.48	$0.26	$0.32	$0.41	$0.45
Diluted	**$0.23**	$0.44	$0.50	$0.47	$0.25	$0.32	$0.40	$0.45

The volatility of road transportation fuel gross margin, mostly in the United States, and seasonality both have an impact on the variability of our quarterly net earnings. With that said, the majority of our operating income is derived from merchandise and service sales.

Analysis of consolidated results for the fiscal year ended April 27, 2014

Revenues

Our revenues were $38.0 billion in fiscal 2014, up $2.4 billion, an increase of 6.8%, mainly attributable to the contribution from acquisitions as well as to the growth in same-store merchandise revenues and road transportation fuel volume in both North America and Europe. These items contributing to the growth in revenues were partly offset by the divestiture of our European Liquefied Petroleum Gas ("LPG") business in December 2012, to lower average road transportation fuel retail prices in the United States as well as to the negative net impact from the translation of revenues from our Canadian and European operations into US dollars.

More specifically, the growth of merchandise and service revenues for fiscal 2014 was $350.6 million or 4.6%. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $91.0 million, consolidated merchandise and service sales increased by $441.9 million. This increase was attributable to the contribution from acquisitions which amounted to approximately $309.0 million as well as to organic growth. Same-store merchandise revenues increased by 3.8% in the United States and 1.9% in Canada. Those increases in same-store merchandise sales were attributable to our merchandising strategies, to the economic conditions in each of these two markets as well as to the investments we made to enhance service and the offering of products in our stores. For a large part of fiscal 2014, we favoured pricing strategies aimed at boosting in-store traffic which helped us gain momentum in terms of transactions count while the fresh food category continued to post a nice growth in several of our markets. In Europe, the exchange of best practices, the implementation of new and sustainable merchandising strategies as well as the investments made through extensive marketing campaigns to promote our in-store offerings allowed us to turn around the negative sales trend that existed when we acquired Statoil Fuel & Retail. As a consequence, same-store merchandise revenues in Europe posted a growth of 1.6% for fiscal 2014, driven by strong fresh food and coffee sales.

Road transportation fuel revenues increased by $1.9 billion or 7.7% in fiscal 2014. Excluding the negative net impact from the translation of revenues from our Canadian and European operations into US dollars which amounted to approximately $110.0 million, road transportation fuel revenues increased by $2.0 billion or 8.1%. Acquisitions contributed to an increase in revenues of approximately $2,563.0 million while same-store road transportation fuel volume increased by 1.7% in the United States, by 2.5% in Europe and by 1.3% in Canada. In Europe, this same-store road transportation fuel volume increase was a strong improvement over the trend our European network was posting before we acquired Statoil Fuel & Retail. Our new fuel brand "*miles*TM" which we launched in some of our European markets delivered encouraging results and was a nice contributor to this fiscal 2014 performance. Items that contributed to the increase were partly offset by the lower average retail price of road transportation fuel in the United States as well as by the divesture and closure of stores as part of our continuous work to improve the quality of our network. Overall, the variations in road transportation fuel average prices had a negative net impact on revenues of approximately $372.0 million. The impact of the lower average retail price of road transportation fuel in the United States was partly offset by the impact of the higher average price in Europe and in Canada as shown in the following table, starting with the first quarter of the fiscal year ended April 28, 2013:

Quarter	1st	2nd	3rd	4th	Weighted average
52-week period ended April 27, 2014					
United States (US dollars per gallon)	3.51	3.45	3.24	3.47	**3.41**
Europe (US cents per litre)	100.72	103.25	107.49	104.11	**104.38**
Canada (CA cents per litre)	114.53	117.05	113.11	118.74	**115.63**
52-week period ended April 28, 2013					
United States (US dollars per gallon)	3.49	3.65	3.35	3.61	**3.51**
Europe (US cents per litre)	-	103.96	104.71	103.80	**104.21**
Canada (CA cents per litre)	112.62	117.41	110.43	115.65	**113.77**

Other revenues increased by $124.9 million in fiscal 2014, mostly attributable to the contribution from acquisitions, partially offset by the divesture of our European LPG business in December 2012.

Gross profit

In fiscal 2014, the consolidated merchandise and service gross margin was $2 699,3 million, an increase of $103.3 million or 4.0% compared with fiscal 2013. Excluding the negative net impact from the translation of our European and Canadian operations into US dollars, which was approximately $11.0 million, consolidated merchandise and service gross margin increased by $114.3 million. This increase was attributable to the contribution from acquisitions which amounted to approximately $118.0 million, partly offset by the impact of our pricing strategies. In the United States, the gross margin was down 0.4% to 32.7% while it decreased by 0.5% in Canada, to 33.1%. Gross margin increased by 0.2% in Europe to 41.4%. Overall, this performance reflects changes in the product-mix, 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 North America, the decrease in the margin as a percentage of sales mainly reflects the impact of our pricing strategies aimed at increasing store traffic which had a favourable impact on revenues but brought the margin percentage down. However, on a net basis, this strategy had an overall positive impact since the merchandise and service gross profit showed a healthy increase. In Europe, the increase in margin as a percentage of sales is the result of changes in our product-mix as well as to the impact of pricing strategies aimed at improving the value perception by our customers.

The road transportation fuel gross margin for our company-operated stores in the United States decreased by 0.66 ¢ per gallon, from 18.77 ¢ per gallon during fiscal 2013 to 18.11 ¢ per gallon in fiscal 2014. In Canada, the gross margin was CA5.98¢ per litre for fiscal 2014 compared with CA5.84 ¢ per litre for fiscal 2013. In Europe, the total road transportation fuel gross margin was 10.94 ¢ per litre for fiscal 2014, a strong increase of 1.07 ¢ per litre compared with 9.88 ¢ per litre for fiscal 2013. The road transportation fuel gross margin of our company-operated stores in the United States and the impact of expenses related to electronic payment modes for the last eight quarters, starting with the first quarter of fiscal year ended April 28, 2013, were as follows:

(US cents per gallon)

Quarter	1st	2nd	3rd	4th	**Weighted average**
52-week period ended April 27, 2014					
Before deduction of expenses related to electronic payment modes	19.42	21.56	17.02	14.85	**18.11**
Expenses related to electronic payment modes	4.99	5.04	4.79	4.98	**4.94**
After deduction of expenses related to electronic payment modes	14.43	16.52	12.23	9.87	**13.18**
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**

As demonstrated by the table above, road transportation fuel margins in the United States are volatile from one quarter to another. Expenses related to electronic payment modes and associated volatility are not as significant in Europe and in Canada.

Operating, selling, administrative and general expenses

For fiscal 2014, operating, selling, administrative and general expenses increased by 5.6% compared with fiscal 2013, but increased by only 0.1% if we exclude certain items, as demonstrated by the following table:

Total variance as reported	**5.6%**
Subtract:	
Increase from incremental expenses related to acquisitions	6.6%
Decrease from divesture of LPG business	(0.1%)
Increase from higher electronic payment fees, excluding acquisitions	0.3%
Decrease from the net impact of foreign exchange translation	(1.2%)
Acquisition costs recognized to earnings of fiscal 2013	(0.1%)
Remaining variance	**0.1%**

The remaining variance for fiscal 2014 came from higher expenses to support our organic growth and normal inflation, partly offset by sound management of our expenses across our operations as well as from the impact of synergies.

In Europe, fiscal 2014 expense level was still affected by the implementation of a new IT infrastructure and the rollout of an ERP system.

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

During fiscal 2014, EBITDA increased by 19.2% compared with the previous fiscal year, reaching $1,640.2 million.

Excluding restructuring costs, the curtailment gain on certain defined benefits pension plans obligations as well as the negative goodwill from both comparable periods, fiscal 2014 adjusted EBITDA increased by $205.1 million or 14.8% compared with fiscal year 2013, reaching $1,590.9 million. Net of acquisition costs recorded to earnings, acquisitions contributed approximately $153.0 million to adjusted EBITDA, while the variation in exchange rates had a negative net impact of approximately $11.0 million.

It should be noted that EBITDA and adjusted EBITDA are not performance measures defined by IFRS, but we, as well as investors and analysts, 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:

	52-weeks periods ended	
(in millions of US dollars)	**April 27, 2014**	April 28, 2013
Net earnings, as reported	**812.2**	572.8
Add:		
Income taxes	**134.2**	73.9
Net financial expenses	**110.6**	207.8
Depreciation and amortization and impairment of property and equipment and other assets	**583.2**	521.1
EBITDA	**1,640.2**	1,375.6
Remove:		
Restructuring costs	**-**	34.0
Curtailment gain on pension plan obligation	**(0.9)**	(19.4)
Negative goodwill	**(48.4)**	(4.4)
Adjusted EBITDA	**1,590.9**	1,385.8

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

For fiscal 2014, depreciation, amortization and impairment expense increased due to an impairment charge of $6.8 million on a non-operational lubricant production plant as well as to investments made through acquisitions, the replacement of equipment, addition of new stores and ongoing improvement of our network.

Net financial expenses

For fiscal 2014, we recorded net financial expenses of $110.6 million compared with $207.8 million for the comparable period of fiscal 2013. Excluding the net foreign exchange loss of $10.1 million and the net foreign gain of $3.2 million recorded respectively in fiscal 2014 and in fiscal 2013 as well as the $102.9 million non-recurring loss on foreign exchange forward contracts recorded in fiscal 2013, fiscal 2014 posted net financial expenses of $100.5 million, down $7.6 million compared with fiscal 2013. The decrease is mainly due to the reduction in our long-term debt following repayments we made on our acquisition facility partly offset by the higher average effective interest rate of our senior unsecured notes compared with the average effective rate of our acquisition facility as well as by the fact that fiscal 2013 did not include a complete year of the financing costs related to the acquisition of Statoil Fuel & Retail.

Income taxes

The income tax rate for fiscal 2014 was 14.2%, compared with 11.4% for the previous fiscal year. The income tax rate for fiscal 2014 was impacted by the effect on deferred taxes of a foreign loss only deductible and recognized for tax purposes as well as by a decrease in our statutory income tax rates in Norway and in Denmark. The income tax rate for fiscal 2013 was impacted by the effect on deferred income taxes of a decrease in our statutory income tax rate in Sweden. Excluding those non-recurring items, as well as the negative goodwill recorded in the first quarter of fiscal 2014, the income tax rate for fiscal 2014 would have been 15.5% compared with an income tax rate of 16.8% for fiscal 2013.

Net earnings

We closed fiscal 2014 with net earnings of $812.2 million, compared with $572.8 million for the previous fiscal year, an increase of $239.4 million or 41.8%. Diluted net earnings per share stood at $1.43 compared with $1.02 the previous year, an increase of 40.2%. The translation of revenues from our Canadian and European operations into the US dollars had a negative net impact of approximately $8.0 million on net earnings of fiscal 2014.

Excluding from net earnings of fiscal 2014 the negative goodwill, the net foreign exchange loss, the non-recurring income tax recovery, the impairment charge on a non-operational lubricant plant in Poland, the curtailment gain on pension plans obligation as well as acquisition costs and excluding from net earnings of fiscal 2013 the non-recurring loss on forwards, the

non-recurring income tax recovery in connection with the decrease in income tax rate in Sweden, the restructuring expense, the curtailment gain on pension plans obligation, the net foreign exchange gain, the negative goodwill as well as acquisition costs, fiscal 2014 net earnings would have stood at approximately $766.0 million, up $145.0 million or 23.3%, while fiscal 2014 diluted earnings per share would have stood at approximately $1.35, an increase of 21.6%.

