REITMANS

(CANADA) LIMITED

Unaudited Condensed Consolidated Interim Financial Statements
April 30, 2016 and May 2, 2015

REITMANS (CANADA) LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)
(in thousands of Canadian dollars except per share amounts)

	Notes	For the three months ended April 30, 2016	For the three months ended May 2, 2015
Sales		**$ 203,487**	$ 201,731
Cost of goods sold	5	**89,993**	81,636
Gross profit		**113,494**	120,095
Selling and distribution expenses		**115,193**	118,881
Administrative expenses		**10,775**	11,378
Results from operating activities		**(12,474)**	(10,164)
Finance income	11	**4,826**	1,477
Finance costs	11	**2,237**	1,250
Loss before income taxes		**(9,885)**	(9,937)
Income tax recovery	10	**3,903**	2,266
Net loss		**$ (5,982)**	$ (7,671)
Loss per share:	12		
Basic		**$ (0.09)**	$ (0.12)
Diluted		**(0.09)**	(0.12)

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

REITMANS (CANADA) LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(in thousands of Canadian dollars)

	Notes	For the three months ended April 30, 2016	For the three months ended May 2, 2015
Net loss		**$ (5,982)**	$ (7,671)
Other comprehensive (loss) income			
Items that are or may be reclassified subsequently to net earnings:			
Cash flow hedges (net of tax of $7,716; 2015 - $1,506)	8	**(21,117)**	(4,169)
Foreign currency translation differences	8	**479**	182
Total other comprehensive loss		**(20,638)**	(3,987)
Total comprehensive loss		**$ (26,620)**	$ (11,658)

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

REITMANS (CANADA) LIMITED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands of Canadian dollars)

	Notes	April 30, 2016	May 2, 2015	January 30, 2016
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4	**$ 75,749**	$ 67,658	$ 118,595
Marketable securities	14	**49,259**	58,933	45,189
Trade and other receivables		**5,729**	6,095	4,103
Derivative financial asset	14	**-**	5,458	14,405
Income taxes recoverable		**5,413**	2,992	3,301
Inventories	5	**139,550**	134,977	124,848
Prepaid expenses		**9,467**	24,396	8,921
Total Current Assets		**285,167**	300,509	319,362
NON-CURRENT ASSETS				
Property and equipment		**131,165**	147,461	134,363
Intangible assets		**24,459**	20,997	24,347
Goodwill		**38,183**	42,426	38,183
Deferred income taxes		**35,764**	30,397	25,828
Total Non-Current Assets		**229,571**	241,281	222,721
TOTAL ASSETS		**$ 514,738**	$ 541,790	$ 542,083
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Trade and other payables	6	**$ 84,789**	$ 70,442	$ 98,135
Derivative financial liability	14	**19,549**	132	1,816
Deferred revenue	7	**18,476**	16,115	19,325
Current portion of long-term debt	14	**1,926**	1,808	1,896
Total Current Liabilities		**124,740**	88,497	121,172
NON-CURRENT LIABILITIES				
Other payables	6	**7,699**	9,491	8,112
Deferred lease credits		**9,977**	12,120	10,640
Long-term debt	14	**1,162**	3,088	1,655
Pension liability		**19,578**	22,218	19,336
Total Non-Current Liabilities		**38,416**	46,917	39,743
SHAREHOLDERS' EQUITY				
Share capital	8	**38,397**	39,229	38,397
Contributed surplus		**9,208**	8,152	9,007
Retained earnings		**318,221**	357,681	327,370
Accumulated other comprehensive income	8	**(14,244)**	1,314	6,394
Total Shareholders' Equity		**351,582**	406,376	381,168
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 514,738**	$ 541,790	$ 542,083

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

REITMANS (CANADA) LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(in thousands of Canadian dollars)

