Van Houtte Inc.

Annual Information Form
For the Year ended March 31, 2001

August 6, 2001

Table of contents

ITEM 1 : INCORPORATION OR ORGANIZATION OF VAN HOUTTE AND SUBSIDIARIES

1.1 Incorporation

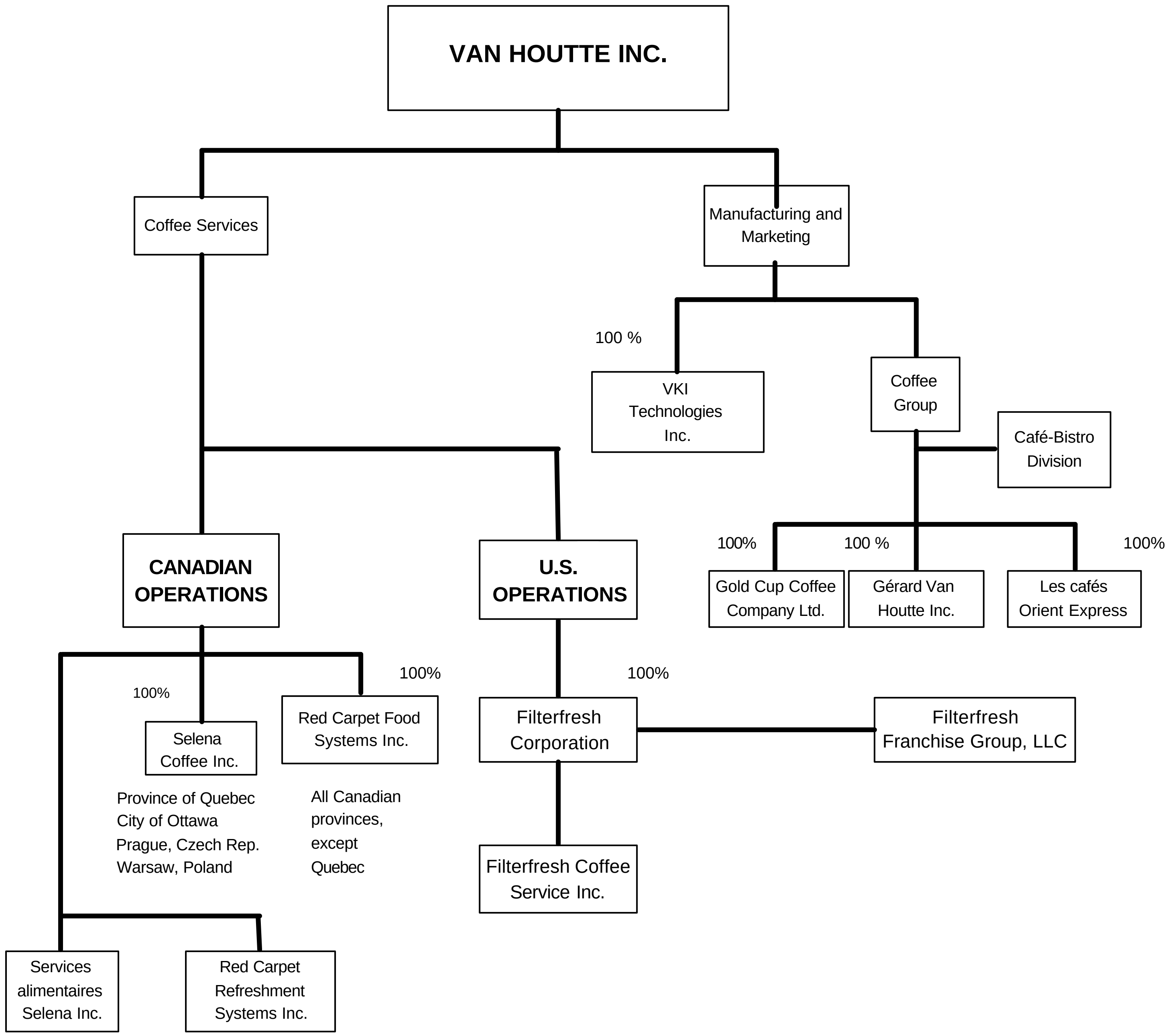
The Company was incorporated on March 25, 1980 under the *Canada Business Corporations Act*. Its head office is located at 8300, 19th Avenue in Montreal, Quebec, H1Z 4J8.

