

PRESS RELEASE

For Immediate Release

Source:	LE CHÂTEAU INC.	Genuity Capital Markets
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LE CHÂTEAU INC. ANNOUNCES REVIEW OF STRATEGIC ALTERNATIVES

MONTREAL, QUEBEC, March 14, 2006 – Le Château Inc. (TSX: CTU.SV.A) today announced that it is evaluating various strategic alternatives, including, but not limited to, a sale of the Company, a business combination or a capital reorganization, and has engaged Genuity Capital Markets as financial advisor to assist the Company in evaluating and considering such alternatives and their potential for enhancing shareholder value. The Company anticipates that this process will take several months. However, there can be no assurance that any transaction or other alternative will ultimately be completed.

“Given our strong financial situation and potential for growth, the position of the Company as a leading and highly profitable Canadian specialty retailer and the various opportunities available to us, our Board believes it is appropriate at this time to undertake a full review of our strategic and financial options before finalizing our growth plans for the next several years.” said Le Château’s Chairman of the Board and Chief Executive Officer, Herschel H. Segal. “This step is a natural and logical part of our evolution and growth and we believe that this is the right time to review such opportunities in the best interest of Le Château and all of its shareholders”, added Mr. Segal.

Profile

Le Château is a leading Canadian specialty retailer offering contemporary fashion apparel, accessories and footwear to style conscious women and men.

Le Château’s brand name clothing is largely designed and developed within its vertically integrated operations. The Le Château brand merchandise is sold exclusively through its 185 retail locations. All stores are located in Canada, except for five locations in the New York City area.

Forward-Looking Statements

This news release may contain forward-looking statements relating to the Company and/or the environment in which it operates that are based on the Company’s expectations, estimates and forecasts. These statements are not guarantees and involve risks and uncertainties that are difficult to predict and/or are beyond the Company’s control. A number of factors may cause actual outcomes and results to differ materially from those expressed. These factors include those set forth in other public filings of the Company. Therefore, readers should not place undue reliance on these forward-looking statements. In addition, these forward-looking statements speak only as of the date made and the Company disavows any intention or obligation to update or revise any such statements as a result of any event, circumstance or otherwise.

Factors which may influence the likelihood of completion of a transaction or other alternative include, among other things: the ability of the Company to successfully implement its strategic initiatives and whether such strategic initiatives will yield the expected benefits; competitive conditions in the businesses in which the Company participates; changes in consumer spending; general economic conditions and normal business uncertainty; customer preferences towards product offerings; seasonal weather patterns; fluctuations in foreign currency exchange rates; changes in the Company’s relationship with its suppliers; interest rate fluctuations and other changes in borrowing costs; and changes in laws, rules and regulations.