UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 7, 2013

TIM HORTONS INC.
(Exact name of registrant as specified in its charter)

Canada	001-32843	98-0641955
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

874 Sinclair Road, Oakville, ON, Canada	L6K 2Y1
(Address of principal executive offices)	(Zip Code)

(905) 845-6511
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On November 7, 2013, Tim Hortons Inc. (the "Corporation") issued a press release containing financial information regarding its third quarter 2013 financial results and certain other information. The press release is attached hereto as Exhibit 99.1.

Item 7.01 Regulation FD Disclosure.

The Corporation will host a quarterly conference call to discuss its third quarter 2013 results on Thursday, November 7, 2013 at 11:00 a.m. (Eastern Standard Time). Investors and the public may listen to the conference call in the manner described in the Corporation's press release attached hereto as Exhibit 99.1.

Item 8.01 Other Events.

On November 7, 2013, the Corporation also announced that its Board of Directors has declared a Cdn.$0.26 per common share quarterly dividend. The dividend is payable on December 10, 2013 to shareholders of record at the close of business on November 25, 2013. The declaration of any future dividends is subject to the Board's discretion. The full text of the Corporation's press release issued today regarding this dividend is attached hereto as Exhibit 99.2.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99.1	Press release dated November 7, 2013 issued by the Corporation regarding the release of quarterly financial results and other information.
Exhibit 99.2	Press release dated November 7, 2013 issued by the Corporation announcing the declaration of Cdn.$0.26 per common share quarterly dividend.
Exhibit 99.3	Safe Harbor Statement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TIM HORTONS INC.

Date: November 7, 2013

By: /s/ JILL E. AEBKER

Jill E. Aebker
Executive Vice President, General Counsel and Secretary

FOR IMMEDIATE RELEASE
(Unaudited. All amounts in Canadian dollars and presented in accordance with U.S. GAAP.)

Tim Hortons Inc. announces 2013 third quarter results:

Continued progress in same-store sales and EPS growth

Financial & Sales Highlights

Performance	Q3 2013	Q3 2012	% Year-over-Year Change	YTD 2013
Total revenues	$ 825.4	$ 802.0	2.9%	$ 2,357.0
Operating income	$ 168.8	$ 153.7	9.9%	$ 473.3
Adjusted operating income(1)	$ 169.8	$ 162.2	4.7%	$ 484.4
Effective tax rate	28.3%	26.7%		27.3%
Net income attributable to THI	$ 113.9	$ 105.7	7.7%	$ 323.8
Diluted earnings per share attributable to THI (“EPS”)	$ 0.75	$ 0.68	10.7%	$ 2.12
Fully diluted shares	150.9	155.1	(2.7)%	152.9

(All numbers in millions, except EPS and effective tax rate. All numbers rounded.)

(1) Adjusted operating income is a non-GAAP measure, and excludes corporate reorganization expenses of $1.0 million in Q3 2013 ($11.0 million YTD 2013) and $8.6 million in Q3 2012 ($9.8 million YTD 2012). Please refer to “Information on non-GAAP Measure” and the reconciliation information in footnote (3) of this release for details of reconciling items.

Same-Store Sales(2)	Q3 2013	Q3 2012	YTD 2013
Canada	1.7%	1.9%	0.9%
U.S.	3.0%	2.3%	1.3%

(2) Includes average same-store sales at Franchised and Company-operated locations open for 13 months or more. Substantially all of our restaurants are franchised.

Highlights

- Same-store sales growth rates improved compared to previous quarter
- Introduction of new single-serve coffee platform and new lunch offerings contributed to sales growth
- Company secures one-year $400 million revolving bank facility and anticipates obtaining longer-term financing during the fourth quarter

OAKVILLE, ONTARIO, (November 7, 2013): Tim Hortons Inc. (TSX: THI, NYSE: THI) today announced results for the third quarter ended September 29, 2013.

"I am pleased to see continued progress in our business, including improving sales and profitability, despite a challenging operating environment," said Marc Caira, president and CEO. "Our same-store sales growth was particularly strong in our U.S. business. We still have more work ahead of us as we position Tim Hortons for sustainable and profitable growth in today's competitive reality, and we continue to develop our comprehensive strategic roadmap."

Consolidated Results

All percentage increases and decreases represent year-over-year changes for the third quarter of 2013 compared to the third quarter of 2012, unless otherwise noted.

Systemwide sales[(4)] increased 5.3% on a constant currency basis. This growth resulted from new restaurant development in Canada and the U.S., and from same-store sales growth of 1.7% in Canada and 3.0% in the U.S.

Total revenues increased 2.9% to $825.4 million compared to $802.0 million last year. The revenue growth rate was below that of systemwide sales due to a 0.3% decline in distribution sales, the largest component of revenues, driven primarily by lower commodity costs and corresponding decreases in pricing we charged to restaurant owners.

Variable interest entities ("VIEs") sales increased 12.4%. While the number of non-owned restaurants consolidated for accounting purposes has decreased since the start of fiscal 2013, it remains higher than it was a year ago.

Rents and royalties grew by 5.2%, consistent with the growth in systemwide sales. Franchise fees increased by 17.3%, due to an increase in renovations and restaurant resales, partially offset by fewer restaurant openings.

Total costs and expenses increased 1.3%, growing at a rate below that of revenue due to lower corporate reorganization costs, a moderate increase in cost of sales and a decrease in general and administrative ("G&A") expense.

Cost of sales increased by 0.9%, below the growth rate of revenue, as the effects of higher sales volumes were more than offset by lower underlying commodity costs. Operating expenses increased by 7.0%, due primarily to higher depreciation and rent associated with new properties, and the depreciation impact of the digital menu board program. Franchise fee costs increased by 18.0% due to increased renovation activity, partially offset by lower costs associated with fewer restaurant openings.

G&A expenses decreased by 5.2% due to lower salaries and benefits, driven by vacancies, most of which have now been filled, and lower stock-based compensation expense.

We recognized an asset impairment charge of $2.9 million this quarter, relating to certain underperforming markets in the U.S., with $2.5 million applied to the U.S. operating segment and $0.4 million recorded in VIEs.

In the third quarter of 2012, we incurred $8.6 million of corporate reorganization expenses relating to termination costs, CEO transition costs and professional fees. Corporate reorganization expense was $1.0 million in the third quarter of 2013.

Operating income of $168.8 million was up 9.9% from $153.7 million in the third quarter of 2012. The growth was largely the result of an increase in systemwide sales, as well as a decrease in corporate reorganization and G&A expenses. Adjusted operating income[3], which excludes the impact of the corporate reorganization expenses, increased 4.7% to $169.8 million. (Please refer to "Information on non-GAAP Measure" below for a reconciliation of adjusted operating income to operating income, the most directly comparable GAAP measure).

