



PURE RETAIL

2019 Annual General & Special Meeting of Shareholders



WE ARE **NORTH WEST**

Caution Concerning Forward Looking Statements and Non-GAAP Financial Measures



Certain information presented today may constitute forward-looking statements. Such statements reflect North West's current expectations, estimates, projections and assumptions. These forward-looking statements are not guarantees of future performance and are subject to certain risks which could cause actual performance and financial results in the future to vary materially from those contemplated in the forward-looking statements. For additional information on these risks, please see North West's Annual Information Form under the heading "Risk Factors".

This presentation will also refer to "EBITDA", "Adjusted EBITDA" and "Adjusted Net Earnings", which are not recognized financial measures under International Financial Reporting Standards. North West's method of calculating these measures may differ from other companies and may not be comparable to measures used by other companies. For further information, please see North West's Annual Report under the heading "Non-GAAP Financial Measures".





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Chairman Remarks



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\$5 off*
Limit one per transaction
Coupon valid
June 12 - July 12, 2019

GIANT TIGER®  **TIGRE GÉANT™**
COUPON COUPON



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Chairman Remarks





Brock Bulbuck



Deepak Chopra



Frank J. Coleman



Wendy F. Evans



Stewart Glendinning



Robert J. Kennedy



Annalisa King



Vi Konkle



Jennefer Nepinak



Eric L. Stefanson



Victor Tootoo



Edward Kennedy



H. Sanford Riley



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2019 Annual General & Special Meeting of Shareholders



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1. Receive Audited Financial Statements

2. Special Resolution on Plan of Arrangement to Amend North West's Articles and By-Law No. 1

3. Election of Directors

4. Appointment of Auditors

5. Advisory Resolution on Executive Compensation



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Executive Vice-President & Chief Financial Officer Remarks



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Key Performance Factors

- ✓ Pure Retail helps drive sales



Key Performance Factors

- ✓ Pure Retail helps drive sales
- ✓ / X Northern Canada and Alaska performance
 - 3 store fires in northern Canada
 - Loss of a liquor business in Alaska



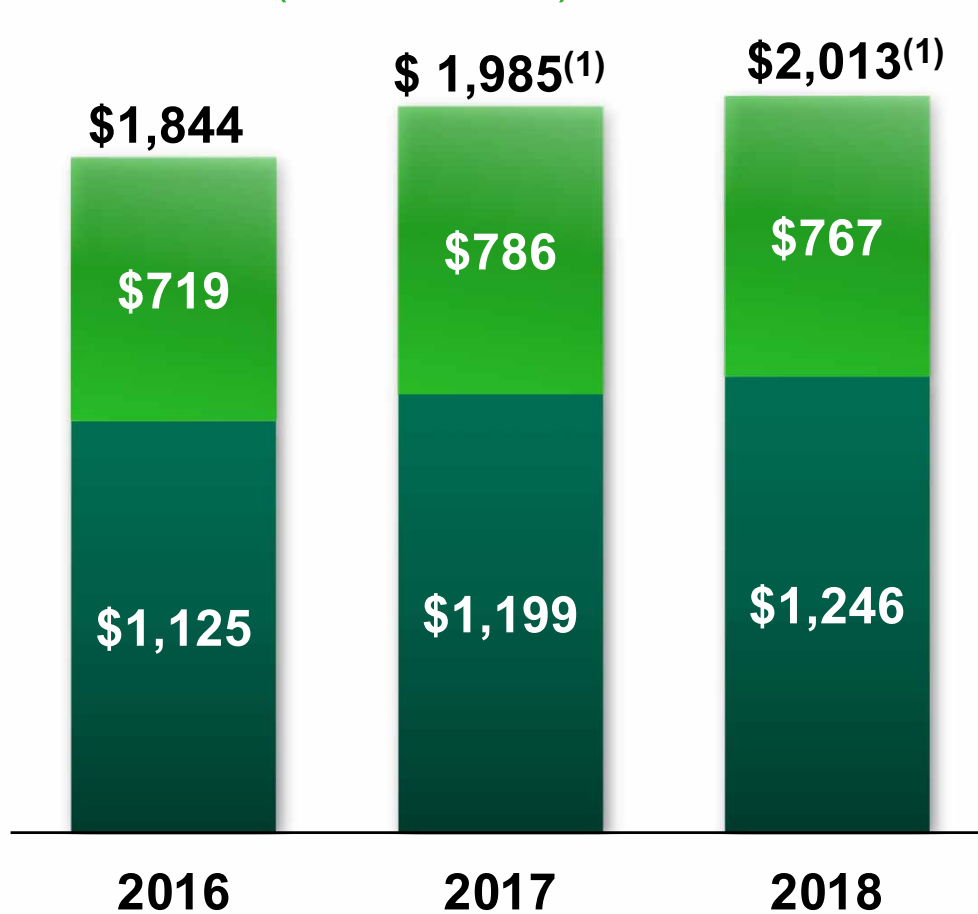
Key Performance Factors

- ✓ Pure Retail helps drive sales
- ✓ / X Northern Canada and Alaska performance
 - 3 store fires in northern Canada
 - Loss of a liquor business in Alaska
- ✓ / X Insurance
 - Insurance gains
 - Significant increase in insurance premiums

Consistent Record of Sales Growth • 2018 Financial Highlights



Sales (\$ in millions)



