



Tim Hortons[®]

Since 1964

For additional information and images visit www.timhortons.com



Niagara Falls, Ontario



Fernie, British Columbia



Kingston, Ontario

Company Facts

Mission Statement:

Our guiding mission is to deliver superior quality products and services for our customers and communities through leadership, innovation and partnerships.

Our Vision:

Our vision is to be the quality leader in everything we do.

History:

The TDL Group Corp. is the licensing company for Tim Hortons franchises presently operating in Canada and the United States. The Tim Hortons chain of restaurants began in 1964. Ron Joyce was originally the franchisee of Store #1, located in Hamilton, Ontario, Canada. By 1967, he and Tim Horton became full partners in the company and after Tim's tragic death in a car accident in February of 1974, Ron Joyce became the sole owner.

Distribution:

Five warehouse distribution centres, located in Guelph, Ontario; Calgary, Alberta; Debert (Truro), Nova Scotia; Kingston, Ontario; and Aldergrove (Langley), British Columbia presently service the Tim Hortons stores across Canada and the U.S.

A fleet of decorated trucks deliver food and supplies from our distribution centres to the stores.

Tim Hortons Inc. Total Revenues (2010)

\$2.53 billion (CDN)

Franchise Restaurant Sales (2010)

Canada (in thousands of Canadian dollars) - \$5,181,831

U.S. (in thousands of U.S. dollars) - \$439,227

Corporate Structure:

The TDL Group Corp. employs over 1,400 people across seven regional offices. The franchised store locations retain a staff of over 83,000 people.

The chain receives support services through the following corporate departments:

- | | | |
|-----------------------|--------------------------|--------------------------|
| » Development / | » Human Resources | » Finance |
| Real Estate | » Operations | » Marketing & Corporate |
| » Construction/Design | » Research & Development | Communications |
| » Legal | » Purchasing | » Information Technology |
| » Franchising | » Distribution | |

Franchisee Advisory Board:

A Franchisee Advisory Board made up of 16 Store Owners from across the chain and corporate management, meets on a quarterly basis to provide input on the main issues facing the industry and chain. Company policy, major marketing programs and expenditures are the main focus of the Board. Franchisees present reports from their regions on any issues of interest or concern to their business.





1964



1967



1974



1975



1991



2004



2001



2000



1995



1995



2006



2006



2008



2009



2011

Timeline:

- » **1964** – 1st Tim Hortons store opens in Hamilton, Ontario, Canada
- » **1967** – Ron Joyce and Tim Horton become full partners
- » **1974** – In February, Tim Horton dies in tragic car crash
- » **1975** – 1st Tim Horton Children's Foundation camp opens in Parry Sound, Ontario, Canada
- » **1984** – 1st U.S. store opens in Tonawanda, New York
- » **1991** – 500th Canadian store opens in Aylmer, Quebec
- » **1995** – Tim Hortons is purchased by Wendy's International Inc.
- » **1995** – 1000th Canadian store opens in Ancaster, Ontario
- » **1997** – 1500th store in the chain opens in Pickerington, Ohio
- » **1998** – 100th U.S. store opens in Columbus, Ohio
- » **2000** – 2000th store in the chain opens in Toronto, Ontario
- » **2001** – 1st U.S. Tim Horton Children's Foundation camp, Camp Kentachten, opens in Campbellsville, Kentucky
- » **2004** – Tim Hortons celebrates its 40th anniversary
- » **2006** – Tim Hortons completes an initial public offering in March and is fully spun off as a separate company as of September 29, 2006. Tim Hortons trades on the NYSE and TSX under the symbol THI.
- » **2006** (December) – 3000th store in the chain opens in Orchard Park, New York
- » **2008** – 500th U.S. store opens in Detroit, Michigan
- » **2009** – Tim Hortons and Kahala Corp – parent company of Cold Stone Creamery – announces a co-branding test initiative of up to 100 combined stores in the U.S.
- » **2009** – Tim Hortons Inc. announced on September 28, that it has completed the reorganization of its corporate structure to become a Canadian public company.
- » **2011** – Tim Hortons signs a Master License Agreement (MLA) with Apparel Group based in Dubai for up to 120 multi-format restaurants in markets in the Gulf Cooperation Council.





