



Canadian Tire Corporation Reports Third Quarter 2025 Results; Announces Annual Dividend Increase for 16th Consecutive Year and Share Repurchase Intention

Toronto, November 6, 2025 – Canadian Tire Corporation, Limited (TSX:CTC, TSX: CTC.A) (CTC or the Company) today announced results for its third quarter ended September 27, 2025.

- Consolidated comparable sales¹ were up 1.8%, with growth across banners.
- Retail Revenue growth remained strong, up 3.2% and up 5.9% excluding Petroleum¹.
- Normalized Diluted Earnings Per Share¹ was up 6.5% to \$3.78 on a continuing operations basis, while Diluted Earnings Per Share (EPS) was \$3.13, down 11.8%.
- Annualized dividend increased from \$7.10 to \$7.20 per share, alongside an intention to repurchase up to \$400.0 million of Class A Non-Voting Shares by the end of 2026.

"In a continued dynamic consumer environment, we grew retail sales for a third consecutive quarter," said Greg Hicks, President and CEO, Canadian Tire Corporation. "At the same time, we completed a transformative reorganization, a key building block to better operating efficiency and value creation under our True North strategy. Our confidence is reflected in our continued strategic investments, our dividend increase and our share repurchase program.

"Our Triangle Rewards program has real momentum and is contributing to loyalty sales growth. We announced a new Tim Hortons partnership in Q3, with new Royal Bank of Canada and WestJet programs on track to launch in 2026. Partnering with leading Canadian programs will accelerate our brand scale, our data insights, and sales — while rewarding loyalty in more parts of our customers' daily lives."

THIRD-QUARTER CONTINUING OPERATIONS HIGHLIGHTS

- Consolidated comparable sales were up 1.8%, led by continued strong performance at SportChek and strong performance in Ontario and Quebec at Canadian Tire Retail (CTR).
 - CTR comparable sales¹ were up 1.2%, as stronger growth in Ontario and Quebec was partially offset by Alberta. Four of CTR's five divisions grew, and Automotive was up for the 21st consecutive quarter. Discretionary sales growth outpaced essential sales for the first time since 2021.
 - SportChek delivered its fifth consecutive quarter of comparable sales¹ growth, up 4.2% against strong comparable growth in the prior year, helped by back-to-school and back-to-hockey sales. Areas of growth included athletic clothing and footwear as well as leisure footwear and hard goods like golf and hockey.
 - Mark's comparable sales¹ were up 2.5%, with strength in workwear and jeans on earlier demand for fall seasonal products. Growth at new-concept Bigger Bolder Better (BBB) stores remained strong.

- Loyalty sales¹ outpaced non-loyalty sales, with loyalty members up in the quarter.
- CTR Dealer restocking of non-seasonal and fall/winter categories, along with strong sales across other banners, drove strong growth in Retail Revenue and retail gross margin. Excluding Petroleum, Retail Revenue was up 5.9%; Retail gross margin rate was 35.8%, up 57 bps.
- Normalized for the True North expenses, Diluted EPS was up 6.5% to \$3.78. Normalized IBT¹ was broadly stable at \$297.7 million, compared to \$296.7 million in the same quarter last year. Favourable normalized retail IBT offset a decline in Financial Services income before income taxes (IBT), primarily reflecting previously communicated investments in the business.
- Diluted EPS was \$3.13, down \$0.42 or 11.8%, mainly due to expenses related to the Company's True North transformation.

