



# A Time to Invest

2015 Annual General and Special Meeting of Shareholders

Northern

*North* **MART**

**GIANT  
TIGER** 



**COST U LESS**  
Your *Best Value*

# Caution Concerning Forward Looking Statements

Certain information presented today may constitute forward-looking statements. Forward looking statements are predictive in nature and include future conditional financial performance, including sales, earnings, growth rates, capital expenditures, debt levels and financial capacity. Such statements reflect the Company's current expectations, estimates, projections, and assumptions. These forward-looking statements are not guarantees of future performance and are subject to certain risks which could cause actual performance and financial results in the future to vary materially from those contemplated in the forward-looking statements. For additional information on these risks, please see the Company's Annual Information Form under the heading, "Risk Factors". In addition, certain non-IFRS financial measures may be discussed or referred to today. These measures do not have a standard meaning prescribed by IFRS and therefore may not be comparable to similar measures used by other companies. Further information on Non-IFRS measures is provided in the 2014 Annual Report.





# A Time to Invest

Chairman Remarks

# FREE

**GIANT  
TIGER**



## Best Value Hickory BBQ Pork Back Ribs

Best Value Hickory BBQ Pork Back Ribs, 595g.  
No purchase required.

Coupon redeemable at Winnipeg Giant Tiger locations  
only. One coupon per person. One box per coupon.  
Facsimile coupons will not be accepted.  
Expires June 26, 2015





# A Time to Invest

Chairman Remarks



**Stewart Glendinning**



**Annalisa King**



**Frank J. Coleman**





**Wendy F. Evans**



**Robert J. Kennedy**



**Vi Konkle**



**Gary Merasty**



**Eric L. Stefanson**



**Edward Kennedy**



**H. Sanford Riley**



# A Time to Invest

2015 Annual General and Special Meeting of Shareholders



## 1. Receive Audited Financial Statements

## 2. Appointment of Directors

## 3. Appointment of Auditors

## 4. Ordinary Resolution for Approval of Amended By-Laws

## 5. Ordinary Resolution for Approval of Director Deferred Share Unit Plan

## 6. Advisory Resolution on Executive Compensation



# A Time to Invest

2015 Annual General and Special Meeting of Shareholders

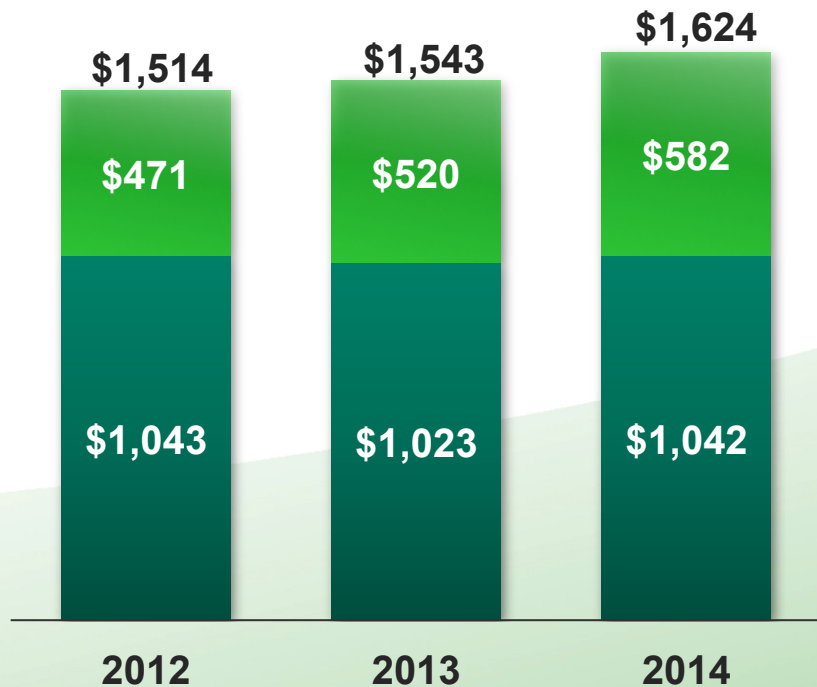


# A Time to Invest

Executive Vice-President and Chief Financial Officer  
Remarks

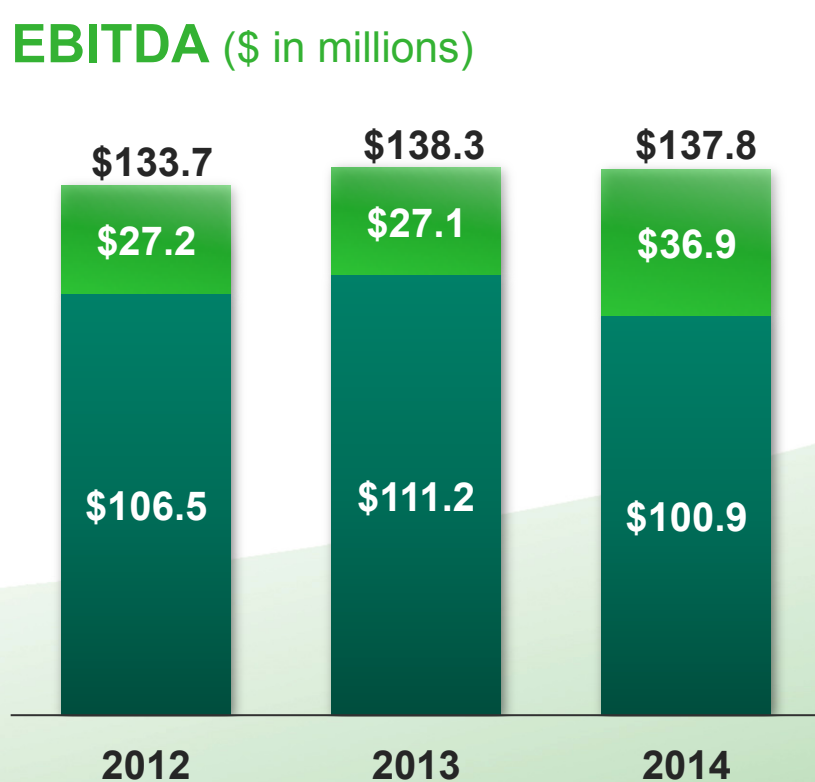


### Sales (\$ in millions)



- 15<sup>th</sup> consecutive year of growth
- Strong international sales +11.9%
- Positive foreign exchange impact

