

Don Bye

Vice President of Optical Services, Shopko Eyecare Center

LEAD SPONSOR



SUPPORTING SPONSORS

Alcon

CareCredit
25 Years of Caring.

DAC
VISION

LUXOTTICA


SHAMIR

**INTERNATIONAL
VISION
EXPO**
& CONFERENCE
NEW YORK

Shopko Stores Operating Co., LLC



Shopko Overview



- Founded in 1962 and headquartered in Green Bay, Wisconsin, operates 149 retail stores generally located in small to mid-sized cities
- 134 full line retail stores, 5 ExpressRx, and 10 Shopko Hometown stores, representing over 14 million retail square footage
- Shopko operates under three banners:

SHOPKO
my life. my style. my store.

SHOPKO
Hometown

Shopko
EXPRESS

Historical Store Count

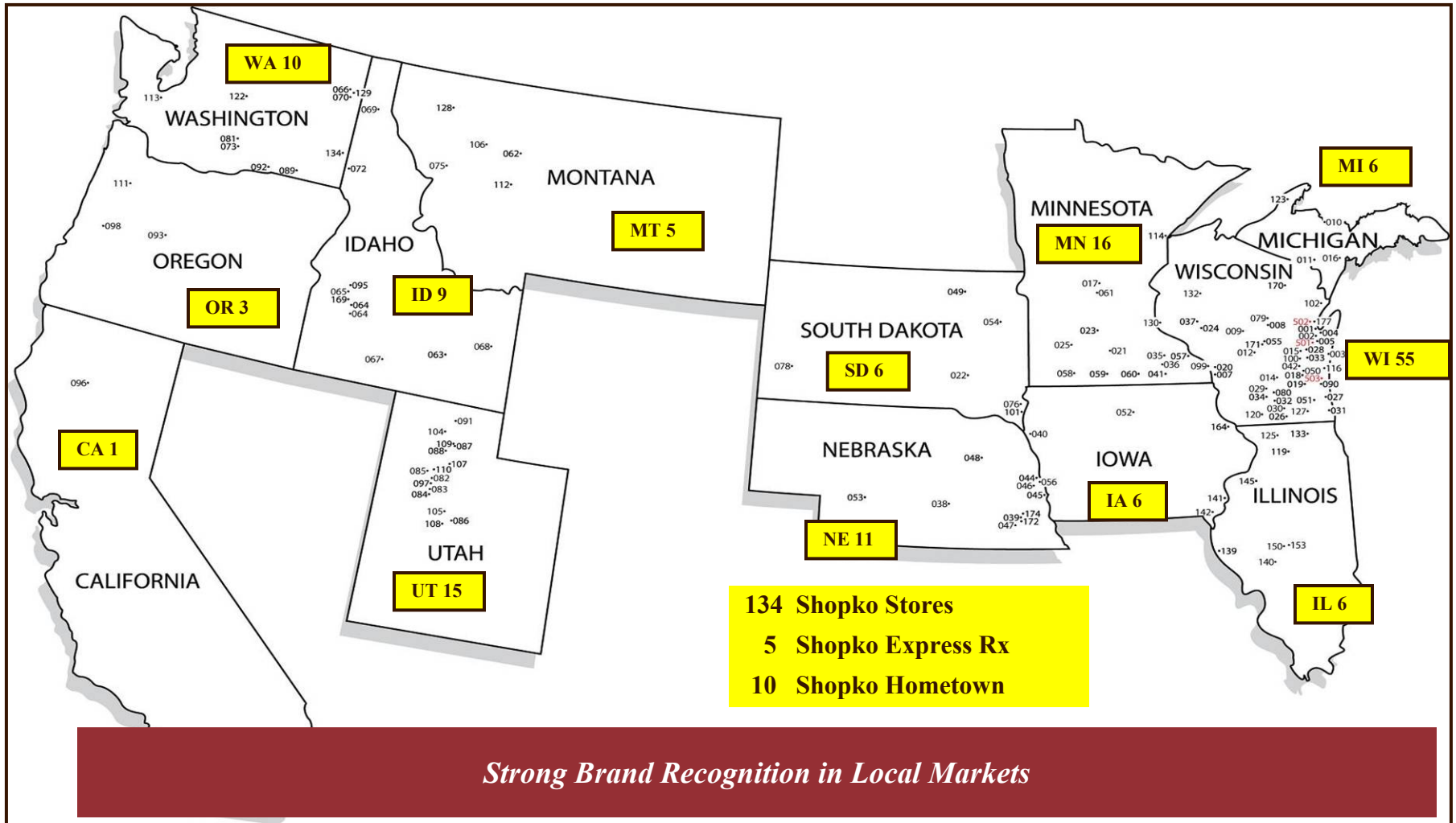
	2008	2009	2010	LTM '11
Beginning Stores	135	141	141	144 ¹
<u>Additions</u>				
Shopko	3	1	—	—
Shopko ExpressRx	3	—	1	—
Shopko Hometown	—	—	2	8
<u>Closings</u>				
Shopko	—	—	—	3
Shopko ExpressRx	—	1	—	—
Total	141	141	144¹	149

