

Canadian Tire Corporation

Q2 2026 Financial Results and Segment Eliminations



Executive Participants



Greg Hicks

President & Chief Executive Officer, Canadian Tire Corporation



Darren Myers

Executive Vice President & Chief Financial Officer, Canadian Tire Corporation



TJ Flood

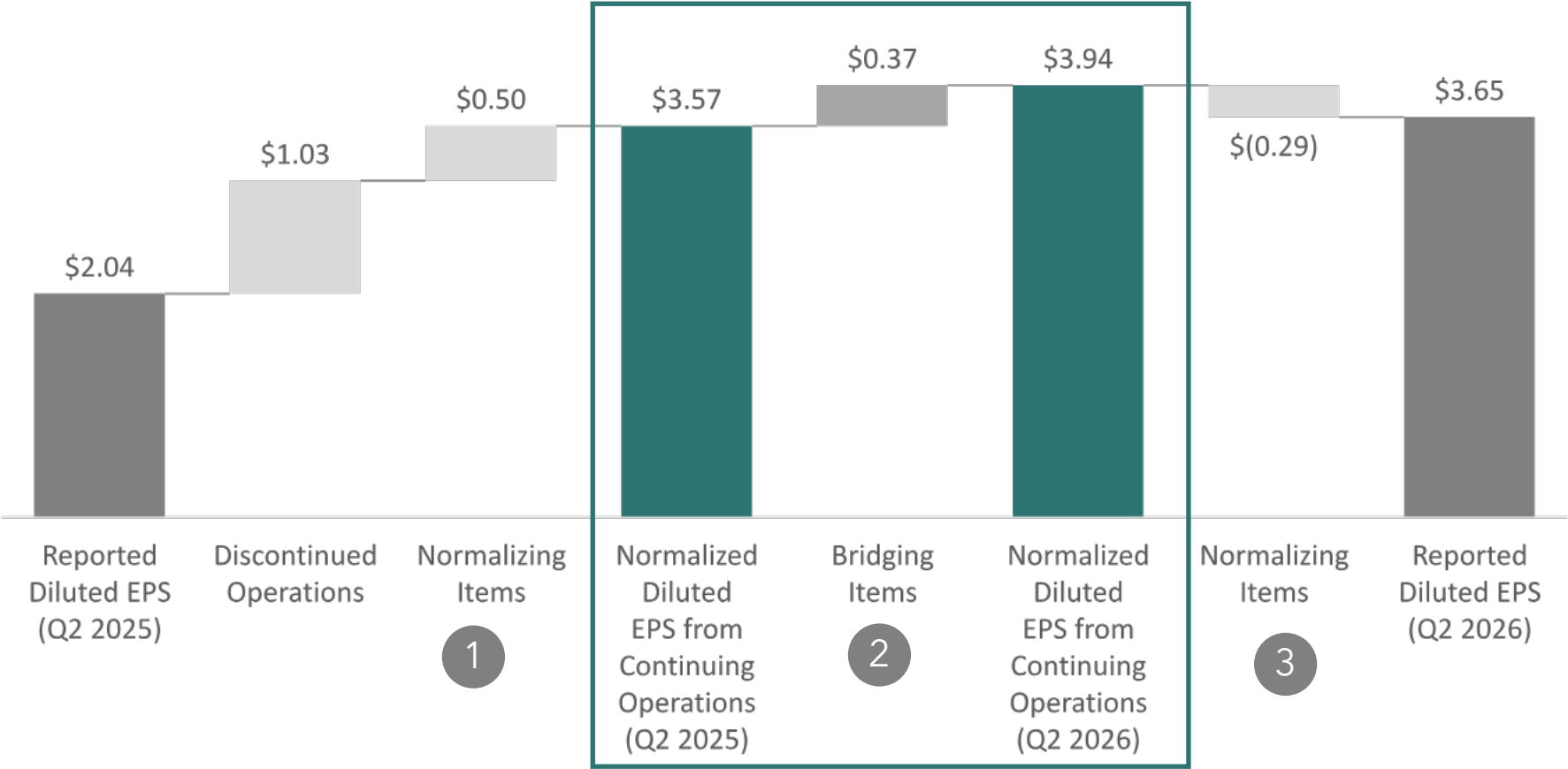
Executive Vice President & Chief Operating Officer, Canadian Tire Corporation