### EBITDA (\$ in millions)



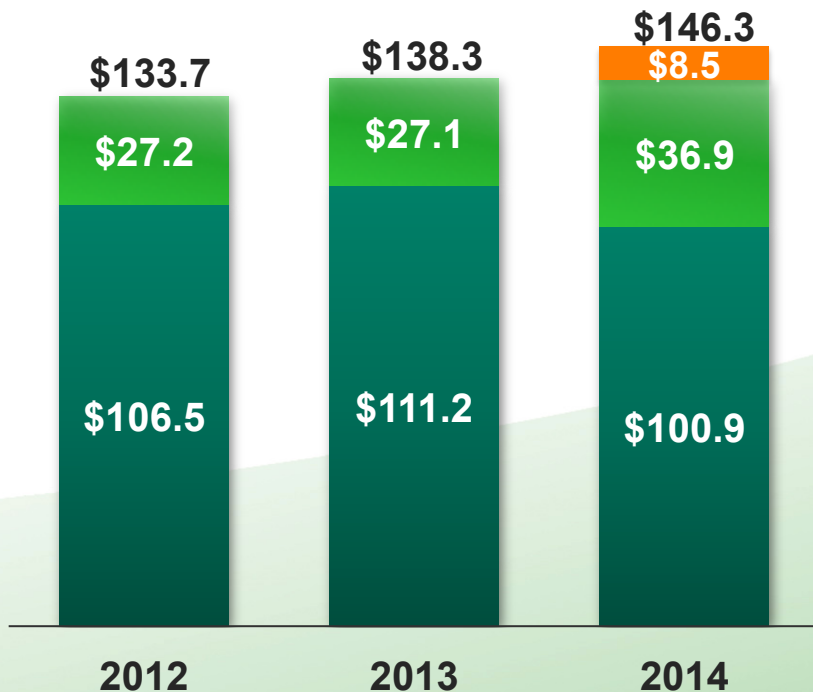
Canada  
International

■ International +\$9.8 million, +36%

# Adjusted EBITDA Improvement

## 2014 Financial Highlights

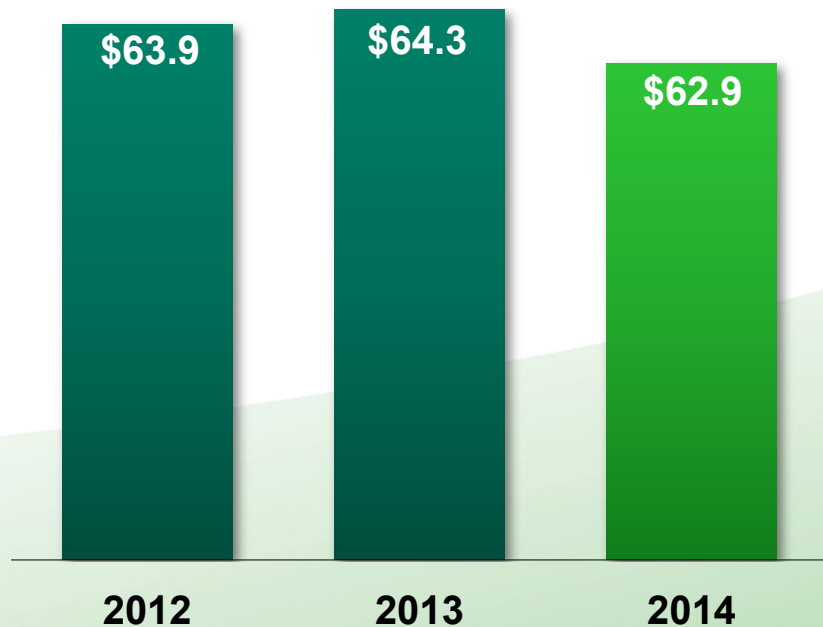
### EBITDA (\$ in millions)



- International +\$9.8 million, +36%
- Canada (\$10.3 million)
- One-time charges:
  - Support office restructuring
  - Inventory clearance

\*Excluding employee restructuring and inventory clearance costs

### Net Earnings (\$ in millions)



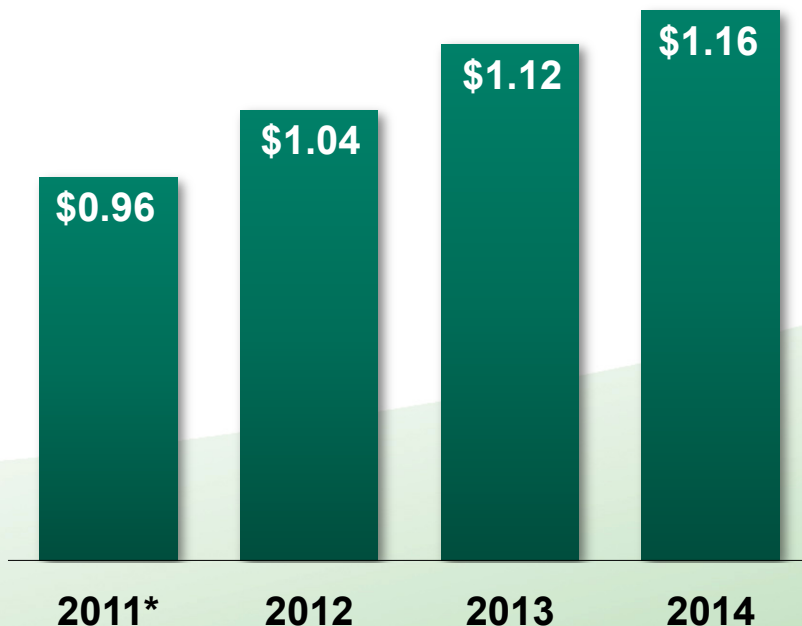
- International earnings growth
- Restructuring charges



