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Limited Too Selects IBM StoreFlow to Speed Checkout and Improve Customer Shopping Experience

-- Limited Too and new mishmash stores using technology to increase operational efficiency, build customer loyalty and reduce costs

RALEIGH, N.C., June 26, 2001 ... Moms and dads shopping for their 7 to 14-year-old "Tween" girls at Limited Too stores will speed through checkouts equipped with IBM's new StoreFlow 1.5 open architecture store management solution. StoreFlow 1.5 connects all of a retailer's technology systems, from the point-of-sale (POS) to the back-office to corporate headquarters, and will enable Limited Too to provide customers better information on current sales and promotions.

Limited Too will also purchase new IBM POS hardware with 4610 thermal printers to replace outmoded systems, as well as the IBM Intel-based x200 server and IBM InfoPrint Model 12 printers for the back-office. The x200 server will improve store communication and efficiency by keeping all documents and manuals on the server, reducing the flow of paperwork between the stores and the retailer's headquarters. Sales associates can use the POS terminal's touch screen to effortlessly pull up and review needed information from the server. Store managers can easily submit payroll data, manage store inventory, and receive enhanced intracompany information.

"A key component of the Limited Too brand is the attentive customer service provided by our store associates," said Kent Kleeberger, Limited Too's executive vice president, chief financial officer. "IBM StoreFlow, along with our other information technology improvements, will give us the in-store tools to provide our customers a higher level of customer service while giving us a better communication link with our stores."

IBM's Java-based StoreFlow is scheduled to be installed in all Limited Too stores by August, 2002. The company will also install the new IBM system in the 200 – 250 new stores planned for the next four to six years. Its new retail concept, mishmash, which targets 15 to 18-year-old females, will also install the new system.

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Tom Friedman, publisher of Retail Systems Alert and president of MoonWatch Media, Inc. said, "IBM StoreFlow is a powerful tool for retailers to improve customer service at the point-of-sale. This is an important issue for retailers of all sizes and StoreFlow gives them the opportunity to better manage their customer relationships."

For example, IBM StoreFlow's built-in promotion feature will prompt sales associates with suggestions for the customer, possibly at a discount depending on promotion timing, based on the customer's selections during checkout. In addition, sales associates looking at the new graphical user interface (GUI) can tell customers during checkout how close they are to spending \$50 or more and receiving 'Too Bucks' -- a \$20 store gift certificate to be used at specific times. It was very difficult to offer this type of timely information with Limited Too's legacy systems.

"The advanced capabilities of IBM StoreFlow will work with Limited Too's other information technology systems, giving Limited Too a flexible, reliable and versatile solution to improve both customer service and operations," said Tom Peterson, general manager, IBM Retail Store Solutions. "IBM is the leader in point-of-sale and e-business technology, and we see more retailers looking to leverage technology at the point-of-sale as part of an overall e-business infrastructure."

IBM StoreFlow is a dynamic solution which includes a powerful point-of-sale (POS) application, plus server software with store manager and database components. StoreFlow delivers all the functionality retailers need to manage their stores and it offers flexibility -- working on many existing platforms like the SurePOS 700 and 500 Series, as well as new options, such as the SurePOS 600 Series -- allowing retailers to protect existing hardware investments.

IBM Retail Industry

IBM, the world's leading e-business and information technology company, provides the Retail Industry with a full range of e-business solutions, including: hardware and software technology; consulting focused on business transformation, IT strategy and planning, store operations improvement, and supply chain optimization, and with services, such as outsourcing, managed operations, systems integration, and application development and design. For more information on IBM Retail Solutions, please visit www.ibm.com/solutions/retail

Limited Too

Too, Inc., doing business as "Limited Too", is a rapidly growing specialty retailer that sells apparel, swimwear, sleepwear, underwear, lifestyle and personal care products for active, fashion-aware girls between 7 and 14 years of age. The company currently operates 419 stores in 46 states, publishes a catazine and conducts e-commerce on its Web site, <u>http://www.limitedtoo.com</u>. Too, Inc. plans to launch its new retail concept, mishmash, in the fall 2001.