



Investor Presentation – Sept. 5, 2013

Bob Espey (President & CEO) and Mike Lambert (Sr. VP and CFO)





WHO WE ARE

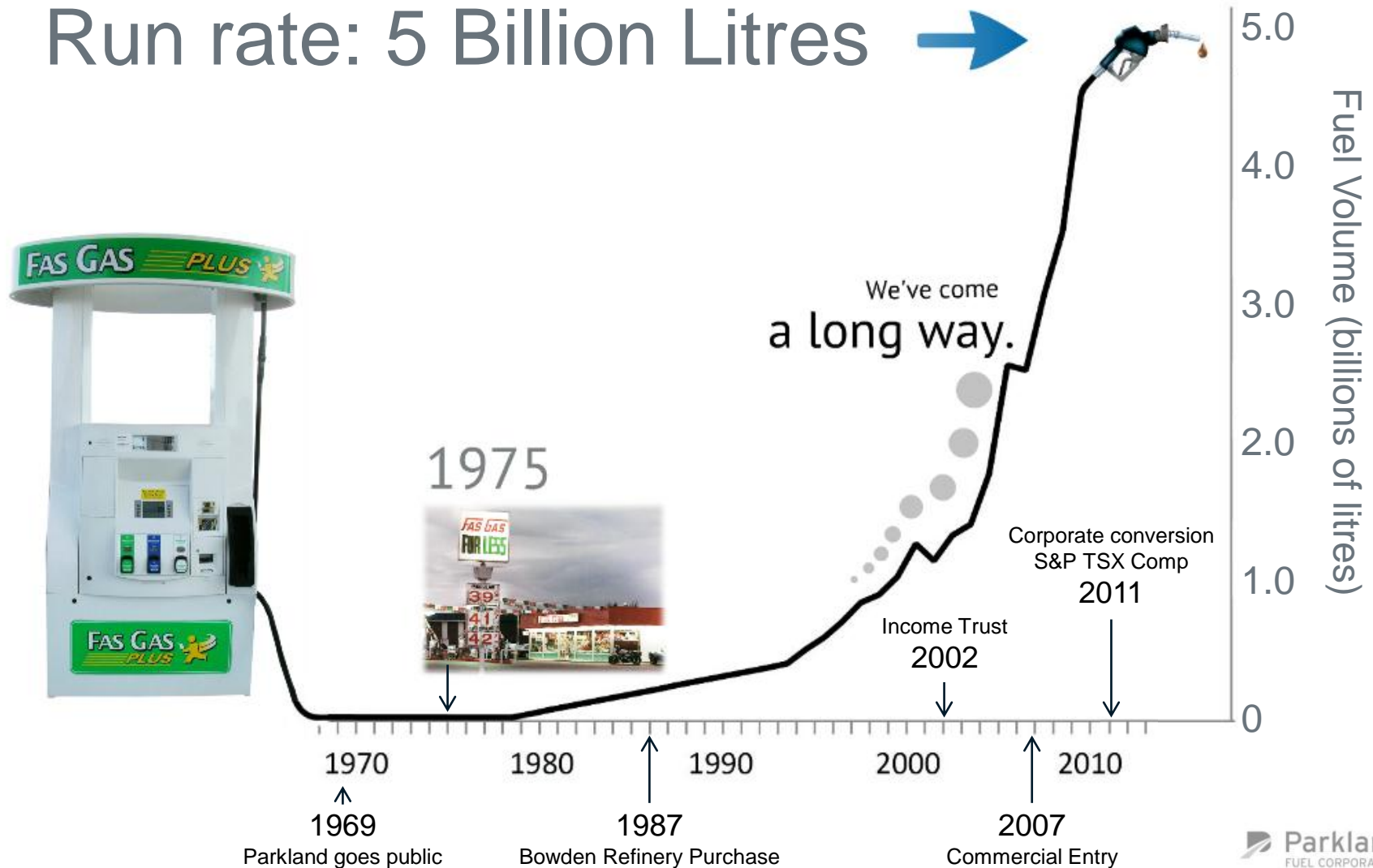
Canada's largest independent supplier and reseller