Net income attributable to Tim Hortons Inc. was $113.9 million, an increase of 7.7% from $105.7 million a year earlier. The improvement resulted from higher operating income, partially offset by a higher effective tax rate.

EPS of $0.75 grew by $0.07 or 10.7% due to the increase in net income attributable to THI, as well as the positive, cumulative impact of our share repurchase programs. The asset impairment charge and corporate reorganization expenses negatively impacted EPS by $0.02 in in Q3 2013, and corporate reorganization expenses negatively impacted EPS by $0.04 in Q3 2012. On average we had 2.7% fewer fully-diluted common shares outstanding in the third quarter compared to the same period last year.

Segmented Performance Commentary

We delivered positive same-store sales growth in the third quarter despite ongoing challenges in the operating environment. We believe uncertainty surrounding the rate of economic recovery continues to impact consumer confidence and discretionary spending in both Canada and the U.S, which has also resulted in a competitive environment that remains intensified.

We have reclassified the segment data for the third quarter of 2012 to conform to the current period's presentation, which has been revised consistent with changes to our reportable segments announced earlier this year.

<u>Canada</u>

Same-store sales in our Canadian segment grew by 1.7%. The increase was driven by gains in average cheque resulting primarily from pricing, and to a lesser extent, favourable product mix. The decline in same-store transactions has slowed over the course of 2013.

Operating income in the Canadian segment was $179.6 million, an increase of $7.6 million or 4.4%. Systemwide sales growth of 4.7% in Canada led to higher rents and royalties income and a higher allocation of supply chain income. We opened 34 restaurants in Canada in the third quarter.

<u>United States</u>

U.S. same-store sales increased by 3.0% in the quarter, driven primarily by an increase in transactions.

Operating income was $2.7 million in the U.S. segment, an increase of $1.3 million from the third quarter of 2012. The asset impairment charge had a negative impact of $2.5 million on segment operating income in the third quarter of 2013. The U.S. segment benefited from systemwide sales growth of 10.8%, which led to increased rents and royalties revenues and a higher allocation of supply chain income. The U.S. supply chain allocation also benefited from favourable product margin variability. We opened 13 restaurants in the U.S. during the quarter.

<u>Corporate services</u>

The Corporate services segment incurred an operating loss of $14.3 million, compared to a loss of $13.0 million in the third quarter of 2012. The primary driver of the higher operating loss was a reversal of favourable product margins associated with our supply chain management activities recognized in the first half of 2013. Lower G&A expenses, due mainly to lower salaries and benefits, contributed favourably during the quarter.

Our international partner, Apparel FZCO, opened 4 restaurants in the Gulf Cooperation Council (GCC) during the quarter, including the first Tim Hortons restaurant in Kuwait.

Significant Developments & Initiatives

New Financing

In August 2013, the Board of Directors approved a $900 million increase in debt levels of the Company, intended to be used to repurchase common shares to create value for shareholders. We are targeting a total of $1 billion in share repurchases in the 12-month period to August 2014, subject to market conditions, the negotiation and execution of agreements, and regulatory approvals.

In October 2013, we entered into a one-year, $400.0 million revolving bank facility, to provide interim financing as we finalize alternatives for the increase in our long-term debt levels, and to fund the expanded share repurchase program, which commenced in September 2013.

We anticipate obtaining longer-term financing for a portion of the $900 million increase in the fourth quarter of 2013, subject to the negotiation and execution of agreements, and barring any unforeseen changes in market conditions. We expect to provide further details upon completion of a transaction.

Board declares dividend payment of $0.26 per common share

On November 6, 2013, the Board of Directors declared a quarterly dividend of $0.26 per common share, payable on December 10, 2013 to shareholders of record as of November 25, 2013. Dividends are declared and paid in Canadian dollars to all shareholders with Canadian resident addresses. For U.S. resident shareholders, dividends paid will be converted to U.S. dollars based on prevailing exchange rates at the time of conversion by Tim Hortons for registered shareholders and by Clearing and Depository Services Inc. for beneficial shareholders.

Tim Hortons conference call today at 11:00 a.m. (EST) Thursday, November 7, 2013.

Tim Hortons will host a conference call today to discuss third quarter results, scheduled to begin at 11:00 a.m. (EST). The dial-in number is (416) 641-6712 or (800) 773-0497. No access code is required. A simultaneous web cast of the call, including presentation material, will be available at www.timhortons-invest.com. A replay of the call will be available until November 14, 2013 and can be accessed at (416) 626-4100 or (800) 558-5253. The call replay reservation number is 21675888. The call and presentation material will also be archived for a period of one year in the Events and Presentations section of our website.

Safe Harbor Statement

Certain information in this news release, particularly information regarding future economic performance, finances, and plans, expectations and objectives of management, and other information, constitutes forward-looking information within the meaning of Canadian securities laws and forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We refer to all of these as forward-looking statements. Various factors including competition in the quick service segment of the food service industry, general economic conditions and others described as “risk factors” in the Company’s 2012 Annual Report on Form 10-K filed February 21, 2013, and our Quarterly Report on Form 10-Q expected to be filed on November 7, 2013 with the U.S. Securities and Exchange Commission and Canadian Securities Administrators, could affect the Company’s actual results and cause such results to differ materially from those expressed in, or implied by, forward-looking statements. As such, readers are cautioned not to place undue reliance on forward-looking statements contained in this news release, which speak only as to management’s expectations as of the date hereof.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: the absence of an adverse event or condition that damages our strong brand position and reputation; the absence of a material increase in competition or in volume or type of competitive activity within the quick service restaurant segment of the food service industry; our ability to obtain financing on favourable terms; our ability to maintain investment grade credit ratings; prospects and execution risks concerning our U.S. market strategy; general worldwide economic conditions; cost and availability of commodities; the ability to retain our senior management team or the inability to attract and retain qualified personnel; continuing positive working relationships with the majority of the Company’s restaurant owners; the absence of any material adverse effects arising as a result of litigation; and there being no significant change in the Company’s ability to comply with current or future regulatory requirements.

We are presenting this information for the purpose of informing you of management’s current expectations regarding these matters, and this information may not be appropriate for any other purpose. We assume no obligation to update or alter any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law. Please review the Company's Safe Harbor Statement at www.timhortons.com/ca/en/about/safeharbor.html.

