

Management's Discussion and Analysis of Financial Condition and Results of Operations January 24, 2007

The following management's discussion and analysis should be read in conjunction with Coastal Contacts Inc.'s (the "Company, our, we, us or Coastal") audited consolidated financial statements for the year ended October 31, 2006. The Company prepares its consolidated financial statements in accordance with Canadian generally accepted accounting principles.

All statements made in the this report, other than statements of historical fact, are forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "will," "would," "should," "guidance," "potential," "continue," "project," "forecast," "confident," "prospects," and similar expressions typically are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about our business and the industry and markets in which we operate. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including but not limited to, our ability to implement our business strategies, competition, general economic conditions, currency fluctuations and other risks detailed in our filings with the Canadian Securities authorities. Reference should be made to the section entitled "Risk Factors" contained in the Annual Information Form dated February 10, 2006 for a detailed description of the risks and uncertainties relating to the business of the Company. We expressly disclaim any intent or obligation to update these forward-looking statements, except as otherwise specifically stated by us.

Overview

With operations and distribution hubs in North America, Europe and Asia, we are among the largest and fastest growing vision care providers in the world. We have shipped over two million orders since inception, shipped almost nine hundred thousand orders in the year ended October 31, 2006 and continue to strengthen the Coastal Contacts brand through the compelling value proposition of savings and convenience. We leverage the efficiencies of the internet and global purchasing to streamline the value chain, bypassing middlemen to sell directly to the consumer. We believe that by combining these efficiencies through multi-national operations, Coastal can maintain a competitive advantage in its market.

Since our formation, in October of 2000, we have experienced significant growth. Revenue has grown from \$2.5 million in 2001 to \$81.0 million in 2006 representing a compound annual growth rate (CAGR) of 79% over six years.

We are focused on achieving consistent and sustainable growth through the continued development of our core business and our strategically selected acquisitions. Our internal growth initiatives include the expansion into new markets through existing distribution hubs and the expansion of market share within existing markets. In the fourth quarter of fiscal 2006, revenues were \$23.3 million.

Income before taxes in the quarter ended October 31, 2006 was \$0.7 million, an improvement of \$2.6 million from the previous quarter driven primarily by an improvement in gross margin resulting in part from price increases in North America, and a reduction in marketing spending.

In the quarter ended October 31, 2006, we completed two acquisitions. On August, 11, 2006, we acquired all of the shares of companies in the Netherlands which operated the MyLenses business in The Netherlands. On October 13, 2006, we acquired all of the shares of Asianzakka Pte. Ltd., a company located in Singapore. Revenues derived from those businesses totaled \$1.5 million in the quarter ended October 31, 2006.

Selected Quarterly Information

Quarter ended (in \$)	Oct. 31, 2006	July 31, 2006	Apr. 31, 2006	Jan. 31, 2006	Oct. 31, 2005	July 31, 2005	Apr. 31, 2005	Jan. 31, 2005
Sales	23,344,102	21,657,030	17,603,271	18,409,548	20,818,698	19,817,554	14,854,904	12,036,729
Gross profit	6,767,641	4,630,188	4,287,943	4,619,257	5,162,846	5,656,068	4,077,227	2,967,965
Net income (loss)	469,357	(2,143,218)	100,244	237,198	216,514	1,200,180	436,374	243,006
Income tax expense (recovery) - current	142,271	194,827	153,803	88,939	(171,349)	519,271	55,105	71,569
Income tax expense (recovery) - future	84,602	83,756	183,345	19,674	233,883	(313,899)	(10,409)	(3,278)
Income (loss) before taxes	696,230	(1,864,635)	437,392	345,811	279,048	1,405,552	481,070	311,297
Depreciation and amortization	428,472	331,823	289,919	260,615	257,377	228,831	172,225	174,398
Interest on long-term debt ⁽²⁾	9,651	3,510	13,814	15,998	17,797	22,516	22,984	35,704
Interest income	(257,742)	(303,543)	(285,279)	(86,121)	(80,266)	(76,713)	(44,948)	(5,003)
Stock-based compensation	181,973	40,194	19,292	27,011	29,029	30,293	98,043	18,267
EBITDA ⁽¹⁾	1,058,584	(1,792,651)	475,138	563,314	502,985	1,610,479	729,374	534,663

