Review of Q4 2005 Financial Results

August 3, 2005

The Jean Coutu Group (PJC) Inc.

The Jean Coutu Group (PJC) Inc.

Mr. François J. Coutu

President and Chief Executive Officer
The Jean Coutu Group (PJC) inc.

Forward-Looking Statement Disclaimer

The Jean Coutu Group (PJC) Inc.

Certain statements in this presentation, including statements regarding future results and performance, are forward-looking statements (as such term is defined under the United States Private Securities Litigation Reform Act of 1995) based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, changes in foreign currency valuations, our ability to effectively compete and changes in competition or other trends in the industries in which we compete and other factors. The Company disclaims any intention or obligation to update or revise any forward-looking information contained in its communications, whether as a result of new information, future events or otherwise.

This presentation also contains certain Non-GAAP financial measures. Such information is reconciled to the most directly comparable financial measures in the Company's communications with shareholders.

RESULTS
HIGHLIGHTS / Q4 2005

Summary of Results (Thousands $US, except EPS)	Q4 2005	Q3 2005	Q4 2004	Fiscal 2005	Fiscal 2004
Revenue	**2,768,418**	2,815,401	781,141	**9,617,363**	3,042,967
Gross profit	**647,460**	641,521	141,598	**2,158,471**	549,090
as a % of sales	*23.8%*	*23.1%*	*19.0%*	*22.8%*	*19.0%*
General and operating expenses	**542,822**	561,247	116,100	**1,878,296**	452,284
as a % of revenue	*19.6%*	*19.9%*	*14.9%*	*19.5%*	*14.9%*
Operating income before amortization	**148,388**	125,365	62,290	**452,740**	249,722
as a % of revenue	*5.4%*	*4.5%*	*8.0%*	*4.7%*	*8.2%*
Net earnings	**46,216**	39,854	32,604	**104,378**	132,683
Earnings per share	**$ 0.18**	$ 0.15	$ 0.14	**$ 0.41**	$ 0.58
Earnings per share before unrealized losses (gains) on financing activities	**$ 0.18**	$ 0.10	$ 0.14	**$ 0.44**	$ 0.58

RESULTS

HIGHLIGHTS / Q4 2005

- Eckerd same store sales trends show progress. Script count trends have become positive recently and front-end sales have improved in core categories, with a slight decline in overall front end sales growth
- Closure of 78 Eckerd drugstores with a $100 M provision charged to the purchase price equation
- Receipt in June of the final settlement of $24 M related to the Eckerd purchase price adjustment for working capital valuation on the closing of the acquisition
- Recording of a $21 M favorable change of estimates in Q4 (workers' compensation and general liability expense, vendors allowances and distribution center inventory adjustment) which was accounted for prospectively

RESULTS

SEGMENTED OPERATING INCOME BEFORE AMORTIZATION ("OIBA")

(Thousands $US)	Q4 2005		Q3 2005		Q4 2004		Fiscal 2005		Fiscal 2004	
Franchising	**40,892**	***11.1%***	37,053	*10.3%*	33,566	*10.3%*	**147,342**	***10.5%***	134,996	*10.9%*
Retail Sales	**107,496**	***4.5%***	88,312	*3.6%*	28,724	*6.3%*	**305,398**	***3.7%***	114,726	*6.3%*
Consolidated	**148,388**	***5.4%***	125,365	*4.5%*	62,290	*8.0%*	**452,740**	***4.7%***	249,722	*8.2%*

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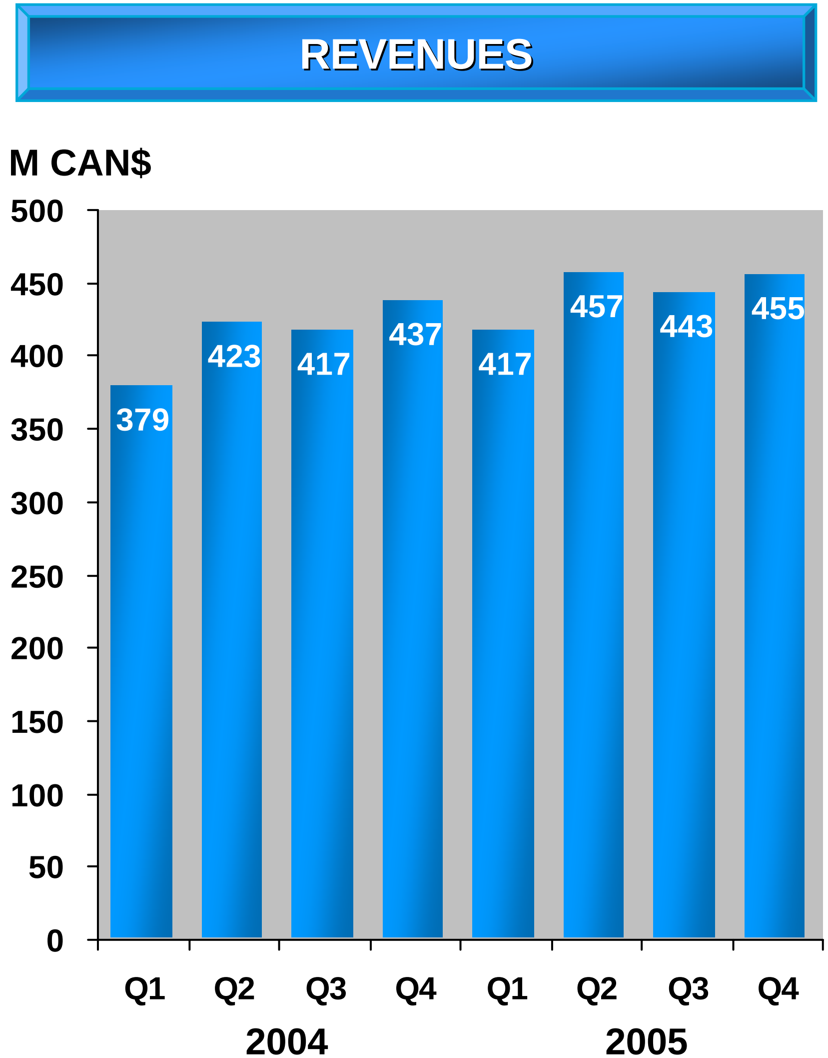
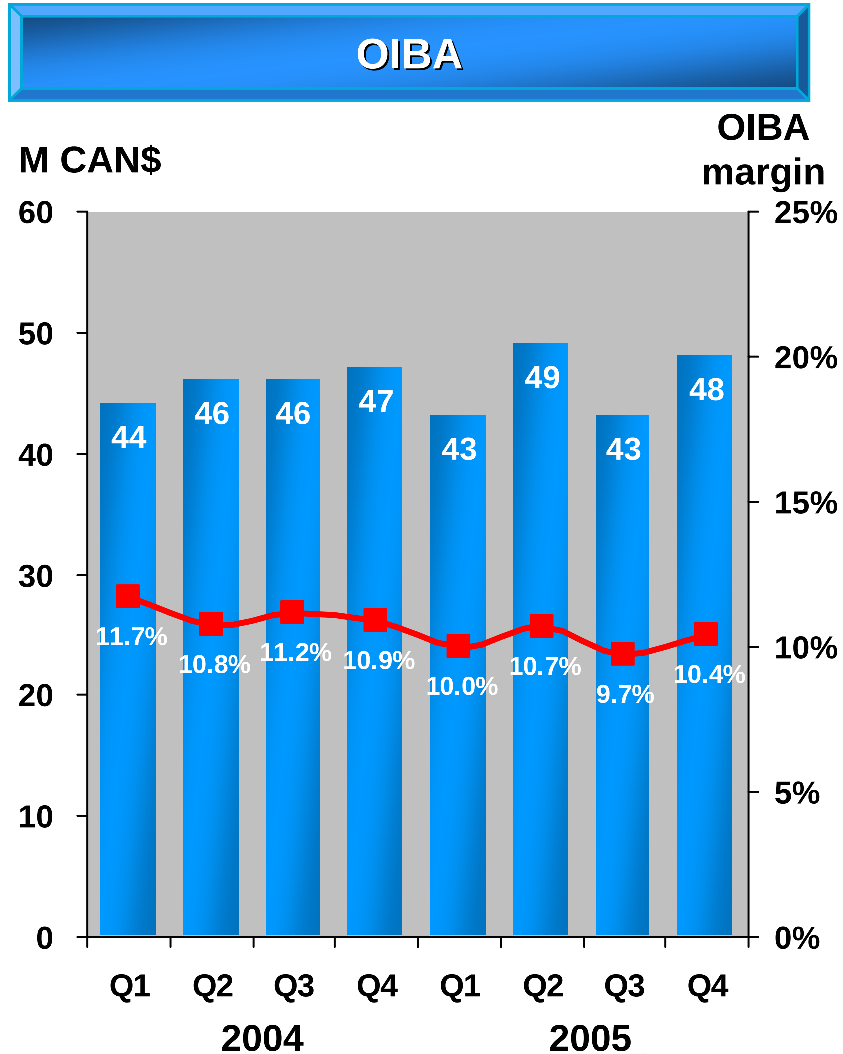
CANADIAN OPERATIONS
REVENUES AND OIBA