(3) **Information on non-GAAP Measure**

Adjusted operating income is a non-GAAP measure. Management uses adjusted operating income to assist in the evaluation of year-over-year performance and believes that it will be helpful to investors as a measure of underlying operational growth rates. This non-GAAP measure is not intended to replace the presentation of our financial results in accordance with GAAP. The Company’s use of the term adjusted operating income may differ from similar measures reported by other companies. The reconciliation of operating income, a GAAP measure, to adjusted operating income, a non-GAAP measure, is set forth in the table below:

Reconciliation of Adjusted Operating Income

	Q3 2013	Q3 2012	YTD 2013	YTD 2012
	(in millions)		(in millions)	
Operating income	$ 168.8	$ 153.7	$ 473.3	$ 444.1
Add: Corporate reorganization expenses	1.0	8.6	11.0	9.8
Adjusted operating income	$ 169.8	$ 162.2	$ 484.4	$ 454.0

All numbers rounded

[4] **Total systemwide sales growth** includes restaurant level sales at both Company-operated and Franchised restaurants. Approximately 99.6% of our systemwide restaurants were franchised as at September 29, 2013. Systemwide sales growth is determined using a constant exchange rate where noted, to exclude the effects of foreign currency translation. U.S. dollar sales are converted to Canadian dollar amounts using the average exchange rate of the base year for the period covered. For the third quarter of 2013, systemwide sales on a constant currency basis increased 5.3% compared to the third quarter of 2012. Systemwide sales growth in Canadian dollars, including the effects of foreign currency translation, was 5.7% in the third quarter of 2013. Systemwide sales are important to understanding our business performance as they impact our franchise royalties and rental income, as well as our distribution income. Changes in systemwide sales are driven by changes in average same-store sales and changes in the number of systemwide restaurants, and are ultimately driven by consumer demand.

We believe systemwide sales and same-store sales growth provide meaningful information to investors regarding the size of our system, the overall health and financial performance of the system, and the strength of our brand and restaurant owner base, which ultimately impacts our consolidated and segmented financial performance. Franchised restaurant sales are not generally included in our Condensed Consolidated Financial Statements (except for certain non-owned restaurants consolidated in accordance with applicable accounting rules). The amount of systemwide sales impacts our rental and royalties revenues, as well as distribution revenues.

Tim Hortons Inc. Overview

Tim Hortons is one of the largest publicly-traded restaurant chains in North America based on market capitalization, and the largest in Canada. Operating in the quick service segment of the restaurant industry, Tim Hortons appeals to a broad range of consumer tastes, with a menu that includes premium coffee, hot and cold specialty drinks (including lattes, cappuccinos and espresso shots), specialty teas and fruit smoothies, fresh baked goods, grilled Panini and classic sandwiches, wraps, soups, prepared foods and other food products. As of September 29, 2013, Tim Hortons had 4,350 systemwide restaurants, including 3,500 in Canada, 817 in the United States and 33 in the Gulf Cooperation Council. More information about the Company is available at www.timhortons.com.

For Further information:

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TIM HORTONS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands of Canadian dollars, except share and per share data)
(Unaudited)

	Third quarter ended			
	September 29, 2013	September 30, 2012	$ Change	% Change
Revenues				
Sales	$ 575,780	$ 568,541	$ 7,239	1.3 %
Franchise revenues				
Rents and royalties	212,114	201,556	10,558	5.2 %
Franchise fees	37,459	31,943	5,516	17.3 %
	249,573	233,499	16,074	6.9 %
Total revenues	**825,353**	**802,040**	**23,313**	**2.9 %**
Costs and expenses				
Cost of sales	501,856	497,617	4,239	0.9 %
Operating expenses	78,307	73,205	5,102	7.0 %
Franchise fee costs	37,865	32,083	5,782	18.0 %
General and administrative expenses	38,787	40,913	(2,126)	(5.2)%
Equity (income)	(4,075)	(3,951)	(124)	3.1 %
Corporate reorganization expenses	953	8,565	(7,612)	n/m
Asset impairment	2,889	—	2,889	n/m
Other (income) expense, net	(57)	(51)	(6)	11.8 %
Total costs and expenses, net	**656,525**	**648,381**	**8,144**	**1.3 %**
Operating income	168,828	153,659	15,169	9.9 %
Interest (expense)	(9,406)	(8,509)	(897)	10.5 %
Interest income	919	760	159	20.9 %
Income before income taxes	160,341	145,910	14,431	9.9 %
Income taxes	45,386	38,956	6,430	16.5 %
Net income	114,955	106,954	8,001	7.5 %
Net income attributable to non-controlling interests	1,092	1,256	(164)	(13.1)%
Net income attributable to Tim Hortons Inc.	**$ 113,863**	**$ 105,698**	**$ 8,165**	**7.7 %**
Basic earnings per common share attributable to Tim Hortons Inc.	**$ 0.76**	**$ 0.68**	**0.08**	**10.7 %**
Diluted earnings per common share attributable to Tim Hortons Inc.	**$ 0.75**	**$ 0.68**	**0.07**	**10.7 %**
Weighted average number of common shares outstanding (in thousands) – Basic	**150,342**	**154,478**	**(4,136)**	**(2.7)%**
Weighted average number of common shares outstanding (in thousands) – Diluted	**150,864**	**155,067**	**(4,203)**	**(2.7)%**
Dividends per common share	**$ 0.26**	**$ 0.21**	**0.05**	

TIM HORTONS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands of Canadian dollars, except share and per share data)
(Unaudited)

	Year-to-date period ended			
	September 29, 2013	September 30, 2012	$ Change	% Change
Revenues				
Sales	$ 1,668,229	$ 1,655,615	$ 12,614	0.8 %
Franchise revenues				
Rents and royalties	608,857	580,715	28,142	4.8 %
Franchise fees	79,943	72,575	7,368	10.2 %
	688,800	653,290	35,510	5.4 %
Total revenues	**2,357,029**	**2,308,905**	**48,124**	**2.1 %**
Costs and expenses				
Cost of sales	1,452,302	1,455,437	(3,135)	(0.2)%
Operating expenses	231,026	211,444	19,582	9.3 %
Franchise fee costs	83,743	77,159	6,584	8.5 %
General and administrative expenses	115,493	122,608	(7,115)	(5.8)%
Equity (income)	(11,340)	(11,056)	(284)	2.6 %
Corporate reorganization expenses	11,032	9,842	1,190	n/m
Asset impairment	2,889	(372)	3,261	n/m
Other (income) expense, net	(1,440)	(278)	(1,162)	n/m
Total costs and expenses, net	**1,883,705**	**1,864,784**	**18,921**	**1.0 %**
Operating income	473,324	444,121	29,203	6.6 %
Interest (expense)	(26,991)	(25,057)	(1,934)	7.7 %
Interest income	2,638	2,194	444	20.2 %
Income before income taxes	448,971	421,258	27,713	6.6 %
Income taxes	122,531	115,088	7,443	6.5 %
Net income	326,440	306,170	20,270	6.6 %
Net income attributable to non-controlling interests	2,670	3,626	(956)	(26.4)%
Net income attributable to Tim Hortons Inc.	**$ 323,770**	**$ 302,544**	**$ 21,226**	**7.0 %**
Basic earnings per common share attributable to Tim Hortons Inc.	**$ 2.12**	**$ 1.94**	**0.18**	**9.3 %**
Diluted earnings per common share attributable to Tim Hortons Inc.	**$ 2.12**	**$ 1.94**	**0.18**	**9.3 %**
Weighted average number of common shares outstanding (in thousands) – Basic	**152,379**	**155,607**	**(3,228)**	**(2.1)%**
Weighted average number of common shares outstanding (in thousands) – Diluted	**152,919**	**156,247**	**(3,328)**	**(2.1)%**
Dividends per common share	**$ 0.78**	**$ 0.63**	**0.15**	