¹ Includes one stand-alone pharmacy purchased in 2010 and converted to Hometown in 2011.

Shopko Celebrates 50 Years!



Geographic Diversification



Shopko Express



Shopko Hometown



Pamida Overview



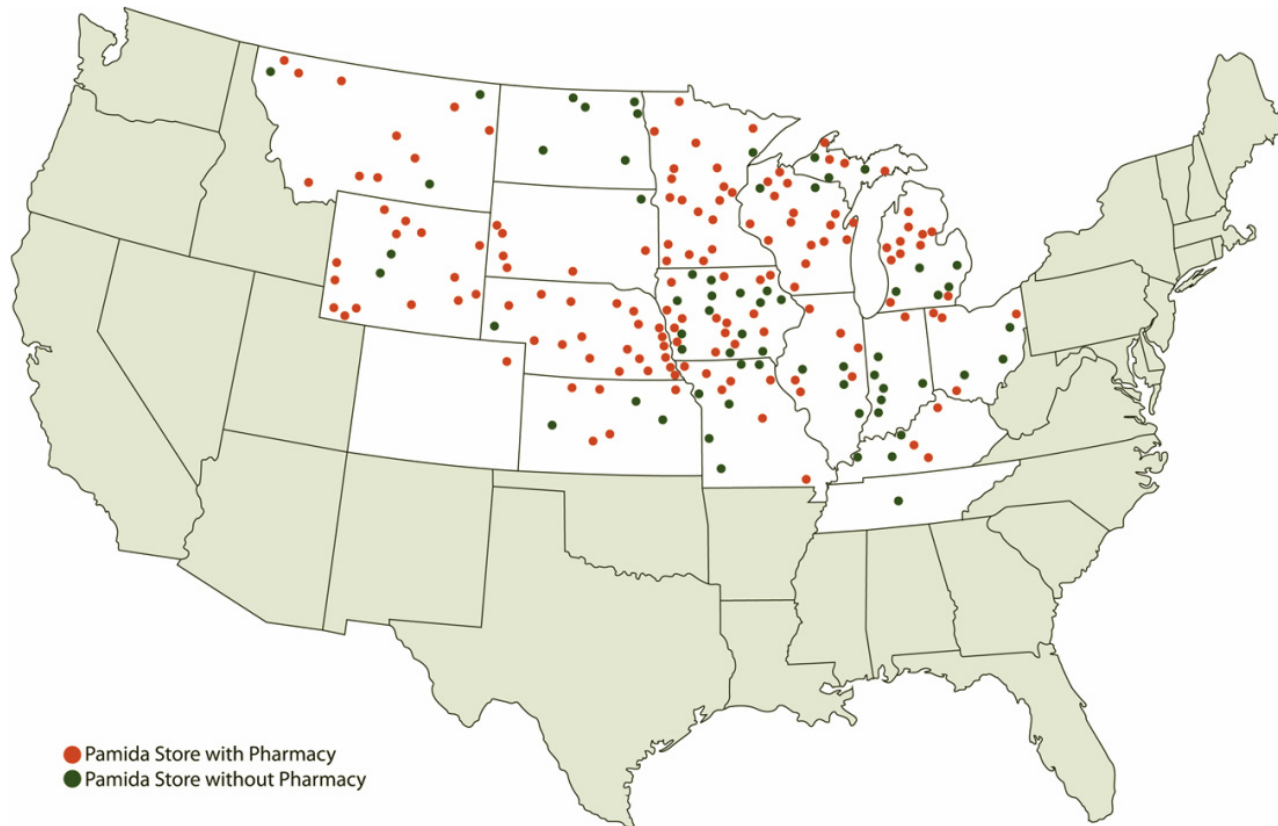
- 193 locations located in small communities in 17 Midwestern, North Central, and Rocky Mountain states
- 132 locations contain pharmacies (includes 21 stand-alone)
- Total 5.1 million retail sq. ft. with stores ranging from 3,000 to 50,000 sq. ft. (avg. 30,000)

