Richelieu

Interim Report

1

Three-month period
ended February 28, 2019

MESSAGE TO SHAREHOLDERS

The 2019 fiscal year started off with the closing of three new acquisitions: on January 1 and February 4, we acquired **Lion Industries**, **Blackstone Building Products**, and **Truform Building Products**, specialty hardware distributors serving window and door manufacturers in Western Canada and Ontario from their Calgary and Concord centers. These acquisitions will reinforce our current presence in these markets, increase our business in the window and door manufacturers segment, and add some $12 million in annual sales.

It should be noted that the first quarter is generally the weakest of the year. For the three months ended February 28, 2019, our results were affected by lower sales to hardware retailers including renovation superstores market in Canada and the United States, compared to the same period in 2018. This is due to the fact that in the first quarter of 2018, in Canada, our sales in this market were exceptionally high for a first quarter, whereas in the first quarter of 2019 our sales were impacted by inventory realignment of our retailer customers which have not shown sales growth. In addition, one of our major Canadian customers closed several stores. Note that Richelieu did not lose any market share among retailers. In the United States, the sales decrease in hardware retailers market compared to the same period in 2018 was due to the temporary impact of higher cyclical sales to a major customer in the first quarter of 2018. We believe we will recoup these sales in the coming quarters given their cyclical nature.

Total sales for the first quarter of 2019 grew 2.0%, to $226.2 million. In the **manufacturers market**, sales went up 5.3% to $192.3 million, while sales to **hardware retailers including renovation superstores** dropped 13.5% to $33.9 million due to the aforementioned factors.

In **Canada**, sales remained stable at $143.7 million as a result of a 4.0% increase in the manufacturers market, while sales to retailers including renovation superstores decreased by 15.9%. In the **United States**, sales went up 0.2% to US$62.0 million, reflecting a 1.3% increase in the manufacturers market, which, as reported in previous quarters, was affected by the termination of a supply agreement with a major customer. As for the hardware retailers including renovation superstores market, sales were down 9.2%. But for the temporary factor noted above, these sales would have been up 50% due to the addition of new products and new customers.

For the quarter ended February 28, 2019, net earnings attributable to shareholders stood at $10.1 million or $0.18 per share, compared to $12.7 million or $0.22 per share for the same period in 2018.

Building on our key strengths and strong financial position, we will continue to implement our innovation and market development strategies while pursuing strategic acquisition opportunities in North America. We are confident that we will gain market shares in Canada and the United States and produce positive results in the coming period.

NEXT DIVIDEND PAYMENT

On April 4, 2019, the Board of Directors approved the payment of a quarterly dividend of 6.33¢ per share. This dividend will be paid on May 2, 2019, to shareholders of record as at April 18, 2019.

This management's discussion and analysis report ("MD&A") relates to Richelieu Hardware Ltd.'s consolidated operating results and cash flows for the first quarter ended February 28, 2019 compared with the first quarter ended February 28, 2018, as well as the Corporation's financial position as at February 28, 2019, compared with November 30, 2018. This MD&A should be read in conjunction with the unaudited consolidated interim financial statements and accompanying notes for the first quarter of 2019, as well as the analysis and notes to our audited consolidated financial statements appearing in our 2018 Annual Report. In this MD&A , "Richelieu" or the "Corporation" designates, as the case may be, Richelieu Hardware Ltd. and its subsidiaries and divisions, or one of its subsidiaries or divisions. Supplementary information, including certificates for the interim period ended February 28, 2019 signed by the Corporation's President and Chief Executive Officer and the Vice-President and Chief Financial Officer, is available on the website of the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The information contained in this MD&A accounts for any major event that occurred prior to April 4, 2019, on which date the unaudited consolidated interim financial statements and interim MD&A were approved by the Corporation's Board of Directors. Unless otherwise indicated, the financial information presented below, including amounts shown in tables, is expressed in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS"). The consolidated financial statements for the first quarter ended February 28, 2019, have not been audited or reviewed by the Corporation's auditors.

NON-IFRS MEASURES

Richelieu uses earnings before interest, income taxes and amortization ("EBITDA") as we believe this measure enables management to assess the Corporation's operational performance. This measure is a widely accepted performance indicator of a corporation's ability to service and incur debt. However, EBITDA should not be considered by an investor as an alternative to operating income or the net earnings attributable to shareholders of the Corporation, as an indicator of financial performance or cash flows, or as a measure of liquidity. Since EBITDA is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS, it may not be comparable to the EBITDA of other companies.

Richelieu also uses adjusted cash flows from operating activities and adjusted cash flows from operating activities per share. Adjusted cash flows from operating activities are based on net earnings plus amortization of property, plant and equipment and intangible assets, deferred tax expense (or recovery) and share-based compensation expense. These additional measures do not account for net change in non-cash working capital items to exclude seasonality effects and are used by management in its assessments of cash flows from long-term operations. Therefore, adjusted cash flows from operating activities may not be comparable to the cash flows from operating activities of other companies.

FORWARD-LOOKING STATEMENTS

Certain statements set forth in this MD&A, including statements relating to the expected adequacy of cash flows to cover contractual commitments, to maintain growth and to provide for financing and investing activities, growth outlook, Richelieu's competitive position in its industry, Richelieu's ability to weather the current economic context and access other external financing, the closing of new acquisitions, and other statements not pertaining to past events, constitute forward-looking statements. In some cases, these statements are identified by the use of terms such as "may", "could", "might", "intend" "should", "expect", "project", "plan", "believe", "estimate" or the negative form of these expressions or other comparable variants. These statements are based on the information available at the time they are written, on assumptions made by management and on the expectations of management, acting in good faith regarding future events. Assumptions are that economic conditions and exchange rates will not significantly deteriorate, the Corporation's deliveries will be sufficient to fulfill Richelieu's needs, the availability of credit will remain stable during the year and no extraordinary events will require supplementary capital expenditures.

Although management believes these assumptions and expectations to be reasonable based on the information available at the time they are given, they could prove inaccurate. Forward-looking statements are also subject, by their nature, to known and unknown risks and uncertainties set forth in the Corporation's 2018 Annual Report (see the "Risk Factors" section on page 34 of the 2018 Annual Report available on SEDAR at www.sedar.com).

