FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

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FILER

LEADING BRANDS INC

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SIC: **2086** Bottled & canned soft drinks & carbonated waters

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7400 RIVER ROAD
RICHMOND,BC CANADA
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Business Address
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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of January 2003

LEADING BRANDS, INC.
(Registrant)

160 - 7400 River Road, Richmond, British Columbia V6X 1X6 Canada
(Address of Principal Executive Offices)

(Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F [X]   Form 40-F [ ]

(Indicate by check mark whether the Registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes [ ]   No [X]

(If "Yes" is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b).)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LEADING BRANDS, INC.
(Registrant)

Date February 10, 2003

By /s/ Marilyn Kerzner
(Signature)

Marilyn Kerzner

Director of Corporate Affairs

LEADINGBRANDS™

To Our Shareholders:

Revenue for our third quarter ended November 30, 2002 rose to $16,996,000Cdn ($10,791,000US) from $14,214,000Cdn ($8,926,000US) in the prior year, a gain of 20%. The net loss for the quarter was $668,000Cdn ($424,000US) or $0.05Cdn ($0.03US) per share versus net income of $86,000Cdn ($54,000US) or $0.01Cdn ($nil US) per share for the third quarter ending November 30, 2001.

Year to date revenues were $59,069,000Cdn ($37,782,000US), up from $51,368,000Cdn ($33,006,000US) last year. Net income for the nine months of the year was $1,614,000Cdn ($1,038,000US) versus $2,169,000Cdn ($1,404,000US) in the first three quarters of 2001.

The rise in quarterly revenue is almost equally attributable to increased revenue from co-pack customers and sales of TREK™ Optimized Performance Beverages™ in the United States. Profitability for the quarter was impacted by increased SG&A costs of expanding into the United States market and corresponding introductory promotional programs for the Company's major new products.

Although overall pleased with our continued growth and evolution as a company, I am disappointed with our results for this quarter. The past three months saw a number of important developments at Leading Brands: the launch of Pez® 100% Juices™, the introduction of TREK™ NITRO™, the signing of four significant new bottling agreements comprising 5.5 million new cases of production for fiscal 2003, a landmark licensing and marketing arrangement with Trek Bicycle Corporation, new listings for both TREK™ and Pez™ at a variety of chains, including 7-Eleven, Sunoco, Canada Safeway and Albertsons and new distribution across 25 US states.

Throughout the Summer and Fall we were gearing up to meet demand for TREK™. By the time our production capacity increased in November many new distributors pushed back launching to early 2003, rather than run into the year end Holidays. That slowed our expansion in the late Fall. With that issue now behind us, we are seeing increased demand in Q4, with more than 35 additional markets scheduled to come on line before the end of our fiscal year in February. As I reflect on the quarter, I believe that we have used that time to make a sound investment in our future.

Thank you for your continued support.

Ralph D. McRae
Chairman & CEO

Third Quarter Interim Report

for the period ended November 30, 2002

LEADING BRANDS, INC.
MANAGEMENT DISCUSSION AND ANALYSIS
QUARTER ENDED NOVEMBER 30, 2002

(EXPRESSED IN UNITED STATES DOLLARS)

SALES

Sales for the quarter ended November 30, 2002 were $10,791,059, compared to $8,926,139 in the previous year, representing an increase of $1,864,920. The increase of 20% is attributed to the following:

- increase in sales due to more ingredients being supplied as part of a major co-packing agreement (14%)
- increase in sales due to new product launches (12%)
- net sales decreases in co-pack operations and sale of products (6%). Almost all of this decrease is due to a onetime co-pack project undertaken for a new customer that provided a non-recurring revenue increase in the prior year.

Sales for the nine months ended November 30, 2002 are up $4,776,625 or 14% due to the increase in ingredients being supplied as part of a major co-packing agreement of 8%, introduction of new products accounting for approximately 8%, partially offset by decreases in existing lines of business of 1% and the effects of exchange rate variations of 1%.