Historical Store Count

	2008	2009	2010	LTM '11
Beginning Stores	204	205	204	199
Additions	17	2	0	0
Closings	16	3	5	6
Total	205	204	199	193

Pamida Store Locations

193 Locations: 111 Main Store + Pharmacy, 61 Main Store only, 21 Pharmacy Only



- **Small rural towns under 12,000 in population**

Banner Description

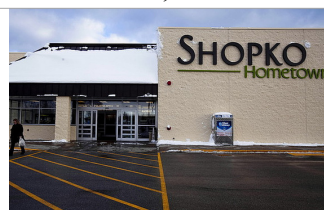
SHOPKO
my life. my style. my store.

SHOPKO
Hometown

ShopKo
EXPRESS

# of Stores	134	10	5
Community Size Served	Mid-Size and Larger Communities: 15,000 to 1,000,000 in population	Rural Communities: 2,000 to 12,000 in population	Midsize Communities: 50,000 to 100,000 in population
Avg. Sq. Ft. of Stores	80,000 to 90,000	35,000	12,000 to 14,000
Merchandise	Full Assortment: Women's/Men's/Children's Apparel, Shoes, Jewelry, Housewares, Household Supplies, Health & Beauty Aids, Home Entertainment Products, Small Appliances, Furniture, Cosmetics, Toys, Sporting Goods, Groceries, Lawn and Garden	Full Assortment: Women's/Men's/Children's Apparel, Shoes, Jewelry, Housewares, Household Supplies, Health & Beauty Aids, Home Entertainment Products, Small Appliances, Furniture, Cosmetics, Toys, Sporting Goods, Groceries, Lawn and Garden	Health Services and Convenience Merchandise
Product Depth:	Full	70% of Full	Limited
Pharmacy	Yes (134)	Yes (10)	Yes (5)
Optical	Yes (132)	Yes (4)	Yes (2)
Value Proposition	"Good, Better, Best"	"Good, Better"	Convenience

Exterior



Interior



SHOPKO
my life. my style. my store.

Shopko Eyecare Center

- Added in 1978
- Wholly owned Division
- One of the first mass merchants to add Optical

Shopko Optical
Designer Frames Sale

Your Purchase is Protected by Our Golden Guarantee. Every pair of glasses that you purchase is guaranteed to be perfect. If you are not satisfied, we will refund your money. No questions asked. This guarantee does not cover the cost of glasses or contact lenses. Eye examinations by State Licensed Optometrists are available by appointment.

19.99
Frames Only
SAVE \$8.99-\$12.99
Reg. Price: \$28.99-\$41.98

Zsa Zsa Gabor
My Name
rive gauche
ANTHONY MARTIN
Jean La Mont
29.99
Frames Only
SAVE \$6.99-\$18.99
Reg. Price: \$35.98-\$54.98

ANNE KLEIN
Sophia Loren
GEOFFREY BEENE
GIVENCHY
Versace

JORDACHE®
Mark of the Lion

See us today for a complete collection of designer frames at prices you can afford! You can choose from scores of styles for both men & women. If you're looking for something out of the ordinary, come and see yourself in fashionable designer eyewear.

See us today for a complete collection of designer frames at prices you can afford! You can choose from scores of styles for both men & women. If you're looking for something out of the ordinary, come and see yourself in fashionable designer eyewear.



Shopko Eyecare Center

- Shopko has 138 Eyecare Centers in 12 states
- Annually, we fill more than 500,000 prescriptions
- That lands Shopko in the top 10 largest optical companies in the United States.



