[FOR IMMEDIATE RELEASE]

LIQUOR STORES N.A. LTD. REPORTS THIRD QUARTER FINANCIAL RESULTS

5.2% SALES GROWTH AND 50 BPS INCREASE IN GROSS MARGIN %

EDMONTON, ALBERTA, November 13, 2014 – Liquor Stores N.A. Ltd. (the "Company" or "Liquor Stores") (TSX: LIQ), North America's largest publicly traded liquor retailer, today reported its results for the three and nine months ended September 30, 2014.

SUMMARY OPERATIONAL RESULTS

Three months Ended September 30, 2014

- Consolidated sales increased 5.2% to $181.9 million (Q3 2013 - $172.9 million);
- Same-store sales increased by 3.3% in Canada and by 0.3% in the U.S.;
- Gross margin percentage increased 50bps to 25.8% (2013 – 25.3%); and
- Adjusted operating margin[1] decreased by $1.2 million to $12.5 million (Q3 2013 - $13.7 million), as a result of the ongoing investments to support the Company's business strategies, offset by the increased gross margin from the higher same-store sales and improved gross margin percentages.

Nine Months Ended September 30, 2014

- Consolidated sales increased 4.3% to $497.5 million (2013 - $476.9 million);
- Same-store sales increased by 2.1% in Canada and by 0.1% in the U.S.;
- Gross margin increased 10bps to 25.3% (2013 – 25.2%); and
- Adjusted operating margin decreased by $7.7 million to $24.2 million (2013 - $31.9 million), primarily as a result of:
  - Temporary reductions in gross margin as a percentage of sales in the first four months of 2014, including sales of clearance inventory and the upfront investment to launch our new digital marketing program (the *Celebration Club*),
  - Competitive pressures in certain regions where we implemented more competitive pricing to gain back market share, and
  - Ongoing investments to support the Company's business strategies.

[1] *Adjusted operating margin is a non-IFRS measure that does not have any standardized meaning prescribed by IFRS. For more information on non-IFRS measures see the 'Non-IFRS Measures' section of our MD&A.*

Commenting on the Q3 2014 financial results, Stephen Bebis, President and CEO of the Company said: "We had an excellent third quarter with solid revenue growth and improved margin performance. These results build on the positive momentum that we reported in the second quarter of 2014 and are the result of our continued commitment to executing our Seven Point Plan."

SUMMARY FINANCIAL RESULTS AND ANALYSIS

(expressed in thousands of Canadian dollars)	**Three months ended**		**Nine months ended**	
	September 30, 2014	**September 30, 2013**	**September 30, 2014**	**September 30, 2013**
Sales	$ 181,921	$ 172,903	$ 497,464	$ 476,874
Operating margin	$ 12,536	$ 12,929	$ 22,788	$ 31,134
Adjusted operating margin	$ 12,536	$ 13,725	$ 24,174	$ 31,930
Net earnings	$ 5,316	$ 5,811	$ 6,327	$ 12,591
Diluted earnings per share	$ 0.23	$ 0.25	$ 0.26	$ 0.54
Cash dividends per share	$ 0.27	$ 0.27	$ 0.81	$ 0.81
Weighted average number of shares outstanding – Basic (000's)	23,242	23,057	23,189	23,002
Stores in operation as at September 30	246	246	246	246

The MD&A as well as the condensed interim consolidated financial statements and notes for the financial statements for the three and nine months ended September 30, 2014 are available on the Company's website (www.liquorstoresna.ca) and on the SEDAR website (www.sedar.com).

SALES

Total sales increased by $9.0 million or 5.2% to $181.9 million in the third quarter of 2014 (Q3 2013 - $172.9 million). The increase is primarily the result of the sales contribution from same-stores in Canada, new store expansion in the United States and Canada offsetting store closures in Canada (four new stores opened in the United States and five new stores opened in Canada, and eight stores closed since June 30, 2013), and a $2.1 million positive change in foreign exchange on the translation of U.S. dollar denominated sales to Canadian dollars.

Same-Store Sales

- Canadian same-store sales increased by $4.1 million, or 3.3%.
    - The increase in Canadian same-store sales in Q3 2014 was primarily the result of changes to our pricing and marketing strategies. Historically, the Company has relied almost exclusively on price promotion through a flyer circulation program to drive customers to our stores and remain competitive. Consistent with our Seven Point plan, we have taken the initial steps to implement new pricing and promotion strategies, improve customer loyalty with the introduction of the Celebration Club, and increase brand promotion. In Q3 2014, as part of this change in strategy, we placed more emphasis on the use of various forms of media that have not been fully utilized previously by the Company. We believe that the use of multiple forms of media allows us to better target our customers and will allow us, in time, to focus more on brand promotion and customer loyalty programs. However, it will take time to realize the full benefits from these changes and we anticipate that our same-store sales growth in the interim may vary from quarter to quarter as we transition from flyers to these other forms of media and promotion.

