

Lulu Canadian Holding Inc.

Stock Split – July 1, 2011

U.S. Internal Revenue Code Section 6045B Reporting

Effective January 1, 2011, issuers of corporate securities must begin reporting corporate actions, including but not limited to mergers, stock splits, stock dividends and recapitalizations, that affect the tax basis of securities. The following information is intended to meet the requirements of public disclosure pursuant to Treasury Regulation Section 1.604B-1(a)(3) and (b)(4) for Lulu Canadian Holding Inc. On July 1, 2011, Lulu Canadian Holding Inc. completed a two-for-one forward stock split of the company's exchangeable shares (which are exchangeable on a one-for one basis, for no consideration, into shares of common stock of lululemon athletica inc.).

Reporting Issuer: Lulu Canadian Holding Inc.
EIN: 98-0601808

Security Identifiers: Exchangeable Shares of Lulu Canadian Holdings, Inc.

Contacts at Issuer: Non-registered ("street name") stockholders should contact their brokerage firm directly for inquiries pertaining to their account.

Registered stockholders should contact the Transfer Agent for Lulu Canadian Holding Inc. or Investor Relations for inquiries pertaining to their account.

Registrar and Transfer Agent in Canada

Computershare

530 – 8th Avenue Southwest

Calgary, Alberta T2P 3S8

Toll-Free: 1-800-564-6253

Internet: <https://www.us.computershare.com/investor>

Co-Registrar and Co-Transfer Agent in the United States

Computershare

350 Indiana Street, Suite 750

Golden, Colorado 80401

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Investor Relations Inquiries

lululemon athletica investor relations

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Action: The sole shareholder of the outstanding common shares of Lulu Canadian Holding Inc. approved a two-for-one forward stock split of the outstanding exchangeable shares on July 1, 2011, effective July 1, 2011.

Effect of the Action: The company understands that, for U.S. federal income tax purposes, the share split will not constitute a taxable event to the stockholder pursuant to Internal Revenue Code Section 305(a), which states that distributions of a corporation's own stock made with respect to its stock are not taxable to a stockholder. The adjusted tax basis in the original shares owned by the stockholder as of the record date will be allocated proportionately among the stock split shares and those original shares held at the time of the split, pursuant to Internal Revenue Code Section 307(a). The holding period for determining capital gain or loss with respect to the stock split shares will include the period during which the original shares were held.

If a stockholder sells any shares, this stock split must be considered in figuring the tax basis in the shares to determine your gain or loss for federal income tax purposes. For example, if prior to this stock split, a stockholder owned 50 shares with a basis of \$100 per share, one-half of the basis in each of those shares would be allocated to the corresponding new shares, resulting in a basis of \$50 per share for each of the 100 shares owned after the stock split. The stockholder's investment in the company will remain the same until the stock price moves up or down.

Tax Advisor: The above information does not constitute tax advice. It does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. Stockholders are urged to consult their own legal, financial and/or tax advisor with respect to their individual tax consequences relating to this stock split.