Canada
International

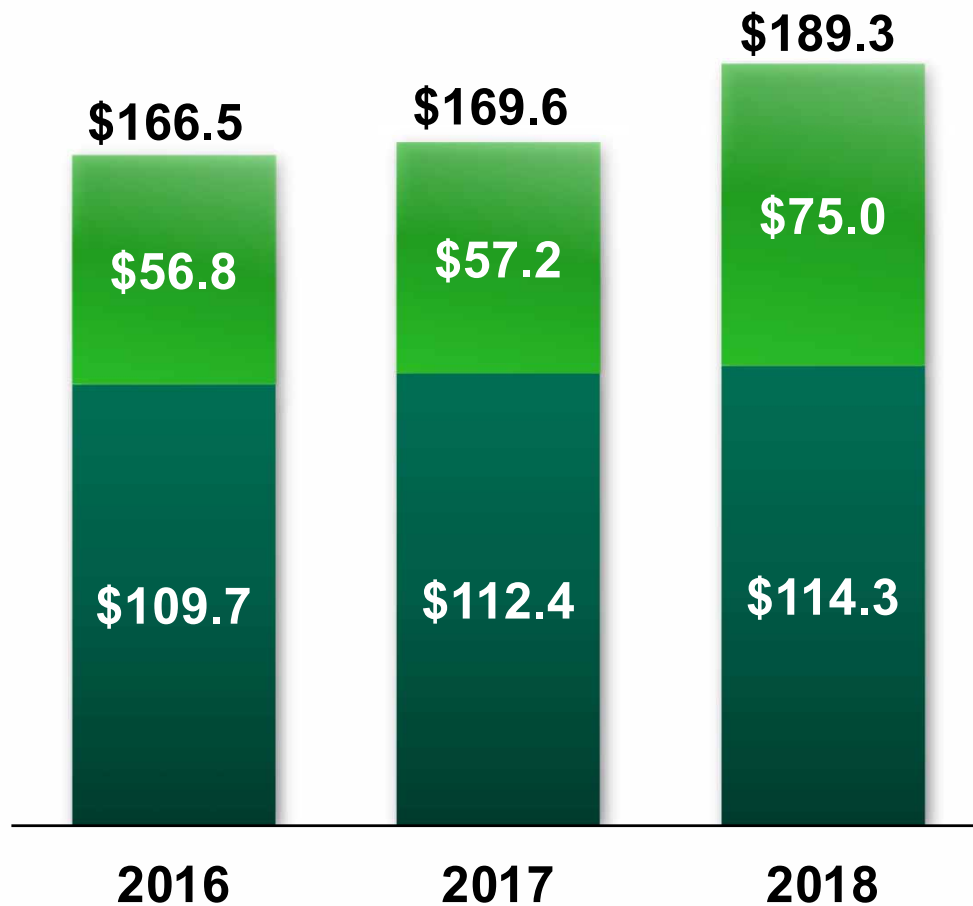
- ✓ Canadian sales +3.9% driven by:
 - Northern Canada same store sales
 - Full year North Star Air (NSA) operations
- ✓ International same store sales +4.2%
- X Hurricane-related store closures – \$46 million

(1) In accordance with IFRS 15

Non-operating Items Drive EBITDA • 2018 Financial Highlights



EBITDA (\$ in millions)



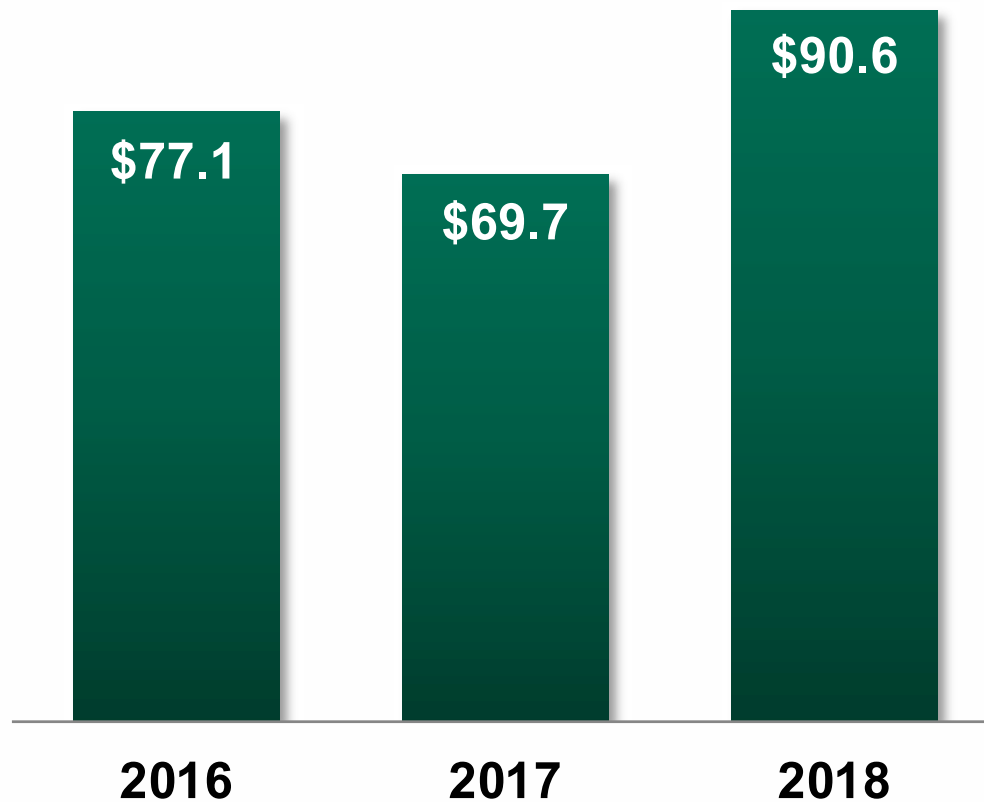
Canada
International

- ✓ Hurricane insurance gain +\$17.0 million
- ✓ Acquisition costs last year +\$6.3 million
- ✗ Share-based compensation costs
- ✗ Higher insurance costs
- ✗ Loss of a liquor business in Alaska

Net Earnings Performance • 2018 Financial Highlights



Net Earnings (\$ in millions)



- ✓ \$17.0 million insurance gain
- ✓ 2017 U.S. tax reform transition tax +\$5.8 million
- X Higher amortization & interest expense



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2018 Other Financial Highlights