Main Menu Highlights

(Most Tim Hortons locations offer a full menu of standard product varieties, plus many optional varieties that differ by store)

Tim Hortons Own Blend Of Premium Coffee

Regular & Swiss Water Decaffeinated Coffee; Flavored Cappuccinos; Café Mocha; Iced Cappuccino; Iced Coffee

All available in-store (served in a special Tim Hortons china mug) OR take-out (standard take-out cup, or your own personal/reusable Tim Mug, available for purchase and use at all locations)

Donuts

Total of 63 varieties

Top sellers: Apple Fritter (yeast donut with apple pieces and cinnamon); Boston Cream (yeast donut, filled with cream and topped with chocolate icing); Chocolate Dip (yeast donut topped with chocolate icing); Sour Cream (cake donut)

Timbits

Bite sized donuts available in over 35 varieties (each store carries a minimum of eight)

Muffins

More than 15 varieties

Danishes

Cherry Cheese, Blueberry Cheese, Apple Cheese, Maple Pecan, Chocolate

Cookies

10 varieties

Bagels

12 varieties

Croissants

Four varieties

Tea Biscuits

Four varieties

Yogurt & Berries

Two varieties

Hot Breakfast Sandwich

Egg, sausage or bacon, processed cheese on a toasted homestyle biscuit or bagel

Sandwiches

"Tim's Own": Made-to-order on your choice of fresh bread (regular or large-sized white or whole wheat country bun or bagel)

Soups

Served with a fresh baked mini-baguette

Chili

Served with a fresh baked country bun





Paul D. House – Executive Chairman, Interim CEO & President



Paul D. House accepted the position of Executive Chairman in March 2008, allowing him to focus on corporate strategy, franchisee relations and Board leadership. Mr. House also sits on the Board of Directors for the Tim Horton Children's Foundation.

Mr. House joined Tim Hortons in 1985 as Vice-President of Marketing. At that time, there were just over 200 Tim Hortons locations. Two years later, he became Senior Vice-President of Operations and in 1990, he was appointed to Executive Vice-President of Operations. In January of 1993, Mr. House was named Chief Operating Officer of TDL, and then President and Chief Operating Officer in 1995.

In 2006, Mr. House became Chief Executive Officer and President and in February 2007 was appointed Chairman of the Board. Under his leadership, The TDL Group Corp. and the Tim Hortons chain have achieved outstanding growth and success. Tim Hortons has emerged as an industry leader by expanding its menu choices, transforming restaurant designs and introducing Always Fresh baking. Throughout this evolution, the chain has retained its community roots and commitment to friendly service, fresh product and great value.

Mr. House graduated with a B.A. in Economics from McMaster University in 1969. Shortly thereafter, he managed a franchise for Shell Oil Company in Hamilton. Sparked by his passion for business and his roots in the food business, he joined Dairy Queen Canada Inc. as a District Manager in 1972. Although his original goal was to be a franchisee, Mr. House climbed the corporate ladder at Dairy Queen and became Director of Purchasing and Vice-President of Canadian Operations.

Mr. House was born on a farm in Stoney Creek, Ontario in 1944. He began his work in the food and service business at an early age, marketing the family farm's fruits and vegetables at the Hamilton Farmer's Market. Throughout his formative years, he and his brother Bob maintained this connection by working and managing peach farms along the Niagara Peninsula.

Mr. House resides in the Hamilton area, enjoys regular hunting and fishing expeditions and time at his cottage on Lake Erie with his two children and grandchildren.





1st Store - Hamilton, Ontario, 1964

The History of Tim Hortons

The Tim Hortons chain was founded in 1964 in Hamilton, Ontario, Canada. The chain's focus on top quality, always fresh product, value, great service and community leadership has allowed it to grow into the largest quick service restaurant chain in Canada specializing in always fresh coffee, baked goods and homestyle lunches.

The first Tim Hortons stores offered only two products – coffee and donuts. The selection of donuts was highlighted by two original Tim Hortons creations, the Apple Fritter and the Dutchie. They became the most popular donut choices in the 60's, and remain two of the most popular today.

But as consumer tastes grew, so did the choices at Tim Hortons. The first change in the chain's product focus took place in 1976 with the introduction of the phenomenally successful Timbits (bite-sized donut holes), today available in over 35 varieties. The chain's growth into the 1980's brought about a whole series of new product introductions: muffins (1981), cookies (1981), croissants (1983), and soups & chili (1985). Sandwiches, which were originally introduced in 1993, were re-introduced with a new and improved line-up of six varieties, called

"Tim's Own", in 1998. Also, in the 1990's, bagels (1996), flavored cappuccino (1997), Café Mocha (1999) and Iced Cappuccino (1999) were introduced. In 2003, the Turkey Bacon Club sandwich and Maple Pecan Danish were successful menu additions. In 2004 Tim Hortons introduced, Yogurt & Berries, Cinnamon Rolls and the Hot Smoothie to the menu. Many new great products were added to the menu from 2006 to 2009 such as the Chicken Salad Wrap, the hot Breakfast Sandwich (egg, sausage or bacon, processed cheese on a toasted homestyle biscuit), and Iced Coffee.

