



The
Jean Coutu
Group (PJC) Inc.

Creating Value for Rite Aid and The Jean Coutu Group

Cautionary Statement Regarding Forward Looking Statements



The
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Group (PJC) Inc.

This is an oral presentation which is accompanied by slides. Investors are urged to review both Companies' regulatory 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 both Companies' SEC and Canadian Securities Authorities (CSA) filings, which are available on their web sites, for a detailed 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, a non-GAAP financial measure is referenced. The definition and purpose for using this measure and historical and prospective reconciliation to the appropriate GAAP measure is in Rite Aid's Form 8-K and The Jean Coutu Group's Form 6-K which were furnished to the SEC and CSA.

Transaction overview



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- Rite Aid and The Jean Coutu Group have agreed to merge all Brooks and Eckerd stores into Rite Aid.
 - All 1,858 Brooks Eckerd drugstores included in transaction.
 - Significant real estate assets also included.
- Total consideration paid to The Jean Coutu Group will be approximately \$3.4 B.
 - \$1.45 B in cash, with financing commitments already in place.
 - Expected assumption of \$850 M Senior Subordinated Notes by Rite Aid.
 - 250 M common shares of Rite Aid (Current value approx. \$1.1 B)¹
- LTM ADJUSTED EBITDA² multiple of 9.2x before net synergies.
- The expanded Rite Aid shareholder base will be comprised of:
 - Existing Rite Aid shareholders – 68.0%
 - The Jean Coutu Group – 32.0% (30.2% voting power)

¹ Based on Rite Aid's prior one-month average closing price of \$4.41.

² PJC USA Fiscal 2006 Adjusted EBITDA excludes non-recurring charges.

Transaction overview



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- The Boards of Directors of Rite Aid and The Jean Coutu Group have approved the transaction.
- Rite Aid has all required financing commitments in place.
- Expected close could be as early as Rite Aid's fiscal-07 Q4 & PJC's fiscal-07 Q3 (December 2006 to March 2007).
 - Subject to Hart-Scott-Rodino review.
 - Subject to Rite Aid Stockholder approval.

Rite Aid

Transaction rationale



The
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Enhanced scale & national footprint

- Creates the largest drug store chain on the US East Coast and a stronger national chain in a highly competitive industry.
- \$26.8 B of combined revenues in fiscal 2006.
- Leading position in top 100 MSA's.

Value creation through meaningful synergies

- Expected annual net synergies of approximately \$150 M after the first 12 months following close.
- The company expects the transaction to be accretive 12 months after the close by \$0.09 to \$0.15 per diluted share.
- The company expects the transaction to be dilutive by \$0.03 to \$0.07 per diluted share for the first 12 months due to integration and non-recurring expenses.
- Potential for further value from revenue synergies.

Compelling story

- Dramatically accelerates growth strategy to roughly 5,000 stores virtually overnight.
- Greater scale and cost efficiencies create value.
- Enhances competitive position in sector with strong projected growth.

Strong Infrastructure, Superior Operational Experience

- Information systems and a supply chain already capable of handling additional stores.
- Leverage programs, best practices, management capabilities across larger store network to improve profitability through cost savings, sales growth.
- Management has significant experience in retail mergers.

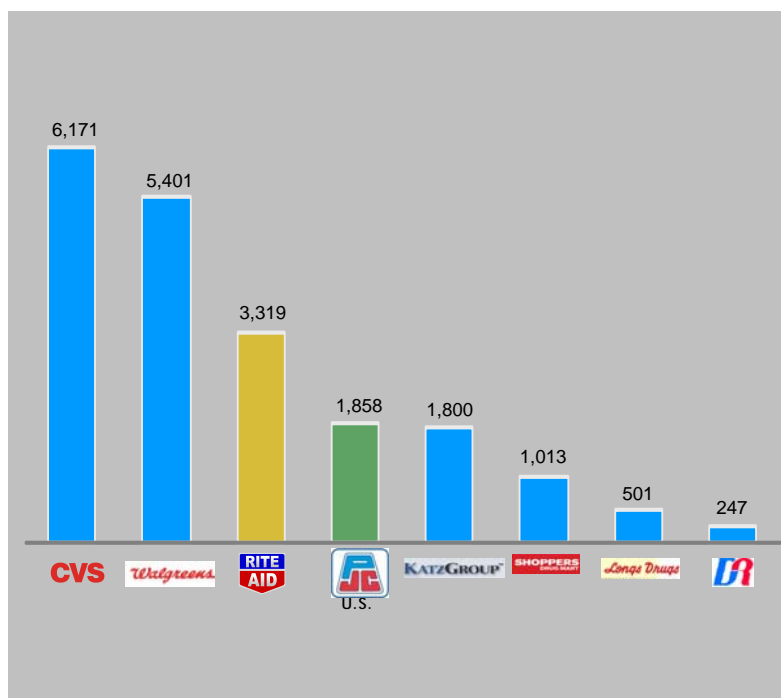
Expanded Rite Aid will be a stronger #3 competitor



The Jean Coutu Group (PJC) Inc.