COST OF SALES AND MARGIN

Cost of sales increased from $7,037,857 to $9,076,688 as a result of the sales increase. The margin percentage decreased from the prior year primarily due to aggressive pricing and introductory promotional programs for new major products. The other main factor was the non-recurrence of the prior year's co-pack project that had higher than average margins.

On a year to date basis the gross margin percentage is down slightly over the prior year due to the product launch strategy.

SELLING, GENERAL AND ADMINISTRATION EXPENSES

These expenses increased from $1,340,058 to $2,066,793, due primarily to the increased sales, as well as higher wage and other costs related to the Company's expansion into the United States and costs related to the launch of the new PEZ™ product and ongoing rollout of the TREK™ product.

These expenses for the nine months ended November 30, 2002 are up for the same reasons as the above.

OTHER EXPENSES

Depreciation and amortization in the quarter decreased by $91,766 from $357,894 in the prior year to $266,128 due to the sale of capital assets, the change in amortization rates for certain production equipment as explained in the summary of significant accounting policies in the annual financial statements and the implementation of the new requirements for amortization of goodwill and intangibles as discussed in Note 2.

Interest decreased by $20,194 from $124,893 to $104,699 due to lower average borrowings and interest rates during the year.

On a year to date basis the same trends and reasons for changes compared to the prior year for depreciation, amortization and interest expenses are applicable.

OTHER INCOME

In the prior year to date, the net gain of $187,908 related primarily to the SoBe termination and related sale and writedown of capital assets.

INCOME TAXES

As explained in Note 4 the Company recognized a portion of its previously unrecognized future income tax assets during the quarter. This resulted in an increase to income of $298,412 compared to the prior year. On a year to date basis $945,579 has been recognized, compared to zero in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2002, the Company had positive working capital of $46,521 compared to negative working capital of $208,400 at the prior year end. Bank indebtedness was $2,579,167 compared to $1,276,193 for the prior year. There were no cash or cash equivalents as at November 30, 2002 or the previous year end.

During the quarter the Company's banker increased the operating line credit limit by approximately $1.3 million dollars and advanced an additional $634,921 by way of an increase to the existing term loan.

CASH FLOWS

Quarter Ending November 30

Net cash generated from operating activities for the quarter ended November 30, 2002 was $72,831. Operations utilized $158,003 of cash compared to $412,206 that was generated in the prior year. Working capital changes generated $286,884 as the seasonal decreases in inventory and accounts payable were partially offset by increases in inventory related to new products. In the prior year working capital changes generated $345,987 with seasonal decreases in accounts receivable but greater reductions in accounts payable as inventory remained relatively constant. The Company also recorded the current portion of previously unrecognized future income tax assets.

Net cash utilized in investing activities was $665,942 compared to $274,664 generated in the prior year. The primary reasons for the difference are the proceeds in the prior year from the sale of a warehouse, expenditures in the current year of $348,122 on capital assets, primarily production equipment, expenditures of $120,586 on deferred costs related primarily to the TREK™ and PEZ™ products and reduced advances to Northland Technologies Inc. as explained in Note 3.

Financing activities generated $590,814 as $634,921 was received by way of an increase to the term loan, $176,422 of long term debt was repaid, operating bank indebtedness increased by $71,121 and $61,194 was received from the issuance of common shares related to exercised stock options. In the prior year $1,574,993 of long term debt was repaid, while bank indebtedness decreased by $559,471.

Nine Months Ending November 30

Net cash generated from operations was $615,226. Operating activities generated $1,773,007 compared to $2,508,642 in the prior year. Working capital changes utilized $631,891 compared to $1,705,186 in the prior year. A portion of the termination payment received in the prior year was used to significantly reduce accounts payable while in the current year payables increased to fund the purchase of inventory related to the new products. The Company also recorded the current portion of previously unrecognized future income tax assets of $945,579.

Investing activities utilized $2,021,080 compared to $4,819,716 generated in the prior year. The primary differences are the expenditures in the current year on deferred costs of $677,218 as explained above and the prior year receipt of the termination payment and related proceeds on sale of capital assets totaling $6,196,403. The increase in the current year purchases of capital assets was offset by lower advances to Northland Technologies Inc.

