Dollarama Inc.

Condensed Interim Consolidated Financial Statements

For the 13-week and 39-week periods ended November 2, 2014 and November 3, 2013

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

Dollarama Inc.

Consolidated Interim Statement of Financial Position as at
(Unaudited, expressed in thousands of Canadian dollars)

	Note	November 2, 2014	February 2, 2014
Assets			
Current assets			
Cash and cash equivalents		23,146	71,470
Accounts receivable		9,124	5,963
Deposits and prepaid expenses		4,433	5,382
Merchandise inventories		399,313	364,680
Derivative financial instruments	6	21,727	11,455
		457,743	458,950
Non-current assets			
Property and equipment		273,659	250,612
Intangible assets		132,176	129,436
Goodwill		727,782	727,782
Total assets		1,591,360	1,566,780
Liabilities and Shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		102,514	128,857
Dividend payable		10,542	9,823
Income taxes payable		17,326	22,102
Current portion of finance lease obligations	13	1,022	1,022
Current portion of long-term debt	8	6,855	3,017
		138,259	164,821
Non-current liabilities			
Long-term debt	8	600,497	395,446
Finance lease obligations	13	782	1,484
Deferred rent and tenant inducements		57,052	51,592
Deferred income taxes		98,571	89,271
Total liabilities		895,161	702,614
Commitments	13		
Shareholders' equity			
Share capital		468,372	493,602
Contributed surplus		14,154	10,884
Retained earnings		197,522	346,478
Accumulated other comprehensive income		16,151	13,202
Total shareholders' equity		696,199	864,166
Total liabilities and shareholders' equity		1,591,360	1,566,780

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Dollarama Inc.

Consolidated Interim Statement of Changes in Shareholders' Equity
(Unaudited, expressed in thousands of Canadian dollars except share amounts)

	Note	Number of common shares (1)	Share capital $	Contributed surplus $	Retained earnings $	Accumulated other comprehensive income $	Total $
Balance – February 2, 2014	16	138,957,738	493,602	10,884	346,478	13,202	864,166
Net earnings for the period		-	-	-	195,140	-	195,140
Other comprehensive income							
Unrealized gain on derivative financial instruments, net of reclassification adjustment and income tax of $(1,074)		-	-	-	-	2,949	2,949
Repurchase and cancellation of shares	9,16	(7,602,130)	(27,003)	-	(312,084)	-	(339,087)
Dividends declared		-	-	-	(32,012)	-	(32,012)
Share-based compensation	10	-	-	4,070	-	-	4,070
Issuance of common shares	16	95,416	973	-	-	-	973
Reclassification related to exercise of stock options		-	800	(800)	-	-	-
Balance – November 2, 2014		131,451,024	468,372	14,154	197,522	16,151	696,199
Balance – February 3, 2013	16	146,180,940	517,306	8,157	403,266	2,761	931,490
Net earnings for the period		-	-	-	167,109	-	167,109
Other comprehensive income							
Unrealized gain on derivative financial instruments, net of reclassification adjustment and income tax of $(2,259)		-	-	-	-	6,196	6,196
Repurchase and cancellation of shares	9,16	(4,438,236)	(15,782)	-	(149,213)	-	(164,995)
Dividends declared		-	-	-	(30,319)	-	(30,319)
Share-based compensation	10	-	-	2,760	-	-	2,760
Issuance of common shares	16	201,020	1,203	-	-	-	1,203
Reclassification related to exercise of stock options		-	1,206	(1,206)	-	-	-
Balance – November 3, 2013		141,943,724	503,933	9,711	390,843	8,957	913,444

(1) Numbers of common shares reflect the retrospective application of the two-for-one share split by way of share dividend declared on September 10, 2014 and paid at the close of business on November 17, 2014 (see Note 16).

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Dollarama Inc.