The Company's roots go back to 1919, when Albert-Louis Van Houtte founded an imported coffee and delicatessen business in Montreal, Quebec. Pierre Van Houtte, the founder's son, pursued the importing and retail operations of the family business under the name "Maison A.L. Van Houtte Inc." During the 1970s, he added coffee roasting and packaging operations, as well as wholesale distribution to the food and restaurant sectors. His partnership with two other shareholders, Paul-André Guillotte and Benoît Beauregard, led to the creation of A.L. Van Houtte Ltée in 1980, which purchased the "A.L. Van Houtte" trademark and major assets of Maison A.L. Van Houtte Inc., excluding certain retail outlets.

On June 30, 1981, a certificate of amendment was granted to the Company for the purpose of modifying its capital stock. On June 12, 1987, in the context of the Company's initial public offering, its statutes were again amended, among other things, to modify its capital stock. On September 13, 2001, a certificate of amendment was granted authorizing the Company to change its corporate name from A.L. Van Houtte Ltée to Van Houtte Inc.

In this annual information form, "A.L. Van Houtte", " Van Houtte" and "the Company" designate, as the case may be, A.L. Van Houtte with its subsidiaries and divisions, or A.L. Van Houtte or one of its subsidiaries and divisions.

1.2 Subsidiaries


VAN HOUTTE INC.
Coffee Services
Manufacturing and Marketing
100 %
VKI Technologies Inc.
Coffee Group
Café-Bistro Division
CANADIAN OPERATIONS
U.S. OPERATIONS
100%
100 %
100%
Gold Cup Coffee Company Ltd.
Gérard Van Houtte Inc.
Les cafés Orient Express
100%
100%
100%
Selena Coffee Inc.
Red Carpet Food Systems Inc.
Filterfresh Corporation
Filterfresh Franchise Group, LLC
Province of Quebec
City of Ottawa
Prague, Czech Rep.
Warsaw, Poland
All Canadian provinces, except Quebec
Filterfresh Coffee Service Inc.
Services alimentaires Selena Inc.
Red Carpet Refreshment Systems Inc.

ITEM 2 : GENERAL DEVELOPMENT OF THE BUSINESS

Van Houtte has experienced sustained expansion through internal growth and acquisitions. It has mainly acquired coffee service providers which were then successfully integrated into its own network. In the U.S.A., Van Houtte has acquired a controlling interest in several franchised Filterfresh outlets.

During fiscal 1996-1997, three main acquisitions were completed for a total amount of $5.6 million. In fiscal 1997-1998, Van Houtte achieved six principal transactions worth a total of $43 million. During fiscal 1998-1999, four principal businesses were acquired for a consideration of $13.2 million. In fiscal 1999-2000, Van Houtte proceeded with seven principal acquisitions totalling $24.6 million, as well as one business merger in the United States. During Fiscal 2000-2001, the Company completed nine main acquisitions for a total amount of $49.5 million.

In fiscal 1999, capitalizing on favourable trends in the fine coffee market, Van Houtte adopted a strategic plan to guide its North American expansion in the coming years. Its vision is to captivate North American consumers, one cup at a time, with Van Houtte's fine-tasting coffees and innovative merchandising concepts.

More specifically the plan being implemented is pursuing the following objectives:

- Align the Coffee Group's roasting and merchandising strengths, the Coffee Services network's expertise and VKI's product innovation capabilities to offer consumers a distinctive, "Van Houtte" branded coffee experience;

- Establish a strong brand image across North America within a few years;

- Establish Van Houtte's leadership in the coffee services market on a continental scale using among others such technologies as single-cup brewing;

- Consolidate coverage of the retail food market in Canada and penetrate certain target markets in the United States.

Most of Van Houtte's future growth will come from the United States, especially in the coffee service market which offers strong potential for consolidation and penetration of single-cup technology. For example, in Quebec, where Selena Coffee has marketed single-cup technology since 1979, Van Houtte operates 130 of these units per 100,000 inhabitants. This proportion averages 49 in the rest of Canada, and only 9 in the United States. Van Houtte's strategy in the U.S. market will be to grow the number of single-cup sites through acquisitions and internal development, and to increase coffee consumption per site.