Table of Contents

Topic	Slide #
Q2 2026 & YTD Q2 2026 Diluted EPS to Normalized Continuing Operations Bridge and Key Impacts	4
Q2 2026 Financial Results	7
Q2 2026 Segment Eliminations	13

Q2 2025 to Q2 2026 Reported Diluted EPS Bridge and Key Impacts

Q2 2026 Normalized Diluted EPS from Continuing Operations¹ up \$0.37 to \$3.94
Q2 2026 Reported Diluted EPS up \$1.61 to \$3.65



Q2 2025 Normalizing Items:

- 1 (+) Other transformation and advisory costs: \$37.7M (equivalent to Diluted EPS of **\$0.50**)

Bridging Items:

- 2 (+) Higher normalized net income and lower share count (equivalent to Diluted EPS of **\$0.37**)

Q2 2026 Normalizing Items:

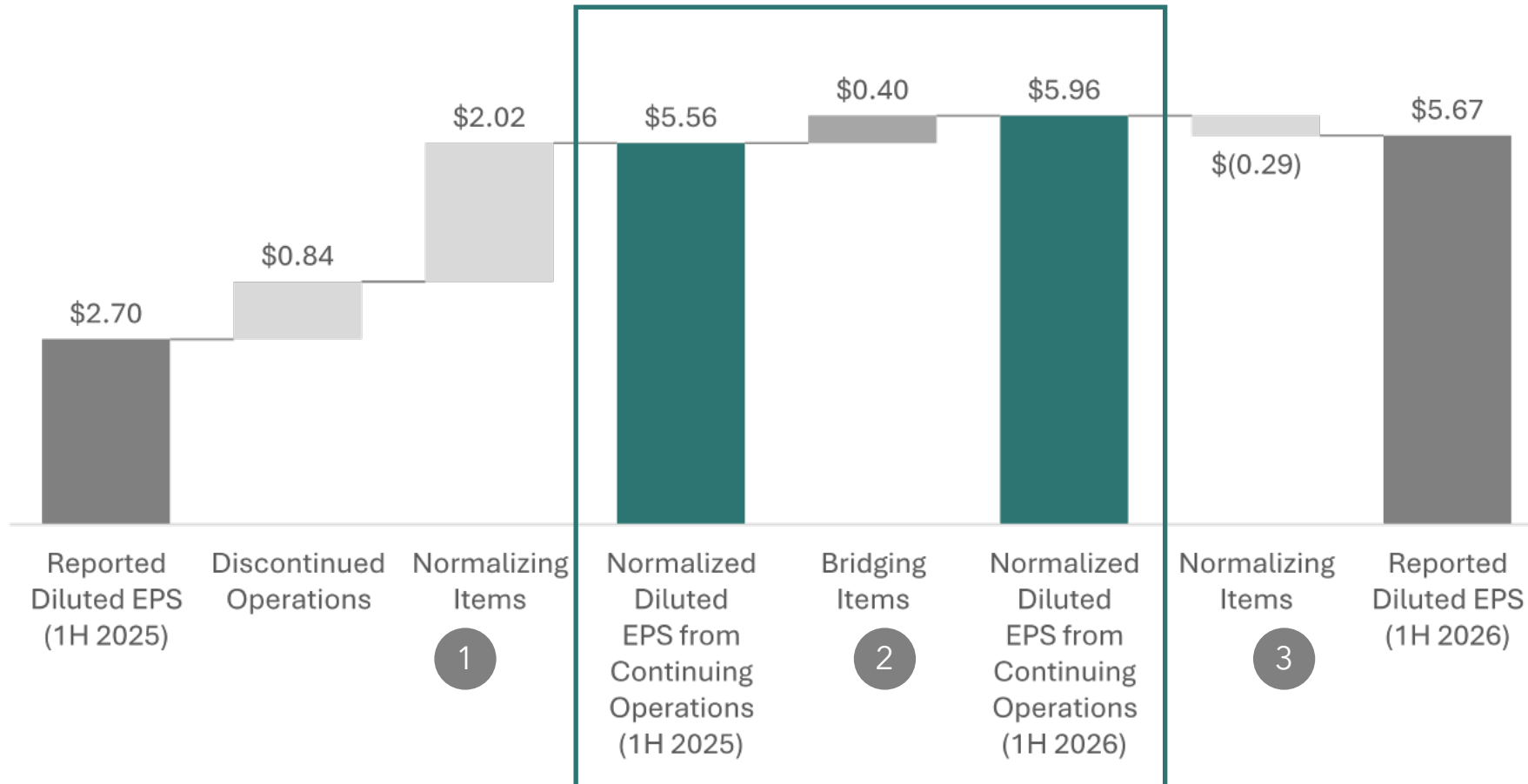
- 3 (-) Impairment and related costs: \$20.8M (equivalent to Diluted EPS of **-\$0.29**)

