

**REITMANS (CANADA) LIMITED**

**ANNUAL INFORMATION FORM**

**FOR THE FISCAL YEAR ENDED**

**February 1, 2003**

June 19, 2003

## TABLE OF CONTENTS

THE COMPANY .....	1
(a) Incorporation.....	1
(b) Subsidiaries .....	1
BUSINESS OF THE COMPANY .....	1
(c) Introduction .....	1
(d) General Development of the Company Over the Last Five Years .....	1
(e) Stores .....	2
(f) Merchandising and Marketing .....	3
(g) Purchasing and Distribution .....	4
(h) Intangible Rights .....	5
(i) Competition .....	5
(j) Employees.....	6
(k) Principal Properties of the Company.....	6
SELECTED CONSOLIDATED FINANCIAL INFORMATION .....	6
(l) Five-Year Consolidated Financial Information .....	6
(m) Selected Quarterly Financial Data.....	7
(n) Dividends.....	7
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND FINANCIAL STATEMENTS .....	7
MARKET FOR SECURITIES .....	7
DIRECTORS AND OFFICERS.....	7
ADDITIONAL INFORMATION.....	10

## **THE COMPANY**

### **(a) Incorporation**

Reitmans (Canada) Limited ("Reitmans") was incorporated under the laws of Canada on April 5, 1947 and continued under the *Canada Business Corporations Act* on May 23, 1980. By certificate of amendment dated June 22, 1983, the legal designation of the Class A shares of the capital stock of Reitmans was changed to "class A non-voting" shares. On February 3, 1992 Reitmans was amalgamated with Reitmans Holdings Limited, a wholly-owned subsidiary. On August 2, 1998 Reitmans and its wholly-owned subsidiary, Reitmans Inc. were amalgamated. Subsequent to the Company's 2003 year end, Shirmax Fashions Ltd. (see "Business of the Company – General Development of the Company over the Last Five Years") and its subsidiaries were amalgamated and the resulting amalgamated company was subsequently wound-up into the Company. The registered office of Reitmans is located at 1 Yorkdale Road, Suite 415, Toronto, Ontario, M6A 3A1. The principal office of Reitmans is located at 250 Sauvé Street West, Montreal, Québec, H3L 1Z2.

In this Annual Information Form, unless the context otherwise requires or indicates, "Reitmans" means Reitmans (Canada) Limited; and the "Company" means Reitmans and its subsidiaries collectively or one or more of such subsidiaries.

### **(b) Subsidiaries**

Reitmans had no subsidiary whose total assets constitute more than 10% of the consolidated assets of the Company or whose total revenues constitute more than 10% of consolidated revenues of the Company, as at February 1, 2003.

## **BUSINESS OF THE COMPANY**

### **(c) Introduction**

The Company engages principally in the retail sale of women's and children's wearing apparel. The retail activities of the Company are conducted under various trade names through the retail store divisions of the Company. The majority of Reitmans' merchandise is moderately priced and targeted to appeal principally to young and contemporary customers. The merchandise offered by the Company includes coats, dresses, skirts, pants, sweaters, shirts, blouses, lingerie, hosiery and accessories. The Company diversifies its sales by targeting different markets through each of its different store formats. See "Business of the Company-Stores".

### **(d) General Development of the Company Over the Last Five Years**

In July, 1995, the Company invested approximately \$37,000,000 to acquire a 21% interest in NetStar Communications Inc. ("NetStar"), a company formed to acquire Labatt Communications Inc., the broadcast and related assets owned by John Labatt Limited. On March 5, 1999, the Company sold all of its interest in NetStar to CTV Inc. for net cash proceeds of \$90.4 million.

During fiscal 1997, the Company completed the acquisition of Dalmys (Canada) Limited ("Dalmys") which had sought protection under the *Companies Creditors' Arrangement Act* in November, 1995. On March 2, 1996, the Company acquired 100% of Dalmys, which had been restructured according to the Company's plan, with 79 stores, consisting of 28 Dalmys, 37 Antels and 14 Cactus stores. The Dalmys stores were integrated into the Company's Smart Set division. The operations of the Antels and Cactus divisions of the Company were discontinued effective May 1, 1999 and the 21 Antels and 13 Cactus stores were closed by July 31, 1999. Certain locations were converted to stores of other divisions of the Company; the leases for the remaining stores were sold or surrendered to the landlords.