Over the last two fiscal years, Van Houtte has put into place the resources and tools that will ensure the success of its expansion strategy in Coffee Services:

- A new management team centralizing all strategic and support functions relating to North American Coffee Service operations;

- A new operational model for all outlets;

- A global approach aimed at constantly monitoring and enhancing customer and consumer satisfaction; and

- Sophisticated Management Information Systems (under development);.

The following table provides a listing and brief description of the most significant transactions per business segment during the past five years:

Transaction (date)	**Key Characteristics**
COFFEE SERVICES	
Exclusive ownership of **VKI Holdings Inc**. (September 1997)	• Purchase of 49% of the residual equity interest for a consideration of Cdn $21.2 million • Van Houtte becomes sole owner of subsidiaries **VKI** and **Filterfresh** • Objective : accelerate the Company's development in the single-cup segment, particularly in the United States
Filterfresh Franchise in Manhattan (New York) (January 1998)	• Purchase of 80% of shares • At time of purchase, network's largest franchise
Filterfresh Franchise in Cambridge (Boston) (January 1998)	• Share purchase of 100% of shares • At time of purchase, third largest network franchise.
Filterfresh Franchise in Cincinnati (Ohio) (April 1999)	• Purchase of 80% of shares • Sale to owners of minority interest in Detroit and Cleveland corporate branches • Three branches now under single corporate entity to accelerate development in Midwest market
Franchise Filterfresh in North Virginia and Washington DC (November 1999)	• Purchase of 80% of shares
Acquisition of USREFRESH (February 2001)	• 16 office coffee service branches in the U.S.A , 10 in Canada • Coffee Services annual sales will increase by $50 million Cdn. • Systemwide annual sales of the U.S. Coffee Services network pass the US $100 million mark
MANUFACTURING AND MARKETING	
Gold Cup Coffee Company Ltd. (September 1998)	• Second largest gourmet coffee marketing organization in Western Canada (based in Vancouver) • Coffee Group becomes the largest Canadian roaster and marketer of gourmet coffees and the only one operating Canada-wide
Gérard Van Houtte Inc. (May 1999)	• Gourmet coffee roaster based in Ville-St-Laurent, Quebec • Purchase of all the shares, settled partly in cash and the balance by the issue of Van Houtte shares • The Company gains total control over the "Van Houtte" trade

name " and extends its Quebec customer base in the restaurant, coffee services and retail food markets

Plant of Henderson (Kentucky)
(December 2000)

- Gourmet coffee roasting plant with an annual capacity of 10 million pounds.
- The Company can serve more efficiently its growing market in Central and Eastern U.S.

ITEM 3 : NARRATIVE DESCRIPTION OF THE BUSINESS

3.1 Principal Products and Services, Methods of Distribution and Principal Markets

The Company's activities are concentrated in two main business sectors:

- The first consists primarily of North American Coffee Services operations.
- The second, which comprises the Coffee Group, the Café-Bistro Division and VKI, specializes in the roasting and marketing of gourmet coffee, as well as the manufacture of single-cup equipment designed for coffee services.

The following table shows the breakdown of the Company's revenue among its main sectors for the past two years:

	Years ended			
	March 31, 2001		April 1, 2000	
Revenues:	**($000)**	**(%)**	($000)	(%)
Coffee Services	$**191,881**	**69%**	$170,135	68%
Roasting and Marketing of coffee / [1] Manufacture of Equipment	$**87,292**	**31%**	$80,037	32%
TOTAL	**$279,173**	**100%**	$250,352	100%

(1) After inter-segment eliminations

The North American coffee market is characterised by a gradual shift in demand towards gourmet whole bean and ground coffee products at the expense of commodity ground coffee and instant coffee. In fact, there is a growing craving for superior quality coffees, which can notably be seen in the current proliferation of coffee-bars across North America. According to Van Houtte's market surveys, the demand for better-quality and richer-tasting coffee is also increasing in the workplace. Whether at home, at work or in a restaurant, consumers not only demand a varied selection of coffees, but base their choices on credible, well-known brands. Furthermore, while the Canadian industry has been fairly consolidated over the past 15 years, the coffee service market in the US, worth over $3 billion annually, is still highly fragmented and rather unfamiliar with single-cup brewing technology.

