DOLLARAMA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
First Quarter Ended May 5, 2019

June 13, 2019

The following management's discussion and analysis ("MD&A") dated June 13, 2019 is intended to assist readers in understanding the business environment, strategies, performance and risk factors of Dollarama Inc. (together with its consolidated subsidiaries, referred to as "Dollarama", the "Corporation", "we", "us" or "our"). This MD&A provides the reader with a view and analysis, from the perspective of management, of the Corporation's financial results for the first quarter ended May 5, 2019. This MD&A should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements for the first quarter ended May 5, 2019 and the audited annual consolidated financial statements and notes for Fiscal 2019 (as hereinafter defined).

Unless otherwise indicated and as hereinafter provided, all financial information in this MD&A as well as the Corporation's unaudited condensed interim consolidated financial statements for the first quarter ended May 5, 2019 have been prepared 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"). They reflect the adoption of IFRS 16, "Leases", on February 4, 2019, and all comparative figures for the corresponding period of the prior fiscal year have been restated. Also, the information on numbers of outstanding common shares and options to purchase common shares as well as earnings per share presented in this MD&A for the 13-week period ended April 29, 2018 and prior periods have been retrospectively restated to reflect the three-for-one share split of the Corporation's outstanding common shares implemented on June 20, 2018 (the "Share Split").

The Corporation manages its business on the basis of one reportable segment. The functional and reporting currency of the Corporation is the Canadian dollar.

Accounting Periods

All references to "Fiscal 2018" are to the Corporation's fiscal year ended January 28, 2018; to "Fiscal 2019" are to the Corporation's fiscal year ended February 3, 2019; and to "Fiscal 2020" are to the Corporation's fiscal year ending February 2, 2020.

The Corporation's fiscal year ends on the Sunday closest to January 31 of each year and usually has 52 weeks. However, as is traditional with the retail calendar, every five or six years, a week is added to the fiscal year. Fiscal 2019 was comprised of 53 weeks.

Forward-Looking Statements

This MD&A contains certain forward-looking statements about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or other future events or developments. 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. Specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to:

- expectations on net new store openings and general capital expenditures;
- expectations on a sustainable gross margin;
- the liquidity position of the Corporation;
- the potential accretive effect of the normal course issuer bid; and
- the planned expansion of distribution centre capacity.

Forward-looking statements are based on information currently available to us and on estimates and assumptions made by us regarding, among other things, general economic conditions and the competitive environment within the retail industry in Canada, 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 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 the following factors which are discussed in greater detail in the "Risks and Uncertainties" section of the Corporation's annual MD&A and annual information form for Fiscal 2019, both available on SEDAR at www.sedar.com : future increases in operating costs (including increases in statutory minimum wages), future increases in merchandise costs (including as a result of tariff disputes), inability to sustain assortment and replenishment of merchandise, increase in the cost or a disruption in the flow of imported goods, failure to maintain brand image and reputation, disruption of distribution infrastructure, inventory shrinkage, inability to renew store, warehouse and head office leases on favourable terms, inability to increase warehouse and distribution centre capacity in a timely manner, seasonality, market acceptance of 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 debt, changes in creditworthiness and credit rating and the potential increase in the cost of capital, interest rate risk associated with variable rate indebtedness, competition in the retail industry, disruptive technologies, general economic conditions, departure of senior executives, failure to attract and retain quality employees, disruption in information technology systems, inability to protect systems against cyber-attacks, unsuccessful execution of the growth strategy, holding company structure, adverse weather including any related impact on sales, natural disasters, climate change and geopolitical events, unexpected costs associated with current insurance programs, product liability claims and product recalls, litigation, regulatory and environmental compliance and shareholder activism.

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 MD&A are made as at June 13, 2019 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 MD&A are expressly qualified by this cautionary statement.

GAAP and Non-GAAP Measures

This MD&A, as well as the Corporation's unaudited condensed interim consolidated financial statements and notes for the first quarter of Fiscal 2020 have been prepared in accordance with GAAP. However, this MD&A also refers to certain non-GAAP measures. The non-GAAP measures used by the Corporation are as follows:

EBITDA	Represents operating income plus depreciation and amortization.
EBITDA margin	Represents EBITDA divided by sales.
Total debt	Represents the sum of long-term debt (including accrued interest as current portion) and other bank indebtedness (if any).
Net debt	Represents total debt minus cash.
Adjusted retained earnings	Represents deficit plus the excess of (i) the price paid for all common shares repurchased under the Corporation's normal course issuer bids from inception in June 2012 through May 5, 2019 over (ii) the book value of those common shares.

The above-described non-GAAP measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-GAAP measures provide investors with a supplemental measure of our operating performance and financial position and thus highlight trends in our core business that may not otherwise be apparent when relying solely on GAAP measures. With the exception of adjusted retained earnings, these measures are used to bridge differences between external reporting under GAAP and external reporting that is tailored to the retail industry and should not be considered in isolation or as a substitute for financial performance measures calculated in accordance with GAAP. Management uses non-GAAP measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets, to assess the Corporation's ability to meet future debt service, capital expenditure and working capital requirements, and to evaluate senior management's performance. Management uses total debt and net debt to calculate the Corporation's indebtedness level, cash position, future cash needs and financial leverage ratios. Adjusted retained earnings is a non-GAAP measure that shows retained earnings without the effect of the excess of (i) the price paid for all common shares repurchased under the Corporation's normal course issuer bids from inception in June 2012 through May 5, 2019 over (ii) the book value of those common shares. We believe that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers. Refer to the section entitled "Selected Consolidated Financial Information" of this MD&A for a reconciliation of the non-GAAP measures used and presented by the Corporation to the most directly comparable GAAP measures.

Recent Event

Adoption of IFRS 16

In January of 2016, the IASB issued IFRS 16, "Leases", which replaces IAS 17, "Leases". For the Corporation, the new standard is effective for fiscal years beginning on February 4, 2019. The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts, and record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. Given that the Corporation has significant contractual obligations in the form of operating leases under IAS 17, there has been a material increase to both assets and liabilities upon adoption of IFRS 16, and changes to the timing of recognition of expenses associated with lease arrangements.

