

Consolidated Statements of Income

For the thirteen (fourteen in 2012) week period and years ended December 29, 2013 and December 30, 2012
(unaudited and in thousands of Canadian dollars, except per share amounts)

	Fourth Quarter		Years ended	
	2013	2012	2013	2012
		Restated		Restated
Continuing operations				
Revenues	\$ 941,111	\$ 1,071,523	\$ 4,192,192	\$ 4,444,175
Earnings before interest, taxes, depreciation, amortization, impairment of non-financial assets, restructuring costs and other charges	36,124	23,000	162,088	188,654
Restructuring costs and other charges	(6,132)	(3,591)	(82,879)	(37,261)
Depreciation, amortization and impairment of non-financial assets	(23,374)	(35,083)	(113,850)	(107,261)
Operating (loss) income	6,618	(15,674)	(34,641)	44,132
Finance costs	(4,615)	(4,224)	(14,000)	(12,462)
(Loss) income before income taxes	2,003	(19,898)	(48,641)	31,670
Income tax recovery (expense)	(523)	5,366	13,044	(8,281)
Net (loss) income from continuing operations	1,480	(14,532)	(35,597)	23,389
Discontinued operations				
Net loss from discontinued operations	(2,412)	(829)	(117,417)	(5,128)
Net (loss) income	\$ (932)	\$ (15,361)	\$ (153,014)	\$ 18,261
Net (loss) income attributable to:				
Owners of RONA inc. - Continuing operations	\$ 1,260	\$ (14,821)	\$ (36,614)	\$ 21,603
- Discontinued operations	(2,412)	(829)	(117,417)	(5,128)
	(1,152)	(15,650)	(154,031)	16,475
Non-controlling interests	220	289	1,017	1,786
	\$ (932)	\$ (15,361)	\$ (153,014)	\$ 18,261
Net (loss) income per share attributable to owners of RONA inc - basic and diluted				
Continuing operations	\$ (0.01)	\$ (0.14)	\$ (0.38)	\$ 0.10
Discontinued operations	(0.02)	(0.01)	(0.96)	(0.04)
	\$ (0.03)	\$ (0.15)	\$ (1.34)	\$ 0.06

Consolidated Statements of Cash Flows

For the thirteen (fourteen in 2012) week period and years ended December 29, 2013 and December 30, 2012
(unaudited and in thousands of Canadian dollars)

	Fourth Quarter		Years ended	
	2013	2012	2013	2012
		Restated		Restated
Operating activities				
(Loss) income before income taxes	\$ (1,273)	\$ (21,024)	\$ (198,071)	\$ 24,700
Loss before income taxes from discontinued operations	(3,276)	-1,126	(149,430)	(6,970)
(Loss) income before income taxes from continuing operations	2,003	-19,898	(48,641)	31,670
Adjustments				
Depreciation, amortization and impairment of non-financial assets	23,374	35,083	113,850	107,261
Change in provision for restructuring costs	(1,494)	108	52,130	23,135
Change in fair value of derivative financial instruments	55	(612)	3,062	(628)
Net gains on disposal of assets	(852)	(768)	(4,640)	(3,973)
Share of income of equity-accounted investees	(489)	(406)	(1,599)	(1,570)
Share-based payment	(124)	954	6,688	3,676
Difference between amounts paid for post-employment benefits and current year expenses	(749)	(6,131)	(851)	(1,939)
Reversal of straight-line lease provisions	-	-	(3,468)	(1,329)
Other	(687)	545	(760)	1,122
	21,037	8,875	115,771	157,425
Net change in working capital	14,362	38,211	(33,497)	(13,745)
	35,399	47,086	82,274	143,680
Interest received	763	856	3,945	3,822
Income taxes paid	(2,959)	(1,644)	(11,107)	(25,124)
Cash flows from continuing operating activities	33,203	46,298	75,112	122,378
Investing activities				
Business combinations	(22,812)	(7,811)	(22,812)	(11,808)
Proceeds on disposal of a business	213,667	-	213,667	-
Acquisition of property, plant and equipment	(12,203)	(10,490)	(35,825)	(30,047)
Acquisition of intangible assets	(5,777)	(11,599)	(25,925)	(45,676)
Acquisition of other financial assets	486	1,181	(2,433)	(2,947)
Proceeds on disposal of property, plant and equipment and non-current assets held for sale	9,101	5,537	29,106	16,462
Proceeds on disposal of intangible assets	41	-	784	-
Proceeds on disposal of other financial assets	862	242	2,975	1,751
Dividends received from equity-accounted investees	2,004	-	2,004	1,198
Interest received	214	181	868	790
Cash flows from (used for) continuing investing activities	185,583	(22,759)	162,409	(70,277)
Financing activities				
Bank loans	(6,314)	251	(7,533)	3,605
Net change in credit facilities	(208,296)	(34,542)	(176,068)	63,274
Other long-term debt	-	-	-	16
Financing costs	-	-	-	(80)
Repayment of other long-term debt	(5,006)	(7,251)	(15,328)	(18,173)
Proceeds from issuance of common shares	624	632	4,713	5,714
Repurchase of common shares	(15,375)	-	(15,375)	(66,767)
Dividends on common shares	-	(8,499)	(17,043)	(17,191)
Dividends on preferred shares	(2,495)	(2,277)	(9,263)	(9,062)
Cash dividends paid by a subsidiary to non-controlling interests	(3,430)	-	(3,430)	-
Interest paid	(19)	(842)	(10,546)	(9,429)
Cash flows used for continuing financing activities	(240,311)	(52,528)	(249,873)	(48,093)
Net (decrease) increase in cash from continuing operations	(21,525)	(28,989)	(12,352)	4,008
Net increase in cash from discontinued operations	-	300	7	303
Net change in cash during the year	(21,525)	(28,689)	(12,345)	4,311
Cash, beginning of year	29,770	49,279	20,590	16,279
Cash, end of year	\$ 8,245	\$ 20,590	\$ 8,245	\$ 20,590