TIM HORTONS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(in thousands of Canadian dollars, except share and per share data)
(Unaudited)

	As at	
	September 29, 2013	December 30, 2012
Assets		
Current assets		
Cash and cash equivalents	$ 44,877	$ 120,139
Restricted cash and cash equivalents	100,964	150,574
Accounts receivable, net	185,819	171,605
Notes receivable, net	6,565	7,531
Deferred income taxes	8,015	7,142
Inventories and other, net	111,930	107,000
Advertising fund restricted assets	48,722	45,337
Total current assets	506,892	609,328
Property and equipment, net	1,615,880	1,553,308
Intangible assets, net	2,943	3,674
Notes receivable, net	5,177	1,246
Deferred income taxes	11,686	10,559
Equity investments	41,304	41,268
Other assets	81,870	64,796
Total assets	**$ 2,265,752**	**$ 2,284,179**
Liabilities and equity		
Current liabilities		
Accounts payable	$ 180,102	$ 169,762
Accrued liabilities		
Salaries and wages	22,489	21,477
Taxes	15,599	8,391
Tim Card obligation and other	150,997	197,871
Deferred income taxes	342	197
Advertising fund liabilities	63,672	44,893
Current portion of long-term obligations	20,549	20,781
Total current liabilities	453,750	463,372
Long-term obligations		
Long-term debt	367,231	359,471
Long-term debt – Advertising fund	42,375	46,849
Capital leases	115,370	104,383
Deferred income taxes	8,466	10,399
Other long-term liabilities	115,752	109,614
Total long-term obligations	649,194	630,716
Commitments and contingencies		
Equity		
Equity of Tim Hortons Inc.		
Common shares ($2.84 stated value per share), Authorized: unlimited shares. Issued: 149,122,408 and 153,404,839 shares, respectively	422,871	435,033
Common shares held in Trust, at cost: 340,314 and 316,923 shares, respectively	(14,969)	(13,356)
Contributed surplus	14,580	10,970
Retained earnings	868,526	893,619
Accumulated other comprehensive loss	(129,228)	(139,028)
Total equity of Tim Hortons Inc.	1,161,780	1,187,238
Non-controlling interests	1,028	2,853
Total equity	1,162,808	1,190,091
Total liabilities and equity	**$ 2,265,752**	**$ 2,284,179**

TIM HORTONS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands of Canadian dollars)
(Unaudited)

	Year-to-date period ended	
	September 29, 2013	September 30, 2012
Cash flows provided from (used in) operating activities		
Net income	$ 326,440	$ 306,170
Adjustments to reconcile net income to net cash provided from operating activities		
Depreciation and amortization	110,447	96,842
Stock-based compensation expense	17,132	12,722
Deferred income taxes	(2,458)	(2,387)
Changes in operating assets and liabilities		
Restricted cash and cash equivalents	50,020	45,728
Accounts receivable	(11,010)	(2,913)
Inventories and other	(7,913)	26,186
Accounts payable and accrued liabilities	(58,213)	(63,430)
Taxes	7,183	(10,220)
Other	6,524	7,433
Net cash provided from operating activities	**438,152**	**416,131**
Cash flows (used in) provided from investing activities		
Capital expenditures	(132,726)	(112,812)
Capital expenditures – Advertising fund	(9,554)	(46,190)
Other investing activities	6,709	(7,812)
Net cash (used in) investing activities	**(135,571)**	**(166,814)**
Cash flows (used in) provided from financing activities		
Repurchase of common shares	(242,222)	(172,656)
Dividend payments to common shareholders	(118,579)	(98,172)
Net proceeds from issue of debt – Advertising fund	—	42,500
Principal payments on long-term debt obligations	(12,901)	(5,502)
Other financing activities	(5,601)	(5,336)
Net cash (used in) financing activities	**(379,303)**	**(239,166)**
Effect of exchange rate changes on cash	**1,460**	**(1,586)**
(Decrease) Increase in cash and cash equivalents	**(75,262)**	**8,565**
Cash and cash equivalents at beginning of period	**120,139**	**126,497**
Cash and cash equivalents at end of period	**$ 44,877**	**$ 135,062**
Supplemental disclosures of cash flow information:		
Interest paid	$ 23,259	$ 19,869
Income taxes paid	$ 117,418	$ 134,815
Non-cash investing and financing activities:		
Capital lease obligations incurred	$ 25,217	$ 10,864

TIM HORTONS INC. AND SUBSIDIARIES
SEGMENT REPORTING
(in thousands of Canadian dollars)
(Unaudited)

	Third quarter ended		Year-to-date period ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
Revenues[(1)]				
Canada	$ 676,006	$ 672,684	$ 1,927,361	$ 1,923,928
U.S.	47,019	39,254	132,687	120,837
Corporate services	3,414	2,933	12,743	11,955
Total reportable segments	726,439	714,871	2,072,791	2,056,720
VIEs[(2)]	98,914	87,169	284,238	252,185
Total	**$ 825,353**	**$ 802,040**	**$ 2,357,029**	**$ 2,308,905**
Operating Income (Loss)				
Canada	$ 179,597	$ 171,990	$ 500,178	$ 484,576
U.S.[(3)]	2,717	1,458	6,214	7,213
Corporate services	(14,325)	(13,000)	(26,414)	(42,902)
Total reportable segments	167,989	160,448	479,978	448,887
VIEs[(2)(3)]	1,792	1,776	4,378	5,076
Corporate reorganization expenses	(953)	(8,565)	(11,032)	(9,842)
Consolidated Operating Income	168,828	153,659	473,324	444,121
Interest, Net	(8,487)	(7,749)	(24,353)	(22,863)
Income before income taxes	**$ 160,341**	**$ 145,910**	**$ 448,971**	**$ 421,258**

(1) There are no inter-segment revenues included in the above table.
(2) Variable interest entities ("VIEs").
(3) The Company recognized an impairment charge of $2.9 million in the third quarter and year-to-date period of 2013 (third quarter of fiscal 2012: nil; year-to-date period of 2012 $(0.4) million) related to certain underperforming markets in the U.S., $2.5 million of which is recognized in our U.S. segment (third quarter of 2012: nil; year-to-date period of 2012: $(0.4) million), remainder recognized in VIEs.

