

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2010</b><br><br><b>This Form is Open to Public Inspection</b> |
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|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u> |                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input type="checkbox"/>                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                         | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                         |                                                                     |                                                             |                                                             |  |
| <b>1a</b> Name of plan<br><u>THE YANKEE CANDLE CO., INC. 401(K) PLAN</u>                                                                                                                                                               | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>01/01/1993</u></td> </tr> </table>                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>001</u>                                                  | <b>1c</b> Effective date of plan<br><u>01/01/1993</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                               | <u>001</u>                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                             |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>01/01/1993</u>                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan)<br>(Address should include room or suite no.)<br><u>THE YANKEE CANDLE CO., INC.</u><br><br><u>P.O. BOX 110</u><br><u>SOUTH DEERFIELD, MA 01373</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>04-2591416</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/><u>413-665-8306</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>339900</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>04-2591416</u> | <b>2c</b> Sponsor's telephone number<br><u>413-665-8306</u> | <b>2d</b> Business code (see instructions)<br><u>339900</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>04-2591416</u>                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2c</b> Sponsor's telephone number<br><u>413-665-8306</u>                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>339900</u>                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/17/2011 | JOSEPH KILMARTIN JR.                                         |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/17/2011 | JOSEPH KILMARTIN JR.                                         |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)  
v.092307.1

|                                                                                                                                                                         |                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>THE YANKEE CANDLE CO., INC.<br><br>P.O. BOX 110<br>SOUTH DEERFIELD, MA 01373 | <b>3b</b> Administrator's EIN<br>04-2591416<br><br><b>3c</b> Administrator's telephone number<br>413-665-8306 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|

  

|                                                                                                                                                                                                                       |                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|

  

|                                                                         |          |      |
|-------------------------------------------------------------------------|----------|------|
| <b>5</b> Total number of participants at the beginning of the plan year | <b>5</b> | 4260 |
|-------------------------------------------------------------------------|----------|------|

  

|                                                                                                                                                        |           |      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------|
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |           |      |
| <b>a</b> Active participants.....                                                                                                                      | <b>6a</b> | 4384 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                     | <b>6b</b> | 0    |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                      | <b>6c</b> | 0    |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                               | <b>6d</b> | 4384 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                              | <b>6e</b> | 0    |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                | <b>6f</b> | 4384 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....         | <b>6g</b> | 4217 |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....             | <b>6h</b> | 182  |

  

|                                                                                                                                      |          |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) ..... | <b>7</b> |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|

  

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:  
 2E 2F 2G 2J 2K 2T 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

  

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

|                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2010</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |

|                                                                                              |                                                             |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010   |                                                             |
| <b>A</b> Name of plan<br>THE YANKEE CANDLE CO., INC. 401(K) PLAN                             | <b>B</b> Three-digit plan number (PN) ▶ 001                 |
|                                                                                              |                                                             |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>THE YANKEE CANDLE CO., INC. | <b>D</b> Employer Identification Number (EIN)<br>04-2591416 |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| AMERICAN                                                                                                          |
| 95-1411037                                                                                                        |

|                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation |
| PRINCIPAL                                                                                                        |
| 42-1520346                                                                                                       |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| FIDELITY INVESTMENTS                                                                                              |
| 06-1194217                                                                                                        |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| RIDGEWORTH                                                                                                        |
| 58-1604573                                                                                                        |

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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T ROWE PRICE

52-2264646

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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WELLS FARGO ADVANTAGE

41-0449260

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

---

THORNBURG

85-0301299

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

---

PIMCO FUNDS

95-2632339

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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OAKMARK

04-3276558

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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---

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

WELLS FARGO BANK, N.A.

94-1347393

| <b>(b)</b><br>Service Code(s)    | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|----------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 15 21 37 49<br>50 52 60 63<br>64 | SERVICE PROVIDER                                                                                         | 46423                                                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                 |

**(a)** Enter name and EIN or address (see instructions)

AFS  
1325 SATELLITE BOULEVARD  
BUILDING 1300, SUITE 1301  
SUWANEE, GA 30024

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 27 50                         | INVESTMENT ADVISOR                                                                                       | 15000                                                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

BROWN RUDNICK  
ONE FINANCIAL CENTER  
BOSTON, MA 02111

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 29 50                         | LEGAL FEE                                                                                                | 26360                                                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

THE YANKEE CANDLE CO. INC.

04-2591416

| <b>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 38 50                            | EMPLOYER                                                                                                             | 5726                                                                                   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                     | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                                          |                                                                                                                                                                                                          | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                        |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|                                  |                                                                                                                      |                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                                          |                                                                                                                                                                                                          | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                        |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>estimated amount? |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|                                  |                                                                                                                      |                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                                          |                                                                                                                                                                                                          | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                        |

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|---------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------|
|                                                                                 |                                      |                                                                                            |
| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|                                                                                 |                                      |                                                                                            |
| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|                                                                                 |                                      |                                                                                            |
| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|                                                                                 |                                      |                                                                                            |
| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|                                                                                 |                                      |                                                                                            |
| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> Describe the information that the service provider failed or refused to provide |
|                                                                                 |                                      |                                                                                            |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>► <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2010</b><br><br><b>This Form is Open to Public Inspection.</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

|                                                                                                     |                                                             |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>A</b> Name of plan<br>THE YANKEE CANDLE CO., INC. 401(K) PLAN                                    | <b>B</b> Three-digit plan number (PN) ► 001                 |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br>THE YANKEE CANDLE CO., INC. | <b>D</b> Employer Identification Number (EIN)<br>04-2591416 |

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                              |                                        |                                                                                                             |
|----------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <a href="#">DIVERSIFIED STABLE VALUE FUND</a> |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a): <a href="#">WACHOVIA BANK</a>              |                                        |                                                                                                             |
| <b>c</b> EIN-PN <a href="#">56-6592596-001</a>                                               | <b>d</b> Entity code <a href="#">C</a> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0       |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <a href="#">ENHANCED STOCK MARKET FUND</a>    |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a): <a href="#">WELLS FARGO BANK, N.A.</a>     |                                        |                                                                                                             |
| <b>c</b> EIN-PN <a href="#">56-6288528-001</a>                                               | <b>d</b> Entity code <a href="#">C</a> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 127927  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <a href="#">STABLE RETURN FUND G</a>          |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a): <a href="#">WELLS FARGO BANK, N.A.</a>     |                                        |                                                                                                             |
| <b>c</b> EIN-PN <a href="#">41-6202499-001</a>                                               | <b>d</b> Entity code <a href="#">C</a> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5225061 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                               |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a):                                            |                                        |                                                                                                             |
| <b>c</b> EIN-PN                                                                              | <b>d</b> Entity code                   | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)         |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                               |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a):                                            |                                        |                                                                                                             |
| <b>c</b> EIN-PN                                                                              | <b>d</b> Entity code                   | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)         |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                               |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a):                                            |                                        |                                                                                                             |
| <b>c</b> EIN-PN                                                                              | <b>d</b> Entity code                   | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)         |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                               |                                        |                                                                                                             |
| <b>b</b> Name of sponsor of entity listed in (a):                                            |                                        |                                                                                                             |
| <b>c</b> EIN-PN                                                                              | <b>d</b> Entity code                   | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)         |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2010</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2010 or fiscal plan year beginning <b>01/01/2010</b> and ending <b>12/31/2010</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><b>THE YANKEE CANDLE CO., INC. 401(K) PLAN</b>                                                                                                                                                                                                  | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>001</b>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>THE YANKEE CANDLE CO., INC.</b>                                                                                                                                                                      | <b>D</b> Employer Identification Number (EIN)<br><br><b>04-2591416</b>                                                                                                                                                                                                       |                                                                                           |

| Part I   | Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | (a) Beginning of Year | (b) End of Year |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> | Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                 |                       |                 |
|          | <b>Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                       |                 |
| <b>a</b> | Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       |                       |                 |
| <b>b</b> | Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
|          | <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1b(1)</b>    |                       |                 |
|          | <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1b(2)</b>    |                       |                 |
|          | <b>(3)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1b(3)</b>    |                       |                 |
| <b>c</b> | General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
|          | <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(1)</b>    |                       |                 |
|          | <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(2)</b>    |                       |                 |
|          | <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |                       |                 |
|          | <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(3)(A)</b> |                       |                 |
|          | <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(3)(B)</b> |                       |                 |
|          | <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                       |                 |
|          | <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(4)(A)</b> |                       |                 |
|          | <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(4)(B)</b> |                       |                 |
|          | <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(5)</b>    |                       |                 |
|          | <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(6)</b>    |                       |                 |
|          | <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1c(7)</b>    |                       |                 |
|          | <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(8)</b>    | 1965777               | 2112792         |
|          | <b>(9)</b> Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(9)</b>    | 4943665               | 5352988         |
|          | <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>1c(10)</b>   |                       |                 |
|          | <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(11)</b>   |                       |                 |
|          | <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(12)</b>   |                       |                 |
|          | <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(13)</b>   | 39288053              | 47770930        |
|          | <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(14)</b>   |                       |                 |
|          | <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(15)</b>   |                       |                 |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 46197495              | 55236710        |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 46197495 | 55236710 |
|-----------------------------------------------------------|-----------|----------|----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income****a Contributions:**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 1328879    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 4521469    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 692609     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 6542957   |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |                 |        |        |
|------------------------------------------------------------------------------------------------------|-----------------|--------|--------|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> |        |        |
| <b>(B)</b> U.S. Government securities .....                                                          | <b>2b(1)(B)</b> |        |        |
| <b>(C)</b> Corporate debt instruments .....                                                          | <b>2b(1)(C)</b> |        |        |
| <b>(D)</b> Loans (other than to participants) .....                                                  | <b>2b(1)(D)</b> |        |        |
| <b>(E)</b> Participant loans .....                                                                   | <b>2b(1)(E)</b> | 90140  |        |
| <b>(F)</b> Other .....                                                                               | <b>2b(1)(F)</b> | 102357 |        |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> |        | 192497 |

|                                                                                           |                 |        |        |
|-------------------------------------------------------------------------------------------|-----------------|--------|--------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | <b>2b(2)(A)</b> |        |        |
| <b>(B)</b> Common stock .....                                                             | <b>2b(2)(B)</b> |        |        |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | <b>2b(2)(C)</b> | 499636 |        |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | <b>2b(2)(D)</b> |        | 499636 |

|                 |              |  |  |
|-----------------|--------------|--|--|
| (3) Rents ..... | <b>2b(3)</b> |  |  |
|-----------------|--------------|--|--|

|                                                                                           |                 |  |   |
|-------------------------------------------------------------------------------------------|-----------------|--|---|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | <b>2b(4)(A)</b> |  |   |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | <b>2b(4)(B)</b> |  |   |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | <b>2b(4)(C)</b> |  | 0 |

|                                                                                                   |                 | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | <b>2b(5)(A)</b> |            |           |
| (B) Other .....                                                                                   | <b>2b(5)(B)</b> |            |           |
| (C) Total unrealized appreciation of assets.<br>Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....    | <b>2b(5)(C)</b> |            | 0         |
| (6) Net investment gain (loss) from common/collective trusts .....                                | <b>2b(6)</b>    |            | 155425    |
| (7) Net investment gain (loss) from pooled separate accounts .....                                | <b>2b(7)</b>    |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                        | <b>2b(8)</b>    |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                              | <b>2b(9)</b>    |            |           |
| (10) Net investment gain (loss) from registered investment<br>companies (e.g., mutual funds)..... | <b>2b(10)</b>   |            | 5262224   |
| <b>c</b> Other income.....                                                                        | <b>2c</b>       |            | 76545     |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | <b>2d</b>       |            | 12729284  |

