

CASEYS GENERAL STORES INC
Form DFAN14A
September 07, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

CASEY S GENERAL STORES, INC.

(Name of Registrant as Specified in its Charter)

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ACT ACQUISITION SUB, INC.

ALIMENTATION COUCHE-TARD INC.

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

The following are presentation materials of Alimentation Couche-Tard Inc.:

Alimentation Couche-Tard
Offer to Acquire Casey's General Stores
September 2010

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Important Information

This communication does not constitute an offer to buy or solicitation of an offer to sell any securities. A tender offer (the "Tender Offer") for (1) the common stock, no par value, of Casey's General Stores, Inc. ("Casey's"), and (2) the associated rights to purchase shares of Casey's common stock pursuant to the Rights Agreement, dated as of April 16, 2010, between Casey's and Computershare Trust Company, N.A., as agent, is being made without interest and subject to any required withholding of taxes, is being made pursuant to a tender offer statement on Schedule TO and related tender offer materials, together with any amendments and supplements thereto) that was filed by Alimentation Couche-Tard Inc. ("Alimentation Couche-Tard") with the Securities and Exchange Commission.

Acquisition Sub) with the Securities and Exchange Commission (SEC) on June 2, 2010. These materials, as they may be a terms and conditions of the Tender Offer, that should be read carefully before any decision is made with respect to the Tender copies of these documents and other documents filed with the SEC by Couche-Tard through the web site maintained by the SE Secretary of Alimentation Couche-Tard Inc., 4204 Industriel Blvd., Laval, Québec, Canada H7L 0E3. Free copies of any such Tard s information agent, Innisfree M&A Incorporated, at (877) 717-3930.

Couche-Tard and ACT Acquisition Sub filed a definitive proxy statement on Schedule 14A with the SEC on August 19, 2010 of shareholders of Casey s. The definitive proxy statement was mailed to the shareholders of Casey s on or about August 19, definitive proxy statement and other documents filed with the SEC carefully in their entirety as they become available because of Casey s can obtain free copies of these documents and other documents filed with the SEC by Couche-Tard through the request to the Corporate Secretary of Alimentation Couche-Tard Inc., 4204 Industriel Blvd., Laval, Québec, Canada H7L 0E3. a request to Couche-Tard s information agent, Innisfree M&A Incorporated, at (877) 717-3930. Free copies of the definitive p Couche-Tard and ACT Acquisition Sub can also be obtained through the web site maintained at <http://www.ReadOurMaterials>

Certain Information Regarding Participants

Couche-Tard and ACT Acquisition Sub, its indirect wholly owned subsidiary, and certain of their respective directors and execu directors of Casey s at the 2010 annual meeting of shareholders of Casey s, may be deemed to be participants in the proposed presentation, Couche-Tard is the beneficial owner of 362 shares of common stock of Casey s (which includes 100 shares of co holders may obtain information regarding the names, affiliations and interests of Couche-Tard s directors and executive office ended April 25, 2010, which was filed with the SEC on July 19, 2010, and its proxy circular for the 2010 annual general meeting. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the interest their direct and indirect interests, by security holdings or otherwise, is included in the definitive proxy statement filed with the

Forward-looking Statements

The statements set forth in this communication, which describes Couche-Tard s objectives, projections, estimates, expectations negative verbs such as plan , evaluate , estimate , believe and other related expressions are used to identify such state forward-looking statements involve risks and uncertainties such that its results, or the measures it adopts, could differ materially an impact on the degree of realization of a particular projection. Major factors that may lead to a material difference between C forth in the forward-looking statements include the possibility that Couche-Tard will not be able to complete the tender offer as creation contemplated by the proposed transaction; Couche-Tard s ability to promptly and effectively integrate the businesses products, services, reportable segment and income and expense line items; the adequacy of Couche-Tard s liquidity and capita condition and liquidity as well as future cash flows and earnings; anticipated capital expenditures; the successful execution of g Couche-Tard s business; Couche-Tard s intent, beliefs or current expectations, primarily with respect to future operating perf expenditures and effective tax rates; expectations regarding the outcome of various pending legal proceedings; seasonality and time to time in the reports filed by Couche-Tard with securities authorities in Canada and the United States. Unless otherwise r intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future event is based on information available as of the date of the communication.

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1.
Overview of Couche-Tard's offer

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Alimentation Couche-Tard means late night snack

Largest independent convenience store operator in North America by company-operated stores

#1 Canadian convenience store operator

Enterprise value of \$4.8 billion and market cap of \$4.3 billion as of September 1, 2010

Alain Bouchard, President and CEO, started the chain in 1980 with a single store

Strong network of 5,869 convenience stores in U.S. and Canada

Highly decentralized operations with fewer than 20 people at corporate headquarters

Management owns approximately 22% of the company

Longstanding history of successful acquisitions

Bought Circle K from ConocoPhillips

Great opportunity for suppliers and employees of acquired companies

COO Brian Hannasch of Iowa was formerly at Bigfoot Food Stores

Total stores

FY2010 Sales

US

78%

Canada

22%

5,869 stores

\$16.4 billion

US

65%

Canada

35%

5
Couche-Tard is committed to acquiring Casey's
Compelling offer
for Casey's
shareholders

Compelling offer: \$38.50 cash per Casey's share

53% of Casey's shareholders tendered at \$38.00 per share in Casey's self-tender

17% premium to all-time and 52-week high prior to our announcement on April 8, 2010

Since we approached Casey's in October 2009, Casey's has not presented any alternative that provides value greater than Couche-Tard's offer

No other firm offer
to buy Casey's has appeared

High multiple relative to precedent transactions
Couche-Tard has
nominated eight
independent
nominees

Committed to acting in the best interests of Casey's shareholders

Highly qualified nominees will bring independent oversight accountability

No historical entrenchment
Casey's Board
and management
do not represent
Casey's
shareholders
best interests

Refuses to meet or negotiate with Couche-Tard

Forced Couche-Tard to go public with its offer

Implemented
a
shareholder
rights
plan
(Poison
Pill)
to
prevent
Couche-Tard
from
closing on its offer

Financed
stock
buy-back
with

highly
unusual
financing
containing
a
poison
put
mechanism

Transfers ~\$100MM (\$2.65 / share) to noteholders

Coerces shareholders not to exercise their right to sell Casey's or replace Casey's Board

Enhanced management golden parachutes

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Couche-Tard is committed to acquiring Casey's
(cont'd)
Couche-Tard has
listened to
Casey's
shareholders

Raised its offer above the price at which a majority of Casey's shareholders were willing to sell their shares

Secured acquisition financing

Couche-Tard is committed to a transaction

Full support of Couche-Tard's Board and majority ownership group

Management visited over 300 Casey's stores

Secured financing from major financial institutions

Engaged Credit Suisse, Dewey & LeBoeuf, Innisfree, Joele Frank and Nyemaster Goode, among other advisors

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Couche-Tard has secured financing and has ample liquidity to fund the all-cash transaction

Couche-Tard has secured favorable financing with attractive terms sufficient to fund the entire cash consideration

Up to \$1.5 billion 4-year unsecured term loan facility, which complements existing,

unused revolver capacity of \$760 million

Consortium of Canadian and international financial institutions led by:

