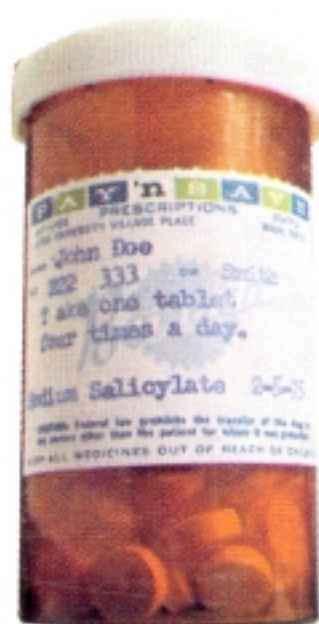


ANNUAL REPORTS

PAY'n SAVE Corp. 1975

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**Pay'n Save
Corporation
Annual Report
for the Year Ended
January 31, 1975**

**Ours is the retail
business...providing
neighborhoods full of
people with
everyday
kinds of
things**



**Our sales
are up. Our
Company is growing
And, as always, we
continue to find
a tremendous amount
of satisfaction in
what we do.**



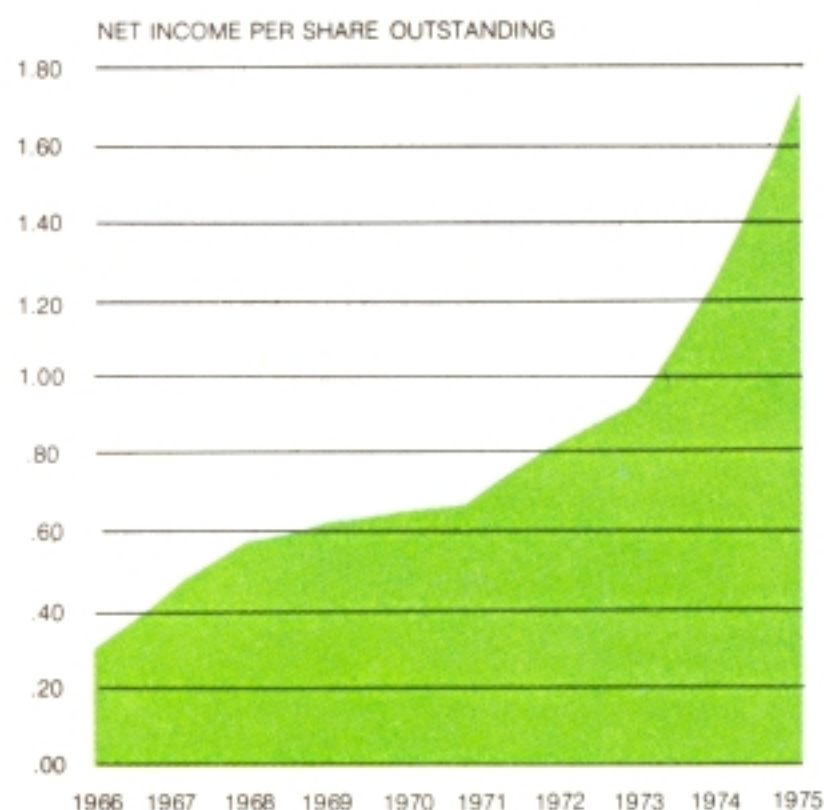
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Year Ended January 31

	1975	1974	Increase	Percentage
Sales	\$223,566,284	\$181,723,203	\$41,843,081	23%
Net Income	7,282,693	5,303,889*	1,978,804	37%
Net Income per share	\$1.70	\$1.24*	\$.46	37%

*Includes \$259,624 or \$.06 per share from the sale of an investment.



**To Our
Shareholders:**

**Pay'n Save
Corporation
Financial
Highlights**

Sales were up and so was net income. In fact, the company reached an important performance milestone — \$200 million in annual retail sales — in July of last year and finished with a total sales figure of \$223,566,284 for the year ended January 31, 1975, a 23% increase over the previous year's high.

Net income increased even more rapidly to \$7,282,693. The prior year's net — \$5,303,889 — included \$259,624 from the sale of an investment. When the two years are compared with this item excluded, the net earnings for the current year increased by \$2,238,428 or 44% over the preceding year.

Net income per share also increased significantly to a \$1.70. This compared to \$1.24 for the previous year which included \$.06 from the sale of the investment.

New stores were added in each of the divisions, a total of twelve altogether. Two of the most distant Canadian stores, Regina and Winnipeg, as well as a small hardware store in Seattle, were closed. Included in the total are one drug store and one hardware unit which were re-located into new, larger quarters. The total number of units in operation in seven western states and in Canada as of the close of the year was 110.

At least fifteen new outlets are scheduled for grand openings in 1975, several in new and very promising market areas. Among them will be three new Lamonts stores, two of the new Sports West outlets and two of the combination drug store home-center units.

One half the cost of the current development program is being financed by internally generated funds

and the remainder by outside sources. It will be necessary to seek outside financing to the extent of \$8 to \$10 million during the coming year but no difficulties are anticipated in the securing of this capital.

A total of \$1,063,427 was paid in dividends during the year. The annual dividend rate for the past year was \$.25 per share, a 25% increase over the \$.20 paid a year earlier.

On February 28, 1975 the Board of Directors increased the annual dividend rate to \$.30 per share. This amount will be paid on a semi-annual basis with the first dividend of \$.15 to be paid on April 10, 1975 to shareholders of record as of March 12, 1975.

It has been a good year, a very good year and we look for this to continue

through 1975. The financial pressures that weigh heavily on the country seem only to emphasize the importance of our retail lines to the communities that we serve. We're indebted to these customers for their loyalty and support, to our many suppliers for their dependable service and ongoing assurance of product quality, and to our own family of sales people, managers and administrative personnel for their personal warmth as individuals and for their dedication as professionals.



M. L. Bean
Chairman of the Board



M. Lamont Bean
President

E. R. Erickson
Vice President



M. Lamont Bean
President



Calvin Hendricks
Vice President



Monte L. Bean
Chairman of the Board





Pay'n Save

Retail sales in the seventy-one drug stores amounted to \$150,171,820 and accounted for 67% of total company sales for the year. Net income contributed by the division was 49% of the total.

We recorded sales increases in the 20 Northern California drug stores. These stores, most of which were acquired three years ago, are still not profitable but are moving solidly in that direction.

We opened seven new stores during the year, including two in Washington (Everett and Marysville), one in British Columbia (Haney), three in California (Modesto, Gilroy and Sacramento) and our first in Idaho (Coeur d'Alene). We closed two Canadian units — Regina and Winnipeg. The Sacramento store is a large home-center with 52,000 square feet of selling area. It features all departments normally

found in both Ernst-Malmo Home Centers and Pay'n Save Drug Stores.

In all of these new units, as is our operating policy, our store managers have authority to run things their way. They do their own buying, even dictate the direction of retail advertising. At headquarters, we simply set the standards for overall performance and back up individual managers with the resources necessary for doing a quality job.

Drug store retailing has always been an out-front kind of business and is becoming more so every day. People are more value-conscious, especially in areas of drugs and pharmaceutical supplies. It's a growing level of consumer involvement and we're responding to it with an extended line of private label items which assure customers of top quality products at fair prices.

We are also expanding this commitment to a broader range of retail items, including recording tape, flash bulbs, film and

photo finishing. With the rising cost of food, we're also finding an eager market in a limited range of food products such as soups, canned goods and tid-bit items. Beyond that, we see a continuing interest in camera and sound equipment, the growing popularity of calculators, and a new emphasis in deluxe cosmetic lines.

Our customers continue to show their appreciation of modern, fresh and attractive interior shopping "environments" and we, in turn, continue our commitment to stay ahead of the market in this area. A rather systematic approach to interior design and remodeling has us applying new theme decors to both existing units and new stores.

Already in 1975 we have opened new units in Evergreen Village near Bellevue, Washington and in Pittsburg, California. Others scheduled for opening later this year are Calgary; Kona and Wainae (Hawaii); Moses Lake (Washington); and Navato, Redding and Sacramento (California). These last two stores will be large home-center combination units.