**Expenses**

|                                                                                            |              |         |         |
|--------------------------------------------------------------------------------------------|--------------|---------|---------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |              |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | <b>2e(1)</b> | 3435624 |         |
| (2) To insurance carriers for the provision of benefits .....                              | <b>2e(2)</b> |         |         |
| (3) Other .....                                                                            | <b>2e(3)</b> |         |         |
| (4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....                | <b>2e(4)</b> |         | 3435624 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | <b>2f</b>    |         | 10791   |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | <b>2g</b>    |         |         |
| <b>h</b> Interest expense.....                                                             | <b>2h</b>    |         |         |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | <b>2i(1)</b> |         |         |
| (2) Contract administrator fees .....                                                      | <b>2i(2)</b> |         |         |
| (3) Investment advisory and management fees .....                                          | <b>2i(3)</b> |         |         |
| (4) Other .....                                                                            | <b>2i(4)</b> | 243654  |         |
| (5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....         | <b>2i(5)</b> |         | 243654  |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | <b>2j</b>    |         | 3690069 |

**Net Income and Reconciliation**

|                                                                               |              |  |         |
|-------------------------------------------------------------------------------|--------------|--|---------|
| <b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> ..... | <b>2k</b>    |  | 9039215 |
| <b>l</b> Transfers of assets:                                                 |              |  |         |
| (1) To this plan.....                                                         | <b>2l(1)</b> |  |         |
| (2) From this plan .....                                                      | <b>2l(2)</b> |  |         |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DELOITTE & TOUCHE LLP

(2) EIN: 13-3891517

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

|                                                                                                                                                                                                                                                                                                                 | Yes | No | Amount   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....                 |     | X  |          |
| <b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)..... |     | X  |          |
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                                                                                                            |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                                                                                                                  |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | X   |    | 10000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |     | X  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                                      |     | X  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                            |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   | X   |    |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....                                                                                    |     | X  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     |     | X  |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                                                                                                        |     |    |          |

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
If yes, enter the amount of any plan assets that reverted to the employer this year ..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

**5b(1)** Name of plan(s)

| 5b(2) EIN(s) | 5b(3) PN(s) |
|--------------|-------------|
|              |             |
|              |             |
|              |             |
|              |             |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>2010</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

|                                                                                                     |                                                                    |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>THE YANKEE CANDLE CO., INC. 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>THE YANKEE CANDLE CO., INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>04-2591416</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): <u>56-1354495</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                         |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                             |                              |                             |                              |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. <b>Date:</b> Month _____ Day _____ Year _____                 |                              |                             |                              |
| <b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b>                                                                                                                          |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year .....                                                                                                                                                                             | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                              | <b>6b</b>                    |                             |                              |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....                                                                                                         | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                    |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                                |                                   |                                   |                               |                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2010  
v.092308.1

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month  Day  Year

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ..... ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# The Yankee Candle Company, Inc. 401(k)Plan

Financial Statements as of December 31, 2010 and  
2009, and for the Year Ended December 31, 2010,  
Supplemental Schedule as of December 31, 2010,  
and Independent Auditors' Report

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

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| NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable. |             |

## INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of  
The Yankee Candle Company, Inc. 401(k) Plan  
South Deerfield, Massachusetts

We were engaged to audit the financial statements of The Yankee Candle Company, Inc. 401(k) Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010 and the supplemental schedule as of December 31, 2010, listed in the table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6 which was certified by Wells Fargo Bank, N.A. (formally "Wachovia Bank, N.A."), the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee that the information as of December 31, 2010 and 2009 and for the year ended December 31, 2010 provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Deloitte + Touche LLP*

October 7, 2011

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2010 AND 2009

---

|                                                                        | 2010                        | 2009                        |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|
| ASSETS:                                                                |                             |                             |
| Participant-directed investments — at fair value                       | <u>\$ 53,123,918</u>        | <u>\$ 44,231,718</u>        |
| Receivables:                                                           |                             |                             |
| Notes receivable from participants                                     | 2,112,792                   | 1,965,777                   |
| Participant contributions receivable                                   | -                           | 104,599                     |
| Employer contributions receivable and other receivable                 | <u>690,110</u>              | <u>722,131</u>              |
| Total receivables                                                      | <u>2,802,902</u>            | <u>2,792,507</u>            |
| LIABILITIES — Excess contributions payable                             | <u>76,905</u>               | <u>10,791</u>               |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE                        | 55,849,915                  | 47,013,434                  |
| ADJUSTMENTS FROM FAIR VALUE TO CONTRACT VALUE<br>FOR STABLE VALUE FUND | <u>(114,722)</u>            | <u>103,154</u>              |
| NET ASSETS AVAILABLE FOR BENEFITS                                      | <u><u>\$ 55,735,193</u></u> | <u><u>\$ 47,116,588</u></u> |

See notes to financial statements.

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2010

---

#### ADDITIONS:

##### Contributions:

|                           |                |
|---------------------------|----------------|
| Participant contributions | \$ 4,350,756   |
| Employer contributions    | 1,296,858      |
| Rollover contributions    | <u>692,609</u> |

|                     |                  |
|---------------------|------------------|
| Total contributions | <u>6,340,223</u> |
|---------------------|------------------|

##### Investment activity:

|                                               |                |
|-----------------------------------------------|----------------|
| Net appreciation in fair value of investments | 5,187,659      |
| Interest and dividends                        | <u>690,652</u> |

|                         |                  |
|-------------------------|------------------|
| Net investment activity | <u>5,878,311</u> |
|-------------------------|------------------|

|                                                       |               |
|-------------------------------------------------------|---------------|
| Interest income on notes receivable from participants | <u>90,140</u> |
|-------------------------------------------------------|---------------|

|                 |                   |
|-----------------|-------------------|
| Total additions | <u>12,308,674</u> |
|-----------------|-------------------|

#### DEDUCTIONS:

|                               |                  |
|-------------------------------|------------------|
| Benefits paid to participants | (3,446,840)      |
| Administrative expenses       | <u>(243,229)</u> |

|                  |                    |
|------------------|--------------------|
| Total deductions | <u>(3,690,069)</u> |
|------------------|--------------------|

|                        |           |
|------------------------|-----------|
| INCREASE IN NET ASSETS | 8,618,605 |
|------------------------|-----------|

#### NET ASSETS AVAILABLE FOR BENEFITS:

|                   |                   |
|-------------------|-------------------|
| Beginning of year | <u>47,116,588</u> |
|-------------------|-------------------|

|             |                      |
|-------------|----------------------|
| End of year | <u>\$ 55,735,193</u> |
|-------------|----------------------|

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2010 AND 2009, AND FOR THE YEAR ENDED DECEMBER 31, 2010

---

### 1. DESCRIPTION OF THE PLAN

The following description of The Yankee Candle Company, Inc. 401(k) Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan Document for more complete information.

**General** — The Plan is a defined contribution plan covering employees of The Yankee Candle Company, Inc., Yankee Candle Restaurant Corp. and Yankee Candle Brand Management, Inc. (collectively referred to as the “Company”) over the age of twenty-one who meet the eligibility requirements. Participants who are regularly scheduled to work 32 hours a week are eligible to make deferral contributions the first of the month following 30 days after hire with the Company. They are eligible to participate in Company discretionary matching contributions after meeting the match requirements of 1,000 hours of service in their first year of employment (anniversary year) or subsequent plan (calendar) year. Those employees over the age of twenty-one who are not regularly scheduled to work 32 hours a week are eligible to make deferral contributions and participate in the Company discretionary matching contributions the first of the month following 30 days of eligibility. Eligibility is defined as reaching 1,000 hours either in the employee’s first year of employment (anniversary year) or in any subsequent plan (calendar) year. Those participants meeting the eligibility requirements but not actively contributing to the Plan are eligible to make deferral contributions as soon as administratively feasible after making a deferral election. Once newly eligible, the employee will be automatically enrolled at a 2% deferral, unless they “opt out” prior to the first of the month following 30 days from their eligibility date. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

**Contributions** — Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, subject to certain Internal Revenue Code (“IRC”) limitations. The Company may make discretionary matching contributions in an amount to be determined annually by the Company’s Board of Directors (the “Board”). Effective pay periods beginning on or after April 5, 2009, the Board authorized a discretionary weekly match of 25% of the first 4% of salary and an annual discretionary match. For 2010, the Board approved an annual discretionary matching contribution of an additional 25% of the first 4% of salary for pay checks dated in 2010, for a total 2010 discretionary matching contribution of 50% of the first 4% of salary. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

**Participant Accounts** — Individual accounts are maintained for each Plan participant. Each participant’s account is credited with the participant’s contribution, and allocations of Company discretionary contributions and Plan earnings, and charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

**Investments** — Participants direct the investment of their contributions and Company discretionary contributions into various investment options offered by the Plan. The Plan currently offers several mutual funds, and two common collective trusts as investment options for participants.

***Vesting*** — Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service (20% per year of credited service). Aggregated service was utilized through December 31, 2006. For plan years starting January 1, 2007, a participant must have 1,000 hours of service in a plan year to receive vesting for that year. In error, vesting was not changed from the aggregated service method to the hours based vesting method until January 1, 2011. In order to not harm participants, the method that results in the higher vesting of the two methods was utilized through December 31, 2010. Effective January 1, 2011, vesting is earned by the hours based method (See Note 9).

***Participant Loans*** — Participants may borrow from their fund accounts up to a maximum of \$50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at the prime interest rate at the time funds are borrowed. Principal and interest is paid ratably through payroll deductions.

***Payment of Benefits*** — On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

***Forfeited Accounts*** — At December 31, 2010 and 2009, forfeited, nonvested accounts totaled \$34,630 and \$79,017, respectively, which will be used to reduce future Company contributions or to cover future administrative expenses. During the year ended December 31, 2010, administrative expenses of \$59,718 were paid from the Forfeiture Account.

***Excess Contributions Payable*** — The Plan is required to return contributions received during the Plan year in excess of the IRC limits.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting*** — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

***Use of Estimates*** — The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

***Risks and Uncertainties*** — The Plan utilizes various investment instruments, including mutual funds, and common collective trusts. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

***Investment Valuation and Income Recognition*** — The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Shares of mutual funds are valued at quoted market prices, which represent the net asset value ("NAV") of shares held by the Plan at year end. The stable value fund is stated at fair value and then adjusted to contract value as described below. Fair value of the stable fund is the net asset value of its underlying investments, and contract value is principal plus accrued interest.

Common collective investment trust funds are stated at fair value as determined by the issuer of the common collective investment trust funds based on the fair market value of the underlying investments of the fund. The Wachovia Diversified Stable Value A Fund may invest in benefit-responsive investment contracts, including fixed insurance investment contracts, money market funds, corporate and government bonds, mortgage-backed securities, bond funds and other fixed income securities.

In accordance with GAAP, the stable value fund is included at fair value in participant-directed investments in the statements of net assets available for benefits, and an additional line item is presented representing the adjustment from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds and common collective trusts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

***Notes Receivable from Participants*** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

***Administrative Expenses*** — Administrative expenses of the Plan are paid by the Plan or the Company as provided in the Plan Document.