IFRS 16 has been applied to the unaudited condensed interim consolidated financial statements discussed in this MD&A using the full retrospective approach. Comparative information for Fiscal 2019 has been restated.

Overview

Our Business

As at May 5, 2019, we operated 1,236 stores in Canada, and we continue to expand our network across the country. Our stores average 10,247 square feet and offer a broad assortment of consumer products, general merchandise and seasonal items, including private label and nationally branded products, all at compelling values. Merchandise is sold in individual or multiple units at select fixed price points up to $4.00. All of our stores are corporate-owned and operated, providing a consistent shopping experience, and many are located in high-traffic areas such as strip malls and shopping centers in various locations, including metropolitan areas, mid-sized cities and small towns.

Also, effective January 21, 2019, we launched an online store to provide additional convenience to Dollarama customers—individuals and businesses alike—who wish to buy products in large quantities that may not be available in-store. Approximately 1,000 products, selected from the broader consumable and general merchandise offering, are available for purchase through the online store by the full case. Online product pricing is the same as in-store and shipping fees apply to all online orders.

Our strategy is to grow sales, operating income, net earnings and cash flows by expanding the store network through the opening of 60 to 70 net new stores annually and by offering a compelling value proposition on a wide variety of merchandise to a broad base of customers. We continually strive to maintain and improve the efficiency of our operations.

Key Items in the First Quarter of Fiscal 2020

Compared to the first quarter of Fiscal 2019:

- Sales increased by 9.5% to $828.0 million;
- Comparable store sales(1) grew 5.8%, over and above a 2.6% growth the previous year;
- Gross margin(1) was 42.1% of sales, compared to 43.8%(2) of sales;
- EBITDA(1) grew 4.1% to $226.8 million, or 27.4% of sales, compared to 28.8%(2) of sales;
- Operating income grew 3.8% to $168.6 million, or 20.4% of sales, compared to 21.5%(2) of sales; and
- Diluted net earnings per common share increased by 6.5% to $0.33 from $0.31(2)(3).

During the first quarter of Fiscal 2020, the Corporation opened 11 net new stores, compared to 10 net new stores during the corresponding period of the previous fiscal year.

(1) We refer the reader to the notes in the section entitled "Selected Consolidated Financial Information" of this MD&A for the definition of these items and, when applicable, their reconciliation with the most directly comparable GAAP measure.
(2) Comparative financial information and ratios have been restated to reflect the full retrospective application of IFRS 16 for lease accounting.
(3) Earnings per common share for the 13-week period ended April 29, 2018 reflect the retrospective application of the Share Split.

Outlook

A discussion of management's expectations as to the Corporation's outlook for Fiscal 2020 is contained in the Corporation's press release dated June 13, 2019 under the heading "Outlook". The press release is available on SEDAR at www.sedar.com and on the Corporation's website at www.dollarama.com.

Factors Affecting Results of Operations

Sales

The Corporation recognizes revenue from the sale of products or the rendering of services as the performance obligations are fulfilled.

All sales are final. Revenue is shown net of sales tax. Gift cards sold are recorded as a liability, and revenue is recognized when gift cards are redeemed.

The Corporation may enter into arrangements with third parties for the sale of products to customers. When the Corporation acts as the principal in these arrangements, it recognizes revenue based on the amounts billed to customers. Otherwise, the Corporation recognizes the net amount that it retains as revenue.

Our sales consist of comparable store sales and new store sales as well as sales to third parties.

Comparable store sales represent sales of Dollarama stores, including relocated and expanded stores, open for at least 13 complete fiscal months relative to the same period in the prior fiscal year. The primary drivers of comparable store sales performance are changes in the number of transactions and the average transaction size. To increase comparable store sales, we focus on offering a wide selection of quality merchandise at attractive values in well-designed, consistent and convenient store formats.

Sales to third parties represent mainly sales of merchandise to Dollar City, an independently-owned and operated value retailer with operations in El Salvador, Guatemala and Colombia founded in 2009. The Corporation, through Dollarama International Inc., shares its business expertise and acts as Dollar City's main supplier of merchandise, either as principal or as intermediary, pursuant to an agreement entered into in February 2013.

Historically, our highest sales results have occurred in the fourth quarter, with December representing the highest proportion of sales. Our sales also generally increase ahead of other holidays and celebrations, such as Easter, St. Patrick's Day, Valentine's Day and Halloween, but we otherwise experience limited seasonal fluctuations in sales and expect this trend to continue. Refer to the section of the annual MD&A dated March 28, 2019 entitled "Risks and Uncertainties" for a discussion about the risks associated with seasonality.

Cost of Sales

Our cost of sales consists mainly of inventory, the variable and non-indexed portion of store occupancy costs that are excluded from the lease liability under IFRS 16, and transportation costs (which are largely variable and proportional to our sales volume) as well as warehouse and distribution centre operating costs. We record vendor rebates consisting of volume purchase rebates when earned. The rebates are recorded as a reduction of inventory purchased at cost, which has the effect of reducing the cost of sales.

Although cost increases can negatively affect our business, our multiple price point product offering provides some flexibility to react to cost increases on a timely basis. We have historically reduced our cost of sales by shifting most of our sourcing to low-cost foreign suppliers. For Fiscal 2019, direct overseas sourcing accounted for 55% of our purchases (56% for Fiscal 2018). While we still source a majority of our overseas products from China, we currently purchase products from over 25 different countries around the world.

Since the Corporation purchases goods in currencies other than the Canadian dollar, our cost of sales is affected by fluctuations in foreign currencies against the Canadian dollar. In particular, we purchase a vast majority of our imported merchandise from suppliers in China with U.S. dollars. Therefore, our cost of sales is impacted indirectly by the fluctuation of the Chinese renminbi against the U.S. dollar and directly by the fluctuation of the U.S. dollar against the Canadian dollar.