Joe Petrino
Northern Division Manager

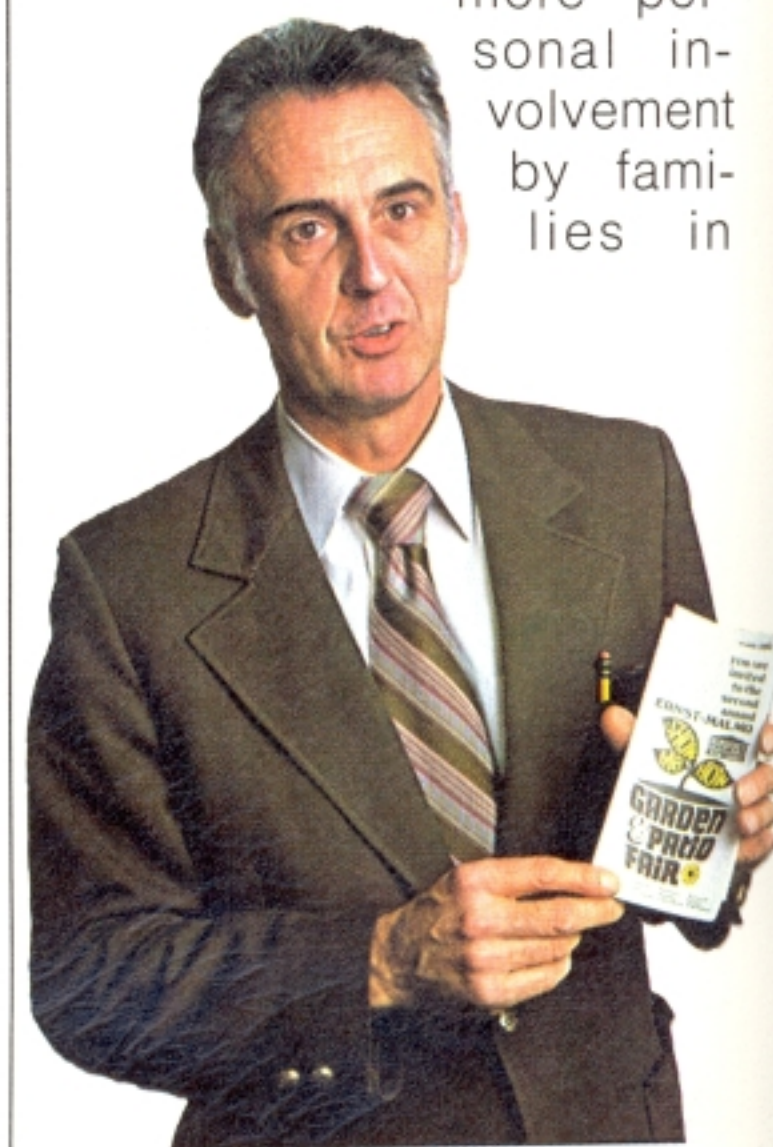
Paul Ross
Southern Division Manager

Ernst-Malmo

Sales for the division, with twenty-five home centers and seven sporting goods stores, amounted to \$54,973,915 or 25% of total corporate sales. Sales for the year were up \$9,804,061 or 22% above one year ago. The net income contributed by this division was 37% of the total.

These performance figures mark a greater emphasis on do-it-yourself activity and in my judgment it is more than a short-term trend. Obviously inflation has contributed to this stronger repair and maintenance interest among our customers, but beyond that, we're seeing something even more basic — a re-emphasis of value and a

more personal involvement by families in



Sure we're moving ahead in the world. But it's only because of down-to-earth guys like Tom Lawrenson, Ken Green, Paul Ross, Joe Petrino and the 3,500 men and women who stand behind them.

their home environments. For instance, people are investing in quality tools and hardware items that will last beyond one-time project requirements.

The picture repeats itself in hobby goods, arts and crafts items and sporting goods and allows us to capitalize on our home center concept of full-service retailing. We pioneered in this area over a decade ago, and have watched it flourish, particularly in the past three years.

The one-stop shopper has come to expect product variety under a single roof, and in meeting this demand we are rewarded with an extended level of retail activity. The real advantage, of course, is that it enables us to level the seasonal highs and lows in hardware sales, and operate at a more stable, year-round business level.

Accordingly, we plan to expand one of our older Seattle stores into a new, larger facility. And 1975 will mark our first venture into Idaho with a new store in Pocatello. We'll also open three home centers in Utah, two in Salt Lake and one in Orem. We see great potential in the Intermountain area for expansion of our home centers.

We're enthused about added growth in nursery products. Trees, plants

and shrubs, outdoor decoration, houseplants and produce gardening all show strong upward trends.

We added two new sporting goods stores last year under the banner of Sports West. These units represent a slightly new direction in sports retailing as we're featuring more in the way of active sportswear and footwear as well as the traditional fishing gear, guns, skis and the growing range of recreational equipment. Our market orientation in this competitive field is in in-store product knowledge, an element we feel is missing in most competitive outlets. And it is in keeping with our cross-the-board commitment to back product quality with know-how and service.

Tom Lawrenson
Division Manager

Lamonts

The Lamonts division was held back by the pressures of the tighter 1974 economy. But sales did increase and, including the contribution of one new store, the performance figure for the year was \$18,420,549, an increase of 22% over sales of \$15,109,626 the prior

year. This represents 8% of total company sales and a 14% contribution to total net income.

But in spite of the troubled economic climate, we seem to have a firm grip on an effective retailing approach. There are, after all, two basic ways to go in the apparel business. One is to the dictates of fashion and designer trends. The other, the one we choose, is to the customer's product preferences.

Our strong card is an ability to respond to a fast-turning market. We're unencumbered at the decision end to assure this flexibility. Then, too, we're not far from customer feedback with a system we call the "want list." When a customer asks for an item or a design feature that we don't have, we make a note of it. The same request three or four times is enough to get us moving. It's this kind of responsiveness which helps us achieve ready agreement on the overall style coordination which we've proudly come to know as "the Look of Lamonts."

And being customer conscious means that we respond directly to people's ideas of comfort and good looks over the harsh dictates of the fashion scene. Part of this orientation is a heavy stock of well-accepted brand

names, and a convenient mix-and-match system. An open display of merchandise allows shoppers to move about the store for their selections and purchase them all through one register.

This was again the theme of the new Lamonts store which opened in the Shadle Center in Spokane last May. Already we are encouraged with the sales performance of this new unit.



Leases for three new stores have been signed. We'll open our first store outside Washington in mid-April, in Anchorage, Alaska. One month later we'll cut the ribbon on a new store in the Westwood Village Shopping Center near Seattle and a third facility of 60,000 square feet is planned for the SeaTac Mall near Seattle in late 1975 or early the following year.

J. Ken Green
Division Manager

Watch Bands

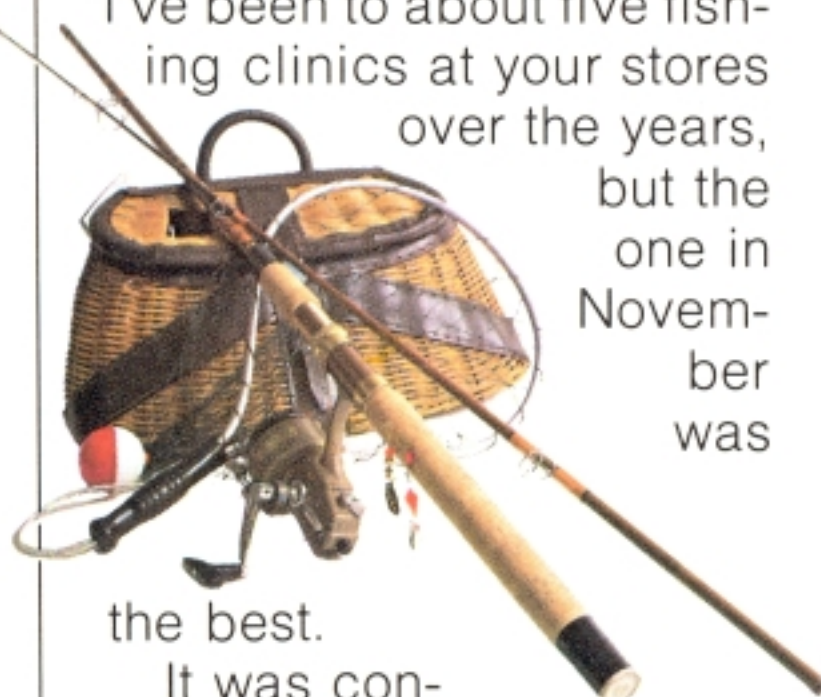
Somebody should know about the treatment I got from Mr. Bob Cox in the Camera Department of your Tacoma store. I bought a watch band from him and I asked if he might help me put it on the watch. It turned out to be a very difficult project with a lot of little parts that didn't seem to fit right and kept falling on the floor. He filed them down so they did fit and after about 30 minutes finally got it put together for me. I never could have done it myself. And all the while he was so polite, friendly and patient as could be. You seem to have some wonderful people working for you.