***Payment of Benefits*** — Benefit payments to participants are recorded upon distribution. All withdrawals initiated prior to December 31, 2010 were distributed to participants as of December 31, 2010. All withdrawals initiated prior to December 31, 2009 were distributed to participants as of December 31, 2009.

### ***New Accounting Standards***

**ASU No. 2010-06, Fair Value Measurements and Disclosures** — In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC Topic 820, “Fair Value Measurements and Disclosures,” adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. ASU No. 2010-06 is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The Plan prospectively adopted the new guidance in 2010, except for the Level 3 reconciliation disclosures, which are required in 2011. The adoption in 2010 did not materially affect, and the future adoption is not expected to materially affect, the Plan’s financial statements.

**ASU No. 2010-25, Reporting Loans to Participants by Defined Contribution Pension Plans** — In September 2010, the FASB issued ASU No. 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. The ASU requires that participant loans be classified as notes receivable rather than a plan investment and measured at unpaid principal balance plus accrued but unpaid interest rather than fair value. The Plan retrospectively adopted the new accounting in 2010. The adoption did not have a material effect on the Plan’s financial statements.

**ASU No. 2011-04** — In May 2011, the FASB issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends ASC 820. ASU 2011-04 also requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The new guidance is effective for reporting periods beginning after December 15, 2011. The adoption will not have a material effect on the statement of net assets available for benefits and statement of changes in net assets available for benefits. Plan management has not determined the impact on the disclosures in the financial statements.

### 3. INVESTMENTS

The Plan's investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2010 and 2009, are as follows:

|                                        | 2010         | 2009         |
|----------------------------------------|--------------|--------------|
| Fidelity Contra Fund                   | \$ 7,896,215 | \$ 6,490,547 |
| T Rowe Price Dividend Growth Fund      | 6,909,127    |              |
| Wells Fargo Stable Return Fund G       | 5,225,061    |              |
| Oakmark Equity and Income Fund II      | 5,177,336    | 4,594,354    |
| Principal Midcap Blended Fund          | 4,827,504    |              |
| PIMCO Total Return Fund                | 4,030,726    | 3,410,925    |
| Wells Fargo Dow Jones Target 2040 Fund | 3,750,403    | 2,531,217    |
| Wells Fargo Dow Jones Target 2020 Fund | 3,172,328    | 2,401,743    |
| Thornburg International Value Fund     | 3,170,124    | 2,651,396    |
| Wells Fargo Dow Jones Target 2030 Fund | 2,825,158    |              |
| Davis New York Venture Fund            |              | 5,998,889    |
| Wachovia Diversified Stable Value Fund |              | 4,883,223    |
| Victory Special Value Fund             |              | 3,804,348    |

During the year ended December 31, 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

|                                         |                     |
|-----------------------------------------|---------------------|
| Fidelity Contrafund                     | \$ 1,120,441        |
| Victory Special Value Fund              | 699,240             |
| Davis New York Venture Fund             | 485,483             |
| Wells Fargo Dow Jones Target 2040 Fund  | 475,148             |
| Oakmark Equity & Income Fund II         | 395,890             |
| Thornburg International Value Fund      | 359,915             |
| Wells Fargo Dow Jones Target 2030 Fund  | 314,168             |
| PIMCO Total Return FD CCA               | 297,487             |
| American Beacon Funds Large Cap Value   | 261,064             |
| Wells Fargo Dow Jones Target 2020 Fund  | 252,243             |
| T Rowe Price Dividend Growth            | 171,756             |
| Lord Abbett Small Cap Blend             | 146,533             |
| American - The Growth Fund of America   | 109,339             |
| Principal Midcap Blend                  | 87,425              |
| Wachovia Diversified Stable Value Fund  | 63,037              |
| Wells Fargo Dow Jones Target 2010 Fund  | 35,889              |
| Ridgeworth S/C Val Equity               | 29,691              |
| Wells Fargo Dow Jones Target Today Fund | 21,146              |
| Wells Fargo Enhanced Stock Market G     | 16,182              |
| Wells Fargo Adv Dow Jones Target 2050   | 1                   |
| Enhanced Stock Market Fund of Wachovia  | (1,268)             |
| Wells Fargo Stable Return Fund G        | (153,151)           |
|                                         | <u>\$ 5,187,659</u> |

#### 4. FAIR VALUE MEASUREMENTS

ASC Topic 820, “*Fair Value Measurements and Disclosures*,” provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan’s policy is to recognize significant transfers between levels at the end of the reporting period.

The following tables sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2010 and December 31, 2009.

| <b>Fair Value Measurements<br/>at December 31, 2010 using:</b> |                                                              |                                                  |                                                          |               |
|----------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|---------------|
|                                                                | <b>Active Markets<br/>for Identical<br/>Assets (Level 1)</b> | <b>Other<br/>Observable<br/>Inputs (Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs (Level 3)</b> | <b>Total</b>  |
| Mutual funds                                                   |                                                              |                                                  |                                                          |               |
| Equity funds                                                   | \$ 35,392,744                                                | \$ -                                             | \$ -                                                     | \$ 35,392,744 |
| International equity fund                                      | 3,170,124                                                    | -                                                | -                                                        | 3,170,124     |
| Balanced fund                                                  | 4,030,726                                                    | -                                                | -                                                        | 4,030,726     |
| Other                                                          | 5,177,336                                                    | -                                                | -                                                        | 5,177,336     |
| Total mutual funds                                             | 47,770,930                                                   | -                                                | -                                                        | 47,770,930    |
| Common collective trust funds                                  | -                                                            | 5,352,988                                        | -                                                        | 5,352,988     |
| Total                                                          | \$ 47,770,930                                                | \$ 5,352,988                                     | \$ -                                                     | \$ 53,123,918 |

| <b>Fair Value Measurements<br/>at December 31, 2009 using:</b> |                                                              |                                                  |                                                          |               |
|----------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|---------------|
|                                                                | <b>Active Markets<br/>for Identical<br/>Assets (Level 1)</b> | <b>Other<br/>Observable<br/>Inputs (Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs (Level 3)</b> | <b>Total</b>  |
| Mutual funds                                                   |                                                              |                                                  |                                                          |               |
| Equity funds                                                   | \$ 28,631,378                                                | \$ -                                             | \$ -                                                     | \$ 28,631,378 |
| International equity fund                                      | 2,651,396                                                    | -                                                | -                                                        | 2,651,396     |
| Balanced fund                                                  | 4,594,354                                                    | -                                                | -                                                        | 4,594,354     |
| Other                                                          | 3,410,925                                                    | -                                                | -                                                        | 3,410,925     |
| Total mutual funds                                             | 39,288,053                                                   | -                                                | -                                                        | 39,288,053    |
| Common collective trust funds                                  | -                                                            | 4,943,665                                        | -                                                        | 4,943,665     |
| Total                                                          | \$ 39,288,053                                                | \$ 4,943,665                                     | \$ -                                                     | \$ 44,231,718 |

For the year ended December 31, 2010, there were no significant transfers in or out of Levels 1, 2 or 3.

In accordance with ASU 2009-12, the Plan expanded its disclosures to include the investment strategies of the investees for those assets whose fair value is estimated using the net asset value per share that do not have readily determinable fair value as defined by ASU 2009-12 as of December 31, 2010. For the Plan, investments that meet that definition are the common collective trust funds, for which the following investment objectives apply:

Enhanced Stock Market Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The primary investment objective is to invest in common stocks and or stock index futures selected so as to equal the total return performance of the S&P 500 Index. The secondary investment objective is to provide an incremental rate of return above that of the S&P 500 Index. To achieve these objectives, S&P 500 Index Futures may be used by the Fund. The futures are used to replicate the return of the S&P 500, while the remaining cash is invested in short-term investments to enhance the Fund's yield.

Stable Return G Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The investment objective is to provide a relatively high income rate of return consistent with the preservation of principal. To accomplish this objective, the trustee will normally invest and reinvest primarily in contracts known variously as guaranteed income contracts, guaranteed investment contracts and group annuity contracts issued by insurance companies.

None of the common collective trust funds have any redemption restrictions or unfunded commitments as of December 31, 2010, and can be redeemed at any time at the request of the participant.

## **5. WELLS FARGO STABLE RETURN FUND G**

The Wells Fargo Stable Return G Fund (the "Fund") is a collective trust fund sponsored by Wells Fargo Bank, N.A. The Fund invests in a variety of investment contracts such as guaranteed investment contracts ("GICs") issued by insurance companies and financial institutions and other investment products (such as separate account contracts and synthetic GICs, including wrapper contracts) with similar characteristics. The Funds' investment contracts are fully benefit-responsive and the issuer guarantees that all qualified Plan participant initiated withdrawals will be paid at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses.

The Fund imposes certain restrictions on the Plan, and the Fund itself may be subject to circumstances that impact its ability to transact at contract value, as described in the following paragraphs. Plan management believes that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

### **Limitations on the Ability of the Fund to Transact at Contract Value:**

***Restrictions on the Plan*** — Participant-initiated transactions are those transactions allowed by the Plan, including withdrawals for benefits, loans, or transfers to noncompeting funds within a plan, but excluding withdrawals that are deemed to be caused by the actions of the Plan Sponsor. The following employer initiated events may limit the ability of the Fund to transact at contract value:

- Amendments to the Plan documents (including complete or partial Plan termination or merger with another plan)
- A failure of the Fund or its trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA

- Any communication given to Plan participants designed to influence a participant not to invest in the Fund or to transfer assets out of the Fund
- Changes to the Fund's prohibition on competing investment options or deletion of equity wash provisions
- Bankruptcy of the Plan Sponsor or other Plan Sponsor events (such as a group layoff, closing or sale of a subsidiary or the establishment of a defined contribution plan that competes with the Plan for employee contributions) that cause a significant withdrawal from the Plan; or
- Any change in law, regulation, ruling, administrative or judicial position or accounting requirement applicable to the Fund or participating Plans.

***Circumstances That Impact the Fund*** — The Fund invests in wrapper contracts issued by third parties. A wrap contract is an agreement issued by a third party, such as a bank or insurance company backed by a portfolio of investments that are owned by the Funds. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. Wrapper agreements permit the Funds' investment manager or issuer to terminate upon notice at any time at fair value and provide for automatic termination of the wrapper contract if the fair value of the contract equals zero. In addition, if the Funds default in their obligations under the agreement (including the determination that the agreement constitutes a non-exempt transaction as defined under ERISA) and such default is not cured, then the wrapper contract may be terminated by the issuer and the Funds will receive the fair value at the date of termination.

In the event that wrap contracts fail to perform as intended, the Fund's NAV may decline if the market value of its assets declines. The Fund's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments.

## 6. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2010 and 2009, and for the year ended December 31, 2010, included in the Plan's financial statements and supplemental schedule, that was prepared by or derived from information prepared by Wells Fargo Bank, N.A. (formally Wachovia Bank, N.A.), the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

|                                                                                  | 2010          | 2009          |
|----------------------------------------------------------------------------------|---------------|---------------|
| Statements of net assets available for benefits:                                 |               |               |
| Investments at fair value:                                                       |               |               |
| Mutual funds                                                                     | \$ 47,770,930 | \$ 39,288,053 |
| Common collective trust funds                                                    | 5,352,988     | 4,943,665     |
| Statement of changes in net assets available for benefits — investment activity: |               |               |
| Interest and dividends                                                           | \$ 690,652    |               |
| Interest income on notes receivable from participants                            | 90,140        |               |
| Net appreciation in fair value of investments                                    | 5,187,659     |               |

In addition, all investment balances and information included in the supplemental schedule and in Notes 3 and 4 were certified by the trustee except for the level classification of each investment as of December 31, 2010 and 2009, disclosed in Note 4.