Financing activities generated $1,434,763 compared to $5,322,871 utilized in the prior year. The primary difference is the change in overall bank indebtedness due to the receipt of the termination payment in the prior year and the additional term loan advance in the current year.

LEADING BRANDS, INC.
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

(EXPRESSED IN UNITED STATES DOLLARS)	November 30 **2002**	February 28 2002
ASSETS		
Accounts receivable	**$ 3,799,650**	$ 3,524,115
Inventory	**4,662,058**	2,059,638
Prepaid expenses	**584,306**	152,672
Future Income Taxes	**702,912**	–
	9,748,926	5,736,425
Capital assets	**8,423,608**	7,987,532
Trademarks and rights	**321,612**	334,606
Goodwill	**2,148,812**	2,093,348
Deferred costs	**773,020**	229,451
Long-term investment and advance	**6,442,574**	6,013,511
Other	**32,038**	31,211
Future Income Taxes	**246,051**	–
	$28,136,641	$22,426,084
LIABILITIES		
Bank indebtedness	**$ 2,579,167**	$ 1,276,193
Accounts payable and accrued liabilities	**6,460,402**	3,821,235
Current portion of long-term debt	**662,836**	847,397
	9,702,405	5,944,825
Long-term debt	**2,297,653**	2,112,144
Convertible preferred shares	**1,240,613**	1,072,202
	13,240,671	9,129,171
SHAREHOLDERS' EQUITY		
Share capital		
Common shares	**23,665,047**	23,452,934
Equity component of convertible preferred shares	**330,614**	310,709
Deficit	**(8,385,797)**	(9,404,297)
Currency translation adjustment	**(713,894)**	(1,062,433)
	14,895,970	13,296,913
	$28,136,641	$22,426,084

LEADING BRANDS, INC.
CONSOLIDATED STATEMENT OF INCOME (LOSS)

(UNAUDITED)

(EXPRESSED IN UNITED STATES DOLLARS)	Three months ending November 30 **2002**	Three months ending November 30 2001	Nine months ending November 30 **2002**	Nine months ending November 30 2001
Sales	**$10,791,059**	$8,926,139	**$37,782,472**	$33,005,847
Cost of sales	**9,076,688**	7,037,857	**29,829,873**	25,653,897
Operations, selling, general & administration expenses	**2,066,793**	1,340,058	**6,799,044**	4,585,784
Amortization of capital assets	**187,415**	247,347	**554,447**	754,800
Amortization of goodwill	**-**	44,277	**-**	152,242
Amortization of deferred costs and other	**78,713**	66,270	**180,156**	198,008
Interest on long term debt	**58,749**	101,936	**161,211**	297,020
Interest on current debt	**21,708**	22,957	**97,580**	148,412
Interest accretion on convertible preferred shares	**24,242**	-	**73,176**	-
Other income	**(706)**	11,125	**(5,840)**	(187,908)
	11,513,602	8,871,827	**37,689,647**	31,602,255
Net income (loss) before taxes	**(722,543)**	54,312	**92,825**	1,403,592
Income taxes (note 4)	**(298,412)**	-	**(945,579)**	-
Net income (loss) after income taxes	**(424,131)**	54,312	**1,038,404**	1,403,592
Deficit, beginning of period	**(7,955,095)**	(9,389,591)	**(9,404,297)**	(10,738,871)
Preferred share dividends	**6,571**	-	**19,904**	-
Deficit, end of period	**(8,385,797)**	(9,335,279)	**(8,385,797)**	(9,335,279)
EARNINGS (LOSS) PER SHARE				
Basic	**$ (0.03)**	$ -	**$ 0.08**	$ 0.10
Fully diluted	**$ (0.03)**	$ -	**$ 0.06**	$ 0.09
Weighted average number of shares outstanding	**13,635,015**	13,558,878	**13,590,442**	13,606,377