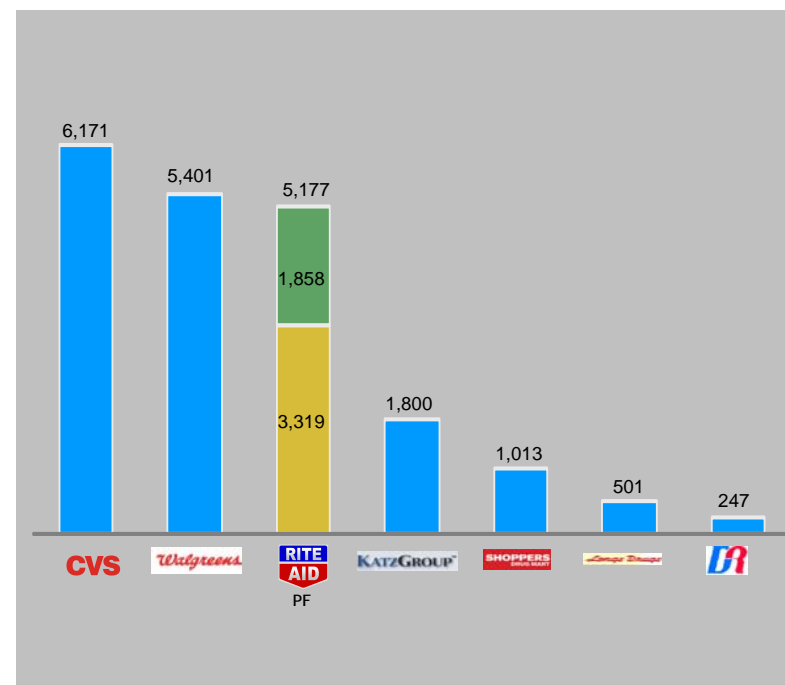
Pre-transaction

Stores



Post-transaction

Stores

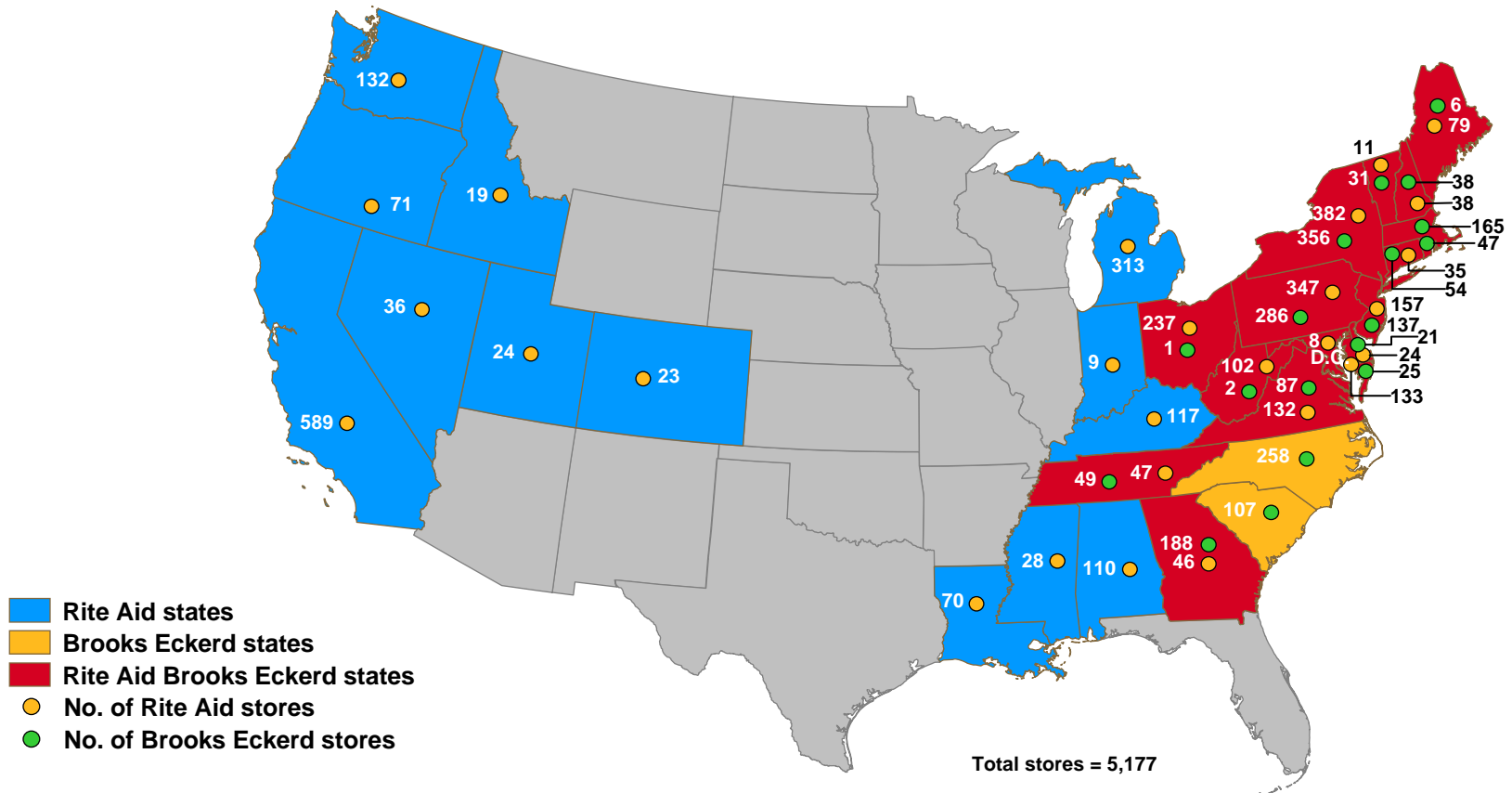


Source: Public filings

A stronger national drugstore chain...



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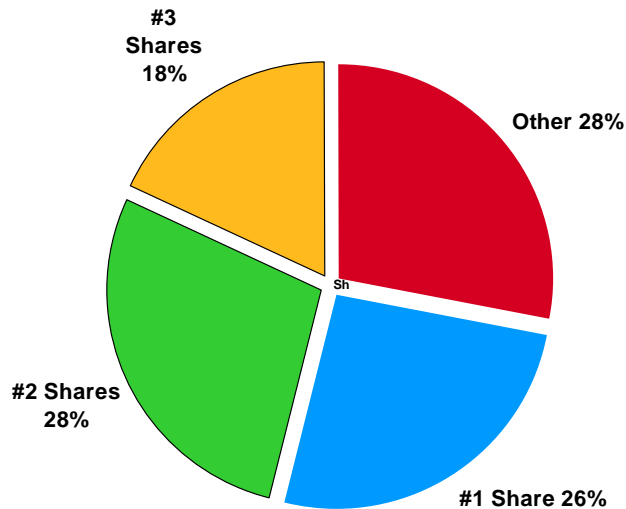


... with leadership in Key MSAs



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Leadership positions in East Coast MSA's



Source: Metro Markets 2005

Metro area rankings

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

Expanded Rite Aid Company snapshot



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Fiscal 2006 Figures (\$ millions, except for associates)

	Rite Aid	PJC - USA
Stores (latest published count)	3,319	1,858
Associates	70,200	46,100
Revenue	\$17,271	\$9,496
Gross profit	\$4,699	\$2,419
ADJUSTED EBITDA¹	\$676	\$368¹

¹ PJC USA Fiscal 2006 ADJUSTED EBITDA excludes non-recurring charges.

Value Drivers



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- Rite Aid expects to obtain annual net synergies of approximately \$150 million after the first 12 months following the close.
- The company expects the transaction to be accretive 12 months after the close by \$0.09 to \$0.15 per diluted share.
- The company expects the transaction to be dilutive by \$0.03 to \$0.07 per diluted share for the first 12 months due to integration and non-recurring expenses.