1) This is a non-GAAP financial measure or non-GAAP ratio with no standardized meaning under IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other issuers. See Section 9.1 of the Company's Q2 2026 MD&A, which is available at www.SEDARPLUS.ca and incorporated by reference herein.

YTD Q2 2025 to YTD Q2 2026 Reported Diluted EPS Bridge and Key Impacts

YTD Q2 2026 Normalized Diluted EPS from Continuing Operations up \$0.40 to \$5.96

YTD Q2 2026 Reported Diluted EPS up \$2.97 to \$5.67



YTD Q2 2025 Normalizing Items:

- (+) Restructuring costs of \$95.4M as well as other transformation and advisory costs of \$56.4M (equivalent to Diluted EPS of **\$2.02**)

Bridging Items:

- (+) Higher normalized net income and lower share count (equivalent to Diluted EPS of **\$0.40**)

YTD Q2 2026 Normalizing Items:

- (-) Impairment and related costs: \$20.8M (equivalent to Diluted EPS of **-\$0.29**)

Q2 2026 Financial Results

Q2 2026 Consolidated Financial Results

(C\$ in millions, except where noted)	Q2 2026	Q2 2025	Change ¹	YTD Q2 2026	YTD Q2 2025	Change ¹
Retail sales ²	\$ 5,391.6	\$ 5,161.7	4.5 %	\$ 8,767.3	\$ 8,584.7	2.1 %
Revenue	\$ 4,302.9	\$ 4,201.9	2.4 %	\$ 7,873.8	\$ 7,658.6	2.8 %
Gross margin dollars	\$ 1,440.1	\$ 1,419.5	1.5 %	\$ 2,703.9	\$ 2,610.3	3.6 %
Gross margin rate ²	33.5 %	33.8 %	(32) bps	34.3 %	34.1 %	26 bps
Other expense (income)	\$ 19.4	\$ 29.0	(33.1) %	\$ 28.5	\$ 140.9	(79.8) %
Selling, general and administrative expenses	878.4	880.6	(0.2) %	1,701.1	1,656.5	2.7 %
Depreciation and amortization	183.8	177.3	3.7 %	370.6	359.1	3.2 %
Net finance costs (income)	78.5	74.3	5.7 %	154.6	143.9	7.4 %
Income before income taxes	\$ 280.0	\$ 258.3	8.4 %	\$ 449.1	\$ 309.9	44.9 %
Income tax expense (recovery)	65.8	70.0	(6.0) %	105.4	74.6	41.3 %
Effective tax rate ²	23.5 %	27.1 %		23.5 %	24.1 %	
Net income from continuing operations	\$ 214.2	\$ 188.3	13.8 %	\$ 343.7	\$ 235.3	46.1 %
Net income from discontinued operations	–	(56.1)	NM	–	(46.2)	NM
Net income	\$ 214.2	\$ 132.2	62.0 %	\$ 343.7	\$ 189.1	81.8 %
