

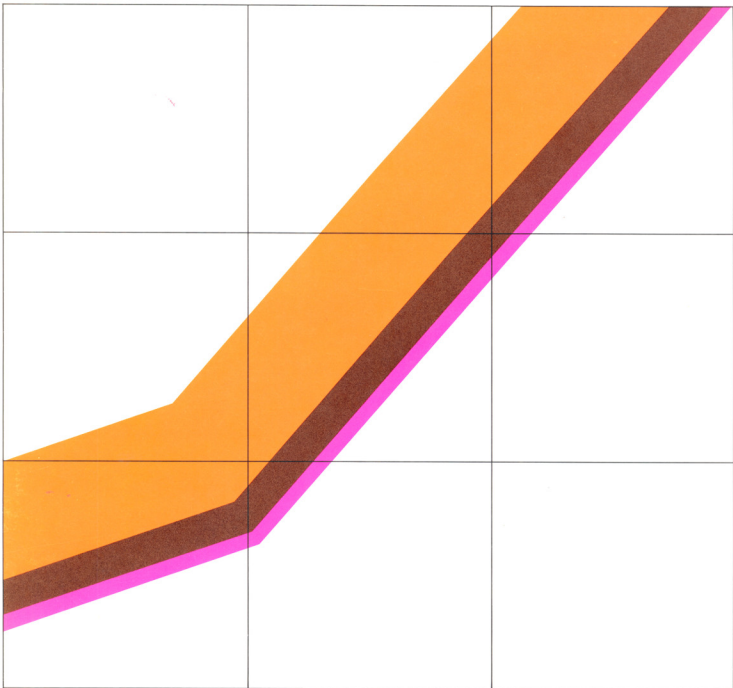
PACIFIC

*Duplicate*

Pay'n Save  
Corporation  
Annual Report for  
the Year Ended  
January 31, 1973

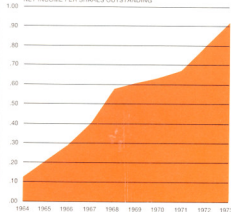
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JUL 19 1973



# Pay'n Save Corporation Financial Highlights

NET INCOME PER SHARE OUTSTANDING



	Year Ended January 31			
	1973	1972	Increase	Percentage
Sales . . . . .	\$147,825,128	\$120,598,101	\$27,227,027	23%
Net Income . . . .	3,932,427	3,368,916	563,511	17%
Net Income per share . . . . .	\$ .92	\$ .80	\$ .12	15%

# To Our Stockholders

Pay'n Save Corporation maintained its consistent long-term growth in sales and net income for the year ended January 31, 1973. We are pleased to report these results and are grateful for their occurrence. Highlights of the year include a two-for-one stock split in May 1972, and the opening of eight new stores.

Sales for the year totaled \$147,825,128, a 23% increase over the previous year's total of \$120,598,101.

Net income for the year was up 17% and amounted to \$3,932,427 compared to last year's net of \$3,368,916.

Net income per share amounted to \$.92 compared to \$.80 for the year earlier after giving effect to the stock split.

Six of the eight stores opened this year were Pay'n Save Drug stores. Two are located in Canada, two in Northern California, one in Seattle, and our largest Pay'n Save store, in Anchorage, Alaska. The latter store is approximately 50,000 sq. ft. and includes departments which are normally found in both Pay'n Save Drug stores and Ernst-Malmo Home Centers.

New Ernst-Malmo Home Centers were also opened in Tacoma and Yakima, Washington.

Our modernization program continued during the year with seven Pay'n Save stores being remodeled and re-decorated. Six of these are located in Northern California.

Five Seattle Sporting Goods "Sportsland" stores were acquired as of February 3, 1973 in exchange for 21,418 shares of Pay'n Save. The acquired company has annual sales of approximately 2½ million and the purchase was made at book value. The consistently profitable stores are all located in the Seattle area.



E. R. Erickson  
Vice President

M. Lamont Bean  
President

Monte L. Bean  
Chairman of the Board

Calvin Hendricks  
Vice President

We face a very challenging year ahead. Leases have been signed for fourteen new stores, nearly all of which should open during the year. Of the new stores to be opened, most are located in established marketing areas. Included are four drug stores and four Ernst-Malmo Home Centers in Washington and three drug stores in Northern California. Additionally, an Ernst-Malmo Home Center in Eugene, Oregon, our first in the state was opened on March 17. This summer we will open a new Pay'n Save Drug store in Hawaii, our first entry into this exciting market. Also included in our expansion program, is a Lamonts Apparel unit for the Totem Lake Shopping Center, near Seattle. A replacement unit for a drug store has already been constructed in the Burien area of Seattle. The new facility opened March 12, and is approximately twice the size of the former unit.