STRATEGIC HIGHLIGHTS

- CTC's True North transformative growth strategy, launched in Q1 2025, is designed to drive core retail growth through four strategic cornerstones: disciplined capital investments in digital and store experiences; an expanded Triangle Rewards loyalty system; more personalized and data-driven customer relationships; and a more agile, tech-driven and efficient operating company.
- The transformation is underway, with progress on a number of fronts.
 - CTC began operating under its newly implemented operating structure at the end of Q3 2025, following the completion of its anticipated restructuring, with a first full quarter of savings from the restructuring expected in Q4 2025.
 - The Company announced a further expansion to its Triangle Rewards partnerships, with Tim Hortons becoming the fourth marquee Canadian brand to partner with CTC. Previously announced partnerships with RBC and WestJet are expected to be in market in Q1 and Q2 of 2026, respectively. The Company's existing loyalty partnership with Petro-Canada added close to 70,000 linked members in Q3, reaching a total of 518,000.
 - The Company is on track to complete 54 store enhancement projects in 2025, enhancing omni-channel capabilities and adding 0.3 million square feet to the network. During Q3, store project completions included Mark's BBB stores in Laurier, Quebec, Vaughan, Ontario, and Cross Iron Mills, Alberta, and SportChek Destination Sport stores in Windsor, Ontario, and in Richmond, British Columbia. A new replacement CTR store opened in Kelowna, British Columbia, in early Q4.
 - Growing awareness of CTC's comprehensive omni-channel offering, including its same-day delivery across all banners, contributed to eCommerce sales growth, outpacing bricks and mortar sales growth.

- At the end of Q3, there were 4% fewer Class A Non-Voting (CTC.A) Shares outstanding compared to the same period last year, as the Company continued to execute against its existing share buyback program. CTC had repurchased a total of \$362 million of CTC.A shares at September 26, 2025, representing 2.2 million shares at an average cost per share of \$164.53.

THIRD QUARTER CONTINUING OPERATIONS SEGMENT OVERVIEW

RETAIL SEGMENT OVERVIEW

- Retail sales¹ were \$4,541.5 million, flat compared to the third quarter of 2024. Retail sales (excluding Petroleum)¹ were up 1.7% and consolidated comparable sales were up 1.8%.
- CTR retail sales¹ were up 1.3% and comparable sales were up 1.2% over the same period last year.
- SportChek retail sales¹ increased 3.2% over the same period last year, and comparable sales were up 4.2%.
- Mark's retail sales¹ increased 3.0% over the same period last year, and comparable sales were up 2.5%.
- Retail revenue was \$3,705.8 million, an increase of \$113.9 million, or 3.2%, compared to the prior year; Retail revenue (excluding Petroleum) was up 5.9%.
- Retail gross margin was \$1,211.9 million, up 7.7% compared to the prior year, and up 7.6% excluding Petroleum¹; Retail gross margin rate (excluding Petroleum)¹ increased 57 bps to 35.8%.
- Retail IBT was \$144.6 million, compared to \$162.2 million in the prior year. On a normalized basis, retail IBT was up 18.6% to \$192.4 million.
- Retail Return on Invested Capital (ROIC)¹, calculated on a trailing twelve-month basis, was 10.6%, compared to 9.3% in the prior period.
- Refer to the Company's Q3 2025 MD&A sections 4.2.1 and 4.2.2 for information on normalizing items and additional details on events that have impacted the Retail segment in the quarter.

FINANCIAL SERVICES OVERVIEW

- Financial Services segment IBT was \$84.4 million compared to \$110.3 million in the prior year.
- Revenue was up 0.6%, while gross margin decreased by 2.9% compared to the same quarter last year, primarily due to expected higher net write-offs.
- Gross Average Accounts Receivables (GAAR)¹ was up 2.3% compared to the prior year, driven by continued cardholder engagement. Average account balance¹ was up 1.8% while the average number of accounts increased 0.5%.
- Refer to the Company's Q3 2025 MD&A section 4.3.1 and 4.3.2 for additional details on events that have impacted the Financial Services segment in the quarter.

CT REIT OVERVIEW

- CT REIT income before income taxes increased by 23.9% compared to Q3 2024; CT REIT adjusted funds from operations¹ was up by 3.9% during the same period.
- CT REIT announced two new investments in Fort Saskatchewan, Alberta, and Collingwood, Ontario, totalling \$19 million, which are expected to add approximately 50,000 square feet of incremental gross leasable area upon completion.
- For further information, refer to the Q3 2025 CT REIT earnings release issued on November 3, 2025.

