Hedge Fund Solutions, LLC
106 Yeakel Avenue
Erdenheim, PA 19038

T: 215.325.0514
F: 215.392.4633

Damien J. Park
President & CEO
dpark@hedgerelations.com

ACTIVIST INVESTING RESEARCH

Company:	Pep Boys – Manny, Moe & Jack (PBY)
Investor:	Barington Capital Group
Date:	December 5th, 2005
Form of Communication:	Presentation to Shareholders
Activist Demand:	Replace Directors, Replace CEO, Monetize real estate properties, Eliminate Poison Pill, Improve operating cost structure.

About Hedge Fund Solutions

Hedge Fund Solutions is a Philadelphia, PA and Dublin, Ireland - based research and consulting firm singly focused on providing substantive solutions to companies and investors on issues relating to shareholder activism.

We have an unparalleled depth of knowledge on the subject matter and are the trusted advisor to numerous CEOs, board members and institutional investors worldwide.

Since 2001 we have intensely monitored thousands of activist investments into companies throughout the world. Our research provides the best of quantitative and qualitative analysis to help people understand how activist investors operate while providing investors with timely information and detailed investment analysis.

EXHIBIT 99.3

Forum of Shareholders of:

The Pep Boys – Manny, Moe & Jack

Presentation of Barington Capital Group, L.P.

December 6, 2005

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BARINGTON CAPITAL GROUP, L.P.

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Barington Capital Group represents a group of investors (the "Barington Group") that as of the date hereof beneficially owns, in the aggregate, approximately 5.85% of the outstanding shares of common stock of the Company as disclosed in the Barington Group's Schedule 13D filed with the Securities and Exchange Commission on November 21, 2005. Members of the Barington Group reserve the right to acquire additional shares of common stock or sell or otherwise dispose of any or all of the shares of common stock of the Company beneficially owned by them, in the open market, in privately negotiated transactions or otherwise. The Barington Group may also take any other action with respect to the Company or any of its debt or equity securities in any manner permitted by law.

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Introduction

We are holding a shareholder forum to listen to the opinions and insights of our fellow Pep Boys shareholders

Barington Capital Group, L.P. represents a group of investors that beneficially owns, in the aggregate, approximately 5.85% of the outstanding common stock of Pep Boys

In our Schedule 13D filing, we have disclosed our desire to engage in discussions with the independent members of Pep Boys' Board of Directors concerning measures to improve shareholder value

We have received unsolicited telephone calls from a number of Pep Boys shareholders interested in talking about the Company

We therefore decided to hold this Forum to listen to the opinions and insights of our fellow shareholders

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Review of Pep Boys

Pep Boys is the 3rd largest publicly-traded automotive aftermarket chain with approximately $2.2 billion in sales

$1.3 billion enterprise value

Store format unique to market offering:

- Retail to DIY market (60% of sales)
- Service Center to DIFM market (40% of sales)

Significant real estate portfolio with 593 stores and 6,000+ attached service bays

- 55% owned land and building
- 30% ground leased at attractive terms
- National chain, but limited critical mass

History of operational challenges due to:

- Larger store size vs. peers
- Lower store-level productivity vs. peers
- Increased competition

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Review of Management's Turnaround Plan

Main objective of Management's turnaround plan is to build "Pep Boys to become the dominant, one-stop shop retailer for automotive maintenance and accessories" [1]

Under the leadership of the current CEO hired in April 2003, Pep Boys implemented its "Go-Forward Strategy" in September 2003. [1] **Among other things, this turnaround strategy is focused on:**

- Improving retail productivity by introducing new product categories and re-working larger store footprint
- Improving service quality by streamlining offerings, introducing branded tires and upgrading service managers
- Investing in store base by upgrading systems and re-designing store format

Follow-on organizational restructurings implemented in 2005 to:

- Reorganize field operations into separate Retail and Service organizations [2]
- Reallocate management responsibilities "in response to weak Service Center performance" [3]