Remodeling and redecorating will continue to play an important role in this year's operations. Eight Northern California stores will be remodeled before the end of the year, completing our remodeling program for this area. In addition, two Pay'n Save stores and two Ernst-Malmo Home Centers all in Seattle, are also scheduled for remodeling.

Dividends in the amount of \$.18 per share for a total of \$754,192 were paid during the year. Your Directors have increased the dividend and declared a semi-annual dividend of \$.10 per share payable on April 10, to shareholders' of record on March 9, 1973.

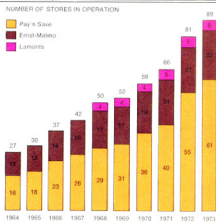
We look forward to the future with a great deal of enthusiasm, recognizing the great challenge with so many new store openings and remodelings. We sincerely appreciate the dedication of



our employees' and the efforts of hundreds of suppliers who made the year successful. We are grateful for the confidence our customers' and shareholders' have expressed in the company.

*M. L. Bean*  
M. L. Bean  
Chairman of the Board

*M. Lamont Bean*  
M. Lamont Bean  
President



#### Division Managers

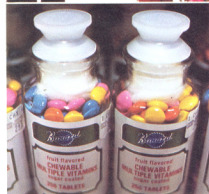
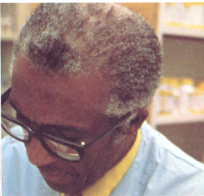
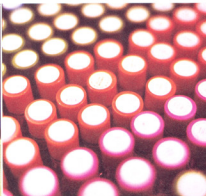
Top:  
J. Ken Green  
Lamonts  
Joe Petrino  
Pay'n Save — North  
Paul Ross  
Pay'n Save — California  
Tom Lawrenson  
Ernst - Malmo

Bottom:  
Walt Guidinger  
Director of Developments  
Lee Miller  
Property Development



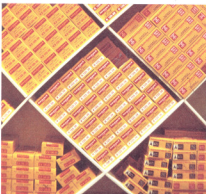
# Pay'n Save

The Pay'n Save Drug divisions accounted for 71% of the total company sales during the fiscal year. Five of the sixty-one drug stores are located in Alaska, three in Oregon, five in Canada, sixteen in California and the balance in Washington. The stores carry a wide selection of goods including proprietary and prescription drugs, cosmetics and toiletries, cameras, sporting equipment, candy, tobacco, stationery and toys.



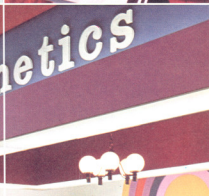
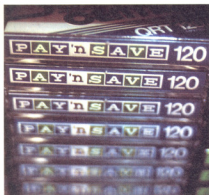
# Pay'n Save

Providing a pleasant shopping experience for each customer is the aim of all stores. Distinctive interior decor, wide aisles and clean, well stocked, low profile display counters contribute to making this possible.



Newly remodeled and redecorated drug stores in Northern California are illustrated on this page. Six of the fourteen stores acquired on August 1, 1971, were remodeled during 1972. The balance are scheduled for remodeling in 1973.

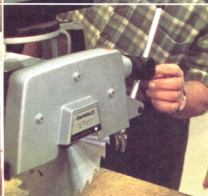
A distinctive new interior decor makes the stores attractive and inviting. The remodeling, includes redesigning and remerchandising the store to highlight the cosmetic, camera and pharmacy departments.



# Ernst-Malmo

The twenty-three stores of the Ernst-Malmo Home Center division accounted for 22% of the company sales. Major departments include nursery (18% of sales), lumber (17%), sporting goods (10%). The remainder of sales, (55%) are in basic hardware, housewares, light fixtures, plumbing, toys, small appliances and a wide selection of quality merchandise for the do-it-yourself customer, interested in repairing or

modernizing his home. Four new home centers and one replacement unit are planned for 1973. In addition, the five recently acquired (February 3, 1973) Seattle Sporting Goods "Sportsland" stores have been added to this division.