CONSOLIDATED OVERVIEW

- Consolidated Revenue was \$4,105.8 million, up 3.0% compared to \$3,987.0 million in the same period last year.
- Consolidated IBT was \$249.9 million, down \$46.8 million compared to the prior year. On a normalized basis, consolidated IBT was up \$1.0 million.
- Diluted EPS was \$3.13 or \$3.78 on a normalized basis, compared to \$3.55 in the prior year.
- Diluted EPS for discontinued operations was nil in Q3 2025, compared to \$0.04 in Q3 2024.
- Refer to the Company's Q3 2025 MD&A section 4.1.1 for information on normalizing items and additional details on events that have impacted the Company in the quarter.

CAPITAL ALLOCATION

CAPITAL EXPENDITURES

- Total capital expenditures were \$190.6 million, compared to \$195.1 million in Q3 2024.
- Operating capital expenditures¹ were \$108.6 million in the quarter, compared to \$127.1 million in Q3 2024. Full year 2025 operating capital expenditures are expected to be in the range of \$525.0 million to \$575.0 million.
- 2026 operating capital expenditures are expected to be in the range of \$500 million to \$550 million.

QUARTERLY DIVIDEND

- The Company increased its annual dividend for the 16th consecutive year, to \$7.20 per Common Voting Share and Class A Non-Voting Share from \$7.10, an increase of approximately 1.4% over the prior year.
- On November 5, 2025, the Board declared dividends of \$1.80 per share payable on March 1, 2026 to shareholders of record as of January 31, 2026. The dividend is considered an “eligible dividend” for tax purposes.

SHARE REPURCHASES

- On November 7, 2024, the Company announced its intention to repurchase up to \$200 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, in 2025. Subsequently, on March 6, 2025, the Company increased its share repurchase intention for 2025 to up to \$400 million.
- On a year-to-date basis, the Company has repurchased a total of 2,200,881 shares for \$362.1 million under the 2025 Share Purchase Intention.
- On November 5, 2025, the Board approved the Company's intention to repurchase up to \$400 million of its Class A Non-Voting Shares in excess of the amount required for anti-dilutive purposes by the end of 2026, subject to regulatory approval of the renewal of the Company's normal course issuer bid.

1) BASIS OF PRESENTATION, NON-GAAP FINANCIAL MEASURES AND RATIOS AND SUPPLEMENTARY FINANCIAL MEASURES

Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

This press release contains non-GAAP financial measures and ratios, and supplementary financial measures. References below to the Q3 2025 MD&A mean the Company's Management's Discussion and Analysis for the Third Quarter ended September 27, 2025, which is available on SEDAR+ at <http://www.sedarplus.ca> and is incorporated by reference herein. Non-GAAP measures and non-GAAP ratios have no standardized meanings under GAAP and may not be comparable to similar measures of other companies.

A) Non-GAAP Financial Measures and Ratios

Normalized Diluted Earnings per Share

Normalized Diluted EPS, a non-GAAP ratio, is calculated by dividing Normalized Net Income Attributable to Shareholders, a non-GAAP financial measure, by total diluted shares of the Company. For information about these measures, see section 9.1 of the Company's Q3 2025 MD&A.

The following table is a reconciliation of normalized net income attributable to shareholders of the Company to the respective GAAP measures:

(C\$ in millions)	Q3 2025	Q3 2024	YTD Q3 2025	YTD Q3 2024
Net income	\$ 191.3	\$ 218.6	\$ 426.6	\$ 530.1
Net income attributable to shareholders	169.1	198.5	364.6	466.1
Add normalizing items, net of tax:				
Restructuring costs	21.9	—	92.2	—
Other transformation and advisory costs	13.3	—	54.8	—
Normalized Net income	\$ 226.5	\$ 218.6	\$ 573.6	\$ 530.1
Normalized Net income attributable to shareholders	\$ 204.3	\$ 198.5	\$ 511.6	\$ 466.1
Normalized Diluted EPS	\$ 3.78	\$ 3.55	\$ 9.32	\$ 8.36

Consolidated Normalized Income Before Income Taxes, and Retail Normalized Income Before Income Taxes

Consolidated Normalized Income Before Income Taxes, and Retail Normalized Income before Income Taxes are non-GAAP financial measures. For information about these measures, see section 9.1 of the Company's Q3 2025 MD&A.

