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DOLLARAMA ANNOUNCES FIRST QUARTER RESULTS AND LAUNCHES NORMAL COURSE ISSUER BID

MONTREAL, Quebec, June 13, 2012 – Dollarama Inc. (TSX: DOL) ("Dollarama" or the "Corporation") today reported continued increases in sales and an improvement in net earnings for the first quarter ended April 29, 2012.

Financial and Operating Highlights

(All comparative figures below and in the "Financial Results" section that follows, are for the first quarter ended April 29, 2012 compared to the first quarter ended May 1, 2011. All financial information presented in this news release has been prepared in accordance with generally accepted accounting principles in Canada ("GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants – Part 1 which incorporates International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Throughout this news release, EBITDA, which is referred to as the "Non-GAAP Measure", is 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 Measure, please refer to footnote 1 of the "Selected Consolidated Financial Information" section of this news release.)

Throughout this news release, all references to "Fiscal 2012" are to the Corporation's fiscal year ended January 29, 2012 and to "Fiscal 2013" are to the Corporation's fiscal year ending February 3, 2013.

Compared to the first quarter of Fiscal 2012:

- Sales increased by 14.9%;
- Comparable store sales grew 8.1%;
- EBITDA(1) grew 27.8% to $70.9 million, or 17.8% of sales;
- Operating income grew 29.9% to $61.9 million, or 15.6% of sales;
- Diluted net earnings per share increased by 40.0%, from $0.40 to $0.56; and
- 17 net new stores were opened during the first quarter of Fiscal 2013.

"We are very pleased with our first quarter financial and operating results. Our business momentum remains strong as sales, operating margins and earnings continued to improve as our customers continue to appreciate our great merchandise value and conveniently located stores", stated Larry Rossy, Chairman and Chief Executive Officer of Dollarama.

Financial Results

Sales for the first quarter of Fiscal 2013 increased by 14.9% to $398.0 million from $346.3 million in the corresponding period of the prior fiscal year. The increase was driven by the growth in the number of stores over the past twelve months from 667 stores on May 1, 2011 to 721 stores on April 29, 2012, and continued organic sales growth driven by comparable store sales growth of 8.1% in the first quarter of Fiscal 2013, over and above comparable store sales growth of 3.4% in the first quarter of Fiscal 2012. Comparable store sales growth for the first quarter of Fiscal 2013 consisted of a 3.5% increase in average transaction size combined with a 4.5% increase in the number of transactions. Increased sales are largely attributable to the favourable weather conditions this quarter compared to more difficult weather conditions experienced in the corresponding period last year. In this quarter, 51% of our sales originated from products priced higher than $1.00 compared to 44% in the corresponding quarter last year. Debit card penetration also increased, as 39% of sales were paid with debit cards compared to 35% in the corresponding period of the previous fiscal year.

The gross margin increased to 36.3% of sales in the first quarter of Fiscal 2013, compared to 35.7% of sales in the first quarter of Fiscal 2012, mainly due to (i) continuing improvement of product margins, and (ii) lower occupancy costs as a percentage of sales due mainly to the scaling effects of fixed costs over the higher sales volumes in the first quarter of Fiscal 2013. The increase in gross margin was partially offset by higher transportation costs resulting from higher fuel costs.

General, administrative and store operating expenses (“SG&A”) for the first quarter of Fiscal 2013 decreased to 18.5% of sales, compared to 19.7% of sales in the corresponding period of Fiscal 2012, due primarily to store labour productivity improvements and to the scaling effects of certain fixed costs over the higher sales volume in the first quarter ended April 29, 2012. SG&A expenses in the first quarter of Fiscal 2013 stood at $73.5 million, a 7.8% increase over $68.2 million in the corresponding period of Fiscal 2012. The increase is due primarily to the opening of 54 net new stores over the past twelve months.

Net financing costs decreased by $1.7 million, from $4.4 million for the first quarter of Fiscal 2012 to $2.7 million for the first quarter of Fiscal 2013. 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 Fiscal 2012.

For the first quarter of Fiscal 2013, net earnings increased to $42.6 million, or $0.56 per diluted share, compared to $30.4 million, or $0.40 per diluted share, for the corresponding period of Fiscal 2012.

Dividend

On June 13, 2012, the Corporation’s Board of Directors announced that it had approved a quarterly dividend for holders of its common shares of $0.11 per common share. The Corporation’s quarterly dividend will be paid on July 31, 2012 to shareholders of record at the close of business on July 5, 2012 and is designated as an “eligible dividend” for Canadian tax purposes.