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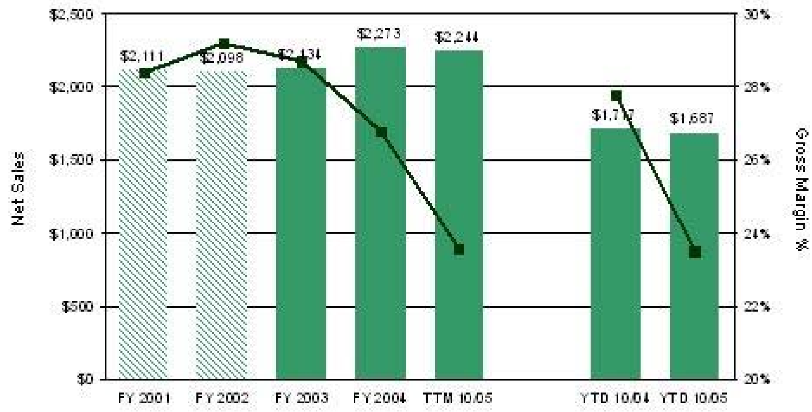
Consolidated Financial Performance

On a consolidated basis, turnaround plan has yielded minimal sales growth with no corresponding increase in profits

Pep Boys Sales and Gross Margin Performance

($ in mm)



Comp Store Sales	*(6.0%)*	*(0.7%)*	*1.6%*	*6.6%*		*7.2%*	*(1.6%)*

See endnotes 4, 5, 6, 7, 8 and 9.

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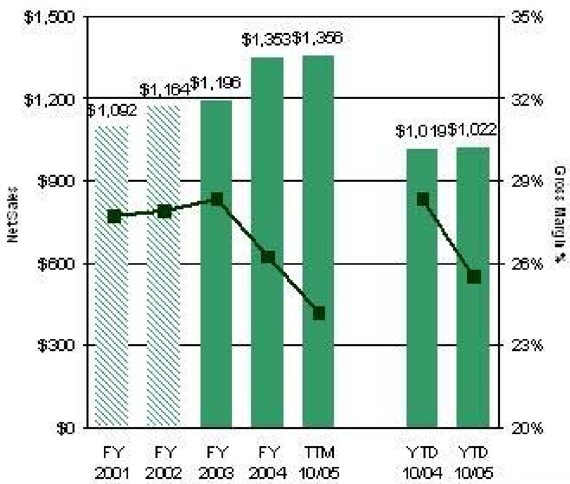
Segment Financial Performance

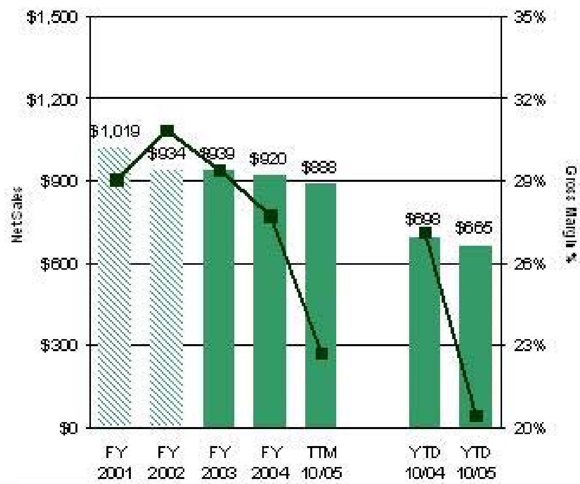
Retail and Service Center

We believe turnaround plan has placed significant stress on both Retail and Service Center segments. Retail has experienced modest revenue growth to the detriment of margin. Service Center has lost sales and margin due to ineffective execution. [10]

Retail Sales and Gross Margin Performance
($ in mm)



Service Center Sales and Gross Margin Performance
($ in mm)



Net Sales — Gross Margin %

See endnotes 4, 5, 6, 7, 8, and 9.

