



Parkland
FUEL CORPORATION

2018 Third Quarter Results

November 2, 2018

Forward Looking Statement Disclaimer & Note on Non-GAAP Measures

Certain statements contained herein constitute forward-looking information and statements (collectively, "forward-looking statements"). When used the words "expect", "will", "could", "would", "believe", "continue", "pursue" and similar expressions are intended to identify forward-looking statements. In particular, this presentation contains forward-looking statements with respect to, among other things, signs of growth, business objectives and growth strategies; the strength of Parkland's operations and financial condition; the anticipated closing of the Sol transaction; sources of growth; anticipated synergies; matters related to transition service agreements; forecast crack spreads or refining margins; supply improvement and optimization and plans and objectives of or involving Parkland.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this presentation should not be unduly relied upon. These forward-looking statements speak only as of the date of this presentation. Parkland does not undertake any obligations to publicly update or revise any forward-looking statements except as required by securities law. Actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous risks and uncertainties including, but not limited to, general economic, market and business conditions; industry capacity; competitive action by other companies; refining and marketing margins; the ability of suppliers to meet commitments; actions by governmental authorities and other regulators including but not limited to increases in taxes or restricted access to markets; changes and developments in environmental and other regulations; and other factors, many of which are beyond the control of Parkland. See also the risks and uncertainties described in "Forward-Looking Information" and "Risk Factors" included in Parkland's Annual Information Form dated March 9, 2018 and in "Forward-Looking Information" and "Risk Factors" in the Q3 2018 MD&A, each as filed on SEDAR and available on the Parkland website at www.parkland.ca.

Financial Measures

This presentation refers to certain non-GAAP financial measures that are not determined in accordance with International Financial Reporting Standards ("IFRS"). Distributable cash flow, distributable cash flow per share, adjusted distributable cash flow, adjusted distributable cash flow per share, dividend payout ratio and adjusted dividend payout ratio are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. Management considers these to be important supplemental measures of Parkland's performance and believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in its industries. See Section 12 of the Q3 2018 MD&A for a discussion of non-GAAP measures and their reconciliations to the nearest applicable IFRS measure.

Adjusted EBITDA and adjusted gross profit are measures of segment profit. See Section 12 of the Q3 2018 MD&A and Note 14 of the Interim Condensed Consolidated Financial Statements for a reconciliation of these measures of segment profit. Annual Synergies is an annualized measure and is considered to be forward-looking information. See Section 12 of the Q3 2018 MD&A. Investors are encouraged to evaluate each measure and the reasons Parkland considers it appropriate for supplemental analysis.

Investors are cautioned, however, that these measures should not be construed as an alternative to net earnings determined in accordance with IFRS as an indication of Parkland's performance. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

Parkland Continues to Post Record Results

Q3 Volume

+18%

4.2 Billion Litres

Q3 Adjusted
EBITDA¹

+108%

\$200 Million

YTD Volume

+42%

12.6 Billion Litres

YTD Adjusted
EBITDA¹

+174%

\$602 Million



*For (1) see Endnotes on slide 11
All dollar amounts are stated in Canadian dollars unless otherwise specified.

Q3 2018 Financial & Operations Overview

DELIVERED RECORD ADJUSTED EBITDA OF \$200 MILLION



GROW

- 108% growth in Adj. EBITDA⁽¹⁾
- 48% growth in delivered fuel volumes
- 6.7% Retail Company C-Store SSSG^(c)



SUPPLY

- Burnaby Refinery achieved refinery utilization of 97.7%
- 384% increase in Supply Adj. EBITDA to \$121 million