Consolidated Interim Statement of Net Earnings and Comprehensive Income
(Unaudited, expressed in thousands of Canadian dollars, except share and per share amounts)

	Note	13-week periods ended		39-week periods ended	
		November 2, 2014	November 3, 2013	November 2, 2014	November 3, 2013
Sales		587,968	522,949	1,661,712	1,482,391
Cost of sales		371,807	328,714	1,061,490	940,196
Gross profit		216,161	194,235	600,222	542,195
General, administrative and store operating expenses		101,342	94,459	290,621	270,476
Depreciation and amortization	5	9,781	12,271	27,912	34,790
Operating income		105,038	87,505	281,689	236,929
Net financing costs		5,249	3,074	14,827	7,684
Earnings before income taxes		99,789	84,431	266,862	229,245
Provision for income taxes	11	26,769	22,736	71,722	62,136
Net earnings for the period		73,020	61,695	195,140	167,109
Other comprehensive income (loss)					
Items to be reclassified subsequently to net earnings					
Unrealized gain (loss) on derivative financial instruments, net of reclassification adjustment		17,352	(2,496)	4,023	8,455
Income taxes relating to component of other comprehensive income (loss)		(4,636)	666	(1,074)	(2,259)
Total other comprehensive income (loss), net of income taxes		12,716	(1,830)	2,949	6,196
Total comprehensive income for the period		85,736	59,865	198,089	173,305
Earnings per common share					
Basic net earnings per common share (*restated*) (1)	16	$0.55	$0.43	$1.46	$1.16
Diluted net earnings per common share (*restated*) (1)	12,16	$0.55	$0.43	$1.45	$1.15
Weighted average number of common shares outstanding during the period (*thousands*) (*restated*) (1)	12,16	132,134	142,096	134,098	144,578
Weighted average number of diluted common shares outstanding during the period (*thousands*) (*restated*) (1)	12,16	132,732	142,418	134,633	144,908

(1) Per share amounts and numbers of outstanding common shares reflect the retrospective application of the two-for-one share split by way of share dividend declared on September 10, 2014 and paid at the close of business on November 17, 2014 (see Note 16).

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Dollarama Inc.

Consolidated Interim Statement of Cash Flows
(Unaudited, expressed in thousands of Canadian dollars)

	Note	13-week periods ended		39-week periods ended	
		November 2, 2014	November 3, 2013	November 2, 2014	November 3, 2013
Operating activities					
Net earnings for the period		73,020	61,695	195,140	167,109
Adjustments for:					
Depreciation and amortization		9,781	12,271	27,912	34,790
Amortization of debt issue costs		294	129	802	387
Excess of receipts (disbursements) over amount recognized on derivative financial instruments		(2,059)	2,805	(6,249)	7,056
Recognition of deferred leasing costs		152	132	458	315
Recognition of deferred tenant allowances		(1,018)	(887)	(3,239)	(2,558)
Deferred lease inducements		1,089	893	2,677	2,851
Deferred tenant allowances		2,311	1,294	6,022	4,173
Share-based compensation	10	1,301	950	4,070	2,760
Net financing costs on long-term debt		3,182	-	3,838	-
Deferred income taxes		3,335	1,516	8,225	3,343
Loss on disposal of assets		62	913	605	865
Cash generated before working capital components		91,450	81,711	240,261	221,091
Changes in non-cash working capital components	15	(8,624)	15,709	24,835	44,051
Cash generated before interest and taxes		82,826	97,420	265,096	265,142
Interest paid		(1,344)	(2,271)	(8,763)	(6,015)
Income taxes paid		(18,643)	(17,735)	(68,273)	(71,013)
Net cash generated from operating activities		62,839	77,414	188,060	188,114
Investing activities					
Additions to property and equipment		(15,979)	(21,682)	(48,022)	(67,423)
Additions to intangible assets		(2,795)	(2,922)	(7,172)	(7,133)
Proceeds on disposal of property and equipment		288	223	432	419
Net cash used by investing activities		(18,486)	(24,381)	(54,762)	(74,137)
Financing activities					
Proceeds from bank indebtedness	7	-	96,000	-	166,000
Proceeds from long-term debt (Floating Rate Notes)	8	-	-	150,000	-
Proceeds from revolving credit facility	8	20,000	-	160,000	-
Repayment of revolving credit facility	8	-	(66,000)	(105,000)	(41,063)
Transaction fees		-	-	(751)	-
Repayment of finance lease		(236)	(378)	(702)	(735)
Issuance of common shares		30	173	973	1,203
Dividends paid		(10,613)	(10,141)	(31,293)	(28,482)
Repurchase and cancellation of shares		(58,373)	(61,405)	(354,849)	(164,995)
Net cash used by financing activities		(49,192)	(41,751)	(181,622)	(68,072)
Increase (decrease) in cash and cash equivalents		(4,839)	11,282	(48,324)	45,905
Cash and cash equivalents – Beginning of period		27,985	87,189	71,470	52,566
Cash and cash equivalents – End of period		23,146	98,471	23,146	98,471