-
The Bank of Nova Scotia

-
HSBC Bank Canada

-
Caisse
de dépôt
et placement du Québec

-
Rabobank
Nederland, Canadian Branch

With the new \$1.5 billion term loan facility, existing cash and borrowing capacity under
its

existing

credit

facility,

Couche-Tard

has

ample

liquidity

to

fund

the

all-cash

transaction

(\$ in millions)

Unused revolver capacity

\$760

Term loan facility

1,500

Cash on hand as of 6/20/2010

221

Total liquidity

\$2,481

8
Chronology

October
6,
2009

Alain
Bouchard
contacted
Robert
Myers
about
a
possible
business
combination
only
to
be
turned down without a discussion

November 13, 2009

Mr. Bouchard contacted Mr. Myers again to reiterate Couche-Tard's interest and was asked to submit any proposal in writing

March 9, 2010

Mr. Bouchard sent a letter to Mr. Myers setting forth a proposal to acquire 100% of the outstanding shares of Casey's at a price of \$36.00 per share which was rejected without a discussion

March 30, 2010

Mr. Bouchard sent a letter to Mr. Myers requesting that Casey's Board reconsider the proposal and enter into negotiations, which was again turned down

without
a
discussion

April 9, 2010
Couche-Tard publicly disclosed its offer of \$36.00 per Casey's share

April 9 2010
Couche-Tard sold its position in Casey's in a series of open market sales at a weighted average price of \$38.43 per share, consistent with its then current view that Casey's value was \$36.00 per share

April 16, 2010
Casey's installed a Poison Pill to entrench Casey's Board and management and enhanced its golden parachutes

June 2, 2010
Couche-Tard commenced a tender offer for Casey's at \$36.00 per share

June 7, 2010
Couche-Tard nominated a slate of independent directors to Casey's Board

July 22, 2010
Couche-Tard increased its offer to \$36.75 per Casey's share

July 28, 2010
Casey's announced a recapitalization plan to purchase up to approximately 25% of Casey's common stock at a price of \$38 to \$40 per share

August
10,
2010

To
finance
its
leveraged
recapitalization,
Casey s
announced
an
off-market
debt
financing
with a poison put
mechanism designed to impede any takeover attempt and coerce shareholders not to vote
against Casey s incumbent Board

August
26,
2010

Casey s
announced
the
results
of
its
self-tender;
26.8
million
shares
(a
majority
of
the
then
outstanding shares of Casey s) were tendered at the minimum purchase price of \$38.00 per share

September 1, 2010
Couche-Tard increased its offer for Casey s to \$38.50 per share and announced that
it has secured financing

September 23, 2010
Casey s annual meeting of shareholders

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2.
Couche-Tard is offering compelling value for
Casey s

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Casey's shareholders have spoken on value

Casey's tender offer for up to approximately 25% of its own stock at \$38.00 to \$40.00 per share expired on August 25, 2010

26.8 million shares

~53% of the then outstanding shares of Casey's were
tendered at the minimum purchase price of \$38.00 per share

Strong indication of value
actual holders
sale price

Now, Couche-Tard is offering \$38.50 to Casey's shareholders

Couche-Tard's increased all-cash offer of \$38.50 per share of Casey's is \$0.50
per share higher than Casey's self-tender

Why won't Casey's Board let its shareholders accept our offer? A majority of
Casey's shareholders were sellers at this price

Couche-Tard has been listening to Casey's shareholders, and now it is time
for Casey's Board to do the same

The results of Casey's self-tender demonstrates that our \$38.50 all-cash
offer to acquire 100% of Casey's is compelling

11
1983
1986
1989
1992
1995
1998

2001

2004

2007

2010

\$0.00

\$12.83

\$25.67

\$38.50

Casey's stock price performance since IPO

Couche-Tard's cash offer of \$38.50 per share

Source:

FactSet

Research Systems.

Casey's 52-week and all-time high price of \$32.83 per share

+17% premium

Prior to Couche-Tard's offer, Casey's shares have never traded above \$32.83 per share

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Casey's is fully valued by Couche-Tard's offer

Prior to Couche-Tard's offer, Casey's was covered by eight analysts, who had a mean target price of \$33.74 per share

Casey's is a well-run business, whose value was recognized by the market prior to our initial offer

The market understood Casey's value and prospects and anticipated a good first quarter

Our premium all-cash offer recognizes Casey's full value

7.5x EV / LTM EBITDA is above the average multiple of 6.3x for precedent C-store transactions

\$1.3 million EV per store is above the average multiple of \$662 thousand for precedent C-store transactions

32% premium over the one-year average closing share price of \$29.14 (prior to April 8, 2010)

26% premium over the 90-calendar day average closing share price of \$30.68 (prior to April 8, 2010)

22%
premium
over
the
unaffected
closing
share
price
of
\$31.59
on
April
8,
2010

17%
premium
to
the
all-time
and
52-week
high
trading
price
of
\$32.83
(prior
to
April
8,
2010)

Volatile gasoline margins are currently at their peak

Couche-Tard is paying a high multiple on peak gasoline earnings, despite gasoline margin volatility

Our offer fully values Casey's owned real estate

Minimal intrinsic real estate value (small, rural and limited alternative uses and very little available for sale-leaseback)

Few synergies with Couche-Tard

Limited operations overlap

Casey's is not a turn-around story; currently a well operated business

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Couche-Tard is paying a high multiple on peak gasoline earnings, despite gasoline margin volatility

Gasoline retail sales constitute 68.5% of Casey's FY2010 sales and 22.5% of Casey's FY2010 gross profit

Recent
industry
retail
gasoline
margins
are
unsustainably
high
and
have
benefited
from:

A slow and steady decline in underlying crude prices from their peak of \$145 in July 2008 to \$72 currently

Retail prices are sticky and do not decline immediately even when crude prices decline. Accordingly, recent retail margins have been inflated

Hurricane activity in the Gulf during recent years has led to actual supply disruptions, which resulted in spikes in retail margins

Demand for finished motor gasoline has declined over the past five years

Across the U.S., 275.5 million monthly barrels were supplied as of June 2010, compared to 281.2 million monthly barrels during the prior five years

This
trend
is
more
pronounced
in
the
Midwest,
where
78.8
million
monthly
barrels
were
supplied
as
of June 2010, compared to 82.9 million monthly barrels during the prior five years
11.31¢
9.32¢
11.00¢
10.20¢
10.78¢
11.47¢

10.40¢

13.90¢

12.87¢

13.90¢

FY2001

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

FY2009

FY2010

Source :

Casey's public filings.