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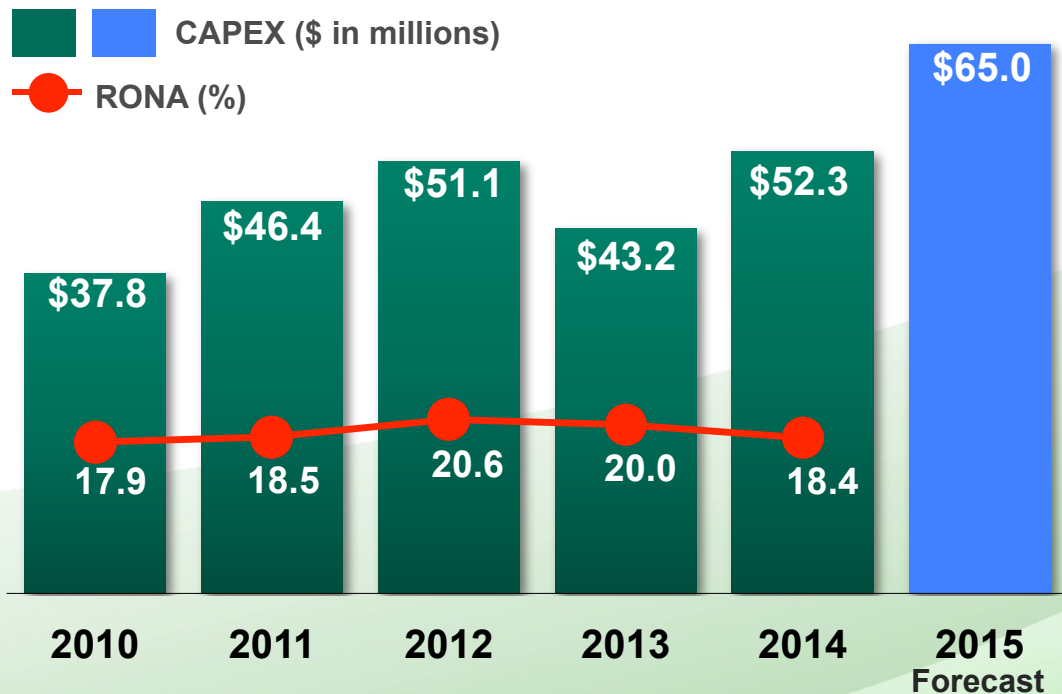
### Annual Dividends (\$ per share)



- 3.6% increase in dividends in 2014
- 20.8% increase since conversion to corporation

\*Excludes final distribution from North West Company Fund

### Capital Expenditures & Return on Net Assets



- Attractive returns
- Increasing investment

### Historical Debt and Leverage (\$ in millions)

■ Debt ■ EBITDA  
 ● Debt-to-EBITDA



- Financial strength
- Working capital efficiencies
- \$180 million loan capacity



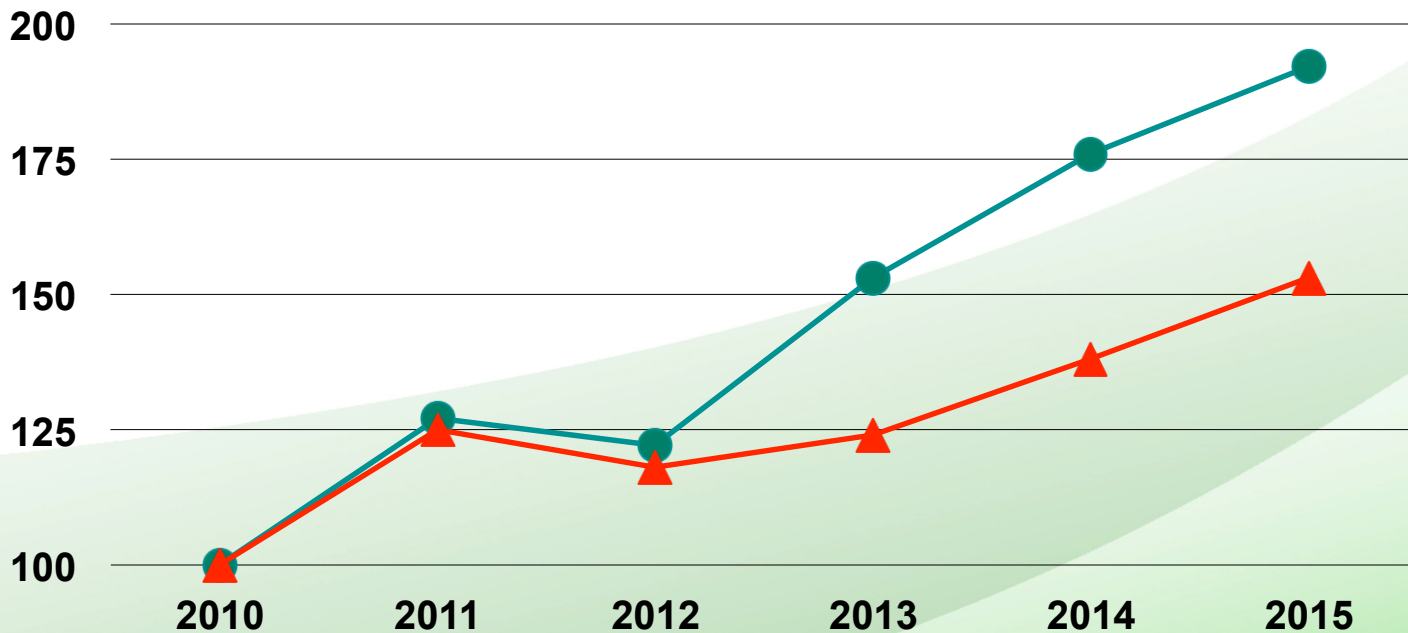
### Total Return Performance

(% at January 31)

