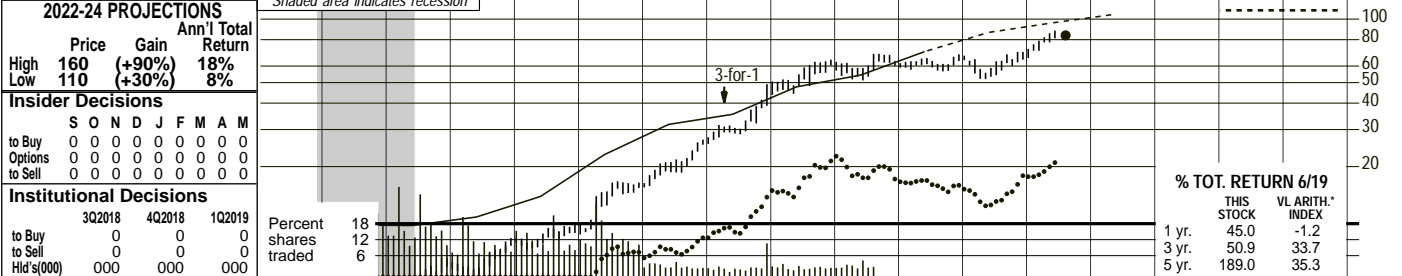


TIMELINESS 2 Lowered 7/19/19	High: 6.1 7.4 9.2 10.6 17.1 26.9 49.2 64.2 68.5 68.1 70.0 88.3	Target Price Range 2022 2023 2024
SAFETY 3 New 10/21/16	Low: 3.4 4.0 5.8 8.1 9.5 15.9 25.6 43.8 51.2 56.6 52.0 65.4	
TECHNICAL 2 Raised 7/5/19	LEGENDS — 12.0 x "Cash Flow" p sh ···· Relative Price Strength 3-for-1 split 4/14 Options: Yes Shaded area indicates recession	
BETA .75 (1.00 = Market)		



2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
1.37	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	1.30	1.30	Trans. Rate (US\$/Cdn.\$) ^E	1.30
9.91	16.86	18.71	22.18	26.32	33.52	30.10	32.52	42.09	63.82	73.51	73.31	75.52	91.35	116.59	141.40	145.25	148.80	Sales per sh ^A	171.70
.26	.49	.56	.61	.58	.88	.88	.96	1.20	1.90	2.65	2.95	3.98	4.52	5.85	6.95	7.75	8.60	"Cash Flow" per sh	11.40
.13	.32	.35	.35	.31	.51	.54	.62	.82	1.03	1.57	1.98	2.64	2.91	3.78	4.39	4.90	5.50	Earnings per sh ^{A B}	7.50
--	--	.03	.04	.05	.05	.05	.07	.10	.10	.14	.19	.27	.35	.37	.45	.55	.65	Div'ds Decl'd per sh ^C	1.00
.19	.39	.45	.69	.48	.51	.42	.39	.58	.96	1.03	1.35	2.00	2.40	2.65	2.75	2.85	2.95	Cap'l Spending per sh	3.25
1.26	1.49	1.78	2.10	2.15	2.82	2.96	3.32	3.98	5.78	7.67	8.26	11.15	14.48	17.16	21.34	22.75	24.45	Book Value per sh	30.10
592.86	605.91	606.12	607.00	590.18	562.88	550.95	550.78	537.16	562.71	565.75	567.36	567.59	568.45	564.22	564.41	564.50	564.50	Common Shs Outst'g ^D	565.00
26.6	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	15.0	15.0	Avg Ann'l P/E Ratio	18.0
1.52	.85	1.11	1.27	1.10	.52	.75	.80	.77	1.00	.87	1.04	1.10	1.10	.82	.81	.82	.81	Relative P/E Ratio	1.00
--	--	.3%	.5%	.7%	1.0%	.8%	.9%	1.0%	.6%	.6%	.5%	.5%	.6%	.6%	.7%	.7%	.7%	Avg Ann'l Div'd Yield	.7%