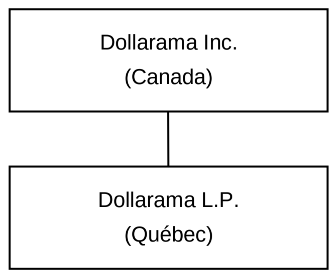
The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1 General information

Dollarama Inc. (the “Corporation”) was formed on October 20, 2004 under the Canada Business Corporations Act. The Corporation operates dollar stores in Canada that sell all items for $3.00 or less. As at November 2, 2014, the Corporation maintains retail operations in every Canadian province. The Corporation’s corporate headquarters, distribution centre and warehouses are located in the Montreal area. The Corporation is listed on the Toronto Stock Exchange (“TSX”) and is incorporated and domiciled in Canada.

The Corporation’s head and registered office is located at 5805 Royalmount Avenue, Montreal, Quebec, H4P 0A1.

As at November 2, 2014, the significant entities within the legal structure of the Corporation are as follows:



Dollarama L.P. operates the chain of stores and performs related logistical and administrative support activities.

2 Basis of preparation

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors for issue on December 4, 2014.

The information on numbers of common shares and outstanding and exercisable options to purchase common shares as well as earnings per common share presented in these condensed interim consolidated financial statements has been retrospectively restated to reflect the Share Split (defined under Note 16).

The Corporation prepares its condensed interim consolidated financial statements in accordance with Canadian generally accepted accounting principles (“GAAP”) as set out in the CPA Canada Handbook – Accounting under Part I, which incorporates International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, “Interim Financial Reporting”. In accordance with GAAP, these financial statements do not include all of the financial statement disclosures required for annual financial statements and should be read in conjunction with the Corporation’s audited annual consolidated financial statements for the year ended February 2, 2014 (“Fiscal 2014”), which have been prepared in accordance with IFRS as issued by the IASB. In management’s opinion, the unaudited condensed interim consolidated financial statements reflect all the adjustments that are necessary for a fair presentation of the results for the interim period presented.

3 Summary of significant accounting policies

These condensed interim consolidated financial statements have been prepared using the accounting policies as outlined in note 3 of the Fiscal 2014 consolidated financial statements.

4 Significant standards and interpretations not yet adopted

The following standards and amendments to existing standards were released by the IASB in May 2014 and July 2014. The Corporation is evaluating whether to early adopt these standards but does not expect any significant changes upon adoption.

- In May 2014, the IASB issued IFRS 15 - Revenue from Contracts with Customers. IFRS 15 replaces all previous revenue recognition standards, including IAS 18 – Revenue. The new standard is effective for annual periods beginning on or after January 1, 2017 with early adoption permitted.

- In July 2014, the IASB issued the final version of IFRS 9, “Financial Instruments” concerning classification and measurement, impairment and hedge accounting, to supersede IAS 39, “Financial Instruments: Recognition and Measurement”. IFRS 9 will be effective for years beginning on or after January 1, 2018 with early adoption permitted.