LEADING BRANDS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

(EXPRESSED IN UNITED STATES DOLLARS)	Three months ending November 30 **2002**	Three months ending November 30 2001	Nine months ending November 30 **2002**	Nine months ending November 30 2001
Cash provided by (used in)				
OPERATING ACTIVITIES				
Net income (loss)	**$(424,131)**	$ 54,312	**$1,038,405**	$1,403,592
Items not involving cash				
Depreciation and Amortization	**266,128**	357,894	**734,603**	1,105,050
Loss (gain) on sale of assets	**(705)**	11,124	**(5,841)**	(767,693)
Interest and accretion on convertible preferred shares	**46,243**	-	**139,815**	-
Write-down of capital assets	**-**	-	**-**	418,680
Provision for advances to Northland Technologies Inc.	**196,825**	-	**285,714**	-
Changes in non-cash operating working capital items	**286,884**	345,987	**(631,891)**	(1,705,186)
Future Income Taxes	**(298,413)**	-	**(945,579)**	-
	72,831	769,317	**615,226**	454,443
INVESTING ACTIVITIES				
Purchase of capital assets	**(348,122)**	(36,945)	**(792,611)**	(597,444)
Advances (to) from Northland Technologies Inc.	**(196,825)**	(454,968)	**(554,570)**	(729,674)
Proceeds from termination of South Beach Beverage Co. LLC agreement	**-**	-	**-**	4,087,917
Proceeds on sale of capital assets	**6,597**	781,971	**18,042**	2,108,486
Expenditures on deferred costs	**(120,586)**	(15,394)	**(677,218)**	(42,441)
Expenditures on trademarks and rights	**-**	-	**-**	(7,128)
Other investments and advances	**(7,006)**	-	**(14,723)**	-
	(665,942)	274,664	**(2,021,080)**	4,819,718
FINANCING ACTIVITIES				
Increase (decrease) in bank indebtedness	**71,121**	559,471	**1,302,974**	(3,196,601)
Purchase of treasury stock	**-**	(28,085)	**-**	(113,594)
Issue of common share capital	**61,194**	-	**139,824**	-
Obligation to issue common shares	**-**	-	**73,526**	-
Proceeds from additional long-term debt	**634,921**	-	**634,921**	-
Repayment of long-term debt	**(176,422)**	(1,574,993)	**(716,482)**	(2,012,678)
	590,814	(1,043,607)	**1,434,763**	(5,322,871)
	$ (2,297)	$ 374	**$ 28,909**	$ (48,712)
Effect of exchange rate changes on cash	**$ 2,297**	$ (374)	**$ (28,909)**	$ 48,712
Cash, beginning and end of year	**$ -**	$ -	**$ -**	$ -
Interest paid	**$ 58,457**	$103,596	**$ 161,916**	$ 392,067
Income tax paid	**$ -**	$ -	**$ -**	$ -

LEADING BRANDS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

1. SHARE CAPITAL

	November 30 **2002**
Authorized:	
Common shares without par value	**100,000,000**
Preferred shares without par value designated into the following series:	
Series "A" preferred shares, without par value	**1,000,000**
Series "B" preferred shares, without par value	**100**
Series "C" preferred shares, without par value	**1,000,000**
Series "D" preferred shares, without par value	**4,000,000**
Series "E" preferred shares, without par value	**4,000,000**
Undesignated	**9,999,900**
Issued:	
Common shares without par value	**13,675,018**
Series "E" preferred shares, without par value	**2,000,000**

There were 74,051common shares issued during the quarter. On a year to date basis 121,632 common shares have been issued and 108,400 common shares have been cancelled.

Stock options granted, exercised and cancelled since February 28, 2002	*Issued and outstanding options*	*Weighted average exercise price*
Outstanding at February 28, 2002	3,000,000	$1.03
Granted	833,500	1.70
Cancelled	(3,500)	1.70
Outstanding at May 31, 2002	3,830,000	$1.18
Granted*	152,500	1.88
Exercised	(47,581)	1.67
Outstanding at August 31, 2002	3,934,919	1.19
Cancelled	(210,000)	1.72
Exercised	(31,900)	1.93
Outstanding at November 30, 2002	3,693,019	$1.16

At November 30, 2002 there were 2,543,146 vested options outstanding at an average strike price of $1.03.