Rite Aid

Skills, talents & infrastructure



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- **Current opportunity requires many of the same capabilities we've successfully built:**
 - Strong supply chain processes
 - Solid vendor relationships
 - Consistent pricing strategy
 - Consistent advertising and product promotion programs
 - Innovative marketing against target customer base
 - Store and field structure to support "best practice" execution
 - Stable and strong financial and management reporting
- **Information systems are capable of supporting a significant increase in stores:**
 - Standard
 - Scalable
 - Developed and maintained using well established and controlled processes
- **Supply chain is disciplined and has capacity.**
- **Debt has been successfully managed:**
 - Systematically reduced
 - Credit ratings improved
 - Liquidity and flexibility enhanced
- **Management team has significant retail and merger/acquisition experience.**

Minimize Risk – Maximize Opportunities

The Jean Coutu Group Transaction rationale



The
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Leading shareholder in a strengthened U.S. platform

- Unique strategic opportunity to optimize U.S. presence by transforming investment in a regional drugstore chain into the leading ownership position (32.0%) of a major national chain with enhanced scale to better compete in the growing U.S. drugstore industry.
- PJC will continue to have influence over the expanded Rite Aid through Board seats and senior management appointments.
 - Four seats on 14-member Rite Aid Board of Directors.
 - Michel Coutu (Co-Chairman).
 - Pierre Legault (Chief Administrative Officer).

Favorable transaction economics and structure

- Attractive valuation multiple received for PJC USA assets.
- Equity consideration will allow PJC shareholders to participate in economic benefit of synergies expected in value of Rite Aid ownership.

Enhanced financial flexibility

- Cash proceeds to be used to retire outstanding long-term debt.
- Creates capacity to continue to invest in Canadian franchise and pursue expansion.

Unlocks value of PJC Canada

- Maintain focus on leading Canadian franchise.
- PJC Canada is the second-largest public Canadian drug store retailer, with 327 stores, \$1.635 B of sales and \$165 M of EBITDA.
- Among the highest-margin public drug retail franchises in Canada.

Note: The Jean Coutu Group-Canada figures reflect LTM as of May 2006

The Jean Coutu Group

Pro forma financial impact



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Pro forma May 2006 financial summary (\$ millions)

	Standalone PJC	Transaction adjustments	Pro forma PJC
Stores	2,185	(1,858)	327
Revenue	\$11,143	(\$9,508)	\$1,635
EBITDA	\$497	(\$332)	\$165
<i>% margin</i>	4.5%	3.5%	10.1%
Total debt	\$2,391	(\$2,391)	\$0
Debt / EBITDA	4.8x		N.A.

- **Fully repay Term A & B Loans & Revolver.**
- **Retire 7 5/8% \$350 M Senior Unsecured Notes.**
- **Rite Aid intends to assume the 8.5% \$850 M Senior Subordinated Notes.**

Note: EBITDA reflects reported Fiscal 2006 EBITDA.

The Jean Coutu Group

Pro forma financial impact



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- The investment in Rite Aid will be accounted for using the equity method in future periods.
- US operations will not be presented as discontinued operations considering the continuing company involvement in the expanded Rite Aid.
- The estimated proceeds on disposal of \$3.4 B are subject to fluctuation due to changes in the US dollar per Canadian dollar exchange rate and the Rite Aid share price until the transaction closes.
- Based on Rite Aid's prior one-month average closing share price of \$4.41 and an average exchange rate of 0.8885 US dollars per Canadian dollar, The Jean Coutu Group would have recorded an after-tax loss of approximately \$140 M.

Pro forma financial impact - (\$ millions)

	Pro forma PJC
Gain on sale of investment of US operations, net of expenses	\$40
Materialized foreign currency translation adjustments	(120)
Debt retirement costs and write-off of deferred financing costs.	(60)
Net loss after-tax	(140)

Next steps - Recap



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- **Regulatory clearance – Hart-Scott-Rodino review.**
- **Rite Aid Stockholder approval.**
- **Expected close could be as early as Rite Aid’s fiscal-07 Q4 & PJC’s fiscal-07 Q3 (December 2006 to March 2007).**
- **Integration planning between Rite Aid and The Jean Coutu Group management teams.**

Conclusion: Transaction strengthens Rite Aid and PJC



The
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Expanded Rite Aid

Enhanced scale & national footprint

Value creation through meaningful synergies

Accretive after 12 months

Opportunity for additional revenue synergies

New Jean Coutu

Leading shareholder in strengthened U.S. platform

Favorable transaction economics and structure

Enhanced financial flexibility

Unlocks value of PJC Canada



Additional Information and Where to Find it



The
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Rite Aid intends to file with the Securities and Exchange Commission a proxy statement in connection with the proposed transaction. The proxy statement will be mailed to the stockholders of Rite Aid. **STOCKHOLDERS OF RITE AID ARE ADVISED TO READ THE 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 will be available in Rite Aid's proxy statement to be filed with the Securities and Exchange Commission in connection with the transaction.