Net income attributable to:						
Shareholders of Canadian Tire Corporation						
Continuing operations	\$ 192.1	\$ 168.2	14.2 %	\$ 299.1	\$ 195.5	53.0 %
Discontinued operations	–	(56.1)	NM	–	(46.2)	NM
Non-controlling interests	22.1	20.1	10.0 %	44.6	39.8	12.1 %
	\$ 214.2	\$ 132.2	62.0 %	\$ 343.7	\$ 189.1	81.8 %
Basic earnings per share	\$ 3.66	\$ 2.05	78.5 %	\$ 5.69	\$ 2.71	NM
Continuing operations	3.66	3.08	18.8 %	5.69	3.55	60.3 %
Discontinued operations	–	(1.03)	NM	–	(0.84)	NM
Diluted earnings per share	\$ 3.65	\$ 2.04	78.9 %	\$ 5.67	\$ 2.70	NM
Continuing operations	3.65	3.07	18.9 %	5.67	3.54	60.2 %
Discontinued operations	–	(1.03)	NM	–	(0.84)	NM
Weighted average number of Common and Class A Non-Voting Shares outstanding:						
Basic	52,404,982	54,690,978	(4.2) %	52,585,182	55,129,600	(4.6) %
Diluted	52,578,003	54,867,715	(4.2) %	52,782,171	55,295,696	(4.5) %

¹ NM - not meaningful.

² For further information about these measures see Section 9.2 of the Company's Q2 2026 MD&A, which is available at www.SEDARPLUS.ca and incorporated by reference herein.

Q2 2026 Normalizing Items

Normalization items recorded in Other expense in 2026 were \$20.8 million of Impairment and related costs on certain Party City store level assets, recorded in the second quarter. This compared to 2025 when the Company recorded \$151.8 million, of which \$37.7 million was recorded in the second quarter related to transformation and advisory costs in relation to the Company's True North strategy implementation.

The following table summarizes the normalizing items recorded in the quarter and year to date:

(C\$ in millions)			YTD	
	Q2 2026	Q2 2025	Q2 2026	Q2 2025
Restructuring costs	\$ –	\$ –	\$ –	\$ 95.4
Other transformation and advisory costs	–	37.7	–	56.4
Impairment and related costs	20.8	–	20.8	–
Total normalized costs before income taxes	\$ 20.8	\$ 37.7	\$ 20.8	\$ 151.8
Income tax expense	5.5	10.0	5.5	40.0
Total normalized costs after income taxes	\$ 15.3	\$ 27.7	\$ 15.3	\$ 111.8

