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DOLLARAMA REPORTS CONTINUED STRONG GROWTH FOR ITS SECOND QUARTER

MONTREAL, Quebec, September 14, 2011 – Dollarama Inc. (TSX: DOL) (“Dollarama” or the “Corporation”) reported significant increases in sales and net earnings today for the second quarter ended July 31, 2011.

Financial and Operating Highlights

(All comparative figures below and in the "Financial Results" section that follows, are for the second quarter and the first half ended July 31, 2011 compared to the second quarter and first half ended August 1, 2010. All financial information presented in this news release has been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada which were revised to incorporate International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and became effective for years beginning on or after January 1, 2011. Accordingly, the Corporation commenced reporting on this basis in its unaudited condensed interim consolidated financial statements for the first quarter ended May 1, 2011, and all figures relating to the second quarter and first half ended August 1, 2010 have been restated to reflect the Corporation's adoption of IFRS. As a result of the adoption of IFRS, there were no material changes required to the Corporation's statement of comprehensive income. At the transition date, a one-time adjustment was required to recognize an additional deferred tax liability of \$7.0 million through retained earnings in the statement of financial position. Throughout this news release, EBITDA and Normalized net earnings, collectively referred to as the "Non-GAAP Measures", are used to provide a better understanding of the Corporation's financial results. For a full explanation of the Corporation's use of the Non-GAAP Measures, please refer to footnote 1 of the Selected Consolidated Financial Information section of this news release.)

Compared to the second quarter ended August 1, 2010:

- Second quarter sales increased by 12.8%;
- Comparable store sales grew 4.7%;
- Gross margin improved to 36.7% of sales from 35.3% of sales;
- EBITDA⁽¹⁾ grew 24.8% to \$67.5 million, or 17.4% of sales;
- Operating income grew 26.2% to \$59.4 million, or 15.3% of sales; and
- Diluted Normalized net earnings⁽¹⁾ per share increased to \$0.50 from \$0.37.

In addition, during the second quarter ended July 31, 2011:

- 13 net new stores were opened;
- \$80.0 million was prepaid under the syndicated senior secured credit facility, in addition to the scheduled quarterly instalment of \$4.8 million; and
- Net debt⁽⁶⁾ declined to \$254.8 million as of July 31, 2011.

“We are very pleased with our second quarter financial performance,” said Larry Rossy, Chief Executive Officer of Dollarama. *“As we continue to focus on our growth strategy and operating priorities, we remain well positioned to deliver on our initiatives. We are strongly committed to value creation for our customers through our compelling merchandise offering.”*

Dollarama Inc.

Financial Results

Sales for the second quarter ended July 31, 2011 increased by 12.8% to \$387.5 million from \$343.5 million in the second quarter ended August 1, 2010. The increase was mainly driven by the opening of 57 net new stores since the end of the second quarter ended August 1, 2010 and by comparable store sales growth of 4.7% over the second quarter ended August 1, 2010. Comparable store sales growth consisted of a 5.3% increase in transaction size, slightly offset by a 0.5% decrease in the number of transactions. Sales for the first half ended July 31, 2011 increased 11.9% compared to sales for the first half ended August 1, 2010.

Gross margin increased to 36.7% of sales in the second quarter ended July 31, 2011 compared to 35.3% of sales in the second quarter ended August 1, 2010, driven mainly by improved product margins and a lower shrink provision, partially offset by higher transportation costs as a percentage of sales. For the same reasons, gross margin increased to 36.2% of sales in the first half ended July 31, 2011 compared to 34.8% of sales in the first half ended August 1, 2010.

General, administrative and store operating expenses ("SG&A") in the second quarter ended July 31, 2011 decreased to 19.3% of sales compared to 19.5% of sales in the corresponding period of the previous fiscal year, due primarily to store labour productivity improvements. SG&A expenses in the second quarter ended July 31, 2011 stood at \$74.6 million, an 11.2% increase over \$67.1 million in the corresponding period of the previous fiscal year. The increase is due primarily to the opening of 57 net new stores since the end of the second quarter ended August 1, 2010. SG&A expenses in the first half ended July 31, 2011 stood at \$142.8 million, or 19.5% of sales, a 10.8% increase over \$128.9 million, or 19.7% of sales, in the first half ended August 1, 2010.

Net financial costs decreased by \$9.5 million to \$5.7 million for the second quarter ended July 31, 2011 from \$15.2 million for the second quarter ended August 1, 2010. This decrease is attributable to a lower debt level and a lower interest rate on the long term debt compared to the corresponding period of the previous fiscal year. The second quarter ended August 1, 2010 also included a write-off of debt issue costs of \$5.7 million and debt repayment premium and expenses of \$2.2 million, resulting from the repayment of the previous senior secured credit facility and the redemption of the senior floating rate deferred interest notes.

