



2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
1.26	1.12	1.11	1.01	1.20	1.01	.95	.98	1.01	1.10	1.20	1.26	1.37	1.28	1.35	1.41	1.35	1.35	Trans. Rate (US\$/Cdn.\$) ^E	1.35
8.43	9.36	11.09	13.16	16.76	15.05	16.26	21.05	31.91	36.75	36.66	37.76	45.68	58.30	70.70	68.60	62.00	71.45	Revenues per sh ^A	85.00
.25	.28	.30	.29	.44	.44	.48	.60	.95	1.32	1.47	1.99	2.26	2.93	3.48	4.68	4.45	4.65	"Cash Flow" per sh	6.70
.16	.18	.17	.16	.26	.27	.31	.41	.52	.78	.99	1.32	1.45	1.89	2.20	2.95	2.70	2.80	Earnings per sh ^{A B}	4.50
--	.01	.02	.02	.02	.03	.03	.05	.05	.07	.10	.13	.17	.19	.23	.27	.30	.34	Div'ds Decl'd per sh ^C	.50
.19	.23	.34	.24	.25	.21	.19	.29	.48	.51	.67	1.00	1.20	1.33	1.37	1.78	1.85	1.90	Cap'l Spending per sh	2.05
.75	.89	1.05	1.07	1.41	1.48	1.66	1.99	2.89	3.84	4.13	5.58	7.24	8.58	10.67	12.76	13.50	14.65	Book Value per sh	18.00
1211.8	1212.2	1214.0	1180.4	1125.8	1101.9	1101.6	1074.3	1125.4	1131.5	1134.7	1135.2	1136.9	1128.4	1128.8	1112.7	1113.0	1113.0	Common Shs Outst'g ^D	1100.0
16.1	20.9	23.6	20.7	8.7	11.2	12.6	12.2	15.7	15.4	19.7	21.8	21.0	16.3	15.0	13.9	13.9	13.9	Avg Ann'l P/E Ratio	18.0
.85	1.11	1.27	1.10	.52	.75	.80	.77	1.00	.87	1.04	1.10	1.10	.82	.81	.74	.74	.74	Relative P/E Ratio	1.00
--	.3%	.5%	.7%	1.0%	.8%	.9%	1.0%	.6%	.6%	.5%	.5%	.6%	.6%	.7%	.7%	.7%	.7%	Avg Ann'l Div'd Yield	.6%

CAPITAL STRUCTURE as of 7/19/20

	2019	2020	2021	2022	2023	2024	2025
Total Debt \$8743.5 mill. Due in 5 Yrs \$4000.0 mill.	17913	22611	35909	41585	41595	42862	51929
LT Debt \$8254.0 mill. LT Interest \$400.0 mill. (Total interest coverage: 9.5x) (36% of Cap'l)	180.5	196.3	491.3	606.9	547.5	759.5	914.6
Leases, Uncapitalized Annual Rentals \$742.1 mill.	349.6	449.9	578.7	889.8	1124.5	1498.5	1656.2
Pension Assets-4/20 \$219.1 mill. Oblig. \$330.5 mill.	24.8%	24.2%	11.4%	14.2%	24.7%	25.0%	24.1%
Pfd Stock None	2.0%	2.0%	1.6%	2.1%	2.7%	3.5%	3.2%
Common Stock 1112.9 mill. shares	253.8	d225.6	144.4	604.8	351.9	287.9	d105.8
MARKET CAP: \$51.4 billion (Large Cap)	492.8	177.8	3015.0	2914.3	3678.0	3550.5	4241.2
CURRENT POSITION (SMILL)	1828.6	2138.1	3249.8	4341.2	4689.0	6331.2	8233.2
Cash Assets	15.6%	19.6%	10.0%	12.9%	14.1%	15.7%	14.0%
Receivables	19.1%	21.0%	17.8%	20.5%	24.0%	23.7%	20.1%
Inventory (FIFO)	17.4%	18.8%	16.1%	18.9%	21.7%	21.6%	17.7%
Other	9%	11%	10%	8%	9%	9%	10%
Current Assets	9%	11%	10%	8%	9%	9%	10%
Accts Payable	25.3%	22.5%	14.4%	604.8%	351.9%	287.9%	d105.8%
Debt Due	492.8%	177.8%	3015.0%	2914.3%	3678.0%	3550.5%	4241.2%
Other	1828.6%	2138.1%	3249.8%	4341.2%	4689.0%	6331.2%	8233.2%
Current Liab.	15.6%	19.6%	10.0%	12.9%	14.1%	15.7%	14.0%