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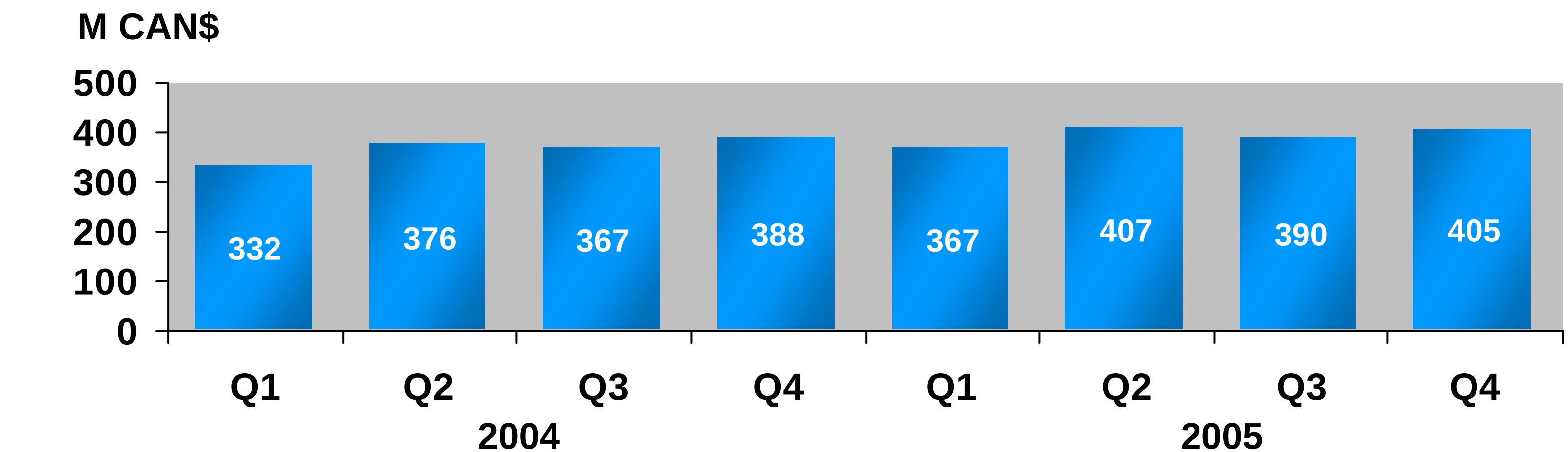
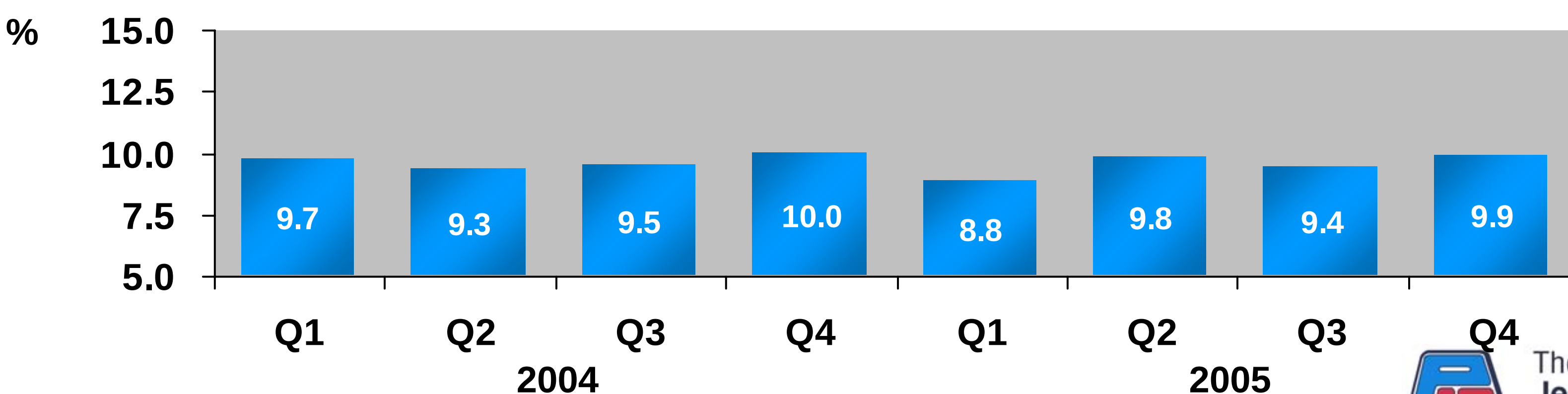
CANADIAN OPERATIONS
SALES AND GROSS MARGIN