5 Critical accounting estimates and judgments

The preparation of condensed interim consolidated financial statements requires management to make estimates and assumptions using judgment that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense during the reporting period. Estimates and other judgments are continually evaluated and are based on management’s experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

In preparing these condensed interim consolidated financial statements, the significant estimates and judgments made by management in applying the Corporation’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for Fiscal 2014 (refer to note 6 of the Fiscal 2014 consolidated financial statements), with the exception of a change in the estimated useful life of store and warehouse equipment and leasehold improvements.

Property and equipment

Estimates of useful lives, residual values and methods of depreciation are reviewed annually. Any changes are accounted for prospectively as a change in accounting estimate.

5 Critical accounting estimates and judgments (cont'd)

Leasehold improvements

Prior to February 3, 2014, substantially all of the Corporation's leasehold improvements were being depreciated on a straight-line basis over the term of the lease, which was on average a 10-year period from the date of inception of the lease. As a result of a review of its leasehold improvements, effective February 3, 2014, the Corporation increased the estimated useful life of substantially all of its leasehold improvements. The change was driven by new information about the economic life of these assets, including the increasing number of leases extending into the first renewal option. Leasehold improvements that were not already fully depreciated are now being depreciated on a straight-line basis over a period of approximately 15 years from the date of inception of the lease. Management now believes the first renewal option on leases is reasonably assured of being exercised.

Store and warehouse equipment

The Corporation also extended the range of the estimated useful life of substantially all of its store and warehouse equipment, which, prior to February 3, 2014, were being depreciated on a straight-line basis over a range of 8 to 10 years. The change was driven by new information about the economic life of these assets. Store and warehouse equipment that were not already fully depreciated are now being depreciated on a straight-line basis over their estimated useful lives, which now range from 10 to 15 years.

The effect of these changes to the estimated useful life of leasehold improvements and store and warehouse equipment was a decrease of approximately $4,000 and $12,000 in depreciation expense for the 13-week and 39-week periods ended November 2, 2014, respectively. The impact on planned depreciation for the remainder of the fiscal year ending February 1, 2015 is a decrease of approximately $2,500 and $1,500 for leasehold improvements and store and warehouse equipment, respectively.

6 Derivative financial instruments

Fair value of financial instruments

The three levels of fair value hierarchy under which the Corporation's financial instruments are valued are the following:

Level 1 – Quoted market prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data.

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

6 Derivative financial instruments (cont'd)

A summary of the aggregate contractual nominal value, statement of financial position location and estimated fair values of derivative financial instruments as at November 2, 2014 and February 2, 2014 is as follows:

	Contractual nominal value US$	Statement of financial position	Fair value - Asset	Nature of hedging relationship
		Location	Significant other observable inputs (Level 2)	Recurring
As at November 2, 2014				
Hedging instruments				
Foreign exchange forward contracts	566,189	Current assets	21,727	Cash flow hedge
As at February 2, 2014				
Hedging instruments				
Foreign exchange forward contracts	145,814	Current assets	11,455	Cash flow hedge

The Corporation is exposed to certain risks relating to its ongoing business operations. The primary risk managed by using derivative financial instruments is currency risk. Foreign exchange forward contracts are entered into in order to manage the currency fluctuation risk associated with forecasted US dollar merchandise purchases sold in stores.

For foreign exchange forward contracts, the Corporation formally documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedging transactions.

Foreign exchange forward contracts are designated as hedging instruments and recorded at fair value, determined using market prices and other observable inputs. The Corporation designates its foreign exchange forward contracts as hedges of the variability in highly probable future cash flows attributable to a recognized forecasted transaction (cash flow hedges). The fair value of the foreign exchange forward contracts is determined using the forward exchange rates at the measurement date, with the resulting value discounted back to present values.

7 Bank Indebtedness

On July 12, 2013, the Corporation entered into a credit agreement providing for a $100,000 unsecured committed revolving credit facility maturing on January 10, 2014, subject to possible extensions for additional six-month periods thereafter. The purpose of this facility was to provide short term financing for the Corporation's purchase of shares under the normal course issuer bid then in effect.