Mrs. Sovie
Tacoma



Good Fishing

I've been to about five fishing clinics at your stores over the years, but the one in November was



the best.

It was conducted by Mr. Larry Miller and it was, I thought, a well-rounded, informative presentation. He knew his stuff. He didn't give us his version of the way to fish. Instead he did an admirable job of showing what the various techniques were — and urged everybody to choose the one they liked best. That kind of openness is the very thing that will turn people on to better fishing.

By the way, I was particularly pleased with his personable manner and his ability to field questions following the presentation.

My congratulations to you on obtaining an employee of this calibre.

Grant E. Heppenstall
President
Seattle Chapter
Northwest Steelheaders
Council of Trout
Unlimited

Dear Lamonts:

I take great pleasure in commending you on an employee in your cosmetic department, Ms. Yvonne Wassel. It is rare to experience such personalized service and knowledgeable advice as I received from Ms. Wassel on November 29th. Her knowledge of the products and delightful personality are an asset to your store.

M. Patricia Stults
Seattle



Dear Pay'n Save:

Letter writing is really not my thing — however I'm compelled to acknowledge the courtesy and consideration for customers on the part of your check-out clerk Dee Alex . . .

Dear Sirs:

It gives me great pleasure to commend a particular salesperson at your Northgate store, Dee Alex. She is so pleasant and courteous, she makes one feel like shopping in a neighborhood store. Three cheers for Dee . . .

Dear Sir:

I would like to compliment you on an employee of yours by the name of Dee Alex. She is attractive, neat and always very helpful, especially so on "coupon" days. I have thanked her many times for her extra service but feel that this is one way of making you aware of a very conscientious employee.



We have enjoyed a remarkable growth rate. The reasons are many, but the chief ingredient has been people. People who buy and people who sell. People are the heart of all that we do.

Christmas Shopping

Something very nice happened to me last Sunday during my final round of Christmas shopping. It was about closing time at your Lamont's Burien store when I walked in so I just asked one of the sales- people



there if they had a certain item I had been looking for most of the day. She said they had it. I said I'd come back the next day but she insisted it would only take a minute to get it for me. Even though she had undoubtedly put in a very busy Sunday, she was very gracious and willing to be helpful, saving me time and effort in this busy season.

Rachel Noffke
Burien

Customer Service

I suppose the thing I do most is show shoppers where to find what they want. People are usually in a hurry and, with so much merchandise on the shelves, they really appreciate that kind of shopping assistance. And with many of the items we carry, it's important that people know how to use them. We always take the time to show how things work. But the thing I enjoy most is helping people with their problems. The other day a lady brought a vacuum cleaner back. She bought it the day before but something didn't seem to be working right. We took it all apart and found that the rubber drive belt had come off. We put a new one on and tried it. It worked fine. I told her to call me if there was any more trouble. She hasn't called but she'll be back in the store. They always are. People are sure to come back when you give them personal service.



Charlotte Ray
Ernst-Malmo #117
Crossroads



Facilities Development

In this division we've come to tailor our efforts around one central theme — people like to shop in attractive stores. The overall appearance of the shopping environment sets the tempo, the whole climate, for the retail experience. Consequently, our current efforts all build upon a one-step-ahead emphasis on interior design and architectural quality. And it's not limited to new units only. All of our stores are on a systematized schedule of redesign and modernization. Color is important; we like warm, friendly tones. Wood paneling lends distinction. But then we'll never stick with any hard rules. In fact, in our department we have only these guidelines: plan well in advance, choose store locations carefully, insist on design quality, and stay very flexible.

Walt Guidinger
Director of Development

Memo To: Personnel Re: Jeanette Reid

I received a call from a customer — Mrs. Cramer — who paid a compliment to the store for the outstanding treatment she received from Jeanette. She said she had never been treated nicer.

Jeanette has been tops from the day she first joined us. She goes at everything with enthusiasm and she really sparkles when working with customers, always going the extra mile.

This is only one of the many comments from customers about Jeanette. I'm proud to have her as an employee.

Darwin Peterson
Manager
Pay 'n Save #22
Olympia



Jeanette Reid

Radios

On Saturday afternoon, July 20th, it was my good fortune to have been helped by a young man with dark hair in your radio department.

I was having a problem with a radio and he went out of his way to be helpful and courteous. In these hectic days, it was gratifying indeed to receive such consideration. He is an asset to your store and should be commended.

Needless to say, such top rate services makes shopping in your store a pleasure.

Rita Waldorf
Santa Clara



Training

Competitively speaking, our market's a tough one. We stay on top of it with people who know what they're selling. How do we get that way? We begin, of course, with people who enjoy selling. We offer them training in retail sales and management skills. Then we emphasize the importance of knowing about the products they sell. This runs the line from detailed correspondence courses, through in-store workshops, to special supplier clinics. Training agendas cover everything from lipstick to plumbing, electrical codes to film speeds. When we have a nuts-and-bolts session, you can bet we come away knowing something about nuts and bolts.

There's a tremendous payoff from this effort. Knowledgeable people are confident people. Confidence, in turn, builds motivation which leads to good service and customer satisfaction. And, after all, that's what we're all about.



Dale Collette,
Director
of
Training

Druggists

There are druggists and druggists, this I well know.

But until you've met Bert and Angelo —

Don't tell me of doctors or wise old pros.

These two have forgotten more than they'll ever know . . .



Plus, they're magnanimous, sympathetic, helpful and dear.

And if you need advice — you can ask without fear.

They'll prescribe with a smile as you come in the door,

So run — don't walk — to the Pay 'n Save store!

Margaret Briggs
Santa Clara



Do-It-Yourself Fair

Good ideas often start small and just grow. This very popular idea started as a simple in-store demonstration of wood-working skills and has now become one of our biggest all-out events of the year. Last September, for instance, the four day event was held at Seattle Center's huge Exhibition Hall and generated a total attendance figure of 144,000. Representatives of various product lines manned over 80 booths and conducted some 20 demonstration clinics for home improvement techniques and hobby skills. And matching the popularity of this event with turn-away crowds of its own was our most recent Patio and Garden Fair held in January of this year. These fairs are free and open to the public and their popularity again attests to the great interest people have in learning new hobby and craft skills. Our one policy is that we don't sell merchandise, there, and so far we've had just

one complaint — someone said that we should charge admission . . . just to keep the crowds down.

We've been in business some 27 years and still each day brings something new. But in each day there is something that reminds us, in someway, what our first priorities are and what they will always continue to be.



Advertising

We look at advertising as an information delivery service. We don't have to do much selling. Our customers know what they want — they tell us. We try to reach them with shopping information they need, when they need it. We use a variety of media — newspaper, television, radio, direct mail, special local promotions — and our policy is to be direct and informative, talk honestly about each product. Of course we're always trying to reach the new customers in our market areas, so we're always flexible, always ready to try new things. That's what keeps us fresh.

Joe Sullivan
Advertising Director

Fencing and Scissors

Recently I bought enough of your three foot wire fencing to go around my front lawn. First I called up several businesses that did that work, but \$550 was the lowest bid I could obtain. At your University Village store you had 4x4 posts, etc., so I did the job myself. I finished the whole thing for around \$98.00.

Another one of your good services — one day you had an



ad in the papers for sharpening scissors. I took several pairs down and now all of my scissors are really sharp.

Harry Anger
Seattle

Medicine

Many, many thanks for what I consider to be superior service to a good customer. Today I purchased some more medicine for my youngster. It's expensive — \$26 a bottle in fact. But while I was in the parking lot getting my children in the car, the medicine dropped and broke. I was so upset, not only for the cost, but for the waste of that valuable medicine. I took the package back into the store for the prescription to be re-filled. Later the pharmacist phoned to tell me that it was ready and that he and his pharmaceutical supplier had decided not to charge us again. I could hardly believe my ears. You just don't expect that kind of service in this day and age. This experience was just too much to allow it to go by without adding our heartfelt thanks.

Mrs. Rochelle Bennett
Kent



Mr. Yuk

He looks kind of mean and his face is green.