## 7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds and common collective trusts managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

## 8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, participants would become 100% vested in their accounts.

## 9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated January 28, 2008, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended since receiving this letter; however, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

The Company has evaluated the vesting error that has occurred in the Plan as disclosed in Note 1 and has determined that this error does not impact the tax exempt status of the Plan.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that all Plan years remain open and subject to audit.

#### 10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

Reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2010 and 2009 is as follows.

|                                                                    | 2010                 | 2009                 |
|--------------------------------------------------------------------|----------------------|----------------------|
| Net assets available for benefits per the financial statements     | \$ 55,735,193        | \$ 47,116,588        |
| Excess contributions payable                                       | 76,905               | 10,791               |
| Participant contributions receivable                               | -                    | (104,599)            |
| Employer contribution receivable and other receivable              | (690,110)            | (722,131)            |
| Adjustment from contract value to fair value for stable value fund | 114,722              | (103,154)            |
| Net assets per Form 5500                                           | <u>\$ 55,236,710</u> | <u>\$ 46,197,495</u> |

For the year ended December 31, 2010, the following is a reconciliation of increase in net assets per the financial statements to net income per the Form 5500:

|                                                                              |                     |
|------------------------------------------------------------------------------|---------------------|
| Increase in net assets per the financial statements                          | \$ 8,618,605        |
| Change in excess contributions payable                                       | 66,114              |
| Change in participant contributions                                          | 104,599             |
| Change in employer contributions                                             | 32,021              |
| Change in adjustment from contract value to fair value for stable value fund | <u>217,876</u>      |
| Net income per the Form 5500                                                 | <u>\$ 9,039,215</u> |

#### 11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through October 7, 2011, the date the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i—  
SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2010

Plan number: 001  
EIN: 04-2591416

| (a) | (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value | (d) Cost | (e) Current<br>Value |
|-----|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------|----------------------|
|     | Principal                                                   | Mutual Funds:                                                                                                     |          |                      |
|     | Fidelity Management Trust Company                           | Midcap Blended Fund                                                                                               | **       | \$ 4,827,504         |
|     | Wells Fargo                                                 | Contrafund                                                                                                        | **       | 7,896,215            |
|     |                                                             | Dow Jones Target Today                                                                                            | **       | 373,581              |
|     |                                                             | Dow Jones Target 2010                                                                                             | **       | 642,159              |
|     |                                                             | Dow Jones Target 2020                                                                                             | **       | 3,172,328            |
|     |                                                             | Dow Jones Target 2030                                                                                             | **       | 2,825,158            |
|     |                                                             | Dow Jones Target 2040                                                                                             | **       | 3,750,403            |
|     |                                                             | Dow Jones Target 2050                                                                                             | **       | 109                  |
|     | Ridgeworth                                                  | S/C Value Equity Fund                                                                                             | **       | 1,656,443            |
|     | American Funds                                              | The Growth Fund of America                                                                                        | **       | 1,022,254            |
|     |                                                             | Beacon Large Cap Value Fund                                                                                       | **       | 2,317,463            |
|     | T Rowe Price                                                | Dividend Growth Fund                                                                                              | **       | 6,909,127            |
|     | Thornburg Investment Management                             | International Value Fund                                                                                          | **       | 3,170,124            |
|     | The Oakmark Funds                                           | Equity and Income Fund II                                                                                         | **       | 5,177,336            |
|     | Pacific Investment Management Co., LLC                      | Total Return Fund CCA                                                                                             | **       | 4,030,726            |
|     |                                                             | Total mutual funds                                                                                                |          | <u>47,770,930</u>    |
|     |                                                             | Common Collective Trust Funds:                                                                                    |          |                      |
| *   | Wells Fargo Bank, N.A.                                      | Enhanced Stock Market Fund                                                                                        | **       | 127,927              |
|     |                                                             | Wells Fargo Stable Return Fund G                                                                                  | **       | 5,225,061            |
|     |                                                             | Total common collective trust funds                                                                               |          | <u>5,352,988</u>     |
| *   | Participants                                                | Participant loans with interest rate ranging<br>from 3.25% to 8.25% maturing at various<br>dates through 2019.    | **       | <u>2,112,792</u>     |
|     |                                                             | Total investments per form 5500                                                                                   |          | <u>\$ 55,236,710</u> |

\* Party-in-interest

\*\* Cost information is not required for participant-directed investments and, therefore, is not included.

See Accompanying Independent Auditor's Report.

# The Yankee Candle Company, Inc. 401(k)Plan

Financial Statements as of December 31, 2010 and  
2009, and for the Year Ended December 31, 2010,  
Supplemental Schedule as of December 31, 2010,  
and Independent Auditors' Report

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

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| NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable. |             |

## INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of  
The Yankee Candle Company, Inc. 401(k) Plan  
South Deerfield, Massachusetts

We were engaged to audit the financial statements of The Yankee Candle Company, Inc. 401(k) Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010 and the supplemental schedule as of December 31, 2010, listed in the table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6 which was certified by Wells Fargo Bank, N.A. (formally "Wachovia Bank, N.A."), the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee that the information as of December 31, 2010 and 2009 and for the year ended December 31, 2010 provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Deloitte + Touche LLP*

October 7, 2011

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2010 AND 2009

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|                                                                        | 2010                        | 2009                        |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|
| ASSETS:                                                                |                             |                             |
| Participant-directed investments — at fair value                       | <u>\$ 53,123,918</u>        | <u>\$ 44,231,718</u>        |
| Receivables:                                                           |                             |                             |
| Notes receivable from participants                                     | 2,112,792                   | 1,965,777                   |
| Participant contributions receivable                                   | -                           | 104,599                     |
| Employer contributions receivable and other receivable                 | <u>690,110</u>              | <u>722,131</u>              |
| Total receivables                                                      | <u>2,802,902</u>            | <u>2,792,507</u>            |
| LIABILITIES — Excess contributions payable                             | <u>76,905</u>               | <u>10,791</u>               |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE                        | 55,849,915                  | 47,013,434                  |
| ADJUSTMENTS FROM FAIR VALUE TO CONTRACT VALUE<br>FOR STABLE VALUE FUND | <u>(114,722)</u>            | <u>103,154</u>              |
| NET ASSETS AVAILABLE FOR BENEFITS                                      | <u><u>\$ 55,735,193</u></u> | <u><u>\$ 47,116,588</u></u> |

See notes to financial statements.

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2010

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#### ADDITIONS:

##### Contributions:

|                           |                |
|---------------------------|----------------|
| Participant contributions | \$ 4,350,756   |
| Employer contributions    | 1,296,858      |
| Rollover contributions    | <u>692,609</u> |

|                     |                  |
|---------------------|------------------|
| Total contributions | <u>6,340,223</u> |
|---------------------|------------------|

##### Investment activity:

|                                               |                |
|-----------------------------------------------|----------------|
| Net appreciation in fair value of investments | 5,187,659      |
| Interest and dividends                        | <u>690,652</u> |

|                         |                  |
|-------------------------|------------------|
| Net investment activity | <u>5,878,311</u> |
|-------------------------|------------------|

|                                                       |               |
|-------------------------------------------------------|---------------|
| Interest income on notes receivable from participants | <u>90,140</u> |
|-------------------------------------------------------|---------------|

|                 |                   |
|-----------------|-------------------|
| Total additions | <u>12,308,674</u> |
|-----------------|-------------------|

#### DEDUCTIONS:

|                               |                  |
|-------------------------------|------------------|
| Benefits paid to participants | (3,446,840)      |
| Administrative expenses       | <u>(243,229)</u> |

|                  |                    |
|------------------|--------------------|
| Total deductions | <u>(3,690,069)</u> |
|------------------|--------------------|

|                        |           |
|------------------------|-----------|
| INCREASE IN NET ASSETS | 8,618,605 |
|------------------------|-----------|

#### NET ASSETS AVAILABLE FOR BENEFITS:

|                   |                   |
|-------------------|-------------------|
| Beginning of year | <u>47,116,588</u> |
|-------------------|-------------------|

|             |                      |
|-------------|----------------------|
| End of year | <u>\$ 55,735,193</u> |
|-------------|----------------------|

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2010 AND 2009, AND FOR THE YEAR ENDED DECEMBER 31, 2010

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### 1. DESCRIPTION OF THE PLAN

The following description of The Yankee Candle Company, Inc. 401(k) Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan Document for more complete information.

**General** — The Plan is a defined contribution plan covering employees of The Yankee Candle Company, Inc., Yankee Candle Restaurant Corp. and Yankee Candle Brand Management, Inc. (collectively referred to as the “Company”) over the age of twenty-one who meet the eligibility requirements. Participants who are regularly scheduled to work 32 hours a week are eligible to make deferral contributions the first of the month following 30 days after hire with the Company. They are eligible to participate in Company discretionary matching contributions after meeting the match requirements of 1,000 hours of service in their first year of employment (anniversary year) or subsequent plan (calendar) year. Those employees over the age of twenty-one who are not regularly scheduled to work 32 hours a week are eligible to make deferral contributions and participate in the Company discretionary matching contributions the first of the month following 30 days of eligibility. Eligibility is defined as reaching 1,000 hours either in the employee’s first year of employment (anniversary year) or in any subsequent plan (calendar) year. Those participants meeting the eligibility requirements but not actively contributing to the Plan are eligible to make deferral contributions as soon as administratively feasible after making a deferral election. Once newly eligible, the employee will be automatically enrolled at a 2% deferral, unless they “opt out” prior to the first of the month following 30 days from their eligibility date. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

**Contributions** — Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, subject to certain Internal Revenue Code (“IRC”) limitations. The Company may make discretionary matching contributions in an amount to be determined annually by the Company’s Board of Directors (the “Board”). Effective pay periods beginning on or after April 5, 2009, the Board authorized a discretionary weekly match of 25% of the first 4% of salary and an annual discretionary match. For 2010, the Board approved an annual discretionary matching contribution of an additional 25% of the first 4% of salary for pay checks dated in 2010, for a total 2010 discretionary matching contribution of 50% of the first 4% of salary. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

**Participant Accounts** — Individual accounts are maintained for each Plan participant. Each participant’s account is credited with the participant’s contribution, and allocations of Company discretionary contributions and Plan earnings, and charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

**Investments** — Participants direct the investment of their contributions and Company discretionary contributions into various investment options offered by the Plan. The Plan currently offers several mutual funds, and two common collective trusts as investment options for participants.

***Vesting*** — Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service (20% per year of credited service). Aggregated service was utilized through December 31, 2006. For plan years starting January 1, 2007, a participant must have 1,000 hours of service in a plan year to receive vesting for that year. In error, vesting was not changed from the aggregated service method to the hours based vesting method until January 1, 2011. In order to not harm participants, the method that results in the higher vesting of the two methods was utilized through December 31, 2010. Effective January 1, 2011, vesting is earned by the hours based method (See Note 9).

***Participant Loans*** — Participants may borrow from their fund accounts up to a maximum of \$50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at the prime interest rate at the time funds are borrowed. Principal and interest is paid ratably through payroll deductions.

