

THRIFT DRUG INC  
Form 424B3  
September 24, 2009

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Filed Pursuant to Rule 424(B)(3)  
Registration No. 333-161037

**PROSPECTUS SUPPLEMENT NO. 1**  
(to Prospectus dated August 27, 2009)

## **RITE AID CORPORATION**

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This prospectus supplement updates the prospectus dated August 27, 2009, relating to the offer to exchange \$410.0 million aggregate principal amount of our 9.750% Senior Secured Notes Due 2016 for \$410.0 million aggregate principal amount of our 9.750% Senior Secured Notes Due 2016 which have been registered under the Securities Act of 1933, as amended, and fully and unconditionally guaranteed by the subsidiary guarantors listed on the first page of the prospectus. The prospectus was filed as part of our Registration Statement on Form S-4 (File No. 333-161037).

The exchange offer will expire at 5:00 p.m., New York City time, on October 1, 2009, unless we extend the exchange offer in our sole and absolute discretion. Questions and requests for assistance and requests for additional copies of the prospectus or of the letter of transmittal should be directed to The Bank of New York Mellon Trust Company, N.A., as exchange agent.

A summary of our financial position and results of operations as of and for the thirteen and twenty-six week periods ended August 29, 2009 is set forth below commencing after this cover page.

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**See "Risk Factors" beginning on page 17 of the prospectus for a discussion of risks you should consider prior to tendering your outstanding old notes for exchange.**

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

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The date of this prospectus supplement is September 24, 2009.

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On September 24, 2009 we reported our financial position and results of operations as of and for the thirteen and twenty-six week periods ended August 29, 2009.

### Second Quarter Highlights

Both pharmacy same store sales and the number of prescriptions filled continued to increase, by 0.8 percent and 1.4 percent respectively. A 274 basis point increase in generic dispensing year over year negatively impacted sales.

Significant reduction in selling, general and administrative expenses as a percent of sales continued with SG&A 135 basis points lower than last year's second quarter.

Significant progress made in reducing inventory continued with FIFO inventory \$351.1 million lower year over year.

Liquidity remained strong with \$822.3 million of availability on our credit and accounts receivable facilities at quarter end.

### Second Quarter Summary

Revenues for the 13-week second quarter were \$6.3 billion versus revenues of \$6.5 billion in the prior-year second quarter. Revenues declined 2.7 percent, primarily as a result of store closings and a decline in front-end same store sales.

Same store sales for the quarter decreased 1.1 percent over the prior-year 13-week period, consisting of a 4.9 percent decrease in the front end and a 0.8 percent increase in pharmacy. Pharmacy sales included an approximate 274 basis point negative impact from new generic introductions. The number of prescriptions filled increased 1.4 percent. Prescription sales accounted for 68.1 percent of total drugstore sales, and third party prescription revenue was 96.3 percent of pharmacy sales.

Excluding the acquired Brooks Eckerd stores, same store sales for the 13-week second quarter decreased 0.6 percent over the prior-year period with front-end decreasing 4.9 percent and pharmacy growing 2.0 percent.

At the former Brooks Eckerd stores, same store sales for the 13-week second quarter decreased 2.3 percent over the prior-year period with front end decreasing 4.7 percent and pharmacy decreasing 1.4 percent.

Net loss for the quarter was \$116.0 million or \$.14 per diluted share compared to last year's second quarter net loss of \$222.0 million and \$.27 per diluted share.

In the second quarter we opened 3 stores, relocated 10 stores, remodeled 1 store and closed 16 stores. Stores in operation at the end of the second quarter totaled 4,812.

## RITE AID CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

(unaudited)