On September 25, 2013, the credit agreement was amended in order to, among other things, increase the maximum amount available thereunder from $100,000 to $170,000.

On November 26, 2013, the Corporation repaid $166,000, being the amount outstanding under the $170,000 unsecured committed revolving credit facility, and immediately thereafter cancelled the facility.

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

8 Long-term debt

Long-term debt outstanding consists of the following as at:

	November 2, 2014	February 2, 2014
Senior unsecured notes bearing interest at a variable rate equal to 3-month bankers' acceptance rate (CDOR) plus 54 basis points payable quarterly, maturing May 16, 2017 (the "Floating Rate Notes")	150,000	-
Senior unsecured notes bearing interest at a fixed annual rate of 3.095% payable in equal semi-annual instalments, maturing November 5, 2018 (the "Fixed Rate Notes")	400,000	400,000
Accrued interest on the Floating Rate Notes and Fixed Rate Notes	6,855	3,017
Unsecured revolving credit facility maturing December 13, 2019 (the "Credit Facility") (Note 16)	55,000	-
Less: Unamortized debt issue costs	(4,503)	(4,554)
	607,352	398,463
Current portion	(6,855)	(3,017)
	600,497	395,446

Floating Rate Notes

On May 16, 2014, the Corporation issued the Floating Rate Notes by way of private placement in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The Notes were issued at par for aggregate gross proceeds of $150,000 and bear interest at a variable rate equal to the 3-month bankers' acceptance rate (CDOR) plus 54 basis points (or 0.54%), to be set quarterly on the 16th day of May, August, November and February of each year. Interest is payable in cash quarterly, in arrears, over the three-year term on the 16th day of May, August, November and February of each year, commencing August 16, 2014. As at November 2, 2014, the carrying value of the Floating Rate Notes was $150,113. The fair value of the Floating Rate Notes as at November 2, 2014 was determined to be $149,943 valued as a level 2 in the fair value hierarchy (February 2, 2014 – n/a). The fair value was observed from Bloomberg.

Fixed Rate Notes

As at November 2, 2014, the carrying value of the Fixed Rate Notes was $406,082 (February 2, 2014 – $403,017). The fair value of the Fixed Rate Notes as at November 2, 2014 was determined to be $406,712 valued as a level 2 in the fair value hierarchy (February 2, 2014 – $405,868). The fair value was observed from Bloomberg.

Credit Facility

As at November 2, 2014, the carrying value of the Credit Facility was $55,000 (February 2, 2014 – nil).

9 Share capital

Normal course issuer bid

On June 12, 2013, the Corporation introduced a normal course issuer bid (the “2013-2014 NCIB”) to repurchase for cancellation up to 3,364,523 common shares (representing 5% of the Corporation’s public float as at May 31, 2013) or, taking into account the Share Split, the equivalent of 6,729,046 common shares during the 12-month period from June 17, 2013 to June 16, 2014. On January 22, 2014, the Corporation received approval from the TSX to amend the 2013-2014 NCIB in order to increase the maximum number of common shares that may be repurchased up to 6,729,046 common shares (representing 10% of the Corporation’s public float as at May 31, 2013) or, taking into account the Share Split, the equivalent of 13,458,092 common shares.

On June 12, 2014, the Corporation renewed its normal course issuer bid (the “2014-2015 NCIB”) to repurchase for cancellation up to 2,341,929 common shares (representing 3.5% of the common shares issued and outstanding as at June 11, 2014) or, taking into account the Share Split, the equivalent of 4,683,858 common shares during the 12-month period from June 17, 2014 to June 16, 2015.