Normal Course Issuer Bid

On June 13, 2012, the Corporation also announced that its Board of Directors had approved the launch of a normal course issuer bid and that Dollarama had received approval from the Toronto Stock Exchange to purchase, for cancellation, up to 2,583,264 common shares, representing 3.5% of Dollarama’s total issued and outstanding shares as of June 1, 2012. Purchases may commence on June 15, 2012 and will terminate no later than June 14, 2013. The Board of Directors believes that the purchase by Dollarama of its common shares represents an appropriate and desirable use of its available cash to increase shareholder value.

Introduction of Additional Price Points

Dollarama's multi-price point strategy, introduced in 2009, allows the Corporation to provide customers with a broad assortment of products at compelling value, and is an integral part of its growth strategy. Dollarama will gradually introduce non-grocery items at the $2.50 and $3.00 price points starting in August 2012 to its existing seasonal and general merchandise product selection at fixed price points of $0.69, $1.00, $1.25, $1.50 and $2.00. Consistent with our heritage of providing the best values at the lowest possible price points, the majority of our merchandise will continue to be priced at $1.00 or less.

"Customers have responded very well to our multi-price point strategy and additional price points provide us with an opportunity to strengthen our value proposition. By selectively introducing items at $2.50 and $3.00 starting in August 2012, we will be able to enhance our customers' shopping experience while staying true to our dollar store concept and our commitment to offering compelling value", stated Larry Rossy, Chairman and Chief Executive Officer of Dollarama.

About Dollarama

Dollarama is Canada's leading dollar store operator with 721 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 currently 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 Fiscal 2012 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, foreign exchange rate fluctuations, 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.

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 June 13, 2012, 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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For further information:

Investors
Michael Ross
Chief Financial Officer and Secretary
(514) 737-1006 x1237
michael.ross@dollarama.com

Media
Lyla Radmanovich
NATIONAL Public Relations
(514) 843-2336

www.dollarama.com

Dollarama Inc.

Selected Consolidated Financial Information

(dollars in thousands, except per share amounts)	13-Week Period Ended Apr. 29, 2012	13-Week Period Ended May 1, 2011
Earnings Data		
Sales	$ 397,967	$ 346,300
Cost of sales	253,548	222,580
Gross profit	144,419	123,720
SG&A	73,489	68,202
Amortization and depreciation	9,005	7,864
Operating income	61,925	47,654
Net financing costs	2,730	4,397
Earnings before income taxes	59,195	43,257
Provision for income taxes	16,612	12,834
Net earnings	$ 42,583	$ 30,423
Basic net earnings per common share	$ 0.58	$ 0.41
Diluted net earnings per common share	$ 0.56	$ 0.40
Weighted average number of common shares outstanding during the period:		
Basic (in thousands)	73,808	73,608
Diluted (in thousands)	75,701	75,478
Other Data		
Year-over-year sales growth	14.9%	11.0%
Comparable store sales growth(2)	8.1%	3.4%
Gross margin(3)	36.3%	35.7%
SG&A as a % of sales(3)	18.5%	19.7%
EBITDA(1)	$ 70,930	$ 55,518
Operating margin(3)	15.6%	13.8%
Capital expenditures	$ 14,124	$ 10,577
Number of stores(4)	721	667
Average store size (gross square feet)(4)	9,916	9,891
Declared dividends per common share(5)	$ 0.11	$ —

(dollars in thousands)	As of Apr. 29, 2012	As of Jan. 29, 2012
Balance Sheet Data		
Cash and cash equivalents	$ 84,105	$ 70,271
Merchandise inventories	317,707	315,873
Property and equipment	177,726	173,053
Total assets	1,424,432	1,407,741
Total debt(6)	271,471	274,997
Net debt(7)	187,366	204,726

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

We have included the Non-GAAP Measure to provide investors with a supplemental measure of our operating and financial performance. We believe the Non-GAAP Measure is an important supplemental metric of operating and financial performance because it eliminates items that have less bearing on our operating and financial performance and thus highlights 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 Measure 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	
(dollars in thousands)	**Apr. 29, 2012**	**May 1, 2011**
A reconciliation of operating income to EBITDA is included below:		
Operating income	$ 61,925	$ 47,654
Add: Amortization and depreciation	9,005	7,864
EBITDA	**$ 70,930**	**$ 55,518**
EBITDA margin	*17.8%*	*16.0%*

(2) Comparable store sales represents 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 SG&A divided by sales. Operating margin represents operating income divided by sales.

(4) At the end of the period.

(5) The Corporation's first quarterly dividend, in the amount of $0.09 per common share, was declared by the Board of Directors on June 8, 2011. On April 11, 2012, the Corporation announced that its Board of Directors had approved a 22% increase of the quarterly dividend, from $0.09 to $0.11 per common share. The increased dividend was declared on April 10, 2012 and was paid on May 4, 2012. Dividends are usually paid at the beginning of the quarter following the declaration date.

(6) Total debt is comprised of the current portion of long-term debt, and long-term debt before debt issue costs and

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