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

- Net earnings were $810.4 million, or $0.79 per diluted share for the second quarter of fiscal 2023 compared with $694.8 million, or $0.65 per diluted share for the second quarter of fiscal 2022. Adjusted net earnings[1] were approximately $838.0 million compared with $693.0 million for the second quarter of fiscal 2022. Adjusted diluted net earnings per share[1] were $0.82, representing an increase of 26.2% from $0.65 for the corresponding quarter of last year.
- Total merchandise and service revenues of $4.1 billion, an increase of 2.3%. Same-store merchandise revenues[2] increased by 5.6% in the United States, by 2.9% in Europe and other regions[1], and decreased by 1.5% in Canada.
- Merchandise and service gross margin[1] increased by 0.2% in the United States to 34.0%, by 0.9% in Canada to 33.2% and decreased by 0.1% in Europe and other regions to 38.3%.
- Same-store road transportation fuel volumes decreased by 1.9% in the United States, by 6.3% in Europe and other regions, and by 6.5% in Canada.
- Road transportation fuel gross margin[1] of 49.16¢ per gallon in the United States, an increase of 12.77¢ per gallon, US 9.76¢ per liter in Europe and other regions, a decrease of US 0.81¢ per liter driven by the impact of currency translation, and CA 12.55¢ per liter in Canada, an increase of CA 1.52¢ per liter. Fuel margins remained healthy throughout the network due to favorable market conditions and the continued work on the optimization of the supply chain.
- The Corporation completed the acquisition of 218 sites within the Wilsons network, consisting of 79 company-owned and operated convenience retail and fuel locations, 2 company-owned and dealer-operated locations, 137 dealer-owned and operated locations, and a fuel terminal in Atlantic Canada. According to the Corporation's agreement with the competition bureau, a portion of this network will be divested.
- During the second quarter and first half-year of fiscal 2023, the Corporation repurchased shares for amounts of $205.2 million and $683.2 million, respectively. Subsequent to the end of the quarter, shares were repurchased for an amount of $396.2 million.
- Sustained healthy financial situation as demonstrated by a leverage ratio[1] of 1.20 : 1, and a return on capital employed[1] of 16.4%, both driven by strong earnings.
- 27.3% increase of the quarterly dividend, from CA 11.0¢ per share, bringing it to CA 14.0¢ per share.

Laval, Québec, Canada – November 22, 2022 – For its second quarter ended October 9, 2022, Alimentation Couche-Tard Inc. ("Couche-Tard" or the "Corporation") (TSX: ATD) announces net earnings of $810.4 million, representing $0.79 per share on a diluted basis, compared with $694.8 million for the corresponding quarter of fiscal 2022, representing $0.65 per share on a diluted basis. The results for the second quarter of fiscal 2023 were affected by a pre-tax impairment loss of $23.9 million on our investment in Fire & Flower Holdings Corp., by pre-tax acquisition costs of $5.3 million, as well as by a pre-tax net foreign exchange gain of $1.5 million. The results for the comparable quarter of fiscal 2022 were affected by a pre-tax net foreign exchange gain of $4.9 million, as well as by pre-tax acquisition costs of $1.8 million. Excluding these items, the adjusted net earnings[1] were approximately $838.0 million, or $0.82 per share on a diluted basis for the second quarter of fiscal 2023, compared with $693.0 million, or $0.65 per share on a diluted basis for corresponding quarter of fiscal 2022, an increase of 26.2% in the adjusted diluted net earnings per share[1], driven by higher road transportation fuel gross profit[1], by organic growth in the convenience activities, as well as by the favorable impact of the share repurchase program, partly offset by higher expenses and by the net negative impact from the translation of our foreign currency operations into US dollars. All financial information presented is in US dollars unless stated otherwise.

[1] Please refer to the "Non-IFRS Measures" section for additional information on performance measures not defined by IFRS.
[2] This measure represents the growth of (decrease in) cumulated merchandise revenues between the current period and comparative period for those stores that were open for at least 23 days out of every 28-day period included in the reported periods. Merchandise revenues are defined as Merchandise and service revenues excluding service revenues.

“We are pleased to report strong results this quarter, especially in the face of the continued challenges of high inflation, energy and fuel prices across the global economy. We had good performance in convenience with favorable same store sales, particularly in our U.S. market, which had strong growth in food, and positive promotional activity. We also continued to generate robust fuel margins across all of our platforms. As always, we remain committed to delivering consistent value both inside our stores and on our forecourts to help make our customers’ lives a little easier every day,” said Brian Hannasch, President and Chief Executive Officer of Alimentation Couche-Tard.

“We are proud of the recent significant milestones that we have achieved especially in innovation and mobility. Over 1,000 units have been deployed so far in the roll out of our easy-to-use, smart checkout technology. We passed one million pay-by-plate fuel transactions on Circle K forecourts in Europe and launched the first-ever public EV-chargers for trucks in Scandinavia. We have also piloted our new loyalty program in the U.S. and new tiered concept in Europe. We are pleased with the early results of those pilots and are preparing for an expansion in the upcoming quarters,” concluded Brian Hannasch.