Coffee Services

Coffee Services supply coffee and related products by distributors to offices, industrial plants and educational, health and other institutions. Coffee Service operators provide coffee brewing equipment to offices and, in return, the customers are required to purchase their coffee and peripheral items from them. In addition, Coffee Service operators provide their customers with coffee-related products (milk and creamers, stir sticks, sugar) and other products (soft drinks, water, juices, snacks, teas) and service the coffee brewing equipment.

There are two major categories of coffee service equipment: the traditional pour-over equipment and the more advanced single-cup automatic brewer. Single-cup coffee makers brew fresh coffee on a cup-by-cup basis and are usually attached directly to the customer's water supply. The latest technology typically enables the user to choose the coffee blend (regular or decaffeinated or a mixture of coffee and chocolate), strength of coffee (mild, medium and strong) and cup size (one of three). These coffee-makers also provide hot chocolate, hot water for tea, soup or other beverages.

Single-cup brewing technology is the cornerstone of Van Houtte's strategy in the Coffee Services sector. For coffee service customers, single-cup coffee brewers offer an obvious improvement over conventional coffee-makers as they provide superior-quality coffee, available at all times. For Van Houtte, this technology is an important source of differentiation and added value, while also yielding higher profit margins and return on assets, since the equipment is leased to customers.

In the United States, Van Houtte's Filterfresh subsidiary operates a network of 18 corporate outlets and 31 franchises located in 28 states. Van Houtte estimates that it holds approximately 3% of the highly fragmented U.S. coffee service market. Almost all of the Company's American outlets are dedicated to single-cup coffee services exclusively.

Filterfresh franchisees are granted an exclusive territory for a ten-year period and the right to use Filterfresh names and VKI equipment. In addition to an initial franchise fee, the franchisee also pays a royalty of 5% on annual gross sales. Under the franchise agreement, the franchisee must purchase all coffee makers and parts from VKI. Coffee and chocolate must be purchased from Van Houtte or through authorized suppliers, while such other items as accessories and condiments must meet either industry standards or, in some cases, standards set by Filterfresh.

Through its combined Canadian and U.S. networks, Van Houtte operates the largest single-cup equipment based in North America: more than 35,600 corporate coffee brewers as at March 31, 2001 , almost a third of them in the United States (not to mention the 13, 369 coffee brewers operated by franchisees in the United States). Each day, Van Houtte's North American Coffee Services network serves more than two million consumers.

Roasting and Marketing

Coffees are marketed in three main categories: roasted wholebean coffee, ground coffee and instant coffee. Van Houtte specializes in gourmet wholebean and ground coffees. Van Houtte believes that it offers one of the most extensive and refined selections of gourmet coffees in North America. In addition to some 60 varieties of wholebean coffee amongst the regular, flavoured and decaffeinated coffees, Van Houtte markets more than 50 packaged products varying according to blends, packaging and formats.

Van Houtte has outfitted its plant with state-of-the-art equipment. For instance, it installed a profile roasting system that is unique in Canada. Fully automated, this system enables it to accurately program the coffee roasting curve by modifying heat levels applied over 20 checkpoints. Not only can the coffee's degree of acidity or bitterness be accurately controlled, but several taste profiles can also be created from the same green coffee blend. Among other things, this equipment is being used to develop new coffee varieties designed specifically for single-cup brewers.

Packaging the coffee is another crucial step since it determines the freshness of the final product. Van Houtte has invested in modern packaging equipment and introduced a major innovation as it was the first company in Canada to use bags with a "freshness valve", a vacuum packaging technology.

In the last fiscal years, Van Houtte invested more than $10 million to increase its production, packaging and warehousing capacity and to equip its facilities with state-of-the-art equipment. Moreover, its industrial process is fully automated, from the reception of green coffee to the packaging of finished products. These investments will allow the Company to absorb the growth in its business volume for the next few years.

Van Houtte reaches consumers through two main distribution channels:

- retail food stores, including grocery chains, convenience stores, specialty shops, club stores and drugstores.