He's that ugly little fellow who warns small children away from the dangers of containers of poisonous household materials. Mr. Yuk decal stickers have been distributed free by Pay 'n Save drug stores in Washington, Oregon and Alaska. This public service campaign is sponsored in cooperation with the poison control centers in cities throughout our



market area. It's being promoted with a great deal of help from local media, and lots of cooperation from pre-schools, elementary schools and PTA groups. That Mr. Yuk — he's a bad guy who is doing a lot of good.

Description of Business

The company operates retail drug, home-center, sporting goods and apparel stores in the States of Washington, California, Alaska, Oregon, Hawaii, Idaho and Canada.

<u>STORES</u>	<u>WA</u>	<u>CA</u>	<u>AK</u>	<u>OR</u>	<u>HI</u>	<u>ID</u>	<u>Canada</u>	<u>Total</u>
Pay'n Save								
Drug Stores	37	20	5	3	1	1	4	71
Ernst-Malmo								
Home Centers	24			1				25
Lamonts								
Apparel Stores	7							7
Sports West or Sportsland	7							7
	<u>75</u>	<u>20</u>	<u>5</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>4</u>	<u>110</u>

The self-service drug stores all have a prescription department and feature a wide selection of drugs, cosmetics, toiletries, photographic and electronic entertainment equipment, tobacco and candy, school supplies, toys, baby supplies, and small household equipment. The self-service home centers sell all kinds of hardware, tools, paint and related supplies, radios, electrical, plumbing and building supplies, lumber, roofing, flooring materials, automobile accessories, nursery products and sporting goods. The department stores handle a complete line of men's, women's, children's and infant's medium priced clothing and related accessories and notions as well as housewares, bedding and cosmetics. The sporting goods stores include a complete line of fishing tackle, guns, skis, hiking gear and active sportswear as well as various types of related merchandise.

Additional Information

A copy of the company's Form 10-K report for the year ended January 31, 1975 filed with the Securities and Exchange Commission is available to shareholders on request. Copies of pertinent 10-K exhibits are also available at a nominal cost. These publications can be obtained by writing to Pay'n Save Corporation, 1511 6th Avenue, Seattle, Washington 98101.

Lines of Business

Percentage of sales by Divisions.

<u>Year Ended January 31</u>	<u>Drug Division</u>	<u>Hardware Division</u>	<u>Apparel Division</u>
1975	67.17	24.59	8.24
1974	66.83	24.86	8.31
1973	69.94	22.08	7.98
1972	68.35	23.41	8.24
1971	63.98	26.63	9.09

Percentage of income before income taxes and extraordinary items by divisions.

<u>Year Ended January 31</u>	<u>Drug Division</u>	<u>Hardware Division</u>	<u>Apparel Division</u>
1975	49.42	36.82	13.76
1974	44.04	33.50	18.97
1973	47.54	35.61	16.63
1972	55.75	34.73	9.30
1971	68.58	28.69	2.70

Stock Price and Dividend Data

STOCK: Traded Over-the-Counter
NASDAQ Symbol: PAYN

<u>Year Ended January 31</u>	
1975	25¢ Cash Dividend Annual Paid Semi-Annual
1974	20¢ Cash Dividend Annual Paid Semi-Annual

Quarterly High and Low Bid Prices

<u>Year Ended January 31</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>
1975	14¼-12½	14½-11¾	14¾-10	12½- 8¾
1974	18¼-15½	15 -11½	16½-13	14¾-11¾

Shareholders and Shares

	<u>January 31</u>	
	<u>1975</u>	<u>1974</u>
Shareholders of record	5,797	5,461
Shares outstanding	4,274,075	4,241,991

**Pay'n Save
Corporation
and Subsidiary
Companies**

Statement of Consolidated Income and Retained Earnings

	Year Ended January 31	
	1975	1974
Sales and other revenue		
Net sales	\$223,566,284	\$181,723,203
Interest and other income — Note 2	995,053	1,165,947
	224,561,337	182,889,150
Costs and expenses		
Cost of merchandise sold	154,265,616	126,649,422
Operating and administrative expenses	55,297,365	45,688,072
Interest	1,060,663	635,767
	210,623,644	172,973,261
Income before federal and state income taxes	13,937,693	9,915,889
Provision for federal and state income taxes — Notes 1, 2 & 3	6,655,000	4,612,000
Net income for the year	7,282,693	5,303,889
Retained earnings at beginning of year	20,975,840	16,518,505
Cash dividends — \$.25 and \$.20 for years ended January 31, 1975 and 1974, respectively	(1,063,427)	(846,554)
Retained earnings at end of year	\$ 27,195,106	\$ 20,975,840
Net income per common and common equivalent share — Note 1	\$1.70	\$1.24

The accompanying notes are an integral part of these financial statements.

Auditors' Report

To The Stockholders of Pay'n Save Corporation:

In our opinion, the accompanying consolidated balance sheets, the related statements of consolidated income and retained earnings and of consolidated changes in financial position present fairly the financial position of Pay'n Save Corporation and its subsidiaries at January 31, 1975 and 1974, the results of their operations and the changes in financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

Seattle, Washington, March 5, 1975

Assets

	Year Ended January 31	
	1975	1974
CURRENT ASSETS		
Cash	\$ 898,503	\$ 857,465
Accounts receivable, less allowance for doubtful accounts of \$424,691 and \$320,168, respectively	11,021,706	8,541,828
Recoverable store location expenditures	643,749	984,685
Inventories, at lower of cost or market— Note 1	40,583,604	34,588,120
Prepaid insurance and miscellaneous	177,566	267,950
Total current assets	53,325,128	45,240,048
INVESTMENTS, at cost		
Cash value of life insurance	167,630	151,858
Other investments	5,328	23,107
	172,958	174,965
PROPERTY, PLANT AND EQUIPMENT, at cost — Note 1		
Furniture, fixtures and equipment	17,603,802	13,896,633
Leasehold improvements	6,228,376	4,320,342
	23,832,178	18,216,975
Less — Accumulated depreciation and amortization	8,942,134	7,031,989
	14,890,044	11,184,986
Land	792,506	788,445
	15,682,550	11,973,431
DEFERRED CHARGES AND OTHER ASSETS	198,122	148,990
	\$69,378,758	\$57,537,434

**Pay'n Save
Corporation
and Subsidiary
Companies**

**Consolidated
Balance Sheet**

Liabilities

	Year Ended January 31	
	1975	1974
CURRENT LIABILITIES		
Notes payable — Note 4		\$ 1,000,000
Accounts payable	\$12,210,642	10,068,671
Withheld and accrued taxes	1,903,664	1,436,012
Accrued salaries and bonuses	1,355,876	1,047,409
Other accrued expenses	1,485,989	1,039,231
Current maturities on long-term indebtedness — Note 4	772,545	246,172
Federal and state income taxes	2,341,059	1,166,786
Total current liabilities	<u>20,069,776</u>	<u>16,004,281</u>
LONG-TERM INDEBTEDNESS, less current maturities —		
Note 4	<u>9,647,664</u>	<u>8,386,839</u>
STOCKHOLDERS' EQUITY — Notes 4, 5, & 7		
Capital stock — authorized 10,000,000 shares without par value; outstanding 4,274,075 and 4,241,991 shares respectively	12,466,212	12,170,474
Retained earnings	27,195,106	20,975,840
	<u>39,661,318</u>	<u>33,146,314</u>
COMMITMENTS AND CONTINGENCIES — Notes 8 & 9		
	<u>\$69,378,758</u>	<u>\$57,537,434</u>

The accompanying notes are an integral part of these financial statements.

Statement of Consolidated Changes in Financial Position

	Year Ended January 31	
	1975	1974
Financial resources were provided by		
Net income	\$ 7,282,693	\$ 5,303,889
Add income charges not affecting working capital in the year		
Depreciation	2,171,779	1,644,563
Amortization of deferred charges and other assets ..	32,611	36,703
Working capital provided by operations for the year	9,487,083	6,985,155
Proceeds from long-term debt	2,033,370	7,000,000
Fair market value of stock issued for acquisition of Seattle Sporting Goods, Inc.		433,706
Proceeds of stock options	295,738	218,664
Miscellaneous, net	(17,068)	5,204
Total	11,799,123	14,642,729
Financial resources were used for		
Acquisition of property and equipment including \$75,142 in 1974, relating to the Seattle Sporting Goods, Inc. acquisition	5,943,566	5,420,974
Reduction of long-term debt	772,545	246,186
Cash dividends	1,063,427	846,554
Total	7,779,538	6,513,714
Increase in working capital	\$ 4,019,585	\$ 8,129,015

ANALYSIS OF CHANGES IN WORKING CAPITAL

Increase (decrease) in current assets		
Cash	\$ 41,038	\$ 113,235
Receivables	2,138,942	1,803,886
Inventories	5,995,484	7,331,314
Other	(90,384)	(20,106)
	8,085,080	9,228,329
Increase (decrease) in current liabilities		
Notes payable	(1,000,000)	(3,000,000)
Accounts payable and accrued expenses	3,364,849	3,671,746
Current maturities on long-term debt	526,373	(27,353)
Federal and state income taxes	1,174,273	454,921
	4,065,495	1,099,314
Increase in working capital	\$ 4,019,585	\$ 8,129,015

The accompanying notes are an integral part of these financial statements.

