Investor Presentation
November 2006
This is an oral presentation which is accompanied by slides. Investors are urged to review our SEC filings.

During today’s presentation forward-looking statements may be made. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Consequently, all forward-looking statements made during this presentation are qualified by those risks, uncertainties and other factors.

Please reference our SEC filings, which are available on our web site, for a detail description of factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements.

Also during today’s presentation, non-GAAP financial measures are referenced. The definition and purpose for using these measures and historical and prospective reconciliations to GAAP measures are in our Form 8-K we furnished the SEC which is available on our web site.
Rite Aid Investment Highlights

• Rite Aid continues to benefit from its successful operational and financial turnaround
  – Third consecutive year of profitability in fiscal 2006
  – Revenues of $17.3 billion and adjusted EBITDA of $676 million in fiscal 2006
  – A well-positioned store base with good market presence in key markets
  – Resumed growth strategy to grow store base in key markets
  – Reduced debt, extended maturities and improved liquidity

• The acquisition of over 1,800 Brooks and Eckerd stores from The Jean Coutu Group strengthens Rite Aid’s competitive position and financial performance
  – Significant increase in footprint and operating scale
  – Creates leading drug store retailer in the Eastern US
  – Opportunity to realize significant synergies

• Rite Aid’s strategies are working
  – Successfully executing current strategy
  – Acquisition of Brooks and Eckerd stores is an acceleration of Rite Aid’s current strategy
  – Integrating new stores while maintaining business continuity
Rite Aid Investment Highlights

Leading Market Position

• Third largest drug store chain in the U.S. with 3,321 stores in 27 states and the District of Columbia
• Strong market position in 70% of top 158 markets

Strong Cash Flow

• Adjusted EBITDA (1) of $675.6 million in fiscal 2006
• Adjusted EBITDA CAGR of 12.5% since 2001

Store Growth Program

• New “Customer World” pharmacy centric store prototype
• Growth focused on key strategic markets
• 5-year goal: 800 – 1,000 new and relocated stores
• Strong distribution network to support growth

(1) Adjusted EBITDA margin is a non-GAAP financial measure and is defined and reconciled to operating results in our Form 8-K furnished to the SEC.
Rite Aid Investment Highlights

Improving Pharmacy Operations

- Positive same store sales and script count growth trends
- Leading pharmacy systems and technology
- Improved customer satisfaction
- Industry leading generic dispense rate
- “Living More” senior loyalty program
- Successful launch of Medicare Part D
- New health and wellness programs
- Good relationships with managed care providers

Strong Front End Operations

- Strong same store sales growth
- Effective promotional and seasonal programs
- Differentiating with private brand and GNC
- “Living More” senior loyalty program
- Capitalizing on ethnic characteristics of our markets
Rite Aid Investment Highlights

- State-of-the-art pharmacy dispensing system
- Auto replenishment system fully integrated with the stores and distribution centers
- State-of-the-art promotion and category management systems
- Store labor scheduling tools
- E-prescribing in all stores
- Electronic training capability (CBT’s) in all stores

- New, stronger operations organization
- Intensified pharmacy focus

- Reduced net debt\(^{(1)}\) from $6.5 billion at the end of fiscal 2000 to $3.4 billion at the end of fiscal 2006
- Current capital structure positioned for growth
- Access to capital markets

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\(^{(1)}\) Net debt includes Rite Aid’s off balance sheet obligations under its accounts receivable securitization program less excess cash.
**Growth Strategy**

- Leverage strong industry fundamentals and favorable demographics
- Grow pharmacy sales by improving our pharmacy experience
  - Focus on customer satisfaction
  - Attract new customers
  - Add health and wellness programs
  - Maximize generic opportunity
- Grow front end sales through optimized pricing, promotions and category management
- Open 800 – 1,000 new and relocated stores capitalizing on new “Customer World” prototype
- Control costs
Grow Pharmacy Sales by Improving Our Pharmacy Experience