- the foodservice market, including restaurants, hotels and coffee services. This market includes Van Houtte's network of café-bistros, as well as the Company's Coffee Services network.

In the last five years, Van Houtte has achieved an average annual growth of 15.9% in its shipments, clearly outperforming the Canadian coffee industry as a whole. In fact, the Company has acquired a unique position in the Canadian industry, due largely to its ability to meet the needs of consumers and retailers with refined and differentiated merchandising programs.

Van Houtte opened its first café-bistro in May 1981. As at March 31, 2001, the network comprised 89 café-bistros and coffee bars in Quebec, only one of them owned by the Company. Even if this sector generates a marginal portion of the Company's consolidated revenues, franchising activities are an important part of the Company's development strategy since they help promote brand recognition.

The café-bistros, with surface areas varying between 700 to 2,000 square feet, offer a large selection of speciality coffee in the form of beans and by the cup, as well as light menus. Coffee bars are much smaller, offer a narrower range of products and are designed to be integrated into a high-traffic public space, such as supermarkets, hospitals, campuses. The franchise network is governed by a standard contract, according to which each franchisee has the right to use the Company's trademarks and to operate a café-bistro in a specific location. Under the franchise agreement, the franchisee assumes all operating costs of the business and pays royalties on gross revenue to Van Houtte. Furthermore, the agreement specifies that the franchisee must procure all coffee products from the Company and must obtain other products from the suppliers designated by the Company. In exchange for the entry fees and royalties, the Company provides franchisees with support services.

Through its subsidiary VKI Technologies Inc. (“VKI”) Van Houtte is the leading North American manufacturer of single-cup coffee makers whose size is designed to be used in offices and other business places. VKI was founded in 1947 by Mr. Alan King, the creator of the single-cup brewing technology. VKI manufactures almost exclusively single-cup brewers.

VKI, whose manufacturing operations are carried out at its head office in St. Hubert, Quebec, builds upon its most important strength: a unique product of excellent quality. Through continued research and development, VKI has been able to improve its equipment and add new features. In this respect, over the years, its research and development programs have enabled it to make important improvements in single-cup technology, such as increased brewing capacity, electronic and microprocessor control systems, liquid crystal display, an optional coffee / chocolate feature, enhanced design and paperless filters.

VKI's main clientele consists of Van Houtte's North American Coffee Services organization. Its single-cup coffee brewers are also exported to Great Britain, Japan and Europe to manufacturers of vending machines that incorporate them into their equipment. In the upcoming fiscal years, it intends to further expand its independent customer base.

3.2 Customers Representing More Than 10% of Revenues

None of Van Houtte's clients accounts for more than 5% of its total revenues.

3.3 Geographic Segmentation of Sales

Geographically segmented sales information appears in Note 17 to Van Houtte’s Consolidated Financial Statements for fiscal 2001, page 35 of the Company’s Annual Report and is incorporated by reference.

3.4 Product Development

A discussion of recent product development appears on page 15 of the Company’s 2001 Annual Report and is incorporated by reference.

3.5 Sources and Availability of Raw Materials

The Coffee Group purchases green coffee beans from the main coffee producing countries in South and Central America, as well as some African countries. Due to the Company's positioning in the gourmet coffee market, its buyers select green coffee beans almost exclusively in the arabica group, based on the quality of the harvest, the plantation and weather conditions. The Company deals mainly through Canadian brokers. It buys most of its inventory from three to six months in advance, basing its importing and inventory policies on conditions within the international market and its assessment of future trends in raw material prices. The Company buys its green coffee in US dollars. Finally, Van Houtte uses future contracts to offset the impact of any price fluctuations due to unforeseeable external factors.

3.6 Intangibles: patents, trademarks, licenses and franchises

As at March 31, 2001, intangible assets totalled $128,829,000, including $125,373,000 in goodwill of companies acquired, and the rest in trademarks and deferred charges. The Company, directly or through its subsidiaries, owns or holds the right to use several trademarks in the United States, Canada and various other countries in Europe and Asia. The principal brand names held by the Company are “A.L. Van Houtte”, “Orient Express”, “Café Christophe Van Houtte”, “Gérard Van Houtte”, “Azzura”, “Red Carpet”, “Selena”, “Filterfresh”, “Piccolina” and “Caffè Mio”. Given the strategic importance of these brand names, the Company has set up control and protection mechanisms needed to safeguard their continuity.

