Dollarama Inc.

Condensed Interim Consolidated Financial Statements

For the 13-week and 39-week periods ended November 1, 2015 and November 2, 2014

(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 1, 2015 $	February 1, 2015 $
Assets			
Current assets			
Cash and cash equivalents		74,506	40,203
Accounts receivable		9,888	10,004
Deposits and prepaid expenses		6,053	5,213
Merchandise inventories		486,927	408,919
Derivative financial instruments	6	38,541	84,009
		615,915	548,348
Non-current assets			
Property and equipment		316,092	290,632
Intangible assets		135,093	134,076
Goodwill		727,782	727,782
Total assets		1,794,882	1,700,838
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		148,232	175,739
Dividend payable		11,444	10,480
Income taxes payable		28,020	25,427
Current portion of long-term debt	7	6,627	3,846
		194,323	215,492
Non-current liabilities			
Long-term debt	7	790,738	560,641
Deferred income tax		117,053	122,184
Finance lease obligations		836	1,566
Deferred rent and tenant inducements		68,098	60,475
Total liabilities		1,171,048	960,358
Commitments	11		
Shareholders' equity			
Share capital		451,875	462,734
Contributed surplus		18,657	15,338
Retained earnings		101,519	196,112
Accumulated other comprehensive income		51,783	66,296
Total shareholders' equity		623,834	740,480
Total liabilities and shareholders' equity		1,794,882	1,700,838

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

Dollarama Inc.

Consolidated Interim Statement of Changes in Shareholders' Equity

For the 39-week periods ended

(Unaudited, expressed in thousands of Canadian dollars except share amounts)

	Note	Number of common shares	Share capital $	Contributed surplus $	Retained earnings $	Accumulated other comprehensive income $	Total $
Balance – February 2, 2014		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
Dividends declared		-	-	-	(32,012)	-	(32,012)
Repurchase and cancellation of shares	8	(7,602,130)	(27,003)	-	(312,084)	-	(339,087)
Share-based compensation	8	-	-	4,070	-	-	4,070
Issuance of common shares		95,416	973	-	-	-	973
Reclassification related to exercise of share options		-	800	(800)	-	-	-
Balance – November 2, 2014		131,451,024	468,372	14,154	197,522	16,151	696,199
Balance – February 1, 2015		129,790,354	462,734	15,338	196,112	66,296	740,480
Net earnings for the period		-	-	-	260,326	-	260,326
Other comprehensive loss							
Unrealized loss on derivative financial instruments, net of reclassification adjustment and income tax of $5,282		-	-	-	-	(14,513)	(14,513)
Dividends declared		-	-	-	(34,636)	-	(34,636)
Repurchase and cancellation of shares	8	(4,186,549)	(14,871)	-	(320,283)	-	(335,154)
Share-based compensation	8	-	-	4,629	-	-	4,629
Issuance of common shares		163,296	2,702	-	-	-	2,702
Reclassification related to exercise of share options		-	1,310	(1,310)	-	-	-
Balance – November 1, 2015		125,767,101	451,875	18,657	101,519	51,783	623,834

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

For the 13-week and 39-week periods ended

(Unaudited, expressed in thousands of Canadian dollars, except share and per share amounts)

	Note	13-week periods ended		39-week periods ended	
		November 1, 2015	November 2, 2014	November 1, 2015	November 2, 2014
		$	$	$	$
Sales		664,491	587,968	1,883,851	1,661,712
Cost of sales	13	398,537	371,807	1,163,525	1,061,490
Gross profit		265,954	216,161	720,326	600,222
General, administrative and store operating expenses		111,148	101,342	312,741	290,621
Depreciation and amortization	13	12,214	9,781	35,140	27,912
Operating income		142,592	105,038	372,445	281,689
Net financing costs		5,361	5,249	15,352	14,827
Earnings before income taxes		137,231	99,789	357,093	266,862
Income taxes	9	37,155	26,769	96,767	71,722
Net earnings for the period		100,076	73,020	260,326	195,140
Other comprehensive income (loss)					
Items to be reclassified subsequently to net earnings					
Unrealized gain (loss) on derivative financial instruments, net of reclassification adjustment		(22,322)	17,352	(19,795)	4,023
Income taxes relating to component of other comprehensive income (loss)		5,968	(4,636)	5,282	(1,074)
Total other comprehensive income (loss), net of income taxes		(16,354)	12,716	(14,513)	2,949
Total comprehensive income for the period		83,722	85,736	245,813	198,089
Earnings per common share					
Basic net earnings per common share		$0.79	$0.55	$2.03	$1.46
Diluted net earnings per common share	10	$0.78	$0.55	$2.01	$1.45
Weighted average number of common shares outstanding during the period (*thousands*)		127,205	132,134	128,403	134,098
Weighted average number of diluted common shares outstanding during the period (*thousands*)	10	128,469	132,732	129,530	134,633