	Notes	Share Capital	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance as at January 31, 2016		**$ 38,397**	**$ 9,007**	**$ 327,370**	**$ 6,394**	**$ 381,168**
Net loss		**-**	**-**	**(5,982)**	**-**	**(5,982)**
Total other comprehensive loss		**-**	**-**	**-**	**(20,638)**	**(20,638)**
Total comprehensive loss for the period		**-**	**-**	**(5,982)**	**(20,638)**	**(26,620)**
Share-based compensation costs	9d	**-**	**201**	**-**	**-**	**201**
Dividends	8	**-**	**-**	**(3,167)**	**-**	**(3,167)**
Total contributions by (distributions to) owners of the Company		**-**	**201**	**(3,167)**	**-**	**(2,966)**
Balance as at April 30, 2016		**$ 38,397**	**$ 9,208**	**$ 318,221**	**$ (14,244)**	**$ 351,582**
Balance as at February 1, 2015		$ 39,227	$ 8,014	$ 368,581	$ 5,301	$ 421,123
Net loss		-	-	(7,671)	-	(7,671)
Total other comprehensive loss		-	-	-	(3,987)	(3,987)
Total comprehensive loss for the period		-	-	(7,671)	(3,987)	(11,658)
Cash consideration on exercise of share options	8	2	-	-	-	2
Share-based compensation costs	9d	-	138	-	-	138
Dividends	8	-	-	(3,229)	-	(3,229)
Total contributions by (distributions to) owners of the Company		2	138	(3,229)	-	(3,089)
Balance as at May 2, 2015		$ 39,229	$ 8,152	$ 357,681	$ 1,314	$ 406,376

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

REITMANS (CANADA) LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands of Canadian dollars)

	Notes	For the three months ended April 30, 2016	For the three months ended May 2, 2015
CASH FLOWS USED IN OPERATING ACTIVITIES			
Net loss		**$ (5,982)**	$ (7,671)
Adjustments for:			
Depreciation, amortization and net impairment losses		**10,347**	11,880
Share-based compensation costs	9d	**201**	138
Amortization of deferred lease credits		**(795)**	(1,443)
Deferred lease credits		**132**	385
Pension contribution		**(368)**	(275)
Pension expense		**610**	525
Net change in fair value of marketable securities	11	**(4,070)**	1,168
Net change in fair value of derivatives		**-**	9,536
Foreign exchange loss (gain)		**3,634**	(946)
Interest and dividend income, net	11	**(702)**	(785)
Interest paid	11	**(54)**	(82)
Interest received		**161**	252
Dividends received		**560**	613
Income tax recovery		**(3,903)**	(2,266)
		(229)	11,029
Changes in:			
Trade and other receivables		**(1,591)**	(1,494)
Inventories		**(14,702)**	(28,537)
Prepaid expenses		**(546)**	(12,248)
Trade and other payables		**(13,218)**	(19,469)
Deferred revenue		**(849)**	(4,958)
Cash used in operating activities		**(31,135)**	(55,677)
Income taxes received		**-**	2
Income taxes paid		**(430)**	(1,178)
Net cash flows used in operating activities		**(31,565)**	(56,853)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchases of marketable securities		**-**	(2,736)
Additions to property and equipment and intangible assets		**(8,218)**	(10,132)
Proceeds on disposal of property and equipment and intangibles		**416**	-
Cash flows used in investing activities		**(7,802)**	(12,868)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Dividends paid	8	**(3,167)**	(3,229)
Repayment of long-term debt		**(463)**	(435)
Proceeds from issue of share capital		**-**	2
Cash flows used in financing activities		**(3,630)**	(3,662)
FOREIGN EXCHANGE GAIN ON CASH HELD IN FOREIGN CURRENCY		**151**	1,128
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(42,846)**	(72,255)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD		**118,595**	139,913
CASH AND CASH EQUIVALENTS, END OF THE PERIOD		**$ 75,749**	$ 67,658

Supplementary cash flow information (note 13)
The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

1. REPORTING ENTITY

Reitmans (Canada) Limited (the "Company") is a company domiciled in Canada and is incorporated under the Canada Business Corporations Act. The address of the Company's registered office is 155 Wellington Street West, 40th Floor, Toronto, Ontario M5V 3J7. The principal business activity of the Company is the sale of women's wear at retail.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") on a basis consistent with those accounting policies followed by the Company in the most recent audited annual consolidated financial statements except where noted below. These unaudited condensed consolidated interim financial statements have been prepared under IFRS in accordance with IAS 34, *Interim Financial Reporting*. Certain information, in particular the accompanying notes, normally included in the audited annual consolidated financial statements prepared in accordance with IFRS has been omitted or condensed. Accordingly, these unaudited condensed consolidated interim financial statements do not include all the information required for full annual financial statements, and, therefore, should be read in conjunction with the audited annual consolidated financial statements and the notes thereto for the year ended January 30, 2016.

