NEWS RELEASE
FOR IMMEDIATE RELEASE

RONA MAINTAINS STRATEGIC DIRECTION IN FIRST QUARTER
BUT UNFAVOURABLE WEATHER CONDITIONS AND PRUDENT CONSUMER SPENDING HURT SALES AND PROFITS

Boucherville, Quebec, May 10, 2011 – RONA inc. (TSX: RON), the largest Canadian distributor and retailer of hardware, renovation and gardening products, today reported its financial results for the 13-week period ended March 27, 2011 (first quarter 2011). All figures in this release are in Canadian dollars and presented according to IFRS accounting standards.

FINANCIAL HIGHLIGHTS

Compared to the first quarter of 2010:

- Total sales decreased 4.0%, or $38.7 million, and same-store sales were down 12.6%
- EBITDA went from $34.8 million to $8.1 million, EBITDA margin was down 275 basis points
- Net income was down $19.8 million, to a net loss attributable to RONA owners of $16.8 million
- Net loss per share was $0.13 (diluted), compared to earnings per share of $0.02 per share (diluted)
- $0.07 per common share dividend paid March 25th
- Issuance of Series 6 Class A Preferred Shares for total gross proceeds of $172.5 million.

OPERATIONAL HIGHLIGHTS

- Unfavourable weather conditions across Canada in the month of March compared to an early spring in 2010
- Government-sponsored home renovation tax credit programs expired in early 2010
- Strong growth continued in commercial and professional market division
- Acquired plumbing supplies company La Boutique Plomberie Decoration 25 Inc.
- Opened two new Reno-Depot stores, one new RONA store and one new Totem store, adding 289,000 square-feet
- Two RONA stores, totalling 290,000 square-feet, were renovated and reopened
- Twenty new affiliated dealers and clients were successfully recruited to the RONA and TruServ Canada networks
- TruServ Canada launched new banners: TRU Hardware, TRU Building Centres and TRU Farm & Garden to better fit different retail formats for independent dealers

"Very unfavourable weather conditions, fragile consumer confidence, and a lack of tax-credit-driven market stimulation, items outside of our control, were all factors that significantly impacted our first quarter results," said Robert Dutton, President and CEO of RONA.

Due to the strong performance of its commercial and professional division as well as recruitment of new dealers and expansion projects completed by its existing affiliated dealers, RONA was able to partially mitigate the negative effects of these elements. Other elements of mitigation, were the success of the RONAdvantages program, and its private-brand and controlled-brand products, along with adjustments to its variable costs and efficiency improvement measures.

"While we are managing the present with great prudence, we continue to make good progress on the execution of our strategic plan and will continue to exploit the opportunities that these market conditions present, stated Mr. Dutton.

A good example of the progress RONA is making with respect to its strategic plan is the acquisition of TruServ Canada. They just completed their first full quarter of operations as a part of RONA, in which they added 15 new clients to their network, set up more than 200 of RONA's affiliated dealers to be able to purchase from them, and rolled out a new banner which will better accommodate the different retail formats in existence amongst their independent dealer customers. On the commercial and professional division side, the integration of Don Park Canada is also progressing well with 3 new Noble plumbing kiosks already opened in Don Park's premises. Over the coming months, we will begin to see the benefits of the synergies from these two important transactions.

Commenting on the outlook Mr. Dutton mentioned: "While current market conditions are presenting certain challenges, I am very confident in the Corporation's longer-term strategic plan and our ability to execute it. We have the right people and the right attitude to lead the consolidation of this industry. I am convinced that many players in our industry are in difficult situations and this will create opportunities for RONA."

Mr. Dutton added: "Our affiliated dealers are also on board. They have invested more than $120M over the past three years in spite of the challenging market conditions, which is a good illustration of their belief in our development plan. Their sons and daughters are also very positive, as many of them have used our unique succession planning program and development fund to acquire stores."