- The increase in Canadian same-store sales is also attributable to: (i) increased sales contribution from the stores that have been renovated over the last 18 months, and (ii) newer stores that are now included in same-store sales (i.e. those that have been opened for 13 months to 36 months) contributing higher than average sales increases as they continue to mature.

- U.S. same-store sales increased by $0.1 million or 0.3%.
    - Same-store sales in the United States have been positively impacted by same-store sales growth in Kentucky. While we continue to be impacted by certain counties in Kentucky that have gone from 'dry' to 'wet' in recent periods, we believe that changes to our pricing and marketing strategies and the introduction of store level training programs during the latter half of 2013 and early 2014 have assisted in counteracting this challenge to our business and allowed us to compete more effectively.
    - The increases in Kentucky were offset by same-store sales decreases in Alaska primarily as a result of a more competitive market in that state. Management is currently implementing new pricing and marketing strategies to more effectively respond to increased competition in our Alaska market.

MARGINS

For the three months ended September 30, 2014, gross margin was $47.0 million, up 7.5% from $43.7 million for the same period last year. The increase in gross margin was primarily attributable to the improvement in Canadian same-store sales, an improvement in gross margin as a percentage of sales to 25.8% (2013 – 25.3%) ($0.9 million), the sales increase from new stores net of store closures ($0.4 million), and a positive change in foreign exchange on translation of U.S. dollar denominated gross margin to Canadian dollars ($0.5 million).

The improvement in our gross margins as a percentage of sales was primarily attributable to changes made to our pricing and marketing strategies initiated in the second quarter and which continued into the third quarter (see further discussion of these matters in the 'Analysis of Financial Results' section of our MD&A).

Adjusted operating margin for the three months ended September 30, 2014 decreased by $1.2 million to $12.5 million, primarily due to the increases in operating expenses and ongoing investments in the Company's store level training programs, customer relationship management strategies and tools, branding strategies, information technology infrastructure, and additional head office staff to support the Company's business strategies, which were partially offset by increases in gross margin as explained above. Adjusted operating margin as a percentage of sales was 6.9%, down from 7.9%.

Operating and administrative expenses for the three months ended September 30, 2014 were $34.5 million, up 11.9% from $30.8 million a year earlier. Excluding adjusting items of $0.8 million in the prior year (related to payments made to two former members of the senior management team upon their departure from the Company), these expenses increased by 14.9% or $4.5 million.

- The increases related to the operation of our stores include: higher overall costs associated with the additional store locations that have been opened in the past twelve months (e.g. rent, payroll, utilities, etc.), net of cost reductions from store closures ($0.6 million), rent escalations related to the renewal of long-term lease arrangements in the past twelve months ($0.5 million), increases in operating costs associated with running same-stores, including the use of additional various forms of media in our marketing plans ($1.3 million), and an increase in operating expenses as a result of the foreign exchange on translation of U.S. dollar denominated expenses to Canadian dollars ($0.4 million).

- Administrative expenses have increased by approximately $1.7 million over the prior year. This increase is primarily attributable to increased costs associated with the execution of our Seven-Point Plan, including investments in store level training programs, customer relationship management strategies and tools, branding strategies, efforts to remodel certain stores, information technology infrastructure, and additional head office staff to support the Company's growth and other business strategies. These planned investments have contributed to our improved operating results over the last six months.

EARNINGS AND EARNINGS PER SHARE

For the three months ended September 30, 2014, net earnings of $5.3 million were recorded (Q3 2013 – $5.8 million). The decrease in net earnings in 2014 is primarily the result of the increase in operating and administrative expenses (inflationary increases, new store growth, and ongoing investments to support the Company's business strategies), which were partially offset by increases in gross margin as discussed earlier and in our MD&A.

Basic and diluted earnings per share for the three months ended September 30, 2014 were $0.23 per share (Q3 2013: $0.25). Basic and diluted earnings per share decreased as a result of the same factors that impacted net earnings, as noted above.

CASH FLOW AND DIVIDENDS

For the three months ended September 30, 2014, cash provided by operating activities before changes in non-cash working capital and adjusting items was $10.6 million ($0.46 per share), a decrease of $1.2 million compared to $11.8 million ($0.51 per share) for Q3 2013. The decrease was primarily due to the decrease in operating margins as discuss earlier.

During the three months ended September 30, 2014, the Company declared dividends of $0.27 per share, representing an annualized dividend of $1.08 per share. The Company has declared a monthly dividend consecutively since going public in 2004.

The Company has a dividend reinvestment plan (the "DRIP") to provide eligible shareholders with a convenient means of reinvesting monthly dividends into additional common shares. For further information about the DRIP and DRIP enrolment please visit the Company's website located at www.liquorstoresna.com.

CONFERENCE CALL

Liquor Stores N.A Ltd. will host an analyst and investor conference call on Friday, November 14, 2014 to discuss results for the three and nine months ended September 30, 2014. The conference call will take place at 8:00 a.m. (MT). Participants on the call will include Stephen Bebis, President and Chief Executive Officer, Craig Corbett, Executive Vice President, Business Development, General Counsel and Corporate Secretary, and David Gordey, Senior Vice President and Chief Financial Officer.