Focus on Customer Satisfaction

- Customer satisfaction scores up significantly
- Customer-focused culture
- New technology and systems allow more efficient, personalized workflow
- Pharmacy Regional VP’s provide increased field supervision
- Enhanced computer-based training
- Pharmacy and associate advisory groups focused on job satisfaction
Grow Pharmacy Sales by Improving Our Pharmacy Experience

Attract New Customers

• Aggressive prescription file buy program
• “Living More” senior loyalty program
• Customer acquisition and reacquisition program
• Doctor direct marketing
• Managed care limited networks
• Specialty pharmacy opportunity
• Long-term care opportunities
• Community health and beauty expos
• Market competitive alternatives to mail order through Rite Aid’s PBM
Grow Pharmacy Sales by Improving Our Pharmacy Experience

Add Health and Wellness Programs

• Health condition initiatives
• Compliance and persistency programs
• Rite Care medication therapy management services
• Nurse practitioner clinics
• In-store immunizations
Maximize Generic Opportunity

Good for Margins!

- New generics marketing program to patients, third party payors
- Physician awareness program
- Enhancements to NexGen dispensing system
- Increase generic substitution rates in individual stores
Pharmacy Same Store Sales Growth

- Oct-05
- Nov-05
- Dec-05
- Jan-06
- Feb-06
- Mar-06
- Apr-06
- May-06
- Jun-06
- Jul-06
- Aug-06
- Sep-06
- Oct-06

Same Store Sales Growth

Rite Aid
Grow Front End Sales

- Leverage and grow health and wellness categories
- Maximize promotional effectiveness
- Increased focus on seniors through “Living More” loyalty program
- Price optimization
- Rx and FE cross-sell programs
- GNC “store-within-a-store”
- Build on private brand success
- Expand digital photo capabilities
- Ethnic marketing
Front End
Same Store Sales

Front End Same Store Sales

-4%
-2%
0%
2%
4%
6%
8%

Oct-05 Nov-05 Dec-05 Jan-06 Feb-06 Mar-06 Apr-06 May-06 Jun-06 Jul-06 Aug-06 Sep-06 Oct-06

Same Store Sales Growth

Rite Aid
New Store Development Program

New and Relocated Stores
• 20 in fiscal 2005
• 76 in fiscal 2006
• 125 target for fiscal 2007
• 5-year goal: 800 to 1,000
• In existing strategic markets

Projected Fiscal 2007 CapEx

- Store Growth: 45%
- Store Improvements: 30%
- RX Script Files: 10%
- Backstage: 10%
- Technology: 5%

Total CapEx before sale/leaseback of $450 to $500 million
Capitalizing on New “Customer World” Prototype

Customer Focused

• Customer focused
  – Open sight lines and easy access
  – Lower fixtures
  – Clear visibility
  – Wide uncluttered aisles
Pharmacy is the Star
Capitalizing on New Customer World” Prototype

Pharmacy Convenience and Close Proximity to Ancillary Products

Drive Thru

GNC

Over the Counter
Capitalizing on New Customer World® Prototype

Easy and Enjoyable Shopping Experience

Beauty Department is “Center Stage”

Beverages and Coolers

Personal Care

Photo
New “Customer World” Stores Are Getting Rave Reviews

95% of Customers Rated the Store Easy to Navigate, Organized and Well-Lit

94% of Customers Were “Satisfied” or “Extremely Satisfied” with Their Visit

90% of Customers Will Recommend to Friends and Family

Strong Double-Digit Sales Increases in New and Relocated Stores
Note: For fiscal year ended February 28.
FY2006 is for 53 weeks.
Recent Financial Highlights

• Sales
  – Fiscal 2006 comp sales growth of 1.1%; FE at 2.6% and Rx at 0.3%
  – First half fiscal 2007 comp sales growth of 3.7%; FE at 2.2% and Rx at 4.5%

• Adjusted EBITDA
  – Fiscal 2006 adjusted EBITDA of $676 million
  – First half fiscal 2007 adjusted EBITDA of $335 million