Taking into account the Share Split, the total number of common shares repurchased for cancellation under the 2014-2015 NCIB during the 13-week period ended November 2, 2014 amounted to 1,233,590 common shares (November 3, 2013 – 1,315,742 common shares under the 2013-2014 NCIB) for a total cash consideration of $58,373 (November 3, 2013 – $49,663). For the 13-week period ended November 2, 2014, the Corporation’s share capital was reduced by $4,383 (November 3, 2013 - $4,678) and the remaining $53,990 (November 3, 2013 - $44,985) was accounted for as a reduction of retained earnings.

Taking into account the Share Split, the total number of common shares repurchased for cancellation under the 2013-2014 NCIB and the 2014-2015 NCIB during the 39-week period ended November 2, 2014 amounted to 7,602,130 common shares (November 3, 2013 – 4,438,236 common shares under the 2013-2014 NCIB) for a total cash consideration of $339,087 (November 3, 2013 – $164,995). For the 39-week period ended November 2, 2014, the Corporation’s share capital was reduced by $27,003 (November 3, 2013 - $15,782) and the remaining $312,084 (November 3, 2013 - $149,213) was accounted for as a reduction of retained earnings.

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

10 Share-based compensation

Outstanding and exercisable options for the 39-week periods ended on the dates provided below (retrospectively restated to reflect the Share Split – see Note 16) are as follows:

	November 2, 2014		November 3, 2013	
	Number of options	Weighted average exercise price ($)	Number of options	Weighted average exercise price ($)
Outstanding – beginning of period	1,809,348	31.00	904,562	17.61
Granted	704,000	44.62	1,332,000	36.64
Forfeited	(76,800)	36.00	(172,000)	33.40
Exercised	(136,400)	21.04	(232,014)	10.33
Outstanding – end of period	2,300,148	35.59	1,832,548	30.89
Exercisable – end of period	366,548	28.83	131,376	16.57

During the 13-week and 39-week periods ended November 2, 2014, the Corporation recognized a share-based compensation expense of $1,301 and $4,070, respectively (13-week and 39-week periods ended November 3, 2013 - $950 and $2,760, respectively).

Information relating to share options outstanding as at November 2, 2014 (retrospectively restated to reflect the Share Split – see Note 16) is as follows:

	Options outstanding			Options exercisable		
Range of exercise prices	Weighted average remaining life (in months)	Number of options	Weighted average exercise price ($)	Weighted average remaining life (in months)	Number of options	Weighted average exercise price ($)
$6.00-$8.75	54	26,548	7.82	54	26,548	7.82
$8.76-$13.25	64	44,000	12.16	62	3,200	11.21
$13.26-$18.89	77	48,400	15.20	77	22,000	15.21
$18.90-$27.01	87	329,600	22.04	87	105,200	21.88
$27.02-$40.97	102	1,165,600	36.47	102	209,600	36.69
$40.98-$47.09	114	686,000	44.63	-	-	-
	101	2,300,148	35.59	92	366,548	28.83

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

10 Share-based compensation (cont'd)

The weighted average fair value of the share options granted during the 39-week periods ended on the dates provided below was estimated at the grant date based on the Black-Scholes option pricing model using the following assumptions:

	39-week periods ended	
	November 2, 2014	November 3, 2013
Dividend yield	0.7%	0.7%
Risk-free interest rate	1.9%	1.5%
Expected life	6.4 years	6.5 years
Expected volatility	20.3%	20.2%
Weighted average fair value of share options estimated at the grant date (retrospectively restated to reflect the Share Split – see Note 16)	$9.96	$7.86

11 Income taxes

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full fiscal year. The statutory income tax rate for the 13-week and 39-week periods ended November 2, 2014 was 26.7% (November 3, 2013 – 26.7%). The Corporation's effective income tax rates for the 13-week and 39-week periods ended November 2, 2014 were 26.8% and 26.9%, respectively (13-week and 39-week periods ended November 3, 2013 – 26.9% and 27.1%, respectively).