In August 1999, the Company launched a new division named RW & CO. which caters to junior (18 to 30) ladies and men.

In June 2002, the Corporation completed its acquisition by way of take-over bid for all of the common shares of Shirmax Fashions Ltd. ("Shirmax") in a cash transaction of \$7.00 per share of Shirmax, for a total consideration of approximately \$85.4 million. At the time of acquisition, Shirmax, had 175 stores operating under the Addition-Elle, Addition-Elle Outlet and Thyme Maternity banners.

**(e) Stores**

As at May 3, 2003, the Company operated a total of seven retail store formats consisting of Reitmans (338 stores), Smart Set/Dalmys (160 stores), Penningtons (124 stores), RW & CO. (28 stores), Addition-Elle (68 stores), Addition-Elle Outlet (44 stores) and Thyme Maternity (68 stores), for a total of 830 stores.

During the current fiscal year, Reitmans expects to open a total of 61 new stores under the following banners: 24 Reitmans, 14 Smart Set, 8 Penningtons, 9 Addition-Elle Outlet and 6 Thyme Maternity. It is anticipated that approximately 35 unprofitable stores will be closed during 2003. The Company's renovation program continued during 2002 with 40 store renovations and will continue during 2003 with 45 stores to be remodeled.

The majority of the Company's stores are located in enclosed shopping malls which are situated both in central and suburban metropolitan areas and in smaller towns in Canada.

The Reitmans stores, averaging 3,700 sq. ft., offer a targeted assortment of current fashions and accessories designed to appeal to budget-conscious and fashion-conscious women and their children.

The Smart Set/Dalmys stores offer a complete coordinated line of affordable fashion and accessories at the best quality/price/value, targeting customers between the ages of 15-30. All Smart Set clothing and accessories are designed and manufactured specifically for the stores and carry the Smart Set label. A new model, averaging 6,000 sq. ft. in power center locations, debuted in July 2001. With 12 stores in operation, this second generation Smart Set offers a refreshing, affordable alternative to traditional mall stores, offering a broad assortment of fashion apparel and accessories.

The Penningtons stores offer a wide selection of plus-size women's career, casual and intimate apparel. The stores offer value-priced merchandise in destination stores that average 6,200 square feet, located in high traffic "strip" shopping centres. In 2002, Penningtons launched a new product range known as "MXM" that caters to trendy, young consumers.

The RW & CO. stores average 4,000 sq. ft. located in major malls and cater to junior ladies and men, offering active, casual and city clothing and accessories at moderate prices under the RW & CO. brand, in a modern lifestyle setting.

The Addition-Elle stores offer fashion conscious, plus-size career women high quality branded career, casual, sportswear and intimate apparel. The stores average 4,200 square feet in major Canadian malls.

The Addition-Elle Outlet store offers the budget conscious plus-size women a broad assortment of fashion merchandise at discounted prices. The stores average 7,000 square feet in "strip" shopping centres and present a complete selection of casual and career sportswear and intimate apparel for bargain shoppers and fashion followers.

Thyme Maternity is Canada's largest specialty retailer of maternity clothing designed to meet an expectant mother's entire fashion needs, including career, casual, lingerie, special occasion and nursing apparel needs, at affordable prices. The stores average 1,800 sq. ft., in regional shopping mall and "strip" centres.

All of the Company's stores feature wall and selling-floor displays which coordinate merchandise in order to promote multiple sales. The number of apparel items being displayed in each store varies depending on the selling season and size of the store. The stores, which the Company believes must constantly present a fresh, contemporary shopping environment, are redecorated periodically or fully remodeled as necessary to augment sales. New store designs in Reitmans and Smart Set have proven successful in generating increased sales and will be implemented in new store locations and renovated stores, where appropriate.

The Company's stores conduct business primarily on a cash basis, although all stores accept a number of national credit cards. The Company also accepts direct payment (debit) cards at all store locations nationwide, providing customers with convenient payment options.

**(f) Merchandising and Marketing**

The merchandise sold by the Company is produced by a large number of manufacturers in Canada, the Far East and Europe. Most of the merchandise sold by the Company consists of either brand name items or garments produced for one of the Company's private labels. The Company's private label program is aimed at satisfying the demand for better quality merchandise, comparable to certain national brands, at lower prices. The Company uses its buying power in the marketplace and directly with manufacturers to have goods specially made to the Company's specifications (construction, fabric, fit and style), which are sold at attractive prices while providing higher than average mark-up for the Company.