**Pay'n Save
Corporation
and Subsidiary
Companies**

NOTE 1 — Accounting Principles

The significant accounting policies applied in the financial statements follow:

Basis of Consolidation — The financial statements include the accounts of Pay'n Save Corporation and its subsidiaries, all of which are wholly-owned. All material intercompany transactions and profits are eliminated in consolidation.

Foreign Exchange — The accounts of the company's Canadian subsidiary have been translated into United States dollars by the current/non-current method. Resulting adjustments have not been material and are credited or charged to income on a current basis.

Inventories — The company's inventories comprise merchandise held for sale and are valued at the lower of cost or market. Cost is determined on an identified item basis except for apparel store inventories for which cost is determined by the retail inventory method.

Property and Equipment — Provision is made for depreciation of furniture, fixtures and equipment by the double declining method over the estimated useful lives of the assets, except subsidiaries generally use the straight line method.

The company's operations are conducted on leased premises and the cost of leasehold improvements is amortized over the period of the respective leases or the useful lives of the improvements, whichever is shorter.

Income Taxes — The investment tax credit is applied in reduction of the provision for income taxes in the year in which the credit arises.

Earnings Per Share — Earnings per common and common equivalent share have been based on the average number of shares outstanding during each year and the assumption that all stock options had been exercised at the beginning of the year (or date of grant, if during the year) and the proceeds used to purchase shares of the company's common stock at the average market price during the year. Fully diluted earnings per share are not materially different from primary earnings per share.

NOTE 2 — Interest and Other Income

Interest and other income consists principally of customer service charges and income from leased departments, except that the year ended January 31, 1974 includes an unusual gain of \$346,119 from the sale of an

investment. Net of the income tax effect of approximately \$86,500, the unusual item represents approximately \$.06 per share.

NOTE 3 — Income Taxes

The income tax provisions comprise:

	Year Ended January 31	
	1975	1974
Federal	\$6,327,000	\$4,370,000
State and Canadian	328,000	242,000
	<u>\$6,655,000</u>	<u>\$4,612,000</u>

The investment tax credit amounted to approximately \$240,000 and \$225,000 for the years ended January 31, 1975 and 1974, respectively.

There are cumulative undistributed earnings of subsidiaries amounting to approximately \$432,000 at January 31, 1975 on which deferred income taxes have not been provided in as much as these earnings have been re-invested for an indefinite period of time.

NOTE 4 — Indebtedness

Long-term indebtedness comprised the following notes payable:

	Year Ended January 31	
	1975	1974
Payee		
Banks	\$9,000,000	\$7,000,000
Insurance companies	1,275,000	1,475,000
Others	145,209	158,011
	10,420,209	8,633,011
Less current maturities	772,545	246,172
	<u>\$9,647,664</u>	<u>\$8,386,839</u>

The notes payable to banks and insurance companies are unsecured. The various financing agreements place restrictions on creation of additional debt and require that net worth not be reduced below \$27,000,000 plus 50% of earnings after January 31, 1973 or \$33,293,291 at January 31, 1975. Demand deposit accounts must be maintained with banks at traditional levels.

The company has a commitment to October 1, 1975 from certain banks for loans up to an aggregate of \$9,000,000. The commitment was fully utilized at January 31, 1975. The loan bears interest at ¼ of 1% over prime

up to October 1, 1975 and ½ of 1% over prime thereafter (January 31, 1975 interest rate 10¾%). Principal payments are due in quarterly installments commencing October 1, 1975 with the balance due in full October 1, 1978.

The notes payable to insurance companies bear interest at 6-6¼% and are due in annual installments to 1981. Advance payments without premium can be made only under certain circumstances.

A summary of maturities for the five years ended January 31, 1980 follows:

<i>Year Ended January 31</i>	<i>Amount</i>
1976	\$ 772,545
1977	1,375,144
1978	1,556,397
1979	6,266,123
1980	150,000

The company had a line of credit which ranged up to \$3,000,000 in the current year and from \$1,000,000 to \$6,000,000 in the preceding year. The maximum amount of such short-term borrowings at any month end during the years ended January 31, 1975 and 1974, respectively, were \$3,000,000 and \$6,000,000 and the average amount outstanding during such year was approximately \$1,333,000 and \$4,210,000. The approximate weighted average interest rate on short-term borrowing was 10.8% in the current year and 7.5% in the preceding year, computed on the basis of the number of days each interest rate was in effect.

NOTE 5 — Employee Stock Options

The company adopted a Qualified Stock Option Plan on March 2, 1973 whereby 150,000 shares of the company's capital stock have been reserved. Options have been granted in prior years for all shares reserved under a 1967 plan. Option prices under the new plan may not be less than the market value of the shares at the time of grant. Options may not be granted for more than 7,499 shares to one person, may not be exercised for two years and expire after five years. Options for 24,550 shares were granted during the year under the 1973 plan and 1,600 were cancelled due to terminations. Options for 32,084 shares under the 1967 plan were exercised during the year at an average price of \$9.22 or a total of \$295,738; options for 30,416 shares expired or were cancelled due to terminations. Options outstanding at January 31, 1975 of which 67,300 were exercisable at that date, were as follows:

<i>Granted during Year Ended January 31</i>	<i>Number of Shares</i>	<i>Option Price</i>	
		<i><u>Per Share</u></i>	<i><u>Total</u></i>
<u>1967 Plan</u>			
1972	29,600	\$ 7.9375	\$234,950
1973	37,700	16.50	622,050
<u>1973 Plan</u>			
1974	23,300	14.50	337,850
1975	23,750	13.625	323,594

The company also granted an option for 2,000 shares on February 14, 1974 (still outstanding at January 31, 1975) at the option price of \$13.625 which was the market price at date of grant, to the President who does not participate in the Qualified Stock Option Plan.

NOTE 6 — Pension Plans

The company has two pension plans for employees who are not eligible for other pension benefits such as pensions under union contracts. At the beginning of the current fiscal year, certain amendments were made to the plans. One of the plans, which was previously funded by employee and company contributions at specified percentages of the employees compensation and the pension benefits were determined by the amounts funded, was amended to a plan whereby the benefits are defined and the company contribution is actuarially determined. Concurrently, certain actuarial cost assumptions were changed to more properly reflect recent experience. None of these changes had a significant effect on net income for the year.

The company's contribution to the two plans amounted to \$552,000 for the year ended January 31, 1975 and \$432,000 for 1974. These contributions represent normal cost and amortization of prior service costs over periods ranging from 25 to 30 years. The combined unfunded liability under these plans has increased to approximately \$2,384,000 at January 31, 1975 from approximately \$740,000 at January 31, 1974. This increase is due primarily to the above-mentioned change from a plan where benefits are determined by the amounts funded to a defined benefits plan. The actuarially computed value of vested benefits for one of the plans exceeded, as of January 31, 1975, the total of the pension fund and amounts accrued in the balance sheet for that plan by approximately \$250,000.

The Pension Reform Act of 1974 recently enacted will make it necessary for the company to amend its pension plan for years after 1975 to meet certain requirements of the Act. The effect of the changes on pension expense and unfunded vested benefits in 1976 cannot be determined at this time, but management believes any impact will not be significant.