• Net Income
  – Fiscal 2006 net income of $1,273 million, third consecutive year of net income
  – First half fiscal 2007 net income of $11 million

• Stores
  – Fiscal 2006: opened 17 new, acquired 6, relocated 53, remodeled 173
  – First half fiscal 2007: opened 11 new, acquired 2, relocated 21, remodeled 14

• Cash flow from operations continues to be strong
• Rite Aid has entered into an agreement to acquire all Brooks and Eckerd stores from The Jean Coutu Group; all stores to be re-branded to Rite Aid
  – All Brooks and Eckerd drugstores (approximately 1,850 stores)
  – Six distribution centers

• Total consideration paid to The Jean Coutu Group expected to be approximately $3.4 billion
  – $1.45 billion in cash, with financing commitments already in place
  – Expected assumption of Jean Coutu Group’s $850 million Senior Subordinated Notes by Rite Aid, subject to satisfaction of certain conditions(1)
  – 250 million common shares of Rite Aid (approximately $1.1 billion)(2)

• LTM Adjusted EBITDA(3) multiple of 9.2x before net synergies and 6.6x with net synergies(4)

(1) If assumed, notes will be guaranteed by all restricted subsidiaries.
(2) Based on Rite Aid’s prior one-month average closing price of $4.41 as of 8/23/2006.
(3) Jean Coutu USA fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 6-K furnished to the SEC on August 4, 2006 and in the attached schedule.
(4) Assumes $150 million of annual full run-rate net synergies.
• **Rite Aid expects:**
  – Annual net reduction in costs and expenses of approximately $150 million 12 months after closing
  – Accretive to EPS 12 months after closing
  – Accelerated usage of $2.3 billion in existing net operating loss carry-forwards (“NOLs”)
  – Additional synergies

• **The expanded Rite Aid shareholder base will be comprised of:**
  – Existing Rite Aid shareholders – 68%
  – The Jean Coutu Group – 32% (30% voting power)

• **The Boards of Directors of Rite Aid and The Jean Coutu Group have approved the transaction**

• **Expected close around the end of Rite Aid’s Q4 fiscal 2007 (December 2006 to February 2007)**
  – Subject to Rite Aid Stockholder approval
  – Subject to regulatory review
Key Financial Metrics

Rite Aid Revenues

- Front-End: 37%
- Pharmacy: 63%

Fiscal 2006 Revenue = $17.3 billion

Rite Aid Pro Forma Revenues

- Front-End: 33%
- Pharmacy: 67%

Fiscal 2006 PF Revenue = $26.8 billion

Rite Aid Pro Forma Fiscal 2006 Adjusted EBITDA

- Rite Aid Adj EBITDA
- Jean Coutu USA Adj EBITDA
- Rite Aid PF Adj EBITDA
- Net Synergies
- Rite Aid PF Adj EBITDA with Net Synergies

- $676 (3.9%)
- $369
- $1,044 (3.9%)
- $150
- $1,194 (4.5%)

(1) Rite Aid Fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 8-K furnished to the SEC.
(2) Jean Coutu USA fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 6-K furnished to the SEC.
A Stronger National Drugstore Chain with Increased Presence

Pro Forma for the Transaction, Rite Aid will have Approximately 5,177 Stores Nationally and Will Become the Largest Drug Store Retail Chain in the Eastern US