While we enter into foreign exchange forward contracts to hedge a significant portion of our exposure to fluctuations in the value of the U.S. dollar against the Canadian dollar (generally nine to twelve months in advance), we do not hedge our exposure to fluctuations in the value of the Chinese renminbi against the U.S. dollar.

Shipping and transportation costs, including surcharges on transportation costs, are also a significant component of our cost of sales. When fuel costs fluctuate, shipping and transportation costs increase or decrease, as applicable, because the carriers generally pass on these cost changes to us. Because of the high volatility of fuel costs, it is difficult to forecast the fuel surcharges we may incur from our carriers.

The occupancy costs included in our cost of sales are mainly comprised of variable and non-indexed rental expenses for our stores that are excluded from the lease liability under IFRS 16, which has generally increased over the years. While we continue to feel some pressure on lease rates in certain markets, where demand for prime locations is strong and/or vacancy rates are low, management believes that it is generally able to negotiate leases at competitive market rates and does not anticipate material rate increases in the short to medium term. Typically, store leases are signed with base terms of ten years and one or more renewal options of five years each.

We strive to maintain a sustainable gross margin, where we believe we can achieve a healthy balance between maximizing returns to shareholders and offering a compelling value to our customers. The gross margin varies on a quarterly basis as a result of fluctuations in product margins, as we refresh approximately 25% to 30% of our offering on an annual basis, and/or fluctuations in logistics and transportation costs, among other factors. The goal remains to actively manage the gross margin to keep the value proposition compelling with a view to stimulating continued sales growth.

General, Administrative and Store Operating Expenses

Our general, administrative and store operating expenses ("SG&A") consist of store labour, which is primarily variable and proportional to our sales volume, as well as general store maintenance costs, salaries and related benefits of corporate and field management team members, administrative office expenses, professional fees, and other related expenses, all of which are primarily fixed. Although our average store hourly wage rate is higher than the statutory minimum wage, a significant increase in the statutory minimum wage would significantly increase our payroll costs unless we realize offsetting productivity improvements and other store cost reductions.

Economic or Industry-Wide Factors Affecting the Corporation

We operate in the value retail industry, which is highly competitive with respect to price, store location, merchandise quality, assortment and presentation, in-stock consistency, and customer service. In addition to the competition from other dollar stores, the Corporation faces competition to an even greater extent from variety and discount stores, convenience stores and mass merchants, many of which operate stores in the areas where Dollarama operates, offer products substantially similar to those offered by Dollarama, and engage in extensive advertising and marketing efforts. Moreover, as a result of Dollarama's broad offering of general merchandise, consumable products and seasonal products, the Corporation faces competition from various speciality retailers, including in the stationery, hardware, household ware, health and beauty, and arts and crafts categories, whose product offerings overlap with a subset of Dollarama's product offering. Additionally, the Corporation competes with a number of companies for prime retail site locations and for the recruitment of employees. We expect continuing pressure resulting from a number of factors including, but not limited to: merchandise costs, currency exchange fluctuations, instability in the global economy, tariff disputes, consumer debt levels and buying patterns, economic conditions, interest rates, fuel prices, utilities costs, weather patterns, market volatility, customer preferences, labour costs, inflation, catastrophic events, competitive pressures and insurance costs. A factor affecting both the consumer and business is oil prices. On one hand, higher oil prices could have a dampening effect on consumer spending and result in higher transportation costs. On the other hand, significant and prolonged decreases in oil prices may result in lower transportation costs but could also adversely affect consumer spending as a result of reduced employment in some industries and/or geographic markets.

Selected Consolidated Financial Information

The following tables set out selected financial information for the periods indicated. The selected consolidated financial information set out below as at May 5, 2019 and April 29, 2018 has been derived from the Corporation's unaudited condensed interim consolidated financial statements and related notes.

(dollars and shares in thousands, except per share amounts)	**13-Week Periods Ended** **May 5, 2019** **$**	**April 29, 2018** **$** **Restated [1]**
Earnings Data		
Sales	828,036	756,069
Cost of sales	479,145	424,985
Gross profit	348,891	331,084
SG&A	122,123	113,147
Depreciation and amortization	58,199	55,446
Operating income	168,569	162,491
Net financing costs	25,558	22,440
Earnings before income taxes	143,011	140,051
Income taxes	39,499	38,514
Net earnings	103,512	101,537
Basic net earnings per common share [2]	$0.33	$0.31
Diluted net earnings per common share [2]	$0.33	$0.31
Weighted average number of common shares outstanding [2]:		
Basic	314,701	327,909
Diluted	317,863	332,403
Other Data		
Year-over-year sales growth	9.5%	7.3%
Comparable store sales growth [3]	5.8%	2.6%
Gross margin [4]	42.1%	43.8%
SG&A as a % of sales [4]	14.7%	15.0%
EBITDA [5]	226,768	217,937
Operating margin [4]	20.4%	21.5%
Capital expenditures	30,680	64,274
Number of stores [6]	1,236	1,170
Average store size (gross square feet) [6]	10,247	10,141
Declared dividends per common share	$0.044	$0.040

(dollars in thousands)	13-Week Periods Ended May 5, 2019 $	13-Week Periods Ended April 29, 2018 $ Restated (1)
A reconciliation of operating income to EBITDA is included below:		
Operating income	168,569	162,491
Add: Depreciation and amortization	58,199	55,446
EBITDA	**226,768**	**217,937**
EBITDA margin (5)	27.4%	*28.8%*
A reconciliation of EBITDA to cash flows from operating activities is included below:		
EBITDA	226,768	217,937
Net financing costs (net of amortization of debt issue costs)	(16,040)	(12,899)
Recognition of gains and losses on bond lock and bond forward contracts	(95)	22
Transfer of realized cash flow hedge losses to inventory	-	8,646
Current income taxes	(33,919)	(34,055)
Share-based compensation	1,415	1,640
Gain on disposal of assets	(504)	(445)
	177,625	180,846
Changes in non-cash working capital components	(83,311)	(121,325)
Net cash generated from operating activities	**94,314**	**59,521**