*Subject to shareholder approval

2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles for interim financial information. These interim financial statements do not include all the disclosures required under Canadian Generally Accepted Accounting Principles and should be read in conjunction with the most recent audited annual financial statements.

These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements except that the new accounting recommendations issued by the Canadian Institute of Chartered Accountants regarding Stock Based Compensation and Goodwill and Other Intangible Assets have been adopted. Effective March 1, 2002, the Company adopted the recommendations of CICA Handbook Section 3870, Stock based compensation and other stock-based payments. This section requires that direct awards of stock and liabilities based on the price of common stock be measured at fair value at each reporting date, with the change in fair value reported in the statements of income and encourages, but does not require, the use of the fair value method for all other types of stock-based compensation plans. None of the Company's plans qualify as direct awards of stock or as plans that create liabilities based on the price of the company's stock, and as a result, the implementation of the section has no impact on the financial statements. The Company has chosen not to use the fair value method to account for stock-based employee compensation plans. The Company records no compensation expense when options are issued to employees. Any consideration paid by employees on the exercise of the options is credited to capital stock. Had compensation costs been determined based upon the fair value method, the net income (loss), basic and fully diluted earnings per share would be the following pro-forma amounts respectively: Quarter 3: ($441,612), ($0.03), ($0.03); Year to date: $932,136, $0.07, $0.05. Goodwill and intangible assets with an indefinite life are no longer being amortized. The impact of this is estimated at $67,100 for this quarter.

Certain of the prior figures have been reclassified to conform with the current presentation.

3. LONG-TERM INVESTMENT AND ADVANCES

Effective January 1, 2001 the Company sold the business and certain intellectual property and capital assets of its online home shopping business to Northland Technologies Inc. (NTI) in exchange for preferred shares in NTI with a stated value of $7.8 million. The value attributed to the shares was $4,584,301, which was the book value of the assets disposed of.

The Company has also entered into a management agreement to provide certain management and administrative services to NTI until February 28, 2003. Subsequent to the disposition of the property the Company advanced approximately $1,925,000 to NTI primarily for marketing costs, purchases of capital assets and some overhead costs. To support the Company's investment further advances are anticipated. The Company has provided an allowance of approximately $286,000 to date representing all advances since July 2002.

The preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect recording of transactions and balances. Changes in future conditions could require a material change in these recognized amounts.

4. INCOME TAX EXPENSE

During the quarter the Company reassessed unrecognized future income tax assets and based on current and forecasted earnings trends, recorded future income tax assets in the amount of $298,412. On a year to date basis $945,579 has been recognized.

5. CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS

	Three months ending Nov. 30, **2002**	*Three months ending Nov. 30,* **2001**	*Nine months ending Nov. 30,* **2002**	*Nine months ending Nov. 30,* **2001**
Accounts receivable	**1,790,202**	1,315,360	**(209,543)**	787,889
Inventory	**(798,107)**	61,022	**(2,540,996)**	686,302
Prepaid expenses	**(276,111)**	19,320	**(422,357)**	(14,902)
Accounts payable and accrued liabilities	**(429,100)**	(1,049,715)	**2,541,005**	(3,164,475)
Changes in non-cash operating working capital items	**286,884**	345,987	**(631,891)**	(1,705,186)

6. SEGMENTED INFORMATION

The Company operates in one industry segment. The Company's principal operations are comprised of an integrated manufacturing and distribution system for beverages, water and snack foods. Substantially all of the Company's operations, assets and employees are located in Canada.

7. SEASONALITY

The Company's revenue is subject to seasonal fluctuations with stronger sales occurring in the warmer months.

8. CONTINGENCIES

The Company is party to various legal claims which have arisen in the normal course of business. Since the issue of the most recent audited annual financial statements, several claims have been settled at a nominal cost to the Company, and the Company initiated an action to protect certain of its trademarks. This action has been resolved during the quarter.

9. SUBSEQUENT EVENT

On December 31, 2002 the holder of the Series 'E' Preferred shares exercised its conversion rights and converted all the issued and outstanding Series 'E' preferred shares into 788,626 common shares.