Consolidated Sales and Cost of sales comprise the following:

	Third quarter ended		Year-to-date period ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
Sales				
Distribution sales	$ 473,641	$ 475,243	$ 1,373,389	$ 1,386,245
Company-operated restaurant sales	6,090	7,856	18,567	20,455
Sales from VIEs	96,049	85,442	276,273	248,915
Total Sales	**$ 575,780**	**$ 568,541**	**$ 1,668,229**	**$ 1,655,615**

	Third quarter ended		Year-to-date period ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
Cost of sales				
Distribution cost of sales	$ 411,290	$ 414,439	$ 1,185,862	$ 1,214,611
Company-operated restaurant cost of sales	6,207	8,042	19,830	21,819
Cost of sales from VIEs	84,359	75,136	246,610	219,007
Total Cost of sales	**$ 501,856**	**$ 497,617**	**$ 1,452,302**	**$ 1,455,437**

TIM HORTONS INC. AND SUBSIDIARIES
Income Statement Definitions

Sales	Sales include Distribution sales, sales from company-operated restaurants, and sales from consolidated Non-owned restaurants. Distribution sales comprise sales of products (including a minimal amount of manufacturing product sales to third parties), supplies, and restaurant equipment outside of initial restaurant establishment or renovations (see “Franchise Fees”) that are shipped directly from our warehouses or by third-party distributors to restaurants or retailers through our supply chain. Sales from company-operated restaurants and consolidated Non-owned restaurants comprise restaurant-level sales to our guests. The consolidation of Non-owned restaurants essentially replaces our rents and royalties with restaurant sales, which are included in VIEs’ sales.
Rents and royalties	Includes royalties and rental revenues earned, net of relief, and certain advertising levies associated with our Canadian Advertising Fund relating primarily to the Expanded Menu Board Program.
Franchise fees	Includes license fees and equipment packages, at initiation of a restaurant and in connection with the renewal or renovation, and revenues related to master license agreements.
Cost of sales	Cost of sales includes costs associated with the management of our supply chain, including cost of goods, direct labour and depreciation, as well as the cost of goods delivered by third-party distributors to restaurants for which we manage the supply chain logistics, and for canned coffee sold through grocery stores. Cost of sales also includes food, paper and labour costs of Company-operated restaurants and consolidated Non-owned restaurants.
Operating expenses	Includes rent expense related to properties leased to restaurant owners and other property-related costs including depreciation. Also included are certain operating expenses related to our distribution business such as warehouse technology costs and utilities, and product development costs.
Franchise fee costs	Includes the cost of equipment sold to restaurant owners at the commencement or in connection with the renovation of their restaurant business, including training and other costs necessary to assist with a successful restaurant opening, and/or the introduction of our Cold Stone Creamery® co-branding offering into existing locations. Also includes support costs related to project-related and/or operational initiatives.
General and administrative expenses	Includes costs that cannot be directly related to generating revenue, including expenses associated with our corporate and administrative functions, depreciation of head office buildings and office equipment, and the majority of our information technology systems.
Corporate reorganization expenses	Includes termination costs and professional fees related to the implementation of our new Corporate Centre and Business Unit organizational structure, as well as CEO transition costs.
Equity income	Includes income from equity investments in partnerships and joint ventures and other minority investments over which we exercise significant influence. Equity income from these investments is considered to be an integrated part of our business operations and is therefore included in operating income.
Other (income) expense, net	Includes (income) expenses that are not directly derived from the Company's primary businesses, such as foreign currency adjustments, gains and losses on asset sales, and other asset write-offs.
Net income attributable to non-controlling interests	Relates to the consolidation of Non-owned restaurants pursuant to applicable accounting rules.

Exhibit 99.2

FOR IMMEDIATE RELEASE
(All amounts in Canadian dollars)

Tim Hortons Inc. declares quarterly dividend of $0.26 per common share

OAKVILLE, ONTARIO, (November 7, 2013): Tim Hortons Inc. (TSX: THI, NYSE: THI) today announced the Board of Directors has declared a dividend of $0.26 per common share payable to shareholders of record as of November 25, 2013. The dividend is payable on December 10, 2013.

Dividends are declared and paid in Canadian dollars to all shareholders with Canadian resident addresses. For U.S. shareholders, dividends paid will be converted to U.S. dollars based on prevailing exchange rates at the time of conversion by Tim Hortons for registered shareholders and by Clearing and Depository Services Inc. for beneficial shareholders. The declaration and payment of all future dividends remain subject to the discretion of the Company's Board of Directors.

Tim Hortons Inc. Overview

Tim Hortons is one of the largest publicly-traded restaurant chains in North America based on market capitalization, and the largest in Canada. Operating in the quick service segment of the restaurant industry, Tim Hortons appeals to a broad range of consumer tastes, with a menu that includes premium coffee, hot and cold specialty drinks (including lattes, cappuccinos and espresso shots), specialty teas and fruit smoothies, fresh baked goods, grilled Panini and classic sandwiches, wraps, soups, prepared foods and other food products. As of September 29, 2013, Tim Hortons had 4,350 systemwide restaurants, including 3,500 in Canada, 817 in the United States and 33 in the Gulf Cooperation Council. More information about the Company is available at www.timhortons.com.

CONTACTS:

INVESTORS: Scott Bonikowsky: (905) 339-6186 or investor_relations@timhortons.com

Exhibit 99.3

TIM HORTONS INC.

Safe Harbor Under the Private Securities Litigation Reform Act of 1995 and Canadian Securities Laws

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements to encourage companies to provide prospective information, so long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those disclosed in the statement. Canadian securities laws have corresponding safe harbor provisions, subject to certain additional requirements including the requirement to state the assumptions used to make the forecasts set out in forward-looking statements. Tim Hortons Inc. (the “Company”) desires to take advantage of these “safe harbor” provisions.

Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “seeks,” “outlook,” “forecast” or words of similar meaning, or future or conditional verbs, such as “will,” “should,” “could” or “may.” Examples of forward-looking statements that may be contained in our public disclosure from time-to-time include, but are not limited to, statements concerning management’s expectations relating to possible or assumed future results, our strategic goals and our priorities, and the economic and business outlook for us, for each of our business segments and for the economy generally. Many of the factors that could determine our future performance are beyond our ability to control or predict. The following factors, in addition to other factors set forth in our Form 10-K filed on February 21, 2013 (“Form 10-K”), and in our Form 10-Q expected to be filed on November 7, 2013 (the “Form 10-Q”) with the U.S. Securities and Exchange Commission (“SEC”) and the Canadian Securities Administrators (“CSA”), and in other press releases, communications, or filings made with the SEC or the CSA, could cause our actual results to differ materially from the expectation(s) included in forward-looking statements and, if significant, could materially affect the Company’s business, sales revenue, share price, financial condition, and/or future results, including causing the Company to (i) close restaurants, (ii) fail to realize same-store sales growth targets, which are critical to achieving our financial targets, (iii) fail to meet the expectations of our securities analysts or investors, or otherwise fail to perform as expected, (iv) experience a decline and/or increased volatility in the market price of its stock, (v) have insufficient cash to engage in or fund expansion activities, dividends, or share repurchase programs, or (vi) increase costs, corporately or at restaurant-level, which may result in increased restaurant-level pricing, which in turn may result in decreased guest demand for our products resulting in lower sales, revenue, and earnings. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also materially adversely affect our business, financial condition, and/or operating results. We assume no obligation to update or alter any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law.

Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: the absence of an adverse event or condition that damages our strong brand position and reputation; the absence of a material increase in competition or in volume of type of competitive activity within the quick service restaurant segment of the food service industry; ability to obtain financing on favorable terms; ability to maintain investment grade credit ratings; prospects and execution risks concerning the U.S. market strategy; general worldwide economic conditions; cost and availability of commodities; the ability to retain our senior management team or the inability to attract and retain new qualified personnel; continuing positive working relationships with the majority of the Company’s restaurant owners; the absence of any material adverse effects arising as a result of litigation; and there being no significant change in the Company’s ability to comply with current or future regulatory requirements. We are presenting this information for the purpose of informing you of management’s current expectations regarding these matters, and this information may not be appropriate for any other purposes.

Factors Affecting Growth and Other Important Strategic Initiatives. There can be no assurance that the Company will be able to achieve new restaurant or same-store sales growth objectives, that new restaurants will be profitable or that strategic initiatives will be successfully implemented. Early in the development of new markets, the opening of new restaurants may have a negative effect on the same-store sales of existing restaurants in the market. The Company may also enter markets where its brand is not well-known and where it has little or no operating experience and, as a result, may not achieve the level of penetration needed in order to drive brand recognition, convenience, increased leverage to marketing dollars, and other benefits the Company believes penetration yields. When the Company enters new markets, it may be necessary to increase restaurant owner relief and support costs, which lowers its earnings. There can be no assurance that the Company will be able to successfully adapt its brand, development efforts, and restaurants to these differing market conditions. The Company’s failure to successfully implement growth and various other strategies and initiatives related to international development may have a negative impact on the overall operation of its business and may result in increased costs or inefficiencies that it cannot currently anticipate. The Company may also continue to selectively close restaurants that are not achieving acceptable levels of profitability or change its growth strategies over time, where appropriate. Such closures may be accompanied by impairment charges that may have a negative impact on the Company's earnings. The success of any restaurant depends in substantial part on its location. There can be no assurance that current locations will continue to be attractive as demographic patterns or economic conditions change. If we cannot obtain desirable locations for restaurants at reasonable prices, the Company's ability to affect its growth strategy will be adversely affected. The Company has vertically integrated manufacturing, warehouse and distribution capabilities which may at times result in delays or difficulties. The Company also intends to evaluate potential mergers, acquisitions, joint-venture investments, alliances, vertical integration opportunities and divestitures, which are subject to many of the same risks that also affect new store development as well as various other risks. In addition, there can be no assurance that the Company will be able to complete the desirable transactions, for reasons including restrictive covenants in debt instruments or other agreements with third parties. The Company may continue to pursue strategic alliances (including co-branding) with third parties for different types of development models and products and there can be no assurance that: significant value will be recognized through such strategic alliances; the Company will be able to maintain its strategic alliances; or, the Company will be able to enter into new strategic relationships in the future. Entry into such relationships as well as the expansion of the Company's current business through such initiatives may expose it to additional risks that may adversely affect the Company's brand and business. The Company's financial outlook and long-range targets are based on the successful implementation, execution and guest acceptance of the Company's strategic plans and initiatives; accordingly, the failure of any of these criteria could cause the Company to fall short of achievement of its financial objectives and long-range aspirational goals.

The Importance of Canadian Segment Performance and Brand Reputation. The Company's financial performance is highly dependent upon its Canadian operating segment, which accounted for 94.0% of our reportable segment revenues, and 97.5% of our reportable segment operating income in fiscal 2012. Any substantial or sustained decline in the Company's Canadian business would materially and adversely affect its financial performance. The Company's success is also dependent on its ability to maintain and enhance the value of its brand, its guests' connection to and perception of its brand, and a positive relationship with its restaurant owners. Brand value can be severely damaged, even by isolated incidents, including those that may be beyond the Company's control such as: actions taken or not taken by its restaurant owners relating to health, safety, environmental, welfare, labour, public policy or social issues; contaminated food; litigation and claims (including litigation by, other disputes with, or negative relationship with restaurant owners); failure of security breaches or other fraudulent activities associated with its networks and systems; illegal activity targeted at the Company; and negative incidents occurring at or affecting its strategic business partners (including in connection with co-branding initiatives, international licensing arrangements and its self-serve kiosk model), affiliates, and corporate social responsibility programs. The Company's brand could also be damaged by falsified claims or the quality of products from its vertically integrated manufacturing plants, and potentially negative publicity from various sources, including social media sites on a variety of topics and issues, whether true or not, which are beyond its control.

Competition. The quick service restaurant industry is intensely competitive with respect to price, service, location, personnel, qualified restaurant owners, real estate sites and type and quality of food. The Company and its restaurant owners compete with international, regional and local organizations, primarily through the quality, variety, and value perception of food products offered. The number and location of units, quality and speed of service, attractiveness of facilities, effectiveness of advertising/marketing, promotional and operational programs, discounting activities, price, changing demographic patterns and trends, changing consumer preferences and spending patterns, including weaker consumer spending in difficult economic times, or a desire for a more diversified menu, changing health or dietary preferences and perceptions, and new product development by the Company and its competitors are also important factors. Certain of the Company's competitors, most notably in the U.S., have greater financial and other resources than it does, including substantially larger marketing budgets and greater leverage from their marketing spend. In addition, the Company's major competitors continue to engage in discounting, free sampling and other promotional activities.

Economic Conditions. The Company's operating results and financial condition are sensitive to and dependent upon discretionary spending by guests, which may be affected by uncertainty in general economic conditions that could drive down demand for its products and result in fewer transactions or decrease average cheque per transaction at our restaurants. The Company cannot predict the timing or duration of suppressed economic conditions which could have an adverse effect on our business, results of operations and financial condition.

