

**Adjusted debt**

Funded debt plus the capitalized value of operating lease payments, which is calculated as six times net annual operating lease payments

**Adjusted debt to capital**

Adjusted debt divided by the sum of adjusted debt and shareholders' equity

**Book value per share**

Shareholders' equity less preferred shares divided by Non-Voting Class A shares and Class B common shares outstanding

**Capital expenditure**

Payments made for the acquisition of property and equipment

**EBITDA**

Operating income plus depreciation and amortization

**Expanded stores**

Stores that undergo construction resulting in a square footage increase during the year

**Funded debt**

All interest bearing debt, which includes bank loans, bankers' acceptances, long-term debt and liabilities relating to assets held for sale

**Funds from operations**

Operating earnings plus depreciation and amortization

**Hedge**

A financial instrument used to manage foreign exchange, interest rate or energy or other commodity risk by making a transaction which offsets the existing position

**Interest coverage**

Operating income divided by interest expense

**Letters of credit**

Financial instruments issued by a financial institution to guarantee the Company's payments to a third party

**Net debt to total capital**

Funded debt less cash and cash equivalents divided by funded debt less cash and cash equivalents plus shareholders' equity

**Operating earnings**

Net earnings before capital gains (losses) and other items, net of tax

**Operating income**

Operating earnings before minority interest, interest expense and income taxes

**Operating margin**

Operating income divided by sales

**Private label**

A brand of products that is marketed, distributed and owned by the Company

**Renovated stores**

Stores that undergo construction, resulting in no increase in square footage

**Return on equity**

Net earnings available for common shares divided by average common shareholders' equity

**Same-store sales**

Sales from stores in the same location in both reporting periods

**Total capital**

Funded debt plus shareholders' equity

**VIE (Variable Interest Entity)**

An entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support, or where the equity holders lack the overall characteristics of a controlling financial interest

**Weighted average number of shares**

The number of Non-Voting Class A shares plus Class B common shares outstanding adjusted to take into account the time the shares are outstanding in the reporting period