***Payment of Benefits*** — On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

***Forfeited Accounts*** — At December 31, 2010 and 2009, forfeited, nonvested accounts totaled \$34,630 and \$79,017, respectively, which will be used to reduce future Company contributions or to cover future administrative expenses. During the year ended December 31, 2010, administrative expenses of \$59,718 were paid from the Forfeiture Account.

***Excess Contributions Payable*** — The Plan is required to return contributions received during the Plan year in excess of the IRC limits.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting*** — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

***Use of Estimates*** — The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

***Risks and Uncertainties*** — The Plan utilizes various investment instruments, including mutual funds, and common collective trusts. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

***Investment Valuation and Income Recognition*** — The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Shares of mutual funds are valued at quoted market prices, which represent the net asset value ("NAV") of shares held by the Plan at year end. The stable value fund is stated at fair value and then adjusted to contract value as described below. Fair value of the stable fund is the net asset value of its underlying investments, and contract value is principal plus accrued interest.

Common collective investment trust funds are stated at fair value as determined by the issuer of the common collective investment trust funds based on the fair market value of the underlying investments of the fund. The Wachovia Diversified Stable Value A Fund may invest in benefit-responsive investment contracts, including fixed insurance investment contracts, money market funds, corporate and government bonds, mortgage-backed securities, bond funds and other fixed income securities.

In accordance with GAAP, the stable value fund is included at fair value in participant-directed investments in the statements of net assets available for benefits, and an additional line item is presented representing the adjustment from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds and common collective trusts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

***Notes Receivable from Participants*** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

***Administrative Expenses*** — Administrative expenses of the Plan are paid by the Plan or the Company as provided in the Plan Document.

***Payment of Benefits*** — Benefit payments to participants are recorded upon distribution. All withdrawals initiated prior to December 31, 2010 were distributed to participants as of December 31, 2010. All withdrawals initiated prior to December 31, 2009 were distributed to participants as of December 31, 2009.

### ***New Accounting Standards***

**ASU No. 2010-06, Fair Value Measurements and Disclosures** — In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC Topic 820, “*Fair Value Measurements and Disclosures*,” adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. ASU No. 2010-06 is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The Plan prospectively adopted the new guidance in 2010, except for the Level 3 reconciliation disclosures, which are required in 2011. The adoption in 2010 did not materially affect, and the future adoption is not expected to materially affect, the Plan’s financial statements.

**ASU No. 2010-25, Reporting Loans to Participants by Defined Contribution Pension Plans** — In September 2010, the FASB issued ASU No. 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. The ASU requires that participant loans be classified as notes receivable rather than a plan investment and measured at unpaid principal balance plus accrued but unpaid interest rather than fair value. The Plan retrospectively adopted the new accounting in 2010. The adoption did not have a material effect on the Plan’s financial statements.

**ASU No. 2011-04** — In May 2011, the FASB issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends ASC 820. ASU 2011-04 also requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The new guidance is effective for reporting periods beginning after December 15, 2011. The adoption will not have a material effect on the statement of net assets available for benefits and statement of changes in net assets available for benefits. Plan management has not determined the impact on the disclosures in the financial statements.

### 3. INVESTMENTS

The Plan's investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2010 and 2009, are as follows:

|                                        | 2010         | 2009         |
|----------------------------------------|--------------|--------------|
| Fidelity Contra Fund                   | \$ 7,896,215 | \$ 6,490,547 |
| T Rowe Price Dividend Growth Fund      | 6,909,127    |              |
| Wells Fargo Stable Return Fund G       | 5,225,061    |              |
| Oakmark Equity and Income Fund II      | 5,177,336    | 4,594,354    |
| Principal Midcap Blended Fund          | 4,827,504    |              |
| PIMCO Total Return Fund                | 4,030,726    | 3,410,925    |
| Wells Fargo Dow Jones Target 2040 Fund | 3,750,403    | 2,531,217    |
| Wells Fargo Dow Jones Target 2020 Fund | 3,172,328    | 2,401,743    |
| Thornburg International Value Fund     | 3,170,124    | 2,651,396    |
| Wells Fargo Dow Jones Target 2030 Fund | 2,825,158    |              |
| Davis New York Venture Fund            |              | 5,998,889    |
| Wachovia Diversified Stable Value Fund |              | 4,883,223    |
| Victory Special Value Fund             |              | 3,804,348    |

During the year ended December 31, 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

|                                         |                     |
|-----------------------------------------|---------------------|
| Fidelity Contrafund                     | \$ 1,120,441        |
| Victory Special Value Fund              | 699,240             |
| Davis New York Venture Fund             | 485,483             |
| Wells Fargo Dow Jones Target 2040 Fund  | 475,148             |
| Oakmark Equity & Income Fund II         | 395,890             |
| Thornburg International Value Fund      | 359,915             |
| Wells Fargo Dow Jones Target 2030 Fund  | 314,168             |
| PIMCO Total Return FD CCA               | 297,487             |
| American Beacon Funds Large Cap Value   | 261,064             |
| Wells Fargo Dow Jones Target 2020 Fund  | 252,243             |
| T Rowe Price Dividend Growth            | 171,756             |
| Lord Abbett Small Cap Blend             | 146,533             |
| American - The Growth Fund of America   | 109,339             |
| Principal Midcap Blend                  | 87,425              |
| Wachovia Diversified Stable Value Fund  | 63,037              |
| Wells Fargo Dow Jones Target 2010 Fund  | 35,889              |
| Ridgeworth S/C Val Equity               | 29,691              |
| Wells Fargo Dow Jones Target Today Fund | 21,146              |
| Wells Fargo Enhanced Stock Market G     | 16,182              |
| Wells Fargo Adv Dow Jones Target 2050   | 1                   |
| Enhanced Stock Market Fund of Wachovia  | (1,268)             |
| Wells Fargo Stable Return Fund G        | (153,151)           |
|                                         | <u>\$ 5,187,659</u> |

#### 4. FAIR VALUE MEASUREMENTS

ASC Topic 820, “*Fair Value Measurements and Disclosures*,” provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan’s policy is to recognize significant transfers between levels at the end of the reporting period.

The following tables sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2010 and December 31, 2009.

| <b>Fair Value Measurements<br/>at December 31, 2010 using:</b> |                                                              |                                                  |                                                          |               |
|----------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|---------------|
|                                                                | <b>Active Markets<br/>for Identical<br/>Assets (Level 1)</b> | <b>Other<br/>Observable<br/>Inputs (Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs (Level 3)</b> | <b>Total</b>  |
| Mutual funds                                                   |                                                              |                                                  |                                                          |               |
| Equity funds                                                   | \$ 35,392,744                                                | \$ -                                             | \$ -                                                     | \$ 35,392,744 |
| International equity fund                                      | 3,170,124                                                    | -                                                | -                                                        | 3,170,124     |
| Balanced fund                                                  | 4,030,726                                                    | -                                                | -                                                        | 4,030,726     |
| Other                                                          | 5,177,336                                                    | -                                                | -                                                        | 5,177,336     |
| Total mutual funds                                             | 47,770,930                                                   | -                                                | -                                                        | 47,770,930    |
| Common collective trust funds                                  | -                                                            | 5,352,988                                        | -                                                        | 5,352,988     |
| Total                                                          | \$ 47,770,930                                                | \$ 5,352,988                                     | \$ -                                                     | \$ 53,123,918 |

| <b>Fair Value Measurements<br/>at December 31, 2009 using:</b> |                                                              |                                                  |                                                          |               |
|----------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|---------------|
|                                                                | <b>Active Markets<br/>for Identical<br/>Assets (Level 1)</b> | <b>Other<br/>Observable<br/>Inputs (Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs (Level 3)</b> | <b>Total</b>  |
| Mutual funds                                                   |                                                              |                                                  |                                                          |               |
| Equity funds                                                   | \$ 28,631,378                                                | \$ -                                             | \$ -                                                     | \$ 28,631,378 |
| International equity fund                                      | 2,651,396                                                    | -                                                | -                                                        | 2,651,396     |
| Balanced fund                                                  | 4,594,354                                                    | -                                                | -                                                        | 4,594,354     |
| Other                                                          | 3,410,925                                                    | -                                                | -                                                        | 3,410,925     |
| Total mutual funds                                             | 39,288,053                                                   | -                                                | -                                                        | 39,288,053    |
| Common collective trust funds                                  | -                                                            | 4,943,665                                        | -                                                        | 4,943,665     |
| Total                                                          | \$ 39,288,053                                                | \$ 4,943,665                                     | \$ -                                                     | \$ 44,231,718 |

For the year ended December 31, 2010, there were no significant transfers in or out of Levels 1, 2 or 3.

In accordance with ASU 2009-12, the Plan expanded its disclosures to include the investment strategies of the investees for those assets whose fair value is estimated using the net asset value per share that do not have readily determinable fair value as defined by ASU 2009-12 as of December 31, 2010. For the Plan, investments that meet that definition are the common collective trust funds, for which the following investment objectives apply:

Enhanced Stock Market Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The primary investment objective is to invest in common stocks and or stock index futures selected so as to equal the total return performance of the S&P 500 Index. The secondary investment objective is to provide an incremental rate of return above that of the S&P 500 Index. To achieve these objectives, S&P 500 Index Futures may be used by the Fund. The futures are used to replicate the return of the S&P 500, while the remaining cash is invested in short-term investments to enhance the Fund's yield.

Stable Return G Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The investment objective is to provide a relatively high income rate of return consistent with the preservation of principal. To accomplish this objective, the trustee will normally invest and reinvest primarily in contracts known variously as guaranteed income contracts, guaranteed investment contracts and group annuity contracts issued by insurance companies.

None of the common collective trust funds have any redemption restrictions or unfunded commitments as of December 31, 2010, and can be redeemed at any time at the request of the participant.

## **5. WELLS FARGO STABLE RETURN FUND G**

The Wells Fargo Stable Return G Fund (the "Fund") is a collective trust fund sponsored by Wells Fargo Bank, N.A. The Fund invests in a variety of investment contracts such as guaranteed investment contracts ("GICs") issued by insurance companies and financial institutions and other investment products (such as separate account contracts and synthetic GICs, including wrapper contracts) with similar characteristics. The Funds' investment contracts are fully benefit-responsive and the issuer guarantees that all qualified Plan participant initiated withdrawals will be paid at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses.

The Fund imposes certain restrictions on the Plan, and the Fund itself may be subject to circumstances that impact its ability to transact at contract value, as described in the following paragraphs. Plan management believes that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

### **Limitations on the Ability of the Fund to Transact at Contract Value:**

***Restrictions on the Plan*** — Participant-initiated transactions are those transactions allowed by the Plan, including withdrawals for benefits, loans, or transfers to noncompeting funds within a plan, but excluding withdrawals that are deemed to be caused by the actions of the Plan Sponsor. The following employer initiated events may limit the ability of the Fund to transact at contract value:

- Amendments to the Plan documents (including complete or partial Plan termination or merger with another plan)
- A failure of the Fund or its trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA

- Any communication given to Plan participants designed to influence a participant not to invest in the Fund or to transfer assets out of the Fund
- Changes to the Fund's prohibition on competing investment options or deletion of equity wash provisions
- Bankruptcy of the Plan Sponsor or other Plan Sponsor events (such as a group layoff, closing or sale of a subsidiary or the establishment of a defined contribution plan that competes with the Plan for employee contributions) that cause a significant withdrawal from the Plan; or
- Any change in law, regulation, ruling, administrative or judicial position or accounting requirement applicable to the Fund or participating Plans.