Sales



Gross Margin



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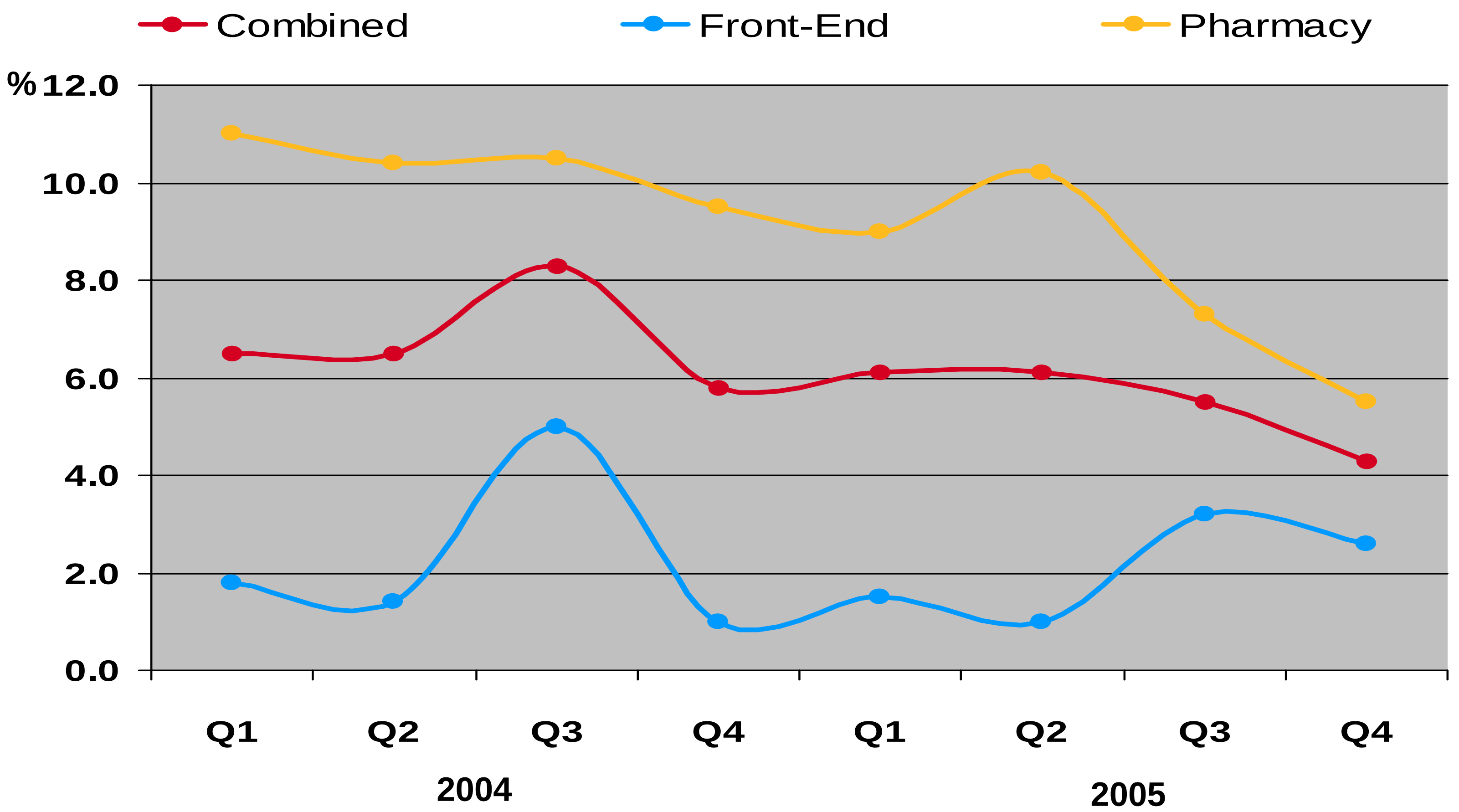
CANADIAN NETWORK
RETAIL SALES GROWTH - COMPARABLE STORES



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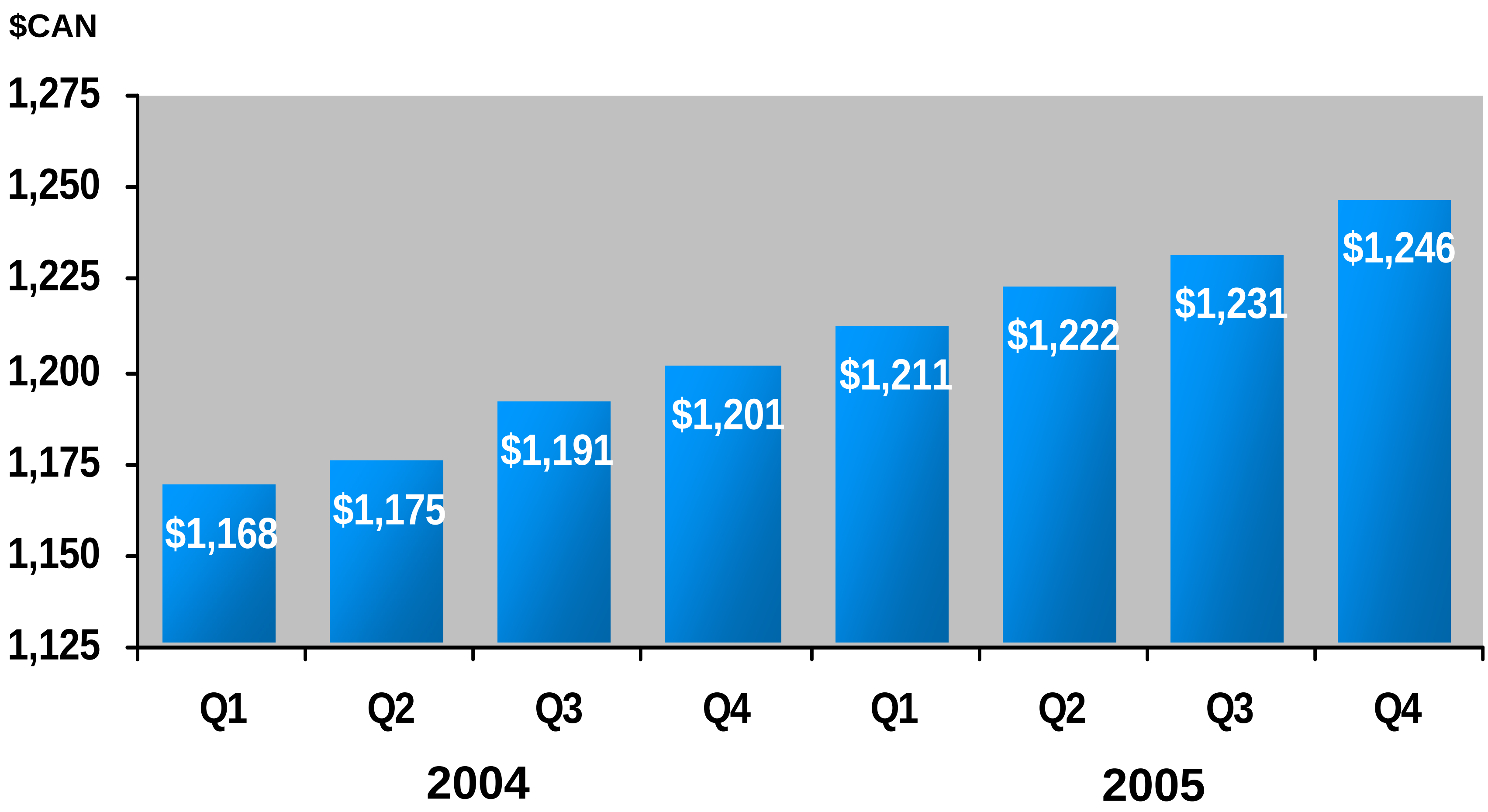
CANADIAN NETWORK
RETAIL SALES PER SQUARE FOOT



(1) LTM total sales / average square footage

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Mr. Michel Coutu

President and Chief Executive Officer
The Jean Coutu Group (PJC) U.S.A. Inc.

