



**INVENTORY LIQUIDATION BEGINS AT
LES AILES DE LA MODE STORE IN DOWNTOWN MONTREAL**

LONGUEUIL, January 28, 2004 --- Liquidation of inventory at the Les Ailes de la Mode store in downtown Montreal will begin Thursday, January 29. This liquidation is a major step in re-positioning the store, whose products and layout will be modified to correspond to those of the other three Les Ailes de la Mode.

The third floor of the downtown store will be closed in the coming days, while the second floor will no longer be used by approximately February 22. All merchandise will therefore be offered on the ground floor and the first floor as well as on the mezzanine and in the perfume aisle leading to Ste-Catherine Street.

The total value of the merchandise to be liquidated is \$6 million. Stock includes clothing (for women, men and children), lingerie, cosmetics, perfumes, décor products and swimwear.

“In accordance with the restructuring plan of Boutiques San Francisco Incorporées accepted by Superior Court on January 15, we plan to continue the development of the business based on the Les Ailes de la Mode stores and the swimwear division,” Gaétan Frigon, Chief Restructuring Officer, emphasized. “Reduction of the surface area in the downtown store from 225,000 square feet to 75,000 square feet, will allow us to completely revise the merchandizing of this branch and to adopt the formula of Les Ailes de la Mode that has been successful in Brossard, Laval, and Ste-Foy.”

Les Boutiques San Francisco Incorporées is presently restructuring its activities under the protection of the *Companies' Creditors Arrangement Act*.