Claude Tessier, Chief Financial Officer, added: “We delivered once again a solid quarter with impressive bottom-line growth notwithstanding the challenging inflationary environment. Adjusted diluted net earnings per share increased by 26.2% compared to the second quarter of fiscal 2022 driven by strong gross profit[1] growth as well as by our cost optimization initiatives, which have helped to mitigate the impacts from higher inflation. These strong results have contributed to noticeable increases in our key return metrics as return on equity[1] and return on capital employed[1] reached 22.7% and 16.4%, respectively, up 30 basis points and 50 basis points compared to the first quarter of fiscal 2023. Even with another active quarter in share repurchases, our financial position remains very strong, highlighted by our leverage ratio[1] of 1.20, providing us with opportunities for the future and resulting in the announcement today of a dividend increase of 27.3% to CA 14.0¢ per share.”

Significant Items of the Second Quarter of Fiscal 2023

- On September 1, 2022, we adopted a special resolution to convert Class A multiple-voting shares into Common shares carrying one vote per share. Following the conversion, the Common shares of Couche-Tard are listed on the Toronto Stock Exchange in substitution of all Class A multiple-voting shares under the symbol “ATD”.
- During the second quarter and first half-year of fiscal 2023, we repurchased 4,796,500 and 15,736,900 shares, for amounts of $205.2 million and $683.2 million, respectively. Subsequent to the end of the quarter, 8,875,400 shares were repurchased for an amount of $396.2 million.
- On October 9, 2022, as a result of a decrease in the market capitalization of Fire & Flower Holdings Corp. (“Fire & Flower”), an impairment loss of $23.9 million was recorded to Depreciation, amortization and impairment to bring our investment of 35.2% in the associated company to its fair value.

  Subsequent to the end of the quarter, we issued a $8.0 million secured loan to Fire & Flower bearing interest at an annual rate of 11.0% and maturing on December 31, 2023.

Changes in our Network during the Second Quarter of Fiscal 2023

- On August 30, 2022, we closed the acquisition of all the issued and outstanding shares of Cape D'Or Holdings Limited, Barrington Terminals Limited, and other related holding entities which operate an independent convenience store and fuel network in Atlantic Canada under the Esso, Go! Store and Wilsons Gas Stops brands (collectively “Wilsons”). The Wilsons network comprises 79 company-owned and operated convenience retail and fuel locations, 2 company-owned and dealer-operated locations, 137 dealer-owned and operated locations, and a fuel terminal in Halifax, Canada. The transaction was settled for a consideration, subject to post-closing adjustments, of CA $277.9 million ($213.0 million), using available cash.

  In connection with obtaining the Competition Bureau (Canada) approval for the transaction, we entered into a consent agreement with the Commissioner of Competition to divest 34 company-owned and operated convenience retail and fuel locations, 1 company-owned and dealer-operated location, and 12 dealer-owned and operated locations in New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island, Canada.
- We acquired one company-operated store, reaching a total of two company-operated stores since the beginning of fiscal 2023.
- We completed the construction of 19 stores and the relocation or reconstruction of 4 stores, reaching a total of 53 stores since the beginning of fiscal 2023. As of October 9, 2022, another 73 stores were under construction and should open in the upcoming quarters.

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

Summary of changes in our store network

The following table presents certain information regarding changes in our store network over the 12-week period ended October 9, 2022:

	12-week period ended October 9, 2022				
Type of site	**Company-operated**	**CODO**	**DODO**	**Franchised and other affiliated**	**Total**
Number of sites, beginning of period	9,796	369	698	1,294	12,157
Acquisitions	80	2	137	—	219
Openings / constructions / additions	19	—	5	13	37
Closures / disposals / withdrawals	(20)	(1)	(6)	(19)	(46)
Store conversions	4	(4)	—	—	—
Number of sites, end of period	**9,879**	**366**	**834**	**1,288**	**12,367**
Circle K branded sites under licensing agreements					1,935
Total network					**14,302**
Number of automated fuel stations included in the period-end figures	978	—	1	—	979

Exchange Rate Data

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

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

	12-week periods ended		24-week periods ended	
	October 9, 2022	October 10, 2021	**October 9, 2022**	October 10, 2021
Average for the period(1)				
Canadian dollar	**0.7626**	0.7923	**0.7702**	0.8045
Norwegian krone	**0.0999**	0.1142	**0.1015**	0.1165
Swedish krone	**0.0945**	0.1154	**0.0970**	0.1171
Danish krone	**0.1348**	0.1581	**0.1380**	0.1600
Zloty	**0.2114**	0.2572	**0.2181**	0.2617
Euro	**1.0031**	1.1758	**1.0267**	1.1901
Ruble	**Not Applicable**	0.0137	**Not Applicable**	0.0136
Hong Kong dollar	**0.1274**	0.1285	**0.1274**	0.1287

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

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

Summary Analysis of Consolidated Results for the Second Quarter and First Half-year of Fiscal 2023

The following table highlights certain information regarding our operations for the 12 and 24-week periods ended October 9, 2022 and October 10, 2021, and the results analysis in this section should be read in conjunction with this table. Europe and other regions include the results from our operations in Asia.