Casey s gasoline margin per gallon

14
7.5x
5.1x
7.9x
5.1x
5.5x
8.6x

5.4x
5.8x
6.1x
6.6x
Susser /
Town &
Country
Wellspring
Capital /
Susser
Green Valley
Acquisition /
Uni-Mart
Couche-Tard /
Circle K
The Pantry /
Golden Gallon
(Ahold)
Sunoco /
Speedway
SuperAmerica
Uni-mart /
Orloski Services
Station
Tosco /
Exxon
Apollo /
Clark
USA
Tosco /
Circle K
Enterprise Value / LTM EBITDA
Implied transaction multiple: 7.5x
Average
6.3x
Source:
Public filings, press releases and research reports.
Announce date:
09/07/07
12/25/05
07/04/04
10/03/03
08/03/03
02/03/03
04/21/00
12/01/99
05/01/99
02/01/96
EV (\$MM)
\$361

\$277

\$90

\$830

\$187

\$140

\$41

\$860

\$230

\$921

LTM EBITDA

\$49

\$54

\$11

\$163

\$31

\$25

\$5

\$160

\$35

\$159

(\$MM)

Couche-Tard's offer is at a premium multiple to precedent C-store transactions

Excluded transaction

Excludes

squeeze-out

of

7-Eleven

by

its

Japanese

parent

IYG

Holding

in 2005

Not comparable as the purchase price included very valuable 7-Eleven licenses

7-Eleven has a different model due to its high number of franchised stores

15
\$868
\$315
\$499
\$1,355
\$725
\$494

\$342

\$400

\$958

Wellspring

Capital / Susser

Green Valley

Acquisition / Uni-

Mart

Couche-Tard /

Circle K

The Pantry /

Golden Gallon

(Ahold)

Sunoco /

Speedway

SuperAmerica

Uni-mart /

Orloski Services

Station

Tosco / Exxon

Mobil

Apollo /

Clark USA

Tosco /

Circle K

Implied Couche-Tard transaction multiple:

\$1.3 million per store

Average: \$662

Source:

Public

filings,

press

releases

and

research

reports.

Note:

Store count includes all stores regardless of owned vs. leased and operated vs. dealer.

Enterprise Value

/ Store

(\$ thousands)

Announce date

12/25/05

07/04/04

10/03/03

08/03/03

02/03/03

04/21/00

12/01/99

05/01/99

02/01/96

EV (\$MM)

\$277

\$90

\$830

\$187

\$140

\$41

\$860

\$230

\$921

No. of Stores

319

285

1,663

138

193

43

1,740

672

2,300

Couche-Tard's offer is at a premium multiple to precedent C-store transactions (continued)

Excludes purchase price multiple of the squeeze-out of 7-Eleven by its Japanese parent IYG Holding in 2005

—

Not comparable as the purchase price included very valuable 7-Eleven licenses, plus 7-Eleven has a different model due to its high number of franchised stores

Susser / Town & Country EV/store multiple excluded from average as Town & Country stores generated significantly higher volume and profitability and therefore are not comparable to Casey's

Excluded transaction

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Couche-Tard's offer is at a premium to other all-cash unsolicited offers since 1997

Premium of final offer to 52-week high

Premium of final offer to all-time high

Some unsolicited offers are opportunistic, Couche-Tard's offer is not (69%)

(41%)
(25%)
(21%)
(18%)
(16%)
(14%)
(10%)
(8%)
(6%)
(5%)
(5%)
(5%)
(4%)
(3%)
(3%)
(2%)
(2%)
(1%)
1%
1%
2%
2%
2%
4%
5%
5%
5%
6%
6%
8%
9%
11%
13%
14%
17%
17%
18%
19%
20%
22%
39%
Blockbuster / Circuit City Stores*
Vishay / International Rectifier*
Pharma
Services / Quintiles Transnational
AlliedSignal / AMP*
Koninklijke
Philips Electronic / VLSI Technology
Chesapeake / Shorewood Packaging*
NiSource / Columbia Energy Group

Nationwide Mutual Insurance / Allied Group
VA Partners / Acxiom*
Jerry Moyes
/ Swift Transportation
Highfields
Capital Mgmt / Circuit City Stores*
Cenveo
/ Banta*
Bristol-Myers Squibb / Imclone
Systems*
ArvinMeritor / Dana*
Investment Group / Aramark
Cadence Design Systems / Mentor Graphics*
Shell Oil / Barrett Resources*
BASF / Engelhard
Constellation Brands / Robert Mondavi
Astellas
Pharma
/ OSI Pharmaceuticals
Air Products and Chemicals / Airgas
Footlocker / Genesco*
Oracle / Bea*
Montana Public Power / NorthWestern*
Shorewood Packaging / Chesapeake*
King Pharmaceuticals / Alparma
Electronic Arts / Take-Two Interactive Software*
Pilgrim's Pride / Gold Kist
Simon Property Group / Taubman
Centers*
International Specialty Prods / Dexter*
Investor Group / Harrah's Entertainment
Omnicare / NeighborCare
Investor Group / Taubman
Centers*
Weyerhaeuser / Willamette Industries
Elliott Associates / Novell*
Computer Assoc Intl / Computer Sciences*
Couche-Tard / Casey's
Oracle / PeopleSoft
Inbev
/ Anueuser-Busch
Astellas
Pharma
/ CV Therapeutics*
Unilever / Bestfoods
Roche Holding / Ventana
Medical Systems
(94%)
(92%)
(88%)

(84%)
(83%)
(79%)
(73%)
(71%)
(67%)
(66%)
(64%)
(64%)
(49%)
(47%)
(46%)
(45%)
(42%)
(42%)
(38%)
(38%)
(35%)
(32%)
(24%)
(16%)
(15%)
(12%)
(10%)
(7%)
(5%)
(3%)
(3%)
(2%)
(1%)
2%
2%
3%
6%
6%
8%
9%
11%
17%
Blockbuster / Circuit City*
Elliot Associates / Novell*
Oracle / Bea*
Highfields
Capital Mgmt / Circuit City Stores*
Pharma
Services / Quintiles Transnational
Astellas
Pharma
/ CV Therapeutics*
Oracle / PeopleSoft

ArvinMeritor / Dana*
Vishay / International Rectifier*
AlliedSignal / AMP*
Cadence Design Systems / Mentor Graphics*
Bristol-Myers Squibb / Imclone
Systems*
King Pharmaceuticals / Alparma
Shorewood Packaging / Chesapeake*
Koninklijke
Philips Electronic / VLSI Technology
VA Partners / Acxiom*
Chesapeake / Shorewood Packaging*
Astellas
Pharma
/ OSI Pharmaceuticals
Unilever / Bestfoods
Electronic Arts / Take-Two Interactive Software*
Weyerhaeuser / Willamette Industries
Jerry Moyes
/ Swift Transportation
Inbev
/ Anheuser-Busch Companies
BASF / Engelhard
NiSource / Columbia Energy Group
Pilgrim's Pride / Gold Kist
Nationwide Mutual Insurance / Allied Group
International Specialty Prods / Dexter*
Cenveo
/ Banta*
Investment Group / Aramark
Air Products and Chemicals / Airgas
Shell Oil / Barrett Resources*
Constellation Brands / Robert Mondavi
Foot Locker / Genesco*
Montana Public Power / NorthWestern*
Roche Holding / Ventana
Medical Systems
Computer Assoc Intl / Computer Sciences*
Simon Property Group / Taubman
Centers*
Investor Group / Harrah's Entertainment
Omnicare / NeighborCare
Investor Group / Taubman
Centers*
Couche-Tard / Casey's
Mean: (32.7%)
Mean: (0.4%)
Source:
Securities Data Corporation.
Note:

Includes all-cash unsolicited offers over \$1 billion since 1997.

* Denotes withdrawn transactions.