US NETWORK
Highlights / Q4 2005

- Eckerd script count momentum trending positively recently and Front end sales momentum in core categories

- Front end shrink count results: 70-90bp improvement

- Special Initiatives:

  - 78 stores identified for closure: $100 M Eckerd purchase price equation adjustment

  - $24 M JC Penney working capital adjustment recorded in Q4

  - Largo: with integration completed, building is for sale

- IT integration: completed by July 31st

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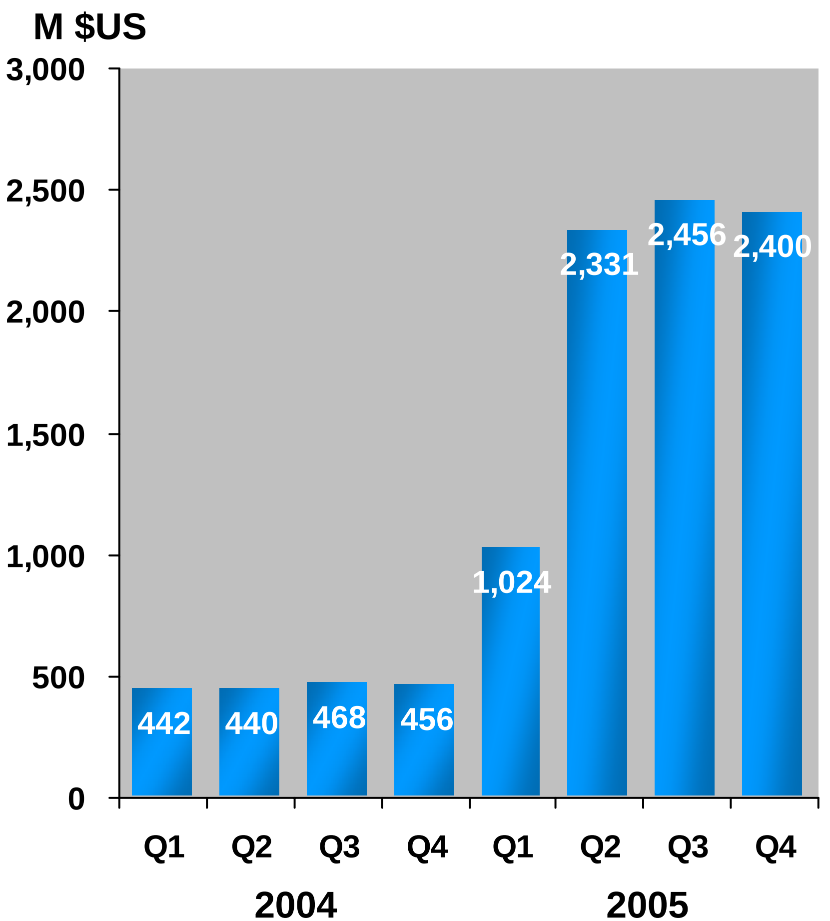
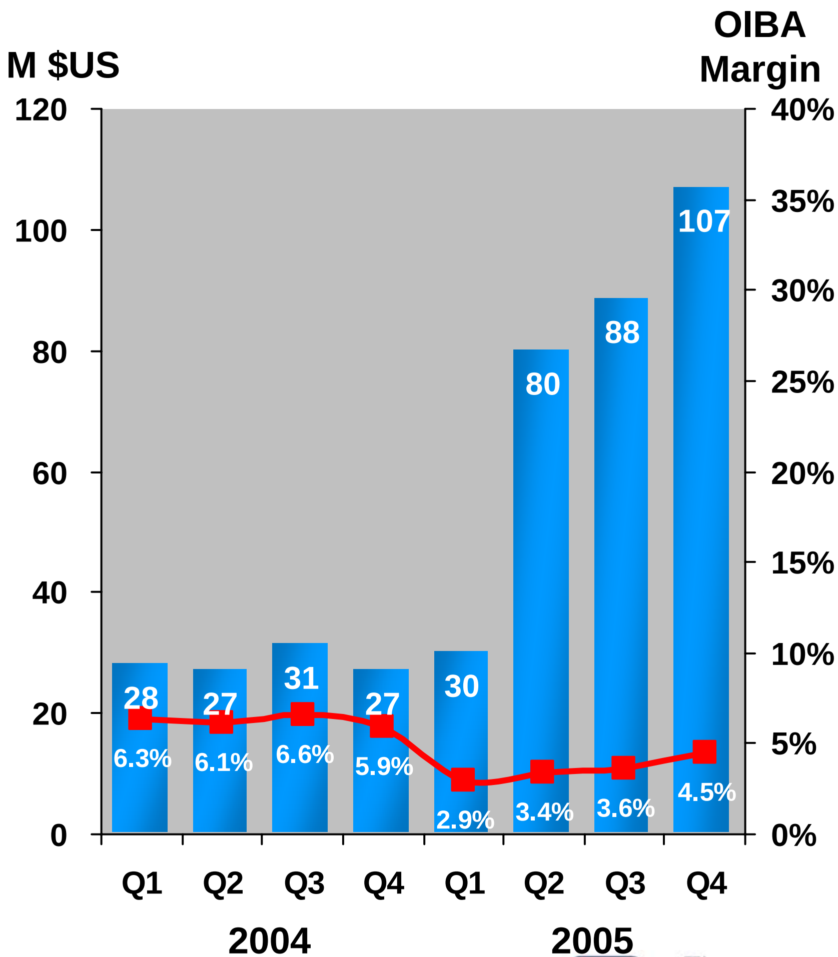
US NETWORK