	As at May 5, 2019 $	As at February 3, 2019 $ Restated (1)
Statement of Financial Position Data		
Cash	55,298	50,371
Inventories	577,480	581,241
Total current assets	710,623	688,520
Property, plant and equipment	597,274	586,027
Right-of-use assets	1,231,857	1,208,461
Total assets	3,417,017	3,359,669
Total current liabilities	690,737	443,234
Total liabilities	3,636,017	3,677,053
Total debt (7)	1,896,237	1,907,383
Net debt (8)	1,840,939	1,857,012
Shareholders' deficit	(219,000)	(317,384)

(dollars in thousands)
A reconciliation of long-term debt to total debt is included below:

	As at	
	May 5, 2019 $	**February 3, 2019 $ Restated (1)**
Senior unsecured notes bearing interest at:		
Fixed annual rate of 3.55% payable in equal semi-annual instalments, maturing November 6, 2023 (the "3.55% Fixed Rate Notes")	500,000	500,000
Fixed annual rate of 2.203% payable in equal semi-annual instalments, maturing November 10, 2022 (the "2.203% Fixed Rate Notes")	250,000	250,000
Fixed annual rate of 2.337% payable in equal semi-annual instalments, maturing July 22, 2021 (the "2.337% Fixed Rate Notes")	525,000	525,000
Variable rate equal to 3-month bankers' acceptance rate (CDOR) plus 27 basis points payable quarterly, maturing February 1, 2021 (the "Series 3 Floating Rate Notes")	300,000	300,000
Variable rate equal to 3-month bankers' acceptance rate plus 59 basis points payable quarterly, maturing March 16, 2020 (the "Series 2 Floating Rate Notes", and collectively with the Series 3 Floating Rate Notes, the "Floating Rate Notes")	300,000	300,000
Unsecured revolving credit facility maturing September 29, 2023	5,000	25,000
Accrued interest on senior unsecured notes	16,237	7,383
Total debt	**1,896,237**	**1,907,383**

A reconciliation of total debt to net debt is included below:

Total debt	1,896,237	1,907,383
Cash	(55,298)	(50,371)
Net debt (8)	**1,840,939**	**1,857,012**

A reconciliation of deficit to adjusted retained earnings is included below:

Deficit	(675,538)	(765,202)
Price paid in excess of book value of common shares repurchased under the NCIB	3,390,260	3,390,260
Adjusted retained earnings (9)	**2,714,722**	**2,625,058**

The deficit as at May 5, 2019 is not a reflection of poor or deteriorating operating performance. It results from the fact that a significant portion of the cash consideration for the repurchase of shares under the Corporation's normal course issuer bid is accounted for as a reduction of retained earnings and that the market price at which shares are repurchased significantly exceeds the book value of those shares. As a result, the Corporation's shareholders' deficit for accounting purposes was $219.0 million at May 5, 2019. Management believes that buying back shares remains an effective strategy to drive shareholder value and constitutes an appropriate use of the Corporation's funds.

(1) The numbers presented above reflect the adoption of IFRS 16 on February 4, 2019. For additional information on IFRS 16 adoption, refer to Note 4 to the unaudited condensed interim consolidated financial statements for the 13-week period ended May 5, 2019. Comparative figures have been restated.
(2) Per share amounts and numbers of shares outstanding during the 13-week ended April 29, 2018 reflect the retrospective application of the Share Split.
(3) Comparable store sales growth is a measure of the percentage increase or decrease, as applicable, of the sales of stores, including relocated and expanded stores, open for at least 13 complete fiscal months relative to the same period in the prior fiscal year.
(4) Gross margin represents gross profit divided by sales. SG&A as a percentage of sales represents SG&A divided by sales. Operating margin represents operating income divided by sales.
(5) EBITDA, a non-GAAP measure, represents operating income plus depreciation and amortization. EBITDA margin represents EBITDA divided by sales.
(6) At the end of the period.
(7) Total debt, a non-GAAP measure, represents the sum of long-term debt (including accrued interest as current portion) and other bank indebtedness (if any).
(8) Net debt, a non-GAAP measure, represents total debt minus cash.
(9) Adjusted retained earnings, a non-GAAP measure, represents deficit plus the excess of (i) the price paid for all common shares repurchased under the Corporation's normal course issuer bids from inception in June 2012 through May 5, 2019 over (ii) the book value of those common shares.

Results of Operations

Analysis of Results for the First Quarter of Fiscal 2020

The following section provides an overview of our financial performance during the first quarter of Fiscal 2020 compared to the first quarter of Fiscal 2019.

Sales

Sales for the first quarter of Fiscal 2020 increased by 9.5% to $828.0 million, compared to $756.1 million in the corresponding period of the prior fiscal year. Continued organic sales growth was fuelled by balanced growth in both comparable store sales and in the total number of stores over the past twelve months, from 1,170 stores on April 29, 2018 to 1,236 stores on May 5, 2019.

Comparable store sales grew 5.8% in the first quarter of Fiscal 2020, over and above comparable store sales growth of 2.6% in the same quarter a year ago. Comparable store sales growth for the first quarter of Fiscal 2020 consisted of a 4.9% increase in average transaction size, primarily driven by an increase in units per basket and a 0.9% increase in the number of transactions.

New stores, which are not yet comparable stores, reach annual sales of approximately $2.3 million within their first two years of operation, and achieve an average capital payback period of approximately two years.

In this quarter, 69.0% of our sales originated from products priced higher than $1.25, compared to 67.3% in the corresponding quarter last year.

Gross Margin

Gross margin was 42.1% of sales in the first quarter of Fiscal 2020, compared to 43.8% of sales in the first quarter of Fiscal 2019. Gross margin is lower due to a small decrease in the product margin, higher sales of lower margin items and higher logistics costs. Gross margin includes sales made by the Corporation to Dollar City, as principal, which represent approximately 1% of the Corporation's total sales, and a nominal markup margin. Consequently, these sales had minimal impact on overall gross margin in either the current or prior year quarter.