The chain's biggest drawing card remains its legendary Tim Hortons coffee. This premium blend is also available in cans, as are Tim Hortons hot chocolate and English Toffee and French Vanilla cappuccinos, so customers can also enjoy these great tasting products at home.

In addition to our regular stand-alone stores, Tim Hortons locations can also be found in shopping malls, highway outlets, universities and hospitals, providing prominent visibility for the chain. Most standard Tim Hortons locations offer 24-hour drive-thru service, catering to consumers on the go.

Tim Hortons opened its first U. S. store in 1984 in Tonawanda, New York. Since then, the company has expanded into 10 other states -- Connecticut, Indiana, Kentucky, Maine, Massachusetts, Michigan, Ohio, Pennsylvania, Rhode Island and West Virginia. In 1995, Tim Hortons merged with Wendy's International, Inc., giving new focus and impetus to the expansion of the Tim Hortons concept in the United States.

Tim Hortons completed an initial public offering of the company in March 2006 and was fully spun off as a separate company as of September 29, 2006. Tim Hortons trades on the NYSE and TSX (THI).

In March 2009, Tim Hortons and Kahala Corp – parent company of Cold Stone Creamery – announced a co-branding test initiative of up to 100 combined stores in the U.S.

As of July 3rd, 2011, Tim Hortons had 3,811 system-wide restaurants, including 3,189 in Canada and 622 in the United States.





Tim Horton (1930 - 1974)

Tim Horton was born in Cochrane, Ontario, Canada on January 12, 1930. He was signed by the Toronto Maple Leafs in 1949 and performed as one of the steadiest defensemen on the blueline throughout his 22 years in the National Hockey League. He played in 1,446 regular season games, scoring 115 goals and 403 assists for a total of 518 points.

He played 17 full seasons and 3 partial seasons for the Toronto Maple Leafs. He served a short stint with the New York Rangers before being traded to the Pittsburgh Penguins. His final years in hockey were with the Buffalo Sabres, where he played a major role in developing the team's younger players.

Tim Horton played on four Stanley Cup teams, was an All-Star player six times, and was honoured in 1969 with the J.P. Bickell Memorial Cup in recognition of his outstanding service to the Toronto Maple Leafs Hockey Club. George Armstrong says of Tim, "No finer person, teammate or hockey player ever lived." In Bobby Hull's words, "Few players brought more dedication or honour to the game. He was my idea of a pro."

One of the most heartfelt tributes came from Punch Imlach, then of the Buffalo Sabres. Tim played for Imlach in Toronto during the glory years of the 1960's, and when Buffalo had a chance to pick him up, Imlach didn't hesitate. "I know he was the backbone of our team in Buffalo", said Imlach. "(His death) was a terrible loss, not only to his family and the team, but to the game of hockey."

Gordie Howe has called Tim Horton hockey's strongest man. In a fight, Horton was known to edge into the melee and "grab a couple" of players to help keep the peace. But despite his legendary strength, he was not a proponent of violence on the ice. Some claim Tim invented the slap shot, and he could always be counted on to get the puck out of his own end of the ice with his "heads up" skating style.

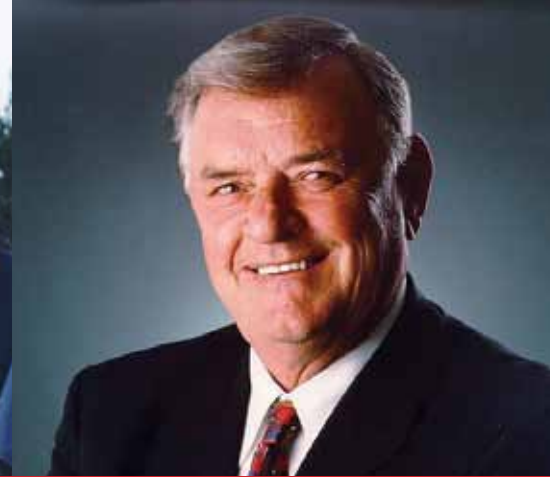
Outside the rink, Tim was just as sharp. He realized that his hockey career would not last forever and sought to find a clever way to add to his hockey salary. After many summers of hustling to make an off-season living, Tim decided to try his luck in the coffee and donut

business. The first Tim Hortons franchise opened in 1964 in Hamilton, Ontario, Canada. In 1967, with three stores in operation, Tim became full partners with former police officer and franchisee of Tim Hortons Store #1, Ron Joyce. Since then, Tim's signature has become a prominent fixture in the Canadian landscape with growing visibility in the United States.