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 26, 2015, our management, following its assessment, certifies the design and operating effectiveness of disclosure controls and procedures.

We undertake ongoing evaluations of the effectiveness of our internal controls over financial reporting and implement control enhancements, when appropriate. As at April 26, 2015, our management and our external auditors reported that these internal controls were effective.

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. These estimates are based on our best knowledge of current events and actions that we may undertake in the future. Actual results could differ from those estimates. The most significant accounting judgments and estimates that we have 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, useful lives of tangible and intangible assets, income taxes, leases, employee future benefits, provisions, impairment and business combinations.

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 primarily 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, Georgia, Arizona, Texas, West Virginia and Maryland, 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 recognize 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 U.S. 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.

Changes in Accounting Standards

Revised Standards

Levies

On April 28, 2014, we adopted the new interpretation IFRIC 21, "Levies". The interpretation identifies the obligating event for the recognition of a liability for a levy imposed by a government and provides guidance on when to recognize the liability. The adoption of this interpretation did not have a significant impact on the Corporation's consolidated financial statements.

Recently issued accounting standards not yet implemented

Classification and measurement of financial assets and financial liabilities

In July 2014, the IASB completed IFRS 9, "Financial Instruments" in its three-part project to replace IAS 39, "Financial Instruments: Recognition and Measurement" with a single approach to determine whether a financial asset is measured at amortized cost or fair value. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The standard is effective for fiscal years beginning on or after January 1st, 2018. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers", to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue related interpretations. This standard is effective for annual reporting periods beginning on or after January 1st, 2017 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

Presentation of financial statements

In December 2014, the IASB issued amendments to IAS 1, "Presentation of Financial Statements", to clarify materiality, aggregation and disaggregation of items presented in the balance sheet, statement of earnings and statement of comprehensive income as well as order of notes to financial statements. These amendments shall be applied to fiscal years beginning on or after January 1st, 2016 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its 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 present section and their financial impact.

Road Transportation Fuel. Our results are sensitive to the changes in road transportation fuel prices 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 prices fluctuations, are factors that could influence road transportation fuel selling price and related gross margin. During fiscal 2015, road transportation fuel revenues accounted for approximately 70.0% of our total revenue, yet the road transportation fuel gross margin represented only about 40.0% of our overall gross profits. In fiscal 2015, a change of one cent per gallon (approximately 0.26 cents per litre) would have resulted in a change of approximately $81.0 million in road transportation fuel gross profit, with a corresponding impact of approximately $0.10 on earning 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 2015, a variation of 10% in our expenses associated with electronic payment modes would have had an impact of approximately $0.04 on earning per share on a diluted basis.

Tobacco Products. Tobacco products represent our largest product category of merchandise and service revenues. For fiscal 2015, revenues of tobacco products were approximately 41.0% of total merchandise and service revenues. Significant increases in wholesale cigarette costs, 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 unfavorable 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 vapor reduction systems to capture fuel vapor, 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 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 should 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.

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 resale 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 related to the creditworthiness and performance of our customers, suppliers and contract counterparties. As of April 26, 2015, we had outstanding accounts receivable totaling $1,194.8 million. This amount primarily consists of credit card receivables, vendor rebates due from our suppliers and receivables arising from the sale of fuel and other products 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.

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.

Exchange Rate. The functional currency of our parent Company 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 rate swap 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 and certain intercompany loans. As at April 26, 2015, 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 $85.5 million on other comprehensive income. 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, 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.

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 bear interest at variable rates. As of April 26, 2015, we carried variable rate debt of approximately $1,839.0 million. Based on the amount of our variable rate debt as at April 26, 2015, a one percentage point increase in interest rates would decrease our earnings per share by $0.02 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, our cross-currency swap agreements, 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. Effectively, convenience store businesses and other foodservices operators can be adversely affected by litigation and complaints from customers or government agencies resulting from food quality, illness, or other health or environmental concerns or operating issues stemming from one or more locations. Lack of fresh food handling experience among our workforce increases the risk of food borne illness resulting in litigation and reputational damage. Adverse publicity about these allegations may negatively affect us, regardless of whether the allegations are true, by discouraging customers from purchasing fuel, merchandise or food at one or more of our convenience stores. We could also incur significant liabilities if a lawsuit or claim results in a decision against us. Even if we are successful in defending such litigation, our litigation costs could be significant, and the litigation may divert time and money away from our operations and adversely affect our performance or our ability to continue operating branded quick service restaurants under franchise agreements.

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.

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 affected by adverse global economic conditions.

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.

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 of road 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. Additionally, negative publicity or perception surrounding fuel suppliers could adversely affect their reputations and brand image which may negatively affect our fuel sales and gross profits. Similarly advanced technology and increased use of “green” automobiles (i.e. those automobiles that do not use petroleum-based fuel or that run on hybrid fuel sources) could drive down demand for fuel.

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.

Technological changes and scientific developments. Developments regarding climate change and the effects of greenhouse gas emissions on climate change and the environment may decrease the demand for our major product, petroleum-based fuel. Attitudes toward our product and its relationship to the environment and the “green movement” may significantly affect our sales and ability to market our product. New technologies developed to steer the public toward non-fuel dependant means of transportation may create an environment with negative attitude toward fuel, thus affecting the public’s attitude toward our major product and potentially having a material effect on our business, financial condition and results of operations. Further, new technologies developed to improve fuel efficiency or governmental mandates to improve fuel efficiency may result in decreased demand for petroleum-based fuel, which could have a material effect on our business, financial condition and results of operation.

Sensitive information – data protection. In the normal course of our business as a fuel and merchandise retailer, we obtain large amounts of personal data, including credit and debit card information from our customers. While we have invested significant amounts in the protection of our information technology and maintain what we believe are adequate security controls over individually identifiable customer, employee and vendor data provided to us, a breakdown or a breach in our systems that results in the unauthorized release of individually identifiable customer or other sensitive data could nonetheless occur and have a material effect on our reputation, operating results and financial condition. Such a breakdown or breach

could also materially increase the costs we incur to protect against such risks. Also, a material failure on our part to comply with regulations relating to our obligation to protect such sensitive data or to the privacy rights of our customers, employees and others could subject us to fines or other regulatory sanctions and potentially to lawsuits.

Information technology systems. We depend on information technology systems ("IT systems") to manage numerous aspects of our business transactions and to provide information to management. Our IT systems are an essential component of our business and growth strategies, and a serious disruption to out IT systems could significantly limit our ability to manage and operate our business efficiently. These systems are vulnerable to, among other things, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of data, security breaches, computer viruses and laws and regulations necessitating mandatory upgrades and timelines with which we may not be able to comply. Any serious disruption could cause our business and competitive position to suffer and adversely affect our operating results.

Outlook

During fiscal year 2016, we are looking forward to work on the integration of The Pantry stores into our network and to materializing associated synergies in addition to continuing our work around value creation in Europe. We will also continue working at improving and expanding our network, including the construction of new stores and the relocation and reconstruction of existing stores. We also intend to maintain our ongoing focus on sales, supply terms and operating expenses while keeping an eye on growth opportunities that may be available in our various markets.

Similar to prior years, we will pay special attention to the reduction of our debt level in order to continue to improve our financial flexibility and further improve the quality of our credit rating, allowing us to be adequately positioned to realize potential acquisition opportunities.

Finally, in line with our business model, we intend to continue focusing 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 customers.

July 14, 2015

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 Part I of the Chartered Professional Accountants of Canada (CPA Canada) Handbook - Accounting, which incorporates International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") 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 26, 2015 and April 27, 2014 were audited by PricewaterhouseCoopers LLP, a partnership of chartered professional accountants, and their report indicates the extent of their audit and their opinion on the consolidated financial statements.

July 14, 2015

Signed: Brian Hannasch	*Signed: Raymond Paré*
Brian Hannasch	Raymond Paré
President and	Vice-President and
Chief Executive Officer	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 26, 2015. The framework on which such evaluation was based is contained in the report entitled *Internal Control - Integrated Framework (2013)* 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 March 16, 2015, the Corporation acquired The Pantry Inc. ("The Pantry"). Management excluded from its evaluation of the effectiveness of our internal control over financial reporting, The Pantry's internal control over financial reporting. The Pantry's results since the acquisition date are included in the Corporation's consolidated financial statements and constituted approximately 17.0% of total consolidated assets as of April 26, 2015, approximately 2.0% of consolidated revenues and 1.0% of consolidated net earnings for the fiscal year then ended. Refer to note 4 to the consolidated financial statements for a discussion on this acquisition. Based on this evaluation, management concluded that Alimentation Couche-Tard Inc.'s internal control over financial reporting was effective as at April 26, 2015.

PricewaterhouseCoopers LLP, a partnership of Chartered Professional Accountants, audited the effectiveness of Alimentation Couche-Tard Inc.'s internal control over financial reporting as at April 26, 2015 and have issued their unqualified opinion thereon, which is included herein.

July 14, 2015

/s/ Brian Hannasch	*/s/ Raymond Paré*
Brian Hannasch President and Chief Executive Officer	Raymond Paré Vice-President and Chief Financial Officer

Independent Auditor's Report

To the Shareholders of
Alimentation Couche-Tard Inc.

July 14, 2015

We have completed integrated audits of Alimentation Couche-Tard Inc. and its subsidiaries' consolidated financial statements for the fiscal years ended April 26, 2015 and April 27, 2014 and its internal control over financial reporting as at April 26, 2015. Our opinions, based on our audits, are presented below.

Report on the consolidated financial statements

We have audited the consolidated financial statements of Alimentation Couche-Tard Inc. and its subsidiaries, which comprise the consolidated balance sheets as at April 26, 2015 and April 27, 2014 and the consolidated statements of earnings, comprehensive income, changes in shareholders' equity and cash flows for the fiscal years then ended, 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 audit 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 entity'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 26, 2015 and April 27, 2014 and their financial performance and their cash flows for the fiscal years then ended 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 26, 2015.

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 Corporation’s internal control over financial reporting was effectively maintained in accordance with criteria established in *Internal Control – Integrated Framework (2013)*, 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 CPA Canada 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 considered necessary in the circumstances.

Management’s assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of The Pantry Inc., a recent acquisition included in the 2015 consolidated financial statements of Alimentation Couche-Tard Inc., which constituted approximately 17.0% of total assets as of April 26, 2015, and approximately 2.0% of revenue and 1.0% of net earnings for the fiscal year ended April 26, 2015. 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 The Pantry Inc.