(1) EBITDA is defined as earnings from operations before interest, income taxes, depreciation, amortization and stock based compensation. The Company reports its results in accordance with Canadian GAAP; however, although this is a non-GAAP measure, the Company presents EBITDA in its filings because it believes its current and potential investors use EBITDA to make investment decisions about the Company. Investors should not consider EBITDA to be an alternative to net income, nor to cash provided by operating activities nor any other indicator of performance or liquidity which has been determined in accordance with Canadian GAAP. The Company's method of calculating EBITDA may differ from the methods used by other companies.

(2) Includes interest on current portion of long-term debt.

Selected Annual Information

Year ended (in \$)	Oct. 31, 2006	Oct. 31, 2005	Oct. 31, 2004
Sales	81,013,951	67,527,885	31,246,283
Gross profit	20,305,029	17,864,106	5,709,403
Net income (loss)	(1,336,419)	2,096,074	(539,550)
Income tax (recovery) - current	579,840	474,596	(21,347)
Income tax (recovery) - future	371,377	(93,703)	(38,045)
Income (loss) before taxes	(385,202)	2,476,967	(598,942)
Depreciation and amortization	1,310,829	832,831	195,323
Interest on long-term debt ⁽²⁾	42,973	99,001	87,673
Interest income	(932,685)	(206,930)	(14,626)
Stock-based compensation	268,470	175,632	105,898
EBITDA ⁽¹⁾	304,385	3,377,501	(224,674)
Total Assets	68,075,875	39,106,990	21,129,418
Total long-term financial obligations	-	379,257	1,019,650
Dividends	-	-	-

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(2) Includes interest on current portion of long-term debt.

Results of Operations and Comparison of the quarter and year ended October 31, 2006 and October 31, 2005

Revenues increased 12.1% in the quarter ended October 31, 2006 to \$23.3 million from \$20.8 million in 2005. Excluding the \$0.7 million unfavourable impact of currency, the increase was \$3.2 million or 15.4%. This increase reflects organic growth and the addition of the MyLenses business which was acquired on August 11, 2006 and the Asianzakka business which was acquired on October 13, 2006. Revenues increased 20% in the year ended October 31, 2006 to \$81 million from \$67.5 million in 2005. This increase was primarily due to an increase of \$18.1 million or 26.8% from organic and acquisition sales growth, offset, in part, by a decrease of \$4.6 million from the unfavourable impact of currency.

Total order volume for the quarter was 243,508 orders, an increase of 19,013 orders or 8.5% over the fourth quarter of fiscal 2005. The fourth quarter orders include 14,135 orders related to businesses acquired in the quarter. Reorders were 141,426, an increase of 43,266 or 44% over the fourth quarter of fiscal 2005.

Orders for the year ended October 31, 2006 were 869,589, an increase of 154,756 or 21.6% over the prior year. Reorders were 486,181, an increase of 195,752 or 67% over the fourth quarter of fiscal 2005.

Gross margin increased to 29% in the quarter ended October 31, 2006 from 24.8% in 2005. Gross margin decreased to 25% in the year ended October 31, 2006 from 26.5% in the 2005. The improvement in the fourth quarter was due primarily to pricing increases in North America, with increases put in place beginning in July of 2006, and savings on product costs. Over the entire fiscal year, the margin was impacted unfavourably by the impact of having a higher proportion of sales through more aggressive marketing in the United States, the impact of expanding distribution and customer service capabilities to reflect the expansion of revenues into new markets and, to a lesser extent, the unfavourable impact of currency.