Product Innovation and Extensions. Achievement of the Company's same-store sales strategy is dependent, among other things, on its ability to extend the product offerings of its existing brands and introduce innovative new products. Although it devotes significant focus to the development of new products, the Company may not be successful in developing innovative new products or its new products may not be commercially successful. The Company's financial results and its ability to maintain or improve its competitive position will depend on its ability to effectively gauge the direction of the market and consumer trends and initiatives and successfully identify, develop, manufacture, market and sell new or improved products in response to such trends.

Senior Management Team. Our success will continue to depend to a significant extent on our executive management team and the ability of other key management personnel to replace executives who retire or resign. We may not be able to retain our executive officers and key personnel or attract additional qualified management personnel to replace executives who retire or resign. Failure to retain our leadership team and attract and retain other important personnel could lead to ineffective management and operations, which would likely decrease our profitability. We are currently in a CEO transition period and our Board of Directors has appointed Mr. Marc Caira to the position of President and Chief Executive Officer, effective July 2, 2013. With the change in leadership, there is a risk to retention of other members of senior management, even with the existing retention program in place, as well as to continuity of business initiatives, plans and strategies through the transition period. In August 2012, we announced the implementation of an organizational structure which includes a Corporate Centre and Business Unit design. We completed the process of realigning roles and responsibilities under that new structure at the end of the first quarter of 2013. As a result of the Corporate reorganization, there has been a slight net reduction in the size of our employee base due to the departure of certain employees. Any lack of required resources for a prolonged period of time could negatively impact our operations and ability to execute our strategic initiatives; harm our ability to retain and motivate employees; and negatively impact our ability to attract new employees.

Commodities. The Company is exposed to price volatility in connection with certain key commodities that it purchases in the ordinary course of business such as coffee, wheat, edible oils, sugar, and other product costs which can impact revenues, costs and margins. Although the Company monitors its exposure to commodity prices and its forward hedging program partially mitigates the negative impact of any costs increases, price volatility for commodities it purchases has increased due to conditions beyond its control, including recent economic and political conditions, currency fluctuations, availability of supply, weather conditions, pest damage and consumer demand and consumption patterns. Increases and decreases in commodity costs are largely passed through to restaurant owners and the Company and its restaurant owners have some ability to increase product pricing to offset a rise in commodity prices, subject to restaurant owner and guest acceptance, respectively. Notwithstanding the foregoing, while it is not our operating practice, we may choose not to pass along all price increases to our restaurant owners. As a result, commodity cost increases could have a more significant effect on our business and results of operations than if we had passed along all increases to our restaurant owners. Price fluctuations may also impact margins as many of these commodities are typically priced based on a fixed-dollar mark-up. Although the Company generally secures commitments for most of its key commodities that generally extend over a six-month period, these may be at higher prices than its previous commitments. If the supply of commodities, including coffee, fails to meet demand, the Company's restaurant owners may experience reduced sales which, in turn, would reduce our rents and royalty income as well as distribution income. Such a reduction in the Company's income may adversely impact the Company's business and financial results.

Food Safety and Health Concerns. Incidents or reports, whether true or not, of food-borne illness and injuries caused by or claims of food tampering, employee hygiene and cleanliness failures or impropriety at Tim Hortons, and the potential health impacts of consuming certain of the Company's products or other quick service restaurants unrelated to Tim Hortons, could result in negative publicity, damage the Company's brand value and potentially lead to product liability or other claims. Any decrease in guest traffic or temporary closure of any of the Company's restaurants as a result of such incidents or negative publicity may have a material adverse effect on its business, results of operations and financial condition.

Distribution Operations and Supply Chain. The occurrence of any of the following factors is likely to result in increased operating costs and decreased profitability of the Company's distribution operations and supply chain and may also injure its brand, negatively affect its results of operations and its ability to generate expected earnings and/or increase costs, and/or negatively impact the Company's relationship with its restaurant owners: higher transportation or shipping costs; inclement weather; increased food and other supply costs; having a single source of supply for certain of its food products; potential cost and disruption of a product recall; shortages or interruptions in the availability or supply of perishable food products and/or their ingredients; potential negative impacts on our relationship with our restaurant owners associated with an increase of required purchases, or prices, of products purchased from the Company's distribution business; and political, physical, environmental, labour or technological disruptions in the Company's or its suppliers' manufacturing and/or warehouse plants, facilities or equipment.

Importance of Restaurant Owners. A substantial portion of the Company's earnings come from royalties and other amounts paid by restaurant owners, who operated 99.5% of the Tim Hortons restaurants as of December 30, 2012. The Company's revenues and profits would decline and its brand reputation could also be harmed if a significant number of restaurant owners were to experience, among other things, operational or financial difficulties or labour shortages or significant increases in labour costs. Although the Company generally enjoys a positive working relationship with the vast majority of its restaurant owners, active and/or potential disputes with restaurant owners could damage its reputation and/or its relationships with the broader restaurant owner group. The Company's restaurant owners are independent contractors and, as a result, the quality of their operations may be diminished by factors beyond the Company's control. Any operational shortcoming of a franchise restaurant is likely to be attributed by consumers to the Company's entire system, thus damaging its brand reputation and potentially affecting revenues and profitability. There can be no assurance that the Company will be able to continue to attract, retain and motivate higher performing restaurant owners.

Litigation. The Company is or may be subject to claims incidental to the business, including: obesity litigation; health and safety risks or conditions of the Company's restaurants associated with design, construction, site location and development, indoor or airborne contaminants and/or certain equipment utilized in operations; employee claims for employment or labour matters, including potentially, class action suits regarding wages, discrimination, unfair or unequal treatment, harassment, wrongful termination, or overtime compensation claims; claims from restaurant owners and/or operators regarding profitability or wrongful termination of their franchise or operating (license) agreement(s); taxation authorities regarding certain tax disputes; and falsified claims. The Company's current exposure with respect to pending legal matters could change if determinations by judges and other finders of fact are not in accordance with management's evaluation of these claims and the Company's exposure could exceed expectations and have a material adverse effect on its financial condition and results of operations.