5-Year CAGR

14.0% ● NWC

8.8% ▲ TSX Composite

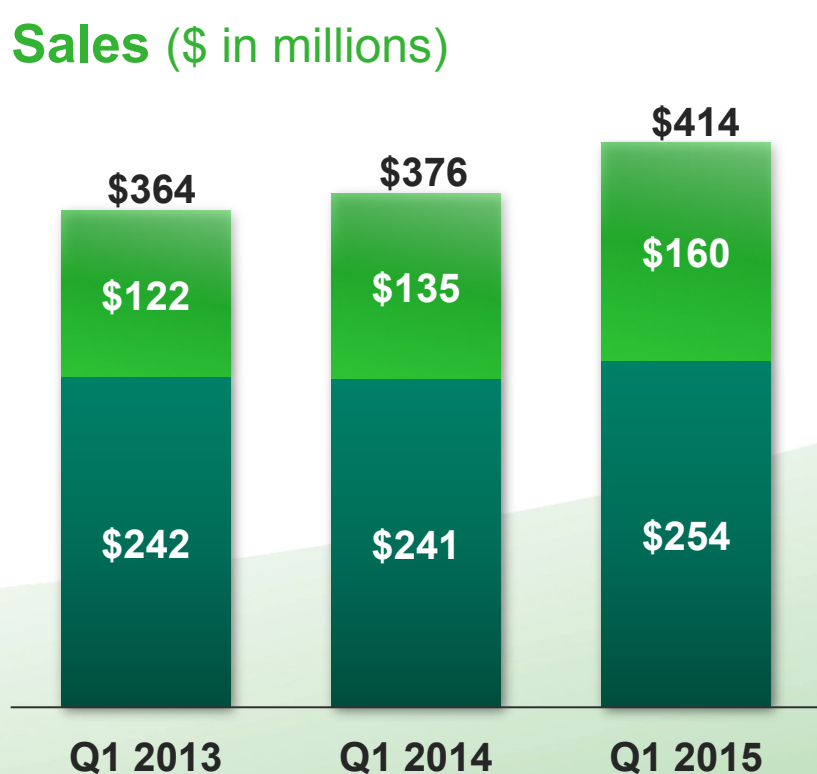




# A Time **to Invest**

2015 Annual General and Special Meeting of Shareholders

### Sales (\$ in millions)



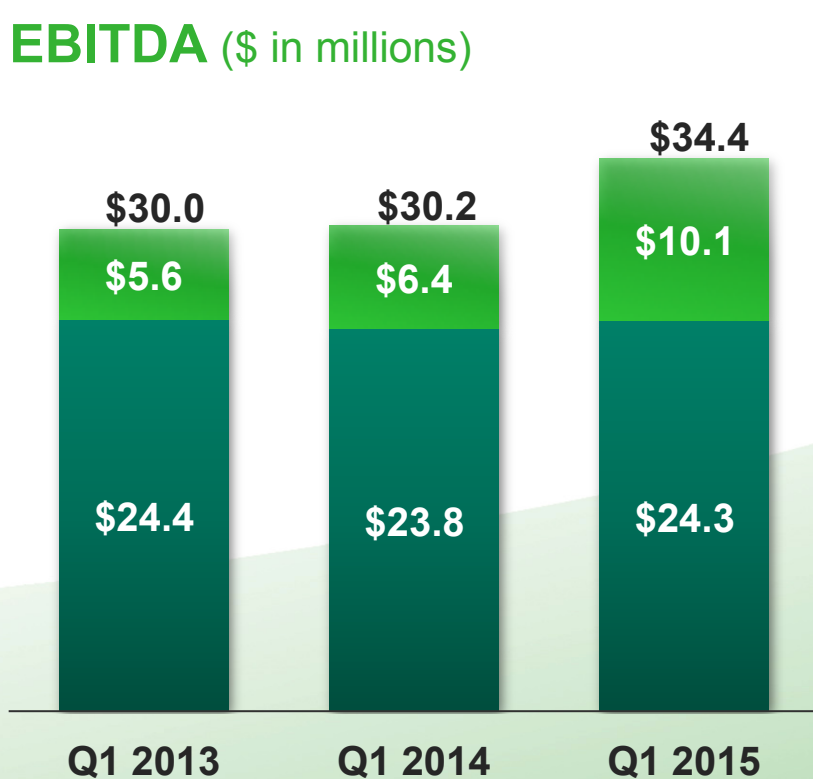
Canada  
International

- 10% sales increase
- Cost-U-Less and Giant Tiger deliver growth
- Positive foreign exchange impact