Selling, general and administrative expenses (SG&A) including foreign currency exchange gains and losses as a percentage of revenues increased to 25% in the quarter and the year ended October 31, 2006, compared with 22% and 21% in the quarter and year ended October 31, 2005, respectively. The quarterly increase reflects higher bad debt expenses resulting from the increased use of the "Invoice-Me-Later" option in North America and higher employee costs to support the businesses we acquired in the fourth quarter of 2006. The increase in the year also reflects the costs of radio and catalogue campaigns launched in North America that should have a longer term impact on revenue growth, the impact of legal and accounting costs related to proposed acquisitions that we decided not to pursue or were ongoing but not completed at the end of the year, and costs associated with marketing for expansion into new markets.

In 2006, we incurred foreign currency exchange gains on the translation of our monetary assets amounting to \$0.8 million compared to a loss of \$0.4 million in the prior year. In the quarter ended October 31, 2006 the exchange gain was \$12 thousand compared to a loss of \$0.3 million in the previous year. The foreign exchange gains in 2006 are related, almost in their entirety, to the translation of intercompany loans denominated in currencies other than the functional currency. We do not hold any financial instruments for the purposes of hedging exposure to foreign currency or interest rate fluctuations.

Stock-based compensation represents a non cash expense resulting from our issuance of stock options to employees and directors of the Company. We believe that the granting of stock options to employees is a key incentive to align stockholder and employee interests. Stock based compensation for the quarter ended October 31, 2006 was \$181,973 as compared to \$29,029 for the same quarter of the preceding year. Stock based compensation for the year ended October 31, 2006 was \$268,470 as compared to \$175,632 for the same period in the preceding year.

Earnings (loss) before interest, taxes, depreciation, amortization and stock option expense (EBITDA) for the quarter ended October 31, 2006 and the year ended October 31, 2006 was \$1.1 million and \$0.3 million respectively, as compared to \$0.5 million and \$3.4 million for the same periods in 2005. Increased SG&A and the decline in the gross margin percentage as discussed above were only partially offset by higher gross profit derived from the higher sales revenue and the favourable impact of exchange.

Depreciation and amortization for the quarter ended October 31, 2006 increased by \$0.2 million from the same quarter of the previous year to \$0.4 million. The increase is due to expenditures on leasehold improvements in the early part of the year and software development costs capitalized over fiscal 2006 as well as \$0.1 million related to acquisitions made in the year. The same factors grew amortization for the year ended October 31, 2006 with an increase of \$0.5 million from the previous year to \$1.3 million.

Interest expense declined in the quarter and year ended October 31, 2006 primarily as a result of the pay down of long-term debts to zero. Interest income increased from the previous year by \$0.7 million to \$0.9 million in the fiscal year ended October 31, 2006 and by \$0.2 million to \$0.3 million in the quarter ended October 31, 2006 due almost entirely to higher average cash and short-term investments on hand.

Our tax expense increased to \$0.2 million in the fourth quarter of fiscal 2006 from \$0.1 million in 2005. For the fiscal year 2005 to 2006, the tax expense increased from \$0.4 million to \$1.0 million. During the quarter and year ended October 31, 2006, we incurred increased taxable profitability in Europe while we experienced losses in entities in North America for which future income tax assets were not realized. In certain jurisdictions we have incurred losses and other costs that can be applied against future taxable earnings to reduce our tax liability on those earnings. As we are uncertain of realizing the future benefit of those losses and expenditures, we have taken a valuation allowance against all future tax assets.

Liquidity and Capital Resources

Operating activities used net cash of \$1.3 million during the fourth quarter of fiscal 2006 driven primarily by the change in working capital. Inventory levels increased by \$2.4 million, due in part to the increase in quantities and product types carried in the Vancouver distribution centre to support the newly acquired Asianzakka operations and the \$0.8 million purchase of inventory at Mylenses following the completion of that acquisition. During the same period, accounts payable increased by \$0.3 million as a result of shipments received late in the quarter, receivables declined by \$0.3 million as a result of improved collection efforts and prepaid expenses declined by \$0.3 million as a result of lower deposits made for certain legal and marketing efforts.