2018 ADJUSTED EBITDA⁽¹⁾
GUIDANCE

\$775 million
± 5%

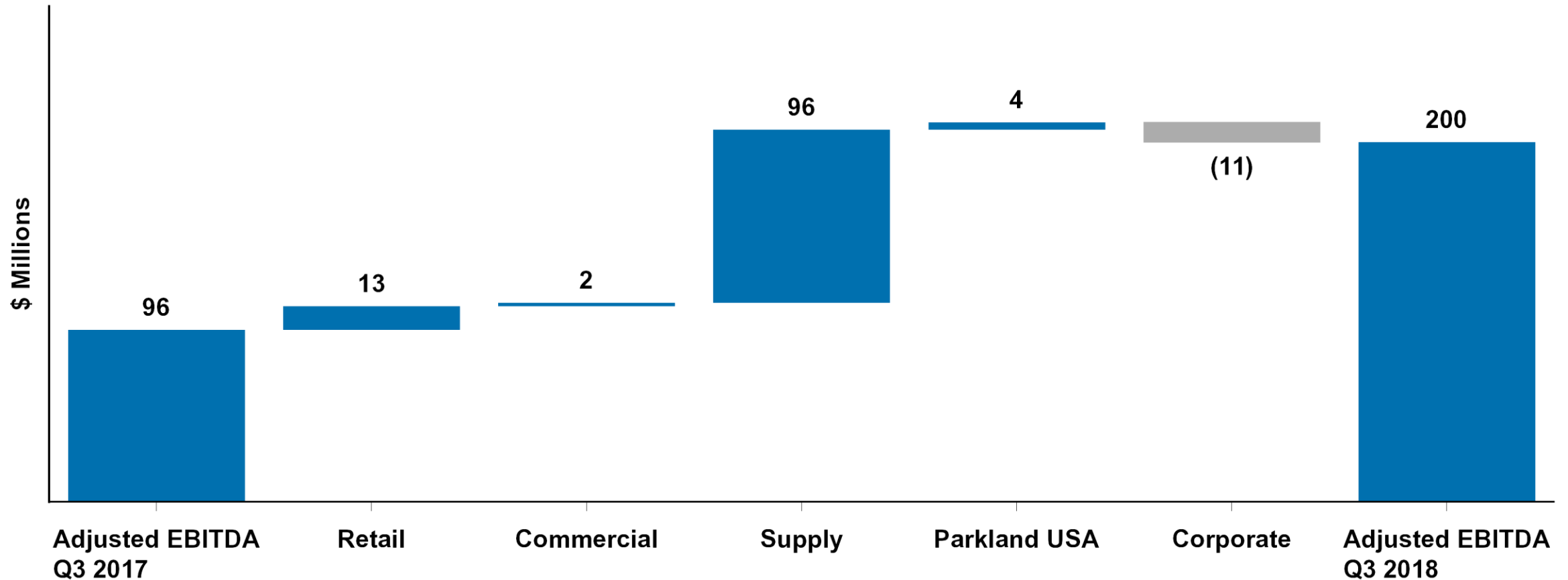


ACQUIRE