Note: As of August 24, 2006
## Market Presence Before Acquisition

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Market Share</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York-Newark</td>
<td>14.9%</td>
<td>2</td>
</tr>
<tr>
<td>Los Angeles-Orange</td>
<td>21.7</td>
<td>2</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>19.4</td>
<td>2</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>9.7</td>
<td>2</td>
</tr>
<tr>
<td>Detroit</td>
<td>16.4</td>
<td>3</td>
</tr>
<tr>
<td>San Francisco-Oakland</td>
<td>11.0</td>
<td>3</td>
</tr>
<tr>
<td>Riverside-San Bernardino</td>
<td>22.8</td>
<td>1</td>
</tr>
<tr>
<td>Seattle</td>
<td>18.1</td>
<td>2</td>
</tr>
<tr>
<td>San Diego</td>
<td>21.2</td>
<td>2</td>
</tr>
<tr>
<td>Baltimore</td>
<td>28.3</td>
<td>1</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td>15.7</td>
<td>3</td>
</tr>
<tr>
<td>Sacramento</td>
<td>20.9</td>
<td>2</td>
</tr>
<tr>
<td>San Jose</td>
<td>12.1</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Market Share</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Las Vegas</td>
<td>8.0%</td>
<td>3</td>
</tr>
<tr>
<td>Virginia Beach - Norfolk</td>
<td>16.2</td>
<td>3</td>
</tr>
<tr>
<td>Louisville</td>
<td>15.7</td>
<td>2</td>
</tr>
<tr>
<td>Buffalo</td>
<td>36.4</td>
<td>1</td>
</tr>
<tr>
<td>Richmond</td>
<td>12.5</td>
<td>3</td>
</tr>
<tr>
<td>Rochester</td>
<td>19.1</td>
<td>2</td>
</tr>
<tr>
<td>Fresno</td>
<td>20.4</td>
<td>2</td>
</tr>
<tr>
<td>Dayton</td>
<td>12.4</td>
<td>3</td>
</tr>
<tr>
<td>New Haven</td>
<td>9.7</td>
<td>3</td>
</tr>
<tr>
<td>Albany-Schenectady</td>
<td>19.6</td>
<td>2</td>
</tr>
<tr>
<td>Oxnard-Ventura</td>
<td>22.5</td>
<td>2</td>
</tr>
<tr>
<td>Allentown</td>
<td>9.4</td>
<td>3</td>
</tr>
<tr>
<td>Grand Rapids</td>
<td>17.4</td>
<td>2</td>
</tr>
</tbody>
</table>

First, second or third market position in 70% of our top 158 markets.

Source: 2006 Metro Markets Survey
Market Presence After Acquisition in Key MSAs

Leadership Positions in Eastern US MSAs

- #1 Share: 38%
- #2 Share: 40%
- #3 Share: 12%
- Other: 10%

Metro Area Rankings

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philadelphia, PA</td>
<td>1</td>
</tr>
<tr>
<td>Baltimore, MD</td>
<td>1</td>
</tr>
<tr>
<td>Pittsburgh, PA</td>
<td>1</td>
</tr>
<tr>
<td>Virginia Beach, VA</td>
<td>1</td>
</tr>
<tr>
<td>Buffalo, NY</td>
<td>1</td>
</tr>
<tr>
<td>Rochester, NY</td>
<td>1</td>
</tr>
<tr>
<td>Raleigh Cary, NC</td>
<td>1</td>
</tr>
<tr>
<td>New York, NY</td>
<td>2</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>2</td>
</tr>
<tr>
<td>Providence, RI</td>
<td>2</td>
</tr>
<tr>
<td>Charlotte, NC</td>
<td>2</td>
</tr>
<tr>
<td>Richmond, VA</td>
<td>2</td>
</tr>
<tr>
<td>Stamford, CT</td>
<td>2</td>
</tr>
<tr>
<td>Albany, NY</td>
<td>2</td>
</tr>
<tr>
<td>Worcester, MA</td>
<td>2</td>
</tr>
<tr>
<td>Allentown, PA</td>
<td>2</td>
</tr>
<tr>
<td>Atlanta, GA</td>
<td>3</td>
</tr>
<tr>
<td>Boston, MA</td>
<td>3</td>
</tr>
<tr>
<td>Nashville, TN</td>
<td>3</td>
</tr>
<tr>
<td>Hartford, CT</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Metro Markets 2006
# Net Reductions in Costs and Expense Detail