17

Casey's stock price would have declined if not for
Couche-Tard's offer
Since Couche-Tard's public announcement on April 8th

The
hoped

for
summer
of
recovery
didn't
materialize
and
fear
that
the
economy
is heading into a severe double dip recession has increased

Major market indices have declined

S&P
500
has
declined
9%
and
the
DJIA
is
down
6%

Approximately
77%
of
company
stock
prices
listed
on
the
NYSE
are
down

The economy is slowing; second-quarter GDP growth was revised downward to 1.6% from 2.4%, compared to 3.7% in the first quarter

Concern
that
European
debt
crisis
will
adversely

affect
the
U.S.
economy

High unemployment rate continues

9.6% in August 2010

Consumer
spending
remains
weak
as
consumers
remain
nervous
about
jobs
and
the state of the economy

18

Casey's is correlated to the S&P 500 Retail Index

Casey's doesn't correlate perfectly to any index

The S&P Retail Index

(1)

is a capitalization-weighted index of 29 domestic equities in the retail sector, traded on the New York Stock Exchange, American Stock Exchange and NASDAQ

Casey's stock trading is more correlated to the S&P Retail Index than it is to any other C-store company

Source:

FactSet

Research

Systems.

Note:

Correlation for periods ending April 8, 2010.

(1)

Includes AZO, BBBY, BBY, BIG, COST, CVS, DDS, DG, FDO, GPS, HD, JCP, JWN, KR, KSS, LOW, LTD, ODP, RSH, S, TJX, WAG, WINN and WMT. See Appendix for details.

Statistical correlation (R

2

10 year

5 year

3 year

2 year

1 year

S&P Retail Index

18.4%

26.7%

31.1%

31.3%

28.5%

S&P 500

25.6%

30.6%

35.4%

34.4%

30.2%

Couche-Tard

1.1%

1.8%

2.3%

1.9%

2.2%

Pantry

7.8%

18.1%

21.2%

24.0%

17.9%

Susser

NA

NA

15.3%

18.3%

10.7%

) with Casey's

19

Casey's is correlated to the S&P 500 Retail Index

(continued)

Note:

As of September 1, 2010.

(1)

Includes AZO, BBBY, BBY, BIG, COST, CVS, DDS, DG, FDO, GPS, HD, JCP, JWN, KR, KSS, LOW, LTD, ODP, RSH, S,

WMT. See Appendix for details.

April 8,

2010

September 1,

2010

466

412

\$31.59

\$27.89

Casey's Share

Price on April 8,

2010

Implied Casey's Share

Price based on the S&P

500 Retail Index

\$38.50

Couche-Tard's

all-cash offer

S&P

Retail Index

(1)

Casey s Implied Share Price

20

Casey's share price would have decreased based on major market indices

Source:

Factset

Research Systems.

(1)

Implied Casey's share price based on relative change in price vs. pre-announcement price of \$31.59.

Recent C-store sector stock market performance has been affected by Couche-Tard's offer

Not a good indication of Casey's unaffected stock price

C-store peers are trading at a premium due to takeover rumors spurred by Couche-Tard's offer

Casey's
stock
trading
is
more
correlated
to
the
S&P
Retail
Index
than
it
is
to
any
other
C-store
company

Absent Couche-Tard's offer, Casey's stock would have traded down with other market indices

The stock [The Pantry] has potential upside, partly because it could be an attractive target for an acquirer in an industry that is likely to see lots of deals over the coming years

Barron's
21 June, 2010

It's one of the retail sectors that hasn't consolidated, relative to others that we cover

William Blair & Co.

21 June, 2010

With the recent interest in Casey's General Stores, shares in The Pantry may be the next best thing.

Investopedia
22 June, 2010

It's one of the retail sectors that hasn't consolidated, relative to others that we cover

William Blair & Co.

21 June, 2010

We acknowledge Casey's stock will likely drop once the tender offer is complete and if the Couche-Tard offer is withdrawn

BMO Capital Markets

20 August, 2010

\$38.50 offer

Implied Casey's
as a% premium

Index

4/8/10

9/1/10

% change

share price

(1)

to implied price

S&P 500

1,186

1,080

(8.9%)

28.76

33.8%

S&P Retail Index

466

412

(11.7%)

27.89

38.1%

S&P Small Cap 600

371

334

(9.8%)

28.50

35.1%

Dow Jones Industrial Average

10,927

10,269

(6.0%)

29.69

29.7%

Russell 3000

3,101

2,839

(8.5%)

28.92

33.1%

NYSE Composite

7,565

6,911

(8.6%)

28.86

33.4%

21

Casey's equity research price targets

Couche-Tard's all cash offer is a 26% premium to the average present value of Casey's equity research analyst price targets prior to making our offer public

Subsequent to Couche-Tard's offer, Casey's equity research price targets increased

Couche-Tard s

all

cash

offer

of

\$38.50

is

above

the

average

present

value

of

Casey s

equity

research analyst price targets of \$37.43

The revised target prices are based on assumptions that are inconsistent with observable data and widespread market views of the C-store industry

Constant P/E multiple post Casey s leveraged recapitalization

Unusually high and unsustainable gasoline margins going forward

Equity research also cite many factors that may affect their target price including:

Gasoline margin volatility

Month-to-month volatility in merchandise comp sales

Lack of specific guidance on EPS

Source: Bloomberg.

(1) Price targets discounted back from 18 months after report day to 9/1/10 at a discount rate of 10%.

Prior to 4/8/2010

After 4/8/2010

Present

\$38.50 offer as

Present

\$38.50 offer as

value

a % premium /

value

a % premium /

Report

Target

of target

(discount) to

Report

Target

of target
(discount) to
Firm
date
price
price
(1)
implied price
date
price
price
(1)
implied price
BMO Capital Markets
4/6/2010
\$30.00
\$27.02
42.5%
8/23/2010
\$39.00
\$33.87
13.7%
BAML
3/18/2010
33.00
29.87
28.9%
6/15/2010
39.00
34.50
11.6%
Feltl
& Company
3/12/2010
29.70
26.92
43.0%
7/28/2010
46.00
40.22
(4.3%)
Sidoti
& Company
3/12/2010
40.00
36.26
6.2%
8/31/2010
50.00
43.36

(11.2%)
RBC
3/10/2010
36.00
32.65
17.9%
8/17/2010
44.00
38.27
0.6%
Northcoast
Research
NA
NA
NA
NA
7/13/2010
42.00
36.87
4.4%
Morgan Keegan
NA
NA
NA
NA
8/17/2010
44.00
38.27
0.6%
Miller Tabak
NA
NA
NA
NA
7/30/2010
39.00
34.08
13.0%
Average
\$33.74
\$30.54
26.0%
\$42.44
\$37.43
2.9%
Median
33.00
29.87
28.9%
42.00

37.57
2.5%

22

Casey's leveraged recapitalization does not increase value for its shareholders

Empirical evidence and academic studies contradict the fallacy that EPS accretion from stock buy backs leads to increased stock prices

Rappaport. Ten Ways to Create Shareholder Value. 2006. Harvard Business Review

Oded

& Michel. Stock Repurchase and the EPS Enhancement Fallacy. 2008. Financial Analyst Journal

23

Source:

Bloomberg.

Note:

All P/E ratios are based on forward looking earnings estimates.

