

- In March, we optimized distribution operations by transferring our volume from the Québec city produce distribution centre to our new Laval distribution centre, consolidating produce and dairy distribution operations.
- We added 350 new products to our private labels, including 91 new *Life Smart* products. Our private labels were honoured at the Store Brands Innovation Awards 2014, winning no fewer than seven awards, at the 21<sup>st</sup> Canadian Grand Prix New Product Awards presented by the Retail Council of Canada in Toronto, where METRO walked away with three of the six private label category awards. Lastly, for the second year in a row, our products won the PLMA (Private Label Manufacturers Association) award in three categories in Chicago;
- We expanded the *My Healthy Plate with Metro* program, adding smile tags in over 60 product categories and bringing the total of smile-tagged products to over 3,000. The smiles enable customers to quickly identify good and great product choices for healthy eating;
- We continued to develop our Web and mobile platforms to make life easier for our customers. The metro.ca website and mobile application *My Metro* now display the smiles identifying good and great healthy choices by product category to help users when they draw up their shopping list. Also, users can use the *My Metro* mobile application to scan the bar codes of the pantry staples they're running low on and add them automatically to the shopping list;
- In view of our excellent financial position, the Board of Directors approved a change to our dividend policy. Our aim henceforth is an annual dividend that represents 20% to 30% of the preceding fiscal year's adjusted net earnings<sup>(4)</sup> with a target payout of 25% versus the previous target of 20%;
- We continued our normal course issuer bid program with over 7 million shares repurchased on the market over the fiscal year. Since 2011, we have returned nearly \$1.3 billion to our shareholders through stock repurchases.

## **EVENT AFTER THE REPORTING PERIOD**

The Corporation deemed market conditions to be favourable to long-term financing. On December 1, 2014, the Corporation issued a private placement of \$300.0 million aggregate principal amount of Series C unsecured senior notes, bearing interest at a fixed nominal rate of 3.20% and maturing December 1, 2021, and \$300.0 million aggregate principal amount of Series D unsecured senior notes, bearing interest at a fixed nominal rate of 5.03% and maturing December 1, 2044. Supplementary information on the allocation of the proceeds of these issues is given under the Sources of Financing section.

<sup>(1)</sup> See table on "Operating income before depreciation and amortization and associate's earnings adjustments"

<sup>(2)</sup> See table on "Net earnings from continuing operations adjustments"

<sup>(3)</sup> See section on "Forward-looking information"

<sup>(4)</sup> See section on "IFRS and non-IFRS measurements"

<sup>(5)</sup> See table on "Net earnings adjustments"