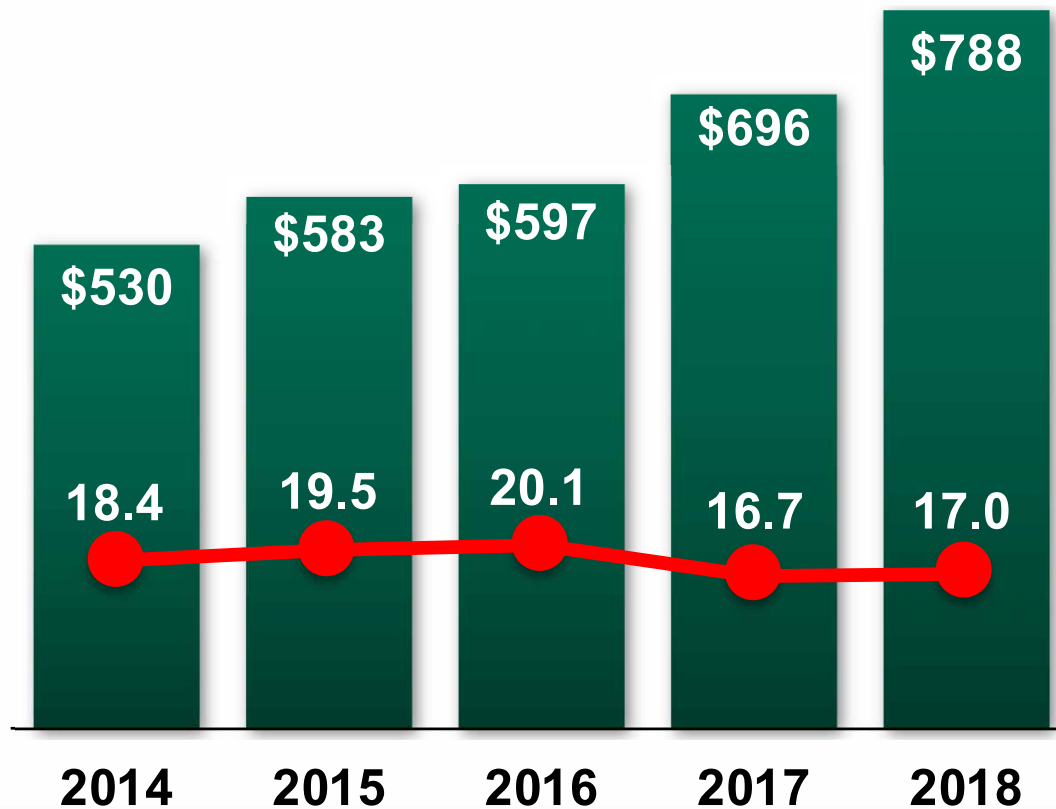


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Net Assets Employed & Return on Net Assets

■ Net Assets Employed (\$ in millions) ● Return on Net Assets (%)



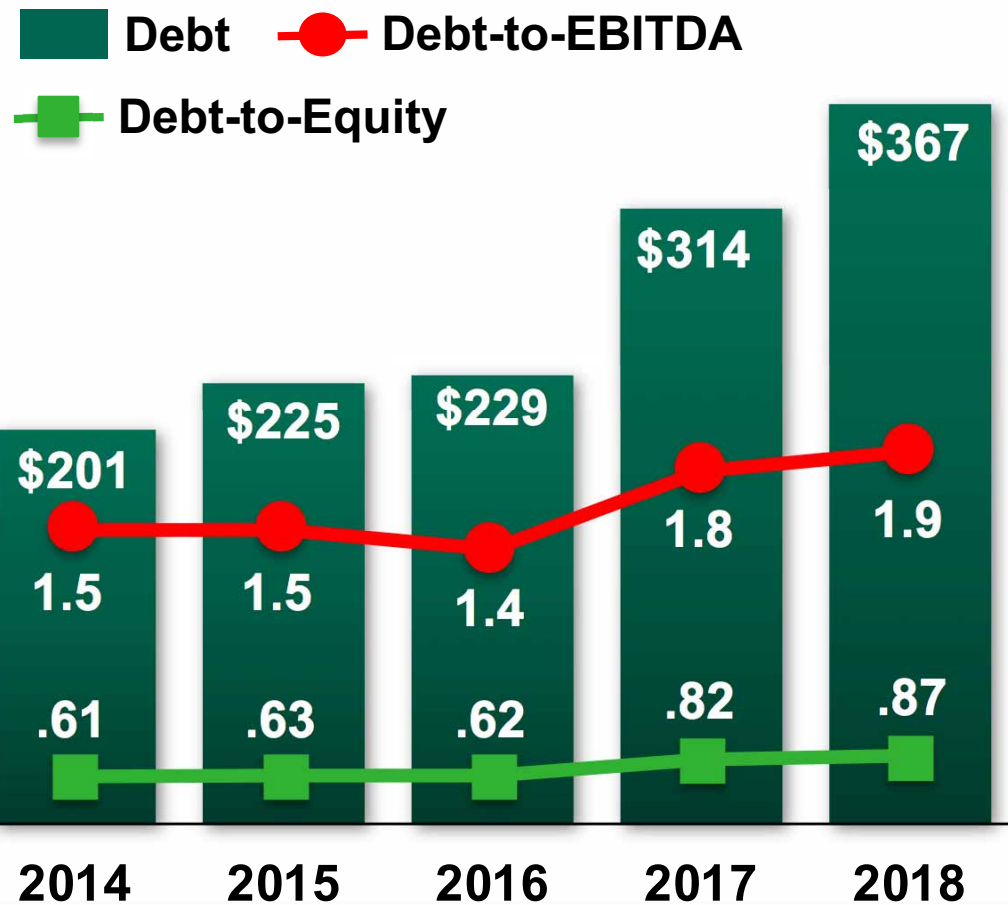
✓ +\$483 million invested over 5 years

- Acquisitions and new stores
- Investments in Top Markets and technology

✓ Return on net assets average 18.3% over past 5 years



Debt, Leverage & Borrowing Capacity (\$ in millions)



