



LIQUOR STORES N.A. LTD.

## Liquor Stores Income Fund Completes Conversion to Corporation

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**Edmonton, Alberta, January 1, 2011 (TSX - LIQ.UN)** Liquor Stores N.A. Ltd. ("**Liquor Stores**") is pleased to announce the completion of the previously announced conversion of Liquor Stores Income Fund (the "**Fund**") into a corporation (the "**Conversion**"). Pursuant to the Conversion, unitholders of each of the Fund and Liquor Stores Limited Partnership (the "**LP**") received one common share of Liquor Stores (a "**Common Share**") for each one trust unit of the Fund and each one exchangeable limited partner unit and Series 1 exchangeable LP unit of the LP that they held on December 31, 2010. Liquor Stores has also assumed the Fund's 6.75% convertible debentures (the "**Convertible Debentures**").

It is anticipated that Liquor Stores' Common Shares and Convertible Debentures will commence trading on the Toronto Stock Exchange (the "**TSX**") under the trading symbols "LIQ" and "LIQ.DB" on or about January 7, 2011. The trust units and Convertible Debentures of the Fund will be delisted from the TSX on the same dates.

The previously-announced final cash distribution of the Fund in the amount of \$0.135 per trust unit that is payable to unitholders of record on December 31, 2010 will be paid on January 14, 2011. Also as previously announced, it is expected that Liquor Stores will adopt a monthly dividend policy with an initial dividend rate of \$0.09 per Common Share, with the first dividend anticipated to be paid on February 15, 2011 to shareholders of record on January 31, 2011.

### **About Liquor Stores N.A. Ltd.**

Liquor Stores a publicly traded Canadian corporation that operates 235 liquor stores in Alberta, British Columbia, Alaska and Kentucky, including 20 Brown Jug locations in Alaska and 8 Liquor Barn locations in Kentucky. For additional information about Liquor Stores, visit [www.sedar.com](http://www.sedar.com) and Liquor Stores' website at [www.liquorstoresna.com](http://www.liquorstoresna.com)

### **Forward-Looking Statements**

Certain statements contained in this document constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of the "safe harbour" provisions of applicable securities legislation. Forward-looking statements are typically identified by words such as "will" and "expect" and similar words suggesting

future events or future performance. In particular, this document contains forward-looking statements pertaining to, without limitation, the payment of the final distribution of the Fund, the anticipated dividend policy of Liquor Stores, and the timing for listing the Common Shares and Convertible Debentures on the TSX. With respect to forward-looking statements contained in this document, Liquor Stores has made certain assumptions regarding, among other things, future sales and revenues, and expenses. Although Liquor Stores believes that the expectations reflected in the forward-looking statements contained in this document, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause Liquor Stores' actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, general economic conditions in Canada and the U.S., and that Liquor Stores' dividend policy may change from time to time and that dividends may be reduced or eliminated entirely. Readers are cautioned that this list of risk factors should not be construed as exhaustive. The forward-looking statements contained in this document speak only as of the date of this document. Except as expressly required by applicable securities laws, Liquor Stores does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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