

REVIEW OF FINANCIAL RESULTS

SECOND QUARTER F2016

October 7, 2015



Jean Coutu

Forward-Looking Statements Disclaimer



The
Jean Coutu
Group (PJC) Inc.

This presentation contains forward-looking statements that involve risks and uncertainties, and which are based on the Corporation's current expectations, estimates, projections and assumptions and were made by the Jean Coutu Group in light of its experience and its perception of historical trends. All statements that address expectations or projections about the future, including statements about the Corporation's strategy for growth, costs, operating or financial results, are forward-looking statements. All statements other than statements of historical facts, including statements regarding the prospects of the Corporation's industry and the Corporation's prospects, plans, financial position and business strategy may constitute forward-looking statements within the meaning of the Canadian securities legislation and regulations. Some of the forward-looking statements may be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "project", "could", "should", "would", "anticipate", "plan", "foresee", "believe" or "continue" or the negatives of these terms or variations of them or similar terminology. Although the Corporation believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. These statements do not reflect the potential impact of any nonrecurring items or of any mergers, acquisitions, dispositions, asset write-downs or other transactions or charges that may be announced or that may occur after the date hereof. While the list below of cautionary statements is not exhaustive, some important factors that could affect our future operating results, financial position and cash flows and could cause our actual results to differ materially from those expressed in these forward-looking statements are changes in the legislation or the regulatory environment as it relates to the sale of prescription drugs and the pharmacy exercise, the success of the Corporation's business model, changes in laws and regulations, or in their interpretations, changes to tax regulations and accounting pronouncements, the cyclical and seasonal variations in the industry in which the Corporation operates, the intensity of competitive activity in the industry in which the Corporation operates, the supplier and brand reputations, the Corporation's equity interest in Rite Aid Corporation ("Rite Aid"), the Corporation's ability to attract and retain pharmacists, labor disruptions, including possibly strikes and labor protests, the accuracy of management's assumptions and other factors that are beyond the Corporation's control. These and other factors could cause our actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements.

Forward-looking statements are provided for the purpose of assisting in understanding our financial position and results of operation and to present information about management's current expectations and plans relating to the future. Investors and others are thus cautioned that such statements may not be appropriate for other purposes and that they should not place undue reliance on them. For more information on the risks, uncertainties and assumptions that would cause the Corporation's actual results to differ from current expectations, please also refer to the Corporation's public filings available at www.sedar.com and www.jeancoutu.com. In particular, further details and descriptions of these and other factors are disclosed in the Corporation's Annual Information Form under "Risk Factors" and in the "Risks and uncertainties" section of the Corporation's Management's Discussion & Analysis. The forward-looking statements in this presentation reflect our expectations as of the date hereof and are subject to change after such date. We expressly disclaim any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

Mr. François J. Coutu

**President and Chief
Executive Officer**



Financial Results

Consolidated Highlights



The
Jean Coutu
Group (PJC) Inc.

Highlights - Franchising (unaudited, in millions \$)	Q2 F2016	Q2 F2015	Change
Retail sales (1)			
Pharmacy			2,9%
Front-end (2)			1,2%
Total	1 033,5	1 007,8	2,6%
Distribution center sales			
Pharmacy			2,5%
Front-end			0,2%
Consolidated sales	616,5	605,6	1,8%
Other revenues	70,1	68,8	1,9%
Revenue	686,6	674,4	1,8%

(1) Franchised outlets' retail sales are not included in the Company's consolidated statements

(2) Front-end retail sales exclude sales of services which are included in the total retail sales

Financial Results

Consolidated Highlights



The
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Consolidated statements of income (unaudited, in millions \$)	Q2 F2016	Q2 F2015	Change
Sales	616,5	605,6	1,8%
Gross profit	79,4	77,3	2,7%
<i>as a % of sales</i>	12,9%	12,8%	0,11%
Other revenues	70,1	68,8	1,9%
General and operating expenses	67,8	65,1	4,1%
<i>as a % of revenues</i>	9,9%	9,7%	0,22%
Operating income before dep. and amort.	81,7	81,0	0,9%
<i>as a % of revenues</i>	11,9%	12,0%	-0,11%
Net profit	53,8	53,6	
Basic profit per share, in \$	\$0,29	\$0,28	