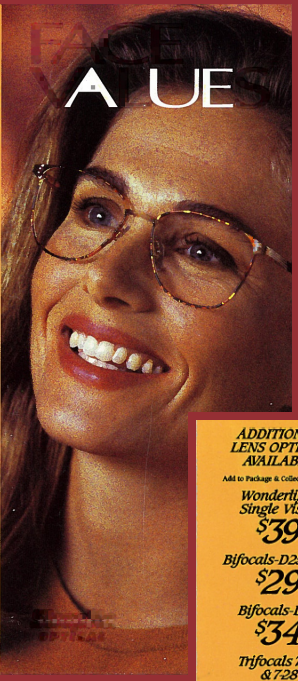
SHOPKO®
my life. my style. my store.

\$26.88 highest price point



Value Based → Face Values

- Value Based retail format that utilized a High/Low Advertising Strategy
- Moved to EDLP format in early nineties entitled “Face Values”.



At ShopKo Optical, we believe your glasses should fit your lifestyle. That's why we created Face Values. Fashionable frames, complete with lenses for one low price, ranging from

\$49 to \$169 every day!

ADDITIONAL LENS OPTIONS AVAILABLE
Add to Package & Collection Pricing

Wonderlight Single Vision
\$39

Bifocals-D25 & 28
\$29

Bifocals-D35
\$34

Trifocals 7-25 & 7-28
\$39

No line Bifocals
\$53-\$97

FASHION PACKAGE
\$29
INCLUDES ALL OPTIONS BELOW A \$42 VALUE

Scratch Resistant Coating
\$17

Ultra Violet Coating
\$15

Tints
\$10

AVAILABLE ONLY ON PLASTIC LENSES

FACE VALUES

Complete eye care at low prices every day.

With Face Values, it's easy to find a pair of glasses perfectly suited for you. The collections are organized by price, from **\$49 to \$169**.

Our professional staff will help customize your glasses to fit your individual needs with our lens options listed at left. All complete eyeglasses include single vision plastic lenses and ShopKo's one year, no hassle breakage warranty.

ShopKo OPTICAL

©1991 SHOPKO

Branded Merchandise Focus

- Focus on Branded Assortment over past decade



liz claiborne



BOSS ORANGE

eyewear



BANANA REPUBLIC
EYEWEAR

GUESS



Operating system in place that includes:

- [illegible]

SHOPKO[®]
my life. my style. my store.

175+ Doctors work at Shopko Eyecare

- Doctors of Optometry in all locations
- Allowed for TPA Procedures in early nineties
- Monthly recall cards for patients

VALUE YOU DESERVE!

your choice
\$55 OFF
 complete pair of eyeglasses totaling \$100 or more with your my extra savings card
 OR
30% OFF
 your next purchase of contact lenses with your my extra savings card

Not valid with other offers. Expires 12/31/11. See participating locations for details. Offer good through 12/31/11. Coupon good August 11 through October 11, 2011. Shopko Eyecare Center.

EXCLUSIVELY FOR MY EXTRA SAVINGS MEMBERS

COME SEE
 what you've been missing!

5 BEST EYECARE SAVINGS EVENT OF THE YEAR!

SHOPKO eyecare center

EXCLUSIVE OFFERS JUST FOR YOU!

We look forward to seeing you soon...

SHOPKO eyecare center

your next appointment. We have convenient hours to fit your busy lifestyle including:

- Early morning
- Evening
- Weekend

XOXO GUESS **AIX** **ck** **RAMPAGE BANANA REPUBLIC** **KENNETH COLE** **LIZ CLAIBORNE**

SHOPKO eyecare center

YOUR GUARANTEE
FREE 1-YEAR WARRANTY
 We guarantee each complete pair of glasses purchased at Shopko Eyecare Center including:

- Frame and/or lens breakage adjustment
- Minor repairs & unlimited adjustments

90-DAY GUARANTEE!
 If you are not completely satisfied with your new eyeglasses, you may make an exchange or return for a refund once within 90 days of the purchase date.

SEE THE SAVINGS
VISION INSURANCE
 We accept most major vision insurance plans for your convenience including:

- Spectera
- EyeMed
- VSP

30% OFF AARP DISCOUNT
 All AARP members receive 30% off a complete purchase of frames & lenses.

HQV LENSES
GET THE LATEST IN LENS TECHNOLOGY
 HQV Lenses help you see more clearly, sharper and wider than ever before! We offer custom High Definition lenses for single vision or progressive lenses.