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

Dollarama Inc.

Consolidated Interim Statement of Cash Flows

For the 13-week and 39-week periods ended

(Unaudited, expressed in thousands of Canadian dollars)

	Note	13-week periods ended		39-week periods ended	
		November 1, 2015	November 2, 2014	November 1, 2015	November 2, 2014
		$	$	$	$
Operating activities					
Net earnings for the period		100,076	73,020	260,326	195,140
Adjustments for:					
Depreciation of property and equipment and amortization of intangible assets	13	12,214	9,781	35,140	27,912
Amortization of deferred tenant allowances		(1,137)	(1,018)	(3,739)	(3,239)
Amortization of deferred leasing costs		140	152	443	458
Amortization of debt issue costs		307	294	970	802
Excess of receipts (disbursements) over amount recognized on derivative financial instruments		7,880	(2,059)	25,673	(6,249)
Deferred lease inducements		1,089	1,089	3,377	2,677
Deferred tenant allowances		2,749	2,311	7,985	6,022
Share-based compensation	8	1,520	1,301	4,629	4,070
Net financing costs on long-term debt		3,030	3,182	2,780	3,838
Deferred income taxes		(2,131)	3,335	151	8,225
Loss on disposal of assets		107	62	464	605
Cash generated before non-cash working capital components		125,844	91,450	338,199	240,261
Changes in non-cash working capital components	14	14,107	(8,624)	6,205	24,835
Cash generated before interest and taxes		139,951	82,826	344,404	265,096
Interest paid		(514)	(1,344)	(9,084)	(8,763)
Income taxes paid		(25,008)	(18,643)	(95,578)	(68,273)
Net cash generated from operating activities		114,429	62,839	239,742	188,060
Investing activities					
Additions to property and equipment		(18,818)	(15,979)	(56,000)	(48,022)
Additions to intangible assets		(2,539)	(2,795)	(7,096)	(7,172)
Proceeds on disposal of property and equipment		191	288	572	432
Net cash used in investing activities		(21,166)	(18,486)	(62,524)	(54,762)
Financing activities					
Proceeds from long-term debt	7	-	-	124,834	150,000
Net proceeds from Credit Facility	7	105,000	20,000	105,000	55,000
Payment of debt issue costs		(265)	-	(708)	(751)
Repayment of finance lease		(246)	(236)	(729)	(702)
Issuance of common shares		941	30	2,702	973
Dividends paid		(11,543)	(10,613)	(33,672)	(31,293)
Repurchase and cancellation of shares		(166,765)	(58,373)	(340,342)	(354,849)
Net cash used in financing activities		(72,878)	(49,192)	(142,915)	(181,622)
Increase (decrease) in cash and cash equivalents		20,385	(4,839)	34,303	(48,324)
Cash and cash equivalents – beginning of period		54,121	27,985	40,203	71,470
Cash and cash equivalents – end of period		74,506	23,146	74,506	23,146

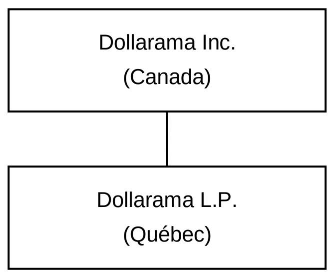
The accompanying notes are an integral part of the condensed interim consolidated financial statements.

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 1, 2015, 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 1, 2015, 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 9, 2015.

The Corporation prepares its condensed interim consolidated financial statements in accordance with generally accepted accounting principles in Canada (“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 1, 2015 (“Fiscal 2015”), 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 2015 audited 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. In September 2015, the IASB deferred the effective date of IFRS 15 from January 1, 2017 to annual periods beginning on or after January 1, 2018, 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 audited consolidated financial statements for Fiscal 2015 (refer to note 5 of the Fiscal 2015 audited consolidated financial statements).

