

Consolidated Balance Sheets

(\$ in millions)	May 7, 2011	May 1, 2010
Assets		
Current		
Cash and cash equivalents	\$ 616.9	\$ 401.0
Receivables	346.6	336.9
Income taxes receivable	0.3	–
Inventories (Note 4)	906.1	880.3
Prepaid expenses	75.2	70.1
Loans and other receivables (Note 6)	81.7	105.8
	2,026.8	1,794.1
Investments at realizable value	14.3	10.9
Investments, at equity (realizable value \$436.9; 2010 – \$476.8) (Note 5)	26.8	56.8
Loans and other receivables (Note 6)	68.8	79.2
Other assets (Note 7)	107.1	94.5
Property and equipment (Note 8)	2,620.1	2,548.7
Assets held for sale	59.4	36.5
Intangibles (Note 9)	453.7	455.0
Goodwill	1,178.4	1,172.6
	\$ 6,555.4	\$ 6,248.3
Liabilities		
Current		
Bank indebtedness (Note 10)	\$ 8.1	\$ 17.8
Accounts payable and accrued liabilities	1,689.0	1,621.6
Income taxes payable	–	19.5
Long-term debt due within one year (Note 11)	49.7	379.4
Liabilities relating to assets held for sale	12.7	–
Future tax liabilities (Note 18)	46.6	50.9
	1,806.1	2,089.2
Long-term debt (Note 11)	1,095.4	829.0
Other long-term liabilities (Note 12)	143.2	130.6
Future tax liabilities (Note 18)	95.9	86.4
Employee future benefits obligation (Note 25)	130.0	125.1
Minority interest	35.8	35.6
	3,306.4	3,295.9
Shareholders' equity		
Capital stock (Note 13)	320.5	325.1
Contributed surplus	4.7	3.2
Retained earnings	2,944.2	2,652.2
Accumulated other comprehensive loss (Note 14)	(20.4)	(28.1)
	3,249.0	2,952.4
	\$ 6,555.4	\$ 6,248.3

Guarantees, commitments and contingent liabilities (Note 23)

Subsequent events (Note 30)

Approved on behalf of the Board


Director


Director

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Retained Earnings

Year ended (\$ in millions)	May 7, 2011 (53 Weeks)	May 1, 2010 (52 Weeks)
Balance, beginning of year as previously reported	\$ 2,652.2	\$ 2,405.8
Implementation of new accounting standards <i>(Note 1)</i>	–	(4.7)
Balance, beginning of year as restated	2,652.2	2,401.1
Net earnings	369.5	301.9
Dividends		
Preferred shares	(0.1)	(0.1)
Common shares	(54.4)	(50.7)
Premium on common shares purchased for cancellation <i>(Note 13)</i>	(23.0)	–
Balance, end of year	\$ 2,944.2	\$ 2,652.2

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Comprehensive Income

Year ended (\$ in millions)	May 7, 2011 (53 Weeks)	May 1, 2010 (52 Weeks)
Net earnings	\$ 369.5	\$ 301.9
Other comprehensive income		
Unrealized gains on available-for-sale financial assets, net of income taxes of \$0.2 (2010 – \$0.2)	1.0	0.8
Reclassification of loss on available-for-sale financial assets to earnings, net of income taxes of \$nil	–	0.2
Unrealized gains on derivatives designated as cash flow hedges to earnings, net of income taxes of \$0.1 (2010 – \$4.1)	0.3	7.6
Reclassification of loss on derivative instruments designated as cash flow hedges to earnings, net of income taxes of \$2.6 (2010 – \$2.9)	5.5	6.4
Share of comprehensive income of entities accounted for using the equity method, net of income taxes of \$0.8 (2010 – \$4.0)	2.5	7.6
Foreign currency translation adjustment	(1.6)	(2.2)
	7.7	20.4
Comprehensive income	\$ 377.2	\$ 322.3

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Earnings

Year ended (\$ in millions except per share amounts)	May 7, 2011 (53 Weeks)	May 1, 2010 (52 Weeks)
Sales	\$ 16,029.2	\$ 15,516.2
Operating expenses		
Cost of sales, selling and administrative expenses	15,199.5	14,728.2
Depreciation and amortization	362.1	339.7
	467.6	448.3
Investment income (Note 16)	29.8	31.4
Operating income	497.4	479.7
Interest expense		
Long-term debt	68.0	67.9
Short-term debt	3.3	4.6
	71.3	72.5
	426.1	407.2
Capital gains (losses) and other items (Note 17)	61.3	(0.6)
Earnings before income taxes and minority interest	487.4	406.6
Income taxes (Note 18)		
Current	106.1	109.2
Future	2.8	(10.1)
	108.9	99.1
Earnings before minority interest	378.5	307.5
Minority interest	9.0	5.6
Net earnings	\$ 369.5	\$ 301.9
Earnings per share (Note 3)		
Basic	\$ 5.43	\$ 4.41
Diluted	\$ 5.42	\$ 4.40
Weighted average number of common shares outstanding, in millions		
Basic	68.0	68.4
Diluted	68.2	68.5

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Cash Flows

Year ended (\$ in millions)	May 7, 2011 (53 Weeks)	May 1, 2010 (52 Weeks)
Operating activities		
Net earnings	\$ 369.5	\$ 301.9
Items not affecting cash (Note 19)	308.8	358.0
Preferred dividends	(0.1)	(0.1)
	678.2	659.8
Net change in non-cash working capital	8.4	124.3
Cash flows from operating activities	686.6	784.1
Investing activities		
Net increase in investments	(38.4)	(50.5)
Net proceeds from sale of Wajax (Note 2)	121.3	–
Purchase of property and equipment	(554.0)	(434.0)
Proceeds on disposal of property and equipment	176.7	137.1
Additions to intangibles	(34.3)	(34.7)
Loans and other receivables	34.5	(44.1)
Increase in other assets	(4.5)	(5.9)
Business acquisitions (Note 26)	(17.0)	(34.0)
Cash flows used in investing activities	(315.7)	(466.1)
Financing activities		
Decrease in bank indebtedness	(9.7)	(28.1)
Issue of long-term debt	218.3	97.7
Repayment of long-term debt	(272.7)	(158.6)
Decrease in minority interest	(8.8)	(8.9)
Repurchase of preferred shares (Note 13)	(0.1)	–
Repurchase of Non-Voting Class A shares (Note 13)	(27.6)	–
Common dividends	(54.4)	(50.7)
Cash flows used in financing activities	(155.0)	(148.6)
Increase in cash and cash equivalents	215.9	169.4
Cash and cash equivalents, beginning of year	401.0	231.6
Cash and cash equivalents, end of year	\$ 616.9	\$ 401.0

See accompanying notes to the consolidated financial statements.