SG&A

SG&A for the first quarter of Fiscal 2020 was $122.1 million, a 8.0% increase over $113.1 million for the first quarter of Fiscal 2019. This increase is primarily related to the continued growth in the total number of stores.

SG&A for the first quarter of Fiscal 2020 represented 14.7% of sales, compared to 15.0% of sales for the first quarter of Fiscal 2019. The 0.3% improvement is mainly the result of ongoing labour productivity initiatives and the positive impact of the annualization of a non-labour related initiative implemented at the end of the first quarter of Fiscal 2019.

Depreciation and Amortization

The depreciation and amortization expense increased by $2.8 million, from $55.4 million for the first quarter of Fiscal 2019 to $58.2 million for the first quarter of Fiscal 2020. This increase relates mainly to investments in information technology projects, new stores and buildings. This expense now includes the depreciation of right-of-use assets related to leased stores and operating facilities as calculated under IFRS 16 for both periods.

Net Financing Costs

Net financing costs increased by $3.2 million, from $22.4 million for the first quarter of Fiscal 2019 to $25.6 million for the first quarter of Fiscal 2020. The increase is mainly due to increased borrowings on long-term debt, and net financing costs now include costs related to lease liabilities as calculated under IFRS 16 for both periods.

Income Taxes

Income taxes increased by $1.0 million, from $38.5 million for the first quarter of Fiscal 2019 to $39.5 million for the first quarter of Fiscal 2020, as a result of higher pre-tax earnings. The statutory income tax rate for the first quarters of Fiscal 2020 and Fiscal 2019 was 27.0%. The Corporation's effective tax rates for the first quarters of Fiscal 2020 and Fiscal 2019 were 27.6% and 27.5%, respectively.

Net Earnings

Net earnings increased to $103.5 million, or $0.33 per diluted common share, in the first quarter of Fiscal 2020, compared to $101.5 million, or $0.31 per diluted common share, in the first quarter of Fiscal 2019. This increase in net earnings is mainly the result of a 9.5% increase in sales and lower SG&A as a percentage of sales, partially offset by a lower gross margin. Earnings per common share were also positively impacted by the repurchase of shares through the Corporation's normal course issuer bid ("NCIB") over the past 12 months.

Summary of Consolidated Quarterly Results

	Fiscal 2020	**Fiscal 2019 (2)**				**Fiscal 2018 (3)**		
(*dollars in thousands, except per share amounts*)	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Statements of Net Earnings Data	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Sales	828,036	1,059,714	864,267	868,453	756,069	938,075	810,583	812,487
Net earnings	103,512	171,005	132,095	140,348	101,538	162,828	130,092	131,800
Net earnings per common share (1)								
Basic	$0.33	$0.54	$0.41	$0.43	$0.31	$0.49	$0.39	$0.39
Diluted	$0.33	$0.53	$0.40	$0.42	$0.31	$0.48	$0.38	$0.38

(1) Per share amounts for Fiscal 2018 and the first quarter of Fiscal 2019 reflect the retrospective application of the Share Split.
(2) The numbers presented above reflect the adoption of IFRS 16 on February 4, 2019. For additional information on IFRS 16 adoption, refer to Note 4 to the unaudited condensed interim consolidated financial statements for the 13-week period ended May 5, 2019. Comparative Fiscal 2019 figures have been restated.
(3) The numbers presented for Fiscal 2018 do not reflect IFRS 16. The impact is not material.

Historically, our lowest sales results have occurred during the first quarter whereas our highest sales results have occurred during the fourth quarter, with December representing the highest proportion of sales. Our sales also generally increase ahead of other holidays and celebrations, such as Easter, St. Patrick's Day, Valentine's Day and Halloween, but we otherwise experience limited seasonal fluctuations and expect this trend to continue. The occurrence of unusually adverse weather causing disruption in our business activities or operations during a peak season such as the winter holidays or around other major holidays and celebrations could have an adverse effect on our distribution network and on store traffic, which could materially adversely affect our business and financial results.

Liquidity and Capital Resources

Cash Flows for the First Quarter of Fiscal 2020

(dollars in thousands)	13-Week Periods Ended		
	May 5, 2019 $	April 29, 2018 $ Restated (1)	Change $
Cash flows from operating activities	94,314	59,521	34,793
Cash flows used in investing activities	(30,329)	(64,205)	33,876
Cash flows (used in) from financing activities	(59,058)	40,405	(99,463)
Net change in cash	4,927	35,721	(30,794)

(1) The numbers presented above reflect the adoption of IFRS 16 on February 4, 2019. For additional information on IFRS 16 adoption, refer to Note 4 to the unaudited condensed interim consolidated financial statements for the 13-week period ended May 5, 2019. Comparative Fiscal 2019 figures have been restated.

Cash Flows - Operating Activities

For the first quarter of Fiscal 2020, cash flows generated from operating activities totalled $94.3 million, compared to $59.5 million for the first quarter of Fiscal 2019. This increase is attributable to an increase in net earnings and a lower use in working capital mainly related to a lower use of cash to purchase inventory during the period.

Cash Flows - Investing Activities

For the first quarter of Fiscal 2020, cash flows used in investing activities totaled $30.3 million, compared to $64.2 million for the first quarter of Fiscal 2019. This decrease relates primarily to lower capital expenditures relating to the expansion of the distribution centre, as the first quarter of Fiscal 2019 was marked by the acquisition by the Corporation of the previously leased distribution centre for $39.0 million.

Cash Flows - Financing Activities

For the first quarter of Fiscal 2020, cash flows used in financing activities totalled $59.0 million, compared to cash flows generated from financing activities of $40.4 million for the first quarter of Fiscal 2019. Cash flows in the first quarter of Fiscal 2020 were used to pay down the Credit Facility, pay rent and dividends, while proceeds from a debt issuance in the corresponding quarter of the prior year more than offset other financing needs, including in connection with share repurchases under the NCIB.