The following table reconciles Consolidated Normalized Income Before Income Taxes to Income Before Income Taxes:

			YTD	YTD
(C\$ in millions)	Q3 2025	Q3 2024	Q3 2025	Q3 2024
Income before income taxes	\$ 249.9	\$ 296.7	\$ 559.8	\$ 706.5
Add normalizing items:				
Restructuring costs	29.7	—	125.1	—
Other transformation and advisory costs	18.1	—	74.5	—
Normalized Income before income taxes	\$ 297.7	\$ 296.7	\$ 759.4	\$ 706.5

The following table reconciles Retail Normalized Income (Loss) Before Income Taxes to Income Before Income Taxes:

			YTD	YTD
(C\$ in millions)	Q3 2025	Q3 2024	Q3 2025	Q3 2024
Income before income taxes	\$ 249.9	\$ 296.7	\$ 559.8	\$ 706.5
Less: Other operating segments	105.3	134.5	317.3	381.4
Retail Income (loss) before income taxes	\$ 144.6	\$ 162.2	\$ 242.5	\$ 325.1
Add normalizing items:				
Restructuring costs	29.7	—	125.1	—
Other transformation and advisory costs	18.1	—	74.5	—
Retail Normalized Income (loss) before income taxes	\$ 192.4	\$ 162.2	\$ 442.1	\$ 325.1

CT REIT Adjusted Funds from Operations and AFFO per unit

AFFO per unit, a non-GAAP ratio, is calculated by dividing AFFO by the weighted average number of units outstanding on a diluted basis. AFFO is a non-GAAP financial measure. The following table reconciles GAAP Income before income taxes to FFO and further reconciles FFO to AFFO:

(C\$ in millions)	Q3 2025	Q3 2024	YTD Q3 2025	YTD Q3 2024
Income before income taxes	\$ 249.9	\$ 296.7	\$ 559.8	\$ 706.5
Less: Other operating segments	132.8	202.2	234.0	407.6
CT REIT income before income taxes	\$ 117.1	\$ 94.5	\$ 325.8	\$ 298.9
Add:				
CT REIT fair value (gain) loss adjustment	(36.6)	(17.7)	(85.0)	(64.3)
CT REIT deferred taxes	(0.4)	(0.6)	0.3	0.2
CT REIT lease principal payments on right-of-use assets	(0.2)	(0.2)	(0.5)	(0.6)
CT REIT fair value of equity awards	0.2	1.9	1.3	0.7
CT REIT internal leasing expense	0.4	0.2	1.0	0.8
CT REIT funds from operations	\$ 80.5	\$ 78.1	\$ 242.9	\$ 235.7
Less:				
CT REIT properties straight-line rent revenue	(1.7)	(1.0)	(5.3)	(3.6)
CT REIT direct leasing costs	0.2	0.1	0.6	0.7
CT REIT capital expenditure reserve	6.6	6.4	20.1	19.2
CT REIT adjusted funds from operations	\$ 75.4	\$ 72.6	\$ 227.5	\$ 219.4

Diluted FFO per unit and Diluted AFFO per unit

Diluted FFO per unit and Diluted AFFO per unit are calculated by dividing FFO or AFFO by the weighted average number of units outstanding on a diluted basis. Management believes that these measures are useful to investors to assess the effect of this measure as it relates to their holdings.

