



### **What We're About**

We're all about offering Total Lifetime Care<sup>SM</sup> to our customers, who we call "pet parents." We do this by offering the best products, services, solutions and expertise to help them with care at all the stages of their pet's life.

**Date of Incorporation:** 1986. However, the first two PetSmart<sup>®</sup> stores opened in Phoenix, Ariz. in 1987. The first Canadian store opened in 1996.

### **Our Stock**

The company's common stock has been publicly traded since July 1993, and is listed on the NASDAQ Stock Exchange under the symbol PETM. For more information, visit our Investor Relations Web site at [www.petm.com](http://www.petm.com).

**Annual Revenues:** \$3.8 billion in fiscal 2005, \$3.4 billion in fiscal 2004, \$3 billion in 2003 and \$2.7 billion in 2002.

### **Our Stores**

- Stores: More than 885 retail outlets in the U.S. and Canada.
- Average store size: 20,000 sq. ft.
- Each store employs, on average, 30-40 full and part time associates.
- Stores are divided into categories to make our customers' shopping experience more convenient. These categories include dog, cat, pet care (small pets, birds, reptiles and fish) and the services offered within that store.
- 90 new stores (net) planned in 2006, with total build-out currently anticipated at 1,400 stores.
- PetSmart welcomes leashed pets to shop with their pet parents. In an average week, more than 90,000 pets visit a PetSmart store in the United States and Canada. The majority is dogs, however, we occasionally see cats, birds, lizards and even horses come into the store.

### **Our Distribution Facilities**

- PetSmart currently operates nine distribution facilities in North America.

### **Our Products**

- Each store carries 12,900 products for dogs, cats, small pets, reptiles, domestic and wild birds, fish, as well as pond equipment and accessories. Select U.S. stores offer equine products under the State Line Tack division.
- PetSmart brands: Companion Road<sup>®</sup>, Top Paw<sup>®</sup>, Top Fin<sup>®</sup>, Top Wing<sup>®</sup>, Toy Shoppe<sup>®</sup>, Authority<sup>®</sup>, Award<sup>®</sup> and Ggreat Choice<sup>®</sup>.

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## **Our Pets**

- To help address pet overpopulation, PetSmart has never sold dogs and cats. Instead, we partner with more than 3,300 local animal welfare partners to find homes for shelter pets through in-store adoption centers. Since the program's inception in 1992, we've helped save the lives of more than 2.7 million once-homeless pets.
- PetSmart sells these companion pets: rats, guinea pigs, gerbils, hamsters, mice, fish, birds and reptiles.

## **Our Services**

### **• Training**

All PetSmart stores offer pet training classes to strengthen the bond between pets and their parents.

- Classes offered: Puppy Education, Beginner Education, Intermediate Education, Advanced Education, Click-A-Trick and private sessions.
- All of our pet trainers are accredited professionals who, in addition to previous training experience, must successfully complete a rigorous accreditation process that includes: canine behavior, learning theory, problem solving, handling skills and much more. Our comprehensive instructor program was developed in partnership with expert pet trainers and animal behaviorists.
- Pet parents can learn from the only trainers in the industry accredited in positive reinforcement techniques.
- In 2005, we trained more than 324,000 dogs.

### **• Grooming**

Full-service pet grooming salons are located in all PetSmart stores. Pet parents are invited to watch the grooming process through large windows surrounding the shop.

- Services include full styling, bathing, brushing, styling, nail clipping, ear and tooth cleaning – to name a few.
- Pet groomers complete extensive training at PetSmart's grooming academy, and receive the education and resources to work at the highest standard levels in the business.
- Our PetStylists groomed more than 6 million pets in 2005.

### **• PetSmart PetsHotel®**

PetSmart PetsHotel is an interactive and overnight care service for cats and dogs. PetsHotel focuses on providing superior care and personalized attention for all pet guests so pet parents have peace of mind that their pets are safe and happy.

- The first PetsHotel located inside a PetSmart store opened in November 2001 in Tempe, Arizona.
- Average PetsHotel size: 7,000 sq. ft.
- The hotels are located inside of about 55 PetSmart stores located in Arizona, California, Colorado, Georgia, Illinois, Kansas, Kentucky, Maryland, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas, Virginia and Washington.
- PetSmart anticipates building a total of 300 PetsHotels companywide under the current store plan of 1,400 stores.

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- Each PetsHotel offers Doggie Day Camp<sup>SM</sup>, a service where dogs can spend the day socializing and exercising with other dogs under the watchful supervision of PetSmart associates. In addition, we are opening Doggie Day Camp play areas in stores where there isn't a PetsHotel.
- **Banfield, The Pet Hospital<sup>®</sup>**  
Banfield, The Pet Hospital, one of the country's largest veterinary care providers, operates hospitals and wellness clinics inside about 60 percent of our stores. Banfield focuses on preventive care to extend the life of pets, spaying and neutering services to address pet overpopulation and "human" quality medical services for pets.
- PetSmart holds a 37 percent equity interest in Medical Management International, the operator of Banfield, The Pet Hospital.

### **Our Businesses**

- **State Line Tack<sup>®</sup>**: Acquired in 1995. More than 20,000 total equine products are available in select U.S. stores, online at [statelinetack.com](http://statelinetack.com), and in the State Line Tack catalog. State Line Tack carries more than 3,500 brand name products including discount tack, riding apparel and equine supplies.
- **PetSmart Direct** includes:
  - **petsmart.com**: In 1999 PetSmart launched its online division, [petsmart.com](http://petsmart.com). The Web site is a leading online provider of pet products and information.

### **PetSmart Charities<sup>®</sup>**

To improve the quality of life for all companion animals, PetSmart Charities, Inc., ([www.petsmartcharities.org](http://www.petsmartcharities.org)) creates and supports programs that save the lives of homeless pets, raise awareness of companion animal welfare issues, and promote healthy relationships between people and pets.

- Since 1994, PetSmart Charities, an independent 501(c)(3) organization, has donated more than \$42 million to animal welfare programs and, through its in-store adoption programs, has saved the lives of more than 2.7 million pets.

### **Our Associates**

PetSmart currently employs more than 32,000 associates in the U.S. and Canada, in our headquarters, stores, call center and distribution centers.

### **Associate Education**

All store associates are required to go through a top-notch education program and Basic Creature Comforts training to help pet parents provide proper care should they purchase a pet. Many of our associates are pet parents themselves. This passion for pets, combined with the extensive training provided at PetSmart, enables each associate to become a knowledgeable and accurate resource on pet care for our pet parents.