Across the market, in the C-store industry and for Casey's, P/E ratios have fluctuated significantly over time, showing that P/E ratios are volatile

P/E ratios are volatile

5

10

15

20

5

10

15

20

2006

2007

2008

2009

2010

2006

2007

2008

2009

2010

5

10

15

20

2006

2007

2008

2009

2010

Historical P/E ratios

Average: 13.4

Standard deviation: 1.4

Average: 15.9

Standard deviation: 2.1

Average: 15.1

Standard deviation: 1.6

24

In almost half of the cases, the P/E ratios of companies that have announced a share repurchase have decreased in the year following the announcement

In almost half of all share repurchases announced, P/E ratios have decreased

Performance of P/E ratios of companies that have announced a share repurchase, adjusted for market movements over the year following the announcement

25
50
75
100
125
150
175
0%
25%
50%
75%
100%

75
percentile
25

h
percentile
Median

Announcement
Announcement
+365 days
+365 days

Source: Bloomberg.

Note: Based on all share repurchase announcements. P/E ratios calculated as share price divided by forward looking EPS. S&P 500 on a beta adjusted basis.

25

Over the last three and five years, EPS growth has been a very limited driver of total share price returns, explaining between 0% and 2% of all S&P 1500 company returns

Source:

Bloomberg.

Note:

Sample

includes
non-financial
S&P
1500
firms.
Total
returns
calculated
as
share
price
appreciation
over
the
last
three
and
five
years
with
dividends
reinvested
respectively.

Very weak relationship between EPS growth and TSR

EPS profile is only one factor in TSR

-40%

-30%

-20%

-10%

0%

10%

20%

30%

40%

-300%

-150%

0%

150%

300%

EPS growth

-40%

-30%

-20%

-10%

0%

10%

20%

30%

40%

-300%

-150%

0%

150%

300%

EPS growth

What about over the last 5 years?

How much has EPS growth explained total returns over the last 3 years?

26

3.

Casey s Board must be replaced

27

Casey's Board seems to be more interested in preserving their jobs than serving shareholders best interests

Refuse to engage in dialogue

Entrenched

Board and
management
Leveraged
recapitalization

Casey's has rejected
all of Couche-Tard's offers

Casey's continues to refuse to meet or negotiate with Couche-Tard

Casey's executives have been granted lucrative golden parachutes

Adopted
a
Poison
Pill
and
commenced
costly
and
meritless
litigation
against Couche-Tard (they have dropped most claims)

Installed
coercive
financing
with
a
very
costly
poison
put
mechanism
designed to impede any takeover attempt by any party

Casey's
Board
and
management
only
own
0.3%
of
Casey's

their
financial interest is in their jobs and is not aligned with shareholders
interest

One of several last ditch attempts to distract shareholders from
Couche-Tard's all-cash premium offer for the entire company

A calculated move to financially engineer a temporary increase in Casey's
stock price

Fails to increase fundamental value for all Casey's shareholders

28

Casey's coercive, entrenching financing

demonstrates that Casey's Board must be replaced

Casey's leveraged recapitalization is a pretext for installing a coercive financing arrangement

with

a

very
costly
poison
put
mechanism
designed
to
impede
ANY
takeover attempt by ANY party

Casey's executed an off-market debt financing with a financing arrangement which includes a
poison put
mechanism designed to impede any takeover attempt

Coerces shareholders not to vote against Casey's incumbent Board

Payable in the event, among other things:

Casey's shareholders decide to replace a majority of Casey's Board

Couche-Tard

or
any
other
party
acquires
35%
or
more
of
the
outstanding
shares of
Casey's

One voting advisory service has stated that linking a payment of this size to a change-in-
control
trigger
is
highly
unusual
and
is
designed
to
entrench
Casey's
Board
and

management
at
the
expense
of
Casey's
shareholders

In poison puts installed by other companies, these change in control provisions had some
cure
available even if a dissident or hostile bidder triggered the poison put; however,
Casey's poison put does not have a cure

Casey's poison put was adopted in the context of an active hostile tender offer, making the
entrenchment power of the poison put a central issue for shareholders

Effectively attempts to take the decision regarding the future of Casey's away from Casey's
shareholders

If the buyback is such a great idea, why didn't Casey's do it before Couche-Tard's offer?

29

Casey's Board is misinforming shareholders about the true cost of its coercive financing

If enforceable, Casey's poison put mechanism transfers substantial value from Casey's shareholders to Casey's noteholders

Makes it approximately \$100 million more expensive to acquire Casey's
(based on current treasury rates)

Equates to ~\$2.65 per share (after giving effect to Casey's recapitalization)

18% premium to Casey's noteholders, which represents ~7% of Casey's
current equity value (pro forma for the self tender) based on current stock
prices

Total annualized return to noteholders
of 58% if put at 12/31/10 based on
current treasury rates

Detracts from the value that may be received by Casey's shareholders

Deters any acquisition, not just by Couche-Tard

30
Interest
rate
of
4.3%
(LIBOR+300
bps)

(1)

May be prepaid at any time without penalty

Pro forma leverage: 3.1x total debt / LTM

EBITDA

Couche-Tard is rated BB+

Couche-Tard obtained favorable financing while

Casey's financing is off-market

5.22% interest rate

Costly

and

unusual

poison

put

mechanism

designed to impede any takeover attempt by any

party

Pro forma leverage: 2.5x total debt / LTM

EBITDA

Casey's is not publicly rated

Casey's financing

Couche-Tard's financing

(1)

Includes a 4-year LIBOR Swap Spread (i.e. to convert floating rate to fixed rate, so comparable to Casey's financing) of 1.3%

Couche-Tard's financing proves that Casey's could have financed its self-tender

much more cost effectively and avoided the coercive and expensive "poison put"

it gave to its new lenders

Typically, debt financing used by companies like Casey's has a maximum

change of control premium in the 1% to 3% range

Multiple forms of cheaper debt financing were available to Casey's to fund its

self-tender

31

Selected retail financings

Casey's new \$569 million notes do not have publicly available ratings

Assuming a credit rating of BBB or strong BB (low investment grade or strong high yield),
Casey's new notes issue appears to be off-market

Relative to investment grade notes issues, the yield is almost 100 bps wide to the two new notes issues of 2010

Compared to strong HY issues, Casey's notes maintain only a slight pricing advantage

We would have expected the "poison put" feature to drive substantially improved pricing given the "windfall" opportunity to investors

If
enforceable,
the
"poison
put"
gives
noteholders
a
total
annualized
return

of
58%
if
put
at
12/31/10 based on current treasury rates

Casey's new notes issue appears to be off-market

Note:

Includes 2010 issuance of strong BB and BBB area issuers.

Selected retail debt offerings

USD

Current

Date

Issuer

Coupon

Maturity

Proceeds

Yield

High

Yield

(Strong

BB

area)

5/18/2010

J. C. Penney

5.650%

6/1/2020

398.9

5.650%

4/26/2010

Advance Auto Parts

5.750%

5/1/2020

298.8

5.750%

Average

5.700%

Investment

Grade

(BBB

area)

8/24/2010

Yum Brands, Inc.

3.875%

1/1/2020

\$350.0

4.060%

4/20/2010

Nordstrom, Inc.

4.750%

5/1/2020

500.0

4.110%

Average

4.085%

8/10/2020

Casey's

5.220%

8/9/2020

\$569.0

32

4.