Operating activities in fiscal 2006 used net cash of \$5.8 million primarily to fund the loss from operations, an increase in inventories of \$5.1 million (including \$0.8 million from business acquisitions) and net changes in other operating assets and liabilities requiring \$0.5 million in funding.

In the fourth quarter of fiscal 2005, we fully implemented a program whereby the majority of our customers were granted credit in order to further stimulate sales. We offer credit to our customers because, as we have discovered in our European operations, new customers might be wary of ordering contact lenses from an on-line retailer and having to pay for the contact lenses prior to receiving the product. The program, named "Invoice-Me-Later" or "IML" allows the customer to order from us and only pay after receiving the product.

Cash used in financing activities in the fourth quarter of the fiscal year was \$0.3 million. Cash received from financing activities was \$23.6 million in the year ended October 31, 2006. Our financing activities during the fourth quarter consisted primarily of a decrease in borrowings of \$0.4 million and proceeds on the issue of share capital of \$0.2 million. The common shares were primarily issued in connection with the exercise of warrants. Our financing activities during the year ended October 31, 2006 consisted primarily of the issuance of common shares for \$24.3 million, net of issue costs. This included the proceeds of a private placement of \$21.1 million and the exercise of warrants. Loan and debt repayments in the year amounted to \$0.7 million.

On October 16, 2006, the Toronto Stock Exchange accepted our notice of intention to make a normal course issuer bid for up to approximately 4.9 million Coastal common shares through the facilities of the exchange. Effective, October 18, 2006, we began purchasing shares of our common stock. Any shares acquired have been and will be purchased at the market price for the common shares at the time of acquisition and will be cancelled. The normal course issuer bid will terminate on the earlier of the date determined by Coastal and October 17, 2007. As at October 31, 2006, 42,700 shares had been repurchased and the shares were cancelled in November 2006.

On January 31, 2006, we completed, on a bought deal underwritten basis, the sale of 9,000,000 special warrants by way of private placement, at a price of \$2.50 per special warrant, for net proceeds of \$21.1 million. Each special warrant was exercised to acquire one common share of the Company for no additional consideration.

Cash used in investing activities was \$4.8 million for the fourth quarter and cash used in investing activities was \$6.8 million for the year ended October 31, 2006. In the fourth quarter, the largest investments related to the acquisitions of MyLenses and Asianzakka, for a total cash investment of \$3.9 million. The remaining \$0.9 million related primarily to investments in website development. In the year ended October 31, 2006, cash used in investing activities was \$6.8 million. Investments in leasehold improvements and website development comprised the bulk of the \$2.9 million invested in tangible and intangible assets. The remaining \$3.9 million relates to the business acquisitions made in the fourth quarter.

During the year, the Company initiated a project to expand the capabilities of the website utilized in its North America distribution hub. Total spending on the project is anticipated to be \$0.8 million with a total of \$0.5 million incurred as of October 31, 2006.

We believe that available cash, together with cash flow from operations will be sufficient to support current operations and organic growth at least through fiscal 2007.

The Company may seek additional sources of funds for accelerated growth, acquisitions of companies or assets or other accretive activities, and there can be no assurance that such funds will be available on satisfactory terms. Failure to obtain such financing could delay or prevent the Company's planned growth, which could adversely affect the Company's business, financial condition and results of operations.

Revenue Recognition

Revenue from product sales is recognized when the product has been shipped to the customer. At this point, the amount of sales revenue is determinable, no significant vendor obligations remain and the collection of the revenue is reasonably assured.