|  | August 29,<br>2009  | February 28,<br>2009 |
|--|---------------------|----------------------|
| <b>ASSETS</b>  |                     |                      |
| Current assets:  |                     |                      |
| Cash and cash equivalents  | \$ 121,007          | \$ 152,035           |
| Accounts receivable, net   | 621,336             | 526,742              |
| Inventories, net of LIFO reserve of \$776,007 and \$746,467          | 3,423,956           | 3,509,494            |
| Prepaid expenses and other current assets                            | 98,342              | 176,661              |
| <b>Total current assets</b>  | <b>4,264,641</b>    | <b>4,364,932</b>     |
| Property, plant and equipment, net                                   | 2,460,790           | 2,587,356            |
| Other intangibles, net   | 917,429             | 1,017,011            |
| Other assets   | 409,818             | 357,241              |
| <b>Total assets</b>  | <b>\$ 8,052,678</b> | <b>\$ 8,326,540</b>  |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>                         |                     |                      |
| Current liabilities:   |                     |                      |
| Current maturities of long-term debt and lease financing obligations | \$ 50,345           | \$ 40,683            |
| Accounts payable   | 1,233,771           | 1,256,982            |
| Accrued salaries, wages and other current liabilities                | 1,042,294           | 1,004,762            |
| <b>Total current liabilities</b>                                     | <b>2,326,410</b>    | <b>2,302,427</b>     |
| Long-term debt, less current maturities                              | 5,712,547           | 5,801,230            |
| Lease financing obligations, less current maturities                 | 151,749             | 169,796              |
| Other noncurrent liabilities   | 1,262,501           | 1,252,739            |
| <b>Total liabilities</b>   | <b>9,453,207</b>    | <b>9,526,192</b>     |
| Commitments and contingencies  |                     |                      |
| Stockholders' deficit:   |                     |                      |
| Preferred stock Series G   | 1                   | 1                    |
| Preferred stock Series H   | 147,836             | 143,498              |
| Common stock   | 887,951             | 886,113              |
| Additional paid-in capital   | 4,270,496           | 4,265,211            |
| Accumulated deficit  | (6,667,143)         | (6,452,696)          |
| Accumulated other comprehensive loss                                 | (39,670)            | (41,779)             |
| <b>Total stockholders' deficit</b>                                   | <b>(1,400,529)</b>  | <b>(1,199,652)</b>   |
| <b>Total liabilities and stockholders' deficit</b>                   | <b>\$ 8,052,678</b> | <b>\$ 8,326,540</b>  |

**RITE AID CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

(Dollars in thousands, except per share amounts)

(unaudited)

|  | Thirteen weeks<br>ended August 29,<br>2009 | Thirteen weeks<br>ended August 30,<br>2008 |
|--|--|--|
| Revenues   | \$ 6,321,870                               | \$ 6,500,244                               |
| Costs and expenses:  |  |  |
| Cost of goods sold   | 4,633,595                                  | 4,722,070                                  |
| Selling, general and administrative expenses               | 1,645,913                                  | 1,780,631                                  |
| Lease termination and impairment charges                   | 28,752                                     | 51,825                                     |
| Interest expense   | 128,828                                    | 118,565                                    |
| Loss on debt modifications and retirements, net            | 993  | 36,197                                     |
| (Gain) loss on sale of assets, net                         | (4,188)                                    | 7,607                                      |
|  | 6,433,893                                  | 6,716,895                                  |
| Loss before income taxes                                   | (112,023)                                  | (216,651)                                  |
| Income tax expense   | 3,989                                      | 5,346                                      |
| Net loss   | \$ (116,012)                               | \$ (221,997)                               |
| Basic and diluted loss per share:                          |  |  |
| Numerator for loss per share:                              |  |  |
| Net loss   | \$ (116,012)                               | \$ (221,997)                               |
| Accretion of redeemable preferred stock                    | (26)                                       | (26)                                       |
| Cumulative preferred stock dividends                       | (4,338)                                    | (5,368)                                    |
| Loss attributable to common stockholders basic and diluted | \$ (120,376)                               | \$ (227,391)                               |
| Basic and diluted weighted average shares                  | 880,683                                    | 837,913                                    |
| Basic and diluted loss per share                           | \$ (0.14)                                  | \$ (0.27)                                  |

## RITE AID CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS (Continued)

(Dollars in thousands, except per share amounts)