The Company owns approximately 20 patents protecting its innovations pertaining to components of single-cup coffee-makers in most industrialised countries. The Company’s policy is to apply for patents when, in the opinion of management, a patent provides effective and economical protection against imitation.

3.7 Seasonal Variations

As for the industry as a whole, Van Houtte's business is subject to a decrease in sales during the summer vacation periods, particularly in the coffee service sector. The summer months correspond to the end of the Company's first quarter and the beginning of its second quarter. However, this factor is somewhat offset by the fact that the first quarter includes 16 weeks instead of 12, which provides for more consistent quarterly results, from an accounting point of view.

3.8 Termination or Renegotiation of Material Contracts

Apart from labour contracts discussed under section 3.13, no contract is expected to be terminated or due for renegotiation during fiscal 2002 which could have a material impact on the Company's business.

3.9 Principal Plants and Properties

The following table sets forth information regarding the Company's principal properties:

Location	Principal Activity	Nature of Interest	Size (sq. ft.)
8300 19th Avenue (1) Montreal, Quebec	Company Head Office and roasting plant	owned	45,000
8470 19th Avenue Montreal, Quebec	Distribution centre and Café-bistro Division	owned	65,000
3200 2nd Avenue (2) St-Hubert, Quebec	Single-cup equipment manufacturing plant VKI Head Office	owned	48,620
2625 Duchesne St. St-Laurent, Quebec	Roasting plant (Gérard Van Houtte Inc.)	owned	33,204
5233 Industrial Park Henderson (Kentucky)	Roasting plant and distribution centre	leased	35 000

1) This building was subject to a mortgage of $1,631,000 as at March 31, 2001.
2) This building was subject to a mortgage of $818,000 as at March 31, 2001.

In addition, Coffee Services and Vending Services operate out of 84 leased premises.

3.10 Competitive Conditions

Coffee Services
Van Houtte is one of the major suppliers of coffee services in North America and the leading player in the marketing of single-cup brewing technology. Since it entered the coffee services market in 1992, the Company has constantly broadened its coverage of the Canadian market through internal growth and business acquisitions, both in the traditional and single-cup coffee service segments. Through Red Carpet and Selena Coffee's 46 outlets, Van Houtte ranks first in the Canadian coffee services market with a 45% market share. The rest of the market is served by one other national operator whose market share is approximately 20% and the remaining 35% is held by regional and local operators.

Roasting and Marketing
Van Houtte is the leading roaster of gourmet coffee in Canada. By offering solutions tailored to each of its customers, Van Houtte's Coffee Group succeeds in efficiently serving all channels of the retail food sector: grocery stores, superstores, convenience stores, drugstores, restaurants, etc. In this sense, the Coffee Group is an integral part of the marketing strategy of its customers, for whom it formulates concepts that give them an exclusive edge with their clients. Due to the quality and variety of its assortment of gourmet coffees, the size and aesthetic appeal of its displays and their optimal use of selling space, the Coffee Group has literally redefined the “coffee category” for supermarket shoppers. Its concepts, which are like boutiques within grocery stores, usually generate significant increases in its customer's coffee sales. This performance has enabled the Coffee Group to expand its

share of the Canadian market every year, with the result that it currently supplies coffee to over 3,000 supermarkets across Canada, half of which are outside Quebec, in addition to thousands of retail outlets of various types.

In the last fiscal years, Van Houtte achieved strong growth in roasting and marketing revenues derived from outside Quebec. Among other things, thanks to the solid relationships it has forged with major national chains in the retail food industry, it was able to take advantage of the industry consolidation by implementing its "Van Houtte" and "Orient Express" concepts in hundreds of new sales outlets in Ontario, mostly in the Toronto and Ottawa areas. It also became a major player in the Atlantic Provinces. In September 1998, the Coffee Group accelerated its expansion from coast to coast by acquiring Gold Cup Coffee Company Ltd., a coffee distributor serving an extensive customer base in the retail food and foodservice sectors mainly across British Columbia and Alberta, but also in Manitoba, Saskatchewan and Ontario. With this acquisition, Van Houtte's Coffee Group became a truly national organization and moved into the No. 1 position in the Canadian industry.