"We are maintaining our strategic direction," remarked Mr. Dutton. "It's in more challenging times that we can appreciate the full potential of an organisation and its people, and I can tell you, we can count on a very dynamic group of employees and dealers at all levels of the organisation to get it done."

FINANCIAL RESULTS

Revenues

Revenues were $918.2 million, down $38.7 million, or 4.0%, while same-store sales were down 12.6%. The decrease was the result of a 6.2% decrease in Retail and Commercial segment revenues, offset by a 1.7% increase in Distribution segment revenues. The decline in same-store sales growth was partly offset by acquisitions, strong demand in the commercial and professional market segment, new store openings, new dealers, and expansion projects from existing dealers.

Gross margin

The gross margin was 29.49%, down 74 basis points while the adjusted gross margin was down by 82 basis points, to 30.89%. The reduction comes from increased promotional activities in the retail sector and a higher weighting of distribution sales in the total sales mix, which was partly compensated by shrink reduction and increased imports and private and controlled brand sales.

EBITDA

EBITDA amounted to $8.1 million compared to $34.8 million in the first quarter of 2010, a decrease of $26.7 million, as the result of a $22.8 million decrease in the Retail and Commercial segment EBITDA and a $3.9 million decrease in the Distribution segment EBITDA.

The EBITDA margin was down 275 basis points to 0.88% compared to 3.63% in the first quarter of 2010, reflecting a 333 basis point decrease for the Retail and Commercial segment and a 155 basis point decrease for the Distribution segment. In addition to the negative impact of lower same-store sales, EBITDA and EBITDA margin were affected by higher transportation and warehousing costs. Imports were brought in earlier this year in order to avoid the delays experienced last year. As this quarter's sales were weaker than expected, this had a negative impact. EBITDA and EBITDA margin were also impacted by new store openings and acquisitions, as the EBITDA margins of the acquired companies were lower than those of RONA's existing operations. The margins are expected to improve as synergies are realized in the coming quarters. These downward pressures on margin were partly offset by reduced variable expenses and efficiency improvement measures.

Net income
Net income attributable to owners of RONA inc. was down $19.8 million to a net loss of $16.8 million, and earnings per share (diluted) were down $0.15 to a net loss per share (diluted) of $0.13, reflecting a decrease in operating profit, higher net finance costs, and an increase in non-controlling interests.

Cash flow
For the quarter ended March 27, 2011, operations used $161.4 million, compared to $72.2 million for the quarter ended March 28, 2010. Net of changes in working capital, interest received and income taxes paid, operations generated $0.4 million, compared to $28.9 million for the same period in 2010. The differences in cash flow relating to changes in working capital items are mainly attributable to an increase in inventory reflecting the opening of new stores, new HVAC lines of products introduced in our Commercial and Professional Market division as well as new categories of products introduced in our retail network, the addition of new private and controlled brand products and imports. As a growing portion of our products are imported, we also wanted to get some products earlier this year to avoid the problematic transportation situation we had to deal with last year with a portion of our imports. The decrease in working capital is also attributable to an increase in accounts receivable coming from the growth of the Commercial and Professional Market division.

Capital Expenditures
The Corporation continued to exercise disciplined financial management and strictly monitored investments in property, plant and equipment. For the quarter ended March 27, 2011, RONA invested $22.2 million in capital and intangible assets, $1.1 million less than the $23.3 million invested in the first quarter of 2010. These investments were devoted to the expansion of our retail network, including the construction of new stores, renovations and upgrades of existing stores, as well as maintenance. We also allotted part of these investments to ongoing improvements in our information systems, in order to increase our operational efficiency.

Dividend
The Board of Directors established a new dividend policy in December and declared on December 8, 2010 a cash dividend of $0.07 per common share. This dividend was paid on March 25, 2011 to holders of record on March 10, 2011. The Board will review the policy from time to time in light of the Corporation's cash flow, earnings, financial position and other relevant factors.