REVENUES AND OIBA

REVENUES



OIBA



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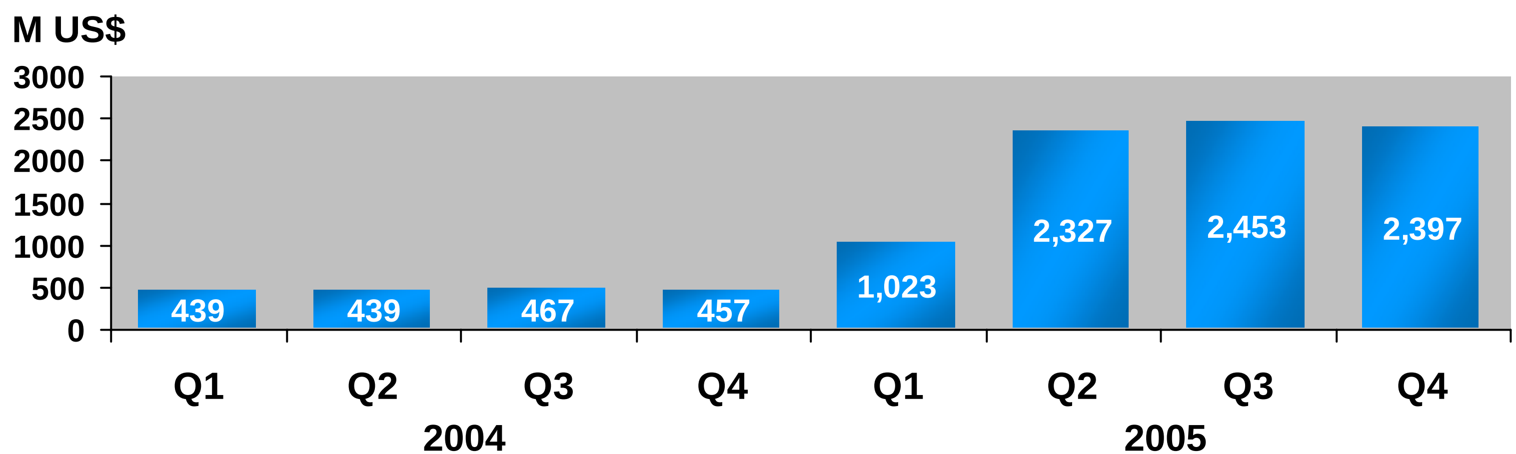
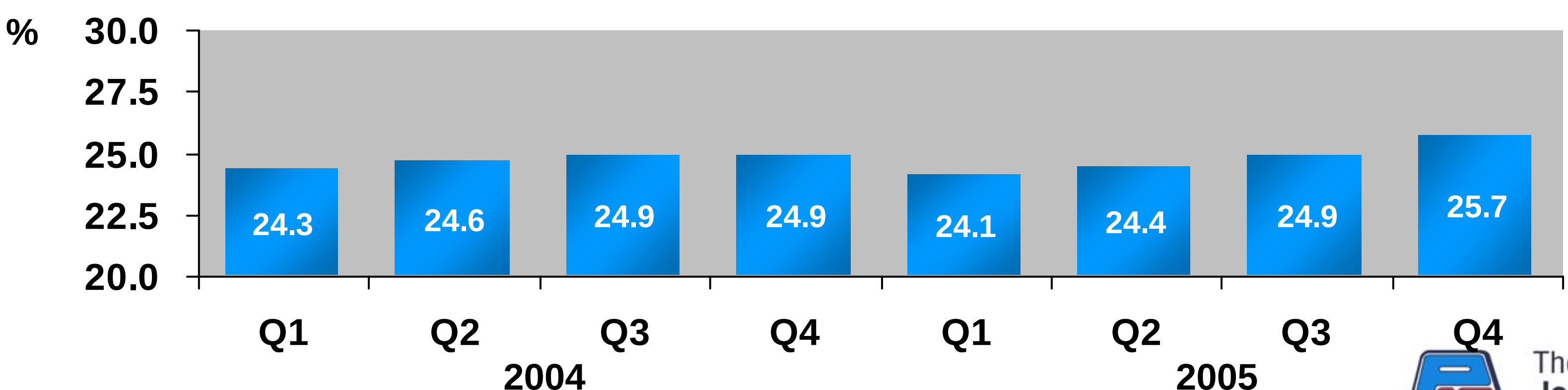
US NETWORK

SALES AND GROSS MARGIN

Sales



Gross Margin



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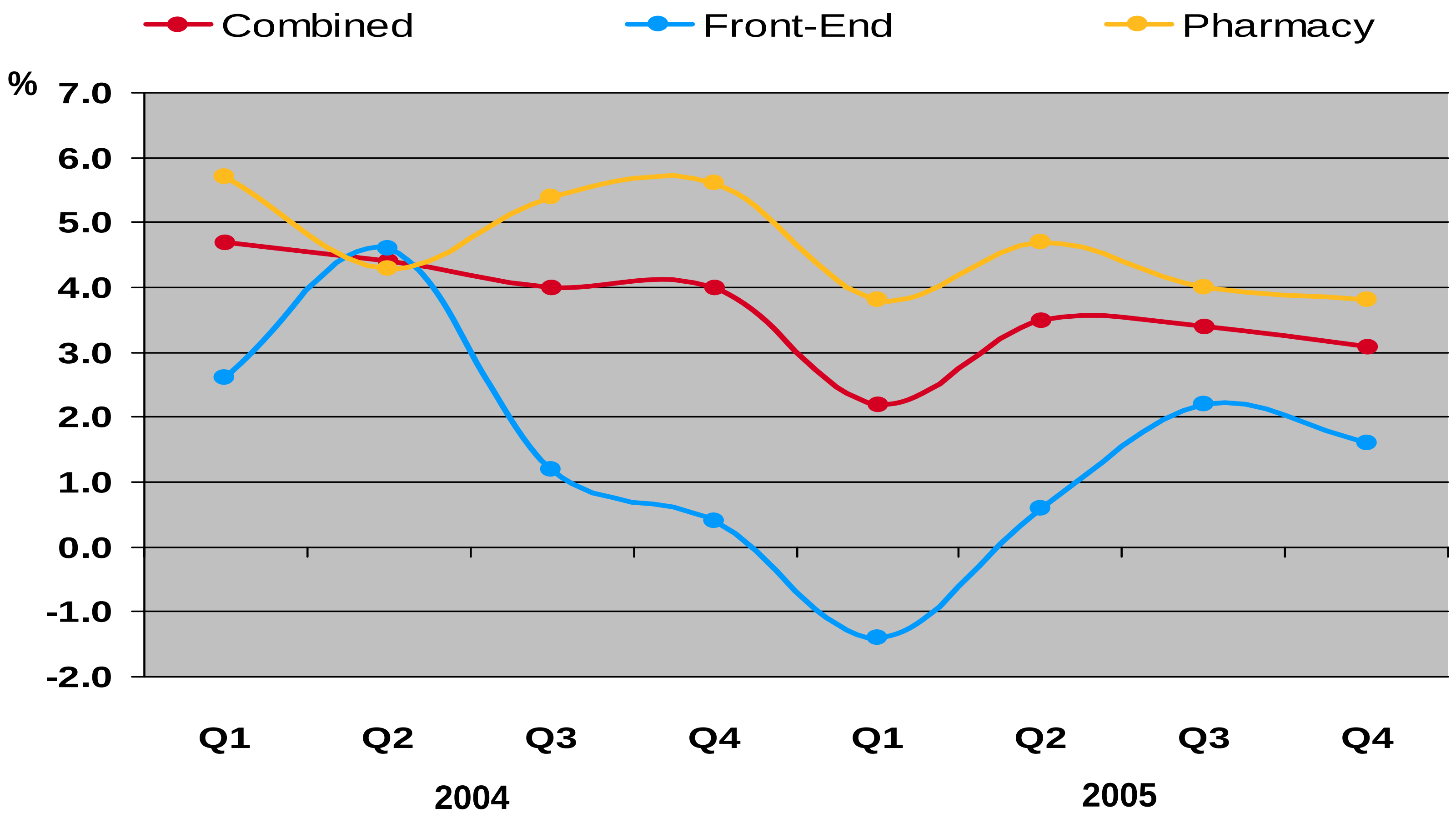
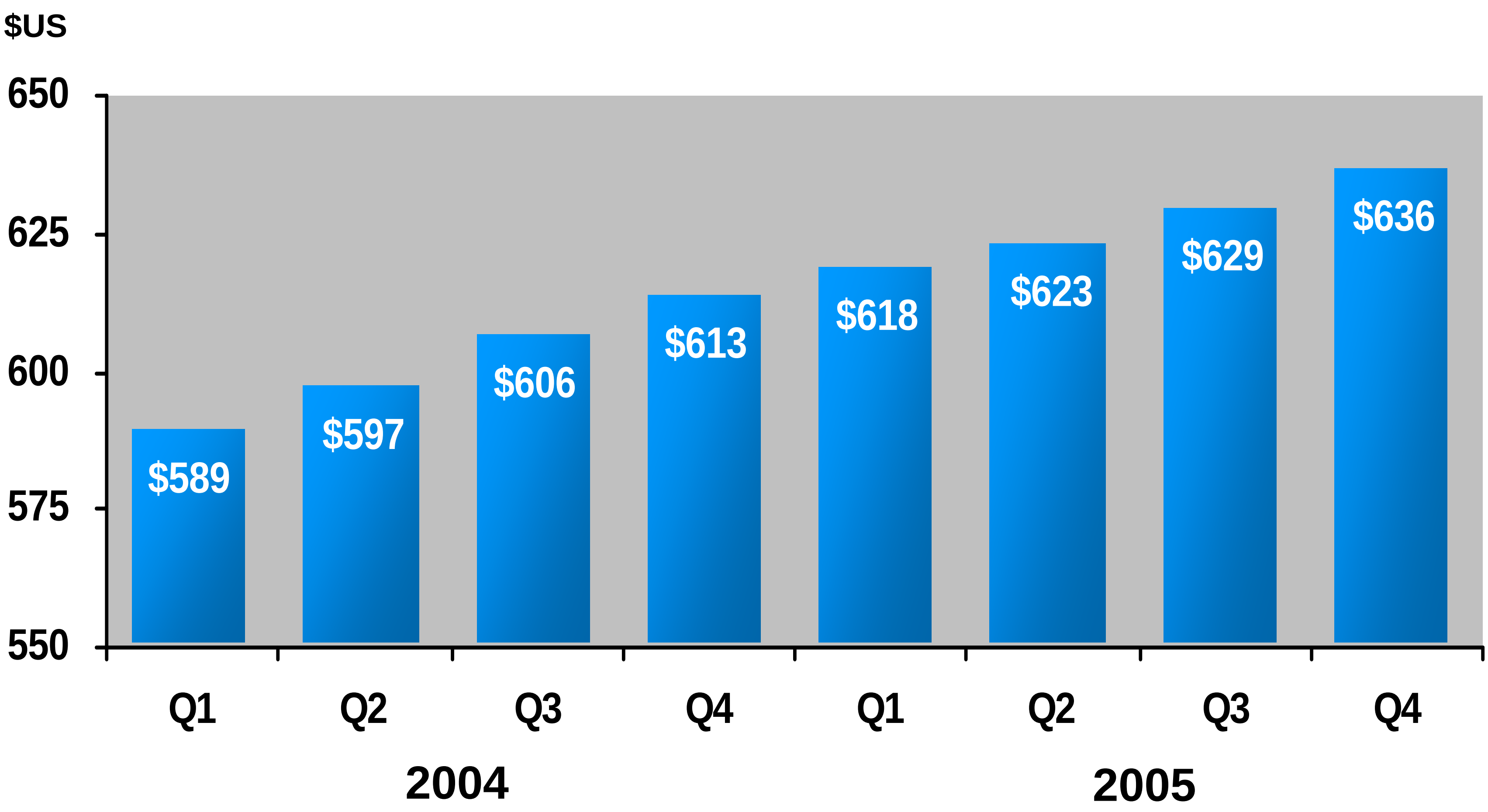
US NETWORK