# Lamonts

The Lamonts division operates four stores in Seattle and one in Spokane, Washington. The stores feature a full line of sensibly priced apparel and specialize in sportswear for the entire family. The division experienced a very successful year with significant improvement in both sales and net income. Sales for the year accounted for 7% of the company's total. A new 40,000 sq. ft. store has been announced for the Totem Lake Shopping Center near Seattle, which is to open in the fall of 1973.



# Pay'n Save Corporation and Subsidiary Companies

## Statement of Consolidated Income and Retained Earnings

	Year Ended January 31	
	1973	1972
Sales and other revenue		
Net sales . . . . .	\$147,825,128	\$120,598,101
Interest and other income . . . . .	820,590	856,107
	<u>148,645,718</u>	<u>121,454,208</u>
Cost and expenses		
Cost of merchandise sold . . . . .	103,802,281	84,881,390
Operating and administrative expenses . . . . .	37,158,703	29,921,180
Interest . . . . .	287,307	308,722
	<u>141,248,291</u>	<u>115,111,292</u>
Income before income taxes . . . . .	7,397,427	6,342,916
Provision for income taxes — Notes 1 and 2 . . . . .	3,465,000	2,974,000
Net income for the year . . . . .	<u>3,932,427</u>	<u>3,368,916</u>
Retained earnings at beginning of year . . . . .	13,340,270	10,698,649
Cash dividends — \$.18 and \$.175 respectively . . . . .	(754,192)	(727,295)
Retained earnings at end of year — Note 3 . . . . .	<u>\$ 16,518,505</u>	<u>\$ 13,340,270</u>
Net income per common and common equivalent share — Note 1	<u>\$ .92</u>	<u>\$ .80</u>

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 consolidated changes in financial position present fairly the financial position of Pay'n Save Corporation and its subsidiaries at January 31, 1973 and 1972, 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.

Seattle, Washington, March 2, 1973

PRICE WATERHOUSE & CO.

# Pay'n Save Corporation and Subsidiary Companies

## Consolidated Balance Sheet

	Assets	
	Year Ended January 31	
	1973	1972
<b>CURRENT ASSETS</b>		
Cash . . . . .	\$ 744,230	\$ 1,635,365
Accounts receivable, less allowance for doubtful accounts of \$274,265 and \$251,347, respectively . . . . .	7,172,627	6,580,207
Recoverable store location expenditures . . . . .	550,000	374,343
Inventories, at lower of cost or market — Note 1 . . . . .	27,256,806	22,319,461
Prepaid insurance and miscellaneous . . . . .	288,056	184,652
Total current assets . . . . .	<u>36,011,719</u>	<u>31,094,028</u>
<b>INVESTMENTS, at cost</b>		
Cash value of life insurance . . . . .	121,990	106,645
Other investments . . . . .	35,661	35,661
	<u>157,651</u>	<u>142,306</u>
<b>PROPERTY, PLANT AND EQUIPMENT, at cost — Note 1</b>		
Furniture, fixtures and equipment . . . . .	10,571,304	8,546,109
Leasehold improvements . . . . .	2,908,137	1,975,303
	13,479,441	10,521,412
Less — Accumulated depreciation and amortization . . . . .	5,622,803	4,584,796
	7,856,638	5,936,616
Land . . . . .	373,839	373,839
	<u>8,230,477</u>	<u>6,310,455</u>
<b>DEFERRED CHARGES AND OTHER ASSETS</b> . . . . .	174,754	237,945
	<u>\$44,574,601</u>	<u>\$37,784,734</u>