# Strong EBITDA Performance

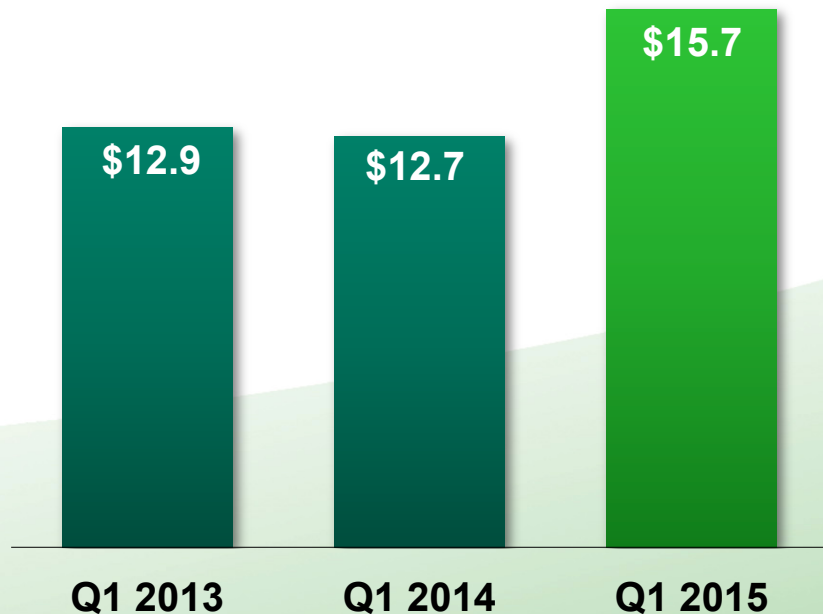
## 2015 First Quarter Performance

### EBITDA (\$ in millions)



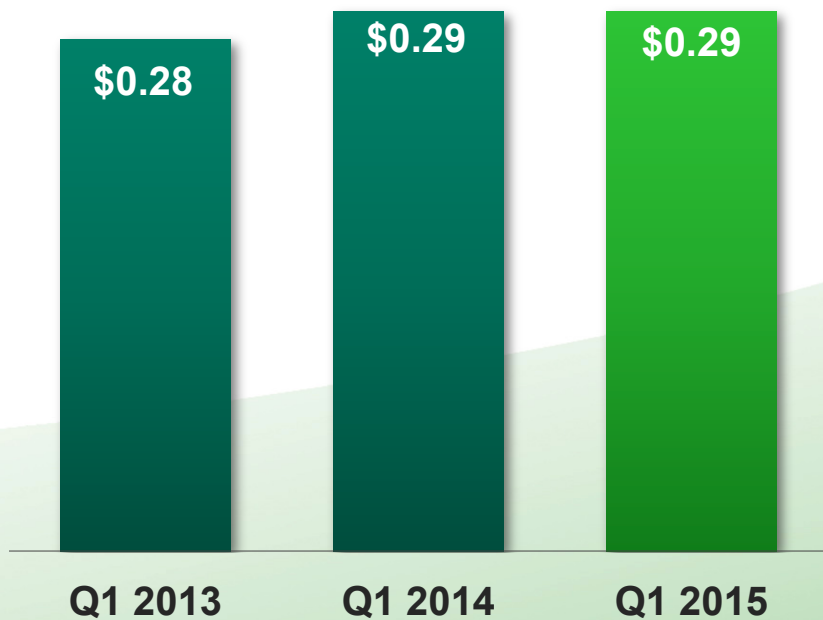
- International EBITDA +\$3.7 million
- Canada EBITDA +2.5%
- Cost-U-Less and Giant Tiger key contributors

### Net Earnings (\$ in millions)



- Strong EBITDA growth
- Lower interest expense
- 23.8% increase in Net Earnings

### Quarterly Dividends (\$ per share)



■ Potential for future increase



# A Time **to Invest**

2015 Annual General and Special Meeting of Shareholders



# A Time to Invest

President & CEO Remarks





## Vision

To help people and communities to live better

## Mission

To be the one-stop, trusted store of choice



- Cost-U-Less & Giant Tiger
- Cost-U-Less tied to US recovery
- Alaskans to gain spending power

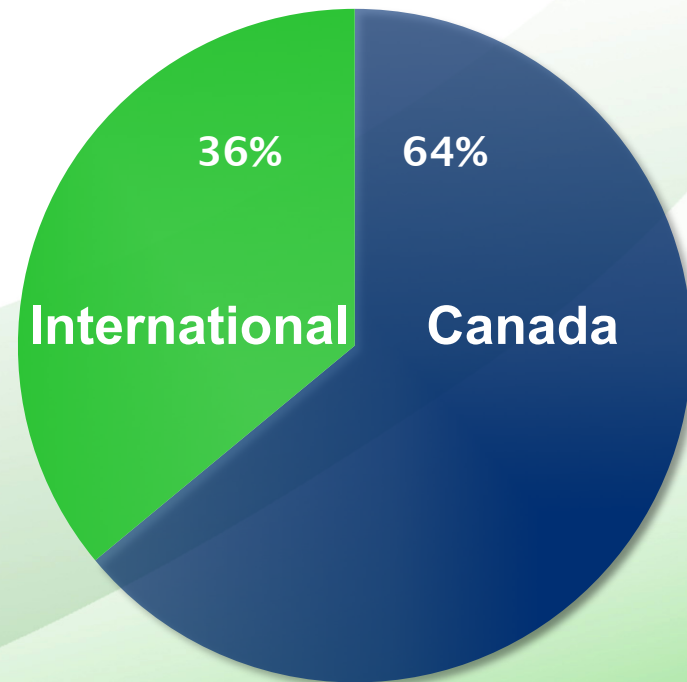
# Giant Tiger Performance



- Early spring weather
- Better operating standards
- Improved product offer

# Store Breadth Delivering Results

- Multi-banner
- International foot print





More for Our Customers



**A Time to Invest**

Video Placeholder

**One-Stop  
Trusted  
Store of  
Choice**

- Track record of disciplined spending
- Higher investment = higher potential

**Sustainable 10% Returns**



**One-Stop  
Trusted  
Store of  
Choice**

- Track record of disciplined spending
- Higher investment = higher potential

# The One-Stop Trusted Store of Choice



- The best at serving remote markets
- “Go-to” source and solution provider
- Unique insights



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- “Go-to” source and solution provider
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**Sustainable 10% Returns**

**SUPERIOR CUSTOMER  
SOLUTIONS**

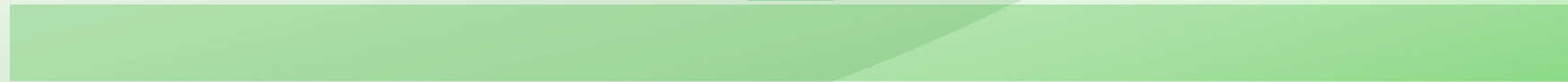
Convenient

Reliable

Right Product & Services

Look for Best Deals

**One-Stop  
Trusted  
Store of  
Choice**



**Sustainable 10% Returns**

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**Reliable**

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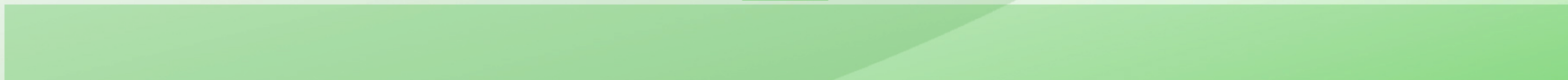
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**Sustainable 10% Returns**

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**GREATER COMMUNITY  
IMPACT**

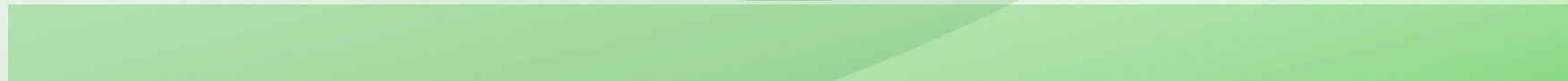
Employment  
Partnerships  
Investment  
Support

**Sustainable 10% Returns**

**One-Stop  
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Store of  
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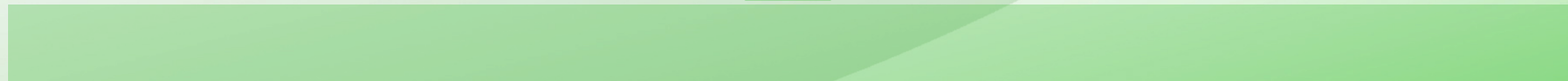