Preferred shares
During the first quarter of 2011, RONA issued Series 6 Class A Preferred Shares for total gross proceeds of $172.5 million. In the short term, the net proceeds of the offering have been used by RONA to fund working capital requirement. It will then be used to reduce indebtedness, contribute to the funding of future acquisitions and capital projects as well as for general corporate purposes. This issue has further strengthened RONA’s balance sheet, diversified its sources of financing and increased its financial flexibility in order to continue to execute the Corporation’s strategic plan. Further details regarding these shares may be found in the Corporation’s 2011 press releases of February 1, February 22 and March 1.

Financial condition
While cash has been used to fund acquisitions and capital expenditures over the past year, RONA’s balance sheet has remained strong. On March 27, 2011, the ratio of total net debt to capital was 17.4%, compared to 15.3% as at March 28, 2010, and the ratio of equity to assets was 65.7%, compared to 61.6%.

UPDATE ON THE CORPORATION’S STRATEGIC ORIENTATION
On February 27, 2008, RONA released its strategic plan for 2008-2011. The plan was conceived to consist of two phases. Phase 1 of the plan focused on productivity, efficiency, and profitability (the “PEP program”), over the 2008-2009 period. On January 25, 2010, RONA unveiled Phase 2 of its strategic plan (the “New World program”), which places renewed emphasis on growth over the 2010-2011 period.

RONA's management made a commitment to provide quarterly updates of the plan's progress in its management report, and an annual update in its annual report and at its annual general meeting. The information below is an update on the progress of Phase 2 in the first quarter of 2011.

1. Customer growth:

   Customer growth will be stimulated by numerous initiatives to improve the customer experience – innovative store concepts, new product categories, new private-brand and controlled-brand products, new tools and programs to improve customer loyalty, and new training programs for store employees.

   - Last spring, RONAdvantages was improved and made into a permanent program that is now one of the most advantageous customer programs in the industry in Canada. The program is linked with the new RONA credit card for consumers and the number of new cards issued in the first quarter of 2011 under this program was more than triple what was issued under the previous program in 2010. These customers are our most loyal customers; they generally visit our stores more frequently and have a higher basket size than other customers, plus the program shows real clientele acquisition. This new program definitely contributed to gain market share in a difficult market.
   - RONA's private-brand and controlled-brand product sales for the year continued to progress, bringing the penetration level of these products to 26%, up from 24% at the end of 2010.
   - The ability to meet the needs of commercial and professional customers is growing rapidly as the Commercial and Professional Market division makes significant strides to develop a national platform, largely through strategic acquisitions (for more information on the acquisitions see below) and strong organic growth.
   - Two stores were renovated and reopened in the first quarter of 2011, one in Mascouche and one in Anjou, Quebec. These projects involved a total investment of about $7 million for the two stores, totalling 290,000 square-feet.
   - A 100,000 square-foot RONA L'entrepôt store in Gatineau, belonging to the Lacasse family, was renovated and reopened. The project involved an investment of more than $5 million.
   - Three existing RONA stores in the cities of Scarborough and Markham, Ontario combined their operations into a single retail force in order to better deliver a full range of quality products and services to the local communities. This new partnership is in line with the organizational changes implemented in late 2010 in order to help pull together and leverage all the strengths of RONA's unique business model. The changes entail adopting a more integrated approach for the operation and development of the retail network, along with an increased regional focus designed to better address local market needs. These changes are aimed at optimizing the growth and consolidation of the RONA presence in key urban and regional markets in order to become the leader in each of those target markets.

2. Construction of new stores:

   RONA has several different store concepts to meet the specific needs of the communities it serves, big or small, urban or not. Be it a totally new store, or the expansion or transformation of an existing one, RONA has a design to meet the needs.