## Year Ended January 31

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

# Pay'n Save Corporation and Subsidiary Companies

## Statement of Consolidated Changes in Financial Position

	Year Ended January 31	
	1973	1972
Financial resources were provided by		
Net income . . . . .	\$3,932,427	\$3,368,916
Add (deduct) income charges (credits) not affecting working capital in the year		
Depreciation . . . . .	1,167,002	990,682
Net increase (decrease) in deferred credit . . . . .	(91,000)	21,200
Amortization of deferred charges and other assets . . . . .	60,223	39,813
Working capital provided by operations for the year . . . . .	5,068,652	4,420,611
Tax benefits of employee stock options — Note 2 . . . . .	96,000	
Proceeds of stock options . . . . .	214,687	423
Total . . . . .	5,379,339	4,421,034
Financial resources were used for		
Acquisition of property and equipment . . . . .	3,096,495	1,901,150
Reduction of long term debt . . . . .	273,498	267,633
Cash dividends . . . . .	754,192	727,295
Miscellaneous, net . . . . .	2,906	21,634
Total . . . . .	4,127,091	2,917,712
Increase in working capital . . . . .	\$1,252,248	\$1,503,322
ANALYSIS OF CHANGES IN WORKING CAPITAL		
Increase (decrease) in current assets . . . . .		
Cash . . . . .	\$ (891,135)	\$ 507,497
Receivables . . . . .	768,077	807,046
Inventories . . . . .	4,937,345	4,998,427
Other . . . . .	103,404	(15,479)
	4,917,691	6,297,491
Increase (decrease) in current liabilities		
Notes payable . . . . .	1,500,000	2,500,000
Accounts payable and accrued expenses . . . . .	1,828,264	1,898,643
Current maturities on long-term debt . . . . .	5,763	48,423
Federal income taxes . . . . .	331,416	347,103
	3,665,443	4,794,169
Increase in working capital . . . . .	\$1,252,248	\$1,503,322

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



# Notes to Financial Statements January 31, 1973

## Note 1 — Accounting Policies

The significant accounting policies applied in the financial statements follow:

**Basis of Consolidation** — The financial statements included the accounts of Pay'n Save Corporation and its subsidiaries, all of which are wholly-owned. All material inter-company transactions and profits are eliminated in consolidation. The accounts of the company's Canadian subsidiary have been translated into United States dollars at appropriate rates of exchange.

**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** — Preacquisition loss carry overs of two subsidiaries have resulted in subsequent tax benefits. Provisions in lieu of income taxes have been made for these tax benefits as they were realized and the acquisition transactions have been adjusted in like amount by establishing a deferred credit. As the deferred credits arose, they were retroactively amortized to income over five years from the acquisition dates.

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 — Income Taxes

The income tax provisions comprise:

	Year ended January 31 1973	1972
Federal	\$3,224,000	\$2,704,500
State and Canadian	145,000	102,500
Provision in lieu of income taxes	96,000	167,000
	<u>\$3,465,000</u>	<u>\$2,974,000</u>

The provision in lieu of income taxes for the year ended January 31, 1972 represents the tax effect for that year of the benefits resulting from preacquisition loss carry overs of subsidiaries which is discussed in more detail in Note 1. No further such tax benefits are available and the amortization of the deferred credits arising therefrom was completed with credits to income of \$91,000 and \$145,800 in the years ended January 31, 1973 and 1972, respectively.

The provision in lieu of income taxes for the year ended January 31, 1973 represents the tax reduction resulting from the exercise by the Chairman and President of non-qualified stock options during the year; such

exercises resulted in taxable income to the grantees and a tax benefit to the company. In accordance with a recent accounting pronouncement the tax benefit has been considered additional proceeds from the issuance of those shares. No such transactions occurred during the year ended January 31, 1972.

There are cumulative undistributed earnings of subsidiaries amounting to approximately \$380,000 at January 31, 1973 on which deferred income taxes have not been provided in as much as these earnings have been reinvested for an indefinite period of time.

## Note 3 — Long-Term Indebtedness

Long-term indebtedness comprised the following:

	January 31 1973	1972
Notes payable to Insurance companies	\$1,650,000	\$1,825,000
Others	256,550	349,285
	<u>1,906,550</u>	<u>2,174,285</u>
Less current maturities	273,525	267,762
	<u>\$1,633,025</u>	<u>\$1,906,523</u>

The notes are unsecured except for real estate contracts in the amount of \$167,965. The various financing agreements place certain restrictions upon the creation of additional debt and limit the payment of cash dividends and the purchase or redemption of capital stock to an amount equal to the excess of retained earnings over \$2,002,036.

The notes payable to insurance companies are due in annual installments to 1981. The note agreements permit advance payments without premium under certain circumstances.