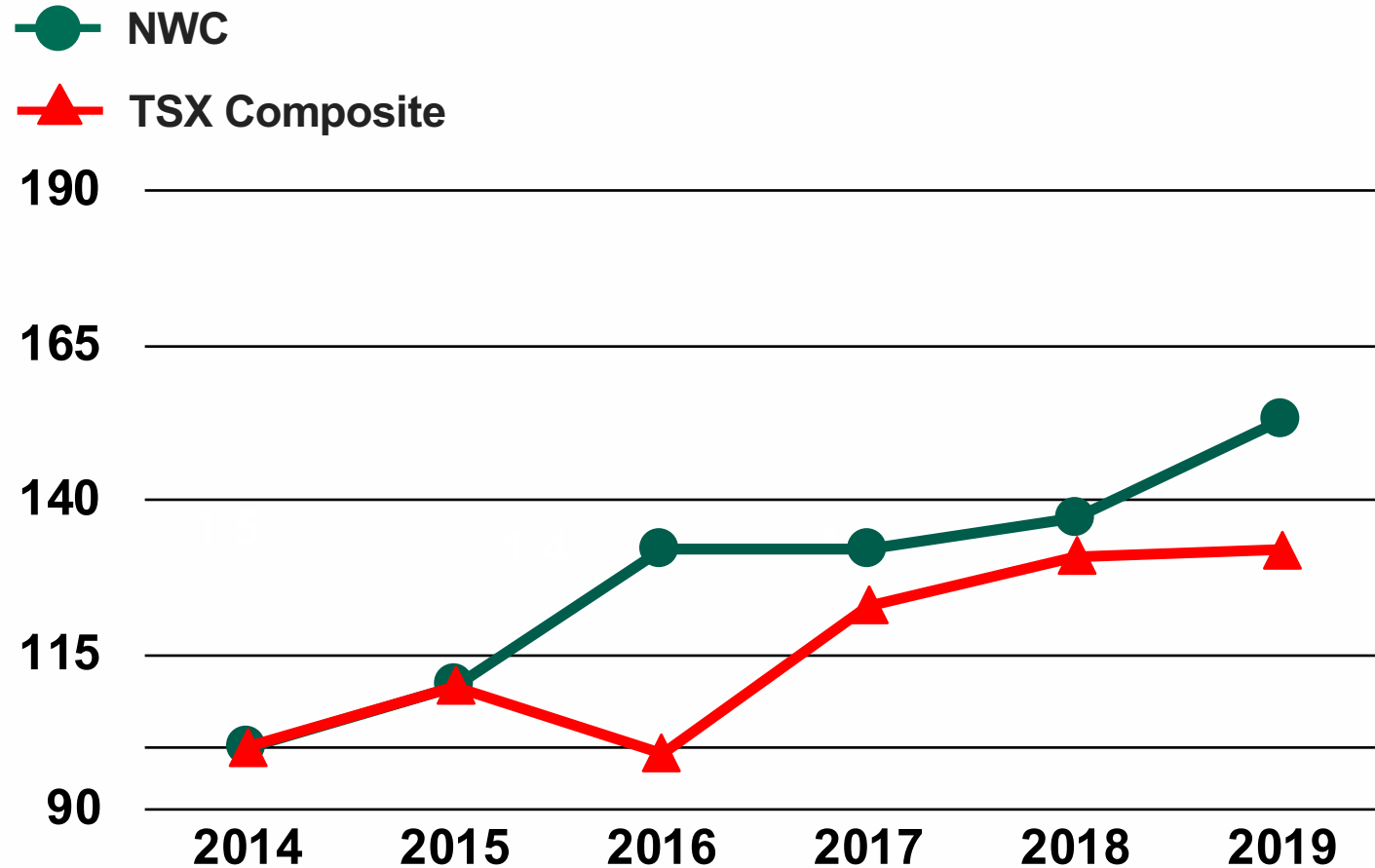
Acquisitions and capital investments = higher debt

- ✓ Appropriate leverage
- ✓ Available borrowing capacity \$232 million
- ✓ Financial capacity to support growth

Shareholder Returns • 2018 Financial Highlights



Total Return Performance (% at January 31)



- ✓ Share price growth +23%
- ✓ 4.4% average dividend yield
- = 8.9% CAGR





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2019 First Quarter Highlights



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Key Performance Factors

- ✓ Insurance gain +\$10.7 million
- ✓ Northern Canada gains
- ✓ North Star Air improved earnings
- ✓ Roadtown Wholesale Trading (RTW) performance