**Pay'n Save
Corporation
and Subsidiary
Companies**

NOTE 7 — Capital Stock

Transactions in capital stock for the two years ended January 31, 1975 are summarized below:

	<i>Capital Stock</i>	
	<i>Shares</i>	<i>Amount</i>
Balance, January 31, 1973	4,202,050	\$11,518,104
Acquisition of Seattle Sporting Goods, Inc.	21,418	433,706
Exercise of employee stock options	18,523	218,664
Balance, January 31, 1974	4,241,991	12,170,474
Exercise of employee stock options	32,084	295,738
Balance, January 31, 1975	<u>4,274,075</u>	<u>\$12,466,212</u>

NOTE 8 — Lease Commitments

The company's operations are conducted on leased premises and in addition the company leases certain store fixtures and equipment. The store leases generally provide for minimum rental plus additional amounts based on a percentage of sales and cover a period from ten to twenty-five years with renewal options. Leases for fixtures and equipment are for ten years. Property taxes paid on some leases are included with rental expenses. Rental expenses amounted to \$7,037,760 and \$5,913,603 for the years ended January 31, 1975 and 1974, respectively, including excess rentals based on a percentage of sales of \$1,650,323 and \$1,146,401 respectively.

Certain of the company's leases meet the criteria of a "financing lease" as defined by the Securities and Exchange Commission to be a lease which, during the non-cancellable period, either (1) covers 75% or more of the economic life of the property or (2) has terms which assure the lessor of a full recovery of the fair market value of the property at the inception of the lease plus a reasonable return. For this purpose the company has made the assumption that leases of twenty years or more would meet the first criteria. The rental expenses relating to these leases was \$3,597,354 and \$2,741,237 for the years ended January 31, 1975 and 1974, respectively, including excess rentals based on a percentage of sales of \$625,766 and \$440,467, respectively. The present values of the aggregate minimum rental commitments relating to such financing leases was approximately \$26,373,000 and \$20,528,000 for the years ended January 31, 1975 and 1974, respectively.

Interest rates implicit in the terms of the SEC defined financing leases ranged from 3.53% to 8.74% with a weighted average interest rate of 7.7%. On the assumption

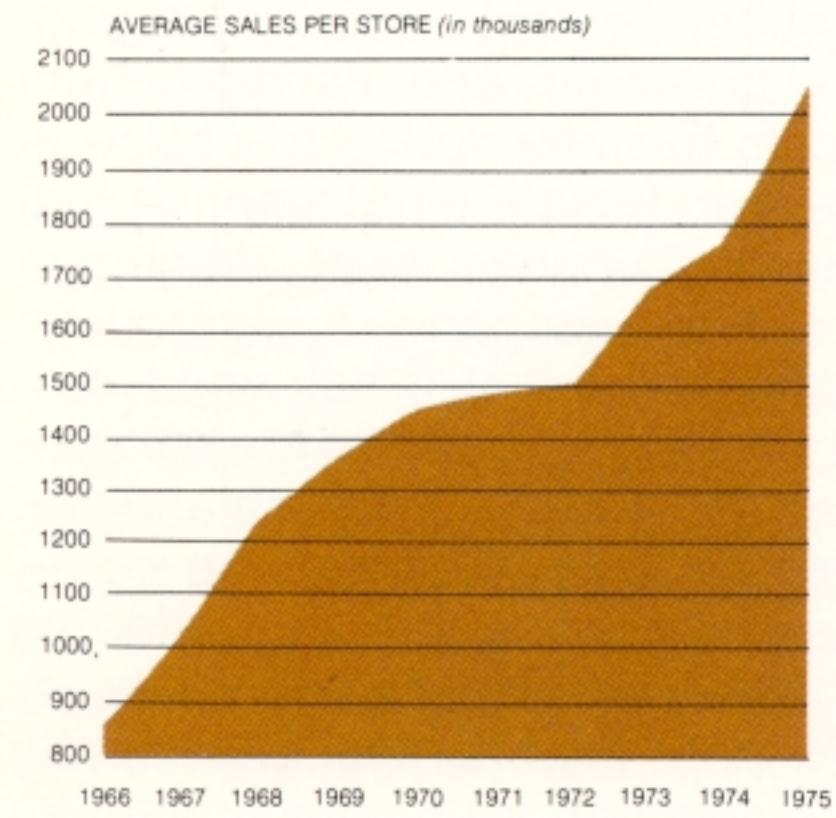
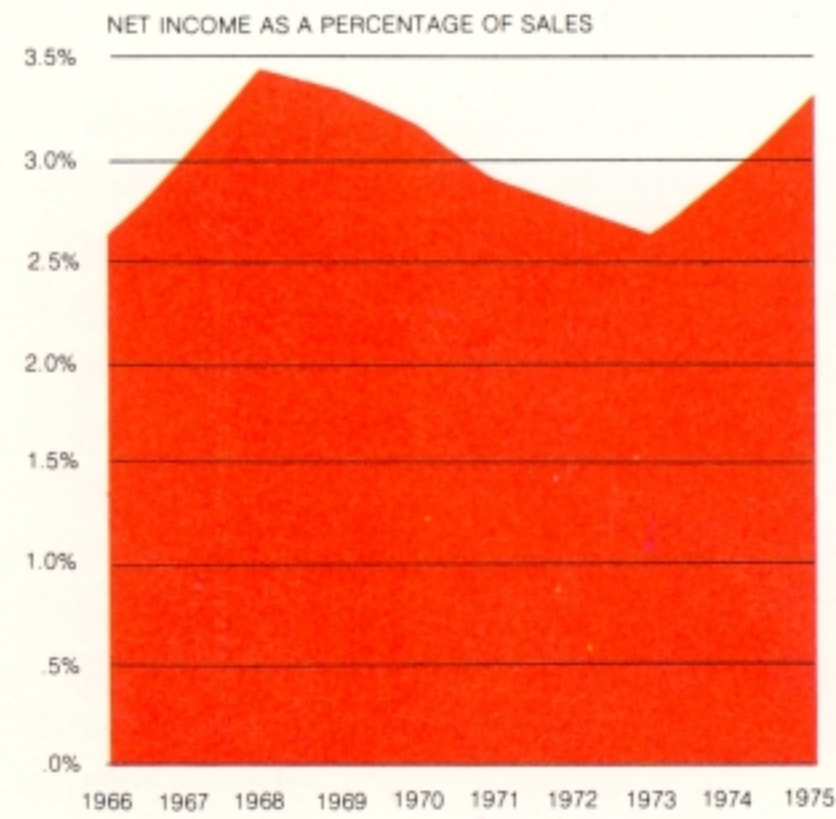
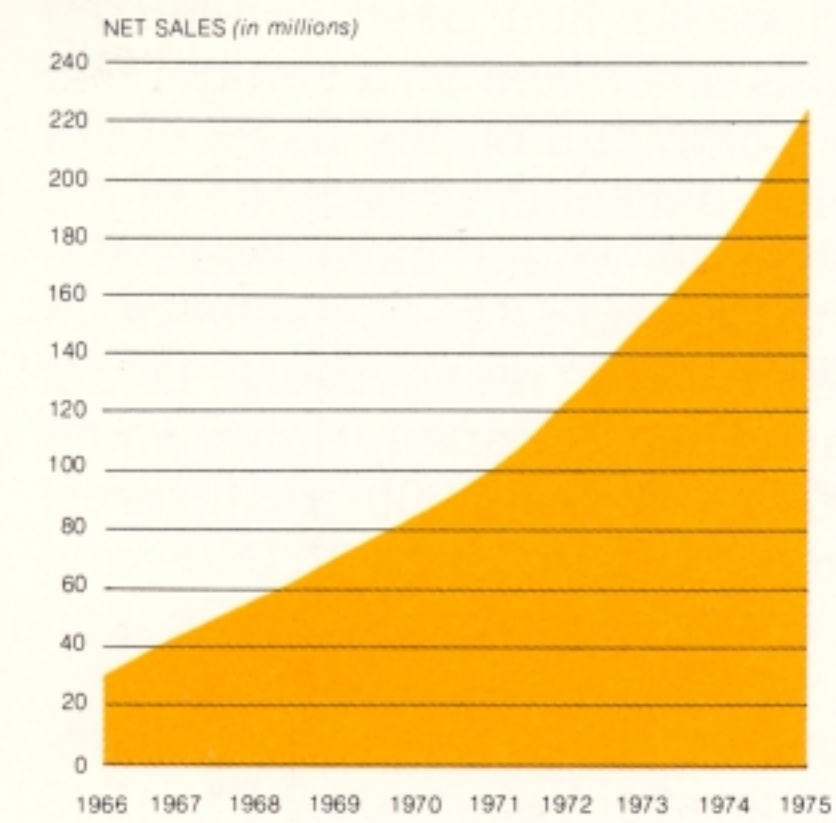
that SEC defined financing leases had been capitalized and the related property rights amortized on a straight line basis and interest expense computed on the basis of the present value of the declining outstanding balance of the lease commitments, net income would have been decreased approximately \$310,000 and \$241,00 for the years ended January 31, 1975 and 1974, respectively. Under such assumptions, amortization of the property rights would have amounted to \$1,220,000 and \$945,000 and interest expense would have amounted to \$1,790,000 and \$1,330,000 for the years ended January 31, 1975 and 1974, respectively.