12 Earnings per common share

Diluted net earnings per common share (retrospectively restated to reflect the Share Split - see Note 16) for the periods ended on the dates provided below were calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares as follows:

	13-week periods ended		39-week periods ended	
	November 2, 2014	November 3, 2013	November 2, 2014	November 3, 2013
Net earnings attributable to shareholders of the Corporation and used to determine basic and diluted net earnings per common share	$73,020	$61,695	$195,140	$167,109
Weighted average number of common shares outstanding during the period (*thousands*)	132,134	142,096	134,098	144,578
Assumed share options exercised (*thousands*)	598	322	535	330
Weighted average number of common shares for diluted net earnings per common share *(thousands)*	132,732	142,418	134,633	144,908
Diluted net earnings per common share	$0.55	$0.43	$1.45	$1.15

(Unaudited, expressed in thousands of Canadian dollars, unless otherwise noted)

13 Commitments

As at November 2, 2014, contractual obligations for operating leases amounted to approximately $899,025 (November 3, 2013 – $844,053). The leases extend over various periods up to the year 2039.

The basic rent and contingent rent expense of operating leases for stores, warehouses, distribution centre and corporate headquarters included in the interim consolidated statement of net earnings and comprehensive income are as follows:

	13-week periods ended		39-week periods ended	
	November 2, 2014	November 3, 2013	November 2, 2014	November 3, 2013
Basic rent	33,692	30,641	100,210	90,728
Contingent rent	1,686	887	3,551	2,954
	35,378	31,528	103,761	93,682

As at November 2, 2014, the Corporation's finance lease obligation amounted to $1,804 (February 2, 2014 – $2,506). During the 13-week and 39-week periods ended November 2, 2014, the Corporation recorded interest expense of $20 and $65, respectively (13-week and 39-week periods ended November 3, 2013 – $23 and $42, respectively) on the finance lease.

14 Related party transactions

Expenses charged by entities controlled by a director, which comprise mainly rent, totalled $3,443 and $13,506, respectively, for the 13-week and 39-week periods ended November 2, 2014 (13-week and 39-week periods ended November 3, 2013 – $3,157 and $13,078, respectively).

These transactions were measured at cost, which equals fair value, being the amount of consideration established at market terms.

15 Interim consolidated statement of cash flows information

The changes in non-cash working capital components on the dates provided below are as follows:

	13-week periods ended		39-week periods ended	
	November 2, 2014	November 3, 2013	November 2, 2014	November 3, 2013
Accounts receivable	(3,019)	568	(3,161)	1,824
Deposits and prepaid expenses	2,163	16,370	949	1,167
Merchandise inventories	(29,522)	(25,922)	(34,633)	(27,797)
Accounts payable and accrued liabilities	(1,680)	3,716	(1,817)	10,064
Income taxes payable	23,434	20,977	63,497	58,793
	(8,624)	15,709	24,835	44,051

16 Events after the reporting period

Quarterly Cash Dividend

On December 4, 2014, the Corporation's Board of Directors announced that it had approved a quarterly cash dividend for holders of its common shares of $0.08 per common share. The Corporation's quarterly cash dividend will be paid on February 3, 2015 to shareholders of record at the close of business on January 8, 2015 and is designated as an "eligible dividend" for Canadian tax purposes.

Share Split by Way of Share Dividend

On November 17, 2014, the Corporation paid to shareholders of record at the close of business on November 10, 2014 a share dividend of one common share for each issued and outstanding common share of the Corporation, which had the same effect as a two-for-one share split of the Corporation's outstanding common shares (the "Share Split"). The common shares began trading on an ex-dividend basis (on a split basis) on November 18, 2014. Information on numbers of common shares (including numbers of shares repurchased under the Corporation's 2013-2014 NCIB and 2014-2015 NCIB), outstanding and exercisable options to purchase common shares as well as earnings per common share has been retrospectively restated to reflect the Share Split.

Extension of Credit Facility Maturity Date

On November 3, 2014, the Corporation and the lenders entered into an amending agreement to the second amended and restated credit agreement dated as of October 25, 2013, thereby extending the term of the credit agreement by one year to December 13, 2019.