Finally, the Coffee Group undertook an initial promising experience in the United States, by launching "Van Houtte" coffees in some 400 Publix grocery stores across Florida and Georgia. This first phase has proven positive so far and allows the Company to contemplate the implementation of more complete concepts, adapted to the specific features of this market.

3.11 Research and Development

During Fiscal 2001 the Company allocated approximately $2.2 million to its R&D programmes. These programmes are related to the design and improvement of single-cup brewers and, more generally, of brewing technologies; roasting processes, the development or improvement of mixes and recipes.

3.12 Environmental Protection Requirements

Management knows of no environmental protection requirement that could have a material impact on the capital expenditures, earnings or competitive position of the Company.

3.13 Number of Employees

As at April 1, 2000, Van Houtte and its subsidiaries were staffed by a total of 1,718 employees of which 1,609 are permanent.

A total of 170 employees working in the coffee roasting and marketing and equipment manufacturing sector are unionized. Among them, 64 employees at the Coffee Group's roasting plant are members of the Travailleurs et travailleuses Unis de l'Alimentation et du commerce du Canada, local 501. Their last collective agreement was signed on June 1, 1998 for a period of five years. A group of 101 employees at VKI Technologies's plant are members of the same union, whose last collective agreement was signed on January 1, 1999 for a period of three years.

In the Coffee Services sector, a total of 45 employees are unionized and belong to the following unions: the United Food and Commercial Workers Union, local 832, the Travailleurs et travailleuses Unis de l'Alimentation et du commerce du Canada, local 563, and the International Brotherhood of Teamsters, local 804. Three collective agreements were respectively signed on June 26, 1999 for a period of five years, June 1, 2000 for a period of three years, and October 26, 2000 for a period of four years.

Van Houtte has never experienced a work stoppage and is on good terms with its employees. It favours an open management style based on communication, training and support for human resources.

3.14 Foreign Operations

A growing portion of Van Houtte's operations is carried out in the U.S.A. Both revenues and expenses are made in U.S. currency and generate no material foreign exchange risk. All of the Company's purchases of green coffee are paid in U.S. dollars. Various forward exchange contracts are used to hedge against foreign exchange fluctuations.

ITEM 4: SELECTED CONSOLIDATED FINANCIAL INFORMATION

4.1 Data for the last five fiscal years

(in thousands of dollars, except per-share amounts)

	Fiscal years ended				
	March 31 2001	April 1 2000	April 3 1999	March 28 1998	March 29 1997
Operating revenues	**$279,173**	$250,352	$234,614	$207,067	$170,717
EBITDA [1]	**63,290**	55,860	49,002	40,410	35,627
Net earnings	**21,789**	18,971	17,030	13,952	10,331
. per share, basic	**1.01**	0.88	0.79	0.71	0.58
. per share, fully diluted	**1.00**	0.88	0.79	0.68	0.54
Cash flow	**47,679**	42,437	37,449	30,512	25,056
. per share, basic	**2.21**	1.96	1.73	1.58	1.52
. per share, fully diluted	**2.17**	1.91	1.68	1.48	1.32
Total assets	**334,266**	269,288	233,495	206,480	147,936
Shareholders' equity	**210,684**	193,711	180,210	165,948	100,309
Long-term debt	**80,153**	40,501	23,217	10,206	15,829
Dividends per share	**0.18**	0.16	0.14	0.10	0.085

(1) Earnings before depreciation, amortization, financial expenses, income taxes, as well as equity in earnings of companies subject to significant influence and non-controlling interest

On September 22, 1997, the Company proceeded with a two-for-one stock split of all outstanding subordinate voting shares and multiple voting shares. Presented above, per-share amounts for fiscal years 1996 and 1997 have been adjusted to reflect this stock split. As Van Houtte's sales are subject to fluctuations in coffee prices, real business growth is best measured by increases in the volume of roasted coffee shipped by the Company and in the number of corporate-owned single-cup equipment. Finally, fiscal year ended April 1, 2000 consisted of 52 weeks, as opposed to 53 weeks the previous year.