Offering investors yield and growth

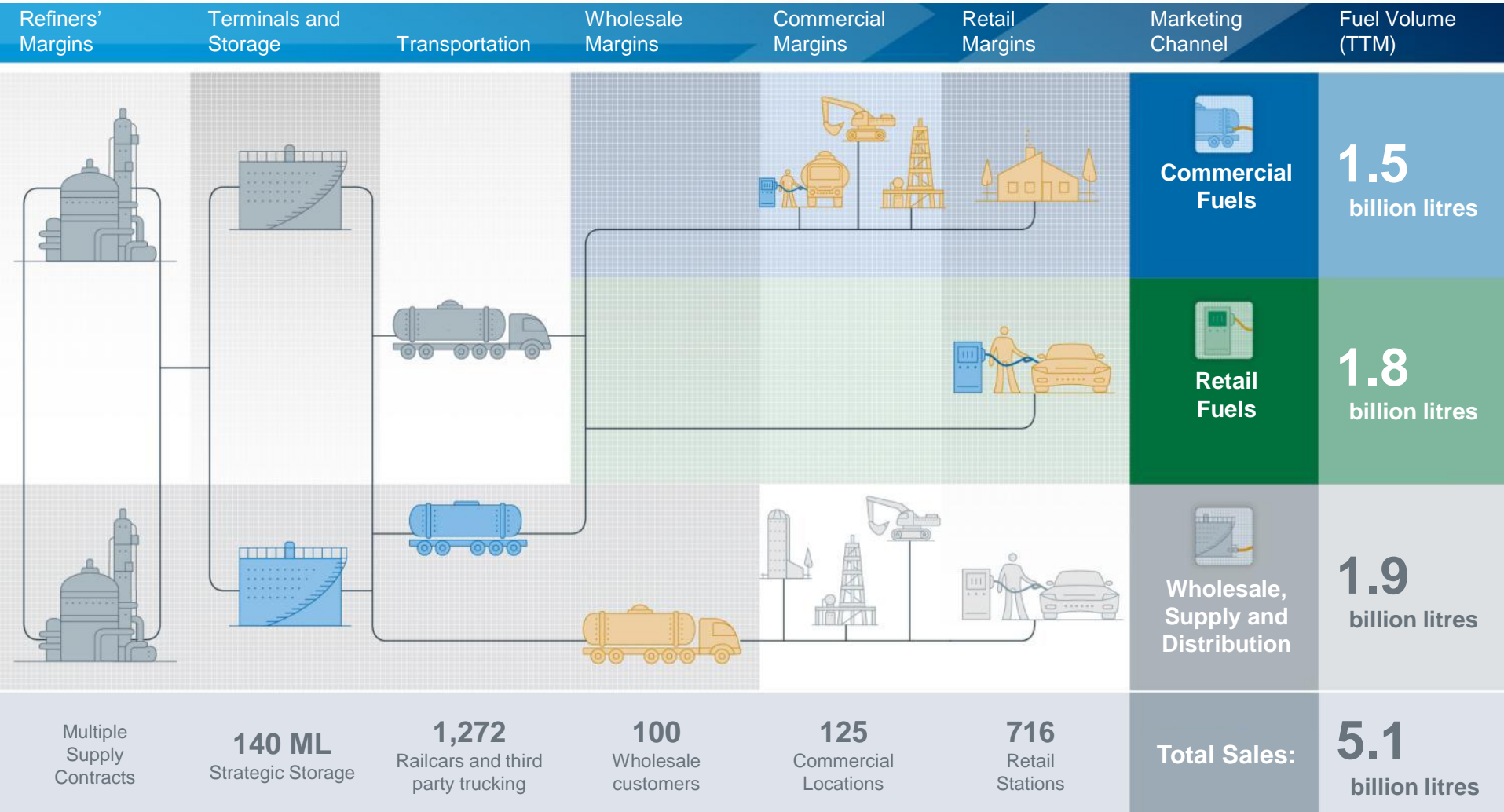
A defensive investment with a sustainable dividend

History of Growth

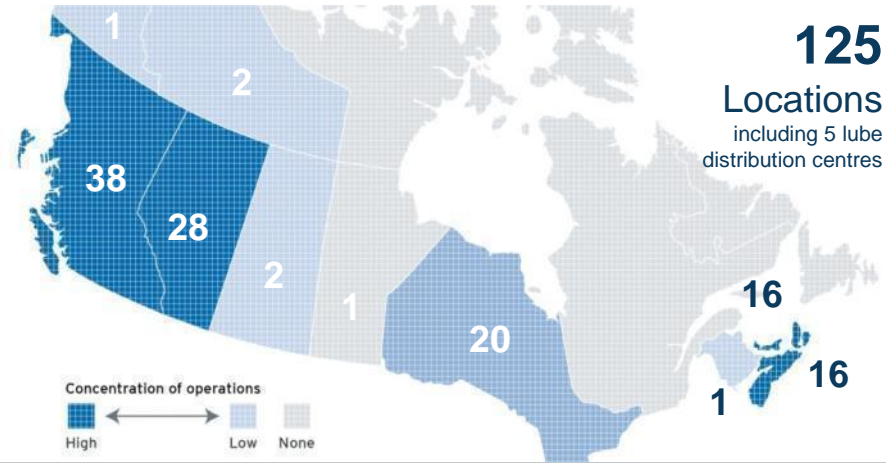
Run rate: 5 Billion Litres →



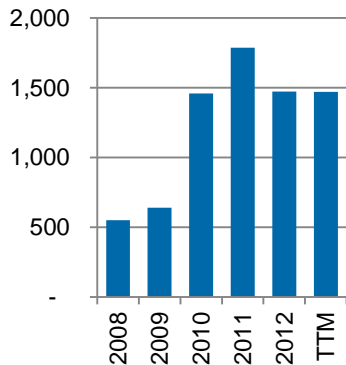
Parkland's Fuel Marketing Value Chain



Commercial Fuels



Fuel Volumes TTM*
(millions of litres)



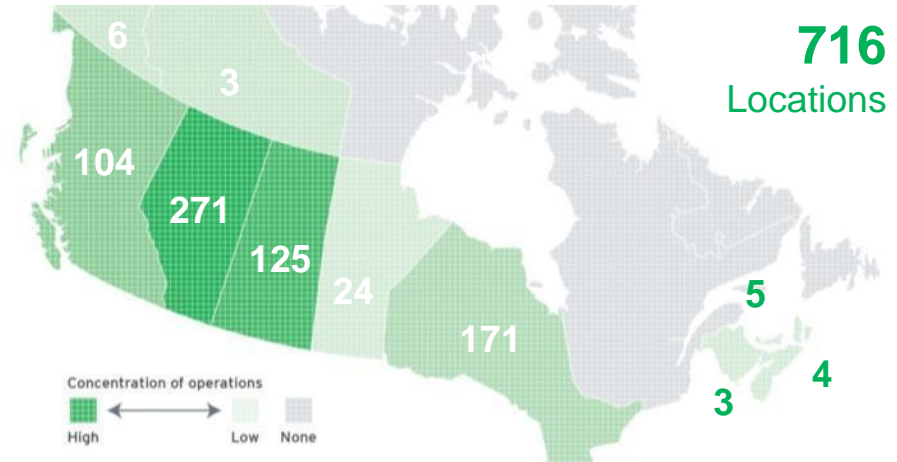
Metric	TTM	% of total
Volume	1,470 ML	29%
Revenue	\$1,325 M	29%
Gross Profit	\$149 M	32%

Multi Product Offering:

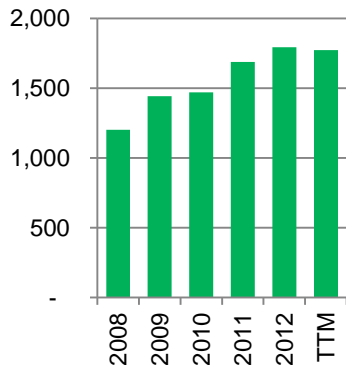
- Bulk Fuel Delivery
- Residential Heating Fuel
- Propane
- Lubricants
- Cardlock Fuel Sales