These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 31, 2016.

b) Basis of Measurement

These unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items:

- marketable securities and derivative financial instruments are measured at fair value; and
- the pension liability is recognized as the present value of the defined benefit obligation less the fair value of the plan assets.

c) Seasonality of Interim Operations

The retail business is seasonable and the results of operations for any interim period are not necessarily indicative of the results of operation for the full fiscal year or any future period.

d) Functional and Presentation Currency

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except per share amounts.

e) Estimates, Judgments and Assumptions

The preparation of the unaudited condensed consolidated interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. These estimates and assumptions are based on historical experience, other relevant factors and expectations of the future and are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty were the same as those applied and described in the Company's audited annual consolidated financial statements for the year ended January 30, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies as disclosed in the Company's audited annual consolidated financial statements for the year ended January 30, 2016 have been applied consistently in the preparation of these unaudited condensed consolidated interim financial statements except for the adoption of *Disclosure Initiative: Amendments to IAS 1*. On December 18, 2014, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* as part of its major initiative to improve presentation and disclosure in financial reports. The amendments were effective for annual periods beginning on or after January 1, 2016. These amendments did not require any significant change to the Company's presentation and disclosure in these unaudited condensed consolidated interim financial statements.

New Standards and Interpretations Not Yet Adopted

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three months ended April 30, 2016 and have not been applied in preparing these unaudited condensed consolidated interim financial statements. New standards and amendments to standards and interpretations that are currently under review include:

IFRS 16 - Leases

In January 2016, the IASB issued IFRS 16, *Leases* ("IFRS 16"), replacing IAS 17, *Leases* and related interpretations. The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessors continue to classify leases as finance and operating leases. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. IFRS 16 becomes effective for annual periods beginning on or after January 1, 2019, and is to be applied retrospectively. Early adoption is permitted if IFRS 15, *Revenue from Contracts with*

Customers ("IFRS 15") has been adopted. The Company is currently assessing the impact of the new standard on its consolidated financial statements.

IFRS 15- Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard applies to contracts with customers. It does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. IFRS 15 becomes effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is currently assessing the impact of the new standard on its consolidated financial statements.

Disclosure Initiative (Amendments to IAS 7)

In January 2016, the IASB issued amendments to IAS 7, *Statements of Cash Flows* which will require specific disclosures for movements in certain liabilities on the statement of cash flows. These amendments will be applicable for the annual period beginning on or after January 1, 2017, with earlier application permitted. The extent of the impact of adoption of the amendments has not yet been determined.

4. CASH AND CASH EQUIVALENTS

	April 30, 2016	**May 2, 2015**	**January 30, 2016**
Cash on hand and with banks	**$ 29,751**	$ 57,659	$ 112,596
Short-term deposits, bearing interest at 0.5% (May 2, 2015 - 0.8%; January 30, 2016- 0.6%)	**45,998**	9,999	5,999
	$ 75,749	$ 67,658	$ 118,595

5. INVENTORIES

During the three months ended April 30, 2016, inventories recognized as cost of goods sold amounted to $86,338, (May 2, 2015 - $79,926). In addition, the Company recorded $3,655 (May 2, 2015 - $1,710) of write-downs of inventories as a result of net realizable value being lower than cost which were recognized in cost of goods sold, and no inventory write-downs recognized in previous periods were reversed.

During the three months ended April 30, 2016, no amount was included in cost of goods sold (May 2, 2015 - loss of $2,344) representing changes in fair value of derivatives not eligible for hedge accounting.

6. TRADE AND OTHER PAYABLES

	April 30, 2016	May 2, 2015	January 30, 2016
Trade payables	**$ 47,914**	$ 37,706	$ 53,359
Non-trade payables due to related parties	**40**	40	40
Other non-trade payables	**11,433**	7,872	12,204
Personnel liabilities	**19,419**	19,190	26,943
Payables relating to premises	**11,738**	13,469	12,630
Provision for sales returns	**1,944**	1,656	1,071
	92,488	79,933	106,247
Less non-current portion	**7,699**	9,491	8,112
	$ 84,789	$ 70,442	$ 98,135

The non-current portion of trade and other payables, which is included in payables relating to premises, represents the portion of deferred rent to be amortized and other payables beyond the next twelve months.