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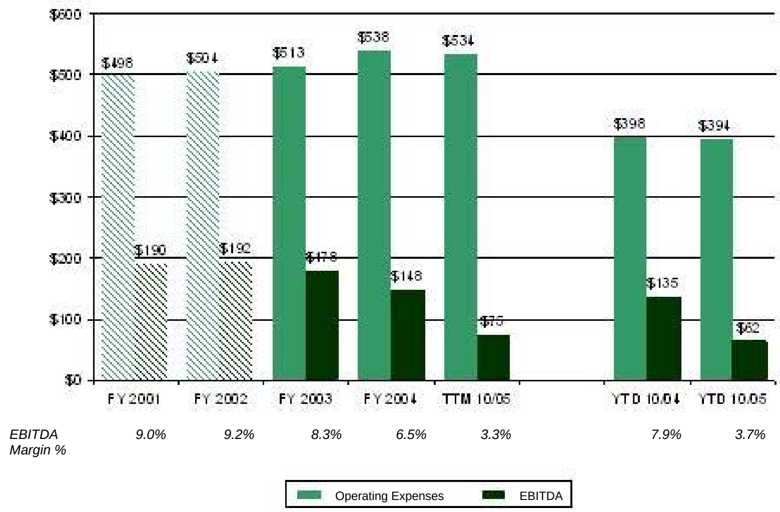
Consolidated Financial Performance
(Cont'd)

Turnaround plan has led to a nearly $40 million increase in Pep Boys' operating expense base, leading to further reduction in EBITDA performance

Pep Boys Operating Expense and EBITDA Performance
($ in mm)



See endnotes 4, 5, 6, 7, 8, and 9.

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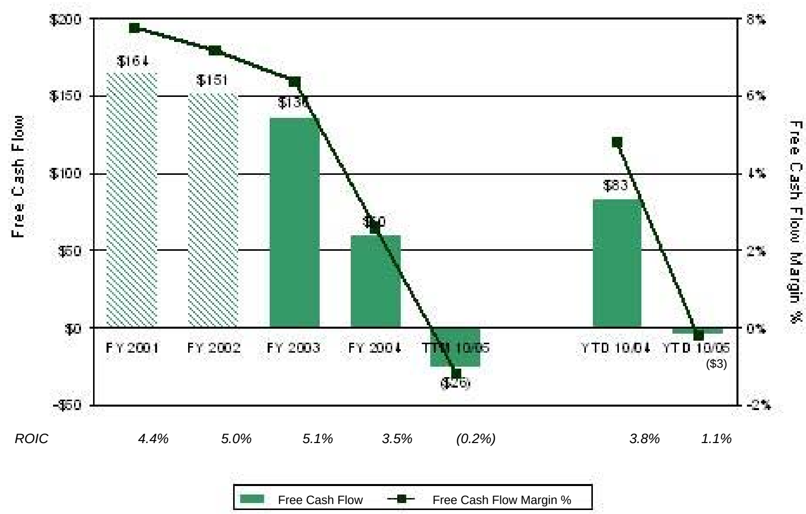
Consolidated Financial Performance
(Cont'd)

Store investment initiatives have eroded strong historical base of free cash flow and yielded little return to shareholders to date

Pep Boys Free Cash Flow and Margin Performance
($ in mm)



See endnotes 4, 5, 6, 7, 8 and 9.
Free Cash Flow = EBITDA – Capital Expenditures.
ROIC = EBIT (tax-effected at 40%) / Total Capitalization and Other Liabilities.