	12-week periods ended			24-week periods ended		
(in millions of US dollars, unless otherwise stated)	**October 9, 2022**	October 10, 2021	Variation %	**October 9, 2022**	October 10, 2021	Variation %
Statement of Operations Data:						
Merchandise and service revenues[1]:						
United States	**2,903.0**	2,754.0	5.4	**5,807.9**	5,583.4	4.0
Europe and other regions	**550.9**	580.4	(5.1)	**1,088.0**	1,141.8	(4.7)
Canada	**617.9**	644.5	(4.1)	**1,248.4**	1,321.7	(5.5)
Total merchandise and service revenues	**4,071.8**	3,978.9	2.3	**8,144.3**	8,046.9	1.2
Road transportation fuel revenues:						
United States	**8,236.0**	6,654.8	23.8	**17,917.4**	13,118.5	36.6
Europe and other regions	**2,837.5**	2,154.9	31.7	**5,813.4**	3,948.5	47.2
Canada	**1,453.1**	1,267.7	14.6	**3,114.9**	2,405.6	29.5
Total road transportation fuel revenues	**12,526.6**	10,077.4	24.3	**26,845.7**	19,472.6	37.9
Other revenues[2]:						
United States	**8.5**	11.4	(25.4)	**18.2**	22.2	(18.0)
Europe and other regions	**265.6**	147.6	79.9	**516.1**	247.6	108.4
Canada	**7.0**	4.4	59.1	**12.9**	9.3	38.7
Total other revenues	**281.1**	163.4	72.0	**547.2**	279.1	96.1
Total revenues	**16,879.5**	14,219.7	18.7	**35,537.2**	27,798.6	27.8
Merchandise and service gross profit[1][3]:						
United States	**987.5**	932.1	5.9	**1,972.8**	1,899.8	3.8
Europe and other regions	**211.1**	222.8	(5.3)	**419.8**	438.2	(4.2)
Canada	**205.0**	208.3	(1.6)	**413.9**	427.3	(3.1)
Total merchandise and service gross profit	**1,403.6**	1,363.2	3.0	**2,806.5**	2,765.3	1.5
Road transportation fuel gross profit[3]:						
United States	**1,058.0**	791.7	33.6	**2,089.4**	1,596.5	30.9
Europe and other regions	**241.8**	278.0	(13.0)	**522.5**	524.7	(0.4)
Canada	**124.9**	115.7	8.0	**257.3**	223.7	15.0
Total road transportation fuel gross profit	**1,424.7**	1,185.4	20.2	**2,869.2**	2,344.9	22.4
Other revenues gross profit[2][3]:						
United States	**8.5**	11.4	(25.4)	**18.2**	22.2	(18.0)
Europe and other regions	**18.4**	23.8	(22.7)	**38.2**	46.5	(17.8)
Canada	**5.0**	4.4	13.6	**10.9**	9.3	17.2
Total other revenues gross profit	**31.9**	39.6	(19.4)	**67.3**	78.0	(13.7)
Total gross profit[3]	**2,860.2**	2,588.2	10.5	**5,743.0**	5,188.2	10.7
Operating, selling, general and administrative expenses	**1,433.0**	1,321.3	8.5	**2,831.1**	2,599.4	8.9
(Gain) loss on disposal of property and equipment and other assets	**(20.4)**	3.2	(737.5)	**(33.4)**	(34.1)	(2.1)
Depreciation, amortization and impairment	**353.9**	325.7	8.7	**673.1**	640.0	5.2
Operating income	**1,093.7**	938.0	16.6	**2,272.2**	1,982.9	14.6
Net financial expenses	**58.1**	67.3	(13.7)	**125.2**	141.6	(11.6)
Net earnings	**810.4**	694.8	16.6	**1,682.8**	1,459.2	15.3
Per Share Data:						
Basic net earnings per share (dollars per share)	**0.79**	0.65	21.5	**1.64**	1.36	20.6
Diluted net earnings per share (dollars per share)	**0.79**	0.65	21.5	**1.64**	1.36	20.6
Adjusted diluted net earnings per share (dollars per share)[3]	**0.82**	0.65	26.2	**1.67**	1.35	23.7

	12-week periods ended			24-week periods ended		
(in millions of US dollars, unless otherwise stated)	**October 9, 2022**	October 10, 2021	Variation %	**October 9, 2022**	October 10, 2021	Variation %
Other Operating Data:						
Merchandise and service gross margin[(1)(3)]:						
Consolidated	**34.5%**	34.3%	0.2	**34.5%**	34.4%	0.1
United States	**34.0%**	33.8%	0.2	**34.0%**	34.0%	—
Europe and other regions	**38.3%**	38.4%	(0.1)	**38.6%**	38.4%	0.2
Canada	**33.2%**	32.3%	0.9	**33.2%**	32.3%	0.9
Growth of (decrease in) same-store merchandise revenues[(4)]:						
United States[(5)(6)]	**5.6%**	1.4%		**4.5%**	0.6%	
Europe and other regions[(3)]	**2.9%**	3.9%		**2.9%**	4.9%	
Canada[(5)(6)]	**(1.5%)**	(2.1%)		**(1.4%)**	(6.1%)	
Road transportation fuel gross margin[(3)]:						
United States (cents per gallon)	**49.16**	36.39	35.1	**49.08**	36.57	34.2
Europe and other regions (cents per liter)	**9.76**	10.57	(7.7)	**10.96**	10.45	4.9
Canada (CA cents per liter)	**12.55**	11.03	13.8	**13.27**	11.02	20.4
Total volume of road transportation fuel sold:						
United States (millions of gallons)	**2,152.2**	2,175.7	(1.1)	**4,257.2**	4,365.3	(2.5)
Europe and other regions (millions of liters)	**2,476.2**	2,629.9	(5.8)	**4,765.0**	5,021.6	(5.1)
Canada (millions of liters)	**1,305.3**	1,324.5	(1.4)	**2,517.5**	2,536.4	(0.7)
Growth of (decrease in) same-store road transportation fuel volume[(5)]:						
United States	**(1.9%)**	3.3%		**(3.0%)**	7.4%	
Europe and other regions	**(6.3%)**	(0.3%)		**(5.0%)**	2.8%	
Canada	**(6.5%)**	2.8%		**(3.2%)**	6.3%	