RETAIL SALES GROWTH - COMPARABLE STORES



US NETWORK
RETAIL SALES PER SQUARE FOOT



(1) LTM total sales excluding Eckerd / average square footage

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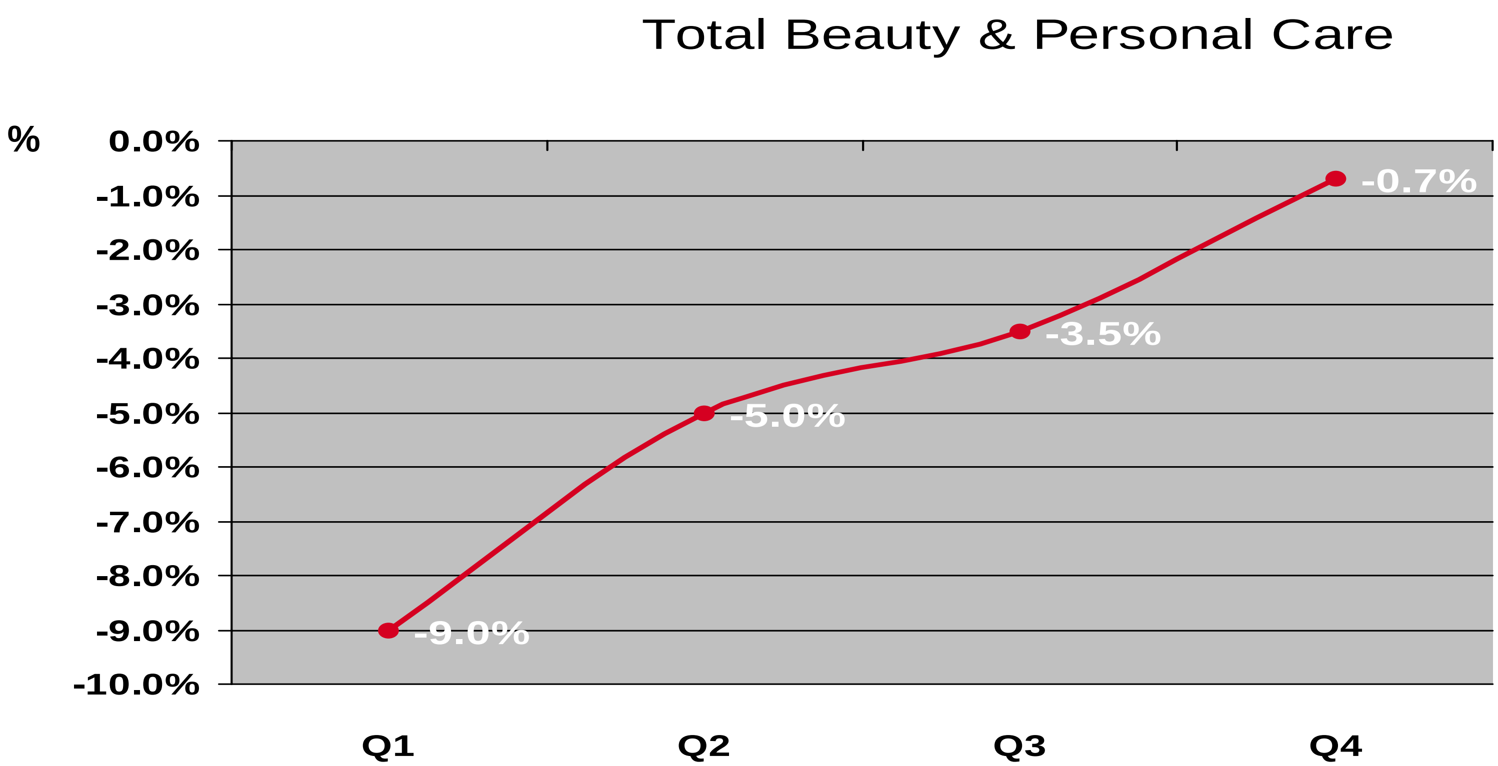
US NETWORK
OVERVIEW OF FRONT END AT ECKERD