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

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.

A summary of the aggregate contractual nominal value, statement of financial position location and estimated fair values of derivative financial instruments as at November 1, 2015 and February 1, 2015 is as follows:

	Contractual nominal value US$	Average contract rate	Statement of financial position	Fair value - Asset	Nature of hedging relationship
			Location	Significant other observable inputs (Level 2)	Recurring
As at November 1, 2015					
Hedging instruments					
Foreign exchange forward contracts	510,000	1.24	Current assets	38,541	Cash flow hedge
As at February 1, 2015					
Hedging instruments					
Foreign exchange forward contracts	469,828	1.09	Current assets	84,009	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.

During the 39-week period ended November 1, 2015, $49,659 (November 2, 2014 - $12,579) was reclassified from accumulated other comprehensive income to net earnings. The Corporation has a master netting agreement but no amounts have been netted as at November 1, 2015 or November 2, 2014.

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

7 Long-term debt

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

	November 1, 2015	February 1, 2015
	$	$
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")	274,834	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
Unsecured revolving credit facility maturing December 14, 2020 (the "Credit Facility")	120,000	15,000
Less: Unamortized debt issue costs	(4,096)	(4,359)
Accrued interest on the Floating Rate Notes and Fixed Rate Notes	6,627	3,846
	797,365	564,487
Current portion	(6,627)	(3,846)
	790,738	560,641

Floating Rate Notes

On April 8, 2015, the Corporation issued additional floating rate senior unsecured notes due May 16, 2017 in the aggregate principal amount of $125,000 (the "Additional Floating Rate Notes") by way of private placement, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The Additional Floating Rate Notes constitute an increase to the $150,000 aggregate principal amount of floating rate senior unsecured notes due May 16, 2017 issued by the Corporation on May 16, 2014 (the "Original Floating Rate Notes").

The Additional Floating Rate Notes were issued at a discount of 0.336% of the principal amount thereof, for aggregate gross proceeds of $124,580. Proceeds were used by the Corporation to repay indebtedness outstanding under the Credit Facility and for general corporate purposes. As of the date of issuance, the effective spread over the 3-month bankers' acceptance rate (CDOR) for the Additional Floating Rate Notes was 70 basis points (or 0.70%). Once issued, the Additional Floating Rate Notes bear interest at the same rate as the Original Floating Rate Notes, such rate being equal to the applicable 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 on the Additional Floating Rate Notes is payable in cash quarterly, in arrears, on the 16th day of May, August, November and February of each year until their maturity, concurrently with the payment of interest on the Original Floating Rate Notes. All other terms and conditions applicable to the Original Floating Rate Notes also apply to the Additional Floating Rate Notes, and the Additional Floating Rate Notes are treated as a single series with the Original Floating Rate Notes (collectively, the "Floating Rate Notes").

As at November 1, 2015, the carrying value of the Floating Rate Notes was $274,648 (February 1, 2015 - $149,541). The fair value of the Floating Rate Notes as at November 1, 2015 was determined to be $273,191 valued as a level 2 in the fair value hierarchy (February 1, 2015 – $149,566). The Floating Rate Notes are due on May 16, 2017.

7 Long-term debt (cont'd)

Fixed Rate Notes

As at November 1, 2015, the carrying value of the Fixed Rate Notes was $404,537 (February 1, 2015 – $401,119). The fair value of the Fixed Rate Notes as at November 1, 2015 was determined to be $410,056 valued as a level 2 in the fair value hierarchy (February 1, 2015 – $418,688). The Fixed Rate Notes are due on November 5, 2018.

Credit Facility

On October 30, 2015, the Corporation and the lenders entered into an amending agreement to the second amended and restated credit agreement dated as of October 25, 2013 (the "Credit Agreement") pursuant to which (i) the term of the Credit Agreement was extended by one year, from December 13, 2019 to December 14, 2020, and (ii) the Corporation received additional commitments from lenders in the amount of $125,000 pursuant to the accordion feature of the Credit Agreement, thereby temporarily bringing the total credit available under the revolving facility from $250,000 to $375,000 for a period ending no later than June 15, 2017. The Corporation intends to use the $125,000 in additional commitments to further optimize its capital structure, including without limitation through the purchase of shares under its ongoing normal course issuer bid. As at November 1, 2015, $120,000 were outstanding under the Credit Facility (February 1, 2015 – $15,000), and letters of credit issued for the purchase of inventories amounted to $2,200 (February 1, 2015 – $499). As at November 1, 2015, the Corporation was in compliance with all of its financial covenants.