7. DEFERRED REVENUE

	April 30, 2016	May 2, 2015	January 30, 2016
Loyalty points and awards granted under loyalty programs	**$ 9,236**	$ 7,690	$ 6,308
Unredeemed gift cards	**9,240**	8,425	13,017
	$ 18,476	$ 16,115	$ 19,325

8. SHARE CAPITAL AND OTHER COMPONENTS OF EQUITY

The change in share capital for each of the periods listed was as follows:

	For the three months ended			
	April 30, 2016		**May 2, 2015**	
	Number of shares (in 000's)	**Carrying amount**	**Number of shares (in 000's)**	**Carrying amount**
Common shares				
Balance at beginning and end of the period	**13,440**	**$ 482**	13,440	$ 482
Class A non-voting shares				
Balance at beginning of the period	**49,890**	**37,915**	51,146	38,745
Shares issued pursuant to exercise of share options	**-**	**-**	-	2
Balance at end of the period	**49,890**	**37,915**	51,146	38,747
Total share capital	**63,330**	**$ 38,397**	64,586	$ 39,229

Authorized Share Capital

The Company has authorized for issuance an unlimited number of Common shares and Class A non-voting shares. Both Common shares and Class A non-voting shares have no par value. All issued shares are fully paid.

The Common shares and Class A non-voting shares of the Company rank equally and pari passu with respect to the right to receive dividends and upon any distribution of the assets of the Company. However, in the case of share dividends, the holders of Class A non-voting shares shall have the right to receive Class A non-voting shares and the holders of Common shares shall have the right to receive Common shares.

Issuance of Class A Non-Voting Shares

During the three months ended April 30, 2016, no Class A non-voting shares were issued as a result of the exercise of vested options arising from the Company's share option program (May 2, 2015 - 200). No amount was credited to share capital from the exercise of share options from contributed surplus (May 2, 2015 - $2).

Purchase of Shares for Cancellation

The Company did not purchase any shares under a normal course issuer bid approved in December 2015 in the three months ended April 30, 2016. For further information with respect to the normal course issuer bid refer to the Company's audited annual consolidated financial statements for the year ended January 30, 2016.

Accumulated Other Comprehensive Income ("AOCI")

AOCI is comprised of the following:

	Marketable Securities	Cash Flow Hedges	Foreign Currency Translation Differences	Total AOCI
Balance at January 31, 2016	**$ -**	**$ 7,514**	**$ (1,120)**	**$ 6,394**
Net change in fair value of cash flow hedges (net of tax of $5,886)	**-**	**(16,109)**	**-**	**(16,109)**
Transfer of realized gain on cash flow hedges to inventory (net of tax of $1,830)	**-**	**(5,008)**	**-**	**(5,008)**
Change in foreign currency translation differences	**-**	**-**	**479**	**479**
Balance at April 30, 2016	**$ -**	**$ (13,603)**	**$ (641)**	**$ (14,244)**
Balance at February 1, 2015	$ -	$ 6,026	$ (725)	$ 5,301
Net change in fair value of available for sale financial assets (net of tax of $1,420)	-	(3,930)	-	(3,930)
Transfer of realized gain on cash flow hedges to inventory (net of tax of $86)	-	(239)	-	(239)
Change in foreign currency translation differences	-	-	182	182
Balance at May 2, 2015	$ -	$ 1,857	$ (543)	$ 1,314

Dividends

The following dividends were declared and paid by the Company:

	For the three months ended	
	April 30, 2016	**May 2, 2015**
Common shares and Class A non-voting shares	**$ 3,167**	$ 3,229
Dividends per share	**$ 0.05**	$ 0.05

9. SHARE-BASED PAYMENTS

a) Description of the Share-Based Payment Arrangements

The Company has a share option plan that provides that up to 10% of the Class A non-voting shares outstanding, from time to time, may be issued pursuant to the exercise of options granted under the plan to key management and employees. The granting of options and the related vesting period, which is normally up to 5 years, are at the discretion of the Board of Directors and the options have a maximum term of 10 years. The exercise price payable for each Class A non-voting share covered by a share option is determined by the Board of Directors at the date of grant, but may not be less than the closing price of the Company's shares on the trading day immediately preceding the effective date of the grant.

b) Disclosure of Equity-settled Share Option Plan

Changes in outstanding share options were as follows:

	For the three months ended			
	April 30, 2016		**May 2, 2015**	
	Options (in 000's)	**Weighted Average Exercise Price**	**Options (in 000's)**	**Weighted Average Exercise Price**
Outstanding, at beginning of period	**3,610**	**$ 9.62**	3,051	$ 10.75
Granted	**-**	**-**	200	6.77
Exercised	**-**	**-**	-	6.00
Forfeited	**(58)**	**6.07**	(143)	13.97
Outstanding, at end of period	**3,552**	**$ 9.67**	3,108	$ 10.35
Options exercisable, at end of period	**1,896**	**$ 11.73**	1,546	$ 13.07

During the three months ended April 30, 2016, no Class A non-voting shares (May 2, 2015 – 200) were issued as a result of the exercise of vested options arising from the Company's share option program. The weighted average share price at the date of exercise for the share options exercised during the three months ended May 2, 2015 was $7.02.

c) Share Option Awards

During the three months ended April 30, 2016, no share option awards were granted. Compensation cost related to 200,000 share option awards granted during the three months ended May 2, 2015 under the fair value based approach was calculated using the following assumptions:

	200,000 Options Granted April 23, 2015
Expected option life	6.3 years
Risk-free interest rate	0.99%
Expected stock price volatility	30.06%
Average dividend yield	2.95%
Weighted average fair value of options granted	$1.42
Share price at grant date	$6.77

d) Employee Expense

For the three months ended April 30, 2016, the Company recognized compensation costs of $201, relating to share-based payment arrangements ($138 for the three months ended May 2, 2015), with a corresponding credit to contributed surplus.

10. INCOME TAX

The Company's effective tax rate for the three months ended April 30, 2016 was 39.48% (22.80% for the three months ended May 2, 2015). In the interim periods, the income tax provision is based on an estimate of the earnings that will be generated in a full year adjusted for the impact of the fair value adjustment related to marketable securities. The estimated average annual effective income tax rates are re-estimated at each interim reporting date, based on full year projections of earnings. To the extent that forecasts differ from actual results, adjustments are recognized in subsequent periods.

11. FINANCE INCOME AND FINANCE COSTS

Recognized in Net Earnings

	For the three months ended	
	April 30, 2016	**May 2, 2015**
Dividend income from marketable securities	**$ 631**	$ 709
Interest income	**125**	158
Net change in fair value of marketable securities	**4,070**	-
Foreign exchange gain	**-**	610
Finance income	**4,826**	1,477
Interest expense - mortgage	**54**	82
Net change in fair value of marketable securities	**-**	1,168
Foreign exchange loss	**2,183**	-
Finance costs	**2,237**	1,250
Net finance income recognized in net earnings	**$ 2,589**	$ 227

12. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on a net loss for the three months ended April 30, 2016 of $5,982 (net loss of $7,671 for the three months ended May 2, 2015).

The number of shares (in thousands) used in the loss per share calculation is as follows:

	For the three months ended	
	April 30, 2016	**May 2, 2015**
Weighted average number of shares - basic	**63,330**	64,586
Weighted average number of shares - diluted	**63,330**	64,635

As at April 30, 2016, a total of 3,551,800 (May 2, 2015 - 2,553,200) share options were excluded from the calculation of diluted loss per share as these options were deemed to be anti-dilutive, because the exercise prices were greater than the average market price of the shares during the period.

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period during which the options were outstanding.

13. SUPPLEMENTARY CASH FLOW INFORMATION

	April 30, 2016	**May 2, 2015**	**January 30, 2016**
Non-cash transactions:			
Additions to property and equipment and intangible assets included in trade and other payables	**$ 1,631**	$ 1,425	$ 2,172

Included in depreciation, amortization and impairment losses are write-offs of property and equipment related to store closures and asset impairment charges relating to underperforming stores of $821 for the three months ended April 30, 2016 ($1,470 for three months ended May 2, 2015). The impairment related to the property and equipment is due to the reduction in profitability at individual store locations (cash-generating units "CGUs"). In addition, during the three months ended April 30, 2016, $491 of asset impairment charges were reversed following an improvement in the profitability of certain CGU's ($465 for the three months ended May 2, 2015).

14. FINANCIAL INSTRUMENTS

Accounting classification and fair values

The following table shows the carrying amounts and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value. The Company has determined that the fair value of its current financial assets and liabilities (other than those included below) approximates their respective carrying amounts as at the reporting dates because of the short-term nature of those financial instruments.