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Annual Full Run-Rate Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Front-end</strong></td>
<td></td>
</tr>
<tr>
<td>Gross Profit Improvement</td>
<td>~$115 million</td>
</tr>
<tr>
<td>• Private brand</td>
<td></td>
</tr>
<tr>
<td>• Shrink</td>
<td></td>
</tr>
<tr>
<td>• Vendor funds and contracts</td>
<td></td>
</tr>
<tr>
<td>Corporate Administration Reduction</td>
<td>~$55 million</td>
</tr>
<tr>
<td>• Headcount reductions primarily from elimination of redundant functions</td>
<td></td>
</tr>
<tr>
<td>Advertising Expense Optimization</td>
<td>~$45 million</td>
</tr>
<tr>
<td>• Elimination of duplicative print advertising</td>
<td></td>
</tr>
<tr>
<td>Distribution Improvement &amp; Other Cost Savings</td>
<td>~$35 million</td>
</tr>
<tr>
<td>• Optimize distribution</td>
<td></td>
</tr>
<tr>
<td>• Supply savings through use of online auctions</td>
<td></td>
</tr>
<tr>
<td>• Other miscellaneous opportunities</td>
<td></td>
</tr>
<tr>
<td>Investment in Labor</td>
<td>~($40) million</td>
</tr>
<tr>
<td>Potential Dis-Synergies (up to)</td>
<td>~($60) million</td>
</tr>
<tr>
<td>Gross Reductions</td>
<td>~$250 million</td>
</tr>
<tr>
<td>Net Reductions</td>
<td>~$150 million</td>
</tr>
</tbody>
</table>
Adjusted EBITDA Margin\(^{(1)}\)

<table>
<thead>
<tr>
<th></th>
<th>RITE AID Without Net Synergies</th>
<th>RITE AID With Net Synergies(^{(2)})</th>
<th>Pro Forma</th>
<th>Pro Forma With Net Synergies</th>
<th>Walgreens</th>
<th>CVS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Margin Upside Improvement</td>
<td>3.9%</td>
<td>4.5%</td>
<td>3.9%</td>
<td>7.0%</td>
<td>7.3%</td>
<td></td>
</tr>
</tbody>
</table>

Opportunities at Brooks & Eckerd Stores

- Front end improvement
- Greater purchasing efficiencies due to increase in scale for both Rite Aid and Brooks / Eckerd
- Under performing store improvement
- Rationalize distribution center network

Revenue Synergies and Additional Operational Improvements Provide Further Upside

\(^{(1)}\) Adjusted EBITDA margin for Rite Aid based on fiscal 2006. Rite Aid Fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 8-K furnished to the SEC on April 6, 2006. Jean Coutu USA fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 6-K furnished to the SEC on August 4, 2006 and in the attached schedule. EBITDA margin for Walgreens and CVS based on LTM May 31, 2006 and July 1, 2006, respectively.

\(^{(2)}\) Assumes annual full run-rate net synergies of $150 million.
Integration Plan Approach

**Key Objectives**

Integrate all Brooks and Eckerd stores while:

- Minimizing the effect on customers
- Treating all associates with fairness and sensitivity
- Facilitating timely, smooth execution of plans
- Delivering the expected synergies
- Delivering current period and quarterly results
- Facilitating timely and continuous communication to the rest of the organization
- Building a drugstore franchise

**Key Guidelines**

- Systems conversion
  - New state-of-the-art point-of-sale system
  - New NexGen pharmacy system
  - VSAT communications and store manager support
- Supply chain conversion
  - Incorporate the merchandise necessary to support the mix in advance of the merchandise mix conversion
- Merchandise mix conversion
  - Seamless transition to Rite Aid private brand, planograms and assortment
  - Initially, incorporate new mix through planogram updates
- Décor upgrade package will apply to stores:
  - Key to rebranding the acquired stores
  - The package includes:
    - New exterior signs
    - Interior paint, signs and décor consistent with the Customer World design
    - Remerchandising and replanograming to achieve the appropriate mix and category
- Remodeling program for Brooks and Eckerd stores:
  - Major / minor remodels planned for all of Brooks and Eckerd stores