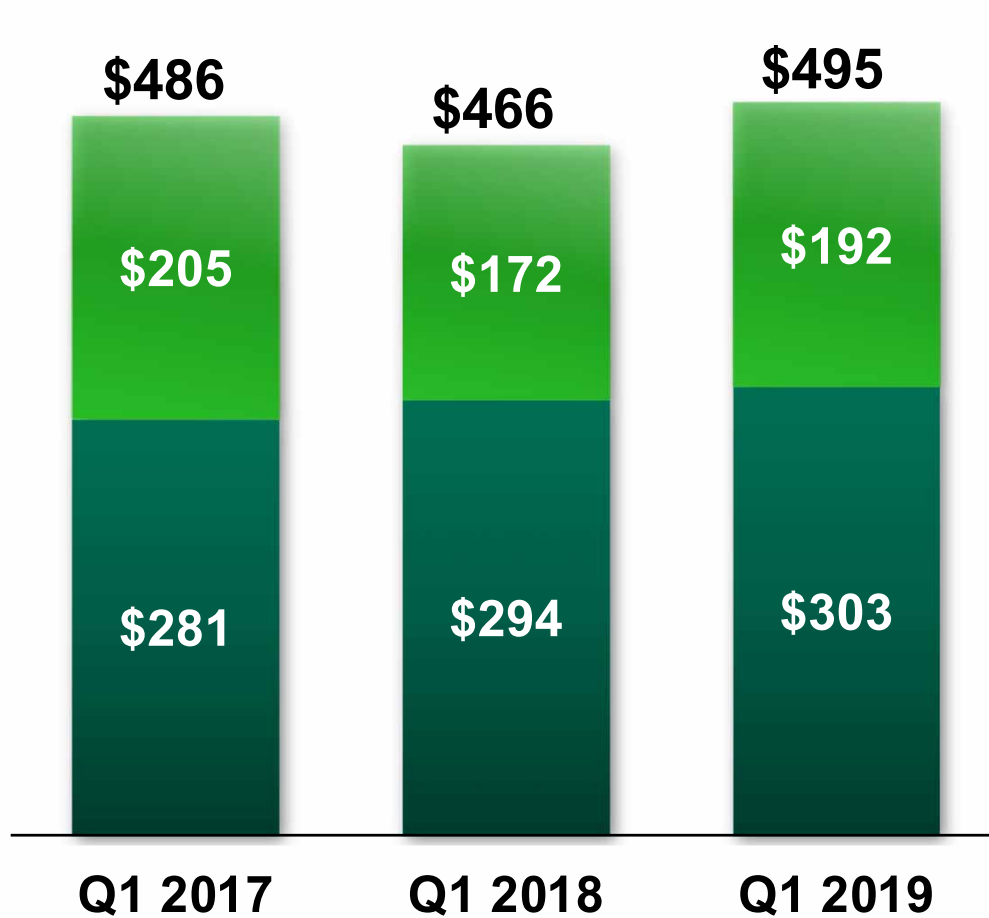
Key Performance Factors

- X Higher insurance expense +\$1.4 million
- X International support office restructuring +\$1.2 million
- X Giant Tiger results

Sales Performance • 2019 First Quarter Highlights



Sales (\$ in millions)



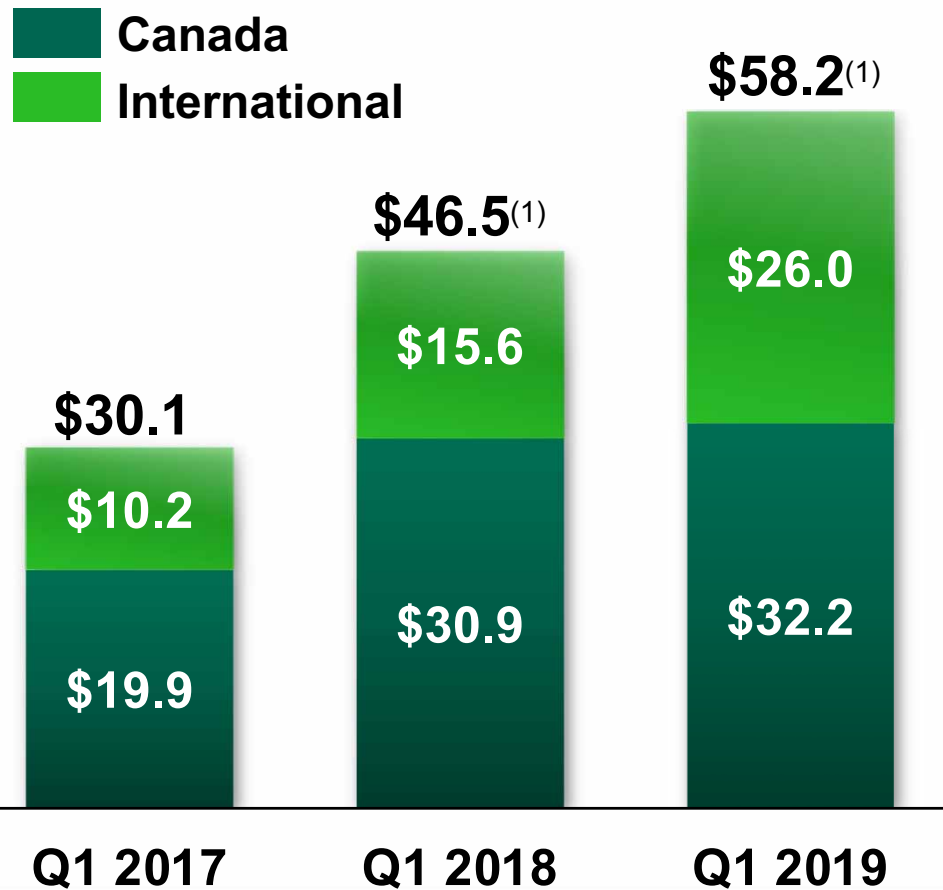
Canada
International

- ✓ Total sales +\$29 million, +6.2%
- ✓ International sales +11.9%
- ✓ Northern Canada same store sales +4.0%
- X Giant Tiger same store sales

Non-operating Items Impact EBITDA • 2019 First Quarter Highlights



EBITDA (\$ in millions)



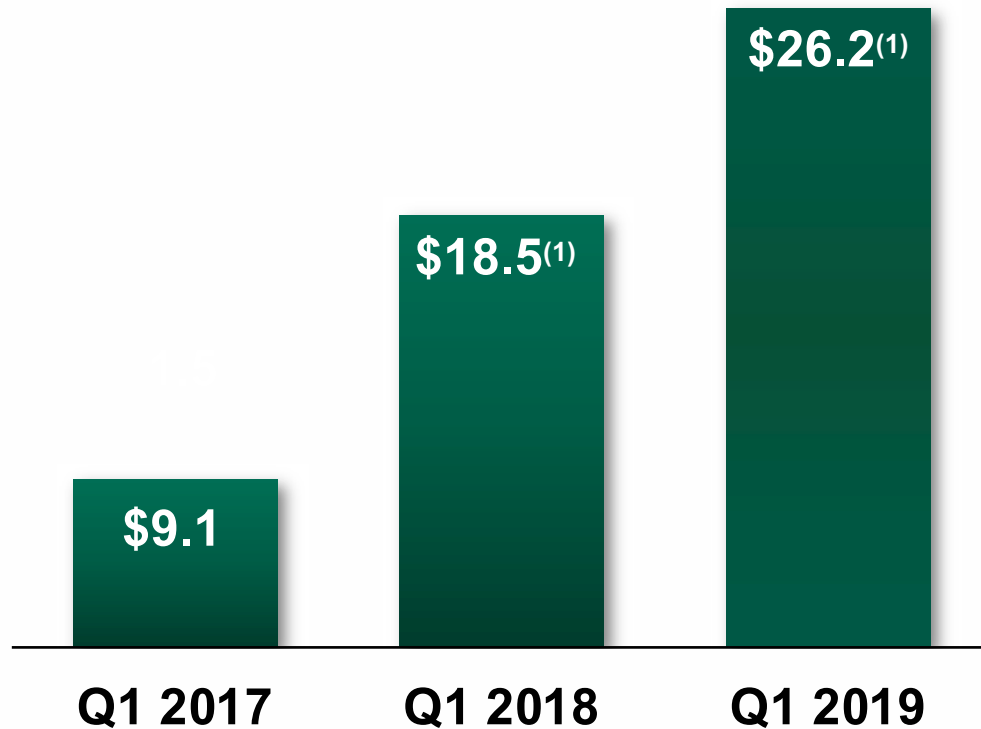
- ✓ Non-operating items:
 - \$10.7 million insurance gain
 - Lower share-option expense
- ✓ Northern Canada gains
- ✓ NSA improved earnings
- ✓ RTW performance
- X Giant Tiger results