Q2 2026 Normalized Metrics – Consolidated

(C\$ in millions, except where noted)	Q2 2026	Normalizing Items ¹	Normalized Q2 2026 ²	Q2 2025	Normalizing Items ¹	Normalized Q2 2025 ²	Change ^{3,4}
Revenue	\$ 4,302.9	\$ –	\$ 4,302.9	\$ 4,201.9	\$ –	\$ 4,201.9	2.4 %
Gross margin dollars	\$ 1,440.1	\$ –	\$ 1,440.1	\$ 1,419.5	\$ –	\$ 1,419.5	1.5 %
Gross margin rate ⁵	33.5 %	– bps	33.5 %	33.8 %	– bps	33.8 %	(32) bps
Other expense (income)	\$ 19.4	\$ (20.8)	\$ (1.4)	\$ 29.0	\$ (37.7)	\$ (8.7)	(83.9) %
Selling, general and administrative expenses	878.4	–	878.4	880.6	–	880.6	(0.2) %
Depreciation and amortization	183.8	–	183.8	177.3	–	177.3	3.7 %
Net finance costs (income)	78.5	–	78.5	74.3	–	74.3	5.7 %
Income before income taxes	\$ 280.0	\$ 20.8	\$ 300.8	\$ 258.3	\$ 37.7	\$ 296.0	1.6 %
Income tax expense (recovery)	65.8	5.5	71.3	70.0	10.0	80.0	(10.9) %
Net income from continuing operations	\$ 214.2	\$ 15.3	\$ 229.5	\$ 188.3	\$ 27.7	\$ 216.0	6.3 %
Net income from discontinued operations	–	–	–	(56.1)	–	(56.1)	NM
Net income	\$ 214.2	\$ 15.3	\$ 229.5	\$ 132.2	\$ 27.7	\$ 159.9	43.5 %
Net income attributable to shareholders of CTC							
Continuing operations	\$ 192.1	\$ 15.3	\$ 207.4	\$ 168.2	\$ 27.7	\$ 195.9	5.9 %
Discontinued operations	–	–	–	(56.1)	–	(56.1)	NM
Diluted EPS	\$ 3.65	\$ 0.29	\$ 3.94	\$ 2.04	\$ 0.50	\$ 2.54	55.1 %
Continuing operations	3.65	0.29	3.94	3.07	0.50	3.57	10.4 %
Discontinued operations	–	–	–	(1.03)	–	(1.03)	NM
EBITDA²	\$ 547.1	\$ 20.8	\$ 567.9	\$ 514.9	\$ 37.7	\$ 552.6	2.8 %

1) Refer to Normalizing Items table in this presentation for more details.

2) Earnings before Interest, Tax, Depreciation and amortization (EBITDA) and these normalized measures (Other expense (income), Income before income taxes, Income tax expense (recovery), Net income from continuing operations, Net income, Diluted EPS, and EBITDA) are non-GAAP financial measures or non-GAAP ratios. For further information and a detailed reconciliation see Section 9.1 of the Q2 2026 MD&A.

3) Change is between normalized results.

4) NM - not meaningful.

5) For further information about this measure see Section 9.2 of the Q2 2026 MD&A.

Q2 2026 Retail Segment Results

(C\$ in millions, except where noted)	Q2 2026	Q2 2025	Change ¹	YTD Q2 2026	YTD Q2 2025	Change ¹
Retail sales ²	\$ 5,391.6	\$ 5,161.7	4.5 %	\$ 8,767.3	\$ 8,584.7	2.1 %
Revenue	\$ 3,890.1	\$ 3,810.3	2.1 %	\$ 7,039.7	\$ 6,872.1	2.4 %
Gross margin dollars	\$ 1,223.5	\$ 1,214.8	0.7 %	\$ 2,258.0	\$ 2,192.6	3.0 %
Gross margin rate ²	31.5 %	31.9 %	(43) bps	32.1 %	31.9 %	17 bps
Other expense (income)	\$ (17.8)	\$ (8.9)	NM	\$ (47.7)	\$ 64.3	NM
Selling, general and administrative expenses	769.2	779.6	(1.3) %	1,489.0	1,469.4	1.3 %
Depreciation and amortization	235.7	226.1	4.2 %	473.1	450.0	5.1 %
Net finance costs (income)	56.1	56.9	(1.4) %	112.4	111.0	1.3 %
Income (loss) before income taxes from continuing operations	\$ 180.3	\$ 161.1	11.9%	\$ 231.2	\$ 97.9	NM
Income (loss) before income taxes from discontinued operations	—	(56.1)	NM	—	(42.8)	NM
Income (loss) before income taxes	\$ 180.3	\$ 105.0	71.7%	\$ 231.2	\$ 55.1	NM

¹ NM - not meaningful.

² For further information about this measure, see Section 9.2 of the MD&A.