A summary of the maturities of the long-term notes for the five years ended January 31, 1978, follows:

Year ended Jan. 31	Insurance Companies	Others	Together
1974	\$ 175,000	\$ 98,525	\$ 273,525
1975	200,000	46,008	246,008
1976	225,000	31,095	256,095
1977	225,000	33,224	258,224
1978	225,000	31,397	256,397
	<u>\$1,050,000</u>	<u>\$240,249</u>	<u>\$1,290,249</u>

## Note 4 — Employee Stock Options

The company has a Qualified Stock Option Plan under which options have been granted for all shares reserved under the plan. Option prices could not be less than the market value of the shares at the time of grant. Options could not be granted for more than 15,000 shares to one person, may not be exercised for two years and expire after five years. Options to 34,100 shares were exercised during the year at an average price of \$4.81 or a total of \$163,927. Additionally, options to 2,800 shares were cancelled due to terminations and options to 44,100 shares were granted. Options outstanding at January 31, 1973 were as follows:

Granted during Year ended January 31,	Number of Shares	Option Price	Total
1969	31,900	\$12.625	\$402,738
1970	28,300	11.3125	320,144
1971	31,700	8.75	277,375
1972	36,200	7.975	287,338
1973	42,700	16.50	704,550

The company had also granted options to 12,000 shares in 1968 to the Chairman of

the Board and the President who do not participate in the Qualified Stock Option Plan. These options were exercised during the year at the option price of \$4.23 which was the market price at date of grant or a total of \$50,760. (Note 2.)

## Note 5 — Pension Plans

The company has two pension plans for employees who are not eligible for other pension benefits, such as pensions under union contracts. One of the plans is funded by employee and company contributions at specified percentages of the employees' compensation and the pension benefits are determined by the amounts funded. The other plan provides for pension benefits based on the employees' compensation which are to be entirely funded by the company. The unfunded liability under this plan at January 31, 1973 amounts to approximately \$510,000 which will be funded over a period of thirty years from May 1, 1970. The company's contribution to the two plans amounted to \$368,000 for the year ended January 31, 1973 and \$310,000 for 1972.

## Note 6 — Capital Stock

As of April 27, 1972, the company's capital stock was split 2 for 1 and all references to capital transactions have been restated to give effect to the split. Transactions in capital stock for the two years ended January 31, 1973 are summarized below:

	Capital Stock Shares	Amount
Balance, Jan. 31, 1971, before split	2,077,925	\$11,206,994
Stock split	2,077,925	
Balance, Jan. 31, 1971, restated	4,155,850	11,206,994
Exercise of employee stock options	100	423
Balance, Jan. 31, 1972	4,155,950	11,207,417
Exercise of non-qualified stock options — Note 2	12,000	146,760
Exercise of employee stock options	34,100	163,927
Balance, Jan. 31, 1973	<u>4,202,050</u>	<u>\$11,518,104</u>

## Note 7 — Lease Commitments

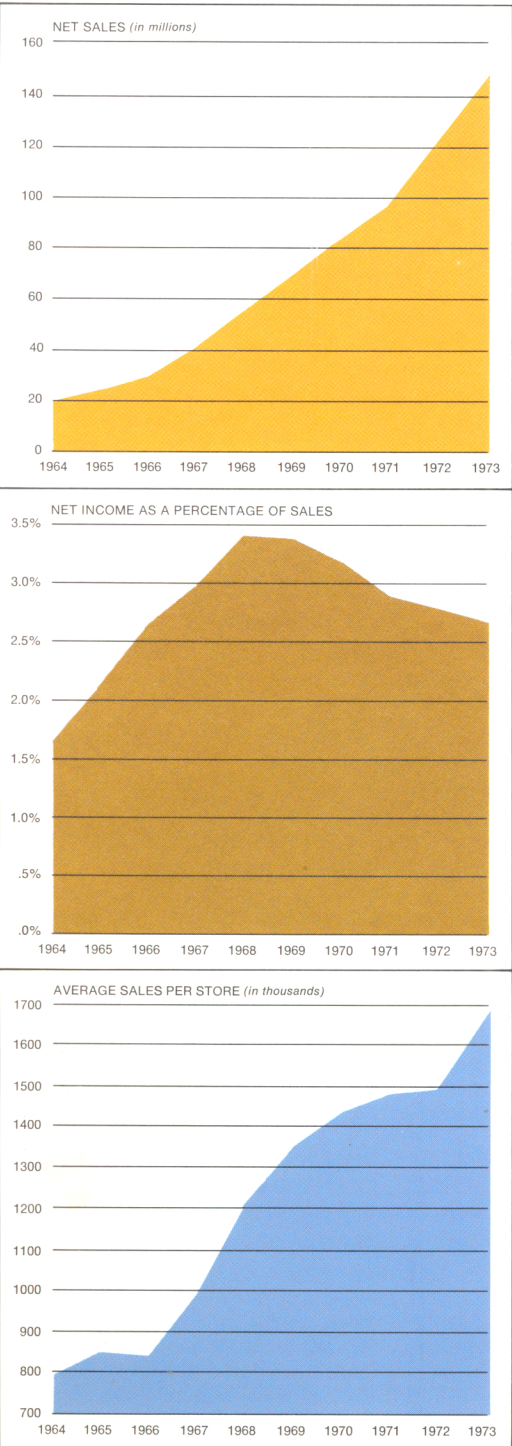
The company's operations are conducted on leased premises. Leases are generally for periods of from ten to twenty five years with renewal options and, in most cases provide for minimum rentals plus additional amounts based on a percentage of sales. The company also leases certain store fixtures and equipment, such leases are for periods of ten years. Rental expense under these leases for the years ended January 31, 1973 and 1972 amounted to \$4,877,000 and \$4,064,000, respectively. Minimum annual rentals under the terms of leases in effect at Jan. 31, 1973 are approximately \$4,130,000.