To participate in the call, please dial 1-416-340-2218 or toll-free at 1-866-225-2055. An archived recording of the conference call will be available approximately one hour after the completion of the call until November 21, 2014, by dialling 1-905-964-9451 or toll-free 1-800-408-3053 (passcode is 9097343).

ABOUT LIQUOR STORES N.A. LTD.

The Company operates 246 retail liquor stores in Alberta, British Columbia, Alaska and Kentucky. Liquor Stores' retail brands include: Liquor Depot, Liquor Barn, and Wine and Beyond in Alberta (175 stores); Liquor Depot and Liquor Barn in British Columbia (35 stores); Brown Jug in Alaska (23 stores); and Liquor Barn "The Ultimate Party Source" and Liquor Barn Express in Kentucky (13 stores). The Company's common shares and convertible subordinated debentures trade on the Toronto Stock Exchange under the symbols "LIQ" and "LIQ.DB.A", respectively.

Additional information about Liquor Stores N.A. Ltd. is available at www.sedar.com and the Company's website at www.liquorstoresna.com.

NON-IFRS FINANCIAL MEASURES

Operating margin, operating margin as a percentage of sales, adjusted operating margin, adjusting items, cash provided by operating activities before changes in working capital, cash provided by operating activities before changes in non-cash working capital on a per share basis, and same-store sales are not measures recognized by IFRS and do not have a standardized meaning prescribed by IFRS. Investors are cautioned that operating margin, operating margin as a percentage of sales, adjusted operating margin, adjusting items, cash provided in operating activities before changes in non-cash working capital, cash provided in operating activities before changes in non-cash working capital on a per share basis, and same-store sales should not replace net earnings or loss (as determined in accordance with IFRS) as an indicator of the Company's performance, of its cash flows from operating, investing and financing activities or as a measure of its liquidity and cash flows. The Company's method of calculating operating margin, operating margin as a percentage of sales, adjusted operating margin, adjusting items, cash provided in operating activities before changes in non-cash working capital, cash provided in operating activities before changes in non-cash working capital on a per share basis, and same-store sales may differ from the methods used by other issuers. Therefore, the Company's operating margin, operating margin as a percentage of sales, adjusted operating margin, adjusting items, cash provided in operating activities before changes in non-cash working capital, cash provided in operating activities before changes in working capital on a per share basis, and same-store sales may not be comparable to similar measures presented by other issuers.

Operating margin for purposes of disclosure under "Operating Results" has been derived by subtracting Operating and Administrative expenses from Gross Margin. Operating margin as a percentage of sales is calculated by dividing operating margin by sales.

Adjusted operating margin represents operating margin adjusted for unusual, non-recurring or non-operating factors on both a consolidated and segmented basis. These factors, referred to as adjusting items, are reconciled and discussed in the *'Summary of the Three and Nine Months Ended September 30, 2014'* and *'Analysis of Financial Results'* sections. Management believes the presentation of adjusted operating margin provides for useful information to investors and shareholders as it provides increased transparency and predictive value. Management uses adjusted operating margin to set targets and assess performance of the Company.

Cash provided by operating activities before changes in non-cash working capital and adjusting items is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Investors are cautioned that this should not be construed as an alternative measure of profitability.

FORWARD LOOKING STATEMENTS

In the interest of providing current shareholders and potential investors with information regarding current results and future prospects, this release may contain forward-looking statements about the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects and opportunities. All statements and information other than statements of historical fact contained in this release are forward-looking statements, including, without limitation, statements regarding the future financial position and performance of the Company, business strategies, costs, as well as plans and objectives of or involving the Company. Forward-looking statements are typically identified by words such as "believe", "expect", "will", "intend", "project", "anticipate", "estimate", "continue", "forecast", "could", "goal", "foresee", "seek", "strive", "may", "should" and similar expressions or the negatives thereof, as they relate to the Company and its Management. These forward-looking statements include, but are not limited to, statements with respect to the future payment and timing of the payment of the Company's dividends, the anticipated opening dates of new stores, and Management's general expectations that the Company will have sufficient funds to complete store acquisitions, develop new stores and finance inventory.

Forward-looking statements reflect the Company's current plans, intentions, and expectations, which are based on Management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company's plans, intentions, and expectations are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. There is no assurance that the plans, intentions, or expectations upon which these forward-looking statements are based will occur and such forward-looking statements included in this release should not be unduly relied upon.

Forward-looking statements are subject to risks, uncertainties and assumptions, including, but not limited to, those discussed under "Risk Factors" in the Company's MD&A for the three and nine months ended September 30, 2014, the Company's MD&A for the year ended December 31, 2013, and the Company's Annual Information Form dated March 6, 2014. Other risks and uncertainties not presently known to the Company or that Management presently believes are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this release are made as of the date of this release and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as expressly required by applicable securities law.

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