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 International Financial Reporting Standards. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity’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 26, 2015, based on criteria established in *Internal Control – Integrated Framework (2013)*, 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]

Montreal, Canada

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

Consolidated Statements of Earnings

For the fiscal years ended April 26, 2015 and April 27, 2014
(in millions of US dollars (Note 2), except per share amounts)

	2015	2014
	$	$
Revenues	**34,529.9**	37,962.1
Cost of sales	**29,261.9**	32,974.0
Gross profit	**5,268.0**	4,988.1
Operating, selling, administrative and general expenses (Note 8)	**3,376.9**	3,419.9
Restructuring and integration costs (Notes 4 and 23)	**30.3**	-
Loss on disposal of aviation fuel business (Note 5)	**11.0**	-
Curtailment gain on defined benefits pension plans obligation (Notes 5 and 27)	**(2.6)**	(0.9)
Negative goodwill (Note 4)	**(1.2)**	(48.4)
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets	**530.4**	583.2
	3,944.8	3,953.8
Operating income	**1,323.2**	1,034.3
Share of earnings of joint ventures and associated companies accounted for using the equity method (Note 6)	**21.9**	22.7
Financial expenses	**91.8**	111.4
Financial revenues	**(9.1)**	(10.9)
Foreign exchange loss from currency conversion	**22.7**	10.1
Net financial expenses (Note 10)	**105.4**	110.6
Earnings before income taxes	**1,239.7**	946.4
Income taxes (Note 11)	**306.2**	134.2
Net earnings	**933.5**	812.2
Net earnings attributable to:		
Shareholders of the Corporation	**932.8**	811.2
Non-controlling interest (Note 7)	**0.7**	1.0
Net earnings	**933.5**	812.2
Net earnings per share (Note 12)		
Basic	**1.65**	1.44
Diluted	**1.64**	1.43

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

Consolidated Statements of Comprehensive Income

For the fiscal years ended April 26, 2015 and April 27, 2014
(in millions of US dollars (Note 2), except per share amounts)

	2015	2014
	$	$
Net earnings	**933.5**	812.2
Other comprehensive income		
Items that may be reclassified subsequently to earnings		
Translation adjustments		
Changes in cumulative translation adjustments [1]	**(803.4)**	42.4
Cumulative translation adjustments reclassified to earnings (Note 5)	**1.9**	-
Change in fair value of cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its US operations	**(99.3)**	(45.7)
Net interest on cross-currency interest rate swaps designated as a hedge of the Corporation's net investment in its US operations [2]	**-**	2.6
Cash flow hedges		
Change in fair value of financial instruments [3] (Note 28)	**16.4**	9.7
Gain realized on financial instruments transferred to earnings [4] (Note 28)	**(14.3)**	(8.0)
Items that will never be reclassified to earnings		
Net actuarial (loss) gain (Note 27) [5]	**(26.8)**	0.1
Other comprehensive (loss) income	**(925.5)**	1.1
Comprehensive income	**8.0**	813.3
Comprehensive income attributable to:		
Shareholders of the Corporation	**7.3**	812.3
Non-controlling interest	**0.7**	1.0
Comprehensive income	**8.0**	813.3

(1) For the fiscal year ended April 26, 2015 this amount includes a loss of $13.3, arising from the translation of US dollar denominated long-term debt designated as a foreign exchange hedge of the Corporation's net investment in its US operations (net of income taxes of $2.1).
(2) For the fiscal year ended April 27, 2014 this amount is net of income taxes of $0.9.
(3) For the fiscal years ended April 26, 2015 and April 27, 2014 these amounts are net of income taxes of $5.7 and $3.5, respectively.
(4) For the fiscal years ended April 26, 2015 and April 27, 2014 these amounts are net of income taxes of $5.2 and $2.9, respectively.
(5) For the fiscal years ended April 26, 2015 and April 27, 2014 these amounts are net of income taxes of $9.9 and $0.2, 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 26, 2015 and April 27, 2014
(in millions of US dollars (Note 2))

2015

	Attributable to shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive income (loss) (Note 26)**	**Total**	**Non-controlling interest**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of year	**686.5**	**11.6**	**3,077.4**	**186.9**	**3,962.4**	**14.2**	**3,976.6**
Comprehensive income:							
Net earnings			**932.8**		**932.8**	**0.7**	**933.5**
Other comprehensive loss				**(925.5)**	**(925.5)**		**(925.5)**
Comprehensive income					**7.3**	**0.7**	**8.0**
Reduction of non-controlling interest					**-**	**(0.6)**	**(0.6)**
Dividends declared			**(86.9)**		**(86.9)**	**(0.4)**	**(87.3)**
Stock option-based compensation expense (Note 25)		**6.0**			**6.0**		**6.0**
Initial fair value of stock options exercised	**6.9**	**(6.9)**			**-**		**-**
Cash received upon exercise of stock options	**3.8**				**3.8**		**3.8**
Balance, end of year	**697.2**	**10.7**	**3,923.3**	**(738.6)**	**3,892.6**	**13.9**	**3,906.5**

2014

	Attributable to shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income (Note 26)	Total	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance, beginning of year	670.4	16.5	2,344.0	185.8	3,216.7	-	3,216.7
Comprehensive income:							
Net earnings			811.2		811.2	1.0	812.2
Other comprehensive income				1.1	1.1		1.1
Comprehensive income					812.3	1.0	813.3
Dividends declared			(64.6)		(64.6)		(64.6)
Addition to non-controlling interest (Note 7)					-	13.2	13.2
Redemption liability (Note 7)			(13.2)		(13.2)		(13.2)
Stock option-based compensation expense (Note 25)		1.8			1.8		1.8
Initial fair value of stock options exercised	6.7	(6.7)			-		-
Cash received upon exercise of stock options	9.4				9.4		9.4
Balance, end of year	686.5	11.6	3,077.4	186.9	3,962.4	14.2	3,976.6

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

Consolidated Statements of Cash Flows

For the fiscal years ended April 26, 2015 and April 27, 2014
(in millions of US dollars (Note 2))

	2015	2014
	$	$
Operating activities		
Net earnings	**933.5**	812.2
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation, amortization and impairment of property and equipment, intangible assets and other assets, net of amortization of deferred credits	**454.5**	553.9
Deferred income taxes	**(72.5)**	(60.9)
Deferred credits	**17.1**	11.4
Loss on disposal of aviation fuel business (Note 5)	**11.0**	-
Share of earnings of joint ventures and associated companies accounted for using the equity method, net of dividends received (Note 6)	**7.4**	9.8
(Gain) loss on disposal of property and equipment and other assets	**(1.5)**	7.6
Curtailment gain on defined benefits pension plans obligation (Note 5 and 27)	**(2.6)**	(0.9)
Negative goodwill (Note 4)	**(1.2)**	(48.4)
Other	**17.2**	30.0
Changes in non-cash working capital (Note 13)	**351.6**	114.6
Net cash provided by operating activities	**1,714.5**	1,429.3
Investing activities		
Business acquisitions (Note 4)	**(929.4)**	(159.6)
Purchases of property and equipment, intangible assets and other assets	**(634.5)**	(529.4)
Proceeds from disposal of aviation fuel business (Note 5)	**94.6**	-
Proceeds from disposal of property and equipment and other assets	**71.6**	70.4
Restricted cash	**(1.1)**	20.6
Net cash used in investing activities	**(1,398.8)**	(598.0)
Financing activities		
Net increase in US dollar term revolving unsecured operating credit (Note 20)	**1,043.7**	448.0
Repayments under the unsecured non-revolving acquisition credit facility (Note 20)	**(555.0)**	(1,648.0)
Repayment of debt assumed on business acquisition (Note 4)	**(529.1)**	-
Issuance of Canadian dollar denominated senior unsecured notes, net of financing costs (Note 20)	**-**	285.6
Net decrease in other debt (Note 20)	**(18.0)**	(16.7)
Cash dividends paid	**(86.9)**	(64.6)
Issuance of shares upon exercise of stock-options	**3.8**	9.4
Net cash used in financing activities	**(141.5)**	(986.3)
Effect of exchange rate fluctuations on cash and cash equivalents	**(107.7)**	6.0
Net increase (decrease) in cash and cash equivalents	**66.5**	(149.0)
Cash, cash equivalents and bank overdraft, beginning of year	**509.3**	658.3
Cash, cash equivalents and bank overdraft, end of year	**575.8**	509.3
Bank overdraft, end of year	**-**	1.8
Cash and cash equivalents, end of year	**575.8**	511.1
Supplemental information:		
Interest paid	**62.7**	78.5
Interest and dividends received	**21.6**	41.3
Income taxes paid	**279.1**	172.3
Cash and cash equivalents components:		
Cash and demand deposits	**553.7**	484.5
Liquid investments	**22.1**	26.6
	575.8	511.1

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

Consolidated Balance Sheets

As at April 26, 2015 and April 27, 2014
(in millions of US dollars (Note 2))

	2015	2014
	$	$
Assets		
Current assets		
Cash and cash equivalents	**575.8**	511.1
Restricted cash	**2.1**	1.0
Accounts receivable (Note 14)	**1,194.8**	1,726.4
Inventories (Note 15)	**859.6**	848.0
Prepaid expenses	**64.3**	60.0
Income taxes receivable	**10.5**	68.4
	2,707.1	3,214.9
Property and equipment (Note 16)	**5,328.5**	5,131.0
Goodwill (Note 17)	**1,817.3**	1,088.7
Intangible assets (Note 17)	**623.2**	823.5
Other assets (Note 18)	**222.2**	159.8
Investment in joint ventures and associated companies (Note 6)	**75.6**	75.4
Deferred income taxes (Note 11)	**63.9**	51.7
	10,837.8	10,545.0
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 19)	**2,220.7**	2,510.3
Provisions (Note 23)	**135.6**	102.4
Income taxes payable	**37.4**	29.8
Bank loans and current portion of long-term debt (Note 20)	**21.3**	20.3
	2,415.0	2,662.8
Long-term debt (Note 20)	**3,053.3**	2,586.1
Provisions (Note 23)	**417.9**	390.5
Pension benefit liability (Note 27)	**126.6**	119.8
Other financial liabilities (Note 21)	**161.6**	73.9
Deferred credits and other liabilities (Note 22)	**214.6**	169.5
Deferred income taxes (Note 11)	**542.3**	565.8
	6,931.3	6,568.4
Equity		
Capital stock (Note 24)	**697.2**	686.5
Contributed surplus	**10.7**	11.6
Retained earnings	**3,923.3**	3,077.4
Accumulated other comprehensive (loss) income (Note 26)	**(738.6)**	186.9
Equity attributable to shareholders of the Corporation	**3,892.6**	3,962.4
Non-controlling interest	**13.9**	14.2
	3,906.5	3,976.6
	10,837.8	10,545.0

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

On behalf of the Board,

(s/ Brian Hannasch	*/s/ Alain Bouchard*
Brian Hannasch	**Alain Bouchard**
Director	Director

Notes to the Consolidated Financial Statements

For the fiscal years ended April 26, 2015 and April 27, 2014
(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 governed by the Business Corporations Act (Quebec). The Corporation's head office is located in Laval, at 4204 Boulevard Industriel, Quebec, Canada.

As at April 26, 2015, the Corporation operates and licenses 10,078 convenience stores across North America, Scandinavia (Norway, Sweden and Denmark), Poland, the Baltics (Estonia, Latvia and Lithuania), and Russia, of which 7,787 are company-operated, and generates income primarily from the sales of tobacco products, grocery items, beverages, fresh food offerings, including quick service restaurants, car wash services, other retail products and services, road transportation fuel, stationary energy, marine fuel, lubricants and chemicals.

In addition, about 4,700 stores are operated by independent operators under the Circle K banner in 12 other countries or regions worldwide (China, Guam, Honduras, Hong Kong, Indonesia, Japan, Macau, Malaysia, Mexico, the Philippines, the United Arab Emirates and Vietnam) which brings the total network to over 14,700 stores worldwide.

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 26, 2015 and April 27, 2014 are referred to as 2015 and 2014.

Basis of presentation

The Corporation prepares its consolidated financial statements in accordance with generally accepted accounting principles in Canada as set out in Part I of the CPA Canada Handbook - Accounting, 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 14, 2015 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 26, 2015:

- Direct car wash expenses were previously recorded as a reduction of revenue or as operating, selling, administrative and general expenses This is no longer the case and car wash revenue is now presented at its gross amount and all direct expenses are recorded in cost of sales. For fiscal 2014, this change resulted in an increase in revenue of $5.5, a decrease in gross profit of $3.2 and a decrease in operating, selling, administrative and general expenses of $3.2.
- Following an analysis of certain fixed assets in European cash generating units ("CGUs"), the goodwill related to the Lubricants CGU of $8.1 was reallocated to the Scandinavia CGU.