Sadly, Tim did not live to witness the chain's great success. He was traveling back to Buffalo from a game at Maple Leaf Gardens when he was killed in an automobile accident on February 21, 1974. The Buffalo Sabres retired his Number 2 and the Toronto Maple Leafs his Number 7 sweaters as a tribute to his memory. At the time of Tim's death, there were 40 Tim Hortons stores.

Tim Horton always considered his good fortune in the proper perspective. He was modestly confident about his abilities, was approachable, generous and considerate. His memory will always be held dear by family, friends, players and business associates alike.





Ron Joyce – Co-Founder, Tim Hortons/Chairman Emeritus, Tim Horton Children's Foundation

Ron Joyce was born in 1930 in Tatamagouche, Nova Scotia, Canada. In 1951, he enlisted in the Royal Canadian Navy where he specialized in Communications. His tour of duty took him around the world, serving off the coast of Korea and Japan in 1954-55.

In 1956, Mr. Joyce moved to Hamilton, Ontario and took up a full-time career with the Hamilton Police force. In 1965, his entrepreneurial spirit had come to the fore and he took over the fledgling Tim Horton Donut Shop on Ottawa Street in Hamilton. By 1967, after he had opened up two more stores, he and Tim Horton became full partners in the business. Upon Tim Horton's death in an automobile accident in February of 1974, Mr. Joyce purchased Tim's shares from Tim's wife and took over as sole owner of the chain, which then consisted of 40 stores.

Shortly after Tim Horton's death, Mr. Joyce was instrumental in setting up the Tim Horton Children's Foundation, created in line with Tim Horton's love of children and desire to help those less fortunate. The Foundation, a non-profit, charitable organization,

operates camps for economically disadvantaged children from communities in which Tim Hortons stores operate. In 1989, Mr. Joyce was honored for his success in the foodservice industry by being made a Fellow of the Hospitality Institute. He was selected as the recipient of the Ontario Hospitality Institute Gold Award as Chain Restaurant Operator of 1992.

Mr. Joyce's dedication and commitment to the Tim Horton Children's Foundation earned him the Gary Wright Humanitarian Award in 1991, presented in recognition of the outstanding contributions to the betterment of community life throughout Canada. In recognition primarily for his work with the Foundation, he received an appointment to the Order of Canada on October 21, 1992.

In May 1993, Mr. Joyce proudly accepted an Honorary Doctorate of Commerce from St. Mary's University in Halifax, Nova Scotia. In 1994, he received the McGill University Management Achievement Award. He also holds honorary degrees from Mount Allison University and McMaster University. In November 1996, Mr. Joyce became

only the second person to ever receive the Canadian Franchise Association's Lifetime Achievement Award. In April 1999, he was inducted into the Canadian Business Hall of Fame, alongside other well-known Canadian business moguls and in October of the same year, he was named Entrepreneur of the Year® for Ontario and Canada.

In June 2005, Mr. Joyce generously donated \$10 million towards the construction of a new sports stadium at McMaster University in Hamilton, Ontario. In November 2005, he was honored as the 2005 Humanitarian Award Recipient by the Canadian Red Cross, Nova Scotia Region for his work with the Tim Horton Children's Foundation and for his continued support of education and health organizations across the world. Today, he serves as Chairman Emeritus of the Tim Horton Children's Foundation and sits on the Board of Directors of Sobey's and Shaw Communications.

The father of six sons and one daughter, Mr. Joyce resides in Calgary, Alberta, and enjoys flying, golfing, sailing and fishing.





The Tim Horton Children's Foundation



Each year thousands of children from across Canada and parts of the United States, take part in a camping adventure they will never forget. As guests of the Tim Horton Children's Foundation, deserving children from the various communities in which Tim Hortons restaurants operate, participate in a 10-day summer session at one of the Children's Foundation's six camps. In addition to the simple fun and excitement of such an experience, this opportunity helps children build leadership skills, self-confidence and self-esteem – qualities that will benefit them in the future.