Government Regulation. The Company and its restaurant owners are subject to various international, federal, state, provincial, and local ("governmental") laws and regulations. The development and operation of restaurants depend to a significant extent on the selection, acquisition, and development of suitable sites, which are subject to laws and regulations regarding zoning, land use, environmental matters (including limitation of vehicle emissions in drive-thrus; anti-idling bylaws; regulation of litter, packaging and recycling requirements; regulation relating to discharge, storage, handling, release and/or disposal of hazardous or toxic substances; and other governmental laws and regulations), traffic, franchise, design and other matters. Additional governmental laws and regulations affecting the Company and its restaurant owners include: business licensing; franchise laws and regulations; health, food preparation, sanitation and safety; privacy; immigration, employment and labour (including applicable minimum wage requirements, benefits, overtime, working and safety conditions, family leave and other employment matters, and citizenship requirements); advertising and marketing; product safety and regulations regarding nutritional content, including menu labeling; existing, new or future regulations, laws, treaties or the interpretation or enforcement thereof relating to tax matters that may affect the Company's ongoing tax disputes, realization of the Company's tax assets, disclosure of tax-related matters, and expansion of the Company's business into new territories through its strategic initiatives, joint-ventures, or other types of programs, projects or activities; tax laws affecting restaurant owners' business; accounting and reporting requirements and regulations; anti-corruption; and new or future regulations regarding sustainability. Compliance with these laws and regulations and planning initiatives undertaken in connection therewith could increase the cost of doing business and, depending upon the nature of the Company's and its restaurant owners' responsive actions thereto, could damage the Company's reputation. Changes in these laws and regulations, or the implementation of additional regulatory requirements, particularly increases in applicable minimum wages, tax law, planning or other matters may, among other things, adversely affect the Company's financial results; anticipated effective tax rate, tax liabilities, and/or tax reserves; business planning within its corporate structure; its strategic initiatives and/or the types of projects it may undertake in furtherance of its business; or franchise requirements.

In addition, a taxation authority may disagree with certain views of the Company with respect to the interpretation of tax treaties, laws and regulations and take the position that material income tax liabilities, interests, penalties or amounts are payable by the Company, including in connection with certain of its public or internal company reorganizations. Contesting such disagreements or assessments may be lengthy and costly and, if the Company were unsuccessful in disputing the same, the implications could be materially adverse to it and affect its anticipated effective tax rate, projected results, future operations and financial condition, where applicable.

International Operations. The Company's international operations are and will continue to be subject to various factors of uncertainty, and there is no assurance that international operations will achieve or maintain profitability or meet planned growth rates. The implementation of the Company's international strategic plan may require considerable management time as well as start-up expenses for market development before any significant revenues and earnings are generated. Expansion into new international markets carries risks similar to those risks described above and more fully in the Form 10-K and the Form 10-Q relative to expansion into new markets in the U.S.; however, some or all of these factors may be more pronounced in markets outside Canada and the U.S. due to cultural, political, legal, economic, regulatory and other conditions and differences. Additionally, the Company may also have difficulty exporting its proprietary products into international markets or finding suppliers and distributors to provide it with adequate supplies of ingredients meeting its standards in a cost-effective manner.

Market and Other Conditions. The quick service restaurant industry is affected by changes in international, national, regional, and local economic and political conditions, consumer preferences and perceptions (including food safety, health or dietary preferences and perceptions), discretionary spending patterns, consumer confidence, demographic trends, seasonality, weather events and other calamities, traffic patterns, the type, number and location of competing restaurants, enhanced governmental regulation, changes in capital market conditions that affect valuations of restaurant companies in general or the value of the Company's stock in particular, and litigation relating to food quality, handling or nutritional content. Factors such as inflation, higher energy and/or fuel costs, food costs, the cost and/or availability of a qualified workforce and other labour issues, benefit costs, legal claims, legal and regulatory compliance (including environmental regulations), new or additional sales tax on the Company's products, disruptions in its supply chain or changes in the price, availability and shipping costs of supplies, and utility and other operating costs, also affect restaurant operations and expenses and impact same-store sales and growth opportunities. The ability of the Company and its restaurant owners to finance new restaurant development, improvements and additions to existing restaurants, acquire and sell restaurants, and pursue other strategic initiatives (such as acquisitions and joint-ventures), are affected by economic conditions, including interest rates and other government policies impacting land and construction costs and the cost and availability of borrowed funds. In addition, unforeseen catastrophic or widespread events affecting the health and/or welfare of large numbers of people in the markets in which the Company's restaurants are located and/or which otherwise cause a catastrophic loss or interruption in the Company's ability to conduct its business, would affect its ability to maintain and/or increase sales and build new restaurants. Unforeseen events, including war, armed conflict, terrorism and other international, regional or local instability or conflicts (including labour issues), embargos, trade barriers, public health issues (including tainted food, food-borne illness, food tampering and water supply or widespread/ pandemic illness such as the avian, H1N1 or norovirus flu), and natural disasters such as flooding, earthquakes, hurricanes, or other adverse weather and climate conditions could disrupt the Company's operations, disrupt the operations of its restaurant owners, suppliers, or guests, or result in political or economic instability.

Reliance on Systems. If the network and information systems and other technology systems that are integral to retail operations at system restaurants and at the Company's manufacturing and distribution facilities, and at its office locations are damaged or interrupted from power outages, computer and telecommunications failures, computer worms, viruses, phishing and other destructive or disruptive software, security breaches, catastrophic events and improper or personal usage by employees, such an event could have an adverse impact on the Company and its guests, restaurant owners and employees, including a disruption of its operations, guest dissatisfaction or a loss of guests or revenues. The Company relies on third-party vendors to retain data, process transactions and provide certain services. In the event of failure in such third-party vendors' systems and processes, the Company could experience business interruptions or privacy and/or security breaches surrounding its data. The Company continues to enhance its integrated enterprise resource planning system. The introduction of new modules for inventory replenishment, sustainability, and business reporting and analysis will be implemented. There may be risks associated with adjusting to and supporting the new modules which may impact the Company's relations with its restaurant owners, vendors and suppliers and the conduct of its business generally. If the Company fails to comply with new and/or increasingly demanding laws and regulations regarding the protection of guest, supplier, vendor, restaurant owner, employee and/or business data, or if the Company (or a third-party with which it has entered into a strategic alliance) experiences a significant breach of guest, supplier, vendor, restaurant owner, employee or Company data, the Company's reputation could be damaged and result in lost sales, fines, lawsuits and diversion of management attention. The use of electronic payment systems and the Company's reloadable cash card makes it more susceptible to a risk of loss in connection with these issues, particularly with respect to an external security breach of guest information that the Company, or third parties under arrangement(s) with it, control.

Other Significant Risk Factors. The following factors could also cause the Company's actual results to differ from its expectations: fluctuations in the U.S. and Canadian dollar exchange rates; an inability to adequately protect the Company's intellectual property and trade secrets from infringement actions or unauthorized use by others (including in certain international markets that have uncertain or inconsistent laws and/or application with respect to intellectual property and contract rights); liabilities and losses associated with owning and leasing significant amounts of real estate; changes in its debt levels and a downgrade on its credit ratings; and certain anti-takeover provisions that may have the effect of delaying or preventing a change in control.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date and time made. Except as required by federal or provincial securities laws, the Company undertakes no obligation to publicly release any revisions to forward-looking statements, or to update them to reflect events or circumstances occurring after the date forward-looking statements are made, or to reflect the occurrence of unanticipated events.