Q2 2026 Normalized Metrics: Retail Segment Results

(C\$ in millions, except where noted)	Q2 2026	Normalizing Items ¹	Normalized Q2 2026 ²	Q2 2025	Normalizing Items ¹	Normalized Q2 2025 ²	Change ^{3,4}
Revenue	\$ 3,890.1	\$ –	\$ 3,890.1	\$ 3,810.3	\$ –	\$ 3,810.3	2.1 %
Gross margin dollars	\$ 1,223.5	\$ –	\$ 1,223.5	\$ 1,214.8	\$ –	\$ 1,214.8	0.7 %
Gross margin rate ⁵	31.5 %	– bps	31.5 %	31.9 %	– bps	31.9 %	(43) bps
Other expense (income)	\$ (17.8)	\$ (20.8)	\$ (38.6)	\$ (8.9)	\$ (37.7)	\$ (46.6)	(17.2) %
Selling, general and administrative expenses	769.2	–	769.2	779.6	–	779.6	(1.3) %
Depreciation and amortization	235.7	–	235.7	226.1	–	226.1	4.2 %
Net finance costs (income)	56.1	–	56.1	56.9	–	56.9	(1.4) %
Income (loss) before income taxes from continuing operations	\$ 180.3	\$ 20.8	\$ 201.1	\$ 161.1	\$ 37.7	\$ 198.8	1.2 %
Income (loss) before income taxes from discontinued operations	–	–	–	(56.1)	–	(56.1)	NM
Income (loss) before income taxes	\$ 180.3	\$ 20.8	\$ 201.1	\$ 105.0	\$ 37.7	\$ 142.7	40.9 %
EBITDA ²	\$ 476.9	\$ 20.8	\$ 497.7	\$ 449.1	\$ 37.7	\$ 486.8	2.2 %
EBITDA as a percentage of revenue ²	12.3 %	53 bps	12.8 %	11.8 %	99 bps	12.8 %	2 bps

1) Refer to Section 4.1.1 in the MD&A for a description of normalizing items.

2) EBITDA and these normalized measures (Other expense (income), Income (loss) before income taxes from continuing operations, Income (loss) before income taxes, EBITDA and EBITDA as a percentage of revenue) are non-GAAP financial measures or non-GAAP ratios. For further information and a detailed reconciliation see Section 9.1 of the Q2 2026 MD&A.

3) Change is between normalized results.

4) NM - not meaningful.

5) For further information about this measure see Section 9.2 of the Q2 2026 MD&A.

Q2 2026 Financial Services Results

(C\$ in millions)	Q2 2026	Q2 2025	Change	YTD Q2 2026	YTD Q2 2025	Change
Revenue	\$ 411.3	\$ 392.1	4.9 %	\$ 827.8	\$ 787.7	5.1 %
Gross margin dollars	\$ 189.7	\$ 182.7	3.8 %	\$ 391.3	\$ 374.4	4.5 %
Gross margin rate ¹	46.1 %	46.6 %	(47) bps	47.3 %	47.5 %	(27) bps
Other expense (income)	\$ 0.4	\$ 0.6	(33.3) %	\$ 0.7	\$ 1.8	(61.1) %
Selling, general and administrative expenses	115.7	108.5	6.6 %	223.2	203.2	9.8 %
Depreciation and amortization	1.4	1.7	(17.6) %	3.0	3.4	(11.8) %
Net finance costs (income)	(2.5)	(2.2)	13.6 %	(4.5)	(5.1)	(11.8) %
Income before income taxes	\$ 74.7	\$ 74.1	0.8 %	\$ 168.9	\$ 171.1	(1.3) %

¹ For further information about this measure, see Section 9.2 of the MD&A.