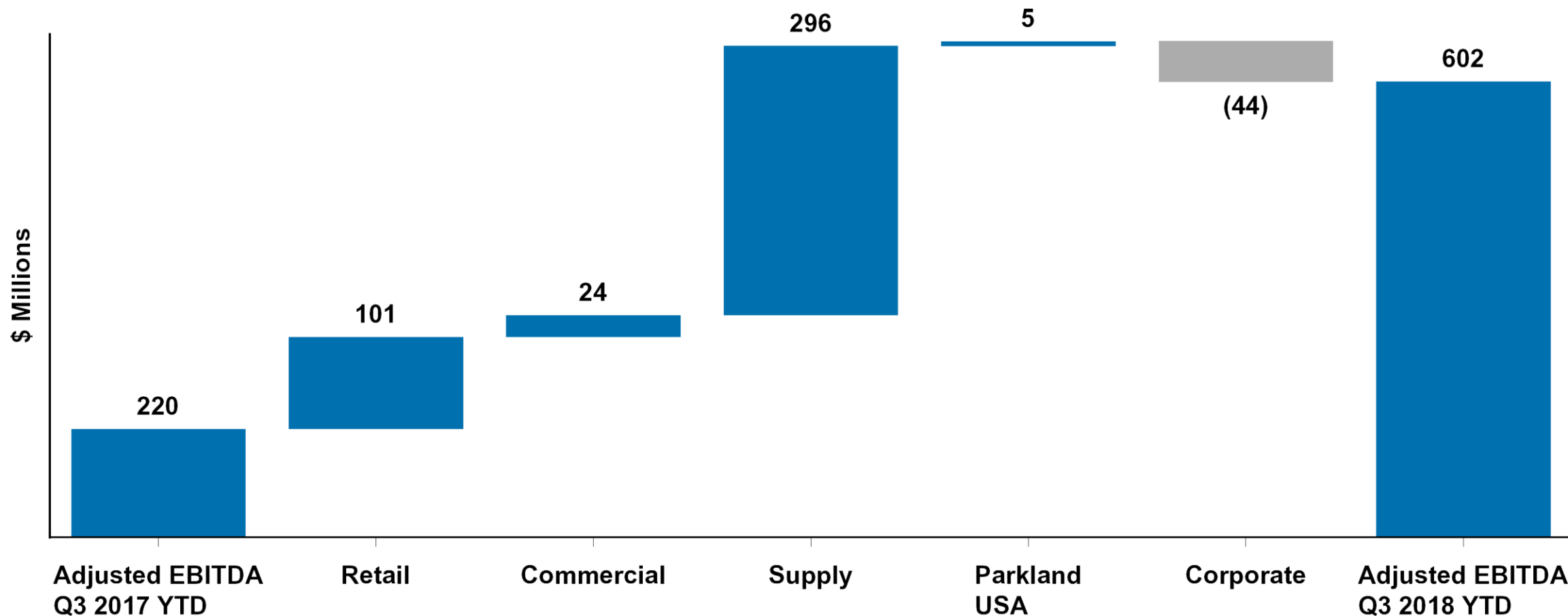
- \$1.6 Billion Sol Transaction^(4, 7)
- ~\$65 million of Annual Synergies⁽³⁾ for 2018