	April 30, 2016						
	Carrying Amount				Fair Value		
	Fair Value through Profit or Loss	Fair Value of Hedging Instruments	Amortized Cost	Total	Level 1	Level 2	Total
Financial assets measured at fair value							
Marketable securities	**$ 49,259**	**$ -**	**$ -**	**$ 49,259**	**$ 49,259**	**$ -**	**$ 49,259**
Financial liabilities measured at fair value							
Derivative financial liability	**$ -**	**$(19,549)**	**$ -**	**$(19,549)**	**$ -**	**$(19,549)**	**$(19,549)**
Financial liabilities not measured at fair value							
Long-term debt	**$ -**	**$ -**	**$ (3,088)**	**$ (3,088)**	**$ -**	**$ (3,194)**	**$ (3,194)**

	May 2, 2015						
	Carrying Amount				Fair Value		
	Fair Value through Profit or Loss	Fair Value of Hedging Instruments	Amortized Cost	Total	Level 1	Level 2	Total
Financial assets measured at fair value							
Derivative financial asset	$ 2,799	$ 2,659	$ -	$ 5,458	$ -	$ 5,458	$ 5,458
Marketable securities	$ 58,933	$ -	$ -	$ 58,933	$ 58,933	$ -	$ 58,933
Financial liabilities measured at fair value							
Derivative financial liability	$ -	$ (132)	$ -	$ (132)	$ -	$ (132)	$ (132)
Financial liabilities not measured at fair value							
Long-term debt	$ -	$ -	$ (4,896)	$ (4,896)	$ -	$ (5,143)	$ (5,143)

	January 30, 2016						
	Carrying Amount				Fair Value		
	Fair Value through Profit or Loss	Fair Value of Hedging Instruments	Amortized Cost	Total	Level 1	Level 2	Total
Financial assets measured at fair value							
Derivative financial asset	$ -	$ 14,405	$ -	$ 14,405	$ -	$ 14,405	$ 14,405
Marketable securities	$45,189	$ -	$ -	$ 45,189	$ 45,189	$ -	$ 45,189
Financial liabilities measured at fair value							
Derivative financial liability	$ -	$ (1,816)	$ -	$ (1,816)	$ -	$ (1,816)	$ (1,816)
Financial liabilities not measured at fair value							
Long-term debt	$ -	$ -	$ (3,551)	$ (3,551)	$ -	$ (3,686)	$ (3,686)

There were no transfers between levels of the fair value hierarchy for the periods ended April 30, 2016, May 2, 2015 and January 30, 2016.

Derivative financial instruments

The Company entered into transactions with its bank whereby it entered into forward contracts, purchased call options and sold put options, all on the U.S. dollar. These foreign exchange contracts extend over a period not exceeding twelve months. Purchased call options and sold put options expiring on the same date have the same strike price.

Details of the foreign exchange contracts outstanding are as follows:

	April 30, 2016				
	Average Strike Price	Notional Amount in U.S. Dollar	Derivative Financial Asset	Derivative Financial Liability	Net
Foreign exchange contracts designated as cash flow hedges:					
Forwards	**$ 1.352**	**$ 202,000**	**$ -**	**$(19,549)**	**$ (19,549)**
			$ -	**$(19,549)**	**$ (19,549)**

	May 2, 2015				
	Average Strike Price	Notional Amount in U.S. Dollar	Derivative Financial Asset	Derivative Financial Liability	Net
Foreign exchange contracts designated as cash flow hedges:					
Forwards	$ 1.204	$ 109,500	$ 1,689	$ -	$ 1,689
Call options purchased	$ 1.188	$ 23,000	970	-	970
Put options sold	$ 1.188	$ 11,500	-	(132)	(132)
Foreign exchange contracts classified at FVTPL[1]:					
Call options purchased	$ 1.077	$ 20,000	2,799	-	2,799
Put options sold	$ 1.077	$ 40,000	-	-	-
			$ 5,458	$ (132)	$ 5,326

[1] Fair value through profit or loss ("FVTPL") are held as economic hedges

	January 30, 2016				
	Average Strike Price	Notional Amount in U.S. Dollar	Derivative Financial Asset	Derivative Financial Liability	Net
Foreign exchange contracts designated as cash flow hedges:					
Forwards	$ 1.325	$ 168,000	$ 14,405	$ (1,816)	$ 12,589
			$ 14,405	$ (1,816)	$ 12,589

15. FINANCIAL RISK MANAGEMENT

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. There have been no significant changes in the Company's risk exposures during the three months ended April 30, 2016 from those described in the Company's audited annual consolidated financial statements for the year ended January 30, 2016.