BUSINESS: Alimentation Couche-Tard Inc. (French for "food for those who go to bed late") is the leader in the Canadian convenience store industry, with a large presence throughout the U.S. and Europe. It also offers road transportation fuel at many of its locations, which total approximately 14,340 globally. As of July 19, 2020, the network, including brands like *Couche-Tard*, *Mac's*, and *Circle K*, consisted of 9,274 stores in North America, 2,714 in Europe, and 2,350 in emerging markets that are operated via licensing deals. Has roughly 131,000 employees (109,000 in N.A. & 22,000 in Europe). Pres. & CEO: Brian Hannasch. Inc.: Québec. Addr.: 4204 Industriel Blvd., Laval, Québec, Canada, H7L 0E3. Tel.: 450-662-6632, ext. 4407. Internet: www.couche-tard.com.

ANNUAL RATES

	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
of change (per ADR)	15.5%	14.5%	4.5%
Sales	23.5%	24.5%	10.5%
"Cash Flow"	25.0%	26.5%	11.5%
Earnings	24.5%	28.5%	14.0%
Dividends	22.5%	25.0%	9.0%

QUARTERLY REVENUES (\$ MILL) ^A

Fiscal Year Begins	Jul.Per	Oct.Per	Jan.Per	Apr.Per	Full Fiscal Year
2017	12604	15540	20214	17427	65785
2018	19962	19849	22295	17703	79809
2019	19970	19286	23412	13659	76327
2020	13108	15492	22000	18400	69000
2021	19000	18500	23000	19000	79500

EARNINGS PER SHARE ^{A B}

Fiscal Year Begins	Jul.Per	Oct.Per	Jan.Per	Apr.Per	Full Fiscal Year
2017	.41	.49	.53	.46	1.89
2018	.55	.57	.73	.35	2.20
2019	.67	.72	.83	.73	2.95
2020	.95	.60	.65	.50	2.70
2021	.65	.70	.80	.65	2.80

QUARTERLY DIVIDENDS PAID ^C

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	--	.034	.078	.045	.16
2017	--	.045	.09	.045	.18
2018	--	.045	.10	.05	.20
2019	--	.063	.125	.063	.25
2020	--	.07	.14		

Results have held up surprisingly well at Alimentation Couche-Tard. In fact, share net of \$0.95 for the first quarter of fiscal 2020 (year ends April 25, 2021) sailed past our \$0.60 estimate, despite challenging business conditions caused by COVID-19. (Note that all financial data are presented in Canadian dollars.) Transportation fuel volumes, as expected, were badly pressured by the global pandemic, with same-store sales falling across the U.S., Canada, and Europe. But fuel margins remained healthy during the July stanza, thanks to sluggish crude oil prices and hard-won sourcing improvements. And the merchandise business performed quite well, as economies gradually began to reopen and customers tended to purchase more on their trips to the company's convenience stores. Couche-Tard, meanwhile, under the leadership of CEO Brian Hannasch, continued to do a fine job of containing costs and maximizing cash flows. And it closed the first quarter in solid financial shape, with a moderate debt-to-capital ratio (of 36%) and liquidity of nearly \$5.8 billion (including cash available under its credit facility).

Prospects appear decent as we look through the balance of fiscal 2020 and into next year. Visibility is still rather limited, to be sure, with the coronavirus apt to wreak further havoc on the volatile fuel segment. The merchandise operations, however, should maintain their momentum, buoyed by new "frictionless" delivery and payment initiatives and an expansion of the popular *Fresh Food, Fast* program in the U.S. And market-share advances seem likely, especially as more units are transitioned to the recognizable *Circle K* moniker. All in all, we now see share earnings coming in at \$2.70 and \$2.80 in fiscal 2020 and fiscal 2021, respectively, and reaching around \$4.50 by the 2023-2025 horizon. Our longer-term projections may well prove to be conservative, too, given the company's long track record of inking acquisitions, and its desire to push deeper into Asia. **As currently valued, this neutrally ranked issue looks good for the buy-and-hold crowd.** The dividend is notably modest here, but we think there's ample room for Couche-Tard to hike the payout. Justin Hellman October 16, 2020

(A) Fiscal years end on the last Sunday in April.
 (B) Diluted earnings. Next earnings report is due in late November.
 (C) Dividends historically paid in April, August, September, and December.
 (D) In millions, adjusted for splits.
 (E) All data in Canadian dollars.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	80
Earnings Predictability	95