## Note 8 — Subsequent Event

As of February 3, 1973, the company acquired Seattle Sporting Goods, Inc. at substantially book value and will issue 21,418 shares of its capital stock in exchange for all of the outstanding shares of Seattle Sporting Goods. Of the shares to be issued 10% will be placed in escrow for up to six years pending settlement of certain unresolved matters. The acquisition will be accounted for as a purchase. M. L. Bean, Chairman of the Board of Pay'n Save Corporation, has a 23% interest in Seattle Sporting Goods and will receive a proportionate share of the capital stock issued in the exchange.

Pay'n Save Corporation and Subsidiary Companies

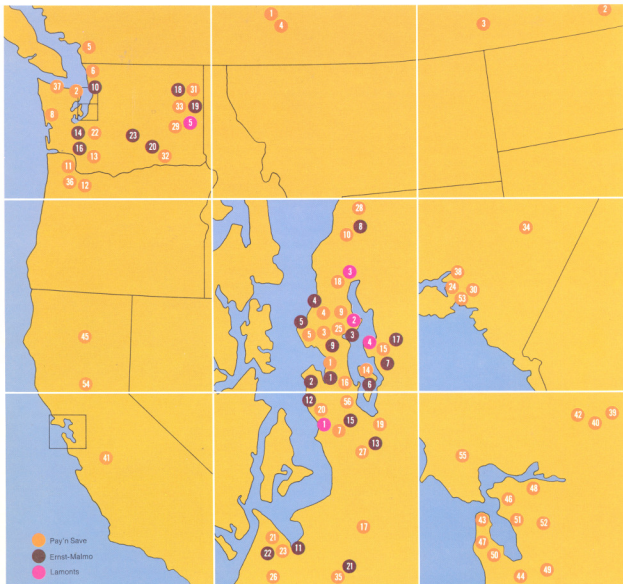
Ten Year Summary of Operations



	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964
OPERATING RESULTS										
Net sales*	\$147,825	\$120,598	\$97,277	\$84,335	\$70,042	\$57,574	\$41,672	\$30,943	\$25,247	\$21,375
Net income*‡	3,932	3,369	2,806	2,664	2,360	1,949	1,230	816	537	355
Net income as a percentage of sales	2.66%	2.79%	2.88%	3.16%	3.37%	3.39%	2.95%	2.64%	2.13%	1.66%
Earnings on equity at beginning of year	16.02%	15.38%	14.33%	15.37%	25.65%	31.39%	26.49%	26.05%	20.78%	14.51%
COMMON STOCK										
Per common and common equivalent share —										
See Note 1 to financial statements‡	\$ .92	\$ .80	\$ .68	\$ .64	\$ .61	\$ .58	\$ .40	\$ .29	\$ .21	\$ .13
Book value per share	6.67	5.91	5.27	4.76	4.25	2.69	2.12	1.74	1.40	1.21
Approximate price range of common stock	22-17	18-8	11-5	14-9	14-9	10-4	5-3	3-2	2-1	2-1
Shares outstanding (end of year)†	4,202	4,156	4,156	4,118	4,080	3,424	2,934	2,694	2,250	2,136
Stock dividends						5%	5%	5%	5%	5%
Cash dividends	\$ .18	\$ .175	\$ .15	\$ .125	\$ .10					
FINANCIAL POSITION (End of Year)										
Working capital*	\$ 21,107	\$ 19,855	\$18,351	\$17,532	\$16,546	\$ 9,275	\$ 7,206	\$ 4,897	\$ 4,132	\$ 3,684
Current ratio	2.42	2.77	3.85	3.68	4.92	2.38	2.78	2.33	2.49	2.79
Long-term debt*	1,633	1,907	2,174	2,393	2,454	2,652	2,702	1,584	2,239	2,399
Stockholders' equity*	28,037	24,548	21,906	19,586	17,335	9,201	6,208	4,643	3,133	2,584
CAPITALIZATION PERCENTAGE										
Long-term debt	5.5	7.2	9.0	10.9	12.4	22.4	30.3	25.4	41.7	48.1
Stockholders' equity	94.5	92.8	91.0	89.1	87.6	77.6	69.7	74.6	58.3	51.9
STORES IN OPERATION										
Pay'n Save Drug	56	52	37	33	28	26	23	20	18	16
Pay'n Save Drug Ltd.	5	3	3	3	3	3	3	3		
Ernst-Malmo Home Centers	23	21	21	19	17	17	16	14	12	11
Lamonts	5	5	5	4	4	4				
Total number of stores	89	81	66	59	52	50	42	37	30	27
AVERAGE SALES PER STORE (Based upon number of stores at end of the year*)										