(1) In accordance with IFRS 16

Net Earnings Performance • 2019 First Quarter Highlights



Net Earnings (\$ in millions)



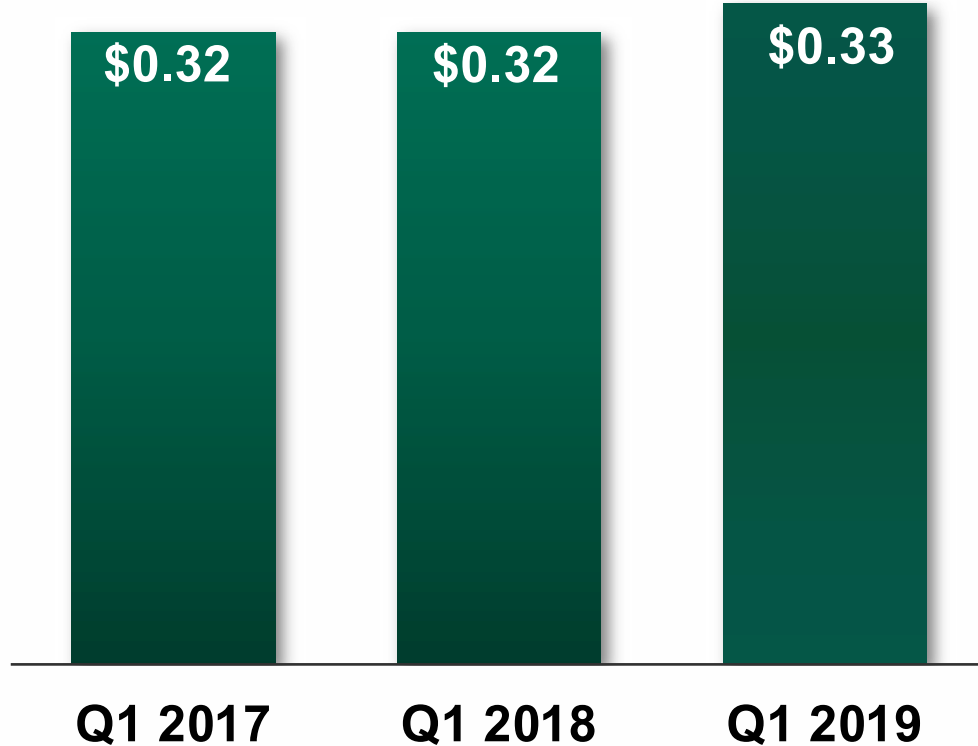
- ✓ Non-operating factors:
 - Insurance gains
 - Lower share-based option expense
- X Higher amortization
- X Interest expense

(1) In accordance with IFRS 16

Consistent Dividend Yield • 2019 First Quarter Highlights



Quarterly Dividends (\$ per share)



- ✓ 4% yield
- ✓ Future increases based on earnings and cash flow growth



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President & CEO Remarks



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- *To be the best at serving people who live in hard-to-reach communities.*
- *To help the people we serve live better lives.*

Financial Targets



1. Core business EBIT +5%
2. Maintenance capital investment \leq \$65 million
3. Free cash flow for dividends or growth

Business “Fit” Principles



- Focus on “everyday” products and services
- Core capabilities create non-core advantages
- Higher stability and lower risk vs. market

At the Core...



These Capabilities...