Q3 2018 vs Q3 2017 Highlights



YTD 2018 vs YTD 2017 Highlights



Parkland KPIs Q3 2018

	KPI	Q3 2018	YoY Change
 RETAIL	NUOC (TTM) (CPL) ^(a)	3.32	48%
	Volume SSSG ^(b)	(0.8)%	(0.2p.p)
	Company C-Store SSSG ^(c)	6.7%	2.6p.p
	Average Volume per Active Site - Company (TTM) (ML) ^(d)	5.2	(4)%
	Average Volume per Active Site - Dealer (TTM) (ML) ^(d)	3.1	11%
 COMMERCIAL	Volume - Gas & Diesel (ML)	635	22%
	Volume - Propane (ML)	65	(3)%
	TTM Operating Ratio ^(e)	71.5%	(2.9p.p.)
 SUPPLY	Refinery Utilization	97.7%	n.a.
	Refinery Turnaround (TAR) Expenditure (\$ millions)	\$2	n.a.

*NOTE: All KPI metrics are for Q3 2018 unless otherwise noted. See Parkland's most current MD&A for reconciliation. Superscript letters refer to KPI Endnotes on slide 12. All cent amounts are stated in Canadian cents unless otherwise specified.

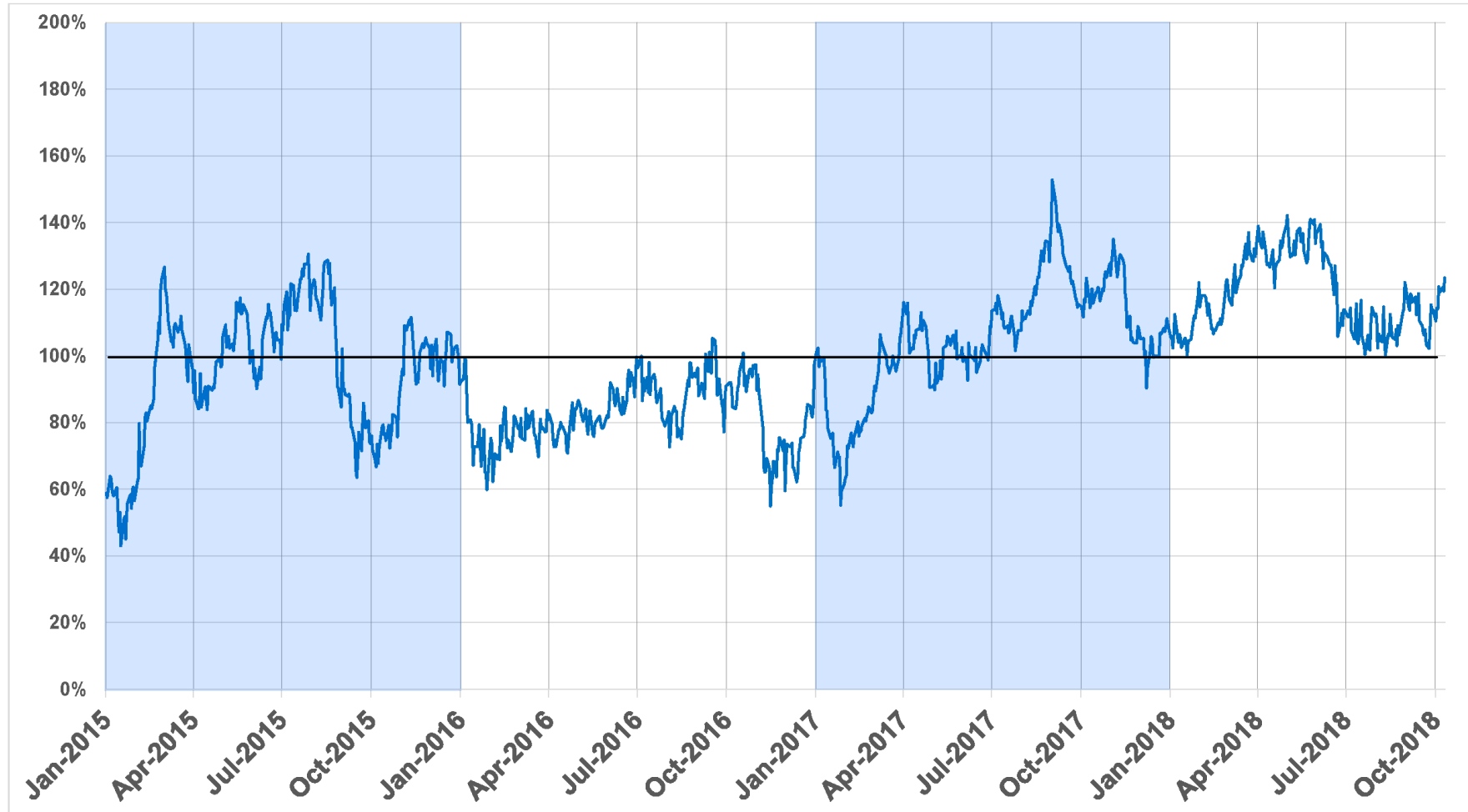
Parkland KPIs Q3 2018

KPI		Q3 2018	YoY Change
 PARKLAND USA	Wholesale Volume (ML)	235	7%
	Retail Volume (ML)	40	8%
	TTM Operating Ratio	72.0%	(2.5p.p.)
 CORPORATE	Corporate MG&A ^(f) as a % of Consolidated Adjusted Gross Profit	5.6%	0.1p.p.
	Dividend Payout Ratio ^(g)	35%	(48)%
	Adjusted Dividend Payout Ratio ^(h)	28%	(31)%
	Distributable Cash Flow Per Share ⁽ⁱ⁾ (\$)	0.84	0.49
	Total Funded Debt to Credit Facility EBITDA Ratio (TTM) ^(j)	2.62	n/a
	LTIF (TTM) ^(k)	0.28	(0.01)

*NOTE: All KPI metrics are for Q1 2018 unless otherwise noted. See Parkland's most current MD&A for reconciliation. Superscript letters refer to KPI Endnotes on slide 12. All dollar amounts are stated in Canadian dollars unless otherwise specified.