Deferred revenue includes revenue collected in advance of the product being shipped to the customer.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles (“GAAP”). The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Estimates are based upon historical experience and other assumptions that are believed to be reasonable under the circumstances. These estimates are evaluated on an on-going basis and form the basis for making decisions regarding the carrying value of assets and liabilities and the reported amount of revenues and expenses. Actual results may differ from these estimates under different assumptions.

We have identified the following as critical accounting estimates, which are defined as those that are reflective of significant judgments and uncertainties, are the most pervasive and important to the presentation of our financial condition and results of operations and could potentially result in materially different results under different assumptions and conditions.

Accounting for Long-lived Assets

The ability to realize long-lived assets which primarily comprise Customer lists is evaluated periodically as events or circumstances indicate a possible inability to recover their carrying amount. Such evaluation is based on assessment of reorder rates and various analyses, including undiscounted cash flow and profitability projections that incorporate, as applicable, the impact on the existing business. The analyses necessarily involve significant management judgment. Any impairment loss, if indicated, is measured as the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset.

Accounting for Goodwill and Intangible Assets with indefinite lives

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired. Goodwill is not amortized and we perform an annual impairment test of our recorded goodwill. In addition, we test our other indefinite-lived intangible assets for impairment. These impairment tests can be significantly altered by estimates of future performance, long-term discount rates used or market price valuation multiples. The analyses necessarily involve significant management judgment. These estimates will likely change over time. Goodwill and intangible assets with indefinite lives totalled \$19.8 million and \$10.9 million at October 31, 2006 and October 31, 2005, respectively.

Allowance for doubtful accounts

The Company offers the “Invoice-Me-Later” option to most of its customers. Under this option, the customer does not have to pay for the order until the goods are received – generally estimated to be 15 days. The individual receivable balances are small amounts of less than \$100 and there are a large number of records. Given the composition of the receivable portfolio, using a specific balance approach for the bulk of the receivables is not feasible. Consequently, management must make an estimate of an allowance for doubtful accounts based on the aging of the receivable portfolio. The analyses necessarily involve significant management judgment. These analyses can be significantly altered by estimates of the probability of future collection or changes in payment patterns of customers. The allowance for doubtful accounts was \$0.6 million and \$0.3 million at October 31, 2006 and October 31, 2005, respectively.

Stock Based Compensation

The fair value of each option grant is estimated on the date of the grant using the Black-Scholes option-pricing model. The amount of stock based compensation associated with any options that are granted will be estimated and expensed, based on the vesting schedule, using assumptions involving the estimated dividend yield, expected volatility, the risk free interest rate and the expected lives of the options.

Common Shares

As at January 24, 2007, the Company had 74,315,912 common shares and 1,406,797 options outstanding. Of these securities, 6,667,995 common shares and 540,725 options remain in escrow, are subject to a voluntary pooling agreement or have not yet vested as of January 24, 2007.

Earnings per Share Quarterly Information

Quarter ended (in \$)	Oct. 31, 2006	July 31, 2006	Apr. 31, 2006	Jan. 31, 2006	Oct. 31, 2005	July 31, 2005	Apr. 31, 2005	Jan. 31, 2005
Net Income (loss)	469,357	(2,143,218)	100,244	237,198	216,514	1,200,180	436,374	243,006
Weighted Average # of shares - Basic	71,250,003	69,704,510	63,681,865	58,034,604	50,573,011	50,044,222	43,123,319	35,777,134
Weighted Average # of shares - Diluted	73,882,358	69,704,510	65,204,309	60,264,972	60,983,391	60,251,874	52,959,221	46,562,596
Basic Earnings (Loss) per share	0.01	(0.03)	0.00	0.00	0.00	0.02	0.01	0.01
Diluted Earnings (Loss) per share	0.01	(0.03)	0.00	0.00	0.00	0.02	0.01	0.01

