

PRESS RELEASE

For Immediate Release

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LE CHÂTEAU ANNOUNCES NEW CHAIRMAN

Herschel Segal to remain on Board of Directors

Montreal, February 19, 2007 – Le Château Inc. (TSX: CTU.A) announced today that Herschel H. Segal has stepped down as Executive Chairman of Le Château and that Richard D. Cherney has been named non-executive Chairman of the Board of Directors. Mr. Cherney is co-managing partner of Davies Ward Phillips & Vineberg LLP, Montreal and a current director of Le Château.

Mr. Segal, who remains a Director of Le Château, stated that "this is consistent with my previously announced intentions to reduce my day-to-day involvement; I am extremely pleased with our success and optimistic about the future of the Company under Jane Silverstone Segal's leadership." Mr. Cherney said "I am pleased to serve as Chairman of the Board of this Canadian retail icon, and to provide support to Jane Silverstone Segal and the senior management team as they continue to execute their strategy."

Profile

Le Château is a leading Canadian brand in specialty retailing offering a broad array of contemporary fashion apparel, accessories and footwear for style-conscious women and men. The Le Château brand is synonymous with ageless fashion at accessible prices and is sold exclusively through the Company's 195 retail locations across Canada, except for five locations in the New York City area. The Company's outlets are primarily found in major urban shopping malls and complemented with high pedestrian-traffic, street-front locations.

The Company's 48-year tradition of vertical integration, a design and manufacturing approach to retailing, places it amongst the world's leading fashion merchants.

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 of future performance 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 could cause actual results or events to differ materially from current expectations 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 applicable to the Company.

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