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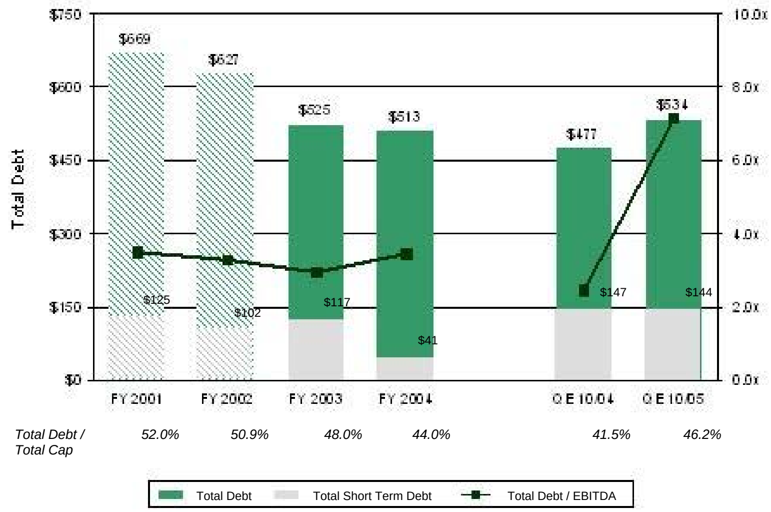
Consolidated Capitalization Statistics

Credit quality has deteriorated due to weakening fundamentals and near-term maturities

Pep Boys Total Debt and Capitalization Statistics
($ in mm)



See endnotes 4, 5, 6, 7, 8 and 9.
Total Debt / EBITDA statistics for QE periods based on TTM EBITDA.
Total Cap = Total Debt + Total Equity.

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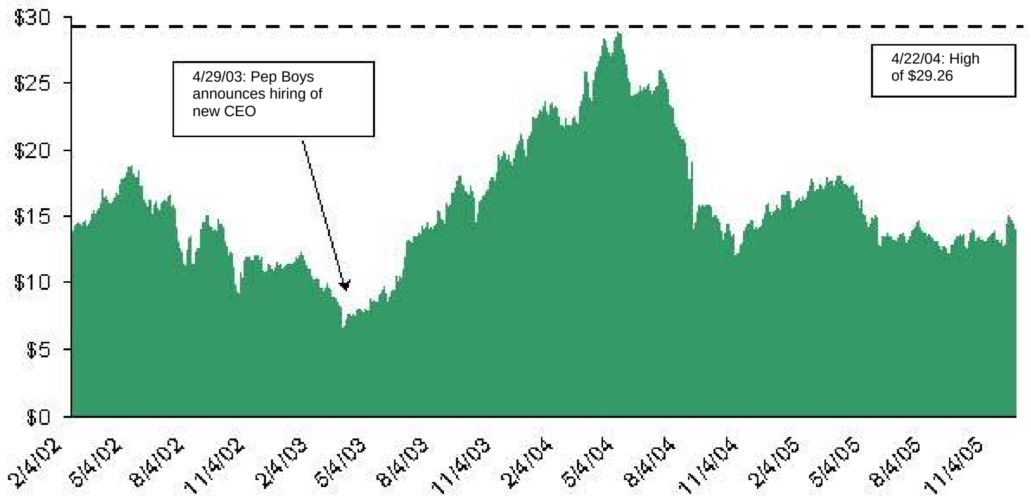
Stock Price Performance
FY 2001 to Current

In our opinion, the approximately 50% decrease in stock price from recent high was primarily due to management's poor execution of turnaround plan. We are convinced that the Company's asset value is providing main support in market.

Pep Boys Stock Price Performance
($ per share)



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Need For Change at Pep Boys

As shareholders, we believe that change is necessary now to enhance value at Pep Boys

We lack confidence in turnaround plan

- Ineffective execution by management
- Poor financial results

Drop-off in Service Center performance

- Steep decline in recent quarters has been alarming to us

Liquidity position

Expiration of CEO employment agreement on April 28, 2006

- Renewal / non-extension decision required by February 28, 2006

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We Lack Confidence in Turnaround Plan

We believe that ineffective execution of turnaround plan has led to a decrease in shareholder value

Retail strategy has produced a nominal improvement in sales to the detriment of margins

- Flat comps suggest that merchandising strategy is not "anniversary-ing" well
- Seasonal inventory levels appear high (up 6%)

Service Center strategy has weakened segment

- Replacing 300+ service managers (and subsequent performance issues) highly disruptive and costly
- Time guarantees to mechanics suggest low bay activity
- Branded tire initiative not gaining traction