Earnings per Share Annual Information

Year ended (in \$)	Oct. 31, 2006	Oct. 31, 2005	Oct. 31, 2004
Net Income (loss)	(1,336,419)	2,096,074	(539,550)
Weighted Average # of shares - Basic	68,018,799	44,887,816	21,218,334
Weighted Average # of shares - Fully Diluted	68,018,799	54,665,592	21,218,334
Basic Earnings (Loss) per share	(0.02)	0.05	(0.03)
Diluted Earnings (Loss) per share	(0.02)	0.04	(0.03)

Related Party Transactions

The following amounts were due from related parties:

	2006 \$	2005 \$
Promissory notes receivable	376,033	115,000
Advances to officers	234,326	167,559
CMP Medical Inc.	-	39,691
	610,359	322,250

The amounts due from related parties includes: (1) nine promissory notes from employees and officers ranging in value from \$12,500 to \$100,000. These loans are payable on demand and bear interest at 5% per annum; (2) The advances to officers are non interest bearing with no fixed terms of repayment

During the year, we issued loans covered by promissory notes to officers and employees in the amount of \$360,100. Interest is accrued at a rate of 5% per annum. During the year, payments were made on the loans in the amount of \$99,067. During the year, the Company made other advances to an officer in the amount of \$66,767.

During 2006, CMP Medical Inc, a company controlled by an officer of the Company, ceased to operate and as a consequence the loan advanced in 2002 was written off and included in selling, general and administrative expenses.

Contractual Obligations

The Company is committed to minimum annual payments, primarily related to lease costs on its premises, as follows:

	\$
2007	630,020
2008	768,912
2009	861,967
2010	455,597
2011	105,432
	2,821,928

Operating costs on leases have been excluded. We have no obligations for annual payments related to long-term debt or capital lease obligations.

Contingent Liabilities

Pursuant to the terms of the agreement to acquire the shares of Asianzakka Pte. Ltd., the Company will make contingent payments of \$0.5 million (778,000 Singapore Dollars) and \$0.3 million (389,000 Singapore Dollars) on October 11, 2008 and April 11, 2009 provided that Asianzakka meets specified revenue and net income margin targets in 2007 and 2008. The liability has not been accrued in the financial statements as the amount of the liability cannot be determined at this time.

In the ordinary course of the Company's business, inquiries are made periodically by regulatory authorities and assertions are made. These matters are reviewed by the Company and the Company responds to them in due course. To date, no reservation or provision has been made in the financial statements in connection with these matters.

Management assessment of Internal Controls

The management of Coastal Contacts Inc and its subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the design of the Company's internal control over financial reporting as of the date of this MD&A report. In making this assessment, management used the framework established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management believes the design to be sufficient for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

Management has identified the need for some improvement with regards to matters of taxation and access controls over various databases. Management plans to implement internal control improvements over taxation and database access. Currently, management relies on various substantive and review-based compensating controls to mitigate the risks associated with the weaknesses.

During fiscal 2006, management made changes to its system of internal controls, primarily in the area of financial reporting, that did not materially affect internal control over financial reporting.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, also evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report are functioning effectively to provide reasonable assurance that the information required to be disclosed by the Company is (i) recorded, processed, summarized and reported on a timely basis and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure. The Company is dependent upon its advisors and consultants to assist in complying with the various securities regulations and disclosure requirements.

A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Forward-looking statements

In addition to historical information, this report and the reports and documents incorporated by reference in this report contain statements that could relate to future events and the Company's future results. Although the Company believes the assumptions underlying these forward looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, the forward-looking statements made based on these assumptions could be incorrect. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, those relating to changes in the market, potential downturns in economic conditions, limited suppliers, inventory risk, disruption in our distribution facilities, foreign exchange, fluctuations, regulatory requirements, demand for contact lenses, competition and dependence on the internet. These risks, as well as others, could cause actual results and events to vary significantly.

Additional Information

Additional information relating to the Company, including the Company's most recently filed annual information form, can be found on SEDAR at www.sedar.com.