(in millions of US dollars, unless otherwise stated)	**As at October 9, 2022**	As at April 24, 2022	Variation $
Balance Sheet Data:			
Total assets	**29,108.6**	29,591.6	(483.0)
Interest-bearing debt[(3)]	**9,136.7**	9,439.9	(303.2)
Equity	**12,793.9**	12,437.6	356.3
Indebtedness Ratios[(3)]:			
Net interest-bearing debt/total capitalization	**0.34 : 1**	0.37 : 1	
Leverage ratio	**1.20 : 1**	1.39 : 1	
Returns[(3)]:			
Return on equity	**22.7%**	21.8%	
Return on capital employed	**16.4%**	15.4%	

(1) Includes revenues derived from franchise fees, royalties, suppliers' rebates on some purchases made by franchisees and licensees, as well as from wholesale of merchandise. Franchise fees from international licensed stores are presented in the United States.

(2) Includes revenues from the rental of assets and from the sale of aviation fuel and energy for stationary engines.

(3) Please refer to the “Non-IFRS measures” section for additional information on our capital management measure as well as performance measures not defined by IFRS.

(4) This measure represents the growth of (decrease in) cumulated merchandise revenues between the current period and comparative period for those stores that were open for at least 23 days out of every 28-day period included in the reported periods. Merchandise revenues are defined as Merchandise and service revenues excluding service revenues.

(5) For company-operated stores only.

(6) Calculated based on respective functional currencies.

Revenues

Our revenues were $16.9 billion for the second quarter of fiscal 2023, up by $2.7 billion, an increase of 18.7% compared with the corresponding quarter of fiscal 2022, mainly attributable to a higher average road transportation fuel and other fuel products selling price, the contribution from acquisitions, and organic growth of our convenience activities while being partly offset by lower fuel demand and the net negative impact of approximately $523.0 million from the translation of our foreign currency operations into US dollars.

For the first half-year of fiscal 2023, our revenues increased by $7.7 billion, or 27.8%, compared with the corresponding period of fiscal 2022, mainly attributable to similar factors as those of the second quarter.

Merchandise and service revenues

Total merchandise and service revenues for the second quarter of fiscal 2023 were $4.1 billion, an increase of $92.9 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $95.0 million. The remaining increase of approximately $188.0 million, or 4.7%, is primarily attributable to organic growth, and to the contribution from acquisitions which amounted to approximately $40.0 million, while being partly offset by the disposal of stores following the strategic review of our network. Same-store merchandise revenues increased by 5.6% in the United States driven by the success of our *Fresh Food, Fast* program, by 2.9% in Europe and other regions[1], and decreased by 1.5% in Canada. Same-store merchandise revenues in Canada were strongly impacted by increased competition of the illicit market in the cigarettes category compared with the corresponding quarter of fiscal 2022.

For the first half-year of fiscal 2023, the growth in merchandise and service revenues was $97.4 million compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $172.0 million. Same-store merchandise revenues increased by 4.5% in the United States, by 2.9% in Europe and other regions[1], and decreased by 1.4% in Canada.

Road transportation fuel revenues

Total road transportation fuel revenues for the second quarter of fiscal 2023 were $12.5 billion, an increase of $2.4 billion compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $407.0 million. The remaining increase of approximately $2.9 billion, or 28.3%, is attributable to a higher average road transportation fuel selling price, which had a positive impact of approximately $3.1 billion. Same-store road transportation fuel volumes decreased by 1.9% in the United States, by 6.3% in Europe and other regions, and by 6.5% in Canada. During the quarter, road transportation fuel demand remained unfavorably impacted by the high retail prices driven by the increase in crude oil costs compared with the corresponding quarter of fiscal 2022, the continued work from home trends, and the impact from our fuel rebranding activities.

For the first half-year of fiscal 2023, the road transportation fuel revenues increased by $7.4 billion compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $653.0 million. Same-store road transportation fuel volumes decreased by 3.0% in the United States, by 5.0% in Europe and other regions, and by 3.2% in Canada.

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

Quarter	3rd	4th	1st	2nd	Weighted average
52-week period ended October 9, 2022					
United States (US dollars per gallon)	3.28	3.94	4.61	3.84	3.87
Europe and other regions (US cents per liter)	96.66	120.84	129.11	117.39	115.58
Canada (CA cents per liter)	129.39	150.30	179.15	149.55	150.46
52-week period ended October 10, 2021					
United States (US dollars per gallon)	2.16	2.72	2.97	3.08	2.70
Europe and other regions (US cents per liter)	65.84	79.29	79.09	86.29	77.13
Canada (CA cents per liter)	92.54	108.99	117.51	123.00	109.87

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

Other revenues

Total other revenues for the second quarter of fiscal 2023 were $281.1 million, an increase of $117.7 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $22.0 million. The remaining increase of approximately $140.0 million, or 85.7%, is primarily driven by higher prices and higher demand on our other fuel products, which had a minimal impact on gross profit[1].

For the first half-year of fiscal 2023, total other revenues were $547.2 million, an increase of $268.1 million compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $33.0 million. The remaining increase of approximately $301.0 million, or 107.8%, is attributable to similar factors as those of the second quarter.

Gross profit[1]

Our gross profit was $2.9 billion for the second quarter of fiscal 2023, up by $272.0 million or 10.5%, compared with the corresponding quarter of fiscal 2022, mainly attributable to higher road transportation fuel gross profits, improved merchandise and service gross margin, and organic growth in our convenience activities, while being partly offset by the net negative impact of the translation of our foreign currency operations into US dollars of approximately $89.0 million.