Q2 2026 Segment Eliminations

Q2 2026 Segment Reporting Note Disclosure

(C\$ in millions)	Retail	Financial Services	CT REIT	CT REIT eliminations and adjustments ¹	Financial Services eliminations and adjustments ²	Total
Total revenue	\$3,890.1	\$411.3	\$156.8	(\$139.7)	(\$15.6)	\$4,302.9
Cost of producing revenue	2,666.6	221.6	—	—	(25.4)	2,862.8
Gross margin	\$1,223.5	\$189.7	\$156.8	(\$139.7)	\$9.8	\$1,440.1
Other expense (income)	(17.8)	0.4	—	36.8	—	19.4
Selling, general and administrative expenses	769.2	115.7	41.0	(33.4)	(14.1)	878.4
Depreciation and amortization	235.7	1.4	—	(53.0)	(0.3)	183.8
Net finance costs (income)	56.1	(2.5)	33.9	(33.0)	24.0	78.5
Fair value (gain) loss	—	—	(44.3)	44.3	—	—
Income before taxes	\$180.3	\$74.7	\$126.2	(\$101.4)	\$0.2	\$280.0
Depreciation and amortization in cost of producing revenue	4.8	—	—	—	—	4.8
EBITDA ³	476.9	73.6	160.1	(187.4)	23.9	547.1
Items included in the above:						
Interest Income	28.2	362.0	—	(19.0)	(1.5)	369.7
Interest Expense	79.1	61.8	33.9	(51.9)	(1.5)	121.4

- 1) The CT REIT eliminations and adjustments include intersegment eliminations between Retail and CT REIT including intercompany rent and property management fees and the adjustments for the conversion from CT REIT's fair value investment property measurement policy to the Company's cost model, including the recording of depreciation and removing fair value adjustments.
- 2) The Financial Services eliminations and adjustments mainly include elimination of intercompany credit card processing fees and reclassifications of certain revenues and costs in the Financial Services segment to net finance costs (income).
- 3) This measure is a non-GAAP financial measure with no standardized meaning under IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other issuers. See Section 9.1 (Non-GAAP Financial Measures and Ratios) of the Company's Q2 2026 MD&A, which is available on SEDAR+ at www.SEDARPLUS.ca and is incorporated by reference herein.

YTD Q2 2026 Segment Reporting Note Disclosure

	Retail	Financial Services	CT REIT	CT REIT eliminations and adjustments ¹	Financial Services eliminations and adjustments ²	Total
Total revenue	\$7,039.7	\$827.8	\$314.3	(\$279.3)	(\$28.7)	\$7,873.8
Cost of producing revenue	4,781.7	436.5	—	—	(48.3)	5,169.9
Gross margin	\$2,258.0	\$391.3	\$314.3	(\$279.3)	\$19.6	\$2,703.9
Other expense (income)	(47.7)	0.7	—	75.5	—	28.5
Selling, general and administrative expenses	1,489.0	223.2	80.6	(65.7)	(26.0)	1,701.1
Depreciation and amortization	473.1	3.0	—	(104.9)	(0.6)	370.6
Net finance costs (income)	112.4	(4.5)	67.3	(66.4)	45.8	154.6
Fair value (gain) loss	—	—	(75.5)	75.5	—	—
Income before taxes	\$231.2	\$168.9	\$241.9	(\$193.3)	\$0.4	\$449.1
Depreciation and amortization in cost of producing revenue	9.9	—	—	—	—	9.9
EBITDA ³	826.6	167.4	309.2	(364.6)	45.6	984.2
Items included in the above:						
Interest Income	55.2	722.8	—	(38.2)	(1.8)	738.0
Interest Expense	157.5	120.4	67.3	(104.7)	(1.8)	238.7

- 1) The CT REIT eliminations and adjustments include intersegment eliminations between Retail and CT REIT including intercompany rent and property management fees and the adjustments for the conversion from CT REIT's fair value investment property measurement policy to the Company's cost model, including the recording of depreciation and removing fair value adjustments.
- 2) The Financial Services eliminations and adjustments mainly include elimination of intercompany credit card processing fees and reclassifications of certain revenues and costs in the Financial Services segment to net finance costs (income).
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TRUE NORTH

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