Minimum rental commitments (net of immaterial sub-lease income) under leases in effect at January 31, 1975 are as follows:

	<i>Store Premises Leases</i>		
<i>Year Ended January 31</i>	<i>Fixtures and Equipment Leases</i>	<i>All Leases</i>	<i>Non-capitalized Financing Leases</i>
1976	\$51,000	\$ 5,385,000	\$ 3,066,000
1977	24,000	5,360,000	3,104,000
1978	16,000	5,191,000	3,134,000
1979	16,000	5,107,000	3,151,000
1980	10,000	4,990,000	3,155,000
1981-1985		22,353,000	15,577,000
1986-1990		15,627,000	14,255,000
1991-1995		9,349,000	8,928,000
Remainder to 2005		3,200,000	3,200,000

NOTE 9 — Contingent Liability

The company is a defendant in civil actions alleging discrimination in wages paid to females and discrimination because of sex. The plaintiffs are attempting to obtain a class action on behalf of certain female employees of the company and have requested injunctive relief, damages for back wages and costs. The company is vigorously defending the actions and believes that it has valid defenses to the assertion of a class action and to the allegations on their merits. The liability, if any, from these actions will likely not be determined for several years. The company's legal counsel, based upon evidence available, and the company do not believe that the final liability, if any, will have a material effect on the financial statements of the company.



Ten Year Summary of Operations

Year Ended January 31

	1975	1974
OPERATING RESULTS		
Net sales*	\$223,566	\$181,723
Net income*‡	7,283	5,304
Net income as a percentage of sales	3.26%	2.92%
Earnings on equity at beginning of year	21.97%	18.92%

COMMON STOCK		
Per common and common equivalent share—See Note 1 to financial statements ‡	\$ 1.70	\$ 1.24
Book value per share	9.28	7.81
Approximate price range of common stock	14-9	18-12
Shares outstanding (end of year) +	4,274	4,242
Stock dividends		
Cash dividends	\$.25	\$.20

FINANCIAL POSITION (End of Year)		
Working capital*	\$ 33,255	\$ 29,236
Current ratio	2.66	2.82
Long-term debt*	9,648	8,387
Stockholders' equity*	39,661	33,146

CAPITALIZATION PERCENTAGE		
Long-term debt	19.57	20.19
Stockholders' equity	80.43	79.81

STORES IN OPERATION		
Pay'n Save Drug	67	61
Pay'n Save Drug Ltd.	4	5
Ernst-Malmo Home Centers	25	26
Sports West or Sportsland	7	5
Lamonts	7	6
Total number of stores	110	103

AVERAGE SALES PER STORE (based upon number of stores at end of the year*)	\$ 2,032	\$ 1,764
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* Amounts in thousands of dollars.
+Thousands of shares outstanding, adjusted to give effect to stock splits in 1969 and 1973.
‡ Includes extraordinary income or unusual items of \$87,191 or \$.03 per share in 1966, \$243,000 or \$.06 per share in 1969, \$152,000 or \$.04 per share in 1970, \$150,000 or \$.04 per share in 1971 and \$259,624 or \$.06 per share in 1974.

1973	1972	1971	1970	1969	1968	1967	1966
\$147,825	\$120,598	\$97,277	\$84,335	\$70,042	\$57,574	\$41,672	\$30,943
3,932	3,369	2,806	2,664	2,360	1,949	1,230	816
2.66%	2.79%	2.88%	3.16%	3.37%	3.39%	2.95%	2.64%
16.02%	15.38%	14.33%	15.37%	25.65%	31.39%	26.49%	26.05%
\$.92	\$.80	\$.68	\$.64	\$.61	\$.58	\$.40	\$.29
6.67	5.91	5.27	4.76	4.25	2.69	2.12	1.74
22-17	18-8	11-5	14-9	14-9	10-4	5-3	3-2
4,202	4,156	4,156	4,118	4,080	3,424	2,934	2,694
\$.18	\$.175	\$.15	\$.125	\$.10	5%	5%	5%
\$ 21,107	\$ 19,855	\$18,351	\$17,532	\$16,546	\$ 9,275	\$ 7,206	\$ 4,897
2.42	2.77	3.85	3.68	4.92	2.38	2.78	2.33
1,633	1,907	2,174	2,393	2,454	2,652	2,702	1,584
28,037	24,548	21,906	19,586	17,335	9,201	6,208	4,643
5.5	7.2	9.0	10.9	12.4	22.4	30.3	25.4
94.5	92.8	91.0	89.1	87.6	77.6	69.7	74.6
56	52	37	33	28	26	23	20
5	3	3	3	3	3	3	3
23	21	21	19	17	17	16	14
5	5	5	4	4	4		
89	81	66	59	52	50	42	37
\$ 1,661	\$ 1,489	\$ 1,474	\$ 1,429	\$ 1,347	\$ 1,204	\$ 992	\$ 836

Five Year Summary of Operations

Year Ended January 31

	1975	1974	1973	1972	1971
Sales and other revenue					
Net sales	\$223,566,284	\$181,723,203	\$147,825,128	\$120,598,101	\$97,277,068
Interest and other income	995,053	1,165,947	820,590	856,107	852,371
	<u>224,561,337</u>	<u>182,889,150</u>	<u>148,645,718</u>	<u>121,454,208</u>	<u>98,129,439</u>
Costs and expenses					
Cost of merchandise sold	154,265,616	126,649,422	103,802,281	84,881,390	68,189,043
Operating and administrative expenses	55,297,365	45,688,072	37,158,703	29,921,180	24,694,717
Interest	1,060,663	635,767	287,307	308,722	205,190
	<u>210,623,644</u>	<u>172,973,261</u>	<u>141,248,291</u>	<u>115,111,292</u>	<u>93,088,950</u>
Income before federal and state income taxes and extraordinary item	13,937,693	9,915,889	7,397,427	6,342,916	5,040,489
Provision for federal and state income taxes	6,655,000	4,612,000	3,465,000	2,974,000	2,384,000
Income before extraordinary item	7,282,693	5,303,889	3,932,427	3,368,916	2,656,489
Extraordinary item, net of income tax effect	—	—	—	—	150,000
Net income for the year	<u>\$ 7,282,693</u>	<u>\$ 5,303,889</u>	<u>\$ 3,982,427</u>	<u>\$ 3,368,916</u>	<u>\$ 2,806,489</u>
Net income per common and common equivalent share	<u>\$1.70</u>	<u>\$1.24</u>	<u>\$.92</u>	<u>\$.80</u>	<u>\$.68</u>

**Pay'n Save
Corporation
and Subsidiary
Companies**

**Management's Discussion and Analysis of the
Statement of Consolidated Income and
Retained Earnings
Comparison of Year Ended January 31, 1975 to
January 31, 1974 and Year Ended
January 31, 1974 to January 31, 1973**

Net Sales

Sales volume has increased steadily during the last three years at an annual rate of approximately 23%. The increase results from inflation and added sales from existing and new stores. Addition of new stores (net of closures) were eight in the year ended January 31, 1973, fourteen in 1974 and seven during the current year. The addition of fourteen stores in 1974 includes the acquisition of five Sportsland stores made during 1974 (sporting goods and outdoor recreation equipment).

Interest and Other Income

Interest and other income consists principally of customer service charges and income from leased departments, both of which have increased as charge sales and number of stores have increased. The year ended January 31, 1974 includes an unusual gain of approximately \$346,000 from the sale of an investment.

Cost of Merchandise Sold

Cost of merchandise sold increased for the same reasons as increases in sales (see above), but at a slightly lower annual rate, approximately 22%. This slight reduction results primarily from changes in product sales mix and increased gross margins.

Operating and Administrative Expense

Increases in operating and administrative expenses have paralleled increases in sales (approximately 24% in 1973, 23% in 1974 and 21% during the current year) and primarily reflect increases in personnel and personnel related costs consistent with a higher level of operations. These expenses have not increased quite as rapidly as growth in sales, primarily due to the semi-fixed nature of some of these expenses.

