

Press release – for immediate distribution

Sender : Les Boutiques San Francisco Incorporées

SALE OF VICTOIRE DELAGE AND MOMENTS INTIMES LINGERIE SHOPS

LONGUEUIL, February 11, 2004 —Les Boutiques San Francisco Incorporées announces the conclusion of an agreement for the sale of Victoire Delage and Moments Intimes lingerie shops to Boutiques Ace Style Inc., a wholly owned subsidiary of Ace Style International, of Hong Kong. The agreement, for approximately \$1.2 million, in addition to the value of inventory, applies to the 17 lingerie shops owned by Les Boutiques San Francisco Incorporées.

“We are delighted to acquire Victoire Delage and Moments Intimes. These are quality names that are well respected throughout Quebec,” said Daniel Gendron, president of Les Boutiques Ace Style. “We intend to continue operating all the stores, thereby maintaining the 160 jobs they currently provide. We also intend to continue working closely with current suppliers.”

Gaétan Frigon, chief restructuring officer for Les Boutiques San Francisco Incorporées, said that this transaction will enable the company to complete the second phase of its restructuring plan. On January 26, the company announced the sale of its San Francisco banner to Groupe Marie Claire. “The restructuring plan, which was accepted by the court in mid-January, is continuing as announced,” said Mr. Frigon. “The company will now focus on two areas of development: the Les Ailes de la Mode banner and its swimsuit division, including Bikini Village.”

Since Les Boutiques San Francisco Incorporées obtained a court order under the Companies’ Creditors Arrangement Act, the sale of Victoire Delage and Moments Intimes shops is subject to Superior Court approval. It is also subject to due diligence and a number of other conditions, including the transfer and renewal of leases.

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