(C\$ in millions)	Q3 2025	Q3 2024	Change	YTD Q3 2025	YTD Q3 2024	Change
CT REIT funds from operations	\$ 80.5	\$ 78.1	3.1 %	\$ 242.9	\$ 235.7	3.0 %
Weighted average number of units outstanding on a diluted basis ¹	238.1	235.9		237.7	235.9	
Diluted CT REIT funds from operations per unit	\$ 0.338	\$ 0.331	2.1%	\$ 1.022	\$ 0.999	2.3 %

¹ Diluted units include restricted and deferred units issued under various plans and exclude the effects of settling

(C\$ in millions)	Q3 2025	Q3 2024	Change	YTD Q3 2025	YTD Q3 2024	Change
CT REIT adjusted funds from operations	\$ 75.4	\$ 72.6	3.9 %	\$ 227.5	\$ 219.4	3.7 %
Weighted average number of units outstanding on a diluted basis ¹	238.1	235.9		237.7	235.9	
Diluted CT REIT adjusted funds from operations per unit	\$ 0.317	\$ 0.308	2.9 %	\$ 0.957	\$ 0.930	2.9 %

¹ Diluted units include restricted and deferred units issued under various plans and exclude the effects of settling the Class C LP Units with Class B LP Units.

Retail Return on Invested Capital (ROIC)

ROIC is calculated as Retail return divided by the Retail invested capital. Retail return is defined as trailing 12-month Retail after-tax earnings excluding interest expense, lease related depreciation expense, inter-segment earnings, and any normalizing items. Retail invested capital is defined as Retail segment total assets, less Retail segment trade payables and accrued liabilities and inter-segment balances based on an average of the trailing four quarters. Retail return and Retail invested capital are non-GAAP financial measures. For more information about these measures, see section 9.1 of the Company's Q3 2025 MD&A.

(C\$ in millions)	Rolling 12 months ended	
	Q3 2025	Q3 2024
Income before income taxes	\$ 1,028.4	\$ 929.3
Less: Other operating segments	409.8	482.5
Retail Income before income taxes	\$ 618.6	\$ 446.8
Add normalizing items:		
Restructuring costs	125.1	—
Other transformation and advisory costs	74.5	—
Gain on sale of Brampton DC, net of inventory write-down	(222.9)	—
Expenses related to the strategic review of CTFS	8.7	—
Operational Efficiency program	—	19.6
Retail Normalized Income before income taxes	\$ 604.0	\$ 466.4
Less:		
Retail intercompany adjustments ¹	225.6	216.7
Add:		
Retail interest expense ²	296.3	342.8
Retail depreciation of right-of-use assets	577.4	573.0
Retail effective tax rate	24.4 %	27.9 %
Add: Retail taxes	(305.9)	(325.7)
Retail return	\$ 946.2	\$ 839.7
Average total assets from continuing operations	\$ 21,295.3	\$ 20,787.5
Less: Average assets in other operating segments	4,374.2	4,281.7
Average Retail assets from continuing operations	\$ 16,921.1	\$ 16,505.8
Less:		
Average Retail intercompany adjustments ¹	4,475.3	4,333.9
Average Retail trade payables and accrued liabilities ³	2,811.6	2,556.6
Average Franchise Trust assets	552.8	573.0
Average Retail excess cash	123.2	—
Average Retail invested capital	\$ 8,958.2	\$ 9,042.2
Retail ROIC	10.6 %	9.3 %

¹ Intercompany adjustments include intercompany income received from CT REIT which is included in the Retail segment, and intercompany investments made by the Retail segment in CT REIT and CTFS.

² Excludes Franchise Trust.

³ Trade payables and accrued liabilities include Trade and other payables, Short-term derivative liabilities, Short-term provisions and Income tax payables.

Operating Capital Expenditures

Operating capital expenditures is a non-GAAP financial measure. For more information about this measure, see section 9.1 of the Company's Q3 2025 MD&A.

The following table reconciles total additions from the Investing activities reported in the Consolidated Statement of Cash Flows to Operating capital expenditures:

(C\$ in millions)	Q3 2025	Q3 2024	YTD Q3 2025	YTD Q3 2024
Total additions ¹	\$ 184.9	\$ 213.6	\$ 422.2	\$ 482.9
Add: Change in accrued additions and other non-cash items	5.7	(18.5)	28.4	(25.2)
Less:				
Acquisition of Hudson's Bay Company intellectual property	—	—	30.0	—
CT REIT acquisitions and developments excluding vend-ins from CTC	82.0	\$ 68.0	98.6	82.0
Operating capital expenditures	\$ 108.6	\$ 127.1	\$ 322.0	\$ 375.7

¹ This line appears on the Consolidated Statement of Cash Flows under Investing activities.