*Large volume low margin accounts reallocated to wholesale in 2012 and 2011

Retail Fuels



Fuel Volumes TTM (millions of litres)








Metric	TTM	% of total
Volume	1,772 ML	35%
Revenue	\$1,651 M	36%
Gross Profit	\$84 M	18%

Streamlined Business Model:

- 581 Independent Dealers (Fixed margin wholesale relationship)
- 135 Retailers (Full margin sales direct to customer)

Multi-brand offering

Retail Multi-brand Strategy

Brands	Fas Gas Plus	Race Trac Gas	Esso	Other Brands	Total
Operator			 Retail Branded Distributor	Multiple (Cango, Sunys, etc.)	
Dealers 	82	107	348	44	581
Retailer 	94	2	24	15	135
Total	176	109	372	59	716
Segment	Premium Independent Brand	Independent Brand	Premium Major Brand	-	-

Chevron BC Retail Agreement

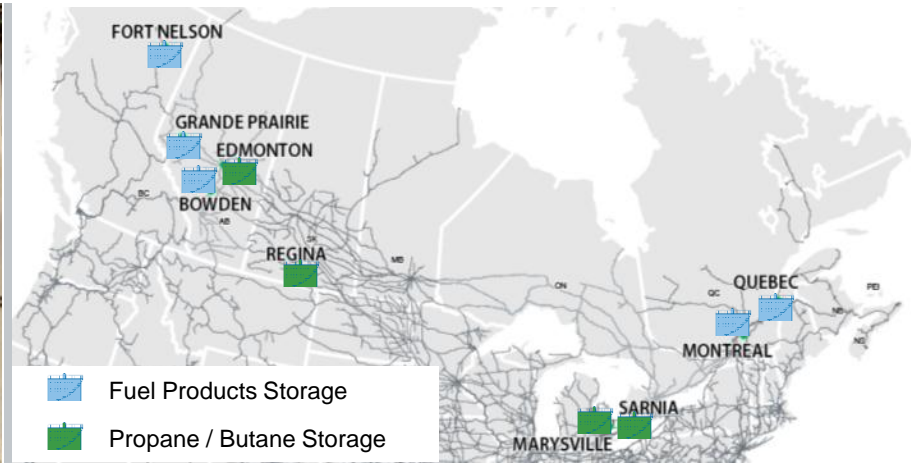
Branded retail marketer agreement signed with **Chevron** in **British Columbia**.

Expected to drive retail dealer volume growth through:

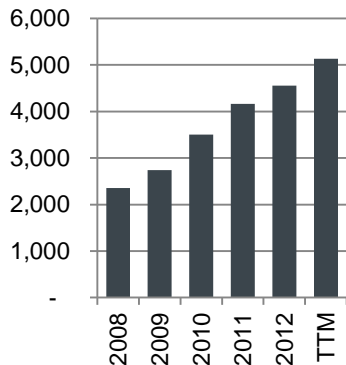
- Chevron's brand strength
- Access to a major refiner brand in BC



Wholesale, Supply and Distribution



Fuel Volumes TTM
(millions of litres)



Metric	TTM	% of total
Volume	1,891 ML	37%
Revenue	\$1,353 M	29%
Gross Profit	\$146 M	31%

Strategic Supply Capabilities:

- Fuel supply management
- Supply contract negotiation
- National infrastructure
 - Product storage
 - Rail cars and logistics
- Wholesale Customers



Recent Acquisitions

TransMontaigne (May 13, 2013)

Wholesale Volumes Added in Quebec and Ontario

>500 Million Litres



930 Million Litres



- Access to Eastern Canada terminal assets
- Expected to close May 2, 2013

Sparling's Propane (Apr 2, 2013)

Opportunity to scale propane business across a national growth platform

120 Million Litres



Employees: 131
Commercial Locations: 6

151 Million Litres



Employees: 1,177
Commercial Locations: 113



EBITDA: \$5.5 million

Elbow River Marketing (Feb 15, 2013)



TTM Q3 2012 EBITDA	\$20 M
Employees:	34
Railcars	1,200
Terminal Storage (ML)	60



2012 EBITDA	\$199 M
Employees:	1,179
Railcars	40
Terminal Storage (ML)	35




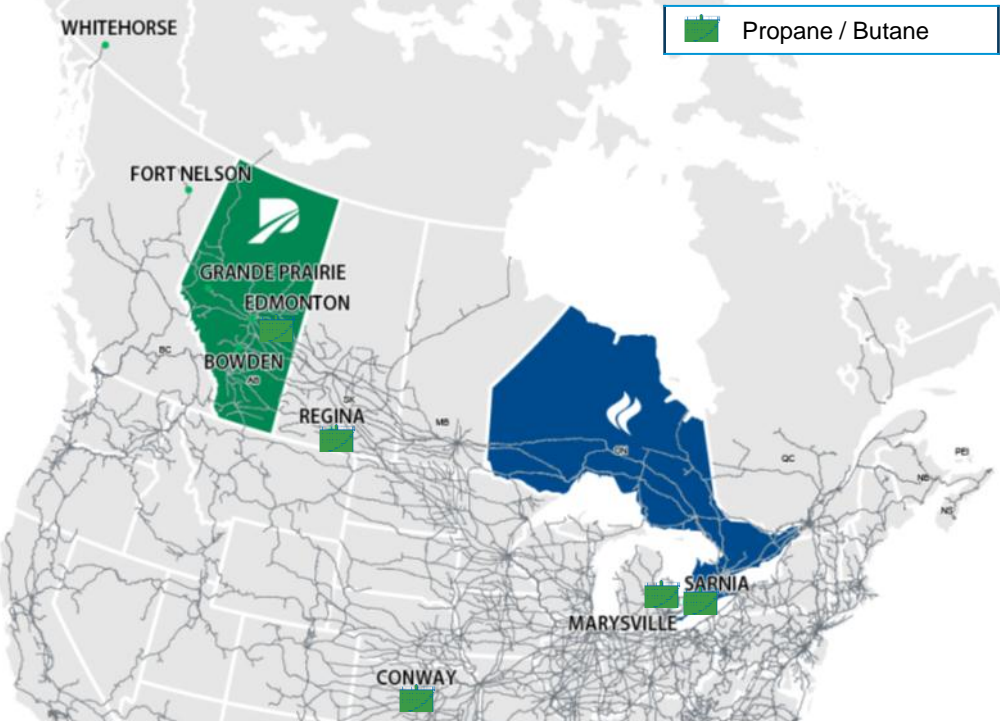
Elbow River's skills and assets compliment Parkland's capabilities