For the first half-year of fiscal 2023, our gross profit increased by $554.8 million, or 10.7%, compared with the first half-year of fiscal 2022, mainly attributable to similar factors as those of the second quarter.

Merchandise and service gross profit

In the second quarter of fiscal 2023, our merchandise and service gross profit was $1.4 billion, an increase of $40.4 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $38.0 million. The remaining increase of approximately $78.0 million, or 5.7%, is primarily due to organic growth. Our gross margin[1] increased by 0.2% in the United States to 34.0%, and decreased by 0.1% in Europe and other regions to 38.3%. In Canada our gross margin[1] increased by 0.9% to 33.2% primarily due to a different product mix.

During the first half-year of fiscal 2023, our merchandise and service gross profit was $2.8 billion, an increase of $41.2 million compared with the first half-year of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $67.0 million. Our gross margin[1] remained stable in the United States at 34.0%, increased by 0.2% in Europe and other regions to 38.6%, and by 0.9% in Canada to 33.2%.

Road transportation fuel gross profit

In the second quarter of fiscal 2023, our road transportation fuel gross profit was $1.4 billion, an increase of $239.3 million compared with the corresponding quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $48.0 million. The remaining increase in our gross profit was approximately $287.0 million, or 24.2%. In the United States, our road transportation fuel gross margin[1] was 49.16¢ per gallon, an increase of 12.77¢ per gallon, and in Canada, it was CA 12.55¢ per liter, an increase of CA 1.52¢ per liter. In Europe and other regions, our road transportation fuel gross margin[1] was US 9.76¢ per liter, a decrease of US 0.81¢ per liter driven by the impact of the translation of our foreign currency operations into US dollars. Fuel margins remained healthy throughout our network, due to favorable market conditions and the continued work on the optimization of our supply chain.

During the first half-year of fiscal 2023, our road transportation fuel gross profit was $2.9 billion, an increase of $524.3 million compared with the first half-year of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $76.0 million. The road transportation fuel gross margin[1] was 49.08¢ per gallon in the United States, US 10.96¢ per liter in Europe and other regions, and CA 13.27¢ per liter in Canada.

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

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

(US cents per gallon)

Quarter	3rd	4th	1st	2nd	Weighted average
52-week period ended October 9, 2022					
Before deduction of expenses related to electronic payment modes	41.02	47.55	50.95	51.11	47.22
Expenses related to electronic payment modes(1)	5.74	6.61	7.21	6.53	6.47
After deduction of expenses related to electronic payment modes	35.28	40.94	43.74	44.58	40.75
52-week period ended October 10, 2021					
Before deduction of expenses related to electronic payment modes	31.86	35.25	37.58	37.68	35.40
Expenses related to electronic payment modes(1)	4.66	5.10	5.38	5.31	5.09
After deduction of expenses related to electronic payment modes	27.20	30.15	32.20	32.37	30.31

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

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

Other revenues gross profit

In the second quarter of fiscal 2023, other revenues gross profit was $31.9 million, a decrease of $7.7 million compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $5.0 million.

During the first half-year of fiscal 2023, other revenues gross profit was $67.3 million, a decrease of $10.7 million compared with the corresponding period of fiscal 2022. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $8.0 million.

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

For the second quarter and first half-year of fiscal 2023, expenses increased by 8.5% and 8.9%, respectively, compared with the corresponding periods of fiscal 2022. Normalized growth of expenses[1] was 8.1% and 7.7%, respectively, as shown in the table below:

	12-week periods ended		**24-week periods ended**	
	October 9, 2022	October 10, 2021	**October 9, 2022**	October 10, 2021
Growth of expenses, as reported	**8.5%**	**12.8%**	**8.9%**	**12.1%**
Adjusted for:				
Decrease (increase) from the net impact of foreign exchange translation	**3.2%**	(0.9%)	**2.8%**	(2.2%)
Increase from higher electronic payment fees, excluding acquisitions	**(2.3%)**	(1.9%)	**(3.0%)**	(2.2%)
Increase from incremental expenses related to acquisitions	**(1.0%)**	(2.2%)	**(0.9%)**	(2.2%)
(Increase) decrease from changes in acquisition costs recognized to earnings	**(0.3%)**	(0.1%)	**(0.1%)**	0.1%
Normalized growth of expenses[1]	**8.1%**	**7.7%**	**7.7 %**	**5.6 %**

We have continued to deploy strategic efforts in order to mitigate the impact of a higher inflation level and continued pressure on wages, which is demonstrated by our normalized growth of expenses[1] of 8.1%, below inflation despite the challenging market conditions, mainly driven by inflationary pressures, most notably on higher energy costs in our European operations, higher costs from rising minimum wages, as well as by incremental investments in our stores to support our strategic initiatives, partly offset by the impact of lower pressure in the employment market.

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

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

During the second quarter of fiscal 2023, EBITDA stood at $1.4 billion, an increase of 13.7% compared with the corresponding quarter of fiscal 2022. Adjusted EBITDA for the second quarter of fiscal 2023 increased by $177.9 million, or 13.9%, compared with the corresponding quarter of fiscal 2022, mainly due to higher road transportation fuel gross profit and organic growth in our convenience operations, partly offset by higher operating expenses. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $47.0 million.