Responses to Casey's misinformation
campaign

33

Casey's Board is misinforming shareholders about Couche-Tard's offer

Casey's claims that Couche-Tard's offer substantially undervalues Casey's and represents a low premium relative to precedent transactions

Our offer is at a premium multiple and provides a unique opportunity for Casey's shareholders to realize full and immediate value

7.5x EV / FY2010 EBITDA is above the average multiple of 6.3x for precedent C-store transactions

\$1.3 million EV per store is above the average multiple of \$662 thousand for precedent C-store transactions

32% premium to Casey's pre-announcement 1-year average share price

22% premium to Casey's pre-announcement share price

17%
premium
to
pre-announcement
all-time
and
52-week
high
share
price

Prior to Couche-Tard's offer, Casey's shares have never traded above \$32.83 per share

34

Casey's Board is misinforming shareholders
about Couche-Tard's offer (cont'd)

Casey's states in their presentations that they expect the favorable gasoline environment to continue

Why? They don't say

Number

of
gasoline
outlets
and
hoses
has
held
steady
or
grown

Particularly true in the Midwest, where readily available and inexpensive land results in low barriers to entry

Demand for finished motor gasoline has declined over the past five years

Across the U.S., 275.5 million monthly barrels were supplied as of June 2010, compared to 281.2 million monthly barrels during the prior five years

This
trend
is
more
pronounced
in
the
Midwest,
where
78.8
million
monthly
barrels
were
supplied
as

of June 2010, compared to 82.9 million monthly barrels during the prior five years

Recent industry retail gasoline margins are unsustainably high and have benefited from:

A slow and steady decline in underlying crude prices from their peak of \$145 in July 2008 to \$72 currently

Retail prices are sticky and do not decline immediately even when crude prices decline. Accordingly, recent retail margins have been inflated

Hurricane activity in the Gulf during recent years has led to actual supply disruptions, which resulted in spikes in retail margins

11.31¢
9.32¢
11.00¢
10.20¢
10.78¢

11.47¢

10.40¢

13.90¢

12.87¢

13.90¢

FY2001

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

FY2009

FY2010

Source :

Casey's public filings.

Casey's gasoline margin per gallon

Casey's Board is misinforming shareholders
about Couche-Tard's offer (cont'd)

Casey's claims that Couche-Tard's offer does not reflect recent sector performance

-

Casey's is misinforming shareholders by comparing recent share price performance to that of
Couche-Tard, Susser and The Pantry

Casey's is more correlated to the S&P Retail Index than it is to any other C-store company

Recent C-store sector performance has been affected by Couche-Tard's offer

The Pantry and Susser are rumored to be takeover targets

Casey's current stock price reflects Couche-Tard's offer and not the unaffected stock price
Since Couche-Tard made public its offer to acquire Casey's on April 8, 2010, the S&P 500

Index

and

S&P

Retail

Index

(1)

have

declined

9%

and

12%,

respectively

Implied

share

price

for

Casey's

of

\$28.76

and

\$27.89,

respectively

(2)

We

firmly

believe

that

absent

our

offer,

Casey's

stock

price

would

have

traded

in

line

with

the

declining

trend

Prior to Couche-Tard's offer, Casey's shares have never traded above \$32.83 per share

Note:

As of September 1, 2010.

(1)

The S&P Retail Index is a capitalization-weighted index of 29 domestic equities in the retail sector, traded on the New York Stock Exchange.

(2)

Implied Casey's share price based on relative change in price vs. pre-announcement price of \$31.59.

Source:

FactSet

Research Systems.

Note:

Correlation in periods ending April 8, 2010.

Statistical correlation (R^2) with Casey's

10 year

5 year

3 year

2 year

1 year

S&P Retail Index

18.4%

26.7%

31.1%

31.3%

28.5%

S&P 500

25.6%

30.6%

35.4%

34.4%

30.2%

Couche-Tard

1.1%

1.8%

2.3%

1.9%

2.2%

Pantry

7.8%

18.1%

21.2%

24.0%

17.9%

Susser

NA

NA

15.3%

18.3%

10.7%

35

36

Casey's Board is misinforming shareholders
about Couche-Tard's offer (cont'd)

Casey's claims that Couche-Tard's offer is opportunistic and intends to take
advantage of equity market volatility

Casey's had since October of 2009 to seek alternatives

No other firm offer
to buy the company has appeared
Casey's stock would have declined in line with the various indices, but for
Couche-Tard's offer supporting it
Our
offer
is
the
most
attractive
strategic
alternative
available
to
Casey's
shareholders

Opportunity to realize full and fair value for their shares
Our offer permits shareholders to receive certain profit, avoid risk of a double-dip
recession and receive cash for a volatile equity
We are not undervaluing Casey's or being opportunistic
Casey's
notes
extraordinary
equity
market
volatility
yet
asks
its
shareholders
to
stand pat as the economy recovers
53% of Casey's shareholders were sellers at \$38.00 per share

37

Casey's Board is misinforming shareholders
about Couche-Tard's offer (cont'd)

Casey's claims Couche-Tard's offer would adversely impact Casey's other constituencies

Couche-Tard's

offer

is

very
attractive

for

ALL

of

Casey's

constituencies

Couche-Tard's track record with employees of companies and with local businesses around the companies we have acquired is outstanding

Couche-Tard operates using a highly decentralized model, and we expect to keep most, if not all, of the employees of Casey's in place

Our decentralized model has enabled us to continue the relationships with existing suppliers and vendors

In the case of Casey's, we already have significant overlap in vendors and do not expect any material changes in operations

Greater scale of a combined Couche-Tard and Casey's will provide the other constituencies of Casey's with opportunities beyond what the smaller platform of Casey's currently can provide

Access to Couche-Tard's platform will provide the suppliers of Casey's with increased opportunities to expand their sales to convenience store chains within Couche-Tard's portfolio

Employees looking to rise in the organization will have greater opportunities

Brian Hannasch of Iowa, our COO, joined Couche-Tard through an acquisition

Most of Couche-Tard's operating vice presidents are from acquisitions

38

Casey's Board is misinforming shareholders
about Couche-Tard's offer (cont'd)

Casey's claims its performance, growth opportunities, balance sheet and human
capital can create far greater value for shareholders

Casey's leveraged recapitalization implies they do not have good opportunities to
invest and grow the company independently

Putting leverage on the company limits flexibility and ability to deploy capital for growth

Why didn't they implement a recapitalization plan before Couche-Tard's offer?

Casey's management has historically operated without leverage

how will operating with leverage affect Casey's management decisions going forward? Casey's claims Couche-Tard's offer is an attempt to utilize Casey's strong balance sheet and real estate position to subsidize the offer
Our offer fully values Casey's owned real estate

Minimal intrinsic real estate value (small, rural, limited alternative uses and very little available for sale-leaseback)
We believe that no other buyer will pay a higher price for Casey's than the Couche-Tard offer

39

Next steps for shareholders

Vote FOR Couche-Tard's nominees and proposal on the BLUE proxy card

Elect the new slate of independent candidates for the Board of Directors, who are committed to maximizing value for all Casey's shareholders

Vote FOR Couche-Tard's proposal regarding new or amended By-Laws

41

A.