- » 1,200 rail car fleet and logistics expertise
- » Leveraging storage positions
- » Ethanol, Biofuel & propane
- » Canada - US export capacity

Grow – Supply – Operate

When it all comes together

Brand	Propane Volume	Transportation & Propane Storage Infrastructure
  	151 ML 200 ML 117 ML	 <p>Legend: Propane / Butane</p>
Total Volume:	468 ML	



2013 FIRST QUARTER RESULTS



Adjusted EBITDA \$58 million

Q2 2013

Quarterly Highlights

Commercial Fuel

Softness in West offset by stronger performance in East and Lubricants
Offset by continued cost initiatives

Retail Fuel

Strong margins from 2012, have returned to normal levels
Offset by cost improvements

Operating Costs Improve

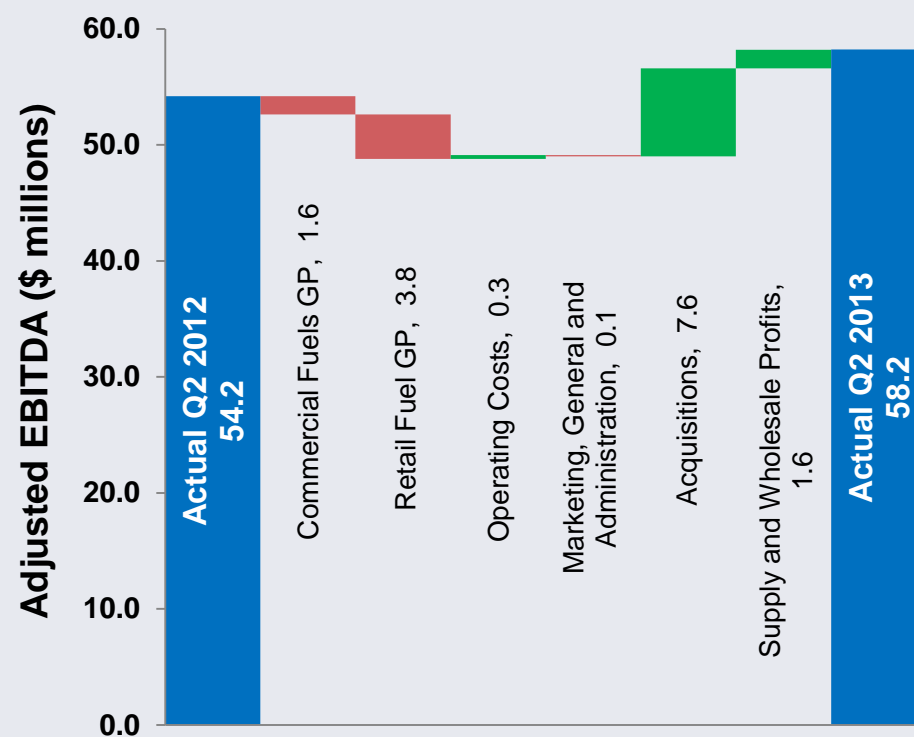
Flat year-over-year, with continued improvements from commercial expected later this year
(Excluding Elbow River)

Wholesale, Supply, & Distribution

Refiners' Margins marginally weaker than 2012

Q2 Adjusted EBITDA Waterfall Chart

2013 Q2 vs 2012 Q2



*Adjusted EBITDA – Please MD&A or press release for further information

Quarterly Review

Financial Highlights For the quarter ended:	June 30, 2013	June 30, 2012	Change
Adjusted EBITDA	\$58 M	\$54 M	7%
Net earnings	\$20 M	\$26 M	(22%)
Earnings per share (basic)	0.29	0.39	(26%)
Distributable cash flow	\$42 M	\$39 M	10%
Payout ratio	43%	44%	
Net Debt : Adjusted EBITDA	1.13	1.34	
Interest Coverage	9.3	5.9	
ROCE (Return on Capital Employed)	26%	20%	