Network Performance

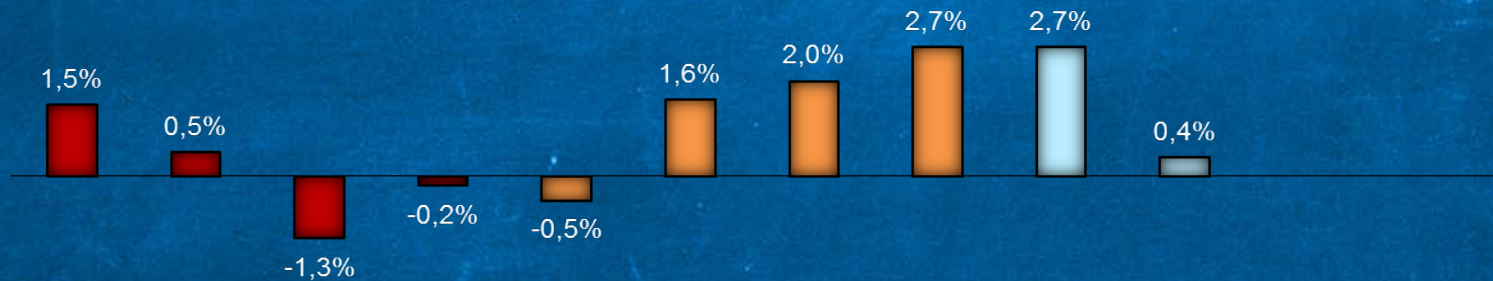
Retail Sales Growth / Comparable Stores



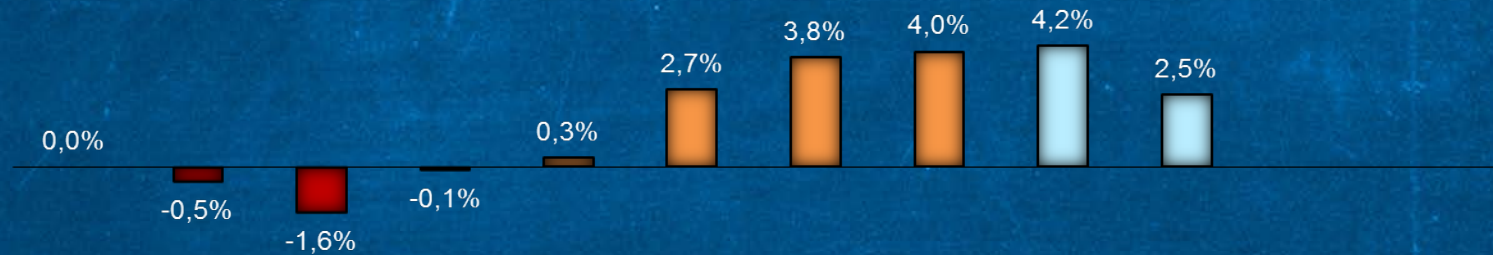
The
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F2014				F2015				F2016			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