- Sales trends driven by the following:
  - Ad strategies completely changed
  - Beauty, Personal Care and OTC emphasized
  - Consumables “below cost” de-emphasized
  - Increase in-stock for circular items

POSITIVE MOMENTUM BUILT DURING THE YEAR

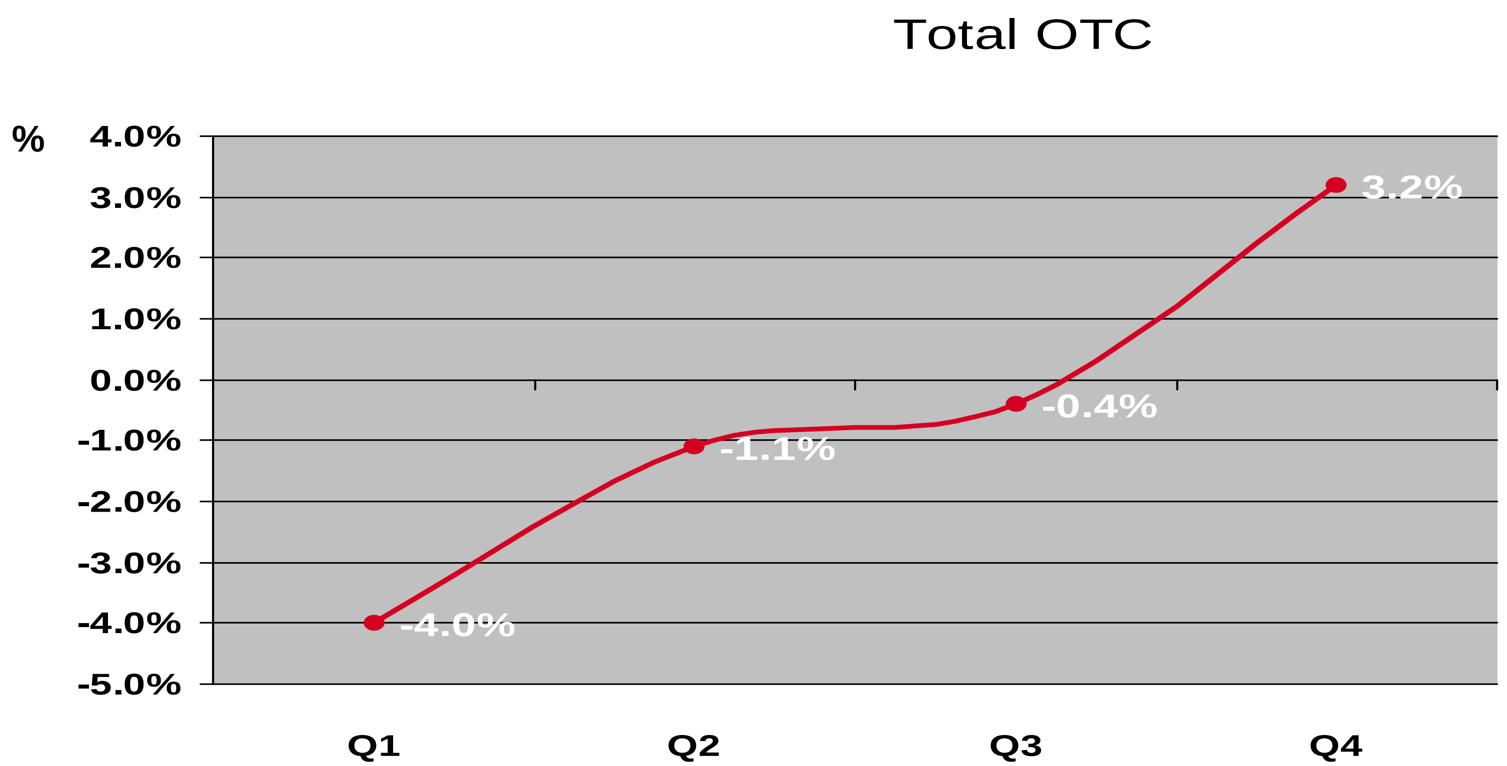
US NETWORK

OPERATIONS - ECKERD CORE CATEGORY EXAMPLE



- The strategy shift in our core Categories has resulted in reversing the negative sales. Beauty is and will continue to be a major focus

US NETWORK
OPERATIONS - ECKERD CORE CATEGORY EXAMPLE



- Similar to Beauty & Personal Care, as we shifted to focusing on our core categories, the negative sales trends are reversing
- Better circular mix, representation and updated planograms

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US NETWORK
OPERATIONS - PHARMACY

- Improved Generic utilization
- The switch to Generics from Brand, although impacting sales growth, has a positive impact on pharmacy gross margin
- The Generic Story…
  - Now 53% of Rx filled at Eckerd, 400bp improvement over the year
  - 92% substitution at Eckerd, 800bp improvement
- Medicare Part D Benefit initiatives

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US NETWORK
OPERATIONS - SHRINK

- The whole Eckerd chain was counted by the end of fiscal 2005
  - The plan is to recount all Eckerd stores in the first half of 2006
- Early results: 70-90bp improvement in Front end shrink
- Shrink is heading in the right direction
- Financial results in first half of fiscal 2006