MY CONTACTS. SHOPKO.COM
ORDERING CONTACTS IS AS EASY AS 1-2-3!
 We carry your favorite brands prescribed by your doctor delivered right to your door for less. Plus—enjoy free shipping on every order for a limited time! Visit mycontacts.shopko.com today!

COME SEE US!
 meet our eyecare expert

PROFESSIONAL SERVICE
 As a trusted community healthcare professional, Dr. Schoone is dedicated to bringing you and your family complete eyecare including:
 eye exams • diagnosis • treatment

CONVENIENT HOURS
 Schedule your appointment today:
 Hours: Sat. 9am-5pm; Sun. 11am-4pm; Mon.-Fri. 9am-8pm

AFFORDABLE EYEWEAR
 Check out our great selection of designer frames priced from \$49.99 to \$229.99

FREE 1-YEAR WARRANTY
 Each complete pair of glasses is covered for one year: (Applies to prescription glasses only.)

- Frame and/or lens breakage
- Free minor repairs
- Free unlimited adjustments

DR. ERIN SCHOONE, DOCTOR OF OPTOMETRY
 Dr. Schoone earned her doctorate from Michigan College of Optometry.

90-DAY GUARANTEE
 If you're not satisfied, exchange or return your new eyewear for a full refund within 90 days.

AARP MEMBERS
 Receive special savings with a complete purchase of frame & lenses. See Eyecare Center for details. Plus - we accept most vision insurance plans including EyeMed & Spectral

SAVE \$50
 on a complete pair of eyeglasses totaling \$100 or more.

Coupon must accompany purchase and cannot be combined with any other offers or insurance discounts. Coupon is non-transferable. Excludes doctor's fees and eye exams. Coupon good through Saturday, February 18, 2011.

SHOPKO eyecare center

SHOPKO eyecare center

900 West Memorial Dr., Houghton, MI • (906) 487-9767

All Contacts

- ▶ All Brands
- ▶ Acuvue 2
- ▶ Acuvue Advance Plus
- ▶ Acuvue Oasys
- ▶ Air Optix
- ▶ Avaira
- ▶ Biofinity
- ▶ Biomedics
- ▶ Pure Vision
- ▶ Soflens

All Lens Types

- ▶ 1 to 2 Week Disposable Lenses
- ▶ Color Lenses
- ▶ Daily Disposable Lenses
- ▶ Most Popular Lenses
- ▶ Multifocal Lenses
- ▶ Not Classified
- ▶ Planned Replacement Lenses
- ▶ Special Offers
- ▶ Theatrical Lenses
- ▶ Toric Lenses
- ▶ Vial Lenses

Customer Service

- ▶ Login
- ▶ New Customer?
- ▶ My Account
- ▶ Order Information
- ▶ Special Offers
- ▶ Where We Ship
- ▶ FAQs
- ▶ Returns

ordering contacts is as
EASY AS 1-2-3
with [mycontacts.shopko.com](#)

FREE
shipping on every order
for a limited time



Save \$60
Acuvue Oasys Mail-in Rebate



Save \$100
Acuvue Moist Mail-in Rebate



Save \$60
PureVision 2 Mail-in Rebate

Top Selling Brands



Optical Lab

- Full Service Facility with Free Form Manufacturing and Automation
- New A/R Coating Facility



Optical Lab



Optical Lab



Lens Technology

- Began with Finishing Capabilities
- Centralized the Lab Operations in 1982
- Built current 30,000 square foot facility in 2000
- Now a leader in the industry with sales of Single Vision and Progressive free form lenses

Our Mission: To become the eyecare provider of choice in each community we serve.



Our Eyecare Centers deliver comprehensive care to meet the needs of our patients/customers.

Strong Supporter and long term member of the communities we serve.