The Company views the retail apparel market as having two principal selling seasons, spring and fall. As is generally the case in the women's apparel industry, the Company experiences its peak sales activity during the fall season. This seasonal sales pattern results in increased inventory during the fall and Christmas selling periods.

The Company follows a policy of continuous review of its inventory in order to identify slow-selling merchandise. If inventory exceeds customer demand for reasons of style, seasonal adaptation, adverse weather conditions or changes in customer preference, markdowns are taken to clear the merchandise. The Company emphasizes rapid turnovers and takes markdowns where required to keep merchandise fresh and current with customers' requirements and fashion trends.

The Company emphasizes customer service, including the presence of sales people in the stores, rather than self-service, and acceptance of merchandise returns for cash or credit within a reasonable time. Specific standards regarding customer service and employee conduct have been put in place throughout the Company.

**(g) Purchasing and Distribution**

Purchasing is conducted for each of the store divisions of the Company by a staff of merchandise managers and buyers. The Company believes that specialization of buyers for each store format allows each division to focus on its particular customers, thereby maximizing sales and gross margin by department.

Distribution is conducted through Reitmans Distribution Centre and leased facilities from the Shirmax acquisition located in Montreal where all merchandise is received and processed for distribution to stores throughout Canada, primarily by common carrier.

The Reitmans Distribution Centre, located in Montreal, when fully completed and operational in August 2003, will comprise 445,000 sq. ft., plus a 90,000 sq. ft. work platform and a 32,000 sq. ft. mezzanine. Set on 1,100,000 sq. ft. of land, the facility utilizes over 40 shipping and receiving docks and is configured to be able to process more than 50,000,000 units of merchandise per year. Computerized sortation equipment has the capacity of serving 1,100 stores. Presently the Reitmans, Penningtons, Smart Set, RW & CO. and Thyme Maternity distribution activities are in the building. The Addition-Elle and Addition-Elle Outlet chains are scheduled to be operational by August 2003.

No supplier to the Company accounted for more than five percent of the Company's merchandise purchases (determined at cost) during the past fiscal year. The Company's merchandise is obtained from over 1200 North American suppliers as well as a number of offshore suppliers. During the fiscal year ended February 1, 2003, approximately 45% of the Company's merchandise was purchased from Canadian sources and the balance was directly imported by the Company. The Company does not have any formal, long-term arrangements with any of its merchandise suppliers. This allows the Company flexibility in placing its purchase orders. The Company maintains buying offices in Canada and the Far East.

The Company's arrangements with its foreign suppliers are subject to the risks attendant to doing business abroad, including the availability of quota and other requisite customs clearances, the

imposition of export duties, increases in the rate of import duties, political and social instability, late deliveries, currency revaluations and fluctuations in exchange rates. The Company seeks continually to minimize its potential exposure to quota-related risks through, among other measures, geographical diversification of its sources of supply and shifts of purchases among countries and suppliers. The Company monitors duty, tariff and quota-related developments. The Company believes that its operations have not been materially affected by any of these factors to date. However, the imposition of new quotas, duties, tariffs or other restrictions, or the adverse adjustment of presently prevailing quota, duty or tariff levels, could have adverse effects upon the Company's operations and its ability to continue to import products at current or increased levels. The Company cannot now predict the likelihood of any such events occurring.

The vast majority of the Company's non-Canadian sourced merchandise is priced and paid for in United States dollars. The Company actively manages its exposure to the risk of United States/Canadian dollar exchange rate fluctuations through a combination of timely spot currency purchases, zero-cost range forward options and Canadian dollar puts. The intent of this managed program is to fix the Canadian dollar cost of the Company's merchandise purchases for periods of six to twelve months forward, on average.

The Company believes that the number and geographical diversity of its sources of supply minimize any risk of adverse consequences that would result from termination of its relationship with any of its larger suppliers. The Company also believes that it would have the ability to develop, over a reasonable period of time, adequate alternate sources of supply should any of its existing arrangements terminate. To date, the Company has not experienced any significant difficulty in obtaining merchandise and considers its sources of supply to be adequate.

The merchandising staff obtains chain-wide inventory information for each of the Company's store divisions generated by its merchandise information system utilizing point-of-sale terminals, through which merchandise can be followed from the placement of the order to the actual sale. Based upon this data, the merchandise managers compare budgeted to actual sales and make merchandising decisions, as required, including re-order, markdowns and changes in buying plans.