3. ACCOUNTING POLICIES

Changes in accounting policies

Hedge of the net investment in foreign operations

As of October 13, 2014, the Corporation designated its entire US dollar denominated long-term debt as a foreign exchange hedge of its net investment in its US operations. Accordingly, since this designation, the gains or losses arising from the translation of the US dollar denominated debt that are determined to be an effective hedge are recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of the Corporation's net investment in its US operations. Should a portion of the hedging relationship become ineffective, the ineffective portion would be recorded in the consolidated statement of earnings under financial expenses.

Levies

On April 28, 2014, the Corporation adopted the new interpretation IFRIC 21, "Levies". The interpretation identifies the obligating event for the recognition of a liability for a levy imposed by a government and provides guidance on when to recognize the liability. The adoption of this interpretation did not have a 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, useful lives of tangible and intangible assets, income taxes, leases, employee future benefits, provisions, impairment and business combinations.

Principles of consolidation

The consolidated financial statements include the accounts of the Corporation and its subsidiaries, which are generally 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 a direct or indirect 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.

The Corporation holds contracts with franchisees. These franchisees manage their store and are responsible for merchandising and financing their inventory. The franchised stores' financial statements are not included in the Corporation's consolidated financial statements.

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 using the exchange rate in effect at the balance sheet date and revenues and expenses are translated using the average exchange rate on a 4-week period basis. Non-monetary assets and liabilities are translated using historical rates or using 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 statements of earnings except for the Corporation's US dollar denominated long-term debt designated as a foreign exchange hedge of the Corporation's net investment in its US operations for which gains and losses arising from such translation are included in Accumulated other comprehensive income in Shareholders' equity.

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 using the average exchange rate on a 4-week period basis. Individual transactions with a significant impact on the consolidated statements 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 statements 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 using 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 on the passing of possession of the goods and when the transfer of the associated risk is made.

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 excise duties. 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 on the passing of possession of the goods and when the transfer of the associated risk is made. 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 judgment 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 (“CGU”). 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 CGU’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 3 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 and are 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 characterization 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. Judgment 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 sheets.

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 lease payments receivable in the consolidated balance sheets and presents them as accounts receivable. Lease payments received under finance leases are apportioned between financial revenues and reduction of the receivable.

Leases that do not transfer substantially all the benefits and risks incidental to ownership of the property to a third party 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 rent received under the lease as rent receivable.

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 primarily 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
Derivative financial instruments	Financial assets at fair value through profit or loss	Fair value	Net earnings
Derivative financial instruments designated as hedges	Effective hedging instruments	Fair value	Other comprehensive income subject to reclassification to net earnings
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 the hedged transaction no longer be expected to 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.

US dollar denominated long-term debt

The Corporation designates its entire US dollar denominated long-term debt as a foreign exchange hedge of its net investment in its US operations. Accordingly, the gains or losses arising from the translation of the US dollar denominated debt that is determined to be an effective hedge are recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of the Corporation's net investment in its US operations.

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 designates these cross currency swaps as a foreign exchange hedge of its net investment in its US operations. Accordingly, the portion of the gains or losses arising from the translation of the cross currency swaps that are determined to be an effective hedge are recognized in Other comprehensive income, counterbalancing gains and losses arising from translation of the Corporation's net investment in its US operations.

Commodity futures

The Corporation, from time to time, used commodity futures to manage the price fluctuation risk associated with forecasted purchases of aviation fuel. Changes in their fair value were recorded in financial 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 to 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 judgment and the use of assumptions that, if changed, may affect the consolidated statements of earnings and consolidated balance sheets.

For purchase price allocation and impairment testing purposes, goodwill and other intangible assets with indefinite useful lives are allocated to CGUs based on the lowest level at which management reviews the results which is not higher than the operating segment. The allocation is made to those CGUs which are expected to benefit from the business combination and in which the goodwill and intangible assets with indefinite useful lives arose.

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

Classification and measurement of financial assets and financial liabilities

In July 2014, the IASB completed IFRS 9, "Financial Instruments" in its three-part project to replace IAS 39, "Financial Instruments: Recognition and Measurement" with a single approach to determine whether a financial asset is measured at amortized cost or fair value. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The standard is effective for fiscal years beginning on or after January 1, 2018 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers", to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue-related interpretations. This standard is effective for annual reporting periods beginning on or after January 1, 2017 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

Presentation of financial statements

In December 2014, the IASB issued amendments to IAS 1, "Presentation of Financial Statements", to clarify materiality, aggregation and disaggregation of items presented in the balance sheet, statement of earnings and statement of comprehensive income as well as order of notes to financial statements. These amendments shall be applied to fiscal years beginning on or after January 1, 2016 with earlier adoption permitted. The Corporation will assess, in due course, the impact of this standard on its consolidated financial statements.

4. BUSINESS ACQUISITIONS

The Corporation has made the following business acquisitions:

2015

Acquisition of The Pantry Inc. ("The Pantry")

On March 16, 2015, the Corporation acquired 100% of the outstanding shares of The Pantry through an all-cash transaction valued at $36.75 per share. The Corporation financed this transaction using its existing credit facility, as modified on May 16, 2014, December 1, 2014 and March 16, 2015. The Pantry operates over 1,500 convenience stores in 13 US states, the majority of which dispense road transportation fuel. The Corporation owns the land and buildings for 409 sites, leases the land and owns the buildings for 52 sites and leases these same assets for the remaining sites.

Acquisition costs of $0.9 in connection with this acquisition are included in Operating, selling, administrative and general expenses.

This acquisition was settled for a total cash consideration of $850.7. Given the size and timing of the transaction, the Corporation has not completed its fair value assessment of the assets acquired, the liabilities assumed and the goodwill for this transaction. Consequently, the fair value adjustments related to this acquisition are included in goodwill in the preliminary purchase price allocation. Our preliminary work has identified the following intangible assets which have not yet been valued in this preliminary allocation: customer relations, software, franchise agreements and a trademark. This preliminary allocation is subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed. Purchase price allocation based on available information as at the date of authorisation of these consolidated financial statements is as follows:

	$
Assets	
Current assets	
Cash and cash equivalents	93.8
Accounts receivable	60.9
Inventories	135.7
Prepaid expenses	25.8
Income taxes receivable	0.4
	316.6
Property and equipment	660.8
Identifiable intangible assets	11.8
Other assets	67.7
	1,056.9
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	219.7
Provisions	22.5
Current portion of finance lease obligations	7.6
Current portion of long-term debt	529.1
	778.9
Finance lease obligations	97.6
Provisions	116.2
Other liabilities	16.4
Deferred income taxes	44.8
	1,053.9
Net identifiable assets	3.0
Acquisition goodwill	847.7
Consideration paid in cash	850.7
Cash and cash equivalents acquired	93.8
Net cash flow for the acquisition	756.9

The Corporation expects that none of the goodwill related to this transaction will be deductible for tax purposes.

This acquisition was concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. Since the date of acquisition, revenues and net earnings from these stores amounted to $729.3 and $5.8, respectively. The following summary presents the pro-forma consolidated results of the Corporation for fiscal year 2015 under the assumption that The Pantry was acquired on April 28, 2014. 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 nor does it reflect the impact of future purchase price allocation adjustments. This information was also adjusted to exclude non-recurring acquisition costs related to this transaction.

	$
Revenues	6,896.2
Net earnings	30.4

Subsequently to the acquisition, the current portion of long-term debt was paid in full using the Corporation's term revolving unsecured operating credit D. The Corporation also incurred integration and restructuring costs of $22.0 in regards to this acquisition.

Other acquisitions

- On June 23, 2014, the Corporation acquired 13 company-operated stores and two non-operating stores in South Carolina, United States from Garvin Oil Company. The Corporation owns the land and buildings for all sites.
- On October 8, 2014, the Corporation acquired 55 stores in Illinois and Indiana, United States from Tri Star Marketing Inc. Of these, 54 are company-operated and one is operated by an independent operator. The Corporation owns the land and buildings for 54 sites and leases the land and owns the building for the remaining site. Through this transaction, the Corporation also acquired three biodiesel blending facilities.
- During fiscal year 2015, the Corporation also acquired 32 other stores through distinct transactions. The Corporation owns the land and buildings for 23 sites and leases these same assets for the remaining nine.

Acquisition costs of $1.8 in connection with these acquisitions and other unrealized acquisitions are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $172.5. 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 authorisation of these consolidated financial statements is as follows:

	$
Tangible assets acquired	
Inventories	**10.4**
Property and equipment	**143.1**
Total tangible assets	**153.5**
Liabilities assumed	
Accounts payable and accrued liabilities	**2.0**
Provisions	**1.2**
Deferred credits and other liabilities	**5.0**
Total liabilities	**8.2**
Net tangible assets acquired	**145.3**
Intangible assets	**1.3**
Goodwill	**27.1**
Negative goodwill recorded to earnings	**(1.2)**
Total cash consideration paid	**172.5**

The Corporation expects that $12.9 of the goodwill related to these transactions will be deductible for tax purposes.

These acquisitions were concluded in order to expand the Corporation's market share, to penetrate new markets and to increase its economies of scale. These acquisitions generated goodwill mainly due to the strategic location of stores acquired and negative goodwill due to the difference between the acquisition price and the fair value of net assets acquired. Since the date of acquisition, revenues and net earnings from these stores amounted to $285.9 and $6.7, 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.

2014

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

Acquisition costs of $1.3 in connection with these acquisitions and other unrealized acquisitions are included in Operating, selling, administrative and general expenses.

These acquisitions were settled for a total cash consideration of $159.6. Purchase price allocations based on the estimated fair value on the date of acquisition and available information as at the date of publication of these consolidated financial statements is as follows:

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

Approximately $3.0 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 mainly due to the strategic location of stores acquired and negative goodwill due to the difference between the acquisition price and the fair value of net assets acquired.

5. DISPOSAL OF AVIATION FUEL BUSINESS

On December 31, 2014, the Corporation closed the sale of its aviation fuel business through a share purchase agreement pursuant to which BP Global Investments Ltd. acquired 100% of all issued and outstanding shares of Statoil Fuel & Retail Aviation AS for total proceeds of $107.4 including an amount of $91.4 for intercompany debt assumed by the buyer and of which $12.3 is receivable as at April 26, 2015. The Corporation recognized a loss on disposal of $11.0 and a curtailment gain on defined benefits pension plans obligation of $2.6 in relation to this sale transaction. The disposal also resulted in a $1.9 cumulated loss on translation adjustments being reclassified to earnings and included in the loss on disposal. These preliminary figures are subject to change until final closing adjustments.

6. INVESTMENT IN JOINT VENTURES AND ASSOCIATED COMPANIES

	2015	2014
	$	$
Investment in joint ventures	**73.9**	72.9
Investment in associated companies	**1.7**	2.5
	75.6	75.4

The Corporation's investment in joint ventures and associated companies are recorded according to the equity method. The following amounts represent the Corporation's share of the joint ventures' and associated companies' net earnings and comprehensive income:

	2015	2014
	$	$
Joint ventures		
Net earnings and comprehensive income	**21.9**	22.0
Associated companies		
Net earnings and comprehensive income	**-**	0.7
	21.9	22.7

7. NON-CONTROLLING INTEREST

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

8. SUPPLEMENTARY INFORMATION RELATING TO EXPENSES

	2015	2014
	$	$
Cost of sales	29,261.9	32,974.0
Selling expenses	3,239.1	3,118.1
Administrative expenses	512.5	592.1
Operating expenses	193.2	243.6
	33,206.7	36,927.8

The above expenses include rent expense of $323.6 ($322.5 in 2014), net of sub-leasing income of $23.1 ($24.5 in 2014).