Richelieu's actual results could differ materially from those indicated or underlying these forward-looking statements. The reader is therefore cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not reflect the potential impact of special items, any business combination or any other transaction that may be announced or occur subsequent to the date hereof. Richelieu undertakes no obligation to update or revise the forward-looking statements to account for new events or new circumstances, except where provided for by applicable legislation.

GENERAL BUSINESS OVERVIEW
as at February 28, 2019

Richelieu is a leading North American importer, distributor and manufacturer of specialty hardware and related products.

Its products are targeted to an extensive customer base of kitchen and bathroom cabinet, storage and closet, home furnishing and office furniture manufacturers, residential and commercial woodworkers, as well as hardware retailers including renovation superstores. The residential and commercial renovation industry is one of the Corporation's principal sources of growth.

Richelieu offers customers a broad mix of products sourced from manufacturers worldwide. The solid relationships Richelieu has built with the world's leading suppliers enable it to provide customers with the latest innovative products tailored to their business needs. The Corporation's product selection consists of over 110,000 different items targeted to a base of more than 80,000 customers served through 75 centers in North America – 37 distribution centers in Canada, 36 distribution centers in the United States and two manufacturing plants in Canada.

Main product categories include furniture, glass and building decorative and functional hardware, lighting systems, finishing and decorative products, ergonomic workstation components, kitchen and closet storage solutions, sliding door systems, decorative and functional panels, high-pressure laminates and floor protection products. This offering is completed by the Corporation's two manufacturing subsidiaries, Les Industries Cedan Inc. and Menuiserie des Pins Ltée, which manufacture a variety of veneer sheets and edge banding products as well as a broad selection of decorative mouldings and components for the window and door industry. In addition, many of the Corporation's products are manufactured according to its specifications and those of its customers.

The Corporation employs over 2,200 people at its head office and throughout its network, close to half of whom work in marketing, sales and customer service. More than 50% of the Corporation's employees are Richelieu shareholders.

MISSION AND STRATEGY

Richelieu's mission is to create shareholder value and contribute to its customers' growth and success, while favouring a business culture focused on quality of service and results, partnership and entrepreneurship.

To sustain its growth and remain the leader in its specialty market, the Corporation continues to implement the strategywhich has been beneficial to date, with a focus on:

- continuing to strengthen its product selection by continuously introducing each year diversified products that meet its market segment needs and position it as the specialist in functional and decorative hardware for manufacturers and retailers;
- further developing its current markets in Canada and the United States with the support of a specialized sales and marketing force capable of providing customers with personalized service; and
- pursuing its expansion in North America with the opening of new distribution centers and through efficiently integrated, profitable acquisitions made at the right price, offering high growth potential and complementary to its product mix and expertise.

Richelieu's solid and efficient organization, highly diversified product selection and long-term relationships with leading suppliers worldwide, allows it to compete effectively in a fragmented market consisting mainly of a host of regional distributors offering a limited range of products.

FINANCIAL HIGHLIGHTS (unaudited)

Quarters ended February 28

(in thousands of $, except per-share amounts, number of shares and data expressed as a %)	**2019**	2018	
	$	$	Δ (%)
Sales	**226,236**	221,893	+2.0
EBITDA(1)	**17,434**	19,803	-12.0
EBITDA margin (%)	***7.7***	*8.9*	
Net earnings	**10,074**	12,632	-20.3
Net earnings attributable to shareholders of the Corporation	**10,083**	12,704	-20.6
• basic per share ($)	**0.18**	0.22	-18.2
• diluted per share ($)	**0.18**	0.22	-18.2
Net margin attributable to shareholders of the Corporation(%)	***4.5***	*5.7*	
Adjusted cash flows from operating activities(2)	**13,903**	15,993	-13.1
• diluted per share ($)	**0.24**	0.27	-11.1
Dividends paid to the shareholders of the Corporation	**3,617**	3,464	+4.4
• per share ($)	**0.0633**	0.0600	+5.5
Weighted average number of shares outstanding (diluted) (in thousands)	**57,397**	58,524	

Financial position data

As at	**February 28 2019**	November 30 2018	
	$	$	Δ (%)
Total assets	**587,549**	569,119	+3.2
Working capital	**333,480**	329,343	+1.3
Current ratio	***4.2 : 1***	***4.6 : 1***	
Equity attributable to shareholders of the Corporation	**475,893**	470,278	+1.2
Return on average equity (%)	***14.2***	*15.0*	
Book value per share ($)	**8.33**	8.23	+1.2
Total debt	**2,507**	2,023	
Cash and cash equivalents (bank draft)	**(16,443)**	7,408	

(1) EBITDA is a non-IFRS measure, as indicated on page 2 of this report.
(2) Adjusted cash flows from operating activities and adjusted cash flows from operating activities per share are non-IFRS measures,as indicated on page 2 of this report.

ANALYSIS OF OPERATING RESULTS FOR THE FIRST QUARTER ENDED FEBRUARY 28, 2019, COMPARED WITH THE FIRST QUARTER ENDED FEBRUARY 28, 2018

Consolidated sales

(in thousands of $, except exchange rates)

Quarters ended February 28	2019 $	2018 $	Δ (%)
Canada	**143,734**	144,079	-0.2
United States(CA$)	**82,502**	77,814	+6.0
(US$)	**61,999**	61,875	+0.2
Average exchange rates	***1.331***	*1.258*	
Consolidated sales	**226,236**	221,893	+2.0

For the quarter ended February 28, 2019, consolidated sales reached $226.2 million, compared with $221.9 million for the corresponding quarter of 2018, up 2.0%, resulting from a growth by acquisitions of 2.8% and an internal decrease of 0.8%. At comparable exchange rates to the first quarter of 2018, consolidated sales would have been stable with the corresponding quarter of 2018.

Richelieu achieved sales of $192.3 million in the **manufacturers** market, compared with $182.7 million for the first quarter of 2018, an increase of $9.6 million. All market segments contributed to this increase of 5.3%, of which 1.9% resulted from internal growth and 3.4% from acquisitions. Sales to hardware **retailers** and renovation superstores stood at $33.9 million, down by $5.3 million or 13.5% over the first quarter of 2018.