Capital Expenditures

Capital expenditures mainly relate to investments in information technology projects, new stores and the expansion of warehousing and distribution capacity.

For the first quarter of Fiscal 2020, capital expenditures totalled $30.7 million, compared to $64.3 million for the first quarter of Fiscal 2019. This decrease is mainly due to higher investments related to the distribution centre expansion incurred in Fiscal 2019, when the Corporation acquired the previously leased distribution centre from a related party.

Capital Resources

The Corporation generates sufficient cash flows from operating activities to fund its planned growth strategy, service its debt and make dividend payments to shareholders. As at May 5, 2019, the Corporation had $55.3 million of cash on hand and $494.2 million available under the Credit Facility. These available funds provide funding flexibility to meet unanticipated cash requirements.

Our ability to pay the principal and interest on our debt, to refinance it, or to generate sufficient funds to pay for planned capital expenditures will depend on our future performance, which to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory, or other factors that are beyond our control.

Based upon the current strength of our earnings, we believe that cash flows from operations, together with credit available under the Credit Facility, will be adequate to meet our future operating cash needs. Our assumptions with respect to future liquidity needs may not be correct and funds available to us from the sources described herein may not be sufficient to enable us to service our indebtedness, or cover any shortfall in funding for any unanticipated expenses.

Senior Unsecured Notes

On July 22, 2016, the Corporation issued fixed rate senior unsecured notes in the aggregate principal amount of $525.0 million (the “2.337% Fixed Rate Notes”), on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The 2.337% Fixed Rate Notes bear interest at a rate of 2.337% per annum, payable in equal semi-annual instalments, in arrears, on January 22 and July 22 of each year until maturity on July 22, 2021. As at May 5, 2019, the carrying value of the 2.337% Fixed Rate Notes was $527.4 million.

On March 16, 2017, the Corporation issued series 2 floating rate senior unsecured notes in the aggregate principal amount of $225.0 million (the “Original Series 2 Floating Rate Notes”), on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The Original Series 2 Floating Rate Notes bear interest at a rate equal to the 3-month bankers' acceptance rate (CDOR) plus 59 basis points (or 0.59%), set quarterly on the 16th day of March, June, September and December of each year. Interest is payable in cash quarterly, in arrears, on the 16th day of March, June, September and December of each year until maturity on March 16, 2020.

On May 10, 2017, the Corporation issued additional series 2 floating rate senior unsecured notes in the aggregate principal amount of $75.0 million (the “Additional Series 2 Floating Rates Notes”), on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The Additional Series 2 Floating Rate Notes constitute an increase to the $225.0 million aggregate principal amount of Original Series 2 Floating Rate Notes issued by the Corporation on March 16, 2017. The Additional Series 2 Floating Rate Notes were issued at a premium of 0.284% of the principal amount thereof, for aggregate gross proceeds of $75.2 million. As at the date of issuance, the effective spread over the 3-month bankers' acceptance rate (CDOR) for the Additional Series 2 Floating Rate Notes was 49 basis points (or 0.49%). Once issued, they bear interest at the same rate as the Original Series 2 Floating Rate Notes, and interest is payable in cash quarterly, in arrears, concurrently with the payment of interest on the Original Series 2 Floating Rate Notes. All other terms and conditions applicable to the Original Series 2 Floating Rate Notes also apply to the Additional Series 2 Floating Rate Notes, and the Additional Series 2 Floating Rate Notes are treated as a single series with the Original Series 2 Floating Rate Notes (collectively, the “Series 2 Floating Rate Notes”). As at May 5, 2019, the carrying value of the Series 2 Floating Rate Notes was $300.8 million.

On May 10, 2017, the Corporation also issued fixed rate senior unsecured notes in the aggregate principal amount of $250.0 million (the “2.203% Fixed Rate Notes”), on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The 2.203% Fixed Rate Notes bear interest at a rate of 2.203% per annum, payable in equal semi-annual instalments, in arrears, on the 10th day of May and November of each year until maturity on November 10, 2022. As at May 5, 2019, the carrying value of the 2.203% Fixed Rate Notes was $251.9 million.

On February 1, 2018, the Corporation issued series 3 floating rate senior unsecured notes in the aggregate principal amount of $300.0 million (the "Series 3 Floating Rates Notes" and, together with the Series 2 Floating Rate Notes, the "Floating Rate Notes"), on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The Series 3 Floating Rate Notes bear interest at a rate equal to the 3-month bankers' acceptance rate (CDOR) plus 27 basis points (or 0.27%), set quarterly on the 1st day of February, May, August and November of each year. Interest is payable in cash quarterly, in arrears, on the 1st day of February, May, August and November of each year until maturity on February 1, 2021. As at May 5, 2019, the carrying value of the Series 3 Floating Rate Notes was $299.4 million.

On November 5, 2018, the Corporation issued the 3.55% Fixed Rate Notes in the aggregate principal amount of $500.0 million, on a private placement basis in Canada, in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The 3.55% Fixed Rate Notes were issued at a price of $995.37 per $1,000.00 principal amount of 3.55% Fixed Rate Notes, for an effective yield of 3.652% and aggregate gross proceeds of $497.7 million. The 3.55% Fixed Rate Notes bear interest at a rate of 3.55% per annum, payable in equal semi-annual instalments, in arrears, on the 6th day of May and November of each year until maturity on November 6, 2023. As at May 5, 2019, the carrying value of the 3.55% Fixed Rate Notes was $504.7 million.

The 2.337% Fixed Rate Notes, the 2.203% Fixed Rate Notes, the 3.55% Fixed Rate Notes and the Floating Rate Notes (collectively, the "Senior Unsecured Notes") are direct unsecured obligations of the Corporation and rank equally and *pari passu* with all other existing and future unsecured and unsubordinated indebtedness of the Corporation. All Senior Unsecured Notes are rated BBB, with a stable trend, by DBRS Limited.

