



Press Release
FOR IMMEDIATE RELEASE

**GROUPE FILGO AND SONIC, A DIVISION OF LA COOP FÉDÉRÉE,
ARE JOINING FORCES**

Montreal - December 3, 2015 – Groupe Filgo and Sonic, a division of La Coop fédérée, are announcing that they have signed an amalgamation agreement for the purpose of merging their activities for the distribution of energy products and the operation of service stations. The transaction is subject to the usual closing conditions. The new entity will be wholly-owned by Quebec interests.

An appropriate merger in a mature market context

The energy market is a mature one subject to strong pressures. Ensuring the distribution of energy products is more and more difficult in regional Quebec markets due to the decline in volumes and the increase in environmental management costs as well as operational costs. The merger will allow the new entity to be equipped with the critical mass necessary to reduce costs and also increase its purchasing power to benefit consumers.

A natural alliance

“For Filgo and Sonic, it is a natural alliance that falls in line with common objectives of longevity and proximity to local communities. La Coop fédérée, by joining its Energy Division with a private enterprise recognized for its operational excellence in the distribution of energy products such as Filgo, will be ensuring long-term service and products for its members. It should be made clear that some cooperatives of La Coop network are not stakeholders in the merger project at this time. These are La Coop Purdel, La Coop des deux rives and Nutrinor Coopérative,” stated Denis Richard, President of La Coop fédérée. “La Coop network is evolving in a world of giants who possess considerable means. In this context, the network must focus on its strengths to make sure it remains competitive in an environment that’s under strong pressure,” he added.

“The Filgo team and myself are proud to be associated with La Coop fédérée, an organization that is known for its proximity to its members and clientele. The quality and range of products marketed by the two companies combined will allow the new organization to cover all consumer needs and to ensure service across Quebec,” said Michel Lehoux, Chief Executive Officer of Groupe Filgo.

At this time, the two organizations would like to remind their clients, partners and suppliers that the contacts in place will remain the same and that between now and the closing of the merger, each of the organizations will continue their operations separately.

About Filgo

Founded in 1956, Filgo, a Shell distributor, is present in many regions of Quebec across three main activity sectors: a distributor of petroleum products intended for residential and commercial clientele (Filgo Energy), a network of service stations and convenience stores (Filgo Gas and Convenience) and a distributor of lubricants (Filgo Lubricants). Filgo, with headquarters located in Ste-Marie, employs 640 people and operates 145 service stations, 15

distribution centres, 12 self-serve truck sites and 10 regional storage sites. Filgo distributed more than 650 million litres of petroleum products last year with sales reaching \$750 million. www.filgo.ca

About Sonic

Founded in 1958, Sonic is a division of La Coop fédérée which distributes more than 900 million litres of energy products annually (petroleum, propane, diesel, and heating oil) and operates 185 service stations in Quebec. Furthermore, it operates 22 self-serve truck sites, 14 regional storage sites and offers services in sales, heating equipment installation and maintenance, and storage. Sonic employs more than 220 people with sales reaching nearly \$800 million. www.sonic.coop

About La Coop fédérée

Founded in 1922, La Coop fédérée is the largest agri-food organization in Quebec. It is owned by more than 100,000 members grouped within 98 cooperatives located in several Canadian provinces and it is also present all throughout the agri-food chain. As a retailer, La Coop fédérée provides agricultural producers with the goods and services required to operate their enterprises. Its activities are divided into three divisions: Agri-business (Livestock and Crop Production, and Grain Marketing under the Elite and La Coop banners), Retail and Innovation (Energy, Hardware and Farm Machinery under the Sonic, Unimat and BMR banners), and Meat Processing (under the Olymel, Flamingo and Lafleur banners). La Coop fédérée employs 10,000 people with sales reaching \$5.4 billion. Including its affiliated cooperatives, La Coop fédérée has more than 16,000 employees with combined sales of \$9.1 billion. www.lacoop.coop twitter.com/LaCoop_federee.

- 30 -

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