In Canada, Richelieu recorded sales of $143.7 million, a decrease of $0.4 million or 0.2% over the first quarter of 2018, of which 0.6% originated from acquisitions. Sales to **manufacturers** amounted to $117.7 million compared with $113.2 million, an increase of 4.0% of which 3.3% was generated by internal growth and 0.7% by acquisitions. Sales to hardware **retailers** and renovation superstores stood at $26.0 million, down $4.9 million or 15.9% over the corresponding quarter of 2018. It should be noted that the first quarter of 2018 was marked by sales that were exceptionally high for a first quarter whereas in the first quarter of 2019, our sales were impacted by inventory realignment of our retailer customers. In addition, one of our major Canadian customers closed several stores. It should be noted that Richelieu did not lose any market share among its hardware retail customers.

In the United States, sales totalled US$62.0 million, in slight increase compared with the first quarter of 2018. Sales to **manufacturers** amounted to US $56.1 million compared with US$55.4 million over the first quarter of 2018, an increase of 1.3%, of which 7.4% from acquisitions and an internal decrease of 6.1% following the end of a supply agreement with a major customer, as reported in previous quarters. Note that at comparable sales, internal growth in the US manufacturers market would have been 3%. Sales to hardware **retailers** and renovation superstores were down by 9.2% from the corresponding quarter of 2018. This decrease is due to the temporary effect of significant cyclical sales to a major customer in the first quarter of 2018. But for this factor, the hardware **retailers** sales growth in the United States would have been 50% due to the addition of new products and new customers. These sales should be recouped in the coming quarters given their cyclical nature. Considering applicable exchange rates, total U.S. sales expressed in Canadian dollars stood at $82.5 million, compared with $77.8 million for the first quarter of 2018, an increase of 6.0%. They accounted for 36.5% of consolidated sales for the first quarter of 2019, whereas they represented 35.1% of the period's consolidated sales in the first quarter of 2018.

Consolidated EBITDA and EBITDA margin

(in thousands of $, unless otherwise indicated)

Quarters ended February 28	2019 $	2018 $	Δ (%)
Sales	**226,236**	221,893	+2.0
EBITDA	**17,434**	19,803	-12.0
EBITDA margin (%)	***7.7***	*8.9*	

First-quarter earnings before income taxes, interest and amortization (EBITDA) amounted to $17.4 million, down $2.4 million or 12.0% over the first quarter of 2018. **Gross margin** remained stable compared with the first quarter of 2018. The **EBITDA margin** stood at 7.7%, compared to 8.9% for the corresponding quarter of 2018. It was affected by the slowdown in sales to the hardware retailers market during the quarter, the market development costs to increase our offering and our presence in the retailers market in the United States, including the costs incurred as a result of the temporary increase in inventories, and the effect of our recent acquisitions.

Amortization expenses for the first quarter of 2019 amounted to $3.6 million compared with $3.2 million for the corresponding quarter of 2018, up $0.4 million, resulting mainly from the investments in capital assets made in fiscal 2018.

Consolidated net earnings attributable to shareholders

(in thousands of $, unless otherwise indicated)

Quarters ended February 28	2019 $	2018 $	Δ (%)
EBITDA	**17,434**	19,803	-12.0
Amortization of property, plant and equipment and intangible assets	**3,563**	3,245	
Financial cost, net	**74**	(36)	
Income taxes	**3,723**	3,962	
Net earnings	**10,074**	12,632	-20.3
Net earnings attributable to shareholders of the Corporation	**10,083**	12,704	-20.6
Net margin attributable to shareholders of the Corporation(%)	***4.5***	*5.7*	
Non-controlling interests	**(9)**	(72)	
Net earnings	**10,074**	12,632	-20.3

First-quarter net earnings were down 20.3%. Considering non-controlling interests, **net earnings attributable to shareholders of the Corporation** amounted to $10.1 million, down by 20.6% over the first quarter of 2018. **Net earnings per share** rose to $0.18 basic and diluted, compared with $0.22 basic and diluted for the first quarter of 2018, a decrease of 18.2%.

Comprehensive income amounted to $8.7 million, considering a negative adjustment of $1.4 million on translation of the financial statements of the United States subsidiary, compared with $12.1 million for the first quarter of 2018, considering a negative adjustment of $0.5 million on translation of the financial statements of the United States subsidiary .

SUMMARY OF QUARTERLY RESULTS

(unaudited)
(in thousands of $, except per-share amounts)

Quarters	1	2	3	4
2019				
o Sales	**226,236**			
o EBITDA	**17,434**			
o Net earnings attributable to shareholders of the Corporation	**10,083**			
basic per share	**0.18**			
diluted per share	**0.18**			
2018				
o Sales	221,893	263,268	260,460	258,779
o EBITDA	19,803	28,080	28,926	29,182
o Net earnings attributable to shareholders of the Corporation	12,704	18,174	18,389	18,510
basic per share	0.22	0.31	0.32	0.32
diluted per share	0.22	0.31	0.32	0.32
2017				
o Sales	195,909	243,269	253,190	250,177
o EBITDA	18,341	26,648	27,924	30,061
o Net earnings attributable to shareholders of the Corporation	11,998	17,587	18,135	19,984
basic per share	0.21	0.30	0.31	0.34
diluted per share	0.20	0.30	0.31	0.34

Quarterly variations in earnings - The first quarter ended of February 28 or 29, is generally the year's weakest for Richelieu in light of the smaller number of business days due to the end-of-year holiday period and a wintertime slowdown in renovation and construction work. The third quarter ending August 31 also includes a smaller number of business days due to the summer holidays, which can be reflected in the period's financial results. The second and fourth quarters respectively ending May 31 and November 30 generally represent the year's most active periods.

FINANCIAL POSITION

Analysis of principal cash flows for the first quarter ended February 28, 2019

Change in cash and cash equivalents and capital resources

(in thousands of $, unless otherwise indicated)

Quarters ended February 28	2019 $	2018 $
Cash flows provided by (used for):		
Operating activities	**(13,604)**	(11,439)
Financing activities	**(3,512)**	(9,920)
Investing activities	**(6,640)**	(4,710)
Effect of exchange rate changes on cash and cash equivalents	**(95)**	73
Net change in cash and cash equivalents	**(23,851)**	(25,996)
Cash and cash equivalents, beginning of period	**7,408**	29,162
Cash and cash equivalents (bank draft) end of period	**(16,443)**	3,166
Working capital	**333,480**	304,368
Renewable line of credit (CA$)	**50,000**	50,000
Renewable line of credit (US$)	**6,000**	6,000

Operating activities

Cash flows from operating activities (before net change in working capital balances) amounted to $13.9 million or $0.24 diluted per share, compared with $16.0 million or $0.27 diluted per share for the first quarter of 2018, a decrease of 13.1% stemming primarily from the variation in net earnings. Net change in non-cash working capital balances used cash flows of $27.5 million, reflecting the change in inventories, accounts payable and other items ($31.5 million), whereas the change in accounts receivable represented a cash inflow of $4.0 million. Consequently, operating activities used cash flows of $13.6 million, whereas they had used cash flows of $11.4 million in the first quarter of 2018.