Crack Spread

5-3-1-1 GENERIC VANCOUVER CRACK: ESTIMATED ACTUAL INDEXED VS. 3-YEAR AVERAGE



100% = TRAILING 3-YEAR AVERAGE - A "RELATIVE" INDICATOR TO BE USED IN CONJUNCTION WITH OPERATIONAL METRICS

2018 Guidance



GROW ORGANICALLY



SUPPLY ADVANTAGE

2018 ADJUSTED EBITDA⁽¹⁾
GUIDANCE

\$775 million
± 5%



**ACQUIRE
PRUDENTLY**



Endnotes

- (1) Adj. EBITDA (Adjusted EBITDA) is a measure of segment profit and is considered to be forward-looking information. See Section 12 of the Q1 2018 MD&A and Note 14 of the Interim Condensed Consolidated Financial Statements for a reconciliation of this measure of segment profit. Investors are encouraged to evaluate each adjustment and the reasons Parkland considers it appropriate for supplemental analysis.
- (2) Base Business refers to Parkland's existing business prior to the closing of the Acquisitions (see Endnote (4)).
- (3) Annual Synergies is an annualized measure of synergies related to the Acquisitions (see Endnote (4)) and is considered to be forward-looking information. See Section 12 and Section 14 of the MD&A
- (4) On June 28, 2017, Parkland acquired the majority of the Canadian business and assets of CST Brands, Inc. (the "Ultramar Acquisition"); on October 1, 2017, Parkland acquired all outstanding shares of Chevron Canada R & M ULC (the "Chevron Acquisition"); on August 27, 2018, Parkland acquired all of the issued and outstanding equity interests of Rhinehart Oil Co., Inc. and its affiliates (collectively, "Rhinehart") (the "Rhinehart Acquisition"); and on October 9, 2018 Parkland entered into an agreement to acquire 75% of the issued and outstanding shares in the capital of Sol Investments Limited and its subsidiaries (collectively, "Sol") (the "Sol Transaction").
- (5) Transitional Services Agreement ("TSA")
- (6) Refinery Utilization for full year 2018 and Normalized Utilization are considered to be forward looking information. See risks and uncertainties described in "Forward-Looking Statements" and "Risk Factors" included in Parkland's Annual Information Form dated March 9, 2018 and in "Forward-Looking Statements" and "Risk Factors" in the Q1 2018 MD&A, each as filed on SEDAR and available on the Parkland website at www.parkland.ca.
- (7) Sol transaction purchase price translated using exchange rate of US\$1.0 = C\$1.3. The preliminary purchase price of US\$1,209 million plus customary post-closing adjustments is subject to change and will be finalized upon completion of customary post-closing activities.

KPI Endnotes

- a **Net Unit Operating Cost (NUOC) TTM:** This metric represents the fuel gross margin required (per litre) for the Retail business unit to break-even. It is calculated using data specific to the Retail business unit: $(\text{Operating Cost} + \text{MG\&A} - \text{Non-Fuel Margin}) / \text{Fuel Volume}$ on a trailing-twelve-month basis.
- b **Volume Same Store Sales Growth (SSSG):** Derived by comparing the current year volume of active sites to the prior year volume of comparable sites. See Section 12 of Parkland's most current MD&A for more information.
- c **Company C-Store Same Store Sales Growth (SSSG):** Derived from comparing the current year Point-of-Sale ("POS", i.e. cash register) of active sites to the prior year POS sales of comparable sites. See Section 12 of Parkland's most current MD&A for more information. Excludes results of sites acquired under the Chevron Acquisition
- d **Average Volume per Active Site - Company (TTM) & Average Volume per Active Site - Dealer (TTM):** The metrics are calculated using the TTM volume divided by the "weighted" average number of sites for that respective period and excludes the sites acquired under the Chevron Acquisition. See Section 4 of Parkland's most current MD&A for reconciliation.
- e **TTM Operating Ratio:** This metric represents expenses as a percentage of gross profit for the business segment. It is calculated as: $(\text{Operating Cost} + \text{MG\&A}) / (\text{Gross Profit})$ on a trailing-twelve-month basis.
- f **Corporate MG&A:** Represents Parkland's Marketing, General and Administration expenses.
- g **Dividend Payout Ratio:** The dividend payout ratio is calculated as dividends divided by distributable cash flow. See Section 6 of Parkland's most current MD&A for reconciliation.
- h **Adjusted Dividend Payout Ratio:** The adjusted dividend payout ratio is calculated as dividends divided by adjusted distributable cash flow. See Section 6 of Parkland's most current MD&A for reconciliation.
- i **Distributable Cash Flow Per Share:** The distributable cash flow per share is calculated as distributable cash flow divided by the weighted average number of common shares. See Section 6 of Parkland's most current MD&A for reconciliation.
- j **Total Funded Debt to Credit Facility EBITDA Ratio:** This metric represents the total funded debt as a percentage of Credit Facility EBITDA. It is calculated using the TTM results as follows: $(\text{Senior funded debt} + \text{Senior unsecured notes}) / \text{Credit Facility EBITDA}$. See Section 12 of Parkland's most current MD&A.
- k **Consolidated Lost Time Injury Frequency (LTIF):** This metric represents the number of people for every 100 employees who have been injured to an extent that they cannot perform any work for a minimum of one day, post-injury. It is calculated by multiplying the number of lost time incidents by 200,000 divided by the total number of employee hours worked.