The Senior Unsecured Notes are solidarily (jointly and severally) guaranteed, on a senior unsecured basis, as to the payment of principal, interest and premium, if any, and of certain other amounts specified in the trust indentures governing them, by certain subsidiaries of the Corporation representing combined EBITDA, when aggregated with the EBITDA of the Corporation (on a non-consolidated basis), of at least 80% of the consolidated EBITDA. As at the date hereof, Dollarama L.P. and Dollarama GP Inc. are the only guarantors. So long as any Senior Unsecured Notes remain outstanding and the Credit Facility is in full force and effect, all of the Corporation's subsidiaries that are guarantors from time to time in respect of indebtedness under the Credit Facility will be guarantors in respect of the Senior Unsecured Notes.

Credit Facility

The Corporation has access to three separate unsecured revolving credit facilities totalling $500.0 million (collectively, the "Credit Facility"), made available under the Second Amended and Restated Credit Agreement (the "Credit Agreement"), originally dated as of October 25, 2013, as amended and restated from time to time, most recently on December 21, 2018.

Facility A in the amount of $250.0 million is available until September 29, 2023, whereas Facility B and Facility C, representing $200.0 million and $50.0 million respectively, are available until September 29, 2020.

Under the Credit Agreement, the Corporation may, under certain circumstances and subject to receipt of additional commitments from existing lenders or other eligible institutions, request increases to the Credit Facility up to an aggregate amount, together with all then-existing commitments, of $1.5 billion.

Since the July 27, 2018 amendment to the Credit Agreement, the applicable margin, ranging from 0% to 1.70% per annum, is no longer calculated based on the senior unsecured credit or debt rating issued to the Corporation by a rating agency but rather on a lease-adjusted leverage ratio reported on a quarterly basis to the lenders.

The Credit Agreement requires the Corporation to respect a minimum interest coverage ratio and a maximum lease-adjusted leverage ratio, each tested quarterly on a consolidated basis. The Corporation has the option to borrow in Canadian or U.S. dollars.

The Credit Facility is guaranteed by Dollarama L.P. and Dollarama GP Inc. (collectively, with the Corporation, the “Credit Parties”). The Credit Agreement contains restrictive covenants that, subject to certain exceptions, limit the ability of the Credit Parties to, among other things, incur, assume, or permit to exist senior ranking indebtedness or liens, engage in mergers, acquisitions, asset sales or sale-leaseback transactions, alter the nature of the business and engage in certain transactions with affiliates. The Credit Agreement also limits the ability of the Corporation to make loans, declare dividends and make payments on, or redeem or repurchase equity interests if there exists a default or an event of default thereunder.

As at May 5, 2019, an amount of $5.0 million was outstanding under the Credit Facility (February 3, 2019 - $25.0 million), as well as letters of credit issued for the purchase of inventories which amounted to $0.8 million (February 3, 2019 – $5.6 million, which amount included a letter of guarantee required by the municipality in connection with the expansion of the distribution centre). As at May 5, 2019, the Corporation was in compliance with all of its financial covenants.

Contractual Obligations, Off-Balance Sheet Arrangements and Commitments

The table below analyzes the Corporation’s non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows as at May 5, 2019. Trade payable and accrued liabilities exclude liabilities that are not contractual (such as income tax liabilities created as a result of statutory requirements imposed by governments).

(dollars in thousands)	**Less than 3 Months $**	**3 Months to 1 Year $**	**1-5 Years $**	**Over 5 years $**	**Total $**
Trade payables and accrued liabilities (1)	148,002	-	-	-	148,002
Dividend payable	13,848	-	-	-	13,848
Lease liabilities (1) (2)	51,799	154,773	717,594	758,723	1,682,889
Principal repayment on:					
3.55% Fixed Rate Notes	-	-	500,000	-	500,000
2.203% Fixed Rate Notes	-	-	250,000	-	250,000
2.337% Fixed Rate Notes	-	-	525,000	-	525,000
Series 3 Floating Rate Notes	-	-	300,000	-	300,000
Series 2 Floating Rate Notes	-	300,000	-	-	300,000
Credit Facility	-	-	5,000	-	5,000
Interest payments on:					
3.55% Fixed Rate Notes	8,924	8,875	71,000	-	88,799
2.203% Fixed Rate Notes	2,754	2,754	16,523	-	22,031
2.337% Fixed Rate Notes	6,135	6,135	18,404	-	30,674
Credit Facility and Floating Rate Notes (3)	3,711	11,133	5,731	-	20,575
	235,173	483,670	2,409,252	758,723	3,886,818

(1) The numbers presented above reflect the adoption of IFRS 16 on February 4, 2019. For additional information on IFRS 16 adoption, refer to Note 4 to the unaudited condensed interim consolidated financial statements for the 13-week period ended May 5, 2019.

(2) Represent the basic annual rent and other charges paid to landlords that are fixed or that vary based on an index or a rate.

(3) Based on interest rates in effect as at May 5, 2019.

The following table summarizes the Corporation's off-balance sheet arrangements, letters of credit, and commitments as at May 5, 2019.

(dollars in thousands)	Less than 3 Months $	3 Months to 1 Year $	1-5 Years $	Over 5 Years $	Total $
Letters of credit	784	-	-	-	784
Distribution centre expansion costs commitments	9,494	-	-	-	9,494
	10,278	-	-	-	10,278

Other than letters of credit and commitments associated with the expansion of the existing distribution centre described above, we have no other off-balance sheet arrangements or commitments.

Financial Instruments

The Corporation uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk associated with fluctuations in the U.S. dollar against the Canadian dollar. These derivative financial instruments are used for risk management purposes and are designated as hedges of future forecasted purchases of merchandise.

Currency hedging entails a risk of illiquidity and, to the extent that the U.S. dollar depreciates against the Canadian dollar, hedging arrangements may have the effect of limiting or reducing the total returns to the Corporation if purchases at hedged rates result in lower margins than otherwise earned if purchases had been made at spot rates.

The Corporation documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions. Derivative financial instruments designated as hedging instruments are recorded at fair value, determined using market prices and other observable inputs.