Financing activities

Financing activities used cash flows of $3.5 million, compared with $9.9 million for the first quarter of 2018. This change mainly results from the repurchase of common shares amounting to $4.5 million plus the long-term debt repayment in the first quarter of 2018.

Investing activities

Investing activities represented a cash outflow of $6.6 million, of which $4.8 million for the three business acquisitions mentioned previously and $1.8 million primarily for the purchase of equipment to maintain and improve operational efficiency and for IT equipment.

Sources of financing

As at February 28, 2019, bank draft amounted to $16.4 million, compared with cash of $7.4 million as at November 30, 2018. This change mainly arise from the increase in inventories resulting from the following main factors: the slowdown in sales to hardware retailers during the quarter, a normal increase for next periods that are historically the most active, and, pursuing our continuous innovation strategy, adding new products to develop new business opportunities. The Corporation posted **working capital** of $333.5 million for a current ratio of 4.2:1, compared with $329.3 million (4.6:1 ratio) as at November 30, 2018.

Richelieu believes it has the capital resources to fulfill its ongoing commitments and obligations and to assume the funding requirements needed for its growth and financing and investing activities between now and the end of 2019. The Corporation benefits from an authorized line of credit of $50 million as well as a line of credit of US$6 million renewable annually and bearing interest respectively at prime and base rates. In addition, Richelieu considers it could obtain access to other outside financing if necessary.

Analysis of financial position as at February 28, 2019

Summary financial position

(in thousands of $, except exchange rates)

As at	February 28 2019 $	November 30 2018 $
Current assets	**436,405**	419,844
Non-current assets	**151,144**	149,275
Total	**587,549**	569,119
Current liabilities	**102,925**	90,501
Non-current liabilities	**5,708**	5,132
Equity attributable to shareholders of the Corporation	**475,893**	470,278
Non-controlling interests	**3,023**	3,208
Total	**587,549**	569,119
Exchange rates on translation of a subsidiary in the United States	***1.3169***	*1.3300*

Assets

Total assets amounted to $587.5 million as at February 28, 2019, compared with $569.1 million as at November 30, 2018. **Current assets** increased from November 30, 2018, mainly due to the inventory increase during the period as mentioned in the previous section.

Cash position (in thousands of $)		
As at	**February 28 2019 $**	November 30 2018 $
Current portion of long-term debt	**2,507**	2,023
Long-term debt	**—**	—
Total debt	**2,507**	2,023
Cash and cash equivalents (bank draft)	***(16,443)***	*7,408*

The Corporation continues to benefit from a healthy and solid financial position. As at February 28, 2019**, total debt,** entirely short-term**,** was $2.5 million representing balances payable on acquisitions.

Equity attributable to shareholders of the Corporation totalled $475.9 million as at February 28, 2019, compared with $470.3 million as at November 30, 2018, an increase of $5.6 million stemming primarily from growth of $6.5 million in retained earnings which amounted to $411.9 million, and of $0.6 million in share capital and contributed surplus, whereas accumulated other comprehensive income was down by $1.4 million. As at February 28, 2019, **book value per share** was $8.33, up by 1.2% over November 30, 2018.

As at February 28, 2019, at market close, the Corporation's **share capital** consisted of 57,155,234 common shares (57,114,234 shares as at November 30, 2018). During the first quarter ended February 28, 2019, the Corporation issued 41,000 common shares at an average price of $7.27 (284,774 in 2018 at an average price of $8.11) upon the exercise of options under its stock option plan. As at February 28, 2019, 1,850,725 stock options were outstanding (1,669,475 as at November 30, 2018).

CONTRACTUAL COMMITMENTS

There were no major changes in Richelieu's contractual commitments outside the normal course of business, compared with those set forth on page 32 of the Corporation's 2018 Annual Report, available on SEDAR at www.sedar.com. For 2019 and the foreseeable future, the Corporation expects cash flows from operating activities and other sources of financing to meet its ongoing contractual commitments.

FINANCIAL INSTRUMENTS

Richelieu periodically enters into forward exchange contracts to fully or partially hedge the effects of foreign currency fluctuations related to foreign-currency denominated payables or to hedge forecasted purchase transactions. The Corporation has a policy of not entering into derivatives for speculative or trading purposes and to enter into these contracts only with major financial institutions.

Richelieu also uses equity swaps to reduce the effect of fluctuations in its share price on net earnings in connection with its deferred share unit plan.

INTERNAL CONTROL OVER FINANCIAL REPORTING

As indicated in the 2018 Annual Report, available on SEDAR at www.sedar.com**,** management has designed and evaluated internal controls over financial reporting (ICFR) and disclosure controls and procedures (DC&P) to provide reasonable assurance that the Corporation's financial reporting is reliable and that its publicly-disclosed financial statements are prepared in accordance with IFRS. The President and Chief Executive Officer and the Vice-President and Chief Financial Officer have assessed, within the meaning of *National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings*, the design and the effectiveness of internal controls over financial reporting as at November 30, 2018. In light of this assessment, they concluded that the design and the effectiveness of internal controls over financial reporting (ICFR and DC&P) were effective. During the quarter ended February 28, 2019, management ensured that there were no material changes in the Corporation's procedures that were reasonably likely to have a material impact on its internal control over financial reporting. No such changes were identified.

Due to their intrinsic limits, internal controls over financial reporting only provide reasonable assurance and may not prevent or detect misstatements. In addition, projections of an assessment of effectiveness in future periods carry the risk that controls will become inaincreappropriate as a result of changes in conditions or if the degree of conformity with standards and methods should deteriorate.