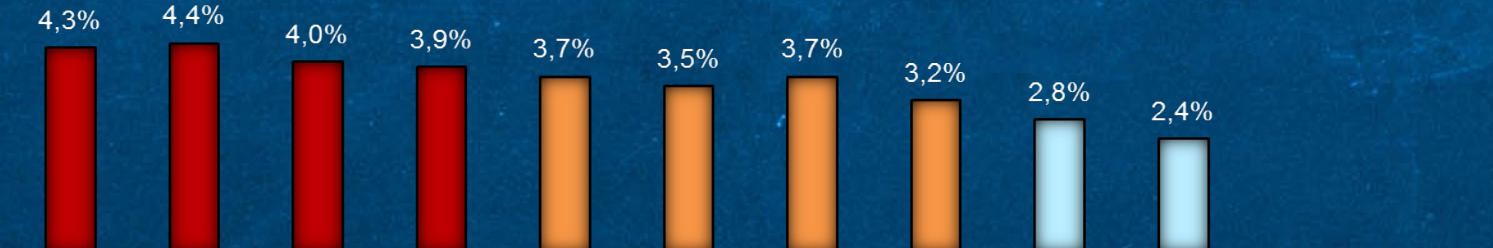
Front End Sales



Rx Sales



Scripts count



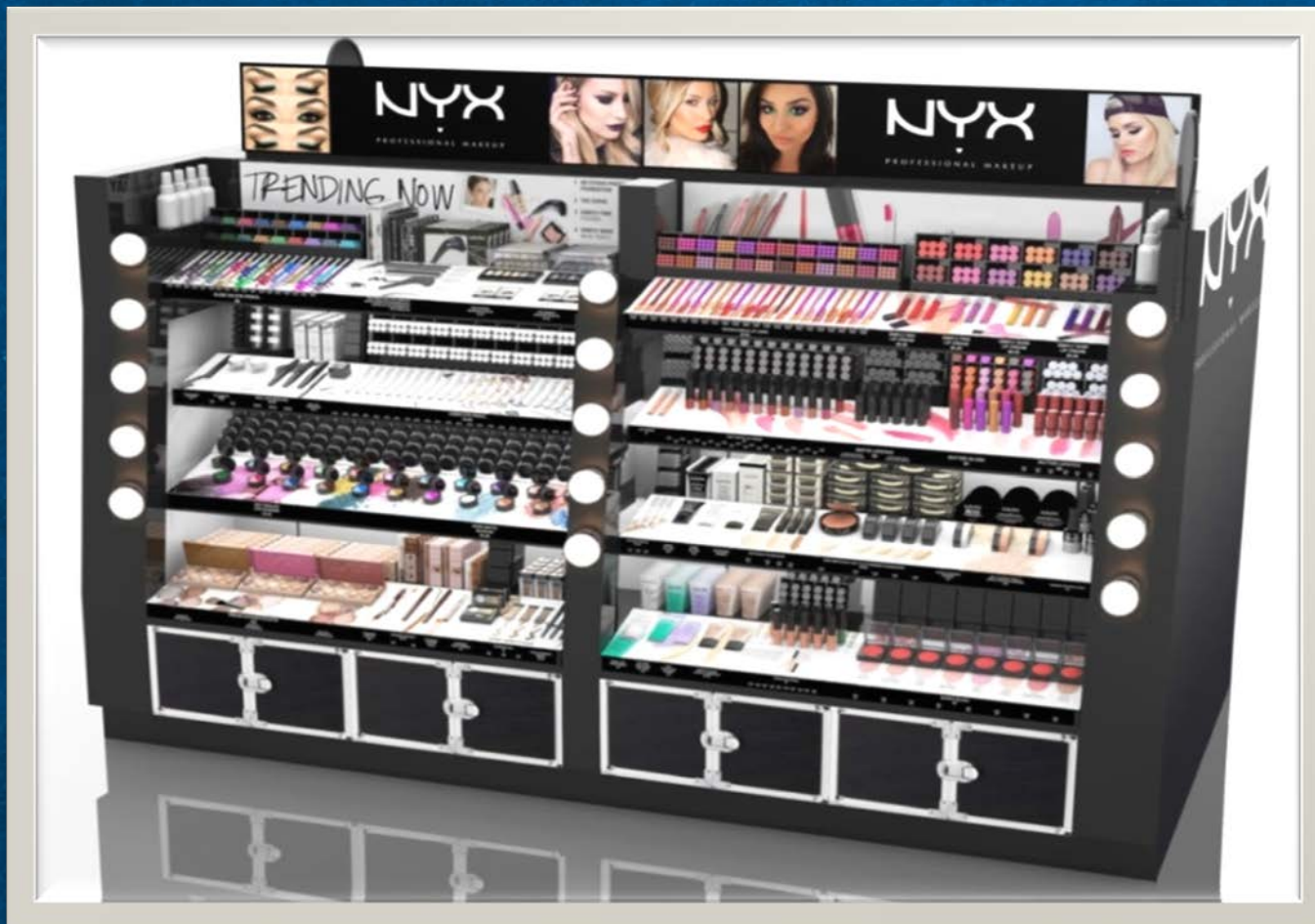
Franchising Activities

Marketing Initiatives



The
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- Cosmetics
 - NYX brand launch