There were no material changes to the nature of risks arising from derivatives and related risk management in the first quarter of Fiscal 2020.

For a description of the derivative financial instruments of the Corporation, refer to Note 7 of the Corporation's unaudited condensed interim consolidated financial statements for first quarter ended May 5, 2019 and to Note 3 and Note 14 of the Corporation's Fiscal 2019 audited consolidated financial statements.

Related Party Transactions

Property Leases

As at May 5, 2019, the Corporation leased 21 stores, five warehouses and its head office from entities controlled by the Rossy family pursuant to long-term lease agreements. Rental payments associated with these related-party leases are measured at cost, which equals fair value, being the amount of consideration established at market terms.

As at May 5, 2019, the outstanding balance of lease liabilities owed to entities controlled by the Rossy family totalled $59.1 million (February 3, 2019 - $62.0 million).

Rental expenses charged by entities controlled by the Rossy family but not included in lease liabilities totalled $2.1 million for the 13-week period ended May 5, 2019 (April 29, 2018 - $2.1 million, which amount includes charges related to the distribution centre until February 21, 2018, the date on which it was acquired by the Corporation).

Property

On February 21, 2018, the Corporation acquired its existing distribution centre, which was previously leased from an entity controlled by the Rossy family, for a total of $39.0 million of which $16.8 million accounted for land and $22.2 million for the building. This purchase was a related party transaction at fair value, being the amount of consideration established at market terms, based on an independent appraisal.

Critical Accounting Estimates and Judgments

The preparation of 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 expenses 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.

Except for estimates relating to the lease term as discussed below, the Corporation's unaudited condensed interim consolidated financial statements discussed in this MD&A were prepared using the same significant estimates and judgments as those made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty to the Fiscal 2019 audited consolidated financial statements (refer to Note 5 to the Fiscal 2019 audited consolidated financial statements).

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods covered by termination options) are only included in the lease term if the lease is reasonably certain to be extended (or terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. IFRS 16 may also introduce new estimates due to the incremental borrowing rate used for measurement of the lease liabilities.

Significant Standards and Interpretations

New and Amended Accounting Standards Adopted

Adoption of IFRS 16 – Leases

In January of 2016, the IASB issued IFRS 16, "Leases", which replaces IAS 17, "Leases". For the Corporation, the new standard is effective for fiscal years beginning on February 4, 2019. The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts, and record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. Given that the Corporation had significant contractual obligations in the form of operating leases under IAS 17, there has been a material increase to both assets and liabilities upon adoption of IFRS 16, and changes in the timing of recognition of expenses associated with lease arrangements.

IFRS 16 has been applied to the unaudited condensed interim consolidated financial statements discussed in this MD&A using the full retrospective approach and the Corporation has therefore restated comparative information for the fiscal year ended February 3, 2019, as if IFRS 16 had always been in effect.

Refer to Notes 4 and 5 to the Corporation's unaudited condensed interim consolidated financial statements for further details on these changes.

Risks and Uncertainties

Monitoring and improving its operations are constant concerns of the Corporation. In view of this, understanding and managing risks are important parts of the Corporation's strategic planning process. The board of directors requires that the Corporation's senior management identify and properly manage the principal risks related to the Corporation's business operations.

The major risks and uncertainties that could materially affect the Corporation's future business results are described in the Corporation's annual MD&A and annual information form for Fiscal 2019 (which are available on SEDAR at www.sedar.com) and are divided into the following categories:

- risks related to business operations;
- financial risks;
- market risks;
- human resources risks;
- technology risks;
- strategy and corporate structure risks;
- business continuity risks; and
- legal and regulatory risks.

The Corporation manages these risks on an ongoing basis and has put in place certain guidelines with the goal of mitigating these in order to lessen their financial impact, and the Corporation maintains cost-effective, comprehensive insurance coverage against most insurable events. The Corporation also gathers and analyzes economic and competitive data on a regular basis and senior management takes these findings into consideration when making strategic and operational decisions. Despite these guidelines and initiatives, the Corporation cannot provide assurances that any such efforts will be successful.

Controls and Procedures

There were no changes in internal control over financial reporting that occurred during the period beginning on February 4, 2019 and ended on May 5, 2019 that have materially affected or are reasonably likely to materially affect internal control over financial reporting.

As a result of the adoption of IFRS 16, new internal controls were designed and implemented, including new processes to meet the disclosure requirements under the new standard. The Corporation also went live with a new IT solution for the recognition and measurement of lease obligations in scope for the accounting of leases under IFRS 16.

Dividend

On June 13, 2019, the Corporation announced that its board of directors had approved a quarterly cash dividend for holders of its common shares of $0.044 per common share. The Corporation's quarterly cash dividend will be paid on August 9, 2019 to shareholders of record at the close of business on July 12, 2019 and is designated as an "eligible dividend" for Canadian tax purposes.

Normal Course Issuer Bid

During the 13-week period ended on May 5, 2019, there were no common shares repurchased for cancellation under the 2018-2019 NCIB.

The total number of common shares repurchased for cancellation under the 2018-2019 NCIB since its inception on June 20, 2018 up to June 12, 2019, inclusively, amounted 12,980,884 common shares, at a weighted average price of $37.88 per common share, for a total cash consideration of $491.8 million. The 2018-2019 NCIB expires on June 19, 2019.

Share Information

The Corporation's outstanding share capital is comprised of common shares. An unlimited number of common shares are authorized.

As at June 12, 2019, there were 314,740,977 common shares issued and outstanding. In addition, there were 7,706,000 options, each exercisable for one common share, issued and outstanding as at June 12, 2019. Assuming exercise of all outstanding options, there would have been 322,446,977 common shares issued and outstanding on a fully diluted basis as at June 12, 2019.

Additional Information

Additional information relating to the Corporation, including the Corporation's current annual information form, is available on SEDAR at www.sedar.com. The Corporation is a publicly traded company listed on the TSX under the symbol "DOL".