SIGNIFICANT ACCOUNTING POLICIES

The Corporation's interim consolidated financial statements for the quarter ended February 28, 2019, have been prepared by management in accordance with IFRS. Note 2 accompanying the interim consolidated financial statements for the quarter ended February 28, 2019, presents the accounting policies recently released and applicable in the future.

Adopted during the period

IFRS 9, *Financial Instruments*

Effective the first quarter of 2019, the Corporation adopted IFRS 9, *Financial Instruments*. IFRS 9 supersedes the guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. The Corporation has adopted IFRS 9 retrospectively in accordance with the transitional provisions thereof.

Classification and Measurement IFRS 9 introduces new requirements for the classification and measurement of financial assets. The adoption of IFRS 9 resulted in a reclassification of loans and receivables to financial assets measured at amortized cost. However, this resulted in no material impact on the measurement of financial assets and financial liabilities.

Impairment IFRS 9 provides a new impairment model for financial assets based on expected credit losses, which replaces IAS 39's incurred loss model. The expected credit loss model applies to financial assets measured at amortized cost. The Corporation applies the simplified approach to recognize expected credit losses.

In accordance with the transitional provisions in IFRS 9, the Corporation has applied IFRS 9 hedge accounting prospectively from the date of initial application.

The adoption of this standard had no significant impact on the Corporation's interim consolidated financial statements for the quarter ended February 28, 2019.

IFRS 15, *Revenue from Contracts with Customers*

Effective the first quarter of 2019, the Corporation adopted IFRS 15, *Revenue from Contracts with Customers*. Adoption of IFRS 15 supersedes the guidance in IAS 18, *Revenue*, IAS 11, *Construction Contracts* and related interpretations. The Corporation has adopted IFRS 15 retrospectively in accordance with the transitional provisions thereof.

IFRS 15 is based on a single model five-step principle to be applied when recognizing revenue from contracts with customers. Under this standard, revenue is recognized when the control of the goods or services is transferred to the customer. The Corporation's revenues comprises goods sold that are recognized at a specific point in time. Merchandise sales reported in the Consolidated Statements of Earnings and the Consolidated Statements of Comprehensive Income are recognized by the Corporation when control of goods is transferred to the customer which is the moment when the performance obligations are fulfilled as per the terms of contracts . This occurs generally when the customer has taken delivery of the goods.

The adoption of this standard had no significant impact on the Corporation's interim consolidated financial statements for the quarter ended February 28, 2019, and no amounts has been reclassified or restated.

The interim consolidated financial statements were prepared in accordance with the accounting methods that the Corporation adopted for the establishment of its consolidated financial statements as at November 30, 2018, and for the year then ended, taking into account the accounting methods adopted during the period, and require management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and disclosed in the accompanying notes, which could be modified. The estimates are based on management's knowledge of current events, on the measures the Corporation could take in the future and on other factors deemed relevant and reasonable.

Risk factors are described in the "Risk Factors" section on page 34 of Richelieu's 2018 Annual Report, available on SEDAR at www.sedar.com.

SUPPLEMENTARY INFORMATION

Further information about Richelieu, including its latest Annual Information Form, is available on SEDAR at www.sedar.com.

President and Chief Executive Officer	Vice-President and Chief Financial Officer
Richard Lord	**Antoine Auclair**

April 4, 2019

Interim Consolidated Financial Statements

Richelieu Hardware Ltd.

For the three-month period ended February 28, 2019

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

[In thousands of dollars]
[Unaudited]

	Notes	As at February 28, 2019 $	As at November 30, 2018 $
ASSETS			
Current assets			
Cash and cash equivalents		**—**	7,408
Accounts receivable		**135,896**	138,767
Income taxes receivable		**4,311**	—
Inventories		**289,618**	270,275
Prepaid expenses		**6,580**	3,394
		436,405	419,844
Non-current assets			
Property, plant and equipment		**40,878**	41,725
Intangible assets		**30,580**	29,340
Goodwill		**73,506**	71,984
Deferred taxes		**6,180**	6,226
		587,549	569,119
LIABILITIES AND EQUITY			
Current liabilities			
Bank overdraft		**16,443**	—
Accounts payable and accrued liabilities		**83,975**	88,359
Income taxes payable		**—**	119
Current portion of long-term debt		**2,507**	2,023
		102,925	90,501
Non-current liabilities			
Deferred taxes		**3,882**	3,289
Other liabilities		**1,826**	1,843
		108,633	95,633
Equity			
Share capital	4	**41,762**	41,398
Contributed surplus		**4,322**	4,122
Retained earnings		**411,911**	405,445
Accumulated other comprehensive income	5	**17,898**	19,313
Equity attributable to shareholders of the Corporation		**475,893**	470,278
Non-controlling interests		**3,023**	3,208
		478,916	473,486
		587,549	569,119

See accompanying notes to the interim consolidated financial statements.

On behalf of the Board of Directors :

Richard Lord
Director

Mathieu Gauvin
Director

CONSOLIDATED STATEMENTS OF EARNINGS

For the three-month periods ended February 28 [In thousands of dollars, except earnings per share]
[Unaudited]

	Notes	2019 $	2018 $
Sales		**226,236**	221,893
Operating expenses excluding amortization	6	**208,802**	202,090
Earnings before amortization, financial costs and income taxes		**17,434**	19,803
Amortization of property, plant and equipment		**2,477**	2,227
Amortization of intangible assets		**1,086**	1,018
Financial costs, net		**74**	(36)
		3,637	3,209
Earnings before income taxes		**13,797**	16,594
Income taxes		**3,723**	3,962
Net earnings		**10,074**	12,632
Net earnings attributable to:			
Shareholders of the Corporation		**10,083**	12,704
Non-controlling interests		**(9)**	(72)
		10,074	12,632
Net earnings per share attributable to shareholders of the Corporation			
Basic		**0.18**	0.22
Diluted		**0.18**	0.22

See accompanying notes to the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month periods ended February 28 [In thousands of dollars]
[Unaudited]

	Notes	2019 $	2018 $
Net earnings		**10,074**	12,632
Other comprehensive income that will be reclassified to net earnings			
Exchange differences on translation of foreign operations	5	**(1,415)**	(545)
Comprehensive income		**8,659**	12,087
Comprehensive income attributable to:			
Shareholders of the Corporation		**8,668**	12,159
Non-controlling interests		**(9)**	(72)
		8,659	12,087