Couche-Tard Nominees and Biographies

42
Independent Nominees
Biographical
Information
Name
Age
Qualification details

Howard W. Bates

56

Mr. Bates currently is self-employed as a business consultant and is actively engaged in raising capital for early stage growth and new venture start-ups. From 2007 to 2009, Mr. Bates served as President of Kratos Defense and Security Solutions, Inc. In 1994, Mr. Bates founded Haverstick Consulting, Inc., a defense and technology firm in Indianapolis, Indiana, which was acquired by Kratos Defense and Security Solutions, Inc. in December 2007. From 1994 to 2007, Mr. Bates served as the President and Chief Executive Officer of Haverstick Consulting, Inc. Mr. Bates serves or has served on the board of directors of the following organizations: Haverstick Consulting, Inc.; Haverstick Government Solutions, Inc., a government consulting firm; DTI and Associates, a military and government consulting firm; Xtreme Alternative Defense Systems (XADS) Ltd.; Haverstick Acquisition Inc.; Rocket Support Systems LLC; and A.C.E., a charitable foundation for children. Mr. Bates earned a Masters in Business Administration from Xavier University in Cincinnati.

43
Independent Nominees
Biographical
Information
Name
Age
Qualification details

Hugh L. Cooley

60

Mr. Cooley retired from Shell Oil Products Company in July 2009. In 37 years with Shell Oil Products Company, Mr. Cooley held various positions, including, among others, Vice President of Marketing and Sales for Motiva Enterprises LLC, a joint venture between Shell Oil Company and Saudi Refining, Inc., and Vice President for National Wholesale of Shell Oil Products Company. Mr. Cooley serves or has served on the board of directors of the following organizations: truenergy, LLC, a joint venture between the Lyden Company and Shell Oil Company which operates or supplies Shell franchise sites; First Coast Energy, LLP, a gasoline service station company; and Tri Star Energy, LLC, which is a joint venture of Kimbro Oil Company, The Parman Corporation and Motiva Enterprises LLC and distributes fuel to, and operates convenience stores under, the Daily's Convenience Stores and Scot Markets brands in Tennessee and Kentucky. Mr. Cooley earned a Bachelor of Science in Marketing from the University of Alabama.

44
Independent Nominees
Biographical
Information
Name
Age
Qualification details

Terrence Coriden

63

Since 1998, Mr. Coriden has served as an attorney for, and part owner of, Coriden, Coriden, Andrews & Glover, LLC (formerly Coriden Law Office, LLC). Mr. Coriden is also currently Of-Counsel for Dugan & Volland, LLP and serves as City of Columbus Utility Attorney. From 2005 to 2006, Mr. Coriden served as a hearing judge for the State of Indiana regarding the adjudication of worker compensation matters. Since 2005, Mr. Coriden has served as an adjunct professor at Indiana University-Purdue University Indianapolis. Mr. Coriden currently serves on the board of directors of Kid's Chance Foundation and has served on the board of directors of the Indiana Continuing Legal Education Forum and as Chairman of the Workers Compensation Board of Indiana. Mr. Coriden is a member of the Indiana State Bar Association and received his Juris Doctor degree from the University of Toledo.

45
Independent Nominees
Biographical
Information
Name
Age
Qualification details

Mickey Kim

51

As of 2005, Mr. Kim was the Chief Operating Officer and Chief Compliance Officer of Kirr, Marbach & Company, LLC, a registered investment adviser, and continues to currently hold such positions. Mr. Kim is a director and serves on the audit committee of Kirr, Marbach Partners Funds, Inc., which is a registered investment company. In addition, Mr. Kim serves on the board of directors of Heritage Fund The Community Foundation of Bartholomew County, a community philanthropic organization. Mr. Kim served on the board of directors of Salin Bank & Trust Co., a privately held Indiana bank. Mr. Kim is a Chartered Financial Analyst. Mr. Kim earned a Bachelor of Science in Accounting from the University of Illinois and a Masters in Business Administration in Finance from the University of Chicago.

46
Independent Nominees
Biographical
Information
Name
Age
Qualification details

David O. Mann

41

Since 2002, Mr. Mann has served as a partner of Spring Mill Venture Partners, LLC, a venture capital firm focused on early stage, high-growth life science and information technology investments. Previously, Mr. Mann worked with ServiceMaster Ventures and was a founding member of the ServiceMaster Home Service Center, a joint venture between Kleiner Perkins Caufield & Byers and ServiceMaster Ventures. Mr. Mann began his career in the U.S. Navy. He serves or has served on the board of directors of the following organizations: HVAF of Indiana, Inc., an organization that supports homeless veterans; BioStorage Technologies, Inc., a company that supplies storage for biological products; Cine-tal Systems, Inc., a television display technology company; WebLink International, Inc., a webmanagement software and service company; KIPP Indianapolis College Preparatory, a college preparatory school in Indianapolis, Indiana; Venture Club of Indiana, a non-profit organization that assists entrepreneurs; and TechPoint PAC, a non-profit organization and political action committee. Currently, an adjunct faculty member at Indiana University Kelley School of Business (Indianapolis), Mr. Mann received his Masters in Business Administration from Harvard Business School and a Bachelor of Science from the U.S. Naval Academy at Annapolis.

47
Independent Nominees
Biographical
Information
Name
Age
Qualification details

Kevin J. Martin

44

Since 2001, Mr. Martin has served as the Chief Financial Officer of Johnson Ventures, Inc., a private investment company. Mr. Martin serves on the board of directors of the following organizations: JV Partners I, LLC; Indiana Limestone Company, Inc., a quarrying and fabrication company; Stone Center of Indiana, LLC, a retailer of architectural and landscape stone; Indianapolis Tennis Championships, Inc., a non-profit organization that hosts tennis tournaments; and the Columbus Museum of Art & Design, a non-profit organization dedicated to arts in Columbus, Indiana. Mr. Martin previously served on the board of directors of Johnson Construction Materials, LLC, a construction material provider and Central Restaurant Products, LLC, a wholesale restaurant equipment and supplies company. Mr. Martin received a Bachelor of Science in Accounting and a Masters in Business Administration in Management Information Systems and Entrepreneurship from Indiana University.

48
Independent Nominees
Biographical
Information
Name
Age
Qualification details

David B. McKinney

55

Since 1998, Mr. McKinney has served as President and Chief Compliance Officer of Reams Asset Management Company, an investment management firm. From 2003 to 2005, Mr. McKinney served on the board of directors of Columbus Funds, Inc., a registered investment company. In addition, Mr. McKinney serves or has served on the board of directors of the following organizations: the United Way of Bartholomew County; Turning Point Domestic Violence Services, an organization devoted to domestic violence; Volunteers in Medicine, an organization that provides health care services utilizing retired healthcare professionals; Columbus Indiana Architectural Archives; Columbus Enterprise Development Center and Big Brothers / Big Sisters of Bartholomew County. Mr. McKinney is a Certified Public Accountant and received a Bachelor of Science in Accounting from Miami University and a Juris Doctor from Indiana University School of Law.

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Independent Nominees
Biographical
Information
Name
Age
Qualification details

Marc E. Rothbart

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Since 1999, Mr. Rothbart has served as Chief Financial Officer and Senior Vice President of SIHO Insurance Services, Inc., an employee health care benefits company. Mr. Rothbart serves on the board of directors of the following organizations: the Columbus Indiana Philharmonic; the United Way of Bartholomew County; and the Columbus Museum of Art and Design. Mr. Rothbart also has served on the board of directors of Art Columbus and the Child Abuse Prevention Council. Mr. Rothbart earned a Bachelor of Science in Management from Bentley College.