(unaudited)

|  | Twenty-six weeks<br>ended August 29,<br>2009 | Twenty-six weeks<br>ended August 30,<br>2008 |
|--|--|--|
| Revenues   | \$ 12,853,048                                | \$ 13,113,100                                |
| Costs and expenses:  |  |  |
| Cost of goods sold   | 9,390,707                                    | 9,526,680                                    |
| Selling, general and administrative expenses               | 3,356,585                                    | 3,573,605                                    |
| Lease termination and impairment charges                   | 95,738                                       | 88,087                                       |
| Interest expense   | 238,306                                      | 236,805                                      |
| Loss on debt modifications and retirements, net            | 993  | 39,905                                       |
| (Gain) loss on sale of assets, net                         | (24,139)                                     | 12,947                                       |
|  | 13,058,190                                   | 13,478,029                                   |
| Loss from continuing operations before income taxes        | (205,142)                                    | (364,929)                                    |
| Income tax expense   | 9,316  | 10,339                                       |
| Net loss from continuing operations                        | (214,458)                                    | (375,268)                                    |
| Loss from discontinued operations                          |  | (3,369)                                      |
| Net loss   | \$ (214,458)                                 | \$ (378,637)                                 |
| Basic and diluted loss per share:                          |  |  |
| Numerator for loss per share:                              |  |  |
| Net loss   | \$ (214,458)                                 | \$ (378,637)                                 |
| Accretion of redeemable preferred stock                    | (51)   | (51)   |
| Cumulative preferred stock dividends                       | (4,338)                                      | (11,490)                                     |
| Loss attributable to common stockholders basic and diluted | \$ (218,847)                                 | \$ (390,178)                                 |
| Basic and diluted weighted average shares                  | 880,179                                      | 830,499                                      |
| Basic and diluted loss per share                           | \$ (0.25)                                    | \$ (0.47)                                    |

S-4

## RITE AID CORPORATION AND SUBSIDIARIES

## SUPPLEMENTAL OPERATING AND CASH FLOW INFORMATION

(Dollars in thousands, except per share amounts)

(unaudited)

|  | Thirteen<br>weeks<br>ended<br>August 29,<br>2009 | Thirteen<br>weeks<br>ended<br>August 30,<br>2008 |
|--|--|--|
| <b>SUPPLEMENTAL OPERATING INFORMATION</b>                                |  |  |
| Revenues   | \$ 6,321,870                                     | \$ 6,500,244                                     |
| Cost of goods sold   | 4,633,595  | 4,722,070  |
| Gross profit   | 1,688,275  | 1,778,174  |
| LIFO charge  | 14,770   | 15,094   |
| FIFO gross profit  | 1,703,045  | 1,793,268  |
| Gross profit as a percentage of revenues                                 | 26.71%   | 27.36%   |
| LIFO charge as a percentage of revenues                                  | 0.23%  | 0.23%  |
| FIFO gross profit as a percentage of revenues                            | 26.94%   | 27.59%   |
| Selling, general and administrative expenses                             | 1,645,913  | 1,780,631  |
| Selling, general and administrative expenses as a percentage of revenues | 26.04%   | 27.39%   |
| Cash interest expense  | 118,761  | 112,915  |
| Non-cash interest expense  | 10,067   | 5,650  |
| Total interest expense   | 128,828  | 118,565  |
| Securitization costs (included in SG&A)                                  | 14,055   | 4,646  |
| Total interest expense and securitization costs                          | 142,883  | 123,211  |
| Net loss   | (116,012)  | (221,997)  |
| Net loss as a percentage of revenues                                     | (1.84)%  | (3.42)%  |
| Total debt   | 5,914,641  | 6,216,637  |
| Accounts receivable securitization facility                              | 395,520  | 500,000  |
| Total debt including accounts receivable facility                        | 6,310,161  | 6,716,637  |
| <b>SUPPLEMENTAL CASH FLOW INFORMATION</b>                                |  |  |
| Payments for property, plant and equipment                               | 38,895   | 153,079  |
| Intangible assets acquired   | 1,482  | 25,342   |
| Total cash capital expenditures  | 40,377   | 178,421  |
| Equipment received for noncash consideration                             | 7,019  | 20,231   |
| Equipment financed under capital leases                                  | 33   | 3,105  |
| Gross capital expenditures   | \$ 47,429  | \$ 201,757                                       |

## RITE AID CORPORATION AND SUBSIDIARIES

## SUPPLEMENTAL OPERATING AND CASH FLOW INFORMATION

(Dollars in thousands, except per share amounts)