8 Share capital

Normal course issuer bid

On June 12, 2014, the Corporation launched a normal course issuer bid to repurchase for cancellation up to 4,683,858 common shares (representing 3.5% of the common shares issued and outstanding as at the close of markets on June 11, 2014) during the 12-month period from June 17, 2014 to June 16, 2015 (the "2014-2015 NCIB").

On June 10, 2015, the Corporation renewed its normal course issuer bid to repurchase for cancellation up to 4,500,765 common shares (representing 3.5% of the common shares issued and outstanding as at the close of markets on June 9, 2015) during the 12-month period from June 17, 2015 to June 16, 2016 (the "2015-2016 NCIB").

The total number of common shares repurchased for cancellation under the 2015-2016 NCIB during the 13-week period ended November 1, 2015 amounted to 2,118,173 common shares (November 2, 2014 – 1,233,590 common shares under the 2014-2015 NCIB) for a total cash consideration of $188,151 (November 2, 2014 – $58,373). For the 13-week period ended November 1, 2015, the Corporation's share capital was reduced by $7,524 (November 2, 2014 - $4,383) and the remaining $180,627 (November 2, 2014 - $53,990) was accounted for as a reduction of retained earnings.

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

8 Share capital (cont'd)

The total number of common shares repurchased for cancellation under the 2014-2015 NCIB and the 2015-2016 NCIB during the 39-week period ended November 1, 2015 amounted to 4,186,549 common shares (November 2, 2014 – 7,602,130 common shares under the 2014-2015 NCIB and the NCIB in effect before that) for a total cash consideration of $335,154 (November 2, 2014 – $339,087). For the 39-week period ended November 1, 2015, the Corporation's share capital was reduced by $14,871 (November 2, 2014 - $27,003) and the remaining $320,283 (November 2, 2014 - $312,084) was accounted for as a reduction of retained earnings.

Share-based compensation

Outstanding and exercisable share options for the 39-week periods ended on the dates indicated below are as follows:

	November 1, 2015		November 2, 2014	
	Number of share options	Weighted average exercise price ($)	Number of share options	Weighted average exercise price ($)
Outstanding – beginning of period	2,263,348	35.71	1,809,348	31.00
Granted	410,000	71.14	704,000	44.62
Forfeited	-	-	(76,800)	36.00
Exercised	(193,948)	26.58	(136,400)	21.04
Outstanding – end of period	2,479,400	42.28	2,300,148	35.59
Exercisable – end of period	656,200	33.19	366,548	28.83

During the 13-week and 39-week periods ended November 1, 2015, the Corporation recognized a share-based compensation expense of $1,520 and $4,629, respectively (13-week and 39-week periods ended November 2, 2014 - $1,301 and $4,070, respectively).

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

8 Share capital (cont'd)

Information relating to share options outstanding as at November 1, 2015 is as follows:

	Share options outstanding			Share options exercisable		
Range of exercise prices	Weighted average remaining life (in months)	Number of share options	Weighted average exercise price ($)	Weighted average remaining life (in months)	Number of share options	Weighted average exercise price ($)
$6.00-$8.75	39	17,000	7.29	39	17,000	7.29
$8.76-$13.25	50	4,000	11.21	50	4,000	11.21
$13.26-$18.89	65	39,200	15.28	65	26,800	15.27
$18.90-$27.01	75	279,600	22.05	75	130,000	21.96
$27.02-$40.97	89	1,055,200	36.43	89	366,400	36.51
$40.98-$56.17	102	674,400	44.93	101	112,000	44.39
$56.18-$75.49	113	410,000	71.14	-	-	-
	94	2,479,400	42.28	86	656,200	33.19

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

	39-week periods ended	
	November 1, 2015	November 2, 2014
Dividend yield	0.5%	0.7%
Risk-free interest rate	0.9%	1.9%
Expected life	6.3 years	6.4 years
Expected volatility	19.3%	20.3%
Weighted average fair value of share options estimated at the grant date	$13.96	$9.96

The expected life is estimated using the average of the vesting period and the contractual life of the share options. Expected volatility is estimated based on the Corporation's publicly traded share price.