The Children's Foundation is a non-profit, charitable organization committed to providing a fun-filled camp environment for children from economically disadvantaged homes. It was founded by Ron Joyce, Co-Founder of Tim Hortons, in honour of his friend and National Hockey League star, Tim Horton, who died in a car accident in 1974. Funding for the Children's Foundation camps comes primarily from donations from individual Tim Hortons Store Owners, Tim Hortons parent company, The TDL Group Corp., valued suppliers and from public donations collected through counter coin

boxes located year-round at every Tim Hortons outlet. In addition, the Foundation's largest single annual fundraiser is Camp Day. Camp Day is a one-day event when Tim Hortons Store Owners donate their entire (100%) coffee proceeds and funds raised throughout the 24-hour period, to the Children's Foundation.

Local Tim Hortons Store Owners work closely with schools, social service agencies, churches and other youth organizations, to select appropriate children aged nine to 12 who would otherwise not have the opportunity to take part in a camp experience. Campers are given the added thrill of being sent to a camp outside their immediate province, state or region, with the Children's Foundation covering all costs for each child, including transportation, food and lodging. Highly trained staff, excellent facilities and activity programs provide all the fun that goes with a first class children's camp.

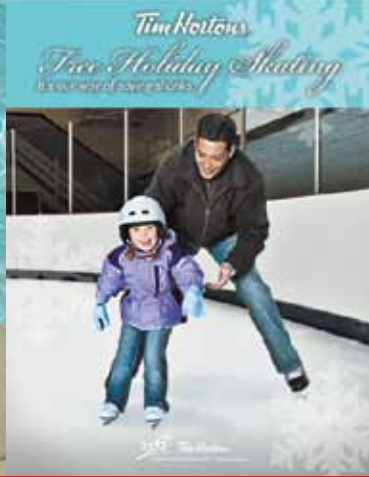
Through the Tim Horton Children's Foundation Youth Leadership Program a camper's experience does not end with their initial trip to camp. Launched in 1997, this unique wilderness adventure and leadership

development program invites selected previous summer camp participants between the ages of 13 and 17 to return to camp. After completing up to five years in this program, participants may also be eligible for bursaries towards their college or university education.

The Foundation presently operates camps in: Parry Sound, Ontario, Canada; Tatamagouche, Nova Scotia, Canada; Kananaskis Country, Alberta, Canada; Quyon, Quebec, Canada; St. George, Ontario, Canada and the first U.S. camp in Campbellsville, Kentucky, which opened in June 2001. Since 1974, more than 120,000 children and youth have attended the Foundation's six camps – at no cost to them or their families.

The Tim Horton Children's Foundation is committed to providing an enriched and memorable camp experience for children, giving them confidence in their abilities, pride in their accomplishments and a more positive view of the world and their place in it.





Tim Hortons in the Community

Serving the community means more than just coffee. Tim Hortons is proud to support local community initiatives that make a difference.

Free Swimming

Every summer and March Break, Tim Hortons sponsors free swimming at community pools. This is a great opportunity for families to enjoy some quality time together during the holidays.

Timbits Minor Sports

The Timbits Minor Sports Program is a community-oriented sponsorship program for children four to eight years old who participate in local house league sports teams. The program's philosophy is not based on winning or losing - but on learning a new sport, making new friends, and just taking time out to be a kid. Tim Hortons currently sponsors over 200,000 children who play on hockey, soccer, lacrosse, t-ball, baseball and ringette teams across Canada and in the United States.

Community Clean Ups

Tim Hortons is proud to sponsor and support several community clean-up events across Canada. As part of many spring environmental activities and events leading up to and beyond Earth Day, Tim Hortons assists local clean-up programs by providing t-shirts, gloves, bags, product and promotion.



Earn-a-Bike Program

The Tim Hortons Earn-a-Bike program is a community-oriented sponsorship program where children between 10 and 14 years old team up with community partners to help clean up their local streets, parks and schools. Each participant completes 30 hours of community service and is rewarded with their very own Tim Hortons Minelli-Leader mountain bike and Bell helmet, courtesy of their local Tim Hortons store owner.

Smile Cookie Program

The Smile Cookie program is a community-oriented sponsorship program that raises funds for local charities across Canada and the United States. These special smiling chocolate chip cookies are available for a limited time only. This unique program originated in Hamilton, Ontario in 1996 as a way to help raise funds for the McMaster Children's Hospital. Since then, it has expanded across Canada helping a variety of children's charities, hospitals and community programs.

Free Skating

Every holiday season in December and January, as well as in March, Tim Hortons sponsors free public skating at over 350 arenas across Canada. This is a great opportunity for families to enjoy some quality time together during the holidays.