Parkland Penny Plan

5 Year Growth Strategy

1. Grow

$\frac{1}{3}$ of 1 cent through economies of scale

2. Supply

$\frac{1}{3}$ of 1 cent through supply advantage

3. Operate

$\frac{1}{3}$ of 1 cent through efficient operations

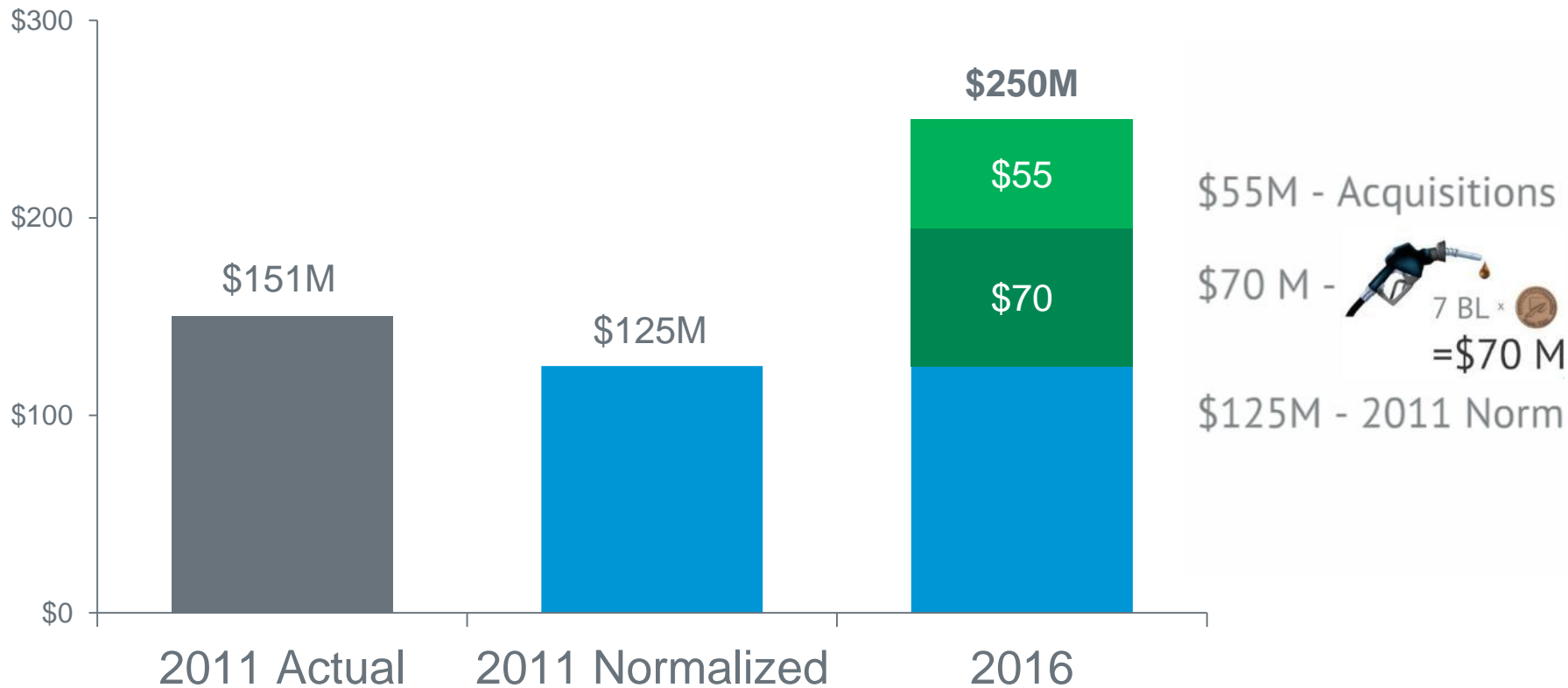


The Penny Plan was introduced in May 2012 at Parkland's Analyst Day

Target: Double EBITDA

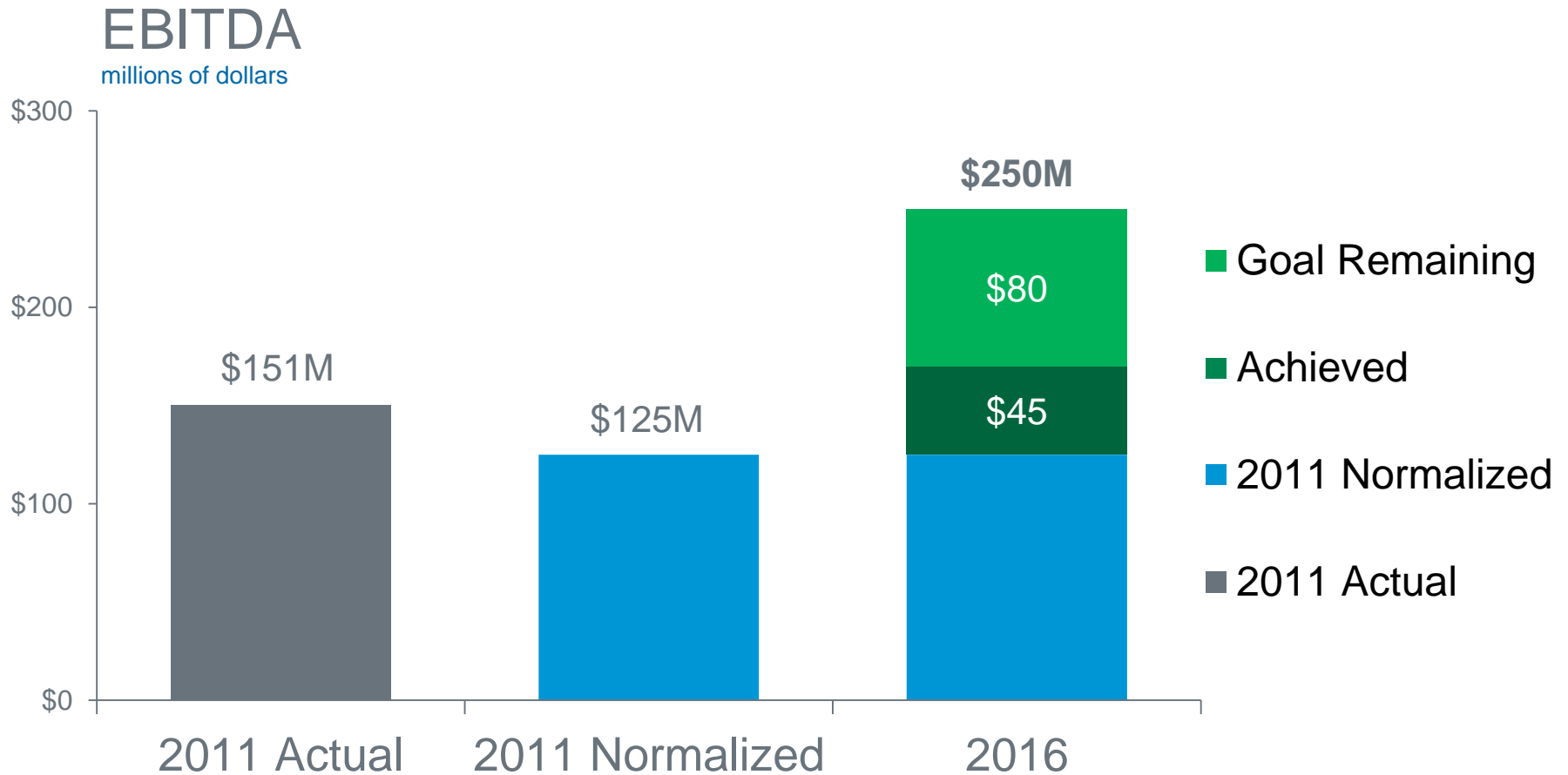
EBITDA

millions of dollars



- » From a normalized EBITDA base of \$125 million
- » EBITDA normalized for 2014 conditions by removing the impacts of one-time costs, and removing contribution of unusual refiners' margins