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**Announcement**

- 4 – 6 months

**Pre-Close**

- 12 Months

**Close**

- 24 - 36 Months

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**Phase 1**

- Store Analysis

**Phase 2**

- Retrofit Planograms
- Store Systems Conversion
- Supply Chain Conversion

**Phase 3**

- Remerchandising
- New Décor Package

**Phase 4**

- Store Remodeling

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Successful Integration & Conversion of Brooks / Eckerd Stores

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Maintain Continuity of the Business
### Integration Expenditures

<table>
<thead>
<tr>
<th>Store &amp; System Conversion</th>
<th>First 12 Months</th>
<th>Next 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Convert all Brooks and Eckerd stores to Rite Aid banner</td>
<td>$380 million</td>
<td>$0</td>
</tr>
<tr>
<td>• Store reset and décor upgrades for all Brooks and Eckerd stores</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Transfer all Brooks and Eckerd onto Rite Aid systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Back office and IT upgrade</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Store Remodel</th>
<th>First 12 Months</th>
<th>Next 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Remodel all Brooks and Eckerd stores</td>
<td>$45 million</td>
<td>$125 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Distribution Center Upgrades</th>
<th>First 12 Months</th>
<th>Next 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Upgrade distribution centers</td>
<td>$25 million</td>
<td>$75 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Capital Expenditures</th>
<th>First 12 Months</th>
<th>Next 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$450 million</td>
<td>$200 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total One-Time Cash Integration Expenses</th>
<th>First 12 Months</th>
<th>Next 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Severance, retention and other payments</td>
<td>$87 million</td>
<td>$0</td>
</tr>
<tr>
<td>• Training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Conversion reset services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Supplies</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rite Aid Will Remodel Almost All Acquired Brooks and Eckerd Stores Over the Next Several Years
Financing Overview

Objectives

• Purchase price funding
  – Assume Jean Coutu’s 8.5% senior subordinated notes

• Refinance Rite Aid’s fiscal 2007 maturities

• Keep Rite Aid’s secured notes in place
## Pro Forma Capitalization
(at Borrowing Base Date)