During the first half-year of fiscal 2023, EBITDA stood at $3.0 billion, an increase of 12.1% compared with the corresponding period of fiscal 2022. Adjusted EBITDA for the first half-year of fiscal 2023 increased by $322.3 million, or 12.2%, compared with fiscal 2022, mainly attributable to similar factors as those of the second quarter.

Depreciation, amortization and impairment ("depreciation")

For the second quarter of fiscal 2023, our depreciation expense increased by $28.2 million compared with the second quarter of fiscal 2022. The translation of our foreign currency operations into US dollars had a net favorable impact of approximately $13.0 million. The remaining increase of approximately $41.0 million, or 12.6%, is mainly driven by the impact of the impairment on our investment in Fire & Flower of $23.9 million, the replacement of equipment, the ongoing improvement of our network, and the impact from investments made through acquisitions.

For the first half-year of fiscal 2023, our depreciation expense increased by $33.1 million compared with the first half-year of fiscal 2022. The translation of our foreign currency operations into US dollars had a net favorable impact of approximately $23.0 million. The remaining increase of approximately $56.0 million, or 8.8%, is mainly attributable to similar factors as those of the second quarter.

Net financial expenses

Net financial expenses for the second quarter and first half-year of fiscal 2023 were $58.1 million and $125.2 million, respectively, a decrease of $9.2 million and $16.4 million compared with the corresponding periods of fiscal 2022. A portion of the decrease is explained by certain items that are not considered indicative of future trends, as shown in the table below:

	12-week periods ended			**24-week periods ended**		
(in millions of US dollars)	**October 9, 2022**	October 10, 2021	**Variation**	**October 9, 2022**	October 10, 2021	**Variation**
Net financial expenses, as reported	**58.1**	67.3	**(9.2)**	**125.2**	141.6	**(16.4)**
Explained by:						
Net foreign exchange gain	**1.5**	4.9	**(3.4)**	**0.5**	13.5	**(13.0)**
Change in fair value of financial instruments and amortization of deferred differences	**0.1**	(1.7)	**1.8**	**1.0**	(11.8)	**12.8**
Remaining variation	**59.7**	70.5	**(10.8)**	**126.7**	143.3	**(16.6)**

The remaining variations are mainly driven by higher interest revenue as well as by the reduction of long-term debt compared with the corresponding periods of fiscal 2022.

Income taxes

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

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

Net earnings and adjusted net earnings[1]

Net earnings for the second quarter of fiscal 2023 were $810.4 million, compared with $694.8 million for the second quarter of the previous fiscal year, an increase of $115.6 million, or 16.6%. Diluted net earnings per share stood at $0.79, compared with $0.65 for the corresponding quarter of the previous fiscal year. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $34.0 million on net earnings of the second quarter of fiscal 2023.

Adjusted net earnings for the second quarter of fiscal 2023 were approximately $838.0 million, compared with $693.0 million for the second quarter of fiscal 2022, an increase of $145.0 million, or 20.9%. Adjusted diluted net earnings per share[1] were $0.82 for the second quarter of fiscal 2023, compared with $0.65 for the corresponding quarter of fiscal 2022, an increase of 26.2%.

For the first half-year of fiscal 2023, net earnings stood at $1.7 billion, an increase of $223.6 million, or 15.3%, compared with the first half-year of fiscal 2022. Diluted net earnings per share stood at $1.64, compared with $1.36 for the previous fiscal year. The translation of our foreign currency operations into US dollars had a net negative impact of approximately $53.0 million on net earnings of the first half-year of fiscal 2023.

Adjusted net earnings for the first half-year of fiscal 2023 stood at $1.7 billion, an increase of $262.0 million, or 18.1%, compared with the first half-year of fiscal 2022. Adjusted diluted net earnings per share[1] were $1.67 for the first half-year of fiscal 2023, compared with $1.35 for the first half-year of fiscal 2022, an increase of 23.7%.

Dividends

During its November 22, 2022 meeting, the Board of Directors approved an increase in the quarterly dividend of CA 3.0¢ per share, bringing it to CA 14.0¢ per share, an increase of 27.3%.

During the same meeting, the Board of Directors declared a quarterly dividend of CA 14.0¢ per share for the second quarter of fiscal 2023 to shareholders on record as at December 1, 2022, and approved its payment effective December 15, 2022. This is an eligible dividend within the meaning of the *Income Tax Act* (Canada).

Non-IFRS Measures

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

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

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

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

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

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

- Net interest-bearing debt/total capitalization.

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

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

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

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

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

	12-week periods ended		24-week periods ended	
(in millions of US dollars)	**October 9, 2022**	October 10, 2021	**October 9, 2022**	October 10, 2021
Revenues	**16,879.5**	14,219.7	**35,537.2**	27,798.6
Cost of sales, excluding depreciation, amortization and impairment	**14,019.3**	11,631.5	**29,794.2**	22,610.4
Gross profit	**2,860.2**	2,588.2	**5,743.0**	5,188.2

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

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

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

	12-week periods ended		24-week periods ended	
(in millions of Canadian dollars, unless otherwise noted)	**October 9, 2022**	October 10, 2021	**October 9, 2022**	October 10, 2021
Road transportation fuel revenues	**1,906.0**	1,600.0	**4,042.5**	2,994.2
Road transportation fuel cost of sales, excluding depreciation, amortization and impairment	**1,742.2**	1,453.9	**3,708.5**	2,714.8
Road transportation fuel gross profit	**163.8**	146.1	**334.0**	279.4
Total road transportation fuel volume sold	**1,305.3**	1,324.5	**2,517.5**	2,536.4
Road transportation fuel gross margin (CA cents per liter)	**12.55**	11.03	**13.27**	11.02

Normalized growth of operating, selling, general and administrative expenses ("normalized growth of expenses"). Normalized growth of expenses consists of the growth of Operating, selling, general and administrative expenses adjusted for the impact of the changes in our network, the impact from changes in accounting policies and adoption of accounting standards, the impact of more volatile items over which we have limited control including, but not limited to, the net impact of foreign exchange translation, electronic payment fees excluding acquisitions, and acquisition costs, as well as other specific items for which the impact on consolidated results is not deemed indicative of future trends. Please note that the description of this measure was modified to clarify its composition. This measure is considered useful for evaluating our ability to control our expenses on a comparable basis.