In fiscal 2000 the Company completed the installation of a new point of sale ("POS") system, involving the installation of approximately 850 machines in over 600 stores. This completed a seven year program of customization, integration and installation of several software packages relating to the Company's management information, merchandise management, distribution, finance, human resources and payroll systems, which in fiscal 2003 were extended to the acquired Shirmax operations.

**(h) Intangible Rights**

The Company is the registered owner of approximately 235 trademarks in Canada. The Company considers that some of its registered trademarks have significant value in the marketing of its merchandise.

**(i) Competition**

The retail sale of women's apparel is a highly competitive business with numerous competitors, including individual and chain fashion specialty stores and department stores. The Company cannot

reasonably estimate the number of its competitors. However, the Company believes, based on such trade information as is available, that the Company is one of the largest Canadian retailers of women's apparel.

**(j) Employees**

On February 1, 2003, the Company employed approximately 3,700 persons on a full time basis and approximately 6,800 persons on a part-time basis (fewer than 29 hours per week).

The Company is not a party to any collective bargaining contract with respect to its employees and the Company considers its employee relations to be highly satisfactory.

**(k) Principal Properties of the Company**

Other than the new distribution centre described above, the Company leases all of its retail locations, as well as its office premises located at 250 Sauvé West and 3901 Jarry St. East, Montreal, Québec.

**SELECTED CONSOLIDATED FINANCIAL INFORMATION**

**(l) Five-Year Consolidated Financial Information**

The following table sets forth selected consolidated financial data for the last five fiscal years of the Company.

	Year ended				
	February 1, 2003	February 2, 2002	February 3, 2001	January 29, 2000 <sup>(1)</sup>	January 30, 1999 <sup>(1)</sup>
	(thousands of dollars except per share amounts)				
Sales from continuing operations	\$752,494 <sup>(4)</sup>	\$566,020	\$518,384	477,730	\$431,465
Earnings from continuing operations					
– total	24,535 <sup>(4)</sup>	26,934	20,202	55,214 <sup>(2)</sup>	17,246
– per share <sup>(3)</sup>	1.43	1.60	1.18	3.15	0.98
Total assets	419,570	278,193	244,199	256,251	220,997
Long-term debt	94,880	NIL	NIL	NIL	29,000
Dividends per share					
- Class A non-voting	0.40	0.40	0.40	0.32	0.26
- Common	0.40	0.40	0.40	0.32	0.26
Net earnings					
- total	24,535 <sup>(4)</sup>	26,934	20,202	51,707 <sup>(2)</sup>	13,872
- per share <sup>(3)</sup>	1.43	1.60	1.18	2.95	0.79

(1) Sales and earnings from continuing operations (total and on a per share basis) reflect the discontinuation of the Antels and Cactus divisions subsequent to their acquisition in March, 1996.

(2) Includes a non-recurring gain on the sale of NetStar of \$45.7 million (\$36.3 million after tax or \$2.08 per share).

(3) Earnings per share from continuing operations and net earnings have been adjusted to reflect the 100% stock dividend on the Common and class A non-voting shares paid on October 14, 2002.

- (4) Sales, earnings from continuing operations and net earnings for the year ended February 1, 2003 include the results of Shirmax for the 35 weeks from June 5, 2002, the effective date of acquisition.

The consolidated financial information for the fiscal year ended February 3, 2001 includes the results of operation for fifty-three weeks, all others are for fifty-two weeks.

**(m) Selected Quarterly Financial Data**

The following table sets forth selected quarterly financial data for the last eight quarters ending with the most recently completed fiscal year of the Company.

	Three months ended							
	Feb. 1, 2003	Nov. 2, 2002	Aug. 3, 2002	May 4, 2002	Feb. 2, 2002	Nov. 3, 2001	Aug. 4, 2001	May 5, 2001
	(thousands of dollars except per share amounts) (unaudited)							
Sales from continuing operations	\$217,413 <sup>(1)</sup>	\$207,323 <sup>(1)</sup>	\$201,730 <sup>(1)</sup>	\$126,028	\$163,435	\$143,513	\$142,816	\$116,256
Earnings (loss) from continuing operations								
- total	(2,395) <sup>(1)</sup>	8,213 <sup>(1)</sup>	13,590 <sup>(1)</sup>	5,127	7,232	7,488	7,964	4,250
- per share <sup>(2)</sup>	(0.14)	0.48	0.79	0.30	0.43	0.45	0.47	0.25

- (1) Sales and earnings (loss) from continuing operations include the results of Shirmax from effective date of acquisition, June 5, 2002  
(2) Earnings (loss) per share reflect the 100% stock dividend on the Common and class A shares paid on October 14, 2002.