***Circumstances That Impact the Fund*** — The Fund invests in wrapper contracts issued by third parties. A wrap contract is an agreement issued by a third party, such as a bank or insurance company backed by a portfolio of investments that are owned by the Funds. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. Wrapper agreements permit the Funds' investment manager or issuer to terminate upon notice at any time at fair value and provide for automatic termination of the wrapper contract if the fair value of the contract equals zero. In addition, if the Funds default in their obligations under the agreement (including the determination that the agreement constitutes a non-exempt transaction as defined under ERISA) and such default is not cured, then the wrapper contract may be terminated by the issuer and the Funds will receive the fair value at the date of termination.

In the event that wrap contracts fail to perform as intended, the Fund's NAV may decline if the market value of its assets declines. The Fund's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments.

## 6. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2010 and 2009, and for the year ended December 31, 2010, included in the Plan's financial statements and supplemental schedule, that was prepared by or derived from information prepared by Wells Fargo Bank, N.A. (formally Wachovia Bank, N.A.), the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

|                                                                                  | 2010          | 2009          |
|----------------------------------------------------------------------------------|---------------|---------------|
| Statements of net assets available for benefits:                                 |               |               |
| Investments at fair value:                                                       |               |               |
| Mutual funds                                                                     | \$ 47,770,930 | \$ 39,288,053 |
| Common collective trust funds                                                    | 5,352,988     | 4,943,665     |
| Statement of changes in net assets available for benefits — investment activity: |               |               |
| Interest and dividends                                                           | \$ 690,652    |               |
| Interest income on notes receivable from participants                            | 90,140        |               |
| Net appreciation in fair value of investments                                    | 5,187,659     |               |

In addition, all investment balances and information included in the supplemental schedule and in Notes 3 and 4 were certified by the trustee except for the level classification of each investment as of December 31, 2010 and 2009, disclosed in Note 4.

## 7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds and common collective trusts managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

## 8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, participants would become 100% vested in their accounts.

## 9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated January 28, 2008, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended since receiving this letter; however, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

The Company has evaluated the vesting error that has occurred in the Plan as disclosed in Note 1 and has determined that this error does not impact the tax exempt status of the Plan.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that all Plan years remain open and subject to audit.

#### 10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

Reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2010 and 2009 is as follows.

|                                                                    | 2010                 | 2009                 |
|--------------------------------------------------------------------|----------------------|----------------------|
| Net assets available for benefits per the financial statements     | \$ 55,735,193        | \$ 47,116,588        |
| Excess contributions payable                                       | 76,905               | 10,791               |
| Participant contributions receivable                               | -                    | (104,599)            |
| Employer contribution receivable and other receivable              | (690,110)            | (722,131)            |
| Adjustment from contract value to fair value for stable value fund | 114,722              | (103,154)            |
| Net assets per Form 5500                                           | <u>\$ 55,236,710</u> | <u>\$ 46,197,495</u> |

For the year ended December 31, 2010, the following is a reconciliation of increase in net assets per the financial statements to net income per the Form 5500:

|                                                                              |                     |
|------------------------------------------------------------------------------|---------------------|
| Increase in net assets per the financial statements                          | \$ 8,618,605        |
| Change in excess contributions payable                                       | 66,114              |
| Change in participant contributions                                          | 104,599             |
| Change in employer contributions                                             | 32,021              |
| Change in adjustment from contract value to fair value for stable value fund | <u>217,876</u>      |
| Net income per the Form 5500                                                 | <u>\$ 9,039,215</u> |

#### 11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through October 7, 2011, the date the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i—  
SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2010

Plan number: 001  
EIN: 04-2591416

| (a) (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value | (d) Cost | (e) Current<br>Value |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------|----------------------|
| Principal<br>Fidelity Management Trust Company<br>Wells Fargo   | Mutual Funds:                                                                                                     |          |                      |
|                                                                 | Midcap Blended Fund                                                                                               | **       | \$ 4,827,504         |
|                                                                 | Contrafund                                                                                                        | **       | 7,896,215            |
|                                                                 | Dow Jones Target Today                                                                                            | **       | 373,581              |
|                                                                 | Dow Jones Target 2010                                                                                             | **       | 642,159              |
|                                                                 | Dow Jones Target 2020                                                                                             | **       | 3,172,328            |
|                                                                 | Dow Jones Target 2030                                                                                             | **       | 2,825,158            |
|                                                                 | Dow Jones Target 2040                                                                                             | **       | 3,750,403            |
|                                                                 | Dow Jones Target 2050                                                                                             | **       | 109                  |
|                                                                 | Ridgeworth                                                                                                        | **       | 1,656,443            |
|                                                                 | American Funds                                                                                                    |          |                      |
|                                                                 | The Growth Fund of America                                                                                        | **       | 1,022,254            |
|                                                                 | Beacon Large Cap Value Fund                                                                                       | **       | 2,317,463            |
|                                                                 | Dividend Growth Fund                                                                                              | **       | 6,909,127            |
|                                                                 | T Rowe Price                                                                                                      |          |                      |
| Thornburg Investment Management                                 | International Value Fund                                                                                          | **       | 3,170,124            |
|                                                                 | The Oakmark Funds                                                                                                 | **       | 5,177,336            |
|                                                                 | Pacific Investment Management Co., LLC                                                                            | **       | 4,030,726            |
|                                                                 | Total mutual funds                                                                                                |          | <u>47,770,930</u>    |
| *                                                               | Common Collective Trust Funds:                                                                                    |          |                      |
|                                                                 | Enhanced Stock Market Fund                                                                                        | **       | 127,927              |
|                                                                 | Wells Fargo Stable Return Fund G                                                                                  | **       | 5,225,061            |
|                                                                 | Total common collective trust funds                                                                               |          | <u>5,352,988</u>     |
| *                                                               | Participants                                                                                                      |          |                      |
|                                                                 | Participant loans with interest rate ranging from 3.25% to 8.25% maturing at various dates through 2019.          | **       | <u>2,112,792</u>     |
|                                                                 | Total investments per form 5500                                                                                   |          | <u>\$ 55,236,710</u> |

\* Party-in-interest

\*\* Cost information is not required for participant-directed investments and, therefore, is not included.

See Accompanying Independent Auditor's Report.

# The Yankee Candle Company, Inc. 401(k)Plan

Financial Statements as of December 31, 2010 and  
2009, and for the Year Ended December 31, 2010,  
Supplemental Schedule as of December 31, 2010,  
and Independent Auditors' Report

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

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## INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of  
The Yankee Candle Company, Inc. 401(k) Plan  
South Deerfield, Massachusetts

We were engaged to audit the financial statements of The Yankee Candle Company, Inc. 401(k) Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010 and the supplemental schedule as of December 31, 2010, listed in the table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6 which was certified by Wells Fargo Bank, N.A. (formally "Wachovia Bank, N.A."), the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee that the information as of December 31, 2010 and 2009 and for the year ended December 31, 2010 provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Deloitte + Touche LLP*

October 7, 2011

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2010 AND 2009

---

|                                                                        | 2010                        | 2009                        |
|------------------------------------------------------------------------|-----------------------------|-----------------------------|
| ASSETS:                                                                |                             |                             |
| Participant-directed investments — at fair value                       | <u>\$ 53,123,918</u>        | <u>\$ 44,231,718</u>        |
| Receivables:                                                           |                             |                             |
| Notes receivable from participants                                     | 2,112,792                   | 1,965,777                   |
| Participant contributions receivable                                   | -                           | 104,599                     |
| Employer contributions receivable and other receivable                 | <u>690,110</u>              | <u>722,131</u>              |
| Total receivables                                                      | <u>2,802,902</u>            | <u>2,792,507</u>            |
| LIABILITIES — Excess contributions payable                             | <u>76,905</u>               | <u>10,791</u>               |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE                        | 55,849,915                  | 47,013,434                  |
| ADJUSTMENTS FROM FAIR VALUE TO CONTRACT VALUE<br>FOR STABLE VALUE FUND | <u>(114,722)</u>            | <u>103,154</u>              |
| NET ASSETS AVAILABLE FOR BENEFITS                                      | <u><u>\$ 55,735,193</u></u> | <u><u>\$ 47,116,588</u></u> |

See notes to financial statements.

## THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2010

---

#### ADDITIONS:

##### Contributions:

|                           |                |
|---------------------------|----------------|
| Participant contributions | \$ 4,350,756   |
| Employer contributions    | 1,296,858      |
| Rollover contributions    | <u>692,609</u> |

|                     |                  |
|---------------------|------------------|
| Total contributions | <u>6,340,223</u> |
|---------------------|------------------|

##### Investment activity:

|                                               |                |
|-----------------------------------------------|----------------|
| Net appreciation in fair value of investments | 5,187,659      |
| Interest and dividends                        | <u>690,652</u> |

|                         |                  |
|-------------------------|------------------|
| Net investment activity | <u>5,878,311</u> |
|-------------------------|------------------|

|                                                       |               |
|-------------------------------------------------------|---------------|
| Interest income on notes receivable from participants | <u>90,140</u> |
|-------------------------------------------------------|---------------|

|                 |                   |
|-----------------|-------------------|
| Total additions | <u>12,308,674</u> |
|-----------------|-------------------|

#### DEDUCTIONS:

|                               |                  |
|-------------------------------|------------------|
| Benefits paid to participants | (3,446,840)      |
| Administrative expenses       | <u>(243,229)</u> |

|                  |                    |
|------------------|--------------------|
| Total deductions | <u>(3,690,069)</u> |
|------------------|--------------------|

|                        |           |
|------------------------|-----------|
| INCREASE IN NET ASSETS | 8,618,605 |
|------------------------|-----------|

#### NET ASSETS AVAILABLE FOR BENEFITS:

|                   |                   |
|-------------------|-------------------|
| Beginning of year | <u>47,116,588</u> |
|-------------------|-------------------|

|             |                      |
|-------------|----------------------|
| End of year | <u>\$ 55,735,193</u> |
|-------------|----------------------|

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2010 AND 2009, AND FOR THE YEAR ENDED DECEMBER 31, 2010

---

### 1. DESCRIPTION OF THE PLAN

The following description of The Yankee Candle Company, Inc. 401(k) Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan Document for more complete information.

**General** — The Plan is a defined contribution plan covering employees of The Yankee Candle Company, Inc., Yankee Candle Restaurant Corp. and Yankee Candle Brand Management, Inc. (collectively referred to as the “Company”) over the age of twenty-one who meet the eligibility requirements. Participants who are regularly scheduled to work 32 hours a week are eligible to make deferral contributions the first of the month following 30 days after hire with the Company. They are eligible to participate in Company discretionary matching contributions after meeting the match requirements of 1,000 hours of service in their first year of employment (anniversary year) or subsequent plan (calendar) year. Those employees over the age of twenty-one who are not regularly scheduled to work 32 hours a week are eligible to make deferral contributions and participate in the Company discretionary matching contributions the first of the month following 30 days of eligibility. Eligibility is defined as reaching 1,000 hours either in the employee’s first year of employment (anniversary year) or in any subsequent plan (calendar) year. Those participants meeting the eligibility requirements but not actively contributing to the Plan are eligible to make deferral contributions as soon as administratively feasible after making a deferral election. Once newly eligible, the employee will be automatically enrolled at a 2% deferral, unless they “opt out” prior to the first of the month following 30 days from their eligibility date. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

**Contributions** — Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, subject to certain Internal Revenue Code (“IRC”) limitations. The Company may make discretionary matching contributions in an amount to be determined annually by the Company’s Board of Directors (the “Board”). Effective pay periods beginning on or after April 5, 2009, the Board authorized a discretionary weekly match of 25% of the first 4% of salary and an annual discretionary match. For 2010, the Board approved an annual discretionary matching contribution of an additional 25% of the first 4% of salary for pay checks dated in 2010, for a total 2010 discretionary matching contribution of 50% of the first 4% of salary. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

**Participant Accounts** — Individual accounts are maintained for each Plan participant. Each participant’s account is credited with the participant’s contribution, and allocations of Company discretionary contributions and Plan earnings, and charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

**Investments** — Participants direct the investment of their contributions and Company discretionary contributions into various investment options offered by the Plan. The Plan currently offers several mutual funds, and two common collective trusts as investment options for participants.