4.2 Quarterly results

Summary quarterly results for fiscal 2000 and 2001 appear on page 21 of the Company's 2001 Annual Report and are incorporated by reference.

4.3 Dividend policy

Van Houtte intends to maintain the dividend policy as established by the Board of Directors. This policy consists in determining at mid-year the appropriateness of paying a dividend and, if so, the amount of such dividend, based on the Company's financial position and investment plans. A dividend of $0.18 per share was paid for fiscal 2001, corresponding to approximately 20% of the previous year's earnings per share.

ITEM 5: MARKET FOR THE NEGOTIATION OF SECURITIES

The Subordinate Voting Shares of Van Houtte Inc. are traded on the Toronto Stock Exchange under the VH symbol.

ITEM 6: SENIOR EXECUTIVES

The following organizational chart gives the names and principal occupations of the officers of Van Houtte Inc.:

PRESIDENT'S COMMITTEE

Paul-André Guillotte
President and Chief Executive Officer
Gérard Geoffrion
Executive Vice-President
Christian Pouliot
President, Coffee Services
Jean-Yves Monette
President, Coffee Group

Normand De Césaré
Corporate Controller

Coffee Services

Christian Pouliot
President, Coffee Services
Ronald W. McArthur
Executive Vice-President, Acquisitions

Canada

Jacques Brunelle
Vice-President
Canadian
Operations

Michel Jacques
Vice-President,
Operations
Eastern Region

Catharine Horne
Vice-President,
Operations
Central Region

Robert Mann
Vice-President,
Operations
Western Region

Bruce Andrew
Vice-President,
Operations
Vending Division

United States

Daniel Cousineau
President
Filterfresh Corporation

Roger Cohen
Vice-President
Franchise Division
Filterfresh Corporation

Manufacturing and Marketing

Coffee Group

Jean-Yves Monette
President, Coffee Group

Alain Larocque
Vice-President, Sales

Jamie Livingston
Managing Director
Gold Cup Coffee Company

Stéphane Breault
President
Café-bistro Division

VKI Technologies Inc.

Mario Tougas
President

Angelo Mottillo
Vice-President, Engineering

Ricardo Tozzi
Vice-President, Operations

Over the past five years, the above-mentioned directors and officers have held similar positions with the companies indicated next to their names, their subsidiaries, their predecessors or affiliated companies, with the exception of Stephane Breault, who before January 1998, was President of Conseil Breault Marketing Inc.; Rob Mann who, before 1996, was Manager at Deloitte & Touche; Mario Tougas who, before 1998, was Vice-President, Operations at Venmar Ventilation, Daniel Cousineau who, before November 1999, was Vice-President, Europe and Middle East Division, at Domino's Pizza, Jacques Brunelle, who before 2001 was Vice-President Sales at Canada Post Corporation; Catharine Horne who before July 2001 was General Manager, Commercial Sales – Ontario and Atlantic Provinces for Canada Post Corporation; and Bruce Andrew, who before April 2001 was National Director of Sales at Red Carpet Food Systems.

Information pertaining to Directors appears in the Management Proxy Circular prepared for the Annual General Meeting of Shareholders of the Company on September 6, 2001 and is incorporated by reference.

ITEM 7: ADDITIONAL INFORMATION

Other information, including information on the remuneration of senior executives, indebtedness of senior executives, principal holders of Van Houtte securities, as well as the interest of insiders in material transactions, is presented in the Management Proxy Circular prepared for the Annual General Meeting of Shareholders of the Company on September 6, 2001 and are incorporated be reference. Additional financial information pertaining to the fiscal year ended March 31, 2001 is presented in the comparative financial statements and notes thereto at the end of Fiscal 2001 and included in the Company's 2001 Annual Report, pages 25-35. These documents are available to the public under the conditions provided for in section 87 of the Quebec *Securities Act*, at the Head Office of the Company:

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H1Z 4J8
Telephone: (514) 593-7711
Fax: (514) 593-8755
Internet: http://www.vanhoutte.com

ITEM 8: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Situation and Results of Operations, as well as the Consolidated Financial Statements and notes thereto presented in the Company's 2001, 2000, 1999, 1998 and 1997 annual reports are integrated by reference in this Annual Information Form.