B) Supplementary Financial Measures and Ratios

The measures below are supplementary financial measures. See Section 9.2 (Supplementary Financial Measures) of the Company's Q3 2025 MD&A for information on the composition of these measures.

- Consolidated comparable sales
- Retail revenue (excluding Petroleum)
- Retail sales and retail sales (excluding Petroleum)
- Canadian Tire Retail comparable and retail sales
- SportChek comparable and retail sales
- Mark's comparable and retail sales
- Retail gross margin (excluding Petroleum)
- Retail gross margin rate and retail gross margin rate (excluding Petroleum)
- Gross Average Accounts Receivables
- Average account balance

FORWARD-LOOKING STATEMENTS

This press release contains information that may constitute forward-looking information within the meaning of applicable securities laws, which reflect management's current expectations regarding future events and the Company's True North strategy. All statements other than statements of historical facts contained in this press release may constitute forward-looking information, including but not limited to, information with respect to: the impacts of the Company's True North strategy; the Company's Q4 operating expense savings expectations; the planned launch of loyalty partnerships with RBC and WestJet in 2026; the Company's 2025 and 2026 operating capital expenditure expectations, including planned investments in stores; and the Company's

2025 and 2026 intentions to repurchase its Class A Non-Voting Shares. Readers are cautioned that such information may not be appropriate for other purposes. Often, but not always, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "believe", "estimate", "plan", "can", "could", "should", "would", "outlook", "target", "forecast", "anticipate", "aspire", "foresee", "continue", "ongoing" or the negative of these terms or variations of them or similar terminology. Although the Company believes that the forward-looking information in this press release is based on information, estimates and assumptions that are reasonable, such information is necessarily subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in such forward-looking information. For information on the material risks, uncertainties, factors and assumptions that could cause the Company's actual results to differ materially from the forward-looking information, refer to section 14.0 (Caution Regarding Forward-Looking Information) of the Company's Q3 MD&A, available on the SEDAR+ website at <http://www.sedarplus.ca> and <https://investors.canadiantire.ca>. The Company does not undertake to update any forward-looking information, whether written or oral, except as is required by applicable laws.

CONFERENCE CALL

Canadian Tire will conduct a conference call to discuss information included in this news release and related matters at 8:00 a.m. ET on Thursday, November 6, 2025. The conference call will be available simultaneously and in its entirety to all interested investors and the news media through a webcast at <https://investors.canadiantire.ca> and will be available through replay at this website for 12 months.

ABOUT CANADIAN TIRE CORPORATION

Canadian Tire Corporation, Limited (TSX: CTC.A, TSX: CTC, "CTC") has been a proudly Canadian business since 1922. Guided by its brand purpose, "We are here to make life in Canada better," CTC has built an expansive national retail presence, exceptional customer brand trust and one of Canada's strongest workforces – employing, along with its local Dealers and franchisees, tens of thousands of Canadians. At its core are retail businesses, each designed to serve life's pursuits: Canadian Tire, offering products spanning Living, Playing, Fixing, Automotive, and Seasonal & Gardening, bolstered by notable banners Party City and PartSource; Mark's, a leading source for casual and industrial wear; SportChek, Hockey Experts, Sports Experts and Atmosphere, offering the best brands of active wear and gear; and Pro Hockey Life, a hockey specialty store catering to elite players. CTC's banners, brand partners and credit card offerings are unified through its Triangle Rewards loyalty program – a linchpin of CTC's customer-driven strategy. With nearly 12 million members, Triangle integrates first-party data to deliver valuable rewards and personalized experiences across nearly 1,700 retail and gasoline outlets. CTC also operates a retail petroleum business and a Financial Services business and holds a majority interest in CT REIT, a TSX-listed Canadian real estate investment trust. For more information, visit Corp.CanadianTire.ca.

FOR MORE INFORMATION

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