***Vesting*** — Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service (20% per year of credited service). Aggregated service was utilized through December 31, 2006. For plan years starting January 1, 2007, a participant must have 1,000 hours of service in a plan year to receive vesting for that year. In error, vesting was not changed from the aggregated service method to the hours based vesting method until January 1, 2011. In order to not harm participants, the method that results in the higher vesting of the two methods was utilized through December 31, 2010. Effective January 1, 2011, vesting is earned by the hours based method (See Note 9).

***Participant Loans*** — Participants may borrow from their fund accounts up to a maximum of \$50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at the prime interest rate at the time funds are borrowed. Principal and interest is paid ratably through payroll deductions.

***Payment of Benefits*** — On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

***Forfeited Accounts*** — At December 31, 2010 and 2009, forfeited, nonvested accounts totaled \$34,630 and \$79,017, respectively, which will be used to reduce future Company contributions or to cover future administrative expenses. During the year ended December 31, 2010, administrative expenses of \$59,718 were paid from the Forfeiture Account.

***Excess Contributions Payable*** — The Plan is required to return contributions received during the Plan year in excess of the IRC limits.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting*** — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

***Use of Estimates*** — The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

***Risks and Uncertainties*** — The Plan utilizes various investment instruments, including mutual funds, and common collective trusts. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

***Investment Valuation and Income Recognition*** — The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Shares of mutual funds are valued at quoted market prices, which represent the net asset value ("NAV") of shares held by the Plan at year end. The stable value fund is stated at fair value and then adjusted to contract value as described below. Fair value of the stable fund is the net asset value of its underlying investments, and contract value is principal plus accrued interest.

Common collective investment trust funds are stated at fair value as determined by the issuer of the common collective investment trust funds based on the fair market value of the underlying investments of the fund. The Wachovia Diversified Stable Value A Fund may invest in benefit-responsive investment contracts, including fixed insurance investment contracts, money market funds, corporate and government bonds, mortgage-backed securities, bond funds and other fixed income securities.

In accordance with GAAP, the stable value fund is included at fair value in participant-directed investments in the statements of net assets available for benefits, and an additional line item is presented representing the adjustment from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds and common collective trusts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

***Notes Receivable from Participants*** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

***Administrative Expenses*** — Administrative expenses of the Plan are paid by the Plan or the Company as provided in the Plan Document.

***Payment of Benefits*** — Benefit payments to participants are recorded upon distribution. All withdrawals initiated prior to December 31, 2010 were distributed to participants as of December 31, 2010. All withdrawals initiated prior to December 31, 2009 were distributed to participants as of December 31, 2009.

### ***New Accounting Standards***

**ASU No. 2010-06, Fair Value Measurements and Disclosures** — In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC Topic 820, “*Fair Value Measurements and Disclosures*,” adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. ASU No. 2010-06 is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The Plan prospectively adopted the new guidance in 2010, except for the Level 3 reconciliation disclosures, which are required in 2011. The adoption in 2010 did not materially affect, and the future adoption is not expected to materially affect, the Plan’s financial statements.

**ASU No. 2010-25, Reporting Loans to Participants by Defined Contribution Pension Plans** — In September 2010, the FASB issued ASU No. 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. The ASU requires that participant loans be classified as notes receivable rather than a plan investment and measured at unpaid principal balance plus accrued but unpaid interest rather than fair value. The Plan retrospectively adopted the new accounting in 2010. The adoption did not have a material effect on the Plan’s financial statements.

**ASU No. 2011-04** — In May 2011, the FASB issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which amends ASC 820. ASU 2011-04 also requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The new guidance is effective for reporting periods beginning after December 15, 2011. The adoption will not have a material effect on the statement of net assets available for benefits and statement of changes in net assets available for benefits. Plan management has not determined the impact on the disclosures in the financial statements.

### 3. INVESTMENTS

The Plan's investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2010 and 2009, are as follows:

|                                        | 2010         | 2009         |
|----------------------------------------|--------------|--------------|
| Fidelity Contra Fund                   | \$ 7,896,215 | \$ 6,490,547 |
| T Rowe Price Dividend Growth Fund      | 6,909,127    |              |
| Wells Fargo Stable Return Fund G       | 5,225,061    |              |
| Oakmark Equity and Income Fund II      | 5,177,336    | 4,594,354    |
| Principal Midcap Blended Fund          | 4,827,504    |              |
| PIMCO Total Return Fund                | 4,030,726    | 3,410,925    |
| Wells Fargo Dow Jones Target 2040 Fund | 3,750,403    | 2,531,217    |
| Wells Fargo Dow Jones Target 2020 Fund | 3,172,328    | 2,401,743    |
| Thornburg International Value Fund     | 3,170,124    | 2,651,396    |
| Wells Fargo Dow Jones Target 2030 Fund | 2,825,158    |              |
| Davis New York Venture Fund            |              | 5,998,889    |
| Wachovia Diversified Stable Value Fund |              | 4,883,223    |
| Victory Special Value Fund             |              | 3,804,348    |

During the year ended December 31, 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

|                                         |                     |
|-----------------------------------------|---------------------|
| Fidelity Contrafund                     | \$ 1,120,441        |
| Victory Special Value Fund              | 699,240             |
| Davis New York Venture Fund             | 485,483             |
| Wells Fargo Dow Jones Target 2040 Fund  | 475,148             |
| Oakmark Equity & Income Fund II         | 395,890             |
| Thornburg International Value Fund      | 359,915             |
| Wells Fargo Dow Jones Target 2030 Fund  | 314,168             |
| PIMCO Total Return FD CCA               | 297,487             |
| American Beacon Funds Large Cap Value   | 261,064             |
| Wells Fargo Dow Jones Target 2020 Fund  | 252,243             |
| T Rowe Price Dividend Growth            | 171,756             |
| Lord Abbett Small Cap Blend             | 146,533             |
| American - The Growth Fund of America   | 109,339             |
| Principal Midcap Blend                  | 87,425              |
| Wachovia Diversified Stable Value Fund  | 63,037              |
| Wells Fargo Dow Jones Target 2010 Fund  | 35,889              |
| Ridgeworth S/C Val Equity               | 29,691              |
| Wells Fargo Dow Jones Target Today Fund | 21,146              |
| Wells Fargo Enhanced Stock Market G     | 16,182              |
| Wells Fargo Adv Dow Jones Target 2050   | 1                   |
| Enhanced Stock Market Fund of Wachovia  | (1,268)             |
| Wells Fargo Stable Return Fund G        | (153,151)           |
|                                         | <u>\$ 5,187,659</u> |

#### 4. FAIR VALUE MEASUREMENTS

ASC Topic 820, “*Fair Value Measurements and Disclosures*,” provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan’s policy is to recognize significant transfers between levels at the end of the reporting period.

The following tables sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2010 and December 31, 2009.

| Fair Value Measurements<br>at December 31, 2010 using: |                                                     |                                         |                                                 |               |
|--------------------------------------------------------|-----------------------------------------------------|-----------------------------------------|-------------------------------------------------|---------------|
|                                                        | Active Markets<br>for Identical<br>Assets (Level 1) | Other<br>Observable<br>Inputs (Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) | Total         |
| Mutual funds                                           |                                                     |                                         |                                                 |               |
| Equity funds                                           | \$ 35,392,744                                       | \$ -                                    | \$ -                                            | \$ 35,392,744 |
| International equity fund                              | 3,170,124                                           | -                                       | -                                               | 3,170,124     |
| Balanced fund                                          | 4,030,726                                           | -                                       | -                                               | 4,030,726     |
| Other                                                  | 5,177,336                                           | -                                       | -                                               | 5,177,336     |
| Total mutual funds                                     | 47,770,930                                          | -                                       | -                                               | 47,770,930    |
| Common collective trust funds                          | -                                                   | 5,352,988                               | -                                               | 5,352,988     |
| Total                                                  | \$ 47,770,930                                       | \$ 5,352,988                            | \$ -                                            | \$ 53,123,918 |

| Fair Value Measurements<br>at December 31, 2009 using: |                                                     |                                         |                                                 |               |
|--------------------------------------------------------|-----------------------------------------------------|-----------------------------------------|-------------------------------------------------|---------------|
|                                                        | Active Markets<br>for Identical<br>Assets (Level 1) | Other<br>Observable<br>Inputs (Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) | Total         |
| Mutual funds                                           |                                                     |                                         |                                                 |               |
| Equity funds                                           | \$ 28,631,378                                       | \$ -                                    | \$ -                                            | \$ 28,631,378 |
| International equity fund                              | 2,651,396                                           | -                                       | -                                               | 2,651,396     |
| Balanced fund                                          | 4,594,354                                           | -                                       | -                                               | 4,594,354     |
| Other                                                  | 3,410,925                                           | -                                       | -                                               | 3,410,925     |
| Total mutual funds                                     | 39,288,053                                          | -                                       | -                                               | 39,288,053    |
| Common collective trust funds                          | -                                                   | 4,943,665                               | -                                               | 4,943,665     |
| Total                                                  | \$ 39,288,053                                       | \$ 4,943,665                            | \$ -                                            | \$ 44,231,718 |

For the year ended December 31, 2010, there were no significant transfers in or out of Levels 1, 2 or 3.

In accordance with ASU 2009-12, the Plan expanded its disclosures to include the investment strategies of the investees for those assets whose fair value is estimated using the net asset value per share that do not have readily determinable fair value as defined by ASU 2009-12 as of December 31, 2010. For the Plan, investments that meet that definition are the common collective trust funds, for which the following investment objectives apply:

Enhanced Stock Market Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The primary investment objective is to invest in common stocks and or stock index futures selected so as to equal the total return performance of the S&P 500 Index. The secondary investment objective is to provide an incremental rate of return above that of the S&P 500 Index. To achieve these objectives, S&P 500 Index Futures may be used by the Fund. The futures are used to replicate the return of the S&P 500, while the remaining cash is invested in short-term investments to enhance the Fund's yield.

Stable Return G Fund: to provide a medium for collective investments of certain qualified employee benefit plans. The investment objective is to provide a relatively high income rate of return consistent with the preservation of principal. To accomplish this objective, the trustee will normally invest and reinvest primarily in contracts known variously as guaranteed income contracts, guaranteed investment contracts and group annuity contracts issued by insurance companies.

None of the common collective trust funds have any redemption restrictions or unfunded commitments as of December 31, 2010, and can be redeemed at any time at the request of the participant.