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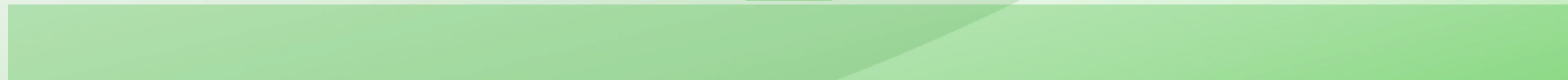


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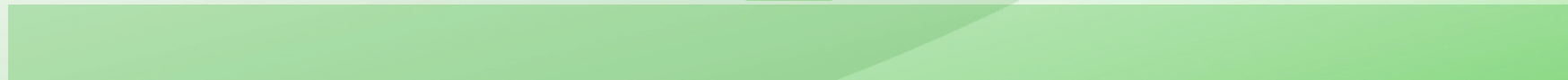


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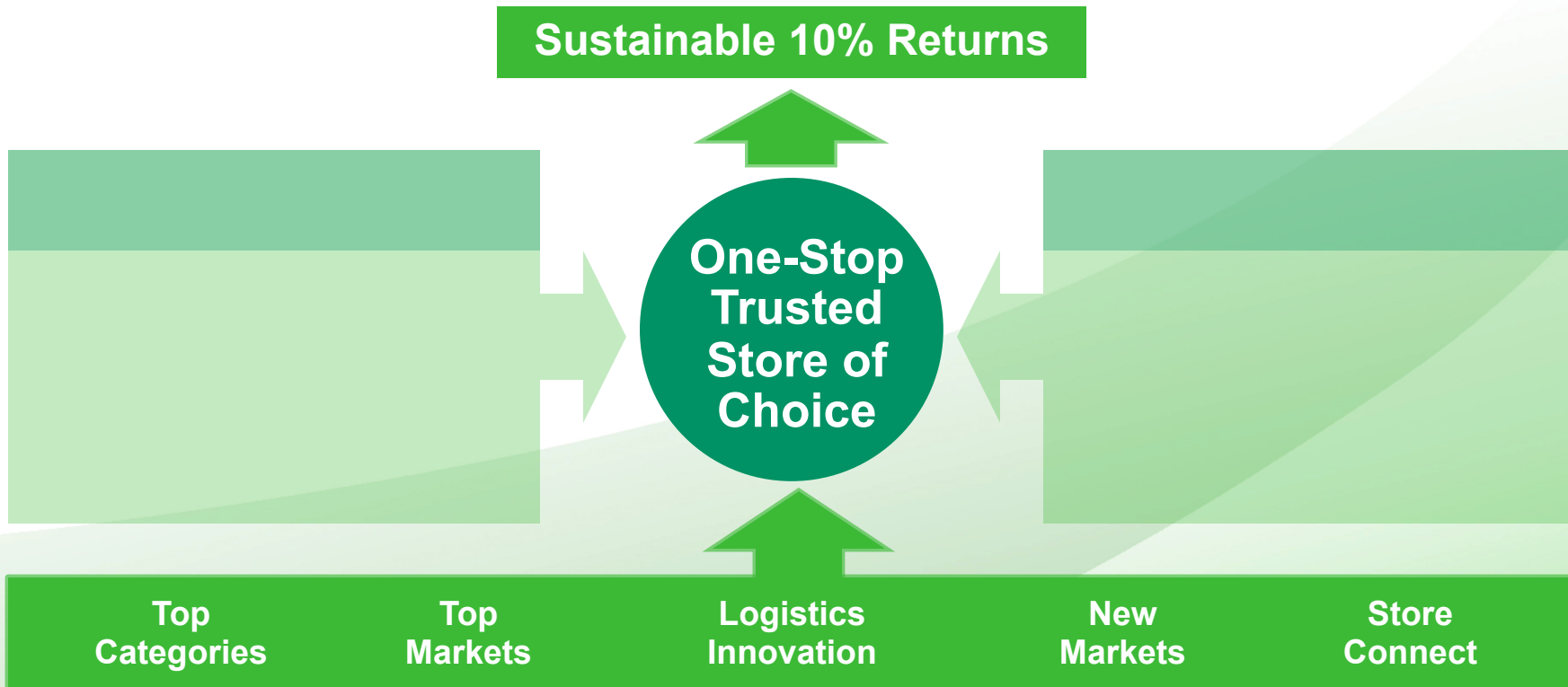
**Top  
Categories**