	2015	2014
	$	$
Employee benefit charges		
Salaries	1,206.0	1,231.9
Fringe benefits and other employer contributions	164.9	170.0
Employee future benefits (Note 27)	82.3	85.6
Termination benefits	18.4	1.2
Stock-based compensation and other stock-based payments (Note 25)	13.8	7.4
Curtailment gain on defined benefits pension plans obligation (Note 27)	(2.6)	(0.9)
	1,482.8	1,495.2

9. COMPENSATION OF KEY MANAGEMENT PERSONNEL

	2015	2014
	$	$
Salaries and other current benefits	9.2	10.5
Stock-based compensation and other stock-based payments	7.6	4.4
Employee future benefits (Note 27)	2.4	3.3
	19.2	18.2

Key management personnel comprise members of the Board of Directors and senior management.

10. NET FINANCIAL EXPENSES

	2015	2014
	$	$
Financial expenses		
Interest expense		
Interest on long-term debt	57.9	80.5
Interest on finance lease obligations	6.1	4.1
Net interest on defined benefit plans (Note 27)	3.4	3.9
Change in fair value of derivative financial instrument	2.5	(0.5)
Interest on bank overdrafts and bank loans	1.1	0.6
Accretion of provisions (Note 23)	16.0	16.3
Other finance costs	4.8	6.5
	91.8	111.4
Financial revenues		
Interest on bank deposits	3.1	2.9
Other financial revenues	6.0	8.0
	9.1	10.9
Foreign exchange loss	22.7	10.1
Net financial expenses	105.4	110.6

11. INCOME TAXES

	2015	2014
	$	$
Current income taxes	378.7	195.1
Deferred income taxes	(72.5)	(60.9)
	306.2	134.2

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:

	2015	2014
	%	%
Combined statutory income tax rate in Canada(a)	26.90	26.90
Impact of other jurisdictions' tax rates	(2.96)	(9.82)
Impact of tax rate changes	(0.02)	(0.83)
Other permanent differences	0.78	(2.07)
Effective income tax rate	24.70	14.18

(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:

						2015
	Balance as at April 27, 2014	**Recognized to earnings**	**Recognized directly to other comprehensive income or equity**	**Transfer from income taxes payable**	**Recognized through business acquisitions**	**Balance as at April 26, 2015**
	$	**$**	**$**	**$**	**$**	**$**
Deferred income tax assets						
Property and equipment	**29.9**	**(48.5)**	**-**	**-**	**-**	**(18.6)**
Expenses deductible during the following years	**19.3**	**5.0**	**1.1**	**-**	**-**	**25.4**
Goodwill	**(9.3)**	**(24.6)**	**-**	**-**	**-**	**(33.9)**
Deferred charges	**2.6**	**5.4**	**-**	**-**	**-**	**8.0**
Tax attributes	**1.2**	**53.1**	**-**	**-**	**-**	**54.3**
Asset retirement obligations	**3.7**	**12.7**	**-**	**-**	**-**	**16.4**
Deferred credits	**(2.6)**	**(0.7)**	**(0.6)**	**-**	**-**	**(3.9)**
Unrealized exchange gain	**8.5**	**(0.3)**	**(12.9)**	**-**	**-**	**(4.7)**
Other	**(1.6)**	**22.5**	**-**	**-**	**-**	**20.9**
	51.7	**24.6**	**(12.4)**	**-**	**-**	**63.9**
Deferred income tax liabilities						
Property and equipment	**545.4**	**(29.5)**	**(48.2)**	**-**	**38.5**	**506.2**
Goodwill	**117.9**	**(96.2)**	**(17.8)**	**-**	**57.3**	**61.2**
Expenses deductible during the following years	**(97.8)**	**(2.2)**	**7.2**	**-**	**-**	**(92.8)**
Intangible assets	**60.9**	**57.1**	**-**	**-**	**(7.2)**	**110.8**
Asset retirement obligations	**(64.8)**	**10.6**	**10.5**	**-**	**(10.2)**	**(53.9)**
Tax attributes	**(27.2)**	**(32.1)**	**14.4**	**32.1**	**(13.4)**	**(26.2)**
Deferred charges	**(9.1)**	**(0.7)**	**0.4**	**-**	**-**	**(9.4)**
Deferred credits	**(10.0)**	**8.9**	**(0.2)**	**-**	**(15.4)**	**(16.7)**
Revenues taxable during the following years	**53.9**	**25.6**	**(17.8)**	**-**	**-**	**61.7**
Unrealized exchange loss (gain)	**11.9**	**(11.1)**	**0.7**	**-**	**-**	**1.5**
Other	**(15.3)**	**21.7**	**(1.7)**	**-**	**(4.8)**	**(0.1)**
	565.8	**(47.9)**	**(52.5)**	**32.1**	**44.8**	**542.3**

						2014
	Balance as at April 28, 2013	Recognized to earnings	Recognized directly to other comprehensive income or equity	Transfer from income taxes payable	Recognized through business acquisitions	Balance as at April 27, 2014
	$	$	$	$	$	$
Deferred income tax assets						
Property and equipment	28.2	1.7	-	-	-	29.9
Expenses deductible during the following years	17.1	2.8	(0.6)	-	-	19.3
Goodwill	(9.6)	0.3	-	-	-	(9.3)
Deferred charges	6.6	(4.0)	-	-	-	2.6
Tax attributes	4.1	(2.7)	(0.2)	-	-	1.2
Asset retirement obligations	3.7	-	-	-	-	3.7
Deferred credits	(2.1)	0.1	(0.6)	-	-	(2.6)
Unrealized exchange (gain) loss	(0.8)	12.7	(3.4)	-	-	8.5
Other	1.6	(3.1)	(0.1)	-	-	(1.6)
	48.8	7.8	(4.9)	-	-	51.7
Deferred income tax liabilities						
Property and equipment	524.7	21.4	(0.7)	-	-	545.4
Goodwill	145.7	(39.8)	12.0	-	-	117.9
Expenses deductible during the following years	(87.9)	(10.1)	0.2	-	-	(97.8)
Intangible assets	64.6	(3.7)	-	-	-	60.9
Asset retirement obligations	(64.6)	(0.4)	0.2	-	-	(64.8)
Tax attributes	(46.7)	(31.3)	0.2	50.6	-	(27.2)
Deferred charges	28.9	(38.0)	-	-	-	(9.1)
Deferred credits	(12.2)	2.2	-	-	-	(10.0)
Revenues taxable during the following years	3.6	50.3	-	-	-	53.9
Unrealized exchange gain	1.0	15.5	(4.6)	-	-	11.9
Other	4.1	(19.1)	(0.3)	-	-	(15.3)
	561.2	(53.0)	7.0	50.6	-	565.8

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

	2015	2014
	$	$
Deferred tax assets:		
Deferred tax assets to be recovered in more than 12 months	**54.9**	47.1
Deferred tax assets to be recovered within 12 months	**9.0**	4.6
	63.9	51.7
Deferred tax liabilities:		
Deferred tax liabilities to be settled in more than 12 months	**581.5**	609.7
Deferred tax liabilities to be settled within 12 months	**(39.2)**	(43.9)
	542.3	565.8

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 $552.7 ($1,015.8 in 2014).

12. NET EARNINGS PER SHARE

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

	2015	2014
	$	$
Net earnings available to Class A and B shareholders	**932.8**	811.2
Weighted average number of shares (in thousands)	**566,013**	564,511
Dilutive effect of stock options (in thousands)	**2,698**	3,629
Weighted average number of diluted shares (in thousands)	**568,711**	568,140
Basic net earnings per share available for Class A and B shareholders	**1.65**	1.44
Diluted net earnings per share available for Class A and B shareholders	**1.64**	1.43

In calculating diluted net earnings per share for 2015, 651,274 stock options are excluded due to their antidilutive effect (no excluded stock options in 2014).

During fiscal 2015, the Board declared total dividends of CA$0.19 per share.

13. SUPPLEMENTARY INFORMATION RELATING TO CHANGES IN NON-CASH WORKING CAPITAL

	2015	2014
	$	$
Accounts receivable	**315.2**	(53.4)
Inventories	**30.1**	(9.0)
Prepaid expenses	**14.2**	(2.1)
Accounts payable and accrued liabilities	**(110.2)**	154.9
Income taxes payable	**102.3**	24.2
	351.6	114.6

14. ACCOUNTS RECEIVABLE

	2015	2014
	$	$
Credit and debit cards receivable [(a)]	**600.3**	718.7
Trade accounts receivable and vendor rebates receivable [(a)]	**513.2**	932.2
Provision for doubtful accounts	**(27.1)**	(27.6)
Credit and debit cards receivable and trade accounts receivable and vendor rebates receivable - net	**1,086.4**	1,623.3
Other accounts receivable	**108.4**	103.1
	1,194.8	1,726.4

(a) These amounts are presented net of an amount of $130.5 presented in reduction of Accounts payable and accrued expenses due to netting arrangements ($162.5 as at April 27, 2014).

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

	2015	2014
	$	$
Not past due	**1,012.3**	1,470.6
Past due 1-30 days	**50.5**	73.8
Past due 31-60 days	**12.4**	13.9
Past due 61-90 days	**6.2**	16.9
Past due 91 days and over	**5.0**	48.1
	1,086.4	1,623.3

Movements in the provision for doubtful accounts are as follows:

	2015	2014
	$	$
Balance, beginning of year	**27.6**	31.1
Business acquisitions	**0.4**	-
Provision for doubtful accounts, net of unused beginning balance	**14.4**	7.2
Receivables written off during the year	**(8.5)**	(11.7)
Effect of exchange rate variations	**(6.8)**	1.0
Balance, end of year	**27.1**	27.6

15. INVENTORIES

	2015	2014
	$	$
Merchandise	**556.0**	455.2
Road transportation fuel	**274.0**	329.0
Lubricant products	**26.9**	36.6
Aviation fuel (Note 5)	**-**	23.0
Other products	**2.7**	4.2
	859.6	848.0