**(n) Dividends**

The Company has paid a quarterly dividend on its Common shares for 52 years and on its Class A non-voting shares for 42 years. The last dividend on the shares was \$0.10 per Common share and class A non-voting share and was paid on April 30, 2003. On June 4, 2003 the Board of Directors of the Company declared a dividend of \$0.10 per each Common share and class A non-voting share payable on July 30, 2003.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AND FINANCIAL STATEMENTS**

Management's Discussion and Analysis of Financial Condition and Results of Operations and Financial Statements set forth on pages 4 and 5 of the Company's 2003 Annual Report is incorporated by reference in this Annual Information Form.

**MARKET FOR SECURITIES**

The Common shares and the class A non-voting shares of the capital of Reitmans are listed on the Toronto Stock Exchange.

**DIRECTORS AND OFFICERS**

During the last five years, all of the directors and officers listed below have been engaged in their present principal occupations or in other executive capacities with the companies indicated opposite their names or with related or affiliated companies, except as noted below:

<u>Name and municipality of residence</u>	<u>Position held with Reitmans</u>	<u>Director since</u>	<u>Principal occupation during last 5 years if different than position held with Reitmans</u>
Cathryn Adeluca Kirkland, Québec	Vice-President – RW & CO.	N/A	Prior to January, 2001, Ms. Adeluca was Director of Sales-Ontario and Western Canada, Laura Shops Inc. (clothing retailer)

<b><u>Name and municipality of residence</u></b>	<b><u>Position held with Reitmans</u></b>	<b><u>Director since</u></b>	<b><u>Principal occupation during last 5 years if different than position held with Reitmans</u></b>
H. Jonathan Birks <sup>(1),(3)</sup> Westmount, Québec	Director	1989	Business consultant. Prior to June 1, 1998, Mr. Birks served as Vice-Chairman and Director, Henry Birks & Sons Inc. (jewellers)
Nadia Cerantola Town of Mount Royal, Québec	Vice-President – Reitmans	N/A	-
Douglas M. Deruchie, CA Westmount, Québec	Vice-President – Finance	N/A	-
Doug Edwards Kirkland, Québec	Vice-President – Penningtons / Addition-Elle	N/A	Prior to February, 2001, Mr. Edwards was Assistant Director, retail consulting for DMR Consulting, division of Fujitsu Canada (systems consultants). Prior to November, 2000, Mr. Edwards served as Vice-President, Technology and Logistics, Cotton Ginny (clothing retailer). From February 2001 until February 2003, Mr. Edwards served as an employee of Shirmax
Henry Fiederer Westmount, Québec	President - Reitmans	N/A	-
Sally Firth Toronto, Ontario	Vice-President – Penningtons	N/A	Prior to March, 2003, Ms. Firth served as Vice-President, Merchandising for Bluenotes, Thriftys, subsidiary of American Eagle Outfitters (clothing retailer)
Stephen J. Kauser <sup>(1),(2)</sup> Stowe, Vermont	Director	1995	Business consultant. Prior to April 1, 1999, Mr. Kauser served as Chairman and Chief Executive Officer, VMI Communication & Learning Systems Inc. (computer software for learning system applications)
Max Königsberg <sup>(3)</sup> Town of Mount Royal, Québec	Director	2002	Business consultant. Prior to June 7, 2002, Mr. Königsberg served as President and Chief Executive Officer of Shirmax.
Jacques Landry, CA St-Laurent, Québec	Vice-President - Addition-Elle	N/A	Prior to February 2003, Mr. Landry served as Executive Vice-President, Finance and Secretary of Shirmax
Nicole Lapointe Dollard des Ormeaux, Québec	Vice-President – Smart Set / Dalmys	N/A	Prior to February, 2002, Ms. Lapointe was Vice-President, Operations of Cotton Ginny Limited (clothing retailer)
R. James McCoubrey <sup>(3)</sup> Toronto, Ontario	Director	1997	Business consultant. Prior to January, 2001, Mr. McCoubrey was Executive Vice-President and Chief Operating Officer, Canadian Broadcasting Corporation (The National Public Broadcaster).
Lesya McQueen Etobicoke, Ontario	Vice-President - Thyme Maternity	N/A	Prior to August, 2002, Ms. McQueen was Vice-President, Canadian Operations, for The Children's Place (children's clothing retailer). Prior to March, 1999, Ms. McQueen was Vice-President, Operations, IT and E-commerce, North America for HMV Canada Inc., division of HMV Media Group (electronic media retailer)
Samuel Minzberg <sup>(1),(2)</sup> Westmount, Québec	Director	2000	Partner, Davies Ward Phillips & Vineberg LLP (attorneys). Prior to January 1, 2003, Mr. Minzberg was President and Chief Executive Officer, Claridge Inc. (a management company)
Kerry Mitchell Westmount, Québec	President – Penningtons	N/A	Prior to September, 2001, Ms. Mitchell was Senior Vice-President, Merchandise and Marketing of Cotton Ginny Limited (clothing retailer)

