HYSTER

The Safe Choice

HYSTER COMPANY

Americas Division

SUBJECT: 2009 SWOTS Analysis

ACCOUNT: *Rite Aid*

BACKGROUND:

Rite Aid Corporation is one of the nation's leading drugstore chains and with the now-completed acquisition of Brooks Eckerd has annual revenues of more than $27 billion and more than 5,000 stores in 31 states and the District of Columbia with strong presence on both the East and West coasts. Before the acquisition Rite Aid had annual revenues of $17.5 billion and 3,332 stores in 27 states and the District of Columbia, with strong presence on both the East and West coasts. Seventy percent of the acquired stores are in 14 states where Rite Aid already operates, while Massachusetts, Rhode Island, North Carolina and South Carolina have been added to the company's national footprint. The 338 Brooks stores Rite Aid has acquired are located in Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut and New York. The 1,516 Eckerd stores Rite Aid has acquired are located in New York, Pennsylvania, New Jersey, Maryland, Delaware, Virginia, West Virginia, Tennessee, North Carolina, South Carolina, Georgia and Ohio. The distribution centers are located in Atlanta, GA; Charlotte, NC; Philadelphia, PA; Dayville, CT; Syracuse NY and Bohemia New York. Rite Aid also acquired the Brooks Eckerd corporate headquarters in Warwick, Rhode Island.

STRENGTHS:

- New Class II and III offerings position Hyster for success at their multiple DC facilities, supported by strong class 1 product and industry presence.

WEAKNESSES:

- Slower 2008 economy combined with a poor cash position due to acquisitions has the company leveraged to the brink of collapse. Credit and 2009 economic pace will like push large capital acquisitions.

OPPORTUNITIES:

- We can help Rite Aid reduce their cost by showcasing the efficiency of our products over Crown. The ITC NA events along with the new XN unit illustrate a large reduction in power consumption over Crown.

Hyster Company • 1400 Sullivan Drive • P.O. Box 7006 • Greenville, North Carolina • 27834-7006
Toll Free: 1-800-HYSTER1 Main: 252-758-4978 Fax: 252-931-7877 www.hyster.com www.hysteramericas.com

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<u>THREATS</u>:

- Crown has a contractual relationship and Hyster has had little success in developing a corporate relationship with supply chain management.

<u>STRATEGY:</u>

- Press the sites locally to develop ancillary relationships in aftermarket, rental, or allied products. Local or site specific strengths will help illustrate/validate our market presence and/or product strengths.

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