Store investment initiatives have proven costly with little payback to shareholders to date

Two organizational restructurings in 2005 alone

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Drop-Off in Service Center Performance

We are alarmed by the recent decline in Service Center performance and believe that management's actions have created undue turmoil in the segment

Pep Boys Quarterly Service Center Performance
($ in mm)

	Q1:03	Q2:03	Q3:03	Q4:03	Q1:04	Q2:04	Q3:04	Q4:04	Q1:05	Q2:05	Q3:05
Comp Store Sales	*NA*	*NA*	*1.7%*	*NA*	*NA*	*(5.3%)*	*(3.4%)*	*(0.3%)*	*(2.1%)*	*(6.4%)*	*(7.6%)*

Net Sales — Gross Margin %

See endnotes 11, 12 and 13.

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Liquidity Position

Pep Boys' poor operating performance has resulted in two recent downgrades to its credit outlook

S&P and Moody's have both recently lowered their outlook at Pep Boys to "Negative," citing [14] [15]:

- Deteriorating operating performance and diminished cash flow protection
- Disruptions associated with aggressive store remodeling program
- Struggling service business

Approximately $260 million in debt maturities are due at Pep Boys through 2007

- March 2006: Medium Term Notes = $43 million
- July 2006: ReMarketable Notes = $100 million
- June 2007: Convertible Notes = $119 million

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Expiration of CEO Employment Agreement

Upcoming expiration of CEO's employment agreement provides Board with an opportunity to consider replacing CEO at limited financial cost to shareholders

Initial term of CEO's employment agreement expires on April 28, 2006 [16]

- Signing bonus = $500,000
- Annual compensation = $900,000 base salary + performance bonus
- $8.0 million in stock options (906,000 stock options priced at $8.83 per share)

Glass Lewis & Co. gave Pep Boys an "F" grade in the area of pay-for-performance earlier this year [17]

- Noted that the Company paid its CEO more than the median CEO compensation paid by its peers (while the Company performed worse than its peers)

Pep Boys must give notice at least two months prior to employment agreement's expiration date (by February 28, 2006) or agreement automatically extends [16]

- If notice of non-extension is not given employment agreement automatically renews for successive one year periods
- If employment agreement is not extended, Pep Boys would be obligated to pay only CEO's base salary through termination date

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Value Opportunities at Pep Boys

We believe that efforts must be made at once to maximize value for each of Pep Boys' core assets

We believe that Pep Boys has three core assets:

- Retail
- Service Center
- Real Estate

It appears that management's strategy is focused on "justifying" Pep Boys' asset base

Barington believes that Pep Boys should be focused on "rationalizing" its asset base, reducing costs and re-evaluating its retail strategy

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Strategies to Improve Value

We believe that a strategy grounded in rationalizing Pep Boys' asset base, reducing costs and re-evaluating Retail operations will best maximize shareholder value

Hire a new CEO and appoint an independent Chairman

Rationalize asset base

- Explore strategic alternatives for Service Center
- Evaluate Real Estate portfolio

Pursue cost reductions

- Reduce operating costs
- Reduce capital expenditures

Re-evaluate Retail strategy

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Hire New CEO and Appoint Independent Chairman

We believe that a new CEO and an independent Chairman are a necessary part of any strategy to improve value at Pep Boys

CEO has had 2½ years to generate sustainable value from turnaround plan

To date, we believe that the turnaround plan has led to a deterioration in Pep Boys' core assets

- Retail strategy has yielded minimal revenue growth, but lower profits
- Service Center strategy has weakened segment
- Store investment initiatives have generated little return on invested capital

We believe that the Board of Directors should begin the search now for a new CEO

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Explore Strategic Alternatives for Service Center

We believe that the Pep Boys Board of Directors should consider a range of alternatives to maximize the value of Service Center

Despite poor recent performance, we believe that Service Center has a number of positive investment merits including:

- Annual revenue base of $900 million
- Sizable PP&E investment
- High traffic locations
- Positive long-term industry fundamentals