Target: Double EBITDA



- » From a normalized EBITDA base of \$125 million
- » EBITDA normalized for 2014 conditions by removing the impacts of one-time costs, and removing contribution of unusual refiners' margins

EBITDA Progress

Acquisitions:

» Elbow River Marketing	\$20 MM
» TransMontaigne	\$1.5MM
» Sparling's Propane	\$5.5MM
	\$27 MM

Synergies:

» Elbow River Marketing	\$3 MM
» TransMontaigne	\$2 MM
» Sparling's Propane	\$2 MM
	\$7 MM Identified

Efficiencies

» Give me five!	\$11 MM
	\$11 MM

Parkland Scorecard



	Commitment	2016 Target	Q2 2013	2012	
Grow	Acquisitions	2,500 ML	620 ML	- ML	✓
		\$55 M	\$27 M	\$4 M	✓
	Organic	500 ML	(56.7) ML	(29.7 ML)	✗
Supply	Supply Margins	100% of Normalized profit plus 1/3 cent	On track	-	✓
	Strategic Product Storage		140 ML	5 ML	✓
Operate	Operating Costs (TTM)	3.60 cpl	3.57 cpl*	3.61 cpl	✓
	Administration Costs (TTM)	1.59 cpl	1.83 cpl*	1.87 cpl	✓
	Total Recordable Injury Frequency (TTM)	< 2	2.55	2.33	✗

* Ignores volumes and costs of Elbow River, and M&A costs to look at performance of base business

Growing through Acquisition

2.5 Billion Litres by 2016

Organic



Volume

Target	100 ML / year
Progress	(56.7 ML) YTD

Acquisitions



Volume

Target	500 ML / year
Progress	620 ML

EBITDA

Target	\$11 M / year
Progress	\$27 M

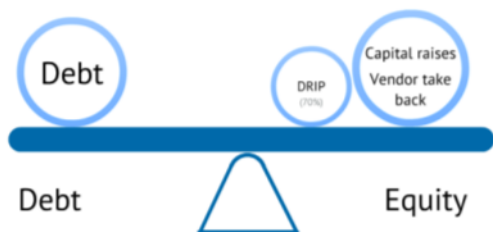
More than
7 billion litres
 in play over the next five years

Growing Financial Capacity

Acceptable Range
Net Debt : EBITDA

[2] → [3]

Funding for Growth



Pay Out Ratio

Targeted pay-out ratio
on normalized basis is

50%

Net Debt : EBITDA

(Refer to Non-GAAP Measures in MD&A)

2013 Q2 1.13

2012 1.39

Debt* : Equity

(* Includes convertible debentures)

2013 Q2 0.61

2012 0.79

Pay-out Ratio

(Refer to Non-GAAP Measures in MD&A)