CAPITAL STRUCTURE as of 4/28/19		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Debt	\$9600.3 mill. Due in 5 Yrs \$6500.0 mill.	16581	17913	22611	35909	41585	41595	42862	51929	65785	79809	82000	84000	82000	84000	82000	84000	82000	84000
LT Debt	\$7614.9 mill. LT Interest \$400.0 mill. (39% of Cap'l)	177.9	180.5	196.3	491.3	606.9	547.5	759.5	914.6	1160.2	1445.4	1600	1750	1600	1750	1600	1750	1600	1750
Leases, Uncapitalized	Annual Rentals \$620.7 mill.	26.5%	24.8%	24.2%	11.4%	14.2%	24.7%	25.0%	24.1%	3.3%	16.9%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Pension Assets-4/19	\$224.0 mill. Oblig. \$299.6 mill.	1.8%	2.0%	2.0%	1.6%	2.1%	2.7%	3.5%	3.2%	3.3%	3.1%	3.4%	3.7%	3.4%	3.7%	3.4%	3.7%	3.4%	3.7%
Pfd Stock	None	149.4	253.8	d225.6	144.4	604.8	351.9	287.9	d105.8	370.1	d1701.9	250	500	370.1	d1701.9	250	500	370.1	d1701.9
Common Stock	564.4 mill. shares	743.1	492.8	177.8	3015.0	2914.3	3678.0	3550.5	4241.2	11320	7614.9	8500	9500	11320	7614.9	8500	9500	11320	7614.9
MARKET CAP:	\$47.3 billion (Large Cap)	1628.2	1828.6	2138.1	3249.8	4341.2	4689.0	6331.2	8233.2	9681.2	12046	12850	13800	9681.2	12046	12850	13800	9681.2	12046
CURRENT POSITION (\$MILL)		13.6%	15.6%	19.6%	10.0%	12.9%	14.1%	15.7%	14.0%	11.1%	13.8%	14.0%	14.5%	11.1%	13.8%	14.0%	14.5%	11.1%	13.8%
Cash Assets	881.9	18.8%	19.1%	21.0%	17.8%	20.5%	24.0%	23.7%	20.1%	22.1%	20.6%	21.5%	22.5%	22.1%	20.6%	21.5%	22.5%	22.1%	20.6%
Receivables	2047.1	17.2%	17.4%	18.8%	16.1%	18.9%	21.7%	21.6%	17.7%	20.0%	18.5%	19.0%	20.0%	20.0%	18.5%	19.0%	20.0%	20.0%	18.5%
Inventory (FIFO)	1186.0	8%	9%	11%	10%	8%	9%	9%	12%	10%	10%	11%	12%	10%	10%	11%	12%	10%	10%
Other	232.8																		
Current Assets	4347.8																		
Accts Payable	3704.5																		
Debt Due	345.8																		
Other	403.3																		
Current Liab.	4453.6																		

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 about 14,725 globally. As of April 28, 2019, the network, including brands like *Couche-Tard*, *Mac's*, and *Circle K*, consisted of 9,866 stores in North America, 2,709 in Europe, and 2,150 in emerging markets that are operated via licensing deals. Has roughly 133,000 employees (109,000 in N.A. & 24,000 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.

Alimentation Couche-Tard stock, up almost 40% in value over the past year, remains a strong performer. The Canadian company, a leading convenience and fuel retailer in North America and Europe, had a fine fiscal 2018 (ended April 28th), as earnings were buoyed by high fuel margins and solid merchandise same-store sales trends across all of its key geographies. Couche-Tard also garnered big benefits from its mid-2017 acquisition of CST Brands. Indeed, the former CST business, mainly spread throughout the Sunbelt region of the U.S., turned around nicely during the year, with comp momentum steadily building. And cost synergies stemming from the transaction, already tracking around US\$215 million on an annualized basis, were better than hoped for. **We expect yearly bottom-line advances in the double digits for the foreseeable future.** Rebranding initiatives, including the conversion of most units to the recognizable *Circle K* name, should continue to lift merchandise comps and help the company gain share in the competitive fuel market. In addition, the recent merchandise momentum will proba-

bly be aided by brisk tobacco sales and a revamped food and beverage lineup. And more-targeted promotional activity ought to support customer counts, even if the U.S. economy decelerates a bit. Fuel margins, meanwhile, may well pull back from near-record levels. But overall profitability at Couche-Tard should continue to tick higher, as operations are further streamlined and integrated, and the company places an even greater emphasis on high-margined merchandise and service revenues. All in all, as things stand now, we see share net reaching \$4.90 and \$5.50 in fiscal 2019 and fiscal 2020, respectively. **Acquisitions should continue to be a large part of the growth story here, with the global c-store space still highly fragmented.** Recreational marijuana (legal in Canada) also represents a long-term opportunity, with Couche-Tard recently inking a multiyear partnership with Canopy Growth Corp. **This timely (2) issue is suitable for most diversified accounts.** (Note that all financial data in this report are presented in Canadian dollars.)

Justin Hellman July 19, 2019

(A) Fiscal years end on the last Sunday in April.	(C) Dividends historically paid in April, August, September, and December.	Company's Financial Strength	B++
(B) Diluted earnings. Next earnings report is due in early September.	(D) In millions, adjusted for split.	Stock's Price Stability	75
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		Earnings Predictability	85