

# Consolidated Statements of Cash Flows

Years Ended (in millions)	May 6, 2006 (52 Weeks)	May 7, 2005 (53 Weeks)
<b>Operating Activities</b>		
Net earnings	\$ 296.8	\$ 186.6
Items not affecting cash (Note 16)	254.4	315.8
Preferred dividends	(0.3)	(0.3)
	550.9	502.1
Net change in non-cash working capital	75.7	(15.7)
Cash flows from operating activities	626.6	486.4
<b>Investing Activities</b>		
Net (increase) decrease in investments	(132.0)	3.0
Net proceeds from sale of Wajax Income Fund	50.8	–
Proceeds from sale of property to Crombie REIT	267.7	–
Purchase of shares in subsidiary, Sobeys Inc.	(49.5)	(93.5)
Purchase of property, equipment and other assets	(546.4)	(372.0)
Proceeds from sale of other property	29.3	35.1
Business acquisitions, net of cash acquired	(92.8)	(19.6)
Cash flows used in investing activities	(472.9)	(447.0)
<b>Financing Activities</b>		
(Decrease) increase in bank indebtedness	(110.6)	78.6
Decrease in construction loans	–	(1.1)
Issue of long-term debt	409.5	39.9
Repayment of long-term debt	(362.5)	(79.8)
Minority interest	6.0	4.4
Repurchase of preferred shares	–	(2.5)
Issue of Non-Voting Class A shares	0.8	0.9
Repurchase of Non-Voting Class A shares for cancellation	(0.8)	(1.6)
Common dividends	(36.7)	(31.6)
Cash flows (used in) from financing activities	(94.3)	7.2
Increase in cash and cash equivalents	59.4	46.6
Initial impact of variable interest entities	–	32.9
Increase cash and cash equivalents	59.4	79.5
Cash and cash equivalents, beginning of year	281.7	202.2
Cash and cash equivalents, end of year	\$ 341.1	\$ 281.7

See accompanying notes to the consolidated financial statements