**Top  
Markets**

**Logistics  
Innovation**

**New  
Markets**

**Store  
Connect**



**Sustainable 10% Returns**

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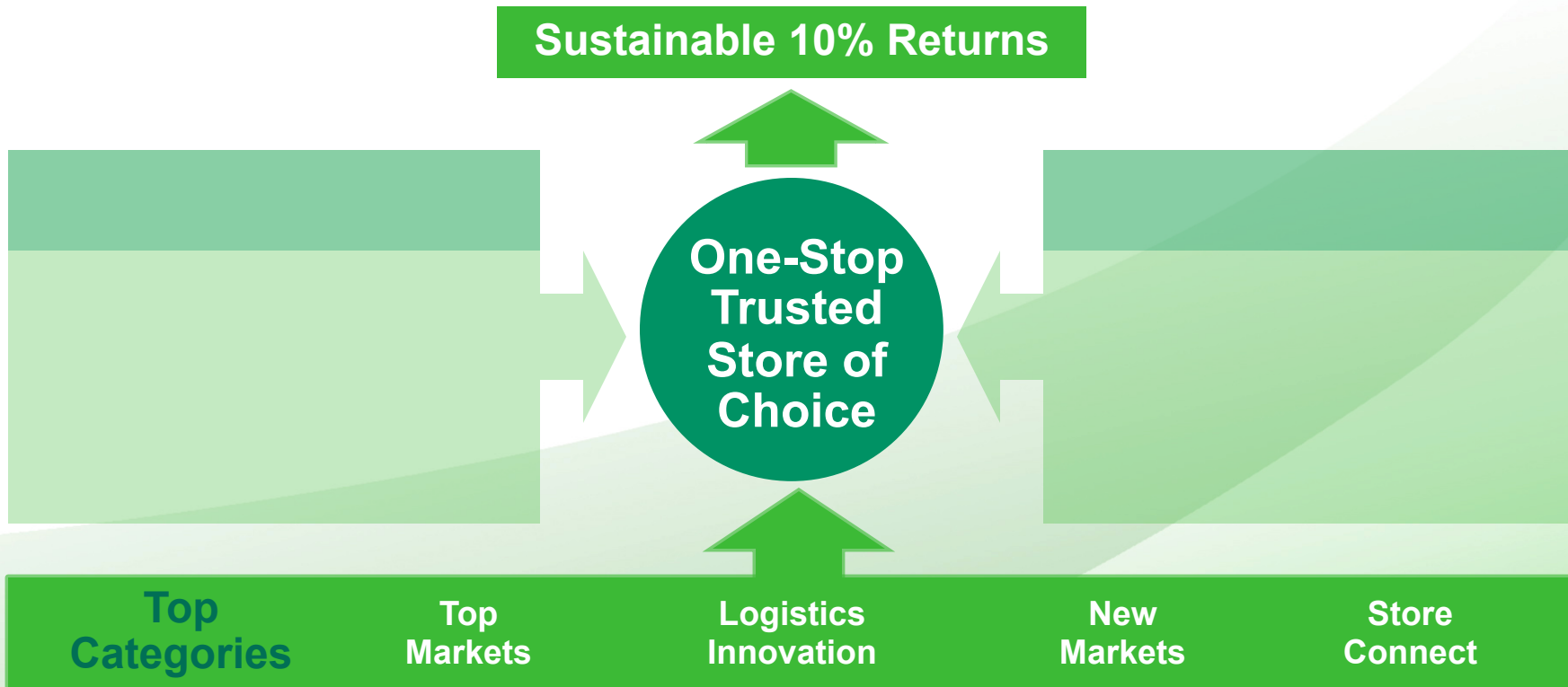
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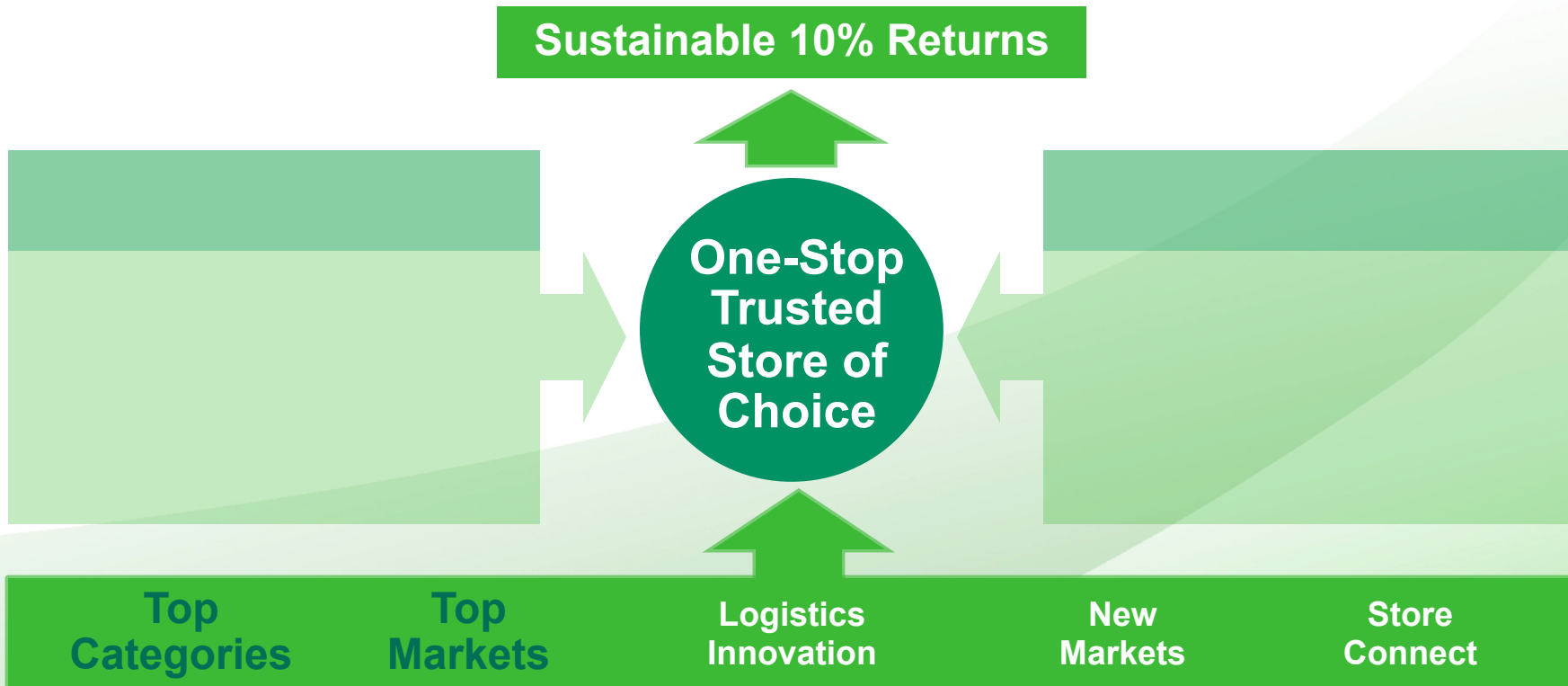
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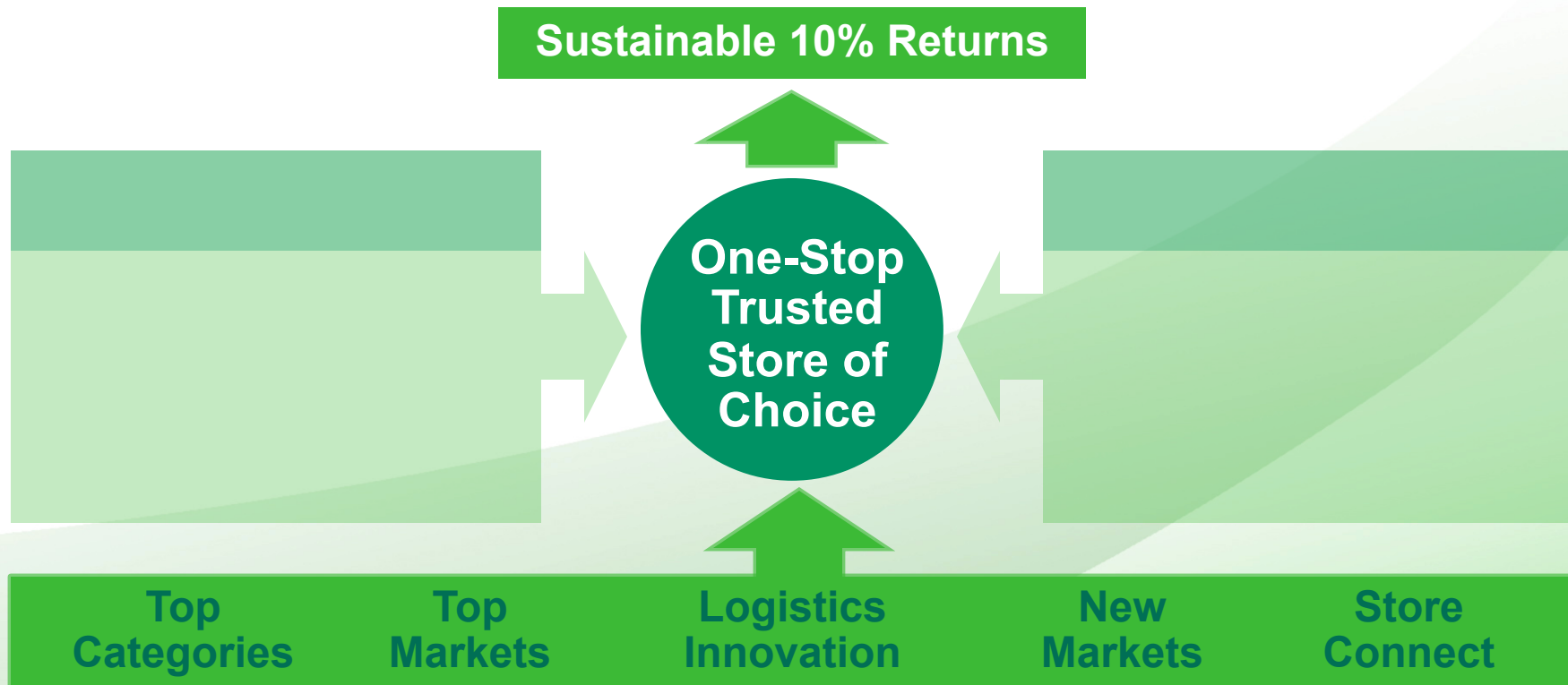
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- Leverage local store reach