2013 Q2 43%

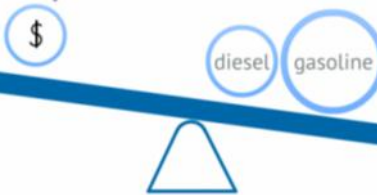
2012 52%

Parkland will not overpay for assets

Improving Supply Costs

Driving Sustainable Profits for 2014

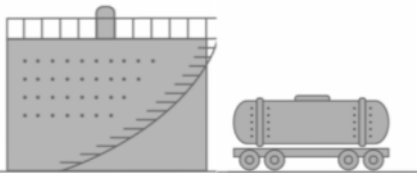
Competitive Contracts



Supply Management

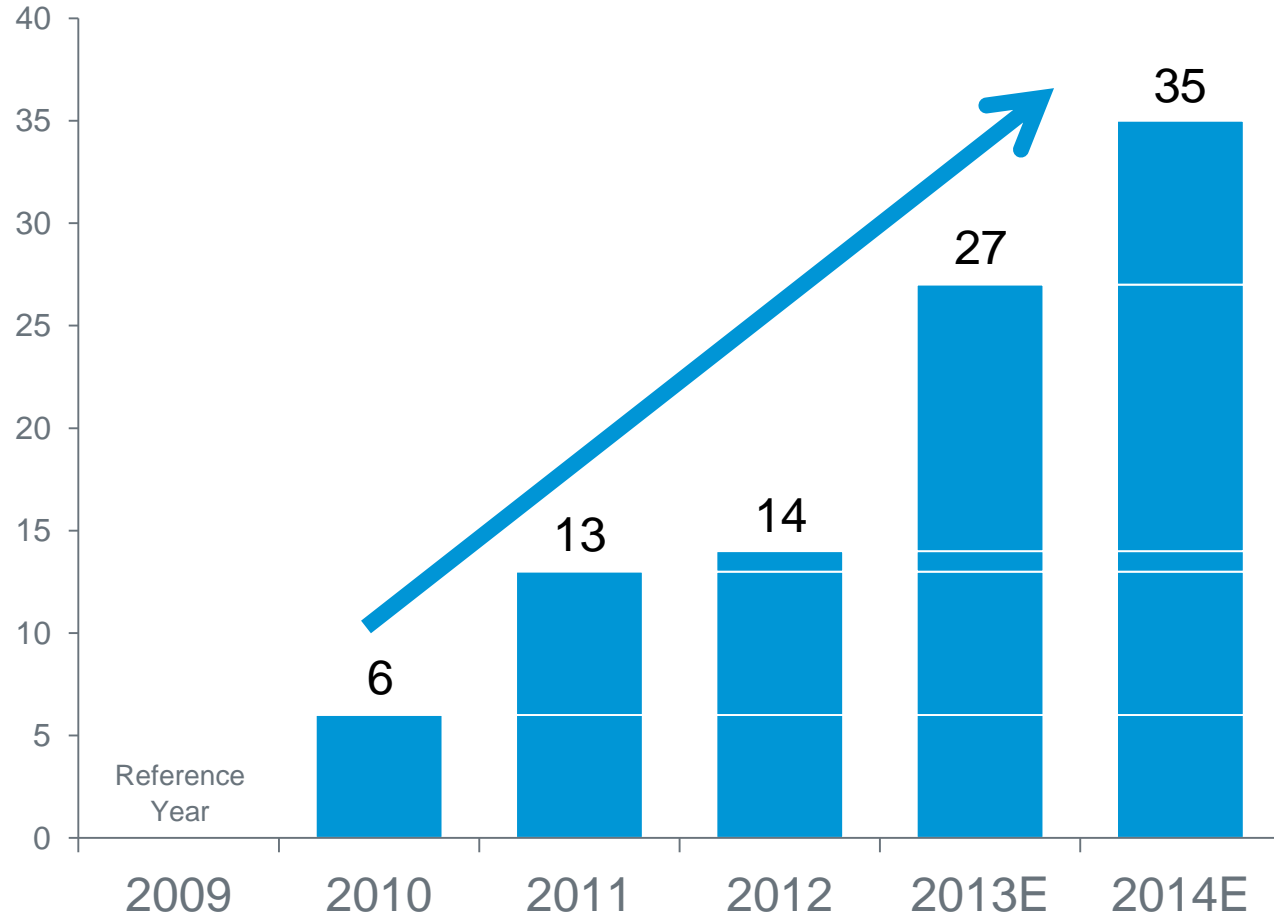


Terminal Capability



Supply Cost Improvements for 2014*

millions of dollars

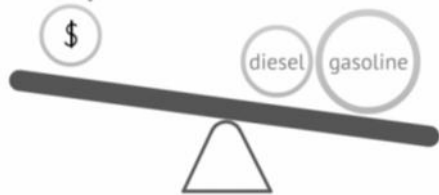


*Improvements in supply costs impact EBITDA in multiple business units

Improved Supply Position

Driving Better Options for 2014

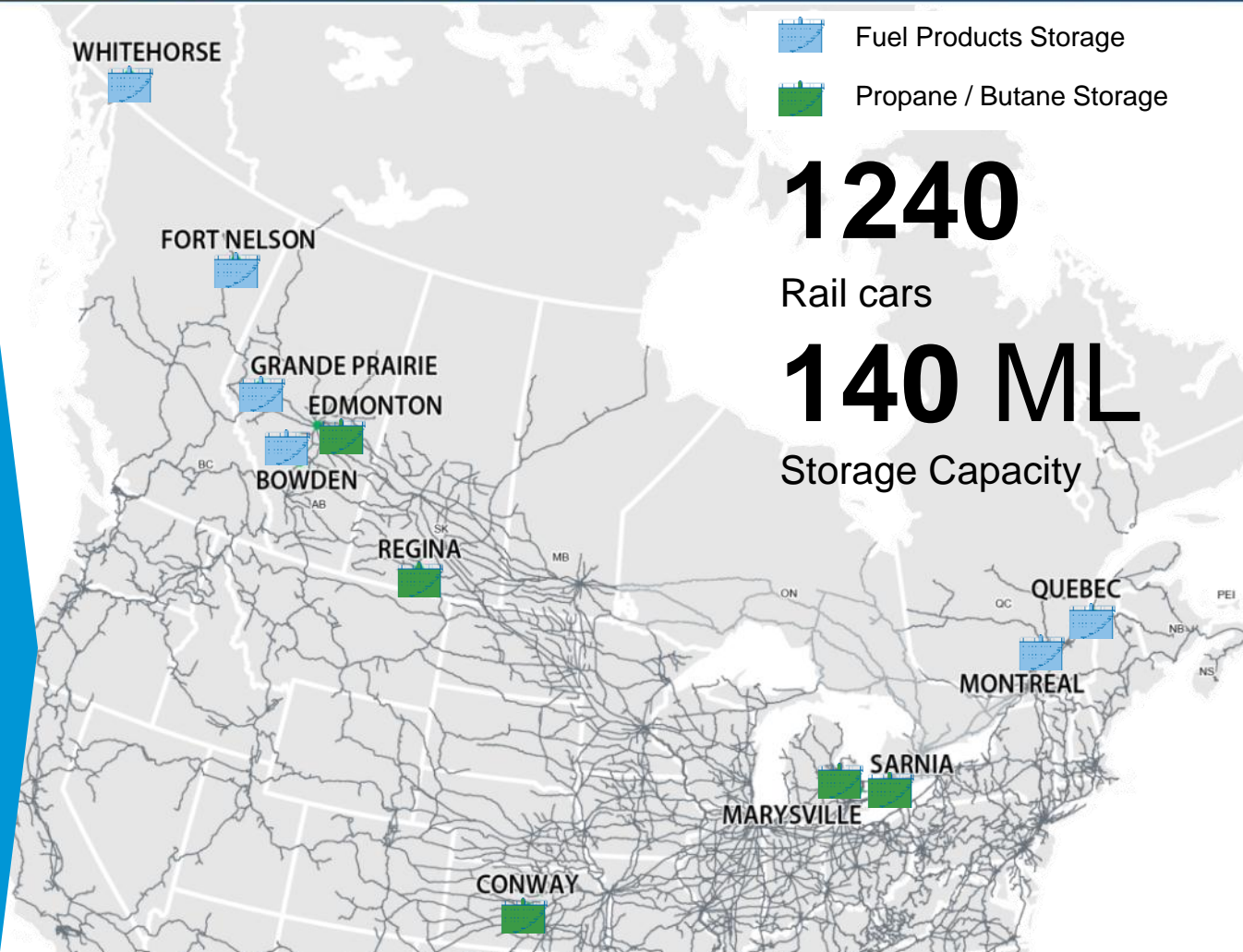
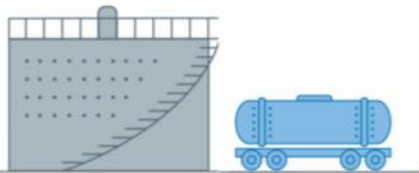
Competitive Contracts