LEADING BRANDS, INC. AT A GLANCE

Leading Brands, Inc. is the largest independent fully integrated premium beverage company in Canada.

Shareholder Information:

Leading Brands, Inc.
NASDAQ:LBIX TSX: LBI
Toll Free: 1-800-729-2746
Website: www.LBIX.com

Officers of the Company

Tim Dagg
President, North American Bottling

Thomas Gaglardi
Secretary

Derek Henrey, CA
Chief Financial Officer

Donna Higgins, CGA
Corporate Controller & VP Administration

Gerry Kenyon
Chief Operating Officer- Leading Brands, Inc.
President & Chief Operating Officer –
Leading Brands of Canada, Inc. and Quick, Inc.

Ralph D. McRae
Chairman, President and Chief Executive Officer

Robert W. Miller
President – Leading Brands of America, Inc.

Joanne Petak
Vice President of Marketing

Dave Read
President – LBI Brands, Inc.

LEADINGBRANDS™

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PRINTED IN CANADA

MATERIAL CHANGE REPORT

Item 1. **Reporting Issuer:**

Leading Brands, Inc. (the "Company")
160 – 7400 River Road
Richmond BC V6X 1X6

Item 2. **Date of Material Change:**

February 10, 2003

Item 3. **Press Release:**

A press release announcing the material change was issued on February 10, 2003 for Canadian and U.S. distribution through Canadian Corporate News.

Item 4. **Summary of Material Change:**

Leading Brands' subsidiary, Quick Home Delivery (Canada), Inc. has determined to suspend home delivery service in the Greater Vancouver area after February 28, 2003.

The Company will recognize a non-cash charge of approximately $6,500,000 US against its long term investment in the fourth quarter of its 2002 fiscal year ended February 28, 2003 to reflect this event.

Item 5. **Full Description of Material Change:**

Effective January 1, 2001 the Company sold the business and certain intellectual property and capital assets of its online home shopping business to Northland Technologies Inc. (NTI) in exchange for preferred shares in NTI with a stated value of $7.8 million US. The value attributed to the shares was $4,584,301 US, which was the book value of the assets disposed of.

The Company at that time also entered into a management agreement to provide certain management and administrative services to NTI until February 28, 2003. Subsequent to the disposition of the property the Company advanced further funds to NTI primarily for marketing costs, purchases of capital assets and some overhead costs. To support the Company's investment, further advances were anticipated.The Company had provided an allowance for all advances made since July 2002.

The Company determined that future advances to support this investment were no longer in the best interests of the Company and decided effective February 28, 2003 to cease funding and managing the online home shopping business.

The Company will recognize a non-cash charge of approximately $6,500,000 US representing the carrying value of its long term investment and advances plus estimated net costs to the date of closure.

Changes in future conditions could require a material change in these recognized amounts.

Item 6. **Reliance on Section 85(2) of the Act:**

Not applicable

Item 7 **Omitted Information:**

Not applicable

Item 8. **Senior Officer:**

Derek Henrey, Chief Financial Officer
(604) 214-9722 (Ext. 313)

Item 9. **Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to herein.

Dated at Richmond, British Columbia, this 10th day of February, 2003

Per: *(signed) 'Derek Henrey'*
Derek Henrey
Chief Financial Officer

LEADINGBRANDS™

FOR IMMEDIATE RELEASE

CONTACTS:

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LEADING BRANDS, INC. ANNOUNCES

Suspension of Home Delivery Service to Add Approximately $0.06 US to Fiscal 2003 – 04 Earnings

Company will Take Non-Cash Charge of Approx $6,500,000 US in Q4 2002 - 03

VANCOUVER, CANADA, February 10, 2003, LEADING BRANDS, INC. (NASDAQ: LBIX, TSX: LBI), Canada's largest independent, fully integrated premium beverage company, announces that its Quick Home Delivery subsidiary has determined to suspend home delivery service in the Greater Vancouver area after February 28, 2003. The date coincides with the end of the initial term of the company's agreement to manage the service.