   - Since the beginning of 2011, new store construction added about 289,000 square-feet to the network.
     - A new 102,000 square-foot Réno-Dépôt store was opened in Vaudreuil-Dorion, Quebec. The new store represents an investment of close to $25 million and was built to meet the criteria of the LEED system (Leadership in Energy and Environmental Design) for new buildings.
     - A new 100,000 square-foot Réno-Dépôt store was opened in the Quebec City borough of Sainte-Foy. This is the third store under this banner to serve the Quebec City region. The new retail outlet represents an investment of more than $20 million and was built to meet the criteria of the LEED system for new buildings.
     - A new 52,000-square-foot store under the Totem banner was opened in Edmonton, Alberta. The new location represents an investment of close to $20 million in the community and was built to meet the criteria of the LEED system for new buildings. The store is the banner's second to apply for a LEED certification.

- A new 35,000 square-foot store was opened in Repentigny, representing an investment of $16 million. It is owned jointly by RONA and the Prud'homme family, who has more than 50 years of retail experience in the Lanaudière region.
- A 68,000 square-foot store RONA proximity store will be built in St. John's, Newfoundland and Labrador, representing an investment of about $20 million, and is scheduled to open in June 2011.

3. Development of the affiliated dealer network:

In addition to recruiting new dealers to the group and helping existing dealers to improve and expand their stores, a key element of development in this area is RONA's newly-minted succession-planning program. It was designed to secure RONA's leadership in the market and sustain the growth of its network. The Corporation's new succession-planning program will help RONA attract next-generation dealer-owners and continue to be the company that offers independent dealer-owners in Canada the best development support.

- Five new affiliated dealer stores were successfully recruited to the RONA network: 3 in Quebec, 1 in Ontario and 1 in BC. These new dealers will add close to $20 million of annual retail sales to the RONA network. A dealer in Quebec also acquired two points of sales representing close to $2 million in annual retail sales.
- Matériaux Décoren, an affiliate store, was strategically relocated to a new building on the main commercial strip of Sainte-Marie-de-Beauce, Quebec. The store, owned by RONA affiliate dealer-owners Nathalie Lagrange and Marc-André Drouin, has doubled in size from 7,000 to 15,000 square feet. The store's relocation represents an investment of close to $10 million.
- TruServ Canada, acquired last November, announced new banners for the over 650 independent retailers it serves across Canada. The goal was to create a banner that could be adapted to different retail formats. The new concept encompasses three banners: TRU Hardware, TRU Building Centres and TRU Farm & Garden. Dealers will be converted to the new banners over the coming months.
- Fifteen new customers joined the TruServ Canada network: 6 in Manitoba, 4 in BC, 3 in Ontario and 2 in Saskatchewan. More than 200 of RONA's affiliated dealers were set up to purchase from distribution network of TruServ Canada.
- More than a year after the introduction of the innovative succession-planning program in late 2009, five young leaders, representing four different projects, were the first selected to receive support from the Development Fund and recently two new projects were presented to the selection committee. This new program combined with the summer retreat is really gaining traction as more than 20 projects are currently under study by our young dealers and could potentially be presented to the selection committee in the coming year.

4. Acquisitions:

Through targeted acquisitions in retail, distribution and commercial and professional sectors, the Corporation will quickly grow different aspects of its operations and capabilities, such as market coverage, brand extension, leverage of existing infrastructure, product offerings, and purchasing power, while also reducing the cyclical nature of the retail business.

- Acquisitions are a key element in achieving the goal of establishing a national platform in the commercial and professional market. In January, through its subsidiary Noble, RONA acquired the assets of La Boutique Plomberie Décoration 25 Inc. It specializes in the retail sales of plumbing products and fixtures with one retail store and one parts outlet located in St-Eustache, Quebec. The company has over 25 years' experience in the specialized plumbing market and counts on an impressive inventory to supply projects for all types of consumers, specialized contractors, plumbers and general contractors. It has a 15,000 square-foot showroom. A major expansion project will add another 10,000 square feet in the months ahead to further improve the service offering to plumbing contractors. It is expected to generate significant buying synergies with the existing Quebec-based companies Plomberie Payette & Perreault and LGC Plomberie, which were acquired in 2010.

