




Parkland Fuel Corporation Reports Q1 Adjusted EBITDA of \$59.7M

Parkland Delivers a 4.5% Increase in Adjusted EBITDA and 9% Increase in Volume Compared to Q1 2015; Parkland Shows Growth and Re-confirms 2016 Guidance of \$235 to \$265 Million in Adjusted EBITDA

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RED DEER, AB--(Marketwired - May 03, 2016) - Parkland Fuel Corporation ("Parkland") (TSX: PKI), Canada's largest independent marketer of fuel and petroleum products, announced today the financial and operating results for the three months ended March 31, 2016. All financial figures are expressed in Canadian dollars.

"Our 4.5% Adjusted EBITDA growth was mainly driven by our Retail Fuels segment, which continued to perform well with an Adjusted EBITDA of 107% above Q1 2015, due in part to the successful integration of Pioneer. This strong performance helped offset the warmer weather in Eastern Canada and the sustained economic slowdown in Western Canada demonstrating the resiliency of our cash flow and strength of our diversified business model," said Bob Espey, President and Chief Executive Officer of Parkland. "As our ongoing efforts to reduce supply and operational costs, realize synergies and win new business take effect over the course of the year we are well positioned to deliver our 2016 guidance of \$235 - \$265 million in Adjusted EBITDA."



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KEY COMPONENTS OF PARKLAND'S STRATEGY - Q1 2016 HIGHLIGHTS

GROW

- Achieved 9% volume growth compared to Q1 2015, delivering 2.4 billion litres of fuel and petroleum products, led by the Retail Fuels segment following the successful acquisition of Pioneer Energy in Ontario and Manitoba, and the Chevron-branded service stations in British Columbia.
- Retail segment demonstrated strong organic growth in convenience stores with same store sales growth of 7.5% nationally and 15% in Ontario. This remarkable same store sales growth in the business we acquired from Pioneer demonstrates our ability to integrate a business quickly and effectively. Synergies from the Pioneer acquisition are exceeding expectations.
- Parkland's Commercial team was awarded new business for over 100 million litres of expected new annual propane volume across Western Canada.

SUPPLY

- Through the Commercial segment's acquisition of Propane Nord-Ouest (PNO), Parkland has secured exclusive access to a propane terminal in Val d'Or, Quebec which will expand Elbow River Marketing's supply capabilities to that area.

ACQUIRE

- Parkland announced the acquisition of the On the Run/Marché Express brand and the real estate assets of 17 Esso-branded retail sites in Saskatchewan and Manitoba, which are currently operated by Parkland under lease. This acquisition from Imperial Oil is expected to close in the third quarter 2016.

- Parkland acquired PNO on April 5, 2016, a propane business serving residential and commercial customers in Quebec and northeastern Ontario, for \$22.5 million, representing approximately five times trailing EBITDA.

CONSOLIDATED FINANCIAL OVERVIEW

Financial Summary

(in millions of Canadian dollars and shares)	Three months ended March 31,	
	2016	2015
Sales and operating revenue	1,318.1	1,391.6
Adjusted gross profit ⁽¹⁾	172.8	155.2
Adjusted EBITDA ⁽¹⁾	59.7	57.1
Net earnings	24.9	19.8
Per share - basic	0.26	0.24
Per share - diluted	0.26	0.24
Distributable cash flow ⁽²⁾	34.8	36.3
Per share ⁽²⁾⁽³⁾	0.37	0.44
Dividends	26.7	23.5
Per share outstanding	0.28	0.28
Dividend payout ratio ⁽²⁾	77%	65%
Adjusted dividend payout ratio ⁽²⁾	68%	60%
Total assets	1,772.0	1,514.2
Total long-term liabilities	580.4	549.9
Shares outstanding	94.7	82.9
Weighted average number of common shares	94.3	82.9

(1) Non-GAAP financial measure. See the "Non-GAAP financial measures, reconciliations and advisories" section of the March 31, 2016 MD&A.

(2) Non-GAAP financial measure. See the "Dividends, distributable cash flow and dividend payout ratio" section of the March 31, 2016 MD&A for reconciliation and calculation.

(3) Calculated by using the weighted average number of common shares.

Operating Summary

	Three months ended March 31,	
	2016	2015

Fuel volume (millions of litres)	2,437	2,238
Fuel and petroleum product adjusted gross profit ⁽¹⁾ (cpl):		
Retail Fuels	5.16	4.87
Commercial Fuels	13.11	13.56
Parkland USA	3.86	3.41
Operating costs (cpl)	3.24	2.97
Adjusted marketing, general and administrative ⁽¹⁾ (cpl)	1.42	1.43

(1) Non-GAAP financial measure. See the "Non-GAAP financial measures, reconciliations and advisories" section of the March 31, 2016 MD&A.