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Adjustments</th>
<th>Pro Forma</th>
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</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$111.1</td>
<td></td>
<td>$111.1</td>
</tr>
<tr>
<td><strong>Secured Debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revolver(1)</td>
<td>$510.0</td>
<td>$6.1</td>
<td>$516.1</td>
</tr>
<tr>
<td>A/R Securitization</td>
<td>345.0</td>
<td>345.0</td>
<td></td>
</tr>
<tr>
<td>New ABF Term Loan</td>
<td>0.0</td>
<td>1,250.0</td>
<td>1,250.0</td>
</tr>
<tr>
<td><strong>Second Lien Debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.50% Senior Secured Notes due September 2006</td>
<td>$142.0</td>
<td>($142.0)</td>
<td>$0.0</td>
</tr>
<tr>
<td>8.125% Senior Secured Notes due May 2010</td>
<td>357.3</td>
<td>357.3</td>
<td></td>
</tr>
<tr>
<td>9.5% Senior Secured Notes due February 2011</td>
<td>300.0</td>
<td>300.0</td>
<td></td>
</tr>
<tr>
<td>7.5% Senior Secured Notes due January 2015</td>
<td>200.0</td>
<td>200.0</td>
<td></td>
</tr>
<tr>
<td>New Senior Secured Notes(2)</td>
<td>0.0</td>
<td>870.0</td>
<td>870.0</td>
</tr>
<tr>
<td>Other</td>
<td>1.9</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,001.2</td>
<td>1,729.2</td>
<td>1,729.2</td>
</tr>
<tr>
<td><strong>Total Secured Debt</strong></td>
<td>$1,856.2</td>
<td></td>
<td>$3,840.3</td>
</tr>
<tr>
<td><strong>Unsecured Bonds, Notes &amp; Debentures(2)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.75% Convertible Notes due December 2006</td>
<td>250.0</td>
<td>(250.0)</td>
<td>0.0</td>
</tr>
<tr>
<td>7.125% Sr. Notes due January 2007</td>
<td>184.1</td>
<td>(184.1)</td>
<td>0.0</td>
</tr>
<tr>
<td>6.125% Sr. Notes due December 2008</td>
<td>150.0</td>
<td>150.0</td>
<td></td>
</tr>
<tr>
<td>9.25% Sr. Notes due June 2013</td>
<td>148.3</td>
<td>148.3</td>
<td></td>
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<tr>
<td>6.875% Sr. Debentures due August 2013</td>
<td>184.8</td>
<td>184.8</td>
<td></td>
</tr>
<tr>
<td>8.5% Jean Coutu Senior Sub Notes Due 2014</td>
<td>0.0</td>
<td>850.0</td>
<td>850.0</td>
</tr>
<tr>
<td>7.7% Notes due February 2027</td>
<td>295.0</td>
<td>295.0</td>
<td></td>
</tr>
<tr>
<td>6.875% Sr. Notes due December 2028</td>
<td>128.0</td>
<td>128.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Unsecured Bonds, Notes &amp; Debentures</strong></td>
<td>1,340.2</td>
<td></td>
<td>1,756.1</td>
</tr>
<tr>
<td><strong>Lease Financing Obligations</strong></td>
<td>188.9</td>
<td></td>
<td>188.9</td>
</tr>
<tr>
<td><strong>Total Debt and Lease Financing Obligations</strong></td>
<td>$3,358.3</td>
<td></td>
<td>$5,785.3</td>
</tr>
<tr>
<td>Series E Preferred Stock</td>
<td>$120.0</td>
<td></td>
<td>$120.0</td>
</tr>
<tr>
<td>Series G Preferred Stock</td>
<td>123.3</td>
<td></td>
<td>123.3</td>
</tr>
<tr>
<td>Series H Preferred Stock</td>
<td>121.8</td>
<td></td>
<td>121.8</td>
</tr>
<tr>
<td>Series I Preferred Stock</td>
<td>116.1</td>
<td></td>
<td>116.1</td>
</tr>
<tr>
<td>Stockholders' Equity</td>
<td>1,136.4</td>
<td>1,107.5</td>
<td>2,243.9</td>
</tr>
<tr>
<td><strong>Total Stockholder's Equity</strong></td>
<td>$1,617.6</td>
<td></td>
<td>$2,725.1</td>
</tr>
</tbody>
</table>

(1) Revolver commitment of $1.75 billion
(2) If Jean Coutu’s existing 8.50% Senior Subordinated Notes are not assumed, Rite Aid will issue $1,200 million new senior secured notes and $520 million new senior unsecured notes
Existing 1st Lien Secured Debt:
- $1,750 million Asset Based Revolver due September 2010
- $400 million A/R Securitization
- Guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries
- Secured by 1st lien in all cash, cash equivalents, deposit accounts, securities accounts, accounts receivable, instruments, chattel paper, investment property, documents in respect of inventory in transit, inventory and script lists of each by each existing and future U.S. subsidiary of Rite Aid that are or become guarantors under Rite Aid’s 9.50% Senior Secured Notes due 2011 or the Jean Coutu Subordinated Notes

New Incremental Asset Based Term Loan
- $145 million, to be completed in October 2006
- Same guarantors and security as Existing 1st Lien Secured Debt

Existing 2nd Lien Debt:
- $857.3 million Senior Secured Notes maturing between 2010 and 2015
- Guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries
- Same security package as Existing 1st Lien Secured Debt (2nd Lien)

Existing Unsecured Debt:
- $906.1 million Senior Notes maturing between 2008 and 2028
- 9.25% Notes due 2016 guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries
- Existing Jean Coutu 8.50% Unsecured Subordinated Notes Due 2014
- $850 million
- Guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries

New Senior Secured Asset Based Term Loan
- 7-year, $1,105 million ($680 million funded at close, $425 million fully committed delayed draw)
- Guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries
- At Closing: Secured by 1st lien on all equity interests of Jean Coutu HoldCo and its domestic subsidiaries
- At Borrowing Base Date: Same security as Existing 1st Lien Secured Debt

New Senior Secured Notes
- 10-year, $870 million
- Guaranteed by all Rite Aid and Jean Coutu domestic subsidiaries
- At Closing: Secured by 2nd lien on all equity interests of Jean Coutu HoldCo and its domestic subsidiaries
- At Borrowing Base Date: Secured by 1st lien on all equity interests of Jean Coutu HoldCo and its domestic subsidiaries

$1,108 million New Common Equity Issuance
Leverage Over Time

- Post transaction close Rite Aid will have sufficient liquidity from $1.75 billion revolver to fund working capital and capital expenditure needs.