See accompanying notes to the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three-month periods ended February 28 [In thousands of dollars]
[Unaudited]

	Attributable to shareholders of the Corporation						
	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
	$	$	$	$	$	$	$
Notes	4			5			
Balance as at November 30, 2017	39,230	2,358	376,922	15,582	434,092	4,112	438,204
Net earnings	—	—	12,704	—	12,704	(72)	12,632
Other comprehensive income	—	—	—	(545)	(545)	—	(545)
Comprehensive income	—	—	12,704	(545)	12,159	(72)	12,087
Shares repurchased	(102)	—	(4,432)	—	(4,534)	—	(4,534)
Stock options exercised	544	(107)	—	—	437	—	437
Share-based compensation expense	—	431	—	—	431	—	431
Dividends *[note 9]*	—	—	(3,464)	—	(3,464)	(311)	(3,775)
Other liabilities	—	—	—	—	—	22	22
	442	324	(7,896)	—	(7,130)	(289)	(7,419)
Balance as at February 28, 2018	39,672	2,682	381,730	15,037	439,121	3,751	442,872
Balance as at November 30, 2018	**41,398**	**4,122**	**405,445**	**19,313**	**470,278**	**3,208**	**473,486**
Net earnings	**—**	**—**	**10,083**	**—**	**10,083**	**(9)**	**10,074**
Other comprehensive income	**—**	**—**	**—**	**(1,415)**	**(1,415)**	**—**	**(1,415)**
Comprehensive income	**—**	**—**	**10,083**	**(1,415)**	**8,668**	**(9)**	**8,659**
Shares repurchased	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Stock options exercised	**364**	**(66)**	**—**	**—**	**298**	**—**	**298**
Share-based compensation expense	**—**	**266**	**—**	**—**	**266**	**—**	**266**
Dividends *[note 9]*	**—**	**—**	**(3,617)**	**—**	**(3,617)**	**(193)**	**(3,810)**
Other liabilities	**—**	**—**	**—**	**—**	**—**	**17**	**17**
	364	**200**	**(3,617)**	**—**	**(3,053)**	**(176)**	**(3,229)**
Balance as at February 28, 2019	**41,762**	**4,322**	**411,911**	**17,898**	**475,893**	**3,023**	**478,916**

See accompanying notes to the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-month periods ended February 28 [In thousands of dollars]
[Unaudited]

	Notes	**2019** $	2018 $
OPERATING ACTIVITIES			
Net earnings		**10,074**	12,632
Items not affecting cash			
Amortization of property, plant and equipment		**2,477**	2,227
Amortization of intangible assets		**1,086**	1,018
Deferred taxes		**—**	(315)
Share-based compensation expense	4	**266**	431
		13,903	15,993
Net change in non-cash working capital balances		**(27,507)**	(27,432)
		(13,604)	(11,439)
FINANCING ACTIVITIES			
Repayment of long-term debt		**—**	(2,048)
Dividends paid to shareholders of the Corporation	9	**(3,617)**	(3,464)
Other dividends paid		**(193)**	(311)
Common shares issued		**298**	437
Common shares repurchased for cancellation		**—**	(4,534)
		(3,512)	(9,920)
INVESTING ACTIVITIES			
Business acquisitions	3	**(4,803)**	(2,041)
Additions to property, plant and equipment and intangible assets		**(1,837)**	(2,669)
		(6,640)	(4,710)
Effect of exchange rate changes on cash and cash equivalents		**(95)**	73
Net change in cash and cash equivalents and bank overdraft		**(23,851)**	(25,996)
Cash and cash equivalents, beginning of period		**7,408**	29,162
Cash and cash equivalents (overdraft), end of period		**(16,443)**	3,166
Supplementary information			
Income taxes paid		**8,161**	8,646
Interest received, net		**74**	(36)

See accompanying notes to the interim consolidated financial statements.

NATURE OF BUSINESS

Richelieu Hardware Ltd. [the “Corporation”] is incorporated under the laws of the Province of Quebec, Canada. The Corporation is a distributor, importer, and manufacturer of specialty hardware and complementary products. Its products are targeted to an extensive customer base of kitchen and bathroom cabinet, storage and closet, home furnishing and office furniture manufacturers, residential and commercial woodworkers and hardware retailers including renovation superstores. The Corporation’s head office is located at 7900 Henri-Bourassa Blvd. West, Montreal, Quebec, Canada, H4S 1V4.

1. PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Corporation’s interim consolidated financial statements, presented in Canadian dollars, have been prepared by management in accordance with International Financial Reporting Standards [“IFRS”], more specifically with IAS 34, *Interim Financial Reporting.*

The interim consolidated financial statements were prepared in accordance with the accounting policies that the Corporation applied when preparing the annual consolidated financial statements as at November 30, 2018 and for the year ended at that date, exception for the accounting methods adopted during the period, and requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. These estimates are based on management’s best knowledge of current events and actions that the Corporation may undertake in the future and other factors deemed relevant and reasonable. In management’s opinion, these interim consolidated financial statements reflect all the adjustments required for a fair presentation. These adjustments consist only of normal recurring adjustments. Operating results for the interim periods are not necessarily indicative of the results that may be expected for the full year as the operating level of the Corporation is subject to seasonal fluctuations. These interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements and the accompanying notes included in the Corporation’s annual report for the fiscal year 2018.

2. CHANGES IN ACCOUNTING METHODS

Adopted during the period

IFRS 9, *Financial Instruments*

Effective the first quarter of 2019, the Corporation adopted IFRS 9, *Financial Instruments*. IFRS 9 supersedes the guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. The Corporation has adopted IFRS 9 retrospectively in accordance with the transitional provisions thereof.

Classification and Measurement IFRS 9 introduces new requirements for the classification and measurement of financial assets. The adoption of IFRS 9 resulted in a reclassification of loans and receivables to financial assets measured at amortized cost. However, this resulted in no material impact on the measurement of financial assets and financial liabilities.

Impairment IFRS 9 provides a new impairment model for financial assets based on expected credit losses, which replaces IAS 39's incurred loss model. The expected credit loss model applies to financial assets measured at amortized cost. The Corporation applies the simplified approach to recognize expected credit losses.

In accordance with the transitional provisions in IFRS 9, the Corporation has applied IFRS 9 hedge accounting prospectively from the date of initial application.