For the second quarter ended July 31, 2011, Normalized net earnings⁽¹⁾ increased to \$37.7 million, or \$0.50 per diluted share, compared to \$27.6 million, or \$0.37 per diluted share, for the second quarter of the previous fiscal year. Normalized net earnings⁽¹⁾ per diluted share for the first half ended July 31, 2011 increased to \$0.90 compared to \$0.67 in the corresponding period of the previous fiscal year.

Cash flows from operating activities generated \$50.7 million in the second quarter ended July 31, 2011, well above the Corporation's capital investment needs. This cash flow performance allowed the Corporation to further pay down its debt: \$80.0 million was prepaid under the syndicated senior secured credit facility during the second quarter ended July 31, 2011, over and above the \$4.8 million scheduled quarterly principal repayment. Consequently, net debt stood at \$254.8 million as of July 31, 2011.

Dollarama Inc.

Quarterly Dividend

Dollarama's Board of Directors approved today a quarterly dividend for holders of its common shares of \$0.09 per common share. Dollarama's quarterly dividend will be paid on November 2, 2011 to shareholders of record at the close of business on October 5, 2011. This dividend is designated as an "eligible dividend" for Canadian tax purposes.

About Dollarama

Dollarama is Canada's leading dollar store operator with 680 locations across the country. Our stores provide customers with compelling value in convenient locations, including metropolitan areas, mid-sized cities and small towns. Dollarama aims to provide customers with a consistent shopping experience, offering a broad assortment of everyday consumer products, general merchandise and seasonal items. Products are sold in individual or multiple units at select fixed price points up to \$2.00.

Forward-Looking Statements

Certain statements in this news release about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements are based on information currently available to us and on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail in the "Risks and Uncertainties" section of the Corporation's management's discussion and analysis (MD&A) for the fiscal year ended January 30, 2011 and in its continuous disclosure filings (available on SEDAR at www.sedar.com): future increases in operating and merchandise costs, inability to sustain assortment and replenishment of our merchandise, increase in the cost or a disruption in the flow of imported goods, disruption of distribution infrastructure, inventory shrinkage, inability to renew store, warehouse, distribution center and head office leases on favourable terms, inability to increase our warehouse and distribution center capacity in a timely manner, seasonality, market acceptance of our private brands, failure to protect trademarks and other proprietary rights, fluctuation in the value of the Canadian dollar in relation to the U.S. dollar, potential losses associated with using derivative financial instruments, level of indebtedness and inability to generate sufficient cash to service our debt, interest rate risk associated with variable rate indebtedness, competition in the retail industry, current economic conditions, failure to attract and retain qualified employees, departure of senior executives, disruption in information technology systems, unsuccessful execution of our growth strategy, holding company structure, adverse weather, natural disasters and geo-political events, unexpected costs associated with our current insurance program, litigation, product liability claims and product recalls, and environmental and regulatory compliance.

Dollarama Inc.

These factors are not intended to represent a complete list of the factors that could affect us; however, they should be considered carefully. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Corporation's financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this news release are made as of September 14, 2011, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

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Selected Consolidated Financial Information

<i>(dollars in thousands, except per share amounts and number of shares)</i>	13-Week Period Ended		26-Week Period Ended	
	July 31, 2011	Aug. 1, 2010	July 31, 2011	Aug. 1, 2010
Earnings Data				
Sales.....	\$ 387,474	\$ 343,530	\$ 733,774	\$ 655,460
Cost of sales.....	245,330	222,360	467,910	427,274
Gross profit.....	142,144	121,170	265,864	228,186
Expenses:				
General, administrative and store operating expenses.....	74,634	67,091	142,836	128,883
Amortization and depreciation.....	8,084	6,980	15,948	13,694
Total expenses.....	82,718	74,071	158,784	142,577
Operating income.....	59,426	47,099	107,080	85,609
Net financial costs	5,662	15,212	10,059	21,634
Foreign exchange gain on derivative financial instruments and long-term debt.....	—	(461)	—	(334)
Earnings before income taxes.....	53,764	32,348	97,021	64,309
Provision for income taxes.....	16,112	11,371	28,946	20,860
Net earnings.....	\$ 37,652	\$ 20,977	\$ 68,075	\$ 43,449
Basic net earnings per common share.....	\$ 0.51	\$ 0.29	\$ 0.92	\$ 0.59
Diluted net earnings per common share.....	\$ 0.50	\$ 0.28	\$ 0.90	\$ 0.58
Weighted average number of common shares outstanding during the period:				
Basic (in thousands).....	73,675	73,113	73,641	73,025
Diluted (in thousands).....	75,555	75,364	75,515	75,317
Other Data				
Year-over-year sales growth.....	12.8%	13.2%	11.9%	13.6%
Comparable store sales growth ⁽²⁾	4.7%	7.8%	4.1%	8.2%
Gross margin ⁽³⁾	36.7%	35.3%	36.2%	34.8%
SG&A as a % of sales ⁽³⁾	19.3%	19.5%	19.5%	19.7%
EBITDA ⁽¹⁾	\$ 67,510	\$ 54,079	\$ 123,028	\$ 99,303
Operating margin ⁽³⁾	15.3%	13.7%	14.6%	13.1%
Normalized net earnings ⁽¹⁾	\$ 37,652	\$ 27,644	\$ 68,075	\$ 50,116
Capital expenditures.....	\$ 12,856	\$ 11,004	\$ 23,433	\$ 17,440
Number of stores ⁽⁴⁾	680	623	680	623
Average store size (gross square feet) ⁽⁴⁾	9,887	9,838	9,887	9,838