16. PROPERTY AND EQUIPMENT

	Land	Buildings and building components	Equipment	Leasehold improvements	Total
	$	$	$	$	$
Year ended April 26, 2015					
Net book amount, beginning	**1,447.1**	**1,763.0**	**1,735.6**	**185.3**	**5,131.0**
Additions	**50.3**	**111.5**	**421.6**	**33.8**	**617.2**
Business acquisitions (Note 4)	**183.1**	**262.1**	**300.7**	**58.0**	**803.9**
Disposals	**(44.4)**	**(38.8)**	**(52.7)**	**(2.3)**	**(138.2)**
Depreciation and amortization expense	**(0.7)**	**(129.8)**	**(265.1)**	**(42.1)**	**(437.7)**
Impairment expense	**-**	**(2.1)**	**(0.8)**	**-**	**(2.9)**
Transfers	**5.8**	**(5.5)**	**0.2**	**(0.5)**	**-**
Effect of exchange rate variations	**(143.9)**	**(292.8)**	**(202.8)**	**(5.3)**	**(644.8)**
Net book amount, end [(a)]	**1,497.3**	**1,667.6**	**1,936.7**	**226.9**	**5,328.5**
As at April 26, 2015					
Cost	**1,502.9**	**2,178.9**	**3,351.3**	**545.9**	**7,579.0**
Accumulated depreciation, amortization and impairment	**(5.6)**	**(511.3)**	**(1,414.6)**	**(319.0)**	**(2,250.5)**
Net book amount [(a)]	**1,497.3**	**1,667.6**	**1,936.7**	**226.9**	**5,328.5**
Portion related to finance leases	**23.3**	**155.9**	**38.9**	**-**	**218.1**
Year ended April 27, 2014					
Net book amount, beginning	1,379.4	1,805.9	1,692.1	202.5	5,079.9
Additions	26.4	66.0	344.3	31.5	468.2
Business acquisitions (Note 4)	99.0	30.8	32.5	-	162.3
Disposals	(17.5)	(13.9)	(49.6)	(2.3)	(83.3)
Depreciation and amortization expense	(0.3)	(116.5)	(298.8)	(41.9)	(457.5)
Impairment expense	(7.8)	(1.0)	(2.9)	-	(11.7)
Transfers	(23.3)	(9.2)	32.2	0.3	-
Effect of exchange rate variations	(8.8)	0.9	(14.2)	(4.8)	(26.9)
Net book amount, end [(a)]	1,447.1	1,763.0	1,735.6	185.3	5,131.0
As at April 27, 2014					
Cost	1,456.5	2,219.1	3,073.4	484.3	7,233.3
Accumulated depreciation, amortization and impairment	(9.4)	(456.1)	(1,337.8)	(299.0)	(2,102.3)
Net book amount [(a)]	1,447.1	1,763.0	1,735.6	185.3	5,131.0
Portion related to finance leases	34.0	31.6	43.4	-	109.0

(a) The net book amount as at April 26, 2015 includes $317.7 related to construction in progress ($246.3 as at April 27, 2014).

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

17. GOODWILL AND INTANGIBLE ASSETS

Goodwill

	2015	2014
	$	$
Net book amount, beginning of year	**1,088.7**	1,081.0
Business acquisitions (Note 4)	**874.8**	16.0
Disposal of aviation fuel business	**(1.9)**	-
Effect of exchange rate variations	**(144.3)**	(8.3)
Net book amount, end of year	**1,817.3**	1,088.7

Intangible assets

	Trademarks	Franchise agreements	Software [(a)]	Customer relationships	Licenses	Fuel supply agreements	Other	Total
	$	$	$	$	$	$	$	$
Year ended April 26, 2015								
Net book amount, beginning	**411.4**	**110.1**	**201.9**	**54.1**	**24.5**	**10.3**	**11.2**	**823.5**
Additions	**-**	**-**	**26.6**	**-**	**-**	**-**	**-**	**26.6**
Business acquisitions (Note 4)	**-**	**-**	**7.4**	**0.3**	**-**	**-**	**5.4**	**13.1**
Disposals	**(5.3)**	**-**	**-**	**(3.2)**	**-**	**(0.2)**	**(0.9)**	**(9.6)**
Depreciation and amortization expense	**(17.6)**	**(18.6)**	**(18.0)**	**(39.1)**	**-**	**(7.0)**	**(1.1)**	**(101.4)**
Effect of exchange rate variations	**(54.9)**	**(22.2)**	**(43.9)**	**(6.0)**	**-**	**-**	**(2.0)**	**(129.0)**
Net book amount, end	**333.6**	**69.3**	**174.0**	**6.1**	**24.5**	**3.1**	**12.6**	**623.2**
As at April 26, 2015								
Cost	**376.2**	**111.6**	**233.7**	**98.1**	**24.5**	**54.2**	**17.8**	**916.1**
Accumulated depreciation and amortization	**(42.6)**	**(42.3)**	**(59.7)**	**(92.0)**	**-**	**(51.1)**	**(5.2)**	**(292.9)**
Net book amount	**333.6**	**69.3**	**174.0**	**6.1**	**24.5**	**3.1**	**12.6**	**623.2**
Year ended April 27, 2014								
Net book amount, beginning	429.7	132.0	131.5	97.1	19.6	12.0	12.8	834.7
Additions	-	-	86.0	-	-	-	0.2	86.2
Business acquisitions (Note 4)	-	-	-	-	5.0	25.7	0.1	30.8
Disposals	-	-	(1.2)	-	-	(6.4)	(0.2)	(7.8)
Depreciation and amortization expense	(19.9)	(19.6)	(10.3)	(45.6)	-	(21.0)	(1.7)	(118.1)
Effect of exchange rate variations	1.6	(2.3)	(4.1)	2.6	(0.1)	-	-	(2.3)
Net book amount, end	411.4	110.1	201.9	54.1	24.5	10.3	11.2	823.5
As at April 27, 2014								
Cost	447.9	146.3	253.2	139.4	24.5	58.0	15.7	1,085.0
Accumulated depreciation and amortization	(36.5)	(36.2)	(51.3)	(85.3)	-	(47.7)	(4.5)	(261.5)
Net book amount	411.4	110.1	201.9	54.1	24.5	10.3	11.2	823.5

(a) The net book amount as at April 26, 2015 includes $22.7 related to software in progress ($40.6 as at April 27, 2014).

Goodwill and intangible assets with indefinite useful lives are allocated to CGUs based on the geographical location of the acquired stores. Allocation as at April 26, 2015 and April 27, 2014 is as follows:

	2015		2014	
CGU	**Trademarks with indefinite useful lives**	**Goodwill**	Trademarks with indefinite useful lives	Goodwill
			$	$
Canada	**-**	**162.0**	-	178.5
United States	**154.7**	**1,246.9**	154.7	374.5
Scandinavia	**63.6**	**406.9**	83.4	523.9
Central and Eastern Europe	**26.2**	**1.5**	33.2	2.0
Aviation (Note 5)	**-**	**-**	2.0	1.7
Lubricants	**4.3**	**-**	5.6	8.1
	248.8	**1,817.3**	278.9	1,088.7

The trademark with indefinite useful life for the United States CGU is the Circle K trademark and is the droplet logo for Scandinavia, Central and Eastern Europe (“CEE”), Aviation and Lubricants CGUs. The Scandinavia CGU, includes the activities of Norway, Sweden and Denmark while the CEE CGU includes the activities of Poland, Latvia, Lithuania, Estonia and Russia. The value of the Kangaroo Express trademark in the United States has not been determined yet as part of the preliminary purchase price allocation for the acquisition of The Pantry. For the annual impairment test, the recoverable amount of the CGU has been determined based on fair value less costs to sell and the Corporation

uses an approach based on earnings to determine this value. Under this method, the cash flows of the CGU for a three-year period were used. The key assumptions on which management has based its determination of fair value less costs to sell are the discount rate, the growth rate and the exchange rate. These assumptions primarily reflect past experience.

For the Scandinavia CGU, the main assumptions used are as follows:

	2015	2014
Discount rate before taxes	**12.8%**	12.8%
Growth rate	**1.0%**	1.0%

These assumptions represent management's best estimate given current market conditions and risks specific to each of these assets.

The recoverable amounts of the United States and Canada CGUs were determined on the basis of their fair value less costs to sell and the Corporation uses an approach based on EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) multiples of comparable corporations to determine these values.

18. OTHER ASSETS

	2015	2014
	$	$
Pension benefit asset (Note 27)	**17.8**	30.0
Environmental costs receivable (Note 23)	**81.4**	11.8
Investment contract including an embedded total return swap (Note 28)	**32.6**	25.1
Deposits	**10.1**	8.5
Deferred charges, net	**5.3**	7.1
Other	**75.0**	77.3
	222.2	159.8

19. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
	$	$
Accounts payable and accrued expenses [(a)]	**1,348.8**	1,547.3
Sales and excise taxes	**545.3**	639.9
Salaries and related benefits	**197.8**	191.0
Deferred credits	**19.1**	17.4
Other	**109.7**	114.7
	2,220.7	2,510.3

(a) This amount is presented net of an amount of $110.5 from Credit and debit cards receivable and $20.0 from Trade accounts receivable and vendor rebates receivable due to netting arrangements ($127.6 and $34.9, respectively as at April 27, 2014).

20. LONG-TERM DEBT

	2015	2014
	$	$
US dollar term revolving unsecured operating credit D, maturing in December 2018 [(b)]	**1,837.2**	793.5
Canadian dollar denominated senior unsecured notes [(a)]	**1,064.2**	1,172.7
NOK floating-rate bonds, 5.04%, maturing in February 2017	**1.9**	2.5
NOK fixed-rate bonds, 5.75%, maturing in February 2019	**1.7**	2.2
Note payable, secured by the assets of certain stores, 8.75%, repayable in monthly instalments, maturing in 2019	**1.5**	1.8
US dollar denominated unsecured non-revolving acquisition credit facility [(c)]	**-**	552.3
Borrowing under bank overdraft facilities, maturing at various dates	**-**	1.8
Obligations related to buildings and equipment under finance leases, rates varying from 1.42% to 12.28%, payable on various dates until 2080	**168.1**	79.6
	3,074.6	2,606.4
Bank loans and current portion of long-term debt	**21.3**	20.3
	3,053.3	2,586.1

(a) Canadian dollar denominated senior unsecured notes

As at April 26, 2015, the Corporation had Canadian dollar denominated senior unsecured notes totalling CA$1.3 billion, divided as follows:

	Principal amount	**Maturity**	**Coupon rate**	**Effective rate as at April 26, 2015**
Tranche 1 - November 1, 2012 issuance	CA$300.0	November 1, 2017	2.861%	3.0%
Tranche 2 - November 1, 2012 issuance	CA$450.0	November 1, 2019	3.319%	3.4%
Tranche 3 - November 1, 2012 issuance	CA$250.0	November 1, 2022	3.899%	4.0%
Tranche 4 - August 21, 2013 issuance	CA$300.0	August 21, 2020	4.214%	4.3%

The net proceeds from their issuance were mainly used to repay a portion of the Corporation's unsecured non-revolving acquisition credit facility. Notes issued on November 1, 2012 are subject to cross-currency interest rate swaps (Note 21).

(b) Term revolving unsecured operating credit D

As at April 26, 2015, the Corporation has a credit agreement consisting of a revolving unsecured facility. As at April 27, 2014 this facility had a maximum amount of $1,275.0 and a term of four years. The following amendments have been made to this operating credit during fiscal year 2015:

- On May 16, 2014, the maximum amount available was increased from $1,275.0 to $1,525.0.
- On December 1, 2014, the maturity was extended from December 2017 to December 2018.
- On March 16, 2015, the maximum amount available was increased from $1,525.0 to $2,525.0.

No other terms were changed significantly. 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 $150.0 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 borrowed amounts 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 26, 2015, the effective interest rate is 1.04% (1.19% as at April 27, 2014). In addition, as at April 26, 2015, CA$2.3 (CA$2.3 as at April 27, 2014) and $54.4 ($29.4 as at April 27, 2014) are used for standby letters of credit. As at April 26, 2015 and April 27, 2014, the available line of credit was unused and the Corporation was in compliance with the restrictive provisions and ratios imposed by the credit agreement.

(c) Unsecured non-revolving acquisition credit facility

As at April 27, 2014, the Corporation had 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. Under the credit agreement, the Corporation needed to maintain certain financial ratios and respect certain restrictive provisions.

This credit facility was fully repaid on July 23, 2014.

Term revolving unsecured operating credit E

As at April 26, 2015, 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 26, 2015 and April 27, 2014, operating credit E was unused.

Bank overdraft facilities

The Corporation has access to bank overdraft facilities totalling approximately $202.7 ($271.5 in 2014). As at April 26, 2015, they were not used while they were used in the amount of $1.8 as at April 27, 2014.