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Who is Alimentation Couche-Tard?

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History of Couche-Tard
IPO
34 Store Network
3rd Public Offering
Acquired 245 *Provi-Soir*
Stores and 50 *Wink* s Stores

Alain Bouchard Started
the Chain with one store
2nd Public Offering
304 Store Network
Entry into Ontario, Western Canada
976 Stores under *Mac's*, *Mike's Mart*
and *Becker's Banners* as part of
Silcorp
Acquisition
Added to U.S. Midwest
287
Dairy
Mart
Stores
4th Public Offering
Entry into U.S. Midwest
225
Bigfoot
Stores
as
part
of Johnson Oil Acquisition
-
Further Penetration of U.S. Midwest
92 *Dairy Mart*
43
Clark
Retail
Stores
-
Acquired
Dunkin
Donuts
Quebec Master Franchise
-
Acquired Circle K, 2nd largest
independent convenience store in U.S.
Franchise agreement
with Grupo Kaltex, S.A.
de C.V. for 250 stores in
Mexico within the next
five years
Acquisition of 236 sites
from Shell Oil Products
US and its affiliate
Motiva Enterprises LLC
Couche-Tard and Irving
Oil Limited expand
partnership to include
252 stores across Atlantic

Canada and New England

Couche-Tard

offers to acquire

Casey's at \$38.50

per share

Added a total of

496 stores

Acquisition of

43 company-

operated

and

444 franchises

from

Exxon

Mobil

52
2.3x
1.4x
0.8x
0.4x
1.5x
1.3x

1.0x

0.6x

At Circle K

transaction close

2004

2005

2006

2007

2008

2009

2010

Couche-Tard rapidly de-leveraged following its successful acquisition of Circle K

Total net debt / EBITDA

Recent acquisitions

Note:

2004 figures are pro forma for Circle K transaction.

(1)

Represents 50% interest in RDK Ventures LLC, a joint venture with Shell Oil Products US (100 stores).

Couche-Tard already operated 32 of these stores prior to entering into the JV.

Adjusted net debt / EBITDAR

3.7x

2.9x

2.5x

3.2x

3.2x

2.9x

2.6x

4.2x

Longstanding history of successful acquisitions

and de-leveraging

FYE April 2004

FYE April 2005

FYE April 2006

FYE April 2007

FYE April 2008

FYE April 2009

FYE April 2010

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Couche-Tard has a large presence in the U.S.

3,836 stores in the U.S.

65% of total stores

Presence in 43 states and Washington D.C.

8 out of 11 divisions in the U.S.

36,000 employees out of 53,000 are in the U.S.

68% of total

78% of revenues come from U.S. divisions

US

100%

US

78%

Canada

22%

US

83%

Canada

17%

Couche-Tard

Casey s

Pro-forma Couche-Tard

Note:

Based on FY2010 sales as of April 2010.

+

=

54
The Strategic Rationale

55

Compelling strategic rationale

Creates largest independent corporate-store operator
in North America with ~ 7,400 locations

Expands geographic footprint across North America

Enhances scale and efficiency

Uniquely positions Couche-Tard to generate more cash flow

Delivers immediate premium to Casey's shareholders

Casey's stakeholders become part of bigger organization with benefits of a decentralized business model empowering its employees

56
1,000
5,932
4,401
777
383
1,387

1,649
1,598
1,531
900
386
527
7,100
1,468
4,596
3,367
3,601
428
1,302
498
8,100
7,400
5,869
4,639
4,144
3,984
1,815
1,649
1,598
1,531
1,305
900
884
527
43
3
1,468
7-Eleven
Pro forma
Couche-Tard
Couche-Tard
Shell
ExxonMobil
Chevron
Valero
Pantry
Marathon
Casey's
ConocoPhillips
Cumberland
Farms
Tesoro
Susser
Company-operated
Affiliated / Franchises
Source:

Public filings / data, websites, press releases.

Note:

Most recent data as of July 18, 2010.

(1)

Denotes U.S. locations.

(1)

(1)

(1)

(1)

Creates the largest independent corporate-store operator in North America

57

Enhanced store network

International Locations:

China,

Guam,

Hong

Kong,

Indonesia,

Japan,

Macao, Mexico, Vietnam

Company operated: 4,401

Affiliated: 1,468

Total stores: 5,869

Owned real estate: 1,300+ locations

Source: Company information.

Casey's portfolio is geographically complementary to Couche-Tard

Total stores: 1,531

IL

IA

MN

MO

NE

ND

SD

WI

IN

65

377

436

97

296

109

104

10

Casey's retail footprint

Couche-Tard's retail footprint

GREAT LAKES REGION

Corporate stores: 463

Affiliated stores: 250

MIDWEST REGION

Corporate stores: 425

Affiliated stores: 65

SOUTHEAST REGION

Corporate stores: 271

Affiliated stores: 56

SOUTHWEST REGION

Corporate stores: 222

Affiliated stores: 200

ARIZONA REGION

Corporate stores: 624

Affiliated stores: 18

WEST COAST REGION

Corporate stores: 162

Affiliated stores: 321

CENTRAL CANADA

Corporate stores: 571

Affiliated stores: 199

WESTERN CANADA

Corporate stores: 287

Affiliated stores: 0

EASTERN CANADA

Corporate stores: 676

Affiliated stores: 300

FLORIDA REGION

Corporate stores: 407

Affiliated stores: 6

GULF REGION

Corporate stores: 293

Affiliated stores: 53

37

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Integration strategy

Couche-Tard expects that:

Couche-Tard's decentralized business model will allow it to run Casey's as a stand-alone business unit

No significant capital expenditures will be required to integrate Casey s

Casey s store banner will remain in place (no re-branding / remodels required) and will continue to be grown as a rural store format in the U.S. Midwest region

There is a possibility to leverage Casey s wholesale and distribution capabilities

There is a possibility to implement best practices from Casey s and Couche-Tard

Limited potential synergies

Casey s is not a turn-around story;
currently a well operated business

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S&P Retail Index constituents
(\$ in billions)
Ticker
Company Name
Market Capitalization
as of Sep. 1, 2010

AZO
AutoZone
\$10.2
BBBY
Bed Bath & Beyond
9.8
BBY
Best Buy
13.7
BIG
Big Lots
2.6
COST
Costco Wholesale
25.5
CVS
CVS Caremark
37.9
DDS
Dillard's
1.5
DG
Dollar General
9.6
FDO
Family Dollar Stores
5.8
GPS
Gap
11.2
HD
Home Depot
48.2
JCP
J.C. Penney
4.9
JWN
Nordstrom
6.6
KR
Kroger
12.8
KSS
Kohl's
14.9
LOW
Lowe's
30.2
LTD
Limited Brands

8.1
ODP
Office Depot
1.0
RSH
RadioShack
2.4
S
Sprint Nextel
12.3
SHW
Sherwin-Williams
7.7
SPLS
Staples
13.5
SWY
Safeway
7.3
TGT
Target
37.7
TIF
Tiffany
5.2
TJX
TJX
16.4
WAG
Walgreen
26.9
WINN
Winn-Dixie Stores
0.4
WMT
Wal-Mart Stores
187.1
Source:
FactSet
Research
Systems.