Supply Management



Terminal Capability



- Fuel Products Storage
- Propane / Butane Storage

1240

Rail cars

140 ML

Storage Capacity

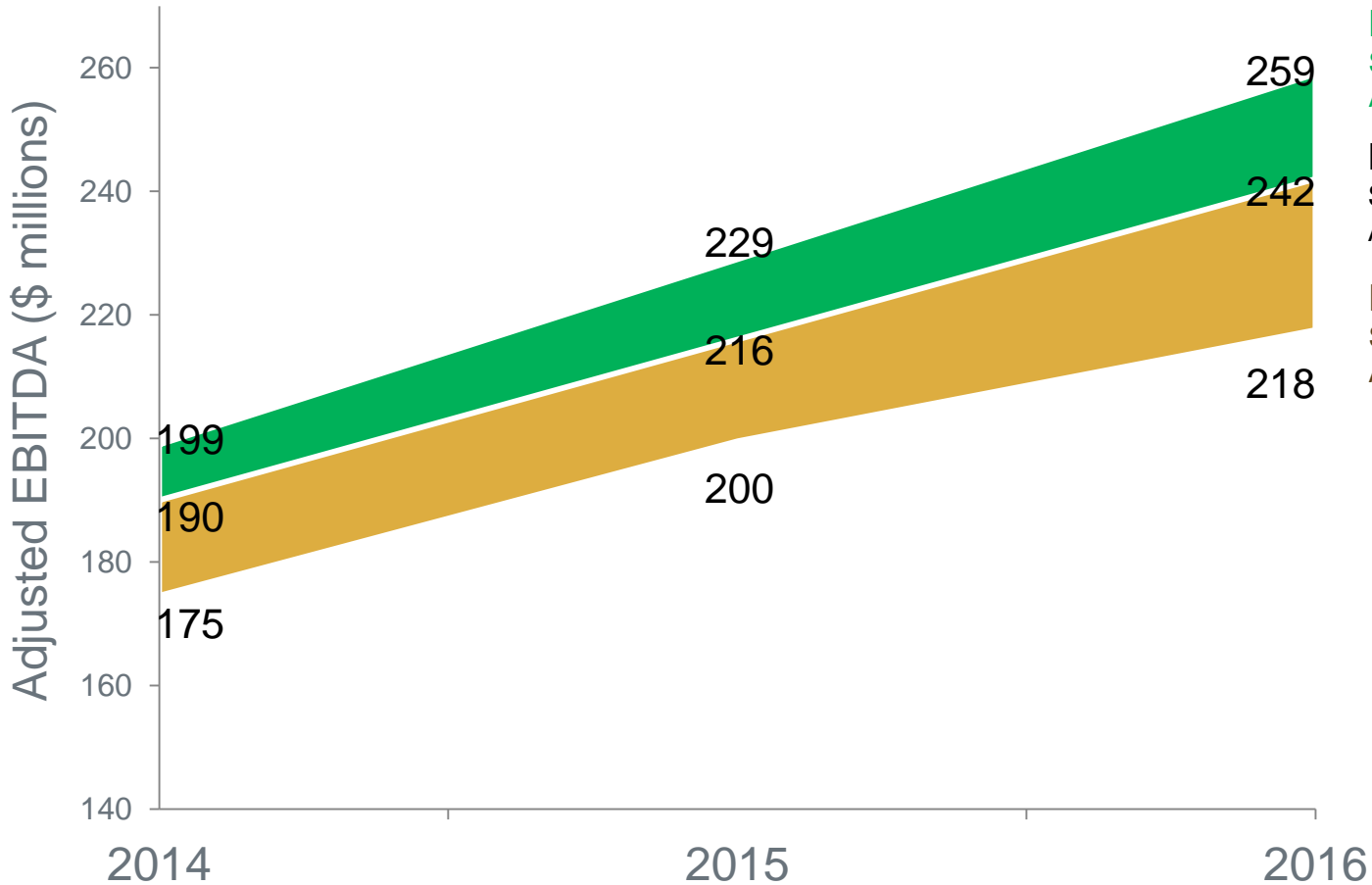
Operating Efficiently

Building the most **efficient** and **scalable** fuel marketing platform in Canada

Area	Initiatives
Service	<ul style="list-style-type: none">• Net Promoter Index continuous improvement• Rewarding customer service
Standardize	<ul style="list-style-type: none">• Simplified business models• Transactional efficiency• Leverage enterprise resource planning system
Safety	<ul style="list-style-type: none">• Dedicated Health, Safety and Environment Department• Strong focus on safety• Direct reporting to CEO

We aim to be the easiest fuel marketer to do business with

2014 – 2016 EBITDA Forecast



High Case

Stress: None
Acquisitions: \$15M/yr

Expected

Stress: (\$10M) EBITDA
Acquisitions: \$12M/yr

Low Case

Stress: (\$20M) EBITDA
Acquisitions: \$7M/yr

Key Model Assumptions

Based on Expected Case

	2014	2015	2016
Growth Cap Ex*	\$35	\$35	\$35
Maintenance Cap Ex	\$27	\$30	\$34
Total Cap Ex	\$62	\$65	\$69
Net Total Debt as % of Capital Employed	38%	40%	41%
Organic Growth Rate	2 – 4 % including small tuck-ins		
Financing	Primarily debt		
Dividends	Modest increases over period		
Mix	Remains the same as current base business		

*Does not include acquisitions

Key Model Output Metrics

Based on Expected Case

	2014	2015	2016
EBITDA per share	2.42	2.69	2.96
Distributable cash flow per share	1.57	1.69	1.85
Dividend to distributable cash flow payout ratio	69%	66%	63%
ROCE	15%	15.75%	16.5%
Net Debt:EBITDA	1.65	1.62	1.60



WHO WE ARE

Canada's largest independent supplier and reseller

Offering investors yield and growth

A defensive investment with a sustainable dividend