Obligations related to finance leases

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

	Obligations related to buildings and equipment under finance leases
	$
2016	38.6
2017	50.8
2018	29.7
2019	26.9
2020	24.9
2021 and thereafter	148.4
	319.3
Interest expense included in minimum lease payments	151.2
	168.1

21. CROSS-CURRENCY INTEREST RATE SWAPS

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

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Maturity	Fair value as at April 26, 2015 (Note 28)	Fair value as at April 27, 2014 (Note 28)
CA$300.0	2.861%	US$300.7	2.0340%	November 1, 2017	**$50.0**	$24.5
CA$125.0	3.319%	US$125.4	2.7325%	November 1, 2019	**$19.6**	$9.0
CA$20.0	3.319%	US$20.1	2.7325%	November 1, 2019	**$3.2**	$1.5
CA$305.0	3.319%	US$305.9	2.7400%	November 1, 2019	**$48.6**	$22.1
CA$125.0	3.899%	US$125.4	3.4900%	November 1, 2022	**$20.1**	$8.5
CA$125.0	3.899%	US$125.4	3.4925%	November 1, 2022	**$20.1**	$8.3
Total other financial liabilities					**$161.6**	$73.9

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

22. DEFERRED CREDITS AND OTHER LIABILITIES

	2015	2014
	$	$
Deferred rent expense	**64.0**	50.0
Deferred credits	**21.5**	15.9
Deferred branding credits	**32.9**	18.0
Other liabilities	**96.2**	85.6
	214.6	169.5

23. 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
	$	$	$	$	$	$	$
2015							
Balance, beginning of year	**283.2**	**110.7**	**30.6**	**28.6**	**17.6**	**22.2**	**492.9**
Business acquisitions (Note 4)	**39.3**	**75.3**	**-**	**14.3**	**11.0**	**-**	**139.9**
Liabilities incurred	**0.6**	**24.1**	**13.5**	**16.7**	**15.3**	**0.6**	**70.8**
Liabilities settled	**(3.7)**	**(28.3)**	**(14.0)**	**(16.1)**	**(13.3)**	**(2.7)**	**(78.1)**
Accretion expense	**14.6**	**0.9**	**-**	**0.4**	**0.1**	**-**	**16.0**
Reversal of provisions	**(3.2)**	**(2.8)**	**-**	**-**	**-**	**-**	**(6.0)**
Change in estimates	**(18.3)**	**2.3**	**-**	**(0.6)**	**(0.7)**	**-**	**(17.3)**
Effect of exchange rate variations	**(45.4)**	**(11.7)**	**(6.2)**	**-**	**-**	**(1.4)**	**(64.7)**
Balance, end of year	**267.1**	**170.5**	**23.9**	**43.3**	**30.0**	**18.7**	**553.5**
Current portion	**39.1**	**29.8**	**19.4**	**17.2**	**13.9**	**16.2**	**135.6**
Long-term portion	**228.0**	**140.7**	**4.5**	**26.1**	**16.1**	**2.5**	**417.9**
2014							
Balance, beginning of year	269.9	101.0	34.1	28.0	15.2	7.1	455.3
Business acquisitions (Note 4)	1.9	17.7	-	-	-	-	19.6
Liabilities incurred	1.1	19.6	-	16.1	14.1	16.7	67.6
Liabilities settled	(3.7)	(24.1)	(2.9)	(15.7)	(11.8)	(1.0)	(59.2)
Accretion expense	15.4	0.5	-	0.3	0.1	-	16.3
Reversal of provisions	-	(4.1)	-	-	-	(0.4)	(4.5)
Change in estimates	(0.7)	0.4	-	(0.1)	-	0.1	(0.3)
Effect of exchange rate variations	(0.7)	(0.3)	(0.6)	-	-	(0.3)	(1.9)
Balance, end of year	283.2	110.7	30.6	28.6	17.6	22.2	492.9
Current portion	34.8	32.8	15.3	8.5	5.6	5.4	102.4
Long-term portion	248.4	77.9	15.3	20.1	12.0	16.8	390.5

(a) The total undiscounted amount of estimated cash flows to settle the asset retirement obligations is approximately $622.3 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, Georgia, Arizona, Texas, West Virginia and Maryland, 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 of 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 $170.5 provision for environmental costs as at April 26, 2015 ($110.7 as at April 27, 2014). Furthermore, the Corporation has recorded an amount of $85.3 for environmental costs receivable from trust funds as at April 26, 2015 ($13.6 as at April 27, 2014), of which $3.9 ($1.8 as at April 27, 2014) is included in Accounts receivable and the remainder is included in Other assets.

24. 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:

	2015	2014
Class A multiple voting shares		
Balance, beginning and end of year	**148,101,840**	148,101,840
Class B subordinate voting shares		
Balance, beginning of year	**417,646,072**	414,606,183
Issued as part of a previous acquisition	**2,376**	4,440
Stock options exercised	**1,613,807**	3,035,449
Balance, end of year	**419,262,255**	417,646,072

25. 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 50,676,000 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 26, 2015 and April 27, 2014 and the changes therein during the years then ended:

	2015		2014	
	Number of stock options	**Weighted average exercise price**	Number of stock options	Weighted average exercise price
		CA$		CA$
Outstanding, beginning of year	**3,578,805**	**6.83**	6,758,280	5.48
Granted	**669,415**	**34.36**	-	-
Exercised	**(1,730,309)**	**5.88**	(3,167,925)	3.95
Forfeited	**-**	**-**	(11,550)	6.74
Outstanding, end of year	**2,517,911**	**14.80**	3,578,805	6.83
Exercisable stock options, end of year	**1,940,379**	**9.38**	3,515,805	6.67

For options exercised in fiscal 2015, the weighted average share price at the date of exercise was CA$47.88 (CA$21.84 in 2014).

The following table presents information on the stock options outstanding and exercisable as at April 26, 2015:

	Options outstanding			Options exercisable	
Range of exercise prices	Number of stock options outstanding as at April 26, 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Number of stock options exercisable as at April 26, 2015	Weighted average exercise price
CA$			CA$		CA$
4 – 5	187,205	3.45	4.61	187,205	4.61
5 – 6	561,000	4.19	5.98	561,000	5.98
6 – 9	995,291	1.59	8.43	995,291	8.43
9 – 16	105,000	7.27	15.87	63,000	15.87
16 – 35	669,415	9.42	34.36	133,883	34.36
	2,517,911		14.80	1,940,379	9.38

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:

	2015
Expected dividends (per share)	CA$0.18
Expected volatility	29.03%
Risk-free interest rate	1.68%
Expected life	8 years

The weighted average fair value of stock options granted was CA$11.55 in 2015. No stock options were granted in 2014.

For 2015, compensation cost charged to the consolidated statements of earnings amounts to $3.0 ($0.3 in 2014).

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 26, 2015, the Corporation has a total of 240,961 DSUs outstanding (221,551 as at April 27, 2014) and an obligation of $9.6 ($6.1 as at April 27, 2014) is recorded in deferred credits and other liabilities. The obligation is subject to an embedded total return swap (Note 28). The compensation cost amounts to $4.3 in 2015 ($2.6 in 2014).

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 26, 2015 and April 27, 2014 and the changes therein during the years then ended in number of units:

	2015	2014
Outstanding, beginning of year	**1,251,537**	1,507,935
Granted	**334,278**	274,740
Paid	**(273,819)**	(326,904)
Cancelled	**(99,364)**	(204,234)
Outstanding, end of year	**1,212,632**	1,251,537

As at April 26, 2015, an obligation of $21.9 is recorded in accounts payable and accrued liabilities ($7.5 in 2014) and $9.5 is recorded in Deferred credits and other liabilities ($11.4 as at April 27, 2014). The obligation is subject to an embedded total return swap (Note 28). For 2015, the compensation cost amounts to $6.5 ($4.5 for 2014).

26. ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME

As at April 26, 2015

	Attributable to shareholders of the Corporation					
	Items that may be reclassified to earnings				Will never be reclassified to earnings	
	Cumulative translation adjustments	**Net investment hedge**	**Net interest on net investment hedge**	**Cash flow hedge**	**Cumulative net actuarial loss**	**Accumulated other comprehensive loss**
	$	**$**	**$**	**$**	**$**	**$**
Balance, before income taxes	**(554.8)**	**(161.6)**	**6.1**	**7.0**	**(43.5)**	**(746.8)**
Less: Income taxes	**-**	**0.3**	**1.7**	**1.5**	**(11.7)**	**(8.2)**
Balance, net of income taxes	**(554.8)**	**(161.9)**	**4.4**	**5.5**	**(31.8)**	**(738.6)**

As at April 27, 2014

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

27. 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 benefit plans in Canada, the United States, Norway and Sweden. 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, 2014 and the next required valuation will be as at December 31, 2015.

Some plans include benefits adjustments in line with the consumer 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:

	2015	2014
	$	$
Present value of accrued defined benefit obligation		
Balance, beginning of year	**452.7**	458.6
Current service cost	**15.8**	18.7
Interest cost	**14.9**	17.2
Benefits paid	**(23.0)**	(24.0)
Loss from change in demographic assumptions	**0.4**	5.3
Loss (gain) from change in financial assumptions	**93.0**	(1.1)
Experience gains	**(23.0)**	(7.3)
Curtailment gain	**(2.6)**	(0.9)
Disposal of business	**(8.1)**	-
Effect of exchange rate fluctuations	**(107.5)**	(13.8)
Balance, end of year	**412.6**	452.7
Plans' assets		
Fair value, beginning of year	**362.9**	371.0
Interest income	**11.5**	13.3
Return on assets (excluding amounts included in interest income)	**33.7**	(2.8)
Employer contributions	**10.3**	11.8
Benefits paid	**(19.8)**	(21.3)
Administrative expenses	**(0.1)**	(0.3)
Disposal of business	**(6.6)**	-
Effect of exchange rate fluctuations	**(88.1)**	(8.8)
Fair value, end of year	**303.8**	362.9

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

	2015	2014
	$	$
Present value of defined benefit obligation for funded pension plans	**(311.3)**	(347.5)
Fair value of plans' assets	**303.8**	362.9
Net funded status of funded plans – net (deficit) surplus	**(7.5)**	15.4
Present value of defined benefit obligation for unfunded pension plans	**(101.3)**	(105.2)
Net accrued pension benefit liability	**(108.8)**	(89.8)

The pension benefit asset of $17.8 ($30.0 as at April 27, 2014) is included in Other assets and the pension benefit liability of $126.6 ($119.8 as at April 27, 2014) 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**
2015	**$**	**$**	**$**	**$**	**$**
Present value of defined benefit obligation	**(61.6)**	**(10.7)**	**(218.8)**	**(121.5)**	**(412.6)**
Fair value of plans' assets	**23.7**	**-**	**145.6**	**134.5**	**303.8**
Funded status of plan – (deficit) surplus	**(37.9)**	**(10.7)**	**(73.2)**	**13.0**	**(108.8)**
2014					
Present value of defined benefit obligation	(62.8)	(6.4)	(261.2)	(122.3)	(452.7)
Fair value of plans' assets	24.9	-	198.8	139.2	362.9
Funded status of plan – (deficit) surplus	(37.9)	(6.4)	(62.4)	16.9	(89.8)