<b><u>Name and municipality of residence</u></b>	<b><u>Position held with Reitmans</u></b>	<b><u>Director since</u></b>	<b><u>Principal occupation during last 5 years if different than position held with Reitmans</u></b>
William Penney Caledon East, Ontario	Vice-President – Thyme Maternity	N/A	Prior to February 2003, Mr. Penney served as Vice-President of Smart Set/Dalmys
Jonathan Plens Montreal, Québec	Vice-President – Penningtons / Addition-Elle	N/A	Prior to February 2003, Mr. Plens served as Vice-President of Penningtons
Cyril Reitman Town of Mount Royal, Québec	Vice-President - Reitmans and Director	1969	-
Jeremy H. Reitman Westmount, Québec	President and Director	1975	-
Stephen F. Reitman Westmount, Québec	Executive Vice-President and Director	1984	-
Allen F. Rubin Westmount, Québec	Vice-President – Human Resources and Corporate Services	N/A	-
Allan Salomon Dollard des Ormeaux, Québec	Vice-President - Real Estate and Secretary	N/A	-
Kimberly Schumpert Toronto, Ontario	Vice-President – Reitmans	N/A	-
Rhonda Sandler Hampstead, Québec	Vice-President - Addition-Elle	N/A	Prior to February 2003, Ms. Sandler served as Merchandising Manager of R W & CO.
Howard Stotland <sup>(2)</sup> Montreal, Québec	Director	2003	Executive. Prior to May 2002, Mr. Stotland was President, STS Systems (retail information systems), an NSB Retail Systems company
Isabelle Taschereau Boucherville, Québec	President - Smart Set / Dalmys	N/A	-
Robert S. Vineberg <sup>(1),(2),(3)</sup> Westmount, Québec	Director	1987	Partner, Davies Ward Phillips & Vineberg LLP (attorneys)
Suzana Vovko Ville St. Laurent, Québec	President – RW & CO.	N/A	-
Richard Wait, CGA Kirkland, Québec	Vice-President – Comptroller	N/A	-
Jay Weiss Dollard des Ormeaux, Québec	Vice-President – Distribution and Logistics	N/A	-
Eric Williams, CA Kirkland, Québec	Vice-President – Treasurer	N/A	-

- (1) Member of the Audit Committee of the Board of Directors of Reitmans.  
(2) Member of the Compensation Committee of the Board of Directors of Reitmans.  
(3) Member of the Corporate Governance Committee of the Board of Directors of Reitmans.

As a group, the directors and senior officers of Reitmans beneficially own, directly or indirectly, or have control or direction over approximately 61% of the Common shares and 20% of the class A non-voting shares of the capital of Reitmans.

The term of office of each director expires at the close of the annual meeting of shareholders, unless such director is re-elected at such meeting . There is no executive committee of the Board of Directors of Reitmans. There is an Audit Committee, Compensation Committee and Corporate Governance Committee of the Board of Directors of Reitmans

### **ADDITIONAL INFORMATION**

Additional information, including information on the remuneration of senior executives, indebtedness of senior executives, principal holders of Reitmans' securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in Reitmans' information circular for its most recent annual meeting of shareholders. Additional financial information is provided in Reitmans' comparative financial statements for its most recently completed financial year. A copy of such documents may be obtained upon request from the Secretary of Reitmans.