## **5. WELLS FARGO STABLE RETURN FUND G**

The Wells Fargo Stable Return G Fund (the "Fund") is a collective trust fund sponsored by Wells Fargo Bank, N.A. The Fund invests in a variety of investment contracts such as guaranteed investment contracts ("GICs") issued by insurance companies and financial institutions and other investment products (such as separate account contracts and synthetic GICs, including wrapper contracts) with similar characteristics. The Funds' investment contracts are fully benefit-responsive and the issuer guarantees that all qualified Plan participant initiated withdrawals will be paid at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses.

The Fund imposes certain restrictions on the Plan, and the Fund itself may be subject to circumstances that impact its ability to transact at contract value, as described in the following paragraphs. Plan management believes that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

### **Limitations on the Ability of the Fund to Transact at Contract Value:**

***Restrictions on the Plan*** — Participant-initiated transactions are those transactions allowed by the Plan, including withdrawals for benefits, loans, or transfers to noncompeting funds within a plan, but excluding withdrawals that are deemed to be caused by the actions of the Plan Sponsor. The following employer initiated events may limit the ability of the Fund to transact at contract value:

- Amendments to the Plan documents (including complete or partial Plan termination or merger with another plan)
- A failure of the Fund or its trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA

- Any communication given to Plan participants designed to influence a participant not to invest in the Fund or to transfer assets out of the Fund
- Changes to the Fund's prohibition on competing investment options or deletion of equity wash provisions
- Bankruptcy of the Plan Sponsor or other Plan Sponsor events (such as a group layoff, closing or sale of a subsidiary or the establishment of a defined contribution plan that competes with the Plan for employee contributions) that cause a significant withdrawal from the Plan; or
- Any change in law, regulation, ruling, administrative or judicial position or accounting requirement applicable to the Fund or participating Plans.

***Circumstances That Impact the Fund*** — The Fund invests in wrapper contracts issued by third parties. A wrap contract is an agreement issued by a third party, such as a bank or insurance company backed by a portfolio of investments that are owned by the Funds. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. Wrapper agreements permit the Funds' investment manager or issuer to terminate upon notice at any time at fair value and provide for automatic termination of the wrapper contract if the fair value of the contract equals zero. In addition, if the Funds default in their obligations under the agreement (including the determination that the agreement constitutes a non-exempt transaction as defined under ERISA) and such default is not cured, then the wrapper contract may be terminated by the issuer and the Funds will receive the fair value at the date of termination.

In the event that wrap contracts fail to perform as intended, the Fund's NAV may decline if the market value of its assets declines. The Fund's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments.

## 6. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2010 and 2009, and for the year ended December 31, 2010, included in the Plan's financial statements and supplemental schedule, that was prepared by or derived from information prepared by Wells Fargo Bank, N.A. (formally Wachovia Bank, N.A.), the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

|                                                                                  | 2010          | 2009          |
|----------------------------------------------------------------------------------|---------------|---------------|
| Statements of net assets available for benefits:                                 |               |               |
| Investments at fair value:                                                       |               |               |
| Mutual funds                                                                     | \$ 47,770,930 | \$ 39,288,053 |
| Common collective trust funds                                                    | 5,352,988     | 4,943,665     |
| Statement of changes in net assets available for benefits — investment activity: |               |               |
| Interest and dividends                                                           | \$ 690,652    |               |
| Interest income on notes receivable from participants                            | 90,140        |               |
| Net appreciation in fair value of investments                                    | 5,187,659     |               |

In addition, all investment balances and information included in the supplemental schedule and in Notes 3 and 4 were certified by the trustee except for the level classification of each investment as of December 31, 2010 and 2009, disclosed in Note 4.

## 7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds and common collective trusts managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

## 8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, participants would become 100% vested in their accounts.

## 9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated January 28, 2008, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended since receiving this letter; however, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

The Company has evaluated the vesting error that has occurred in the Plan as disclosed in Note 1 and has determined that this error does not impact the tax exempt status of the Plan.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that all Plan years remain open and subject to audit.

#### 10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

Reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2010 and 2009 is as follows.

|                                                                    | 2010                 | 2009                 |
|--------------------------------------------------------------------|----------------------|----------------------|
| Net assets available for benefits per the financial statements     | \$ 55,735,193        | \$ 47,116,588        |
| Excess contributions payable                                       | 76,905               | 10,791               |
| Participant contributions receivable                               | -                    | (104,599)            |
| Employer contribution receivable and other receivable              | (690,110)            | (722,131)            |
| Adjustment from contract value to fair value for stable value fund | 114,722              | (103,154)            |
| Net assets per Form 5500                                           | <u>\$ 55,236,710</u> | <u>\$ 46,197,495</u> |

For the year ended December 31, 2010, the following is a reconciliation of increase in net assets per the financial statements to net income per the Form 5500:

|                                                                              |                     |
|------------------------------------------------------------------------------|---------------------|
| Increase in net assets per the financial statements                          | \$ 8,618,605        |
| Change in excess contributions payable                                       | 66,114              |
| Change in participant contributions                                          | 104,599             |
| Change in employer contributions                                             | 32,021              |
| Change in adjustment from contract value to fair value for stable value fund | <u>217,876</u>      |
| Net income per the Form 5500                                                 | <u>\$ 9,039,215</u> |

#### 11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through October 7, 2011, the date the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

# THE YANKEE CANDLE COMPANY, INC. 401(k) PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i—  
SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2010

Plan number: 001  
EIN: 04-2591416

| (a) (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value | (d) Cost | (e) Current<br>Value |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------|----------------------|
| Principal<br>Fidelity Management Trust Company<br>Wells Fargo   | Mutual Funds:                                                                                                     |          |                      |
|                                                                 | Midcap Blended Fund                                                                                               | **       | \$ 4,827,504         |
|                                                                 | Contrafund                                                                                                        | **       | 7,896,215            |
|                                                                 | Dow Jones Target Today                                                                                            | **       | 373,581              |
|                                                                 | Dow Jones Target 2010                                                                                             | **       | 642,159              |
|                                                                 | Dow Jones Target 2020                                                                                             | **       | 3,172,328            |
|                                                                 | Dow Jones Target 2030                                                                                             | **       | 2,825,158            |
|                                                                 | Dow Jones Target 2040                                                                                             | **       | 3,750,403            |
|                                                                 | Dow Jones Target 2050                                                                                             | **       | 109                  |
|                                                                 | Ridgeworth                                                                                                        | **       | 1,656,443            |
|                                                                 | American Funds                                                                                                    |          |                      |
|                                                                 | The Growth Fund of America                                                                                        | **       | 1,022,254            |
|                                                                 | Beacon Large Cap Value Fund                                                                                       | **       | 2,317,463            |
|                                                                 | Dividend Growth Fund                                                                                              | **       | 6,909,127            |
|                                                                 | T Rowe Price                                                                                                      |          |                      |
| Thornburg Investment Management                                 | International Value Fund                                                                                          | **       | 3,170,124            |
|                                                                 | The Oakmark Funds                                                                                                 | **       | 5,177,336            |
|                                                                 | Pacific Investment Management Co., LLC                                                                            | **       | 4,030,726            |
|                                                                 | Total mutual funds                                                                                                |          | <u>47,770,930</u>    |
| *                                                               | Common Collective Trust Funds:                                                                                    |          |                      |
|                                                                 | Enhanced Stock Market Fund                                                                                        | **       | 127,927              |
|                                                                 | Wells Fargo Stable Return Fund G                                                                                  | **       | 5,225,061            |
|                                                                 | Total common collective trust funds                                                                               |          | <u>5,352,988</u>     |
| *                                                               | Participants                                                                                                      |          |                      |
|                                                                 | Participant loans with interest rate ranging from 3.25% to 8.25% maturing at various dates through 2019.          | **       | <u>2,112,792</u>     |
|                                                                 | Total investments per form 5500                                                                                   |          | <u>\$ 55,236,710</u> |

\* Party-in-interest

\*\* Cost information is not required for participant-directed investments and, therefore, is not included.

See Accompanying Independent Auditor's Report.

**Attachment to 2010 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** The Yankee Candle Co., Inc. 401(k) Plan

**EIN:** 04-2591416

**Plan Sponsor's Name** The Yankee Candle Co., Inc.

**PN:** 001

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (d) Cost | (e) Current value |
|-----|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | PIMCO                                                     | MUTUAL FUND<br>TOTAL RETURN FD CCA                                                                           |          | 4,030,726         |
|     | WELLS FARGO BANK, N.A.                                    | COMMON TRUST FUND<br>ENHANCED STOCK MARKET G                                                                 |          | 127,927           |
|     | WELLS FARGO BANK, N.A.                                    | COMMON TRUST FUND<br>STABLE RETURN FUND G                                                                    |          | 5,225,051         |
|     | AMERICAN                                                  | MUTUAL FUND<br>BEACON LARGE CAP VALUE<br>INV CL                                                              |          | 2,317,463         |
|     | AMERICAN                                                  | MUTUAL FUND<br>GROWTH FD OF AMER-R4                                                                          |          | 1,022,254         |
|     | FIDELITY                                                  | MUTUAL FUND<br>CONTRAFUND INC                                                                                |          | 7,896,215         |
|     | OAKMARK                                                   | MUTUAL FUND<br>EQUITY & INCOME-CL                                                                            |          | 5,177,336         |

**Attachment to 2010 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Acquired or Disposed of Within Year)**

**Plan Name** The Yankee Candle Co., Inc. 401(k) Plan

**EIN:** 04-2591416

**Plan Sponsor's Name** The Yankee Candle Co., Inc.

**PN:** 001

| (a) Identity of issue, borrower, lessor, or similar party | (b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (c) Cost of acquisitions | (d) Proceeds of dispositions |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|
| PRINCIPAL                                                 | MUTUAL FUND<br>MIDCAP BLEND F-R4                                                                             |                          | 4,827,504                    |
| RIDGEWORTH                                                | MUTUAL FUND<br>S/C VAL EQTY-1                                                                                |                          | 1,656,443                    |
| T ROWE PRICE                                              | MUTUAL FUND<br>DIVIDEND GRO-AD                                                                               |                          | 6,909,127                    |
| THORNBURG                                                 | MUTUAL FUND<br>INTERNATIONAL VALUE FD                                                                        |                          | 3,170,124                    |
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET TODAY                                                                    |                          | 373,581                      |
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET 2010                                                                     |                          | 642,159                      |
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET 2020                                                                     |                          | 3,172,328                    |

**Attachment to 2010 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Acquired or Disposed of Within Year)**

**Plan Name** The Yankee Candle Co., Inc. 401(k) and Profit Sharing Plan **EIN:** 04-2591416  
**Plan Sponsor's Name** The Yankee Candle Co., Inc. **PN:** 001

| (a) Identity of issue, borrower, lessor, or similar party | (b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (c) Cost of acquisitions | (d) Proceeds of dispositions |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET 2030                                                                     |                          | 2,825,158                    |
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET 2040                                                                     |                          | 3,750,403                    |
| WELLS FARGO BANK, N.A.                                    | MUTUAL FUND<br>ADV DOW JONES TARGET 2050                                                                     |                          | 109                          |
| PARTICIPANT LOANS                                         | VARIOUS RATES                                                                                                |                          | 2,112,792                    |
|                                                           |                                                                                                              |                          |                              |
|                                                           |                                                                                                              |                          |                              |
|                                                           |                                                                                                              |                          |                              |