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

	2015				2014			
	Quoted	**Unquoted**	**Total**		Quoted	Unquoted	Total	
	$	**$**	**$**	**%**	$	$	$	%
Cash and cash equivalents	**-**	**-**	**-**	**-**	11.0	-	11.0	3.0
Equity securities	**92.9**	**4.4**	**97.3**	**32.0**	96.3	6.1	102.4	28.2
Debt instruments								
Government	**82.5**	**-**	**82.5**	**27.2**	86.2	-	86.2	23.8
Corporate	**53.3**	**46.3**	**99.6**	**32.8**	51.7	78.9	130.6	36.0
Real estate	**-**	**16.6**	**16.6**	**5.5**	-	21.4	21.4	5.9
Other assets	**5.9**	**1.9**	**7.8**	**2.5**	6.2	5.1	11.3	3.1
Total	**234.6**	**69.2**	**303.8**	**100.0**	251.4	111.5	362.9	100.0

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

	2015	2014
	$	$
Current service cost, net of employee contributions	**15.8**	19.6
Administrative expenses	**0.1**	0.3
Pension expense for the year	**15.9**	19.9
Net interest expense	**3.4**	3.9
Curtailment gain	**(2.6)**	(0.9)
Amount recognized in earnings for the year	**16.7**	22.9

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:

	2015	2014
	$	$
Loss from change in demographic assumptions	**0.4**	5.4
Loss (gain) from change in financial assumptions	**93.0**	(1.1)
Experience gain	**(23.0)**	(7.3)
Return on asset (excluding amounts included in interest income)	**(33.7)**	2.7
Amount recognized in Other comprehensive income	**36.7**	(0.3)

The Corporation expects to make a contribution of $9.1 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:

				2015				2014
	Canada	**United States**	**Norway**	**Sweden**	Canada	United States	Norway	Sweden
	%	**%**	**%**	**%**	%	%	%	%
Discount rate	**3.75**	**3.75**	**2.50**	**2.00**	4.35	4.35	3.75	3.50
Rate of compensation increase	**3.70**	**4.00**	**2.75**	**2.75**	3.70	4.00	3.50	2.75
Rate of benefit increase	**2.00**	**2.00**	**0.55**	**1.50**	2.25	2.25	0.75	1.50
Rate of social security base amount increase (*G-amount*)	**-**	**-**	**2.50**	**2.75**	-	-	3.25	2.75

The Corporation uses mortality tables provided by regulatory authorities and actuarial associations in each country. In 2014, a new mortality table was published by The Canadian Institute of Actuaries affecting the defined benefit obligation in North America. 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 20 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 9.5%	Increase by 11.0%
Rate of compensation increase	0.50%	Increase by 3.2%	Decrease by 3.0%
Rate of benefit increase	0.50%	Increase by 9.2%	Decrease by 8.7%
Increase of life expectancy	1 year	Increase by 3.9%	-

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 sheets.

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 duration in line with the average expected life of the obligation and scheduled benefits payments. The Corporation and the trustees actively monitor the duration and the expected yield of the investments to ensure they match 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 the previous fiscal year.

In Europe, it is the Corporation's responsibility to make contributions or not to the defined benefit plans. The Corporation contributes to these plans except when they are overcapitalized. For funded plans that are running a deficit, the Corporation makes payments based on the actuaries' recommendations and existing regulations. The Corporation is committed to making special payments in the coming years to eliminate the deficit. These contributions have no significant impact on the Corporation's cash flows. 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 benefit pension plans. This curtailment results from the Corporation's European segment's planned restructuring and from the disposal of the aviation fuel business (Note 5).

Defined contribution plans

The Corporation's total pension expense under its defined contribution plans and mandatory governmental plans for 2015 is $66.4 ($66.9 in 2014).

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 $26.6 as at April 26, 2015 ($22.6 as at April 27, 2014) and are included in Deferred credits and other liabilities.

28. 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 forward contracts 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 related to its net investment in its US operations.

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 its long-term debt denominated in US dollars and the cross currency interest rate swaps, all of which are designated as net investment hedges. As at April 26, 2015, 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 $84.2 on other comprehensive income. Given the Corporation has adopted the US dollar as its reporting currency; these impacts are compensated by the translation of the Canadian dollar consolidated financial statements to the US dollar.

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 26, 2015, 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 26, 2015, 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 26, 2015, the annual impact on net earnings of a 1.0% shift in interest rates would have been $13.4 ($9.9 based on balances as at April 27, 2014).

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 when their fair value is favorable to the Corporation.

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 26, 2015, 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 26, 2015, 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.

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 26, 2015 relates to receivables of $183.0, of which $90.4 was interest bearing. These receivables are not recognized in the Corporation's consolidated balance sheets. For fiscal 2015, 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 the financial instrument containing an embedded total return swap and from the cross-currency interest rate swaps when these swaps are favorable to the Corporation. 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 and their related interest as at April 26, 2015 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]	1,656.3	1,656.3	1,656.3	-	-	-
Senior unsecured notes	1,064.2	1,257.2	37.7	37.7	706.0	475.8
Term revolving unsecured operating credit D	1,837.2	1,905.6	19.1	19.1	1,867.4	-
NOK fixed-rate bonds	1.7	2.0	0.1	0.1	1.8	-
NOK floating-rate bonds	1.9	2.1	0.1	2.0	-	-
Other long-term debt	169.6	322.5	39.1	51.3	82.7	149.4
Cross-currency interest rate swaps to pay	-	1,140.2	27.2	27.2	812.6	273.2
Cross-currency interest rate swaps to receive	-	(1,133.6)	(27.3)	(27.3)	(808.6)	(270.4)
	4,730.9	5,152.3	1,752.3	110.1	2,661.9	628.0

(1) Based on spot rates, as at April 26, 2015, 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 and property taxes.

Price risk

The Corporation's sales of refined oil products, which include road transportation fuel, stationary energy 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 the gross margin on sales of these products. As at April 26, 2015, the Corporation did not hold any derivative instruments to mitigate this risk.

The Corporation's obligations related to its PSU Plan and DSU Plan create a form of price risk as the recorded amounts of the related liabilities fluctuate 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 sheets under Other assets. The financial arrangement is adjusted as needed to reflect new awards, adjustments and/or settlements of PSUs and DSUs. As at April 26, 2015, 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 (as at April 27, 2014) approximate their respective fair values given that their credit spread is similar to the credit spread the Corporation would obtain in similar conditions at the reporting date.

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

- The fair value of the investment contract including an embedded total return swap, which is mainly based on the fair market value of the Corporation's Class B shares is $54.7 as at April 26, 2015 ($36.6 as at April 27, 2014) (Level 2);
- The fair value of the senior unsecured notes, which is based on observable market data, is $1,128.8 as at April 26, 2015 ($1,191.5 as at April 27, 2014) (Level 2);
- The fair value of the cross-currency interest rate swaps, which is determined based on market rates obtained from the Corporation's financial institutions for similar financial instruments is $161.6 as at April 26, 2015 ($73.9 as at April 27, 2014) (Level 2). They are presented as other financial liabilities on the consolidated balance sheets.

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 20 and 24).

In its capital structure, the Corporation considers its stock option, PSU and DSU plans (Note 25). From time to time, the Corporation uses share repurchase programs to achieve its capital management objectives.

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 sheets date, the net interest-bearing debt to total capitalization ratio was as follows:

	2015	2014
	$	$
Current portion of long-term debt	**21.3**	20.3
Long-term debt	**3,053.3**	2,586.1
Less: Cash and cash equivalents	**575.8**	511.1
Net interest-bearing debt	**2,498.8**	2,095.3
Shareholders' equity	**3,892.6**	3,962.4
Net interest-bearing debt	**2,498.8**	2,095.3
Total capitalization	**6,391.4**	6,057.7
Net interest-bearing debt to total capitalization ratio	**39.1%**	34.6%

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 is a non-IFRS measure;
- An interest coverage ratio, which is the ratio of EBITDA for the four most recent quarters to the total interest paid in the same periods. EBITDA is a non-IFRS measure.

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.

29. CONTRACTUAL OBLIGATIONS

Minimum lease payments

As at April 26, 2015, the Corporation has entered into operating lease agreements expiring on various dates until 2040 which call for aggregate minimum lease payments of $2,762.7 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	384.0
One to five years	1,255.8
More than five years	1,122.9

As at April 26, 2015, the total amount of future minimum sublease payments expected to be received under sublease agreements related to these operating leases is $57.1.

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.

30. 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 26, 2015, the total future lease payments under such agreements are approximately $1.8 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 $13.4. 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 26, 2015 were not significant.

31. 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, Kangaroo Express, 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:

				2015				2014
	US	**Europe**	**Canada**	**Total**	US	Europe	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues[(a)]								
Merchandise and services	**5,311.0**	**990.4**	**1,974.4**	**8,275.8**	4,821.7	1,048.4	2,082.7	7,952.8
Road transportation fuel	**14,599.0**	**7,111.0**	**2,571.9**	**24,281.9**	15,493.3	8,824.9	2,890.6	27,208.8
Other	**16.0**	**1,955.7**	**0.5**	**1,972.2**	14.7	2,784.7	1.1	2,800.5
	19,926.0	**10,057.1**	**4,546.8**	**34,529.9**	20,329.7	12,658.0	4,974.4	37,962.1
Gross profit								
Merchandise and services	**1,748.4**	**408.2**	**649.2**	**2,805.8**	1,575.8	434.2	689.3	2,699.3
Road transportation fuel	**1,093.3**	**870.9**	**164.4**	**2,128.6**	796.1	928.8	163.5	1,888.4
Other	**16.0**	**317.1**	**0.5**	**333.6**	14.7	384.6	1.1	400.4
	2,857.7	**1,596.2**	**814.1**	**5,268.0**	2,386.6	1,747.6	853.9	4,988.1
Total long-term assets[(b)]	**4,686.2**	**2,773.6**	**556.6**	**8,016.4**	2,862.2	3,769.9	591.2	7,223.3

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

32. SUBSEQUENT EVENTS

Acquisition

On June 2, 2015, the Corporation acquired from Cinco J, Inc., Tiger Tote Food Stores, Inc., and their affiliates 21 company-operated stores in the US states of Texas, Mississippi and Louisiana. The Corporation owns the land and buildings for 18 sites and leases the land and owns the buildings for the remaining three sites. As part of this agreement, the Corporation also acquired 141 dealer fuel supply agreements and five development properties in addition to acquiring customer relations for 124 dealer sites.

Dividends

During its July 14, 2015 meeting, the Corporation's Board of Directors (the "Board") declared a dividend of CA$0.055 per share to shareholders on record as at July 23, 2015 and approved its payment for August 6, 2015.

Issuance of Canadian dollar denominated senior unsecured notes

On June 2, 2015, the Corporation proceeded with the issuance of Canadian dollar denominated senior unsecured notes totaling CA$ 700.0 with a coupon rate of 3.6% and maturing on June 2, 2025. Interest is payable semi-annually on June 2nd and December 2nd of each year. The net proceeds from the issuance were mainly used to repay a portion of the Corporation's term revolving unsecured operating credit facility.

Cross-currency interest rate swaps

Between June 12, 2015 and June 19, 2015, following the issuance of notes detailed above, the Corporation entered into cross-currency interest rate swap agreements for a total notional amount of CA$700.0, allowing it to synthetically convert a portion of its Canadian dollar denominated debt into US dollars.

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Maturity
CA$175.0	3.6%	US$142.2	3.8099%	June 2, 2025
CA$175.0	3.6%	US$142.7	3.8650%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8540%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8700%	June 2, 2025
CA$100.0	3.6%	US$81.2	3.8570%	June 2, 2025
CA$50.0	3.6%	US$41.3	3.8230%	June 2, 2025

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