	\$ 1,661	\$ 1,489	\$ 1,474	\$ 1,429	\$ 1,347	\$ 1,204	\$ 992	\$ 836	\$ 842	\$ 792

\*Amount in thousands of dollars.  
†Thousands of shares outstanding, adjusted to give effect to stock splits in 1969 and 1973.  
‡Includes extraordinary income 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 and \$150,000 or \$.04 per share in 1971.

# Store Locations



Center — Puget Sound Region

Middle Right — Alaska  
Lower Right — Northern California



### Pay'n Save Drug Stores

- 1 319 Pike, St., Seattle, Wa.
- 2 2711 Colby Ave., Everett, Wa.
- 3 4535 University Way N.E., Seattle, Wa.
- 4 412 Northgate Mall, Seattle, Wa.
- 5 1423 N.W. Market St., Seattle, Wa.
- 6 1400 Cornwell, Bellingham, Wa.
- 7 601 S.W. 150th, Seattle, Wa.
- 8 201 S. Broadway, Aberdeen, Wa.
- 9 8500 35th N.E., Seattle, Wa.
- 10 20220 Aurora Ave. N., Seattle, Wa.
- 11 1421 Lloyd Center, Portland, Or.
- 12 4100 S.E. 82nd Ave., Portland, Or.
- 13 Triangle Shopping Center, Longview, Wa.
- 14 7707 S.E. 27th, Mercer Island, Wa.
- 15 120 106th N.E., Bellevue, Wa.
- 16 2707 Rainier Ave. S., Seattle, Wa.
- 17 202 Cross St. S.E., Auburn, Wa.
- 18 17171 Bothell Way N.E., Seattle, Wa.
- 19 40 Renton Village, Renton, Wa.
- 20 9071 Westwood Village Pl. S.W., Seattle, Wa.
- 21 6111 Sixth Ave., Tacoma, Wa.
- 22 415 South Sound Center, Olympia, Wa.
- 23 10407 Plaza Dr. S.W., Tacoma, Wa.
- 24 1370 Northern Lights Blvd., Anchorage, Ak.
- 25 4700 University Village Pl., Seattle, Wa.
- 26 9830 Pacific Ave. S., Tacoma, Wa.
- 27 1001 Southcenter Shopping Ctr., Seattle, Wa.
- 28 7500 196th S.W., Lynnwood, Wa.
- 29 115 Parkade Plaza, Spokane, Wa.
- 30 171 Bragaw St., Anchorage, Ak.
- 31 E. 12115 Sprague, Opportunity, Wa.
- 32 700 Columbia Center, Kennewick, Wa.
- 33 E. 810 29th Ave., Spokane, Wa.
- 34 Third and Steese Hwy., Fairbanks, Ak.
- 35 1323 E. Main Ave., Puyallup, Wa.
- 36 6555 S.W. Beaverton-Hillsdale Hwy., Portland, Or.
- 37 621 S. Lincoln, Port Angeles, Wa.
- 38 9th and Gamble, Anchorage, Ak.
- 39 4000 Manzanita, Carmichael, Ca.
- 40 2419 Del Paso Blvd., N. Sacramento, Ca.
- 41 1115 West 17th St., Merced, Ca.
- 42 875 Russell Blvd., Davis, Ca.
- 43 2030 Market St., San Francisco, Ca.
- 44 3081 Stevens Creek Road, Santa Clara, Ca.
- 45 1181 Cypress, Redding, Ca.
- 46 2801 Adeline St., Berkeley, Ca.
- 47 5260 Diamond Hts. Blvd., San Francisco, Ca.
- 48 966 Monument Blvd., Concord, Ca.
- 49 1832 Hillsdale, San Jose, Ca.
- 50 872 N. Delaware, San Mateo, Ca.
- 51 73rd and Bancroft, Oakland, Ca.
- 52 9485 Village Parkway, San Ramon, Ca.
- 53 3901 Seward Highway, Anchorage, Ak.
- 54 6000 Lindhurst Road, Marysville, Ca.
- 55 371 South McDowell Blvd., Petaluma, Ca.
- 56 9200 Rainier Ave. S., Seattle, Wa.