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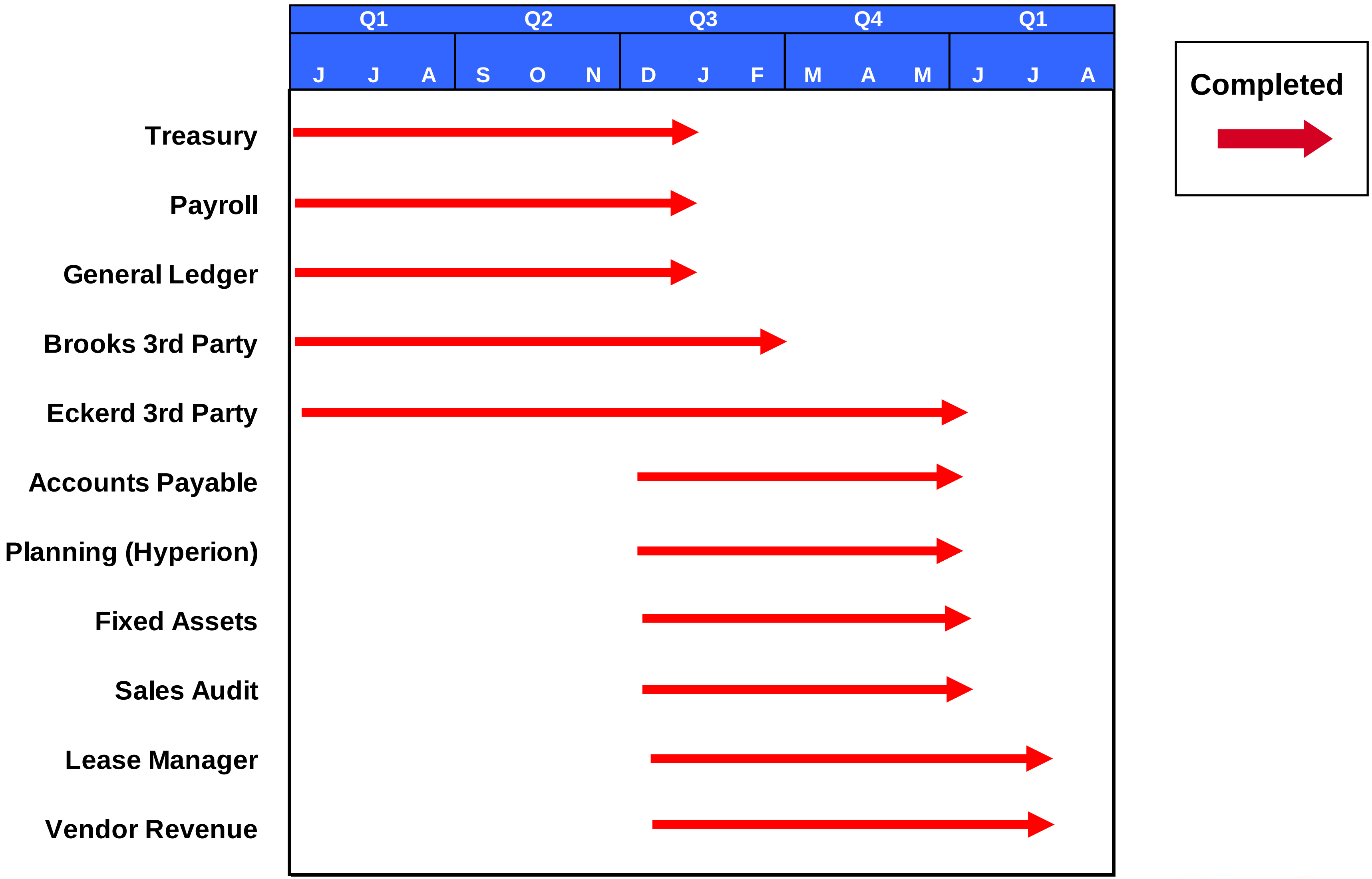
US NETWORK
IT CONVERSION – PLATFORM OVERVIEW

- Eckerd platforms - before:
  - 8 platforms and 200 servers
  - Leased equipment
  - Distributed processing in Utah, Texas, Florida and Kentucky
  - High communications costs
  - High IT support and maintenance costs
- Brooks Eckerd platforms - after:
  - 3 platforms and 50 servers
  - Owned equipment
  - All CPU capacity in RI and CT, with back-up in Canada
  - In house and proprietary programs
- Simplified network that works at a lower cost

US NETWORK

IT SYSTEMS INTEGRATION



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US NETWORK
REAL ESTATE PIPELINE & 24-HOUR INITIATIVE

- Real estate
  - In fiscal 2006, we will open 23 new stores and relocate 34 stores
- 24-Hour initiative
  - 34 24-hour stores at year end
  - Goal: open a 24-hour store in each strategic market

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US NETWORK
ECKERD STORE BASE RATIONALIZATION

- Performed extensive analysis of store performance
- Identified 78 under performing stores
  - High rent burdens
  - No to Low growth potential
  - Poor locations
- Provision for closing costs and rents resulted in a one-time adjustment to Eckerd purchase price equation of $ 100M
- Timing: 73 stores closed to date

US NETWORK
FOCUS IN 2006

- Drive profitable sales growth
- Detail and optimize all aspects and cost of operations

WE ARE BRANDING BROOKS ECKERD AS A PHARMACY FIRST !!

The Jean Coutu Group (PJC) Inc.

Mr. André Belzile

Senior Vice-President Finance and Corporate Affairs

The Jean Coutu Group (PJC) inc.

RESULTS

ADDITIONAL INFORMATION ON NON-GAAP MEASURES

Non-GAAP Measures (Thousands $US)	Q4 2005	Q3 2005	Q4 2004	Fiscal 2005	Fiscal 2004
Net earnings	**46,216**	39,854	32,604	**104,378**	132,683
Interest on long term debt	**46,009**	46,873	2,823	**152,731**	11,752
Other financial expenses, net	**1,939**	-2,149	528	**1,594**	2,783
Unrealized foreign exchange loss (gain) on monetary items	**-454**	-11,879	-	**7,767**	-
Income Taxes (recovery)	**-3,231**	-5,666	15,394	**-12,583**	61,071
Operating Income	**90,479**	67,033	51,349	**253,887**	208,289
Amortization	**57,909**	58,332	10,941	**198,853**	41,433
Operating income before amortization	**148,388**	125,365	62,290	**452,740**	249,722

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Non-GAAP Measures (Thousands $US)	Q4 2005	Q3 2005	Q4 2004	Fiscal 2005	Fiscal 2004
Net earnings	**46,216**	39,854	32,604	**104,378**	132,683
Unrealized gain on derivative instruments (1)	**-**	-610	-	**-**	-
Unrealized foreign exchange loss (gain) on monetary items (1)	**-454**	-11,879	-	**7,767**	-
Earnings before unrealized losses (gains) on financing activities	**45,762**	27,365	32,604	**112,145**	132,683
Earnings per share	**0.18**	0.15	0.14	**0.41**	0.58
Unrealized gain on derivative instruments (1)	-	-	-	-	-
Unrealized foreign exchange loss (gain) on monetary items (1)	-	-0.05	-	**0.03**	-
Earnings per share before unrealized losses (gains) on financing activities	**0.18**	0.10	0.14	**0.44**	0.58

(1) These items are calculated on an after-tax basis

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FINANCIAL POSITION

CONSOLIDATED HIGHLIGHTS

Balance Sheet (Thousands $US, except NBV)	F 2005	F 2004	F 2003
Long Term Debt	**2,495,801**	169,609	192,154
Shareholders' Equity	**1,412,103**	853,443	738,078
Total Assets	**5,694,926**	1,343,754	1,252,020
Net Book Value per share	**$ 5.40**	$ 3.76	$ 3.25

Financial Ratios	F 2005 Pro Forma	F 2004	F 2003
Net Debt / Book Capitalization	**62.5%**	18.4%	26.7%
Net Debt / Market Capitalization *(1)*	**37.3%**	5.3%	7.3%
Net Debt / LTM OIBA	**4.8**	0.8	1.3
LTM OIBA / LTM Interest	**2.6**	17.2	11.4

(1) Market capitalization based on 261.4 million shares at the closing price of July 22, 2005 of $CAN18.44 per share and a currency exchange rate of $CAN/$US of 0.82

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