(unaudited)

|  | Twenty-six<br>weeks<br>ended<br>August 29,<br>2009 | Twenty-six<br>weeks<br>ended<br>August 30,<br>2008 |
|--|--|--|
| <b>SUPPLEMENTAL OPERATING INFORMATION</b>                                |  |  |
| Revenues   | \$ 12,853,048                                      | \$ 13,113,100                                      |
| Cost of goods sold   | 9,390,707  | 9,526,680  |
| Gross profit   | 3,462,341  | 3,586,420  |
| LIFO charge  | 29,540   | 30,188   |
| FIFO gross profit  | 3,491,881  | 3,616,608  |
| Gross profit as a percentage of revenues                                 | 26.94%   | 27.35%   |
| LIFO charge as a percentage of revenues                                  | 0.23%  | 0.23%  |
| FIFO gross profit as a percentage of revenues                            | 27.17%   | 27.58%   |
| Selling, general and administrative expenses                             | 3,356,585  | 3,573,605  |
| Selling, general and administrative expenses as a percentage of revenues | 26.12%   | 27.25%   |
| Cash interest expense  | 220,584  | 225,813  |
| Non-cash interest expense  | 17,722   | 10,992   |
| Total interest expense   | 238,306  | 236,805  |
| Securitization costs (included in SG&A)                                  | 28,500   | 9,309  |
| Total interest expense and securitization costs                          | 266,806  | 246,114  |
| Net loss   | (214,458)  | (378,637)  |
| Net loss as a percentage of revenues                                     | (1.67)%  | (2.89)%  |
| Total debt   | 5,914,641  | 6,216,637  |
| Accounts receivable securitization facility                              | 395,520  | 500,000  |
| Total debt including accounts receivable facility                        | 6,310,161  | 6,716,637  |
| <b>SUPPLEMENTAL CASH FLOW INFORMATION</b>                                |  |  |
| Payments for property, plant and equipment                               | 81,199   | 302,955  |
| Intangible assets acquired   | 3,447  | 61,464   |
| Total cash capital expenditures  | 84,646   | 364,419  |
| Equipment received for noncash consideration                             | 7,838  | 22,232   |
| Equipment financed under capital leases                                  | 185  | 4,336  |
| Gross capital expenditures   | \$ 92,669  | \$ 390,987   |

**RITE AID CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Dollars in thousands)

(unaudited)

|  | Thirteen<br>weeks<br>ended<br>August 29,<br>2009 | Thirteen<br>weeks<br>ended<br>August 30,<br>2008 |
|--|--|--|
| <b>OPERATING ACTIVITIES:</b>   |  |  |
| Net loss   | \$ (116,012)                                     | \$ (221,997)                                     |
| Adjustments to reconcile to net cash (used in) provided by operating activities: |  |  |
| Depreciation and amortization  | 133,522  | 150,901  |
| Lease termination and impairment charges   | 28,752   | 51,825   |
| LIFO charges   | 14,770   | 15,094   |
| (Gain) loss on sale of assets, net   | (4,188)  | 7,607  |
| Stock-based compensation expense   | 6,092  | 7,524  |
| Loss on debt modifications and retirements, net                                  | 993  | 36,197   |
| Proceeds from insured loss   | 63   |  |
| Changes in operating assets and liabilities:                                     |  |  |
| Net repayments to accounts receivable securitization                             | (125,000)  | (5,000)  |
| Accounts receivable  | 111,168  | 56,587   |
| Inventories  | (82,936)   | (44,091)   |
| Accounts payable   | (16,163)   | 133,900  |
| Other assets and liabilities, net  | (97,917)   | (92,428)   |
| Net cash (used in) provided by operating activities                              | (146,856)  | 96,119   |
| <b>INVESTING ACTIVITIES:</b>   |  |  |
| Payments for property, plant and equipment                                       | (38,895)   | (153,079)  |
| Intangible assets acquired   | (1,482)  | (25,342)   |
| Proceeds from sale-leaseback transactions  | 6,532  | 73,933   |
| Proceeds from dispositions of assets and investments                             | 6,878  | 13,953   |
| Net cash used in investing activities  | (26,967)   | (90,535)   |
| <b>FINANCING ACTIVITIES:</b>   |  |  |
| Proceeds from issuance of long-term debt   | 906,604  | 740,764  |
| Net payments to revolver   | (535,000)  | (22,000)   |
| Principal payments on long-term debt   | (152,398)  | (700,225)  |
| Proceeds from financing secured by owned property                                |  | 20,134   |
| Change in zero balance cash accounts   | (15,690)   | 14,518   |
| Payments for preferred stock dividends   |  | (831)  |
| Financing costs paid   | (45,145)   | (39,873)   |
| Net cash provided by financing activities  | 158,371  | 12,487   |
| (Decrease) increase in cash and cash equivalents                                 | (15,452)   | 18,071   |
| Cash and cash equivalents, beginning of period                                   | 136,459  | 152,189  |
| Cash and cash equivalents, end of period   | \$ 121,007                                       | \$ 170,260                                       |