Franchising Activities

Highlights / Real Estate Development



The
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Opening of 3 new stores, including 1 relocation



Notre-Dame Ouest, Montréal, QC



Beresford, NB



St-Georges-de-Beauce, QC

Franchising Activities

Highlights / Real Estate Development



The
Jean Coutu
Group (PJC) Inc.

1 major renovation project
completed in the last quarter



Franchising Activities

« My Jean Coutu, My Health Solution »



The
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Group (PJC) Inc.

- Information Blitz on Bill n°41
- Raising awareness to severe allergies

INFO HEALTH
from your Pharmacist Owners
affiliated to **JeanCoutu**



YOUR PHARMACIST CAN NOW CARRY OUT NEW PROFESSIONAL FUNCTIONS

With the **Bill 41** taking effect today, June 20, 2015, pharmacists in Quebec will now be permitted to carry out **7 new professional functions**.

This gives your pharmacist new tools to help you out.

[Discover the tools](#)

DID YOU KNOW...

NINE FOOD ITEMS ARE THE CAUSE OF 90% OF ALLERGIC REACTIONS?



Eggs **Nuts** **Milk**

Seafood **Peanuts** **Mustard**

Soy **Fish** **Wheat**



Franchising Activities

« My Jean Coutu, My Health Solution »



The
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- The pharmacist's new role in travel health

DID YOU KNOW...

DID YOU KNOW...

The pharmacist can prescribe a medication, if your situation requires it, to prevent mountain sickness or malaria (paludism) and treat traveller's diarrhea.



DID YOU KNOW...

For more information about precautions, vaccinations and travel-related risks, you can visit travelhealth.jeancoutu.com.



Mr. André Belzile

**Senior Vice President,
Finance and Corporate
Affairs**

Financial Results

Consolidated Highlights



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Consolidated statements of income (unaudited, in millions \$)	Q2 F2016	Q2 F2015
Net profit	53,8	53,6
Financing expenses (revenues), net	-0,2	-0,4
Income Taxes	20,2	19,9
Operating Income	73,8	73,1
Depreciation and amortization	7,9	7,9
Operating income before dep. and amort.	81,7	81,0

Financial Results

Consolidated Highlights



The
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Consolidated statements of financial position (unaudited, in millions \$)	As at 29/08/2015	As at 28/02/2015
Cash	93,2	121,9
Debt (short and long term)	-	-
Ratio of debt (short and long term) to operating income before dep. and amort.	-	-
Ratio of debt (short and long term) to total capitalization, <i>in %</i>	-	-
Total Equity	1 091,9	1 027,4
Net Book Value per share, <i>in \$</i>	\$5,84	\$5,49
Total Assets	1 348,8	1 343,6

Financial Position

Consolidated Highlights



The
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- Cash flow related to operating activities of \$51.4 M in the second quarter of fiscal 2016 compared to \$56.3 M for the same period of the previous fiscal year
- Cash flow related to investing activities of -\$36.2 M in the second quarter of 2016 fiscal year
 - Purchase of property and equipment of \$31.7 M
 - Purchase of intangible assets of \$1.6 M
- Cash flow related to financing activities of -\$20.5 M for the second quarter of fiscal 2016
 - Quarterly dividends of \$20.5 M

Financial Results

Additional Information



The
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PRO DOC Results (unaudited, in millions \$)	Q2 F2016	Q2 F2015
Gross sales, net of eliminations	49,0	48,1
OIBA Generic drugs	27,6	26,5
Intersegments eliminations	-4,9	-4,4
	22,7	22,1
OIBA margin	46,3%	45,9%

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