- Significant de-leveraging over 24 months post transaction close as Rite Aid realizes full synergies and benefits from operating scale.

- History of successfully operating in a leveraged environment and demonstrated de-leveraging.

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Leverage Ratio\(^{(1)}\)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Leverage Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal 2003</td>
<td>5.7x</td>
</tr>
<tr>
<td>Fiscal 2004</td>
<td>5.0x</td>
</tr>
<tr>
<td>Fiscal 2005</td>
<td>4.6x</td>
</tr>
<tr>
<td>Fiscal 2006</td>
<td>4.9x</td>
</tr>
<tr>
<td>As of 6/3/06</td>
<td>5.1x</td>
</tr>
<tr>
<td>Pro Forma @ Close(^{(2)})</td>
<td>4.8x</td>
</tr>
<tr>
<td>First 12 Months Post Close</td>
<td>4.9x Pro Forma</td>
</tr>
<tr>
<td>Next 12 Months Post Close</td>
<td>4.4x Actual</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Leverage ratio is total debt, including the amount of outstanding account receivables securitization, less excess cash divided by adjusted EBITDA excluding expenses associated with account receivables securitization.

\(^{(2)}\) Pro forma Fiscal 2006 EBITDA includes $150 million full run-rate net synergies. Rite Aid Fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 8-K furnished to the SEC on April 6, 2006. Jean Coutu USA fiscal 2006 Adjusted EBITDA is a non-GAAP financial measure and is defined and reconciled to operating results in its Form 6-K furnished to the SEC on August 4, 2006 and in the attached schedule.
Rite Aid Investment Highlights

- Leading market position
- Strong cash flow
- Store growth program
- Improving pharmacy operations
- Strong front end operations
- Developed information technology
- Execution-focused management team
- Improved capital structure
- Brooks/Eckerd acquisition strengthens competitive position and financial performance
The following provides a reconciliation of Jean Coutu USA's reported operating income before amortization ("OIBA") for FY2006, as per the Form 6-K furnished to the SEC on August 4, 2006, to an Adjusted EBITDA figure which reflects the add-back of certain non-recurring items.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported OIBA</td>
<td>$332</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
</tr>
<tr>
<td>Closed Stores and Impairment Charges</td>
<td>25</td>
</tr>
<tr>
<td>Non-Cash Asset Write-Offs, net</td>
<td>9</td>
</tr>
<tr>
<td>Non-Recurring Professional Fees</td>
<td>4</td>
</tr>
<tr>
<td>Other Non-Recurring Adjustments, net (1)</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$369</td>
</tr>
</tbody>
</table>
In connection with the proposed transaction, a preliminary proxy statement of Rite Aid and other materials have been filed with the SEC and are publicly available. The definitive proxy statement will be mailed to the stockholders of Rite Aid. STOCKHOLDERS OF RITE AID ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. Such proxy statement (when available) and other relevant documents may also be obtained, free of charge, on the Securities and Exchange Commission's website (http://www.sec.gov) or by contacting our Secretary, Rite Aid Corporation, 30 Hunter Lane, Camp Hill, Pennsylvania 17011.

PARTICIPANTS IN THE SOLICITATION

Rite Aid and certain persons may be deemed to be participants in the solicitation of proxies relating to the proposed transaction. The participants in such solicitation may include Rite Aid’s executive officers and directors. Further information regarding persons who may be deemed participants is available in Rite Aid’s preliminary proxy statement filed with the Securities and Exchange Commission in connection with the transaction.