**RITE AID CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Dollars in thousands)

(unaudited)

|   | Twenty-six<br>weeks<br>ended<br>August 29,<br>2009 | Twenty-six<br>weeks<br>ended<br>August 30,<br>2008 |
|---|--|--|
| <b>OPERATING ACTIVITIES:</b>  |  |  |
| Net loss  | \$ (214,458)                                       | \$ (378,637)                                       |
| Adjustments to reconcile to net cash provided by (used in)<br>operating activities: |  |  |
| Depreciation and amortization   | 271,760  | 295,942  |
| Lease termination and impairment charges  | 95,738   | 88,087   |
| LIFO charges  | 29,540   | 30,188   |
| (Gain) loss on sale of assets, net  | (24,139)   | 12,995   |
| Stock-based compensation expense  | 12,509   | 16,203   |
| Loss on debt modifications and retirements, net                                     | 993  | 39,905   |
| Proceeds from insured loss  | 1,380  |  |
| Changes in operating assets and liabilities:  |  |  |
| Net (repayments to) proceeds from accounts receivable<br>securitization             | (155,000)  | 65,000   |
| Accounts receivable   | 56,886   | 7,745  |
| Inventories   | 55,039   | (95,194)   |
| Accounts payable  | 37,003   | 16,971   |
| Other assets and liabilities, net   | 43,491   | (108,414)  |
| Net cash provided by (used in) operating activities                                 | 210,742  | (9,209)  |
| <b>INVESTING ACTIVITIES:</b>  |  |  |
| Payments for property, plant and equipment  | (81,199)   | (302,955)  |
| Intangible assets acquired  | (3,447)  | (61,464)   |
| Expenditures for business acquisition   |  | (112)  |
| Proceeds from sale-leaseback transactions   | 6,532  | 161,553  |
| Proceeds from dispositions of assets and investments                                | 35,698   | 18,629   |
| Net cash used in investing activities   | (42,416)   | (184,349)  |
| <b>FINANCING ACTIVITIES:</b>  |  |  |
| Proceeds from issuance of long-term debt  | 906,604  | 898,764  |
| Net (payments to) proceeds from revolver  | (838,000)  | 164,000  |
| Principal payments on long-term debt  | (159,890)  | (855,190)  |
| Proceeds from financing secured by owned property                                   |  | 31,266   |
| Change in zero balance cash accounts  | (62,923)   | 20,060   |
| Net proceeds from the issuance of common stock                                      |  | 1,117  |
| Payments for preferred stock dividends  |  | (2,488)  |
| Financing costs paid  | (45,145)   | (49,473)   |
| Net cash (used in) provided by financing activities                                 | (199,354)  | 208,056  |
| (Decrease) increase in cash and cash equivalents                                    | (31,028)   | 14,498   |
| Cash and cash equivalents, beginning of period                                      | 152,035  | 155,762  |
| Cash and cash equivalents, end of period  | \$ 121,007   | \$ 170,260   |





QuickLinks

[RITE AID CORPORATION AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS \(Dollars in thousands\) \(unaudited\)](#)

[RITE AID CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS \(Dollars in thousands, except per share amounts\) \(unaudited\)](#)

[RITE AID CORPORATION AND SUBSIDIARIES SUPPLEMENTAL OPERATING AND CASH FLOW INFORMATION \(Dollars in thousands, except per share amounts\) \(unaudited\)](#)

[RITE AID CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS \(Dollars in thousands\) \(unaudited\)](#)

[RITE AID CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS \(Dollars in thousands\) \(unaudited\)](#)