As of

<i>(dollars in thousands)</i>	July 31, 2011	Jan. 30, 2011
Balance Sheet Data		
Cash and cash equivalents.....	\$ 27,244	\$ 53,129
Merchandise inventories.....	261,570	258,905
Property and equipment.....	159,458	152,081
Total assets.....	1,293,205	1,311,131
Total debt ⁽⁵⁾	282,048	366,875
Net debt ⁽⁶⁾	254,804	313,746

(1) In this news release, we make reference to EBITDA (which represents operating income plus depreciation and amortization) and Normalized net earnings, collectively referred to as the "Non-GAAP Measures". The Non-GAAP Measures are not generally accepted earnings measures under GAAP and do not have a standardized meaning under GAAP. The Non-GAAP Measures, as calculated by the Corporation, may not be comparable to that of other companies and should be considered as a supplement to, not a substitute for, or superior to, the comparable measures calculated in accordance with GAAP.

We have included the Non-GAAP Measures to provide investors with supplemental measures of our operating and financial performance. We believe the Non-GAAP Measures are important supplemental metrics of operating and financial performance because they eliminate items that have less bearing on our operating and financial performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on GAAP measures. We also believe that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers, many of which present non-GAAP measures when reporting their results. Our management also uses the Non-GAAP Measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets, and to assess our ability to meet our future debt service, capital expenditure and working capital requirements.

	13-Week Period Ended		26-Week Period Ended	
	July 31, 2011	Aug. 1, 2010	July 31, 2011	Aug. 1, 2010
<i>(dollars in thousands)</i>				
A reconciliation of operating income to EBITDA is included below:				
Operating income.....	\$ 59,426	\$ 47,099	\$ 107,080	\$ 85,609
Add: Amortization and depreciation.....	8,084	6,980	15,948	13,694
EBITDA.....	\$ 67,510	\$ 54,079	\$ 123,028	\$ 99,303
<i>EBITDA margin.....</i>	<i>17.4%</i>	<i>15.7%</i>	<i>16.8%</i>	<i>15.2%</i>
A reconciliation of net earnings to Normalized net earnings is included below:				
Net earnings.....	\$ 37,652	\$ 20,977	\$ 68,075	\$ 43,449
Diluted net earnings per common share.....	\$ 0.50	\$ 0.28	\$ 0.90	\$ 0.58
Add/(deduct) pre-tax:				
Write-off of debt issue costs ^(a)	—	5,681	—	5,681
Debt repayment premium and expenses ^(b)	—	2,193	—	2,193
Tax impact.....	—	(1,207)	—	(1,207)
Normalized net earnings.....	\$ 37,652	\$ 27,644	\$ 68,075	\$ 50,116
Diluted Normalized net earnings per common share.....	\$ 0.50	\$ 0.37	\$ 0.90	\$ 0.67

(a) Write-off of debt issue costs associated with the repayment of the previous senior secured credit facility and the redemption of the senior subordinated deferred interest notes during the second quarter ended August 1, 2010.

(b) Call premium, prepayment expenses and other fees associated with the redemption of our senior subordinated deferred interest notes in the second quarter ended August 1, 2010.

(2) Comparable store sales means sales of stores, including relocated and expanded stores, open for at least 13 complete fiscal months relative to the same period in the prior year.

(3) Gross margin represents gross profit divided by sales. SG&A as a % of sales represents general, administrative and store operating expenses divided by sales. Operating margin represents operating income divided by sales.

(4) At the end of the period.

(5) Total debt is comprised of current portion of long-term debt, and long-term debt before debt issue costs and discounts.

(6) Net debt is defined as total debt (see note 5) minus cash and cash equivalents.