This move will add approximately $0.06 US per share to Leading Brands' earnings next year. The Company will recognize a non-cash charge of approximately $6,500,000 against its long term investment in the fourth quarter of its 2002 fiscal year ended February 28, 2003 to reflect the event.

Leading Brands Chairman & CEO Ralph McRae said: "This was a difficult decision. Quick was able to meet or exceed every significant operational milestone. However, the business has reached a level where, in order to continue its growth, we needed to start expending material sums on marketing. That would have cut into Leading Brands' consolidated earnings in fiscal 2003. With financial markets focused on profit growth, we made the tough decision between investing to grow Quick for the future and enhancing Leading Brands' profitability now. Operationally, this step will further allow us to concentrate on building our beverage brands, both here and abroad."

Mr. McRae continued: "Although we believe it prudent to take a charge on our investment in Quick in Q4 of our present fiscal year, we have managed to build some very efficient and effective technology that we will apply to further enhance efficiencies in our wholesale operations."

Gerry Kenyon, President of Quick Home Delivery added: "Although we are disappointed with this decision, we are proud of what we have been able to accomplish at Quick. We at the same time want to apologize to our many home delivery customers who have come to rely on the service and thank them for their support. We will strive to provide the same high level of service through to our last day of deliveries on Friday, February 28."

About Leading Brands, Inc.

Leading Brands, Inc. (NASDAQ:LBIX, TSX:LBI) is the largest independent, fully integrated premium beverage company in Canada. The Company's unique Integrated Distribution System (IDS)™ offers turnkey, one-stop shopping to food and beverage brand owners, including manufacturing, distribution, sales/marketing and licensing. In addition, Leading Brands produces their own line of beverages such as TREK™, Pez® 100% Juices™, Johnny's Roadside® Iced Tea and Lemonade, Country Harvest® Juices, Caesar's® Bloody Caesar Cocktail, and Cool Canadian® Water. Leading Brands recently undertook a major expansion into the United States, with its US headquarters located in Stamford, CT.

Statements in this news release that are not historical are to be regarded as forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially. Such risks and uncertainties with respect to the Company's business include general economic conditions, weather conditions, changing beverage consumption trends, pricing, and the availability of raw materials and economic uncertainties, including currency.

We Build Brands™

This news release is available at www.LBIX.com

WHEN TO FILE: Within 10 days after the end of each month in which any change to the number of outstanding or reserved listed securities has occurred (including a reduction in such number that results from a cancellation or redemption of securities). If no such change has occurred, a nil report should be filed.

HOW: **For Companies Reporting to Toronto Stock Exchange – Toronto Office:**
Via fax to 416-947-4547 or via email to advisoryaffairs@tsx.ca

For Companies Reporting to Toronto Stock Exchange – Montreal Office:
Via fax to 514-788-2421 or via email to advisoryaffairs@tsx.ca

QUESTIONS: **For Companies Reporting to Toronto Stock Exchange – Toronto Office:**
Email advisoryaffairs@tsx.ca or contact the TSX Reporting Agent who is responsible for the Company (based on the first letter of the Company's name), as follows:

Company Name	Phone
A – K	416-947-4538
L – Z	416-947-4616

For Companies Reporting to Toronto Stock Exchange – Montreal Office:
Call 514-788-2451

NOTE: The Company may customize the form to ensure that the charts below contain all applicable information relating to the issuer. Each share compensation arrangement which involves the issuance of treasury securities must have its own chart.

This Form replaces the "Changes in Capital Structure" form.

Although the Closing Issued and Outstanding Share Balance figure to be entered on the last line of Section A of this Form will be posted on the TSX website, no other information provided by the Company in this Form will be made available for public view.