### Pay'n Save Drugs, Ltd.

- 1 326 7th Ave. W., Calgary, Alberta
- 2 318 Donald St., Winnipeg, Manitoba
- 3 1926 Hamilton St., Regina, Saskatchewan
- 4 6707 Elbow Dr., Calgary, Alberta
- 5 8037 120th, Delta, British Columbia

### Ernst-Malmo Stores

- 1 Sixth and Pike, Seattle, Wa.
- 2 4314 S.W. Alaska, Seattle, Wa.
- 3 4704 25th N.E., Seattle, Wa.
- 4 414 Northgate Mall, Seattle, Wa.
- 5 1740 N.W. Market St., Seattle, Wa.
- 6 7711 S.E. 27th St., Mercer Island, Wa.
- 7 125 106th N.E., Bellevue, Wa.
- 8 20050 Aurora Ave. N., Seattle, Wa.
- 9 333 Westlake Ave. N., Seattle, Wa.
- 10 4920 Evergreen Way, Everett, Wa.
- 11 10419 Plaza Dr. S.W., Tacoma, Wa.
- 12 9109 Westwood Village S.W., Seattle, Wa.
- 13 60 Grady Way, Renton Village, Renton, Wa.
- 14 25 South Sound Center, Olympia, Wa.
- 15 150 Burien Plaza S.W., Seattle, Wa.
- 16 Triangle Shopping Center, Longview, Wa.
- 17 Crossroads Shopping Center, Bellevue, Wa.
- 18 E. 12105 Sprague Ave., Opportunity, Wa.
- 19 E. 820 29th Ave., Spokane, Wa.
- 20 1021 Columbia Center, Kennewick, Wa.
- 21 1317 E. Main Ave., Puyallup, Wa.
- 22 6425 6th Ave., Tacoma, Wa.
- 23 2505 Main St., Union Gap, Wa.

### Lamonts Apparel Stores

- 1 460 S.W. 152nd, Seattle, Wa.
- 2 2700 N.E. Village Mall, Seattle, Wa.
- 3 17171 Bothell Way N.E. (Forest Park) Seattle, Wa.
- 4 N.E. 156th and 8th N.E. (Crossroads) Bellevue, Wa.
- 5 E. 802 29th Ave., Spokane, Wa.

### DIRECTORS

Monte L. Bean  
M. Lamont Bean  
Harold E. Oneal  
Joshua Green, Jr.  
James H. Clawson  
E. R. Erickson  
Calvin Hendricks

### OFFICERS

Monte L. Bean, *Chairman of the Board*  
M. Lamont Bean, *President*  
E. R. Erickson, *Vice President Operations*  
Calvin Hendricks,  
*Vice President Administration, Treasurer*  
John E. Ryan, Jr., *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  
Bankers Trust Company  
New York, N.Y.

### AUDITORS

Price Waterhouse & Co.

### COUNSEL

Ryan, Bush, Swanson and Hendel

### GENERAL OFFICES

1511 Sixth Avenue, Seattle, Washington