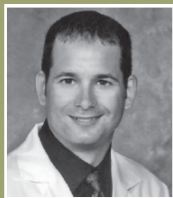


SHOPKO® eyecare center



**voted local best
5 years in a row!**

- Convenient appointments available: evening, weekend & early morning
- Great selection of brand name frames
- Enjoy our FREE 1-yr. breakage warranty and 90-day satisfaction guarantee
- Independent Doctors of Optometry



Dr. Greg Hill

Graduate of South Dakota State University
Doctorate from Indiana University
College of Optometry
Hometown: Harrisburg, SD



Dr. Thomas Rieger

Graduate of South Dakota School of Mines
Doctorate from University of Houston
College of Optometry
Hometown: Sioux Falls, SD



Dr. Emily Walters

Graduate of South Dakota State University
Doctorate from Illinois College
College of Optometry
Hometown: Salem, SD

2 locations: 1601 W. 41 Street • (605) 338-3225
4501 E. Arrowhead Pkwy. • (605) 335-8831

Thank You!

for voting Shopko the best place to buy eyeglasses in Dixon!



SERVICE YOU TRUST.
VALUE YOU DESERVE!

25% OFF

ALL LE

Coupon good Saturday, Dixon. Expires 11/1/10. Not valid with other offers.

COME SEE WHY WE'RE VO

Namebrand frames & contacts • We accept most insurance plans • FREE 1-year breakage warranty • 90-day satisfaction guarantee

SHOPKO® eyecare center Convenient appointments! Call today to schedule!

Hours: Monday - Friday 9:00am - 6:00pm, Saturday 9:00am - 5:00pm, Sunday 10:00am - 4:00pm

Thank You!

for voting Shopko the best place to buy eyeglasses in Oshkosh!



Come see why we're voted #1

- Namebrand frames & contacts
- FREE 1-year breakage warranty
- We accept most insurance plans
- 90-day satisfaction guarantee

Convenient appointments available!

Call today to schedule your eye exam at:
(920) 426-5730 • 1300 South Koeller Rd.

SHOPKO® eyecare center

November is eyecare month!

25% off
ENTIRE STOCK FRAMES

Sale prices good Sunday, Oct. 31 - Saturday, Nov. 20, 2010 at our Oshkosh Eyecare Center only. Price is for frames only. Lenses & eye exams not included. Sales prices may not be combined with other discounts, coupons or other offers.

visit shopko.com today for more information about our Eyecare services!

Thank You!



for voting Shopko the best place to buy eyeglasses in Albert Lea



voted #1

year breakage warranty satisfaction guarantee

able! exam at: Edge Ave.

center

day for more information about our Eyecare services!

SAVE \$40

on a complete pair of eyeglasses totaling \$100 or more

SHOPKO® eyecare center

Serving our Community



- Shopko partnered with the Salvation Army creating “Shopko Project Eyecare”.
- Program inception in 2000
- 11 years Shopko has assisted approximately 6,700 people. At an estimated value of \$710,000
- Recent years are averaging 750 patients per year at a value of approximately \$75,000 per year.

Serving our Community

- Teammate Grant through Vendor Cooperation
- Global Releaf Program



**Effective January 31st,
Shopko has planted
25,024 trees.**

Remember to change your tree counter to reflect our contribution to the environment.



trees planted so far by Shopko Eyecare Centers thanks to our customers.

Buy a Frame. Plant a Tree. Cool the Globe.

Global ReLeaf has planted over 25 million trees to slow global warming, beautify neighborhoods and restore ecosystems around the world. Help Shopko make a difference.

For every Global ReLeaf frame purchased, American Forests will plant a tree.



For every Global ReLeaf frame purchased, American Forests will plant a tree.

SHOPKO
eyecare center



Innovation through Service



Eyecare Providers, no matter how they operate, still live or die by customer service.

Testimonials:

Lincoln, NE

Just want to express my appreciation for the outstanding service my family of 5 receives from this Shopko Optical. The doctor gives the most complete eye exam anywhere, and Londa & Cheryl are always so helpful with choosing eyewear, insurance coverage & coupons that you always feel confident you are getting the best price. In the 8+ years we have been using this location, we have never had a complaint! We will continue recommending to others!

Rhineland, WI

A few weeks ago I visited your vision center to get an eye exam and to purchase glasses and contact lenses. Your staff spent a lot of time with me. They assisted me with choosing frames and the type of lenses. Your doctor is so friendly and caring, he also spent as much time as it took to get me the right eyewear. Everyone was extremely helpful and patient, and I know that was no easy task as I can be a difficult customer at times. I recommend your store to everyone and I would like your vision center team to be recognized for their excellent service.