- Leverage local store reach
- Innovative pharmacy services



- Leverage local store reach
- Innovative pharmacy services
- Baby category potential



- Redeploy working capital
- Free valuable selling space



- 2015 11 new markets in northern Canada





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- 2016 16 new markets





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- 2016 16 new markets
- 2017 major investment in Iqaluit, NU







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- 2016 16 new markets
- 2017 major investment in Iqaluit, NU
- Leverage local knowledge





- 2015 11 new markets in northern Canada
- 2016 16 new markets
- 2017 major investment in Iqaluit, NU
- Leverage local knowledge
- Win-win: attractive returns and value to customers



- Talent brings stores to life



- Talent brings stores to life
- Another attractive investment opportunity



- Talent brings stores to life
- Another attractive investment opportunity
- Strong support teams in place



- Talent brings stores to life
- Another attractive investment opportunity
- Strong support teams in place
- Funded by admin reductions



- Aimed at creating clear advantages



- Aimed at creating clear advantages
- Challenge for bigger retailers





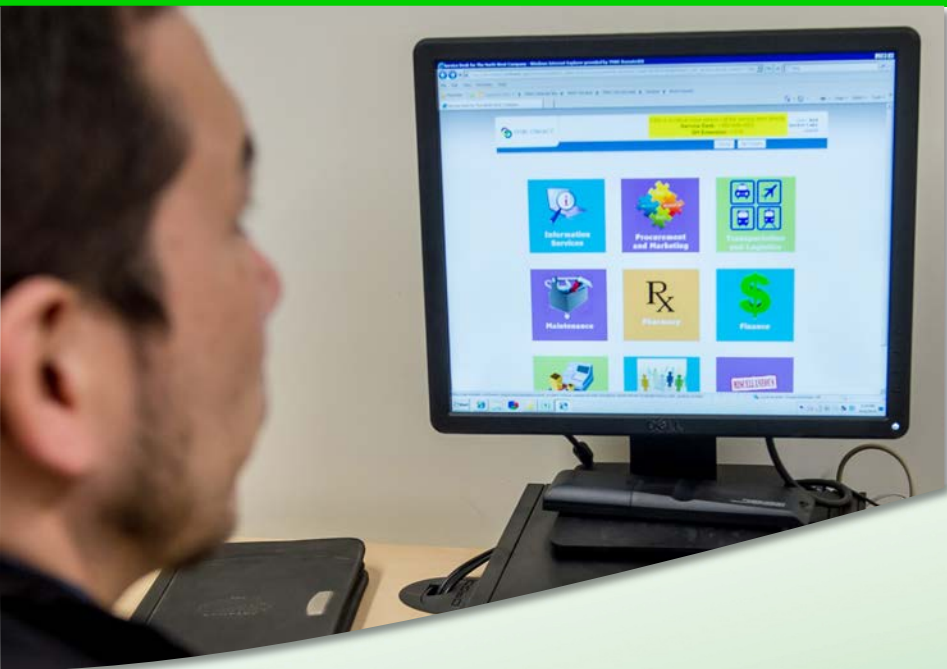
- Aimed at creating clear advantages
- Challenge for bigger retailers
- Drive capabilities



- Need for robust and affordable connections
- Upgrading underway
- New partnerships on the horizon



- Expand Giant Tiger store base
- Selectively consider acquisitions



- Store centered
- User-friendly
- Encourages ideas and action
- The way we want to work at North West

## A Commitment to Our Core



- Vision and Mission are unchanged
- Customer value offer remains compelling
- Strategy builds on greatest advantages

# A Time to Invest



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