OUTLOOK

The Bank of Canada continues to suggest a slow and gradual economic recovery. In its April Monetary Policy Report, it projects that the Canadian economy will expand by 2.9% in 2011 and 2.6% in 2012, compared to 3.1% in 2010. It also sees aggregate demand being in the process of rebalancing towards business investment and net exports, and away from government and household expenditures.

Consumer confidence remains however fragile. With gas and food prices steadily rising and personal debt levels still quite high, it is expected that consumers will continue to be prudent and selective in their spending.

Weather conditions continued to be unfavourable across the country in April, resulting in further delays in consumer spending. These delays are already having a significant impact on second quarter results as we are one month into the quarter. While it is expected that consumer spending which has been put on hold because of the weather may still happen once the weather improves, there is no guarantee that we will fully recuperate delayed spending.

Given the current conditions, the following measures are being implemented to mitigate their negative effects on the financial results:

- intensification of the PEP program with an emphasis on supply chain management and store productivity;
- a $25 million reduction in CAPEX, along with a strong focus on optimising the existing network across the country though renovation, consolidation and information technology;
- a more selective approach for acquisitions, with more importance being given to short term returns on capital;
- disposal of non-core land and assets; and
- reduction in administrative expenses.

While the present will be managed with great prudence, the Corporation will:

- exploit the opportunities that these market conditions present, particularly in the area of market consolidation;
- pursue organic growth and growth through acquisitions in the retail, commercial and professional, and distribution sectors; and
- focus more on growing at a faster rate the less cyclical and capital intensive sectors of the commercial, professional and distribution sectors, than the retail sector, in order to optimise the return on capital.

It is also expected that, over the coming months, the Corporation should begin to see:

- the benefits of the anticipated synergies relating to the recent acquisitions; and
- the fruits of its integrated and more regionally focused approach in the retail sector.

All the above-mentioned actions and expected benefits should allow RONA to maintain its investment grade profile while continuing to improve its competitive positioning. However, given the first quarter result and current market conditions, management now expects that achieving the double digit bottom line growth financial objective of its New World program will be unlikely in 2011 unless a rapid and sustained improvement in market conditions happens.

SUSTAINABILITY

Sustainable development is a core component of RONA's strategic plan. Key programs have been developed and introduced in response to the Corporation's objectives. In the past few years, RONA has undertaken a number of sustainability initiatives dealing with its products, procurement policies, environmental footprint and corporate governance. Here are new initiatives pursued in the first quarter of 2011:

- Three new stores opened during the first quarter, a new 102,000 square-foot Réno-Dépôt store in Vaudreuil-Dorion, Quebec, a new 100,000 square-foot Réno-Dépôt store in the Quebec City borough of Sainte-Foy and a new 52,000-square-foot store under the Totem banner in Edmonton, Alberta. These stores were built to meet the criteria of the LEED system (Leadership in Energy and Environmental Design) for new buildings.
- In March, the Maple Leaf Sports & Entertainment's (MLSE) Team Up Foundation, in collaboration with the City of Mississauga unveiled plans to refurbish the Burnhamthorpe Community Centre's outdoor rink. The MLSE Team Up Foundation, with the support of MLSE's Corporate Partner RONA, is investing $25,000 in significant upgrades and improvements to the rink. This marks the seventh such partnership involving RONA. Work on the arena will be completed in the spring with supplies donated by the Corporation. This is a continuation of RONA's long-standing commitment to Canadian sports, both professional and amateur. RONA was a National Partner of the Vancouver 2010 Olympic and Paralympic Games. As well, it will be a National Partner of the Canadian Olympic and Paralympic Teams through the London 2012 Summer Games.

ADDITIONAL INFORMATION

The *Management's Discussion and Analysis (MD&A)* and unaudited interim consolidated financial statements with notes for the first quarter of 2011 can be found in the "Investor Relations" section of the Corporation's website at www.rona.ca and on the SEDAR website at www.sedar.com. The Corporation's Annual Report, along with other information about RONA, including its *Annual Information Form*, can also be found on the RONA and SEDAR websites.

