



News Release

For Immediate Release

Liqu道ation World Advises Preliminary Q2 Financial Results

BRANTFORD, Ontario, May 13, 2011 - Liqu道ation World Inc. (the "Company") (TSX:LQW) announced it intends to release on or before May 18, 2011 its unaudited consolidated financial results for its second three month fiscal quarter ending [April 3rd](#), 2011 and cumulatively for the six months then ended.

Management's preliminary results for these periods, which have not yet been approved by the board of directors, indicates that the net loss incurred in the three months ended April 3rd, 2011 was at least \$12.9 million with the cumulative fiscal year to date loss being at least \$18.9 million on estimated revenues of \$30.0 million for the most recent three months and estimated \$73.4 million for the most recent six month period.

The Company is in default of certain financial covenants with its bankers and other secured lenders. The Company continues to communicate on a regular basis with its bankers and other stakeholders to keep them apprised of the Company's efforts to return to positive operational cash flow.

From a cash flow perspective, the Company's Q2 net loss was significantly reduced through changes in working capital items, principally through the reduction in inventory. The lower inventory led to a reduction in bank indebtedness under the terms of the ABL facility.

About Liqu道ation World

Liqu道ation World currently operates 92 stores in Canada. Liqu道ation World is based in Brantford, Ontario. The Company opened its first store in Calgary, Alberta in 1986 and today, with more than 1,200 employees, is Canada's largest operator of closeout retail stores.

Forward-Looking Statements

This release includes forward-looking statements and potential future circumstances and developments. Forward-looking statements regarding future performance are subject to risks and uncertainties, and actual results may differ materially. Due to fluctuations in gross margins and expenses, an increase in revenue does not directly correlate to an increase in net earnings.

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