The adoption of this standard had no significant impact on the Corporation's interim consolidated financial statements for the quarter ended February 28, 2019.

IFRS 15, *Revenue from Contracts with Customers*

Effective the first quarter of 2019, the Corporation adopted IFRS 15, *Revenue from Contracts with Customers*. Adoption of IFRS 15 supersedes the guidance in IAS 18, *Revenue*, IAS 11, *Construction Contracts* and related interpretations. The Corporation has adopted IFRS 15 retrospectively in accordance with the transitional provisions thereof.

IFRS 15 is based on a single model five-step principle to be applied when recognizing revenue from contracts with customers. Under this standard, revenue is recognized when the control of the goods or services is transferred to the customer. The Corporation's revenues comprises goods sold that are recognized at a specific point in time. Merchandise sales reported in the Consolidated Statements of Earnings and the Consolidated Statements of Comprehensive Income are recognized by the Corporation when control of goods is transferred to the customer which is the moment when the performance obligations are fulfilled as per the terms of contracts . This occurs generally when the customer has taken delivery of the goods.

The adoption of this standard had no significant impact on the Corporation's interim consolidated financial statements for the quarter ended February 28, 2019, and no amounts has been reclassified or restated.

Recently issued

IFRS 16, Leases

IFRS 16, *Leases* replaces IAS 17, *Leases* and related interpretations. The new standard allows the recognition of most leases on-balance sheet by lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17, *Leases* and related interpretations and is effective for periods beginning on or after January 1, 2019, thus for fiscal year beginning on December 1, 2019 for the Corporation. Earlier adoption is permitted if IFRS 15, *Revenue from Contracts with Customers* has also been applied.

As the Corporation has commitments under operating leases for warehouse and office premises, it expects that the adoption of IFRS 16 will result in the recognition, in the consolidated statement of financial position, of a right-of-use asset and a liability for the present value of future lease payments and, of a reduction in rent expense and increases in financial costs and amortization expense of property, plant and equipment.

3. BUSINESS ACQUISITIONS

2019

On January 1, 2019, the Corporation acquired all outstanding common shares of Lion Industries Inc., a speciality hardware distributor serving a clientele of doors and windows manufacturers in Western Canada, with an operating distribution centre in Calgary, Alberta.

On February 4, 2019, the Corporation acquired all outstanding common shares of Blackstone Building Products Inc., a speciality hardware distributor serving a clientele of doors and windows manufacturers in Ontario, with a distribution centre in Concord, Ontario.

On February 4, 2019, the Corporation acquired all outstanding common shares of Truform Building Products Inc., a speciality hardware distributor serving a clientele of doors and windows manufacturers, with distribution centres in Concord, Ontario and Calgary, Alberta.

Those acquisitions have generated sales of $0.8 million since their acquisition. If those acquisitions had been acquired on December 1, 2018, management believes that the sales included in the consolidated statement of earnings would have been approximately $3 million.

2018

On February 26, 2018, the Corporation purchased the principal net assets of Cabinet & Top Supply Inc., a distributor of specialized products located in Fort Myers, Florida.

Summary of acquisitions

The final purchase price allocations, at the transaction dates, are summarized as follows:

	2019
	$
Current assets assumed	**2,923**
Intangible assets	**2,321**
Goodwill	**1,659**
	6,903
Current liabilities assumed	**(872)**
Non-current liabilities assumed	**(593)**
et assets acquired	**5,438**
Consideration	
Cash, net of cash acquired	**4,803**
Consideration payable	**635**
	5,438

4. SHARE CAPITAL

Authorized

Unlimited number of:

Common shares, participating, entitling the holder to one vote per share.

Non-voting, first and second ranking preferred shares issuable in series, the characteristics of which are to be determined by the Board of Directors.

Changes in common shares are summarized as follows:

(in thousands)	Number of shares	$
Outstanding, November 30, 2017	57,796	39,230
Issued	285	2,843
Repurchased	(966)	(675)
Outstanding, November 30, 2018	**57,115**	**41,398**
Issued	**41**	**364**
Repurchased	**—**	**—**
Outstanding, February 28, 2019	**57,156**	**41,762**

During the three-month period ended February 28, 2019, the Corporation issued 41,000 common shares [2018 - 284,774] at an average exercise price of $7.27 per share [2018 - $8.11] pursuant to the exercise of stock options under the stock option plan.

Stock option plan

Changes in stock options are summarized as follows:

	Number of options	Weighted average share price
	(in thousands)	$
Outstanding, November 30, 2017	1,638	17.04
Granted	357	32.77
Exercised	(285)	8.11
Cancelled	(40)	27.00
Outstanding, November 30, 2018	**1,670**	**21.69**
Granted	**232**	**25.27**
Exercised	**(41)**	**7.27**
Cancelled	**(10)**	**27.54**
Outstanding, February 28, 2019	**1,851**	**22.02**

Stock options granted during the three-month period ended February 28, 2019 has an average fair value of $4.54 per option [2018 - $7.39] as determined using the Black & Scholes option pricing model with an expected dividend yield of 1.1% [2018 - 0.8%], an expected volatility of 20.20% [2018 - 20%], a risk free interest rate of 1.96% [2018 - 2.25%] and an expected life of 7 years [2018 - 7 years]. For the three-month period ended February 28, 2019, the compensation expense related to stock options amounted to $266 [2018 - $431] and is recognized under *Operating expenses excluding amortization*. As at February 28, 2019, outstanding stock options had exercise prices varying from $7.79 to $32.77 [Stock options as at November 30, 2018 had an exercise price varying from $5.57 to $32.77].

Deferred share unit plan ["DSU"]

The financial liability resulting from the DSU plan of $6,074 [November 30, 2018 - $6,426] is presented under the *Accounts payable and accrued liabilities*. As at February 28, 2019, the fair value of the equity swaps amounted to a liability of $217 [November 30, 2018 - amounted to a liability of $524] and is presented under *Accounts payable and accrued liabilities*. The Corporation categorized the fair value measurement in Level 2, as it is derived from observable market data. Compensation expense for the DSUs during the three-month period ended February 28, 2019 amounted to $175 [2018 - $170] and is recognized under *Operating expenses excluding amortization*.