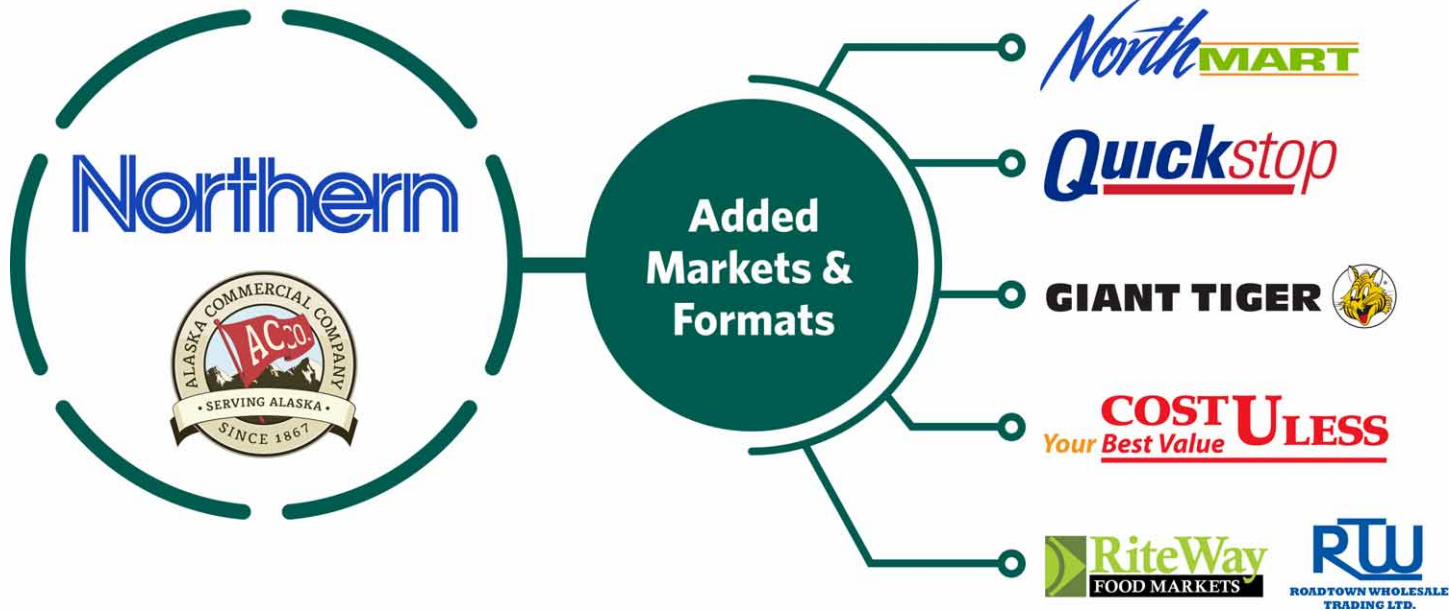
Remote Operations

Logistics

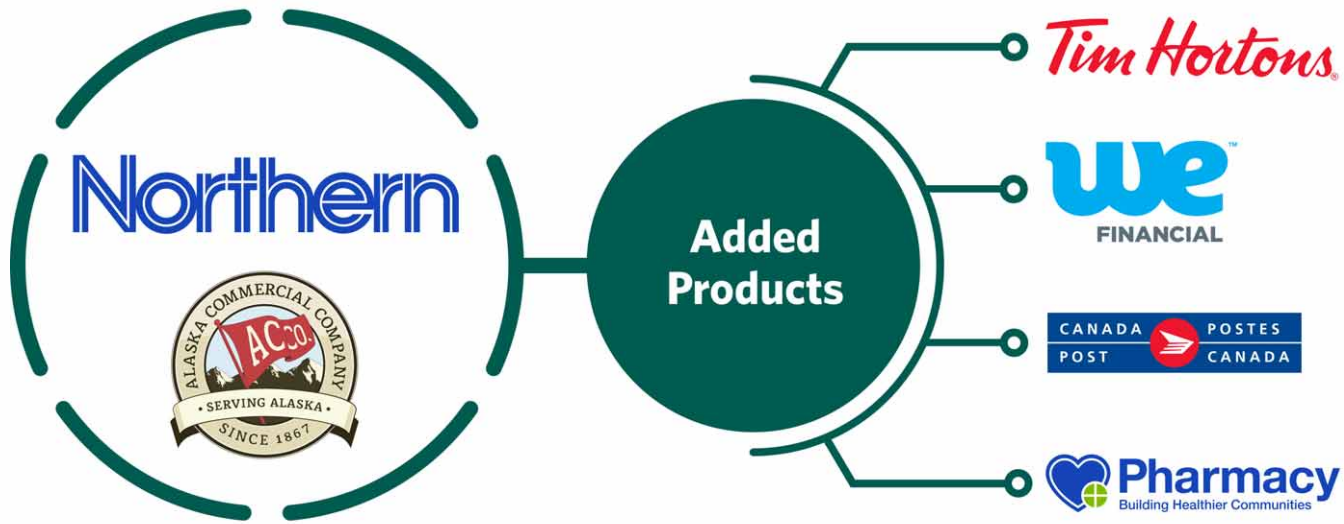
Customer and Community Relations



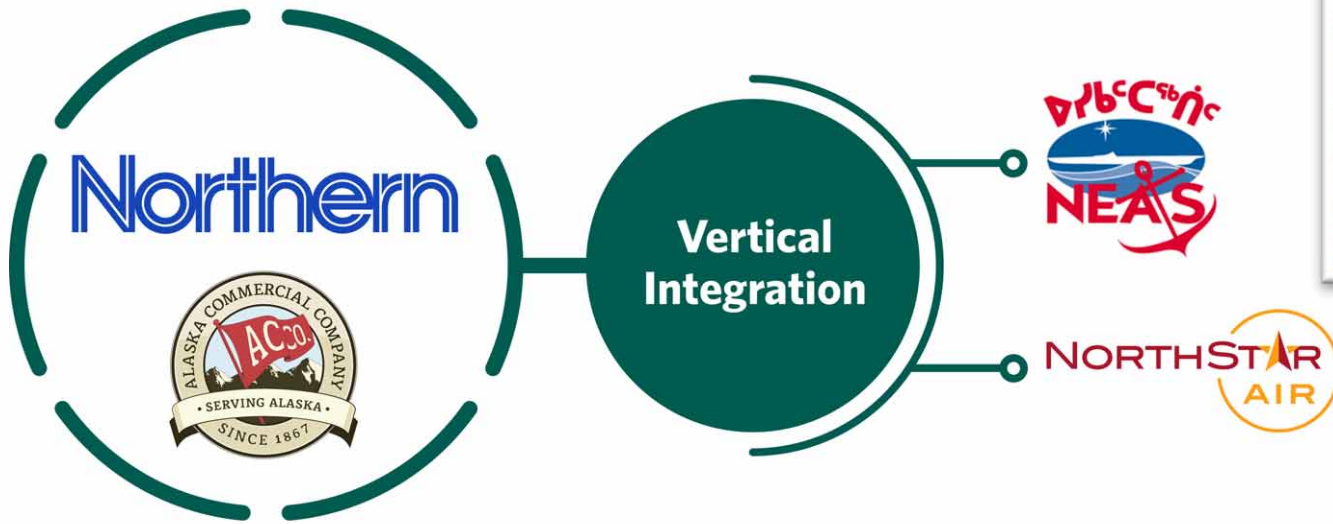
Core Extensions



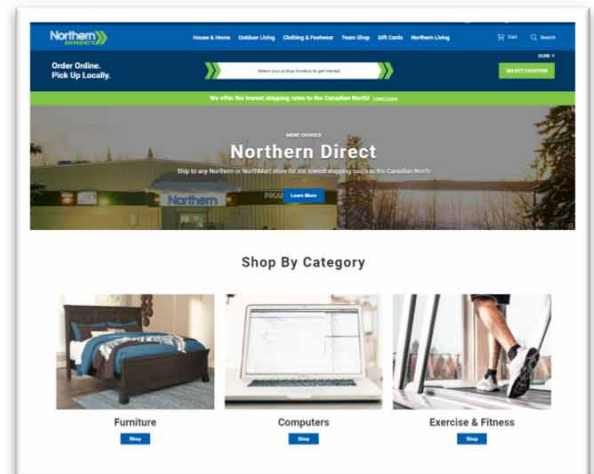
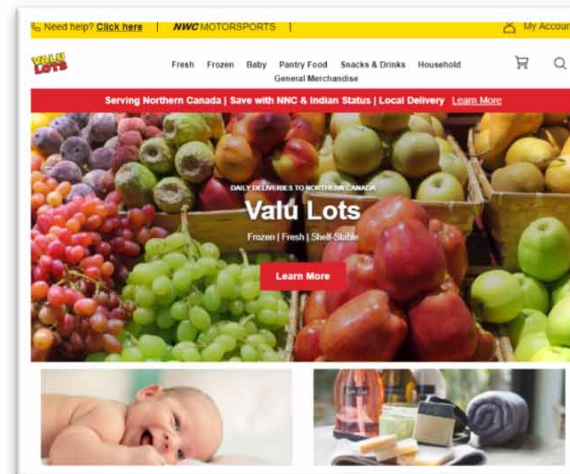
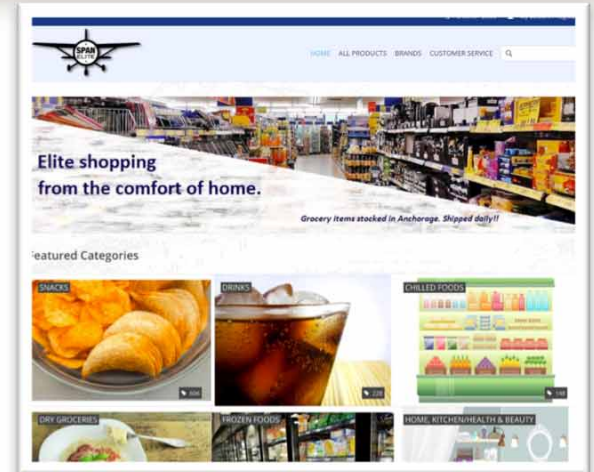
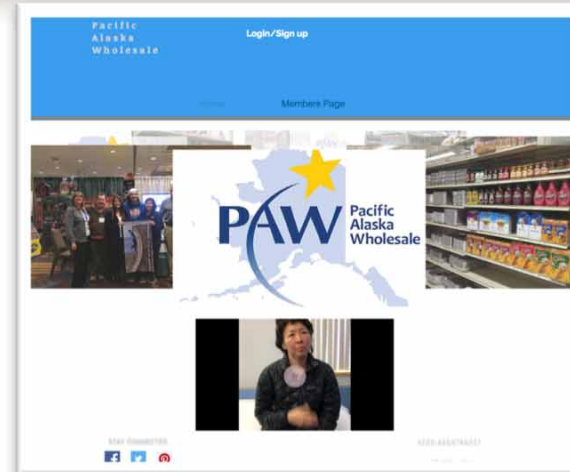
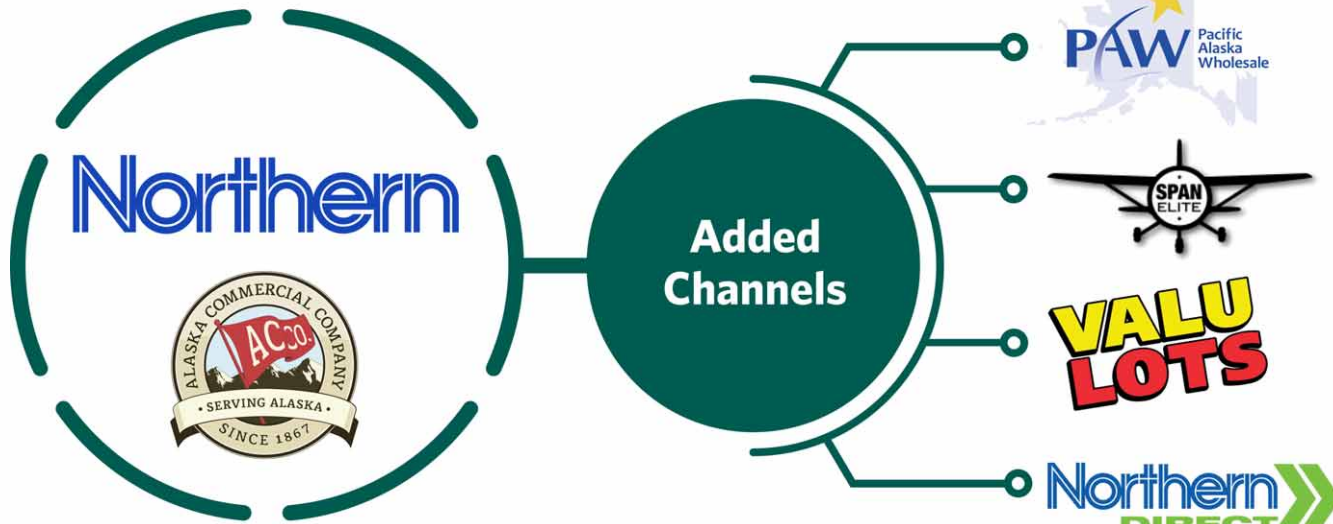
Core Extensions



Core Extensions



Core Extensions



Core Extensions



SUSTAINABILITY

ROADMAP



Truth and Reconciliation

Commission of Canada



- Aligned with Mission and Vision
- Nutrition North impact



- Renewable energy partnerships
- Food waste reduction
- Construction resiliency and adaptability



- Great roles and work environment
- Inclusiveness and flexibility
- Getting store “fundamentals” right





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