



To: All suppliers and creditors
From: Sylvain Toutant
Date: December 19, 2003
Objet: Superior Court Motion

This is to inform you that Les Boutiques San Francisco Inc. (the Company) obtained a Québec Superior Court order on December 17, 2003, to restructure its activities under the protection of the Companies' Creditors Arrangement Act (CCAA). The order rendered, covers the Company and all its divisions, Les Ailes de la Mode Inc. and Les Éditions San Francisco Inc. (referred to as the Group).

This decision was not easy but it is essential in order to enable us to implement changes that will ensure the long-term viability of the Group. We will conduct ourselves in the best interests of all concerned parties, which have supported the Group for more than 25 years.

As long as we are under the protection of this Act, all goods delivered and services rendered after the Court order was issued will be paid. Those amounts due prior to December 17, 2003, will not be paid and will be addressed in a plan of arrangement.

We intend to proceed as soon as possible with the presentation of this arrangement plan. Pursuant to the order rendered on December 17, 2003, the Court has given us until January 15, 2004, to present this plan. This deadline could, however, be extended.

The motion seeking protection under the CCAA was filed in Superior Court in the District of Montreal (file number 500-11-022070-037). The order was rendered by the Honourable Justice Clément Gascon. A copy of the order is available on www.richter.ca the web site of the monitor, Richter & Associés Inc. In the coming weeks, Richter will send you a notice informing you of the date that claims for sums owed must be filed under the arrangement plan.

Please be assured that we are committed to developing a restructuring plan in the best interests of all our suppliers and creditors. Our objective is to find solutions that are mutually acceptable and, in cooperation with our partners, to enable the Company to focus on its strengths and competitive advantages.

Thank you for your understanding. Your cooperation is always most appreciated.

Sylvain Toutant
President and Chief Executive Officer,