CHANGE IN OUTSTANDING AND RESERVED SECURITIES

	ISSUED AND OUTSTANDING SHARE SUMMARY*	# of Shares	Balance
	Issued and Outstanding – Opening Balance*	**14,463,644**	
ADD:	Stock Options Exercised	106,000	
	Share Purchase Plan		
	Dividend Reinvestment Plan		
	Exercise Warrants		
	Private Placement		
	Conversion		
	Other Issuance (provide description)		
SUBTRACT:	Issuer Bid Purchase		
	Redemption		
	Other Cancellation (provide description)		
	Closing Issued and Outstanding Share Balance*		**14,569,644**

NOTE: If any of the Company's securities of a listed class are held by the Company itself or by any subsidiary of the Company (which securities are herein referred to as "internally-held securities"), such internally-held securities must not be counted as "issued and outstanding."

Internally-held securities may result from the Company not cancelling shares acquired pursuant to an issuer bid or as a consequence of a subsidiary of the Company retaining or obtaining shares of the Company through a merger, amalgamation, arrangement or reorganization involving the Company.

	RESERVED FOR SHARE COMPENSATION ARRANGEMENTS	# of Shares	Balance
A.	**Share Purchase Plans and / or Agreement(s)**		
	NAME OF PROGRAM:		
	Opening Reserve for Share Purchase Plan / Agreement		
	Additional Shares Listed Pursuant to the Plan (ADD)		
	Shares Issued from Treasury (SUBTRACT)		
	Closing Reserve for Share Purchase Plan		**Nil**

B.	**Dividend Reinvestment Plan (DRIP) — for shareholders**	# of Shares	Balance
	NAME OF PROGRAM:		
	Opening Reserve for Dividend Reinvestment Plan		
	Additional Shares Listed Pursuant to the Plan (ADD)		
	Shares Issued (SUBTRACT)		
	Closing Reserve for Dividend Reinvestment Plan		**Nil**

TORONTO STOCK EXCHANGE TSX

RESERVED FOR SHARE COMPENSATION ARRANGEMENTS

C. **Stock Option Plan (and / or) Agreement**

NAME OF PROGRAM:

Stock Options Outstanding — Opening Balance	**3,693,019**

Options Granted: (ADD)

Date of Grant	Name of Optionee	Expiry Date	Exercise Price	# of Options Granted
			SUBTOTAL	

Options Exercised: (SUBTRACT) Shares issued on exercise must also be subtracted in the table entitled "Shares Reserved" below

Date of Exercise	Name of Optionee	Date of Grant	Exercise Price	Number
Jan.21, 2003	Darryl Eddy	Jan.25, 2000	US $1.00	100,000
Jan.27, 2003	Karen Henne	Jan.25, 2000	US $1.00	6,000
			SUBTOTAL	106,000

Share Appreciation Rights or Market Growth Feature ("SAR") in tandem with Stock Options.

Date of Exercise / Canc.	Name of Optionee	Date of Grant	# Options Canc.	# Shares Issued* (based on SAR Value)
			SUBTOTAL	

*Shares may, or may not be issued however "Shares Reserved" (for Stock Option Plan) may require a deduction in accordance with TSX acceptance of the Plan. Please ensure all applicable changes are noted.

Options Cancelled/Terminated: (SUBTRACT) If an option is cancelled prior to its natural expiry date, for reasons other than termination of employment or natural expiry, the entry should be noted with a * and an explanation provided below.

Date of Canc. / Term	Name of Optionee	Date of Grant	Expiry Date	Exercise Price	Number
				SUBTOTAL	

Stock Option Outstanding — Closing Balance	**3,587,019**

TORONTO STOCK EXCHANGE TSX

RESERVED FOR SHARE COMPENSATION ARRANGEMENTS

D. **Shares Reserved (for Stock Option Plan)**

NAME OF PROGRAM:	# of Shares	Balance
Opening Share Reserve Balance at beginning of period		3,754,019
Additional shares Listed Pursuant to the Plan (ADD)		
Stock Options Exercised (SUBTRACT)	106,000	
Stock Appreciation Rights (SUBTRACT)		
Closing Share Reserve Balance at end of period		**3,648,019**

All information reported in this Form is for the month of January, 2003.

Filed on behalf of the Company by:
(please enter name and direct phone or email)

NAME Marilyn Kerzner

PHONE / EMAIL 604-214-9722 Ext.270 mkerz@lbix.com

DATE February 6, 2003