MD&A AND FINANCIAL STATEMENTS

The 2016 Q1 Management's Discussion and Analysis, the audited Consolidated Financial Statements, and the Notes to the Consolidated Financial Statements (and notes thereto) provide a detailed explanation of Parkland's operating results for the three months ended March 31, 2016. These documents are available online at www.parkland.ca (<http://www.parkland.ca>) and SEDAR immediately after the results are released by newswire under Parkland's profile at www.sedar.com (<http://www.sedar.com/>).

CONFERENCE CALL AND WEBCAST INFORMATION

Parkland Fuel Corporation will host a webcast and conference call at 6:30 a.m. MST (8:30 a.m. EST) on Wednesday, May 4, 2016, to discuss the results for the three months ended March 31, 2016.

<http://www.gowebcasting.com/7503> (<http://www.gowebcasting.com/7503>)

To access the conference call by telephone dial toll-free 1-866-225-2055. Callers from the Toronto area should use (416) 340-2219. Please connect approximately 10 minutes before the beginning of the call. The webcast will be available for replay two hours after the conference call ends. It will remain available at the link above for one year and will also be posted to www.parkland.ca (<http://www.parkland.ca>).

A link to the live webcast will be available on the Investor section of Parkland's website. <http://www.parkland.ca/investors/> (<http://www.parkland.ca/investors/>)

If you are unable to participate in the call, a replay will be available by dialing 1-800-408-3053, passcode 9365648 (Canada and USA toll-free). For international callers, please [click here \(https://www.confsolutions.ca/ILT?oss=4P29R8004083053\)](https://www.confsolutions.ca/ILT?oss=4P29R8004083053) to find your dial-in number and use passcode 9365648. A transcript of the broadcast will be posted on the website once it becomes available.

FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

Certain statements contained in this news release constitute forward-looking information and statements (collectively, "forward-looking statements"). When used in this news release the words "looks", "expect", "will", "could", "would", "believe", "predict", "pursue" and similar expressions are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives and growth strategies; the strength of Parkland's balance sheet and financial condition; sources of growth; capital expenditures; Parkland's intentions to pursue further acquisitions and the anticipated benefits and accretive effects of such acquisitions; 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 news release should not be unduly relied upon. These statements speak only as of the date of this news release. 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 increases in taxes; 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 Statements" and "Risk Factors" included in Parkland's Annual Information Form dated March 29, 2016, as filed on SEDAR and available on the Parkland website at www.parkland.com (<http://www.parkland.com/>).

This news release refers to certain Non-GAAP financial measures that are not determined in accordance with International Financial Reporting Standards ("IFRS"). Adjusted EBITDA, Adjusted gross profit, Distributable cash flow, Distributable cash flow per share, Dividend payout ratio, Adjusted dividend payout ratio, Total funded debt, Fuel and petroleum product adjusted gross profit, Adjusted marketing, general and administrative and Growth Capital 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 "Adjusted EBITDA" in Parkland's March 31, 2016 MD&A for a reconciliation of Adjusted EBITDA to net earnings, the IFRS measure most directly comparable to Adjusted EBITDA. Distributable cash flow is used to assess the level of cash flow generated from ongoing operations and to evaluate the adequacy of internally generated cash flow to fund dividends. See "Distributable Cash Flow" in Parkland's March 31, 2016 MD&A for a reconciliation of distributable cash flow to cash flow from operating activities, the IFRS measure most directly comparable to distributable cash flow. See "Non-GAAP financial measures, reconciliations, and advisories" section of the March 31, 2016 MD&A. Investors are encouraged to evaluate each adjustment 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 income determined in accordance with IFRS as an indication of Parkland's performance. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

ABOUT PARKLAND FUEL CORPORATION

Parkland Fuel Corporation is one of North America's fastest growing independent marketers of fuel and petroleum products. We deliver gasoline, diesel, propane, lubricants, heating oil and other high-quality petroleum products to motorists, businesses, households and wholesale customers in Canada and the United States. Our mission is to be the partner of choice for our customers and suppliers, and we do this by building lasting relationships through outstanding service, reliability, safety and professionalism.

We are unique in our ability to provide customers with dependable access to fuel and petroleum products, utilizing a portfolio of supply relationships, storage infrastructure, and third party rail and highway carriers to rapidly respond to supply disruptions in order to protect our customers.

To sign up for Parkland new alerts please go to <http://bit.ly/PKI-Alert> (<http://bit.ly/PKI-Alert>) or visit www.parkland.ca (<http://www.parkland.ca>).

Embedded Video Available: https://youtu.be/sydm_JOZ4CY (https://youtu.be/sydm_JOZ4CY)

FOR FURTHER INFORMATION, PLEASE CONTACT:

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