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

	12-week periods ended					
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	**October 10, 2021**	**Variation**	October 10, 2021	October 11, 2020	Variation
Operating, selling, general and administrative expenses, as published	**1,433.0**	**1,321.3**	**8.5%**	1,321.3	1,171.1	12.8%
Adjusted for:						
Decrease (increase) from the net impact of foreign exchange translation	**42.2**	**—**	**3.2%**	(10.7)	—	(0.9%)
Increase from higher electronic payment fees, excluding acquisitions	**(30.9)**	**—**	**(2.3%)**	(22.0)	—	(1.9%)
Increase from incremental expenses related to acquisitions	**(13.2)**	**—**	**(1.0%)**	(26.1)	—	(2.2%)
Increase from changes in acquisition costs recognized to earnings	**(3.4)**	**—**	**(0.3%)**	(0.7)	—	(0.1%)
Normalized growth of expenses	**1,427.7**	**1,321.3**	**8.1%**	1,261.8	1,171.1	7.7%

	24-week periods ended					
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	**October 10, 2021**	**Variation**	October 10, 2021	October 11, 2020	Variation
Operating, selling, general and administrative expenses, as published	**2,831.1**	**2,599.4**	**8.9%**	2,599.4	2,319.7	12.1%
Adjusted for:						
Increase from higher electronic payment fees, excluding acquisitions	**(77.5)**	**—**	**(3.0%)**	(50.2)	—	(2.2%)
Decrease (increase) from the net impact of foreign exchange translation	**73.9**	**—**	**2.8%**	(50.3)	—	(2.2%)
Increase from incremental expenses related to acquisitions	**(24.3)**	**—**	**(0.9%)**	(51.2)	—	(2.2%)
(Increase) decrease from changes in acquisition costs recognized to earnings	**(3.8)**	**—**	**(0.1%)**	2.4	—	0.1%
Normalized growth of expenses	**2,799.4**	**2,599.4**	**7.7%**	2,450.1	2,319.7	5.6%

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

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

	12-week periods ended			
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	**October 10, 2021**	October 10, 2021	October 11, 2020
Merchandise and service revenues for Europe and other regions	**550.9**	**580.4**	580.4	394.6
Adjusted for:				
Service revenues	**(38.9)**	**(41.0)**	(41.0)	(36.1)
Net foreign exchange impact	**—**	**(58.6)**	—	1.5
Merchandise revenues for stores not meeting the definition of same-store	**(21.8)**	**(17.4)**	(17.9)	(10.1)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**79.7**	**90.3**	103.4	251.6
Total Same-store merchandise revenues for Europe and other regions	**569.9**	**553.7**	624.9	601.5
Growth of same-store merchandise revenues for Europe and other regions	**2.9%**		3.9%	

	24-week periods ended			
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	**October 10, 2021**	October 10, 2021	October 11, 2020
Merchandise and service revenues for Europe and other regions	**1,088.0**	**1,141.8**	1,141.8	737.8
Adjusted for:				
Service revenues	**(78.7)**	**(85.8)**	(85.8)	(69.8)
Net foreign exchange impact	**—**	**(105.3)**	—	37.2
Merchandise revenues for stores not meeting the definition of same-store	**(40.9)**	**(35.2)**	(26.6)	(23.7)
Same-store merchandise revenues from stores not included in our consolidated results, including the impact of store conversions	**164.6**	**186.0**	217.0	506.8
Total Same-store merchandise revenues for Europe and other regions	**1,133.0**	**1,101.5**	1,246.4	1,188.3
Growth of same-store merchandise revenues for Europe and other regions	**2.9%**		4.9%	

Earnings before interest, taxes, depreciation, amortization and impairment ("EBITDA") and adjusted EBITDA. EBITDA represents net earnings plus income taxes, net financial expenses, and depreciation, amortization and impairment. Adjusted EBITDA represents the EBITDA adjusted for acquisition costs, the impact from changes in accounting policies and adoption of accounting standards as well as other specific items for which the impact on consolidated results is not deemed indicative of future trends. Please note that the description of adjusted EBITDA was modified to clarify its composition. These performance measures are considered useful to facilitate the evaluation of our ongoing operations and our ability to generate cash flows to fund our cash requirements, including our capital expenditures program, share repurchases, and payment of dividends.