TELEPHONE CONFERENCE WITH THE FINANCIAL COMMUNITY

On Tuesday, May 10, 2011, at 3:30 p.m. (EST), RONA will hold a telephone conference for the financial community. To join the conference, please call 416-340-2216 or 1 866 226-1792. To listen to the call online, please go to http://webcasts.pqm.net/client/rona/event/145/en/ .

NON-GAAP PERFORMANCE MEASURES

In this report, as in our internal management, we use the concept of "earnings before interest, taxes, depreciation, amortization and non-controlling interest" (EBITDA). We also use the concept of "adjusted gross margin," which corresponds to revenues less the cost of goods sold, plus adjustments for network support.

While EBITDA does not have a definition that is standardized by IFRS, it is widely used in our industry and in financial circles to measure the profitability of operations, excluding tax considerations and the cost and use of capital. Adjusted gross margin is used by RONA's management to analyze the profitability of our network, after adjustments for network support. Given that these measures are not standardized, EBITDA and adjusted gross margin cannot be compared from one company to the next. Still, we establish them in the same way for each of the segments identified, and, unless expressly mentioned, our method does not change over time. EBITDA and adjusted gross margin must not be considered separately or as a substitute for other performance measures calculated according to IFRS, but rather as additional information.

The following table presents a reconciliation of these two measures to IFRS:

Reconciliation of non-GAAP measures	Quarters ended			
(Unaudited, in thousands of dollars, except margins in %)	March 27, 2011	March 28, 2010	$ change from 2010	% change from 2010
Revenues	918,211	956,920	(38,709)	(4.0%)
Cost of sales	(647,454)	(667,645)	20,191	3.0%
Gross profit	270,757	289,275	(18,518)	(6.4%)
Gross margin (gross profit/revenues)	29.49%	30.23%	-	-74 b.p.
Adjustments for network support (1)	12,895	14,194	(1,299)	(9.2%)
Adjusted gross profit	283,652	303,469	(19,817)	(6.5%)
Adjusted gross margin	30.89%	31.71%	-	-82 b.p.
Selling, general and administrative expenses	(275,589)	(268,711)	(6,878)	(2.6%)
EBITDA	8,063	34,758	(26,695)	(76.8%)
EBITDA margin (EBITDA/revenues)	0.88%	3.63%	-	-275 b.p.
Finance income	(1,371)	(1,014)	357	35.2%
Amortization, depreciation and impairment of non financial assets	(26,297)	(25,567)	(730)	(2.9%)
Operating profit (loss)	(19,605)	8,177	(27,782)	(339.8%)

(1) Correspond to other costs incurred in bringing the inventory to its present location and condition.

FORWARD-LOOKING STATEMENTS

This *News Release* includes "forward-looking statements" that involve risks and uncertainties. All statements other than statements of historical facts included in this *News Release*, including statements regarding the prospects of the industry and prospects, plans, financial position and business strategy of the Corporation may constitute forward-looking statements within the meaning of the Canadian securities legislation and regulations. Investors and others are cautioned that undue reliance should not be placed on any forward-looking statements.

For more information on the risks, uncertainties and assumptions that would cause the Corporation's actual results to differ from current expectations, please also refer to the Corporation's public filings available at www.sedar.com and www.rona.ca. In particular, further details and descriptions of these and other factors are disclosed in the MD&A under the "Risks and uncertainties" section and in the "Risk factors" section of the Corporation's current Annual Information Form.

The forward-looking statements in this *News release* reflect the Corporation's expectations as at May 10, 2011, and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

ABOUT RONA

RONA is the largest Canadian distributor and retailer of hardware, home renovation and gardening products. RONA operates a network of more than 950 corporate, franchise and affiliate stores of various sizes and formats. With close to 30,000 employees working under its family of banners in every region of Canada and more than 17 million square feet of retail space, the RONA store network generates over $6 billion in annual retail sales. For more information, please visit www.rona.ca.

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