Share purchase plan

Compensation expense related to the share purchase plan amounted to $170 for the three-month period ended February 28, 2019 [2018 - $188] and is recognized under *Operating expenses excluding amortization*.

Net earnings per share

Net earnings per share, basic and diluted, were calculated based on the following number of shares:

(in thousands)	**2019**	2018
Weighted average number of shares outstanding - Basic	**57,132**	57,784
Dilutive effect under stock option plan	**265**	740
Weighted average number of shares outstanding - Diluted	**57,397**	58,524

The computation of diluted net earnings per share excludes the weighted average of 880,875 outstanding options with an exercise price exceeding the average market share price for the period because of their anti-dilutive effect (2018 – 369,500).

February 28, 2019 and 2018 (Amounts are in thousands of dollars, except per-share amounts or otherwise indicated)

5. ACCUMULATED COMPREHENSIVE INCOME

Accumulated other comprehensive income, including the following items and their variances, was as follows:

	2019	2018
	$	$
Balance at the beginning of the period	**19,313**	15,582
Exchange differences on translation of foreign operations	**(1,415)**	(545)
Balance at the end of the period	**17,898**	15,037

6. FINANCIAL INSTRUMENTS AND OTHER INFORMATION

Fair value

The carrying value of long-term debt approximates their fair value because of the short maturity balances of sale payable. The Corporation classified the fair value measurement in Level 2, as it is derived from observable market data.

As at February 28, 2019, the fair value of the foreign exchange forward contracts amounted to a liability of $70 [a liability of $1 as at November 30, 2018] representing the approximate amount the Corporation would pay on the settlement of these contracts at spot rates. The Corporation classified the fair value measurement in Level 2, as it is derived from observable market data.

Credit risk

The Corporation sells its products to numerous customers in Canada, and to a lesser number in the United States. The credit risk refers to the possibility that customers will be unable to assume their liabilities toward the Corporation. The average collection period for accounts receivable, as at February 28, 2019 is acceptable given the industry in which the Corporation operates.

The Corporation performs ongoing credit evaluation of customers and generally does not require collateral. The allowance for doubtful accounts has increased by $593 [2018 - $695] during the three-month period ended February 28, 2019 for a total of $7,395 as at February 28, 2019 [November 30, 2018 - $6,802].

Market risk

The Corporation's foreign currency exposure arises from purchases and sales transacted mainly in US dollars and in euros. Operating expenses included, for the three-month period ended February 28, 2019, an exchange gain of $330 [2018 - gain of $208].

The Corporation's policy is to maintain its purchase cost and selling prices of its commercial activities by mitigating its exposure using derivative financial instruments. To protect its operations from exposure to exchange rate fluctuations, foreign exchange contracts are used. Significant exchange risks are covered by a centralized cash flow management. Exchange rate risks are managed in accordance with the Corporation's policy on exchange risk management. The goal of this policy is to protect the Corporation's operating results by reducing the exposure to exchange rate fluctuations. The Corporation's policy does not allow speculative trades.

As at February 28, 2019, a decrease of 5% of the Canadian dollar against the US dollar and the euro on translation of monetary assets and liabilities, all other variables remaining the same, would have increased consolidated net earnings by $586 [$443 as at February 28, 2018] and would have increased the consolidated comprehensive income by $7,564 [$5,804 as at February 28, 2018] . The exchange rate sensitivity is calculated by aggregating the net foreign exchange rate exposure of the Corporation's financial instruments as at February 28, 2019.

Liquidity risk

The Corporation manages its risk of not being able to settle its financial liabilities when required by taking into account its operational needs and by using different financing tools, if required. During the previous years, the Corporation has financed its growth, its acquisitions, and its payout to shareholders by using the cash generated by the operating activities.

Operating expenses excluding amortization

	2019	2018
	$	$
Inventory expenses resulting from the distribution, importing and manufacturing activities	**167,466**	166,404
Salaries and related charges	**34,153**	30,884
Other charges	**7,183**	4,802
	208,802	202,090

For the three-month period ended February 28, 2019, an expense of $836 [2018 - $811] for inventory obsolescence is included in Inventory expenses from the distribution, importing
and manufacturing activities.

7. CAPITAL MANAGEMENT

The Corporation's objectives are:

- Maintain a low debt ratio to preserve its capacity to pursue its growth both internally and through acquisitions;
- Provide an adequate return to shareholders.

The Corporation manages and makes adjustments to its capital structure in light of changes in economic conditions and the risk characteristics of underlying assets. To maintain or adjust its capital structure, the Corporation may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. As at February 28, 2019 the Corporation achieved the following results regarding its capital management objectives:

- Debt/equity ratio: 0.5% [0.4% as at November 30, 2018] [Long-term debt/ Equity]
- Return on average shareholders equity of 14.2% over the last 12 months [15.0% for the year ended November 30, 2018]

The Corporation's capital management objectives remained unchanged from the previous fiscal year.

8. GEOGRAPHIC INFORMATION

During the three-month period ended February 28, 2019, nearly 64% of sales were made in Canada [2018 - 65%]. The Corporation's sales to foreign countries, almost all to the United States, amounted to $82,502 [2018 - $77,814] in Canadian dollars and to $61,999 [2018 - $61,875] in US dollars.

As at February 28, 2019, of the total amount of property, plant and equipment, $6,628 [November 30, 2018 - $7,031] are located in the United States. In addition, intangible assets located in the United States amounted to $14,101 [November 30, 2018 - $14,713] and goodwill to $13,732 [November 30, 2018 - $13,870] in Canadian dollars and to $10,708 [November 30, 2018 - $11,062] and goodwill to $10,428 [November 30, 2018 - $10,428] in US dollars.

9. DIVIDENDS PAID TO SHAREHOLDERS OF THE CORPORATION

For the three-month period ended February 28, 2019, the Corporation paid a quarterly dividend of 6.33¢ per share to common shareholders [2018 - quarterly dividend of 6¢ per share] for a total amount of $3,617 [2018 - $3,464].

10. APPROVAL OF FINANCIAL STATEMENTS

The interim consolidated financial statements for the three-month period ended February 28, 2019 (including the comparative figures) were approved for issue by the Board of Directors on April 4, 2019.

11. COMPARATIVE FIGURES

Some figures disclosed for the three-month period ended February 28, 2018, have been reclassified to conform to the presentation adopted in the three-month period ended February 28, 2019.