9 Income taxes

The 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 1, 2015 was 26.7% (November 2, 2014 - 26.7%). The Corporation's effective income tax rates for the 13-week and 39-week periods ended November 1, 2015 were 26.9% and 27.1%, respectively (13-week and 39-week periods ended November 2, 2014 – 26.8% and 26.9%, respectively).

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

10 Earnings per common share

Diluted net earnings per common share for the 13-week and 39-week periods ended on the dates indicated 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 1, 2015	**November 2, 2014**	**November 1, 2015**	**November 2, 2014**
Net earnings attributable to shareholders of the Corporation and used to determine basic and diluted net earnings per common share	$100,076	$73,020	$260,326	$195,140
Weighted average number of common shares outstanding during the period (*thousands*)	127,205	132,134	128,403	134,098
Assumed share options exercised (*thousands*)	1,264	598	1,127	535
Weighted average number of common shares for diluted net earnings per common share *(thousands)*	128,469	132,732	129,530	134,633
Diluted net earnings per common share	$0.78	$0.55	$2.01	$1.45

11 Commitments

As at November 1, 2015, contractual obligations for operating leases amounted to approximately $969,908 (November 2, 2014 – $899,025). 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 1, 2015	**November 2, 2014**	**November 1, 2015**	**November 2, 2014**
	$	**$**	**$**	**$**
Basic rent	37,541	33,692	111,502	100,210
Contingent rent	1,197	1,686	3,246	3,551
	38,738	35,378	114,748	103,761

12 Related party transactions

Expenses charged by entities controlled by a director, which comprise mainly rent, totalled $3,520 and $14,391, respectively, for the 13-week and 39-week periods ended November 1, 2015 (13-week and 39-week periods ended November 2, 2014 - $3,443 and $13,506, respectively).

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

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

13 Expenses by nature included in the interim consolidated statement of net earnings

	13-week periods ended		39-week periods ended	
	November 1, 2015	November 2, 2014	November 1, 2015	November 2, 2014
	$	$	$	$
Cost of sales:				
Merchandise, labour, transport and other costs	334,270	314,077	974,648	893,222
Occupancy costs	64,267	57,730	188,877	168,268
Total cost of sales	398,537	371,807	1,163,525	1,061,490
Depreciation and amortization:				
Depreciation of property and equipment	10,223	8,334	29,504	23,938
Amortization of intangible assets	1,991	1,447	5,636	3,974
Total depreciation and amortization	12,214	9,781	35,140	27,912
Employee benefits	81,454	74,357	231,423	213,956
Net financing costs	5,361	5,249	15,352	14,827

14 Interim consolidated statement of cash flows information

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

	13-week periods ended		39-week periods ended	
	November 1, 2015	November 2, 2014	November 1, 2015	November 2, 2014
	$	$	$	$
Accounts receivable	(2,226)	(3,019)	116	(3,161)
Deposits and prepaid expenses	1,220	2,163	(840)	949
Merchandise inventories	(26,831)	(29,522)	(78,008)	(34,633)
Accounts payable and accrued liabilities	2,119	(1,680)	(13,234)	(1,817)
Income taxes payable	39,825	23,434	98,171	63,497
	14,107	(8,624)	6,205	24,835

15 Events after the reporting period

Quarterly cash dividend

On December 9, 2015, the Corporation's Board of Directors announced that it had approved a quarterly cash dividend for holders of its common shares of $0.09 per common share. The Corporation's quarterly cash dividend will be paid on February 2, 2016 to shareholders of record at the close of business on January 7, 2016 and is designated as an "eligible dividend" for Canadian tax purposes.

Amendment to 2015-2016 NCIB

On December 9, 2015, the Corporation received approval from the TSX to amend the 2015-2016 NCIB in order to increase the maximum number of common shares that may be repurchased thereunder from 4,500,765 to 6,429,665 common shares (representing 5% of the total number of common shares issued and outstanding as at the close of markets on June 9, 2015). The other terms of the 2015-2016 NCIB remain unchanged.