Interest Expense

Interest expense increased in 1974 and 1975 due to higher interest rates and the increased borrowing for expansion. The average long-term debt and current bank borrowing outstanding during the last three years was approximately \$10,600,000 (1975), \$7,746,000 (1974) and \$4,121,000 (1973). Approximate average interest rate for the same years was 10.42%, 7.67% and 6.09%.

Provision for Federal and State Income Taxes

The effective tax rate has remained fairly constant over the past three years with a slight increase in the last year due to increased state income taxes.

Directors

Monte L. Bean
M. Lamont Bean
Joshua Green, Jr., *Chairman of the Board of Peoples National Bank of Washington and a Director and President of the Joshua Green Corporation whose principal business is stock and real property investments.*

James H. Clawson, *Retired since 1965. Previously President and Chairman of the Board of Puget Sound Power and Light Company*

E. R. Erickson
Calvin Hendricks
Raymond C. Swanson
Partner in law firm of Ryan, Bush, Swanson & Hendel

Officers

Monte L. Bean, *Chairman of the Board*
M. Lamont Bean
President
E. R. Erickson, *Vice President Operations*
Calvin Hendricks, *Vice President Administration, Treasurer*
Raymond C. Swanson
Secretary
Jennie K. Hauge, *Assistant Treasurer*
V. S. Heggen, *Assistant Secretary*

Executive Committee

M. Lamont Bean
E. R. Erickson
Calvin Hendricks

Transfer Agents and Registrars

Peoples National Bank
of Washington
Seattle, Washington

Banker's Trust Company
New York, N.Y.

Auditors

Price Waterhouse & Co.

Counsel

Ryan, Bush, Swanson &
Hendel

General Offices

1511 Sixth Avenue
Seattle, Washington

Store Locations

Pay 'n Save

319 Pike Street
Seattle, Wa.
2711 Colby Ave.
Everett, Wa.
4535 Univ. Way NE
Seattle, Wa.
412 Northgate Mall
Seattle, Wa.
1423 NW Market St.
Seattle, Wa.
1400 Cornwall
Bellingham, Wa.
601 SW 150th St.
Seattle, Wa.
201 S Broadway
Aberdeen, Wa.
8500 - 35th Ave. NE
Seattle, Wa.
1318 N 200th
Seattle, Wa.
1421 Lloyd Center
Portland, Or.
4100 SE 82nd
Portland, Or.
Triangle Shopping Ctr.
Longview, Wa.
7707 SE 27th
Mercer Island, Wa.
120 - 106th NE
Bellevue, Wa.
2707 Rainier Ave. S
Seattle, Wa.
202 Cross St. SE
Auburn, Wa.
17171 Bothell Way NE
Seattle, Wa.
#40 Renton Village
Renton, Wa.
9071 Westwood Vill. Pl. SW
Seattle, Wa.
6111 Sixth Avenue
Tacoma, Wa.
415 S Sound Center
Lacey, Wa.
10407 Plaza Dr. SW
Tacoma, Wa.

1370 Northern Lts. Blvd.
Anchorage, Ak.
4700 University Vill. Pl.
Seattle, Wa.
9830 Pacific Ave. S
Tacoma, Wa.
1001 Southcenter Shpg. Ctr.
Seattle, Wa.
7500 - 196th St. SW
Lynnwood, Wa.
115 Parkade Plaza
Spokane, Wa.
171 Bragaw St.
Anchorage, Ak.
E 12115 Sprague Ave.
Opportunity, Wa.
700 Columbia Center
Kennewick, Wa.
E 810 - 29th Ave.
Spokane, Wa.
3rd & Steese Highway
Fairbanks, Ak.
1323 E Main Ave.
Puyallup, Wa.
6555 SW Beaverton/Hwy.
Portland, Or.
621 S Lincoln
Port Angeles, Wa.
Ninth & Gambell St.
Anchorage, Ak.
4000 Manzanita
Carmichael, Ca.
2419 Del Paso Blvd.
N Sacramento, Ca.
1115 W 17th St.
Merced, Ca.
875 Russell Blvd.
Davis, Ca.

2030 Market St.
San Francisco, Ca.
3081 Stevens Creek Rd.
Santa Clara, Ca.
1181 Cypress Avenue
Redding, Ca.
2801 Adeline St.
Berkeley, Ca.
5260 Diamond Hts. Blvd.
San Francisco, Ca.
2050 Monument Blvd.
Concord, Ca.
1832 Hillsdale Avenue
San Jose, Ca.
872 N Delaware
San Mateo, Ca.
7100 Bancroft Avenue
Oakland, Ca.
9485 Village Pkwy.
San Ramon, Ca.
3901 Seward Highway
Anchorage, Ak.
6000 Lindhurst Rd.
Linda, Ca.
371 S McDowell Blvd.
Petaluma, Ca.
9200 Rainier Ave. S
Seattle, Wa.
12531a Kingsgate Way NE
Kirkland, Wa.
242 College Way
Mt. Vernon, Wa.
848 Ala Lilikoi St.
Honolulu, Ha.

Map Legend

- Pay'n Save
- Ernst-Malmo
- Sports West or Sportsland
- Lamonts



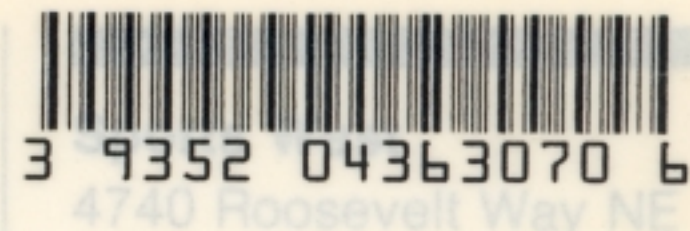
**Pay'n Save
Corporation
and Subsidiary
Companies**

11107 S Meridian
Puyallup, Wa.
210 Golf Club Road
Pleasant Hills, Ca.
1800-J Prescott Road
Modesto, Ca.
150 Marysville Plaza
Marysville, Wa.
4920a Evergreen Way
Everett, Wa.
1314 Fulton Avenue
Sacramento, Ca.
825 First Street
Gilroy, Ca.
1017 N 4th St.
Coeur d'Alene, Id.
326 - 7th Ave. W
Calgary, Alberta
Canada
6707 Elbow Dr. SW
Calgary, Alberta
Canada
8037 - 120th
Delta, British Columbia
Canada
22401 Dewdney Trunk Rd.
Haney, British Columbia
Canada

Ernst-Malmo Home Centers

Sixth & Pike Street
Seattle, Wa.
4704 - 25th NE
Seattle, Wa.
414 Northgate Mall
Seattle, Wa.
1740 NW Market St.
Seattle, Wa.
7711 SE 27th
Mercer Island, Wa.
125 - 106th NE
Bellevue, Wa.
20050 Aurora Ave. N
Seattle, Wa.
4920 Evergreen Way
Everett, Wa.
10419 Plaza Dr. SW
Tacoma, Wa.
9109 Westwood Vill. SW
Seattle, Wa.
#60 Grady Way
Renton, Wa.
#25 South Sound Ctr.
Lacey, Wa.

150 Burien Plaza SW
Seattle, Wa.
Triangle Shpg. Ctr.
Longview, Wa.
Bldg. M-
Crossroads Shpg. Ctr.
Bellevue, Wa.
E 12105 Sprague Ave.
Opportunity, Wa.
E 820 - 29th Ave.
Spokane, Wa.
821 Columbia Ctr.
Kennewick, Wa.
1317 E Main Ave.
Puyallup, Wa.
6425 - 6th Ave.
Tacoma, Wa.
2505 Main St.
Union Gap, Wa.
1167 Valley River Rd.
Eugene, Or.
12630a Kingsgate Way NE
Kirkland, Wa.
310 College Way
Mt. Vernon, Wa.
W 2215 Wellesley
Spokane, Wa.



Seattle, Wa.
4538 California SW
Seattle, Wa.
508 S Third
Renton, Wa.
Crossroads Shpg. Ctr.
Bellevue, Wa.
1140 Aurora Vill. Pl. N
Seattle, Wa.
12520 - 120th Ave. NE
Kirkland, Wa.
125 SW 148th
Seattle, Wa.

Lamonts

460 SW 152nd
Seattle, Wa.
2700 NE Village Mall
Seattle, Wa.
17171 Bothell Way NE
Seattle, Wa.
NE 156th & 8th NE
Bellevue, Wa.
E 802 - 29th Ave.
Spokane, Wa.
12601 - 120th NE
Kirkland, Wa.
900 Shadle Center
Wellesley at Alberta
Spokane, Wa.