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

	12-week periods ended		24-week periods ended	
(in millions of US dollars)	**October 9, 2022**	October 10, 2021	**October 9, 2022**	October 10, 2021
Net earnings	**810.4**	694.8	**1,682.8**	1,459.2
Add:				
Income taxes	**227.3**	187.5	**471.9**	393.8
Net financial expenses	**58.1**	67.3	**125.2**	141.6
Depreciation, amortization and impairment	**353.9**	325.7	**673.1**	640.0
EBITDA	**1,449.7**	1,275.3	**2,953.0**	2,634.6
Adjusted for:				
Acquisition costs	**5.3**	1.8	**6.5**	2.6
Adjusted EBITDA	**1,455.0**	1,277.1	**2,959.5**	2,637.2

Adjusted net earnings and adjusted diluted net earnings per share. Adjusted net earnings represents net earnings adjusted for net foreign exchange gains or losses, acquisition costs, the impact from changes in accounting policies and adoption of accounting standards, impairment on goodwill, investments in subsidiaries, joint ventures and associated companies as well as other specific items for which the impact on consolidated results is not deemed indicative of future trends. Please note that the description of this measure was modified to clarify its composition. These measures are considered useful for evaluating the underlying performance of our operations on a comparable basis.

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

	12-week periods ended		24-week periods ended	
(in millions of US dollars, except per share amounts, or unless otherwise noted)	**October 9, 2022**	October 10, 2021	**October 9, 2022**	October 10, 2021
Net earnings	**810.4**	694.8	**1,682.8**	1,459.2
Adjusted for:				
Impairment of our investment in Fire & Flower	**23.9**	—	**23.9**	—
Acquisition costs	**5.3**	1.8	**6.5**	2.6
Net foreign exchange gain	**(1.5)**	(4.9)	**(0.5)**	(13.5)
Tax impact of the items above and rounding	**(0.1)**	1.3	**0.3**	2.7
Adjusted net earnings	**838.0**	693.0	**1,713.0**	1,451.0
Weighted average number of shares - diluted (in millions)	**1,022.8**	1,072.5	**1,025.0**	1,073.4
Adjusted diluted net earnings per share	**0.82**	0.65	**1.67**	1.35

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

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

The table below presents the calculation of this performance measure:

(in millions of US dollars, except ratio data)	**As at October 9, 2022**	As at April 24, 2022
Current portion of long-term debt	**1.3**	1.4
Current portion of lease liabilities	**414.8**	425.4
Long-term debt	**5,793.1**	5,963.6
Lease liabilities	**2,927.5**	3,049.5
Interest-bearing debt	**9,136.7**	9,439.9
Less: Cash and cash equivalents	**2,456.3**	2,143.9
Net interest-bearing debt	**6,680.4**	7,296.0
Equity	**12,793.9**	12,437.6
Net interest-bearing debt	**6,680.4**	7,296.0
Total capitalization	**19,474.3**	19,733.6
Net interest-bearing debt to total capitalization ratio	**0.34 : 1**	0.37 : 1

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

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

	52-week periods ended	
(in millions of US dollars, except ratio data)	**October 9, 2022**	April 24, 2022
Net interest-bearing debt	**6,680.4**	7,296.0
Adjusted EBITDA	**5,588.3**	5,266.1
Leverage ratio	**1.20 : 1**	1.39 : 1

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

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

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	April 24, 2022
Net earnings	**2,906.9**	2,683.3
Equity - Opening balance	**12,866.1**	12,180.9
Equity - Ending balance	**12,793.9**	12,437.6
Average equity	**12,830.0**	12,309.3
Return on equity	**22.7%**	21.8%

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

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

	52-week periods ended	
(in millions of US dollars, unless otherwise noted)	**October 9, 2022**	April 24, 2022
Net earnings	**2,906.9**	2,683.3
Add:		
Income taxes	**812.4**	734.3
Net financial expenses	**264.6**	281.0
EBIT	**3,983.9**	3,698.6
Capital employed - Opening balance(1)	**24,623.3**	23,971.5
Capital employed - Ending balance(1)	**24,087.1**	24,001.0
Average capital employed	**24,355.2**	23,986.3
Return on capital employed	**16.4%**	15.4%

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

(in millions of US dollars)	**As at October 9, 2022**	As at October 10, 2021	As at April 24, 2022	As at April 25, 2021
Total Assets	**29,108.6**	29,352.4	29,591.6	28,394.5
Less: Current liabilities	**(5,437.6)**	(5,137.9)	(6,017.4)	(5,949.7)
Add: Current portion of long-term debt	**1.3**	1.5	1.4	1,107.3
Add: Current portion of lease liabilities	**414.8**	407.3	425.4	419.4
Capital employed	**24,087.1**	24,623.3	24,001.0	23,971.5

Profile

Couche-Tard is a global leader in convenience and mobility, operating in 24 countries and territories, with more than 14,300 stores, of which approximately 10,900 offer road transportation fuel. With its well-known Couche-Tard and Circle K banners, it is one of the largest independent convenience store operators in the United States and it is a leader in the convenience store industry and road transportation fuel retail in Canada, Scandinavia, the Baltics, as well as in Ireland. It also has an important presence in Poland and Hong Kong Special Administrative Region of the People's Republic of China. Approximately 122,000 people are employed throughout its network.

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

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Webcast on November 23, 2022, at 8:00 A.M. (EST)

Couche-Tard invites analysts known to the Corporation to ask their questions to its management on November 23, 2022, during the question and answer period of the webcast.

Financial Analysts, Investors, media and any individuals interested in listening to the webcast on Couche-Tard's results, which will take place online on November 23, 2022, at 8:00 A.M. (EST) can do so by either accessing the Corporation's website at https://corpo.couche-tard.com/en and by clicking in the "Investors/Events & Presentations" section or by dialing 1-888-390-0549 or the international number 1-416-764-8682, followed by the access code 78045775#.

Rebroadcast: For individuals who will not be able to listen to the live webcast, a recording of the webcast will be available on the Corporation's website for a period of 90 days.