In our opinion, there are a number of alternatives that could enhance value at Service Center including:

- Sale of segment to new owner
- Outsource / franchise segment to new operator

We believe that most if not all of resulting cash proceeds should be used to reduce indebtedness

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Evaluate Real Estate Portfolio

Given recent real estate appraisal, we believe that Pep Boys has the internal data necessary to evaluate a value creation alternative from its Real Estate assets

We believe that Pep Boys should conduct a "highest and best use" analysis of owned stores

- Develop "true" store-level P&L with operating expenses and corporate costs properly allocated
- Use recent real estate appraisal to assess store market value relative to expected future operating results

Potential to unlock value in ground-leased stores given favorable lease terms

Other value considerations include:

- Utilizing $45 million NOL to reduce tax liability
- Exploring field organization cost savings that might come from exiting certain regions

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Pursue Cost Reductions

We believe that opportunities exist to reduce operating expenses and scale back store investment initiatives

Turnaround plan has led to a nearly $40 million increase in operating expense base

- We believe that the increase is attributable mostly to turnaround plan initiatives
- We believe cost cuts are available in corporate overhead, marketing, field staffing and inventory management

Store investment plan has led to a doubling of capital expenditures with little return to stockholders to date

- Based on management guidance, Pep Boys is likely to spend approximately $55 million refurbishing 200 stores by the end of FY 2005 [18]
- We believe that management's intention is to spend an incremental $110 million through 2008 refurbishing balance of store base [18]
- We believe that the payback time on capex is too long and return on invested capital targets should be re-evaluated

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Re-evaluate Retail Strategy

If Pep Boys sells Service Center and selected Real Estate assets, the remaining $1.4 billion Retail business still requires improved execution

In our view, retail excellence requires that Pep Boys:

- Continually look to sublet or redeploy retail space to higher margin use, as we believe that Pep Boys is competitively challenged with too much retail footage per store
- Manage a focused, retail business at best-in-class levels

To achieve rationalization of retail space, we believe that Pep Boys high traffic locations with automotive core could prove valuable to certain tenant types

To achieve best-in-class retail, we believe that Pep Boys needs:

- Highly experienced retail leader with merchandising expertise and creativity
- Cost excellence
- Labor productivity focus
- Improved assortment management

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Conclusion

We welcome the opinions and insights of our fellow Pep Boys shareholders

Barington Group plans to continue to monitor the performance of the Company closely

Barington Group welcomes the opinions and insights of our fellow Pep Boys shareholders, including with respect to alternatives to maximize shareholder value

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Endnotes

(1) *Pep Boys Press Release, dated September 23, 2003.*

(2) *Pep Boys Press Release, dated January 7, 2005.*

(3) *Pep Boys Press Release, dated October 5, 2005.*

(4) *For purposes of this analysis, we have assumed that pretax charges and one-time items included in Pep Boys' merchandising segment are allocated to retail segment and those included in Pep Boys' service segment are allocated to service center segment.*

(5) *FY 2001 excludes pretax charges of $5.2 million related to the Profit Enhancement Plan of which $4.2 million was attributable to gross margin from retail sales, $0.8 million was attributable to gross profit from service center sales and $0.2 million was attributable to selling, general and administrative expenses per Pep Boys Form 10-K for the fiscal year ended January 29, 2005.*

(6) *FY 2002 excludes pretax charges of $2.5 million related to the Profit Enhancement Plan of which $2.0 million was attributable to gross profit from retail sales, $0.5 million was attributable to gross profit from service center sales and $0.02 million was attributable to selling, general and administrative expenses per Pep Boys Form 10-K for the fiscal year ended January 29, 2005.*

(7) *FY 2003 excludes pretax charges of $89.0 million related to corporate restructuring, impairment charges and other one-time events of which $29.3 million was attributable to gross profit from retail sales, $3.3 million was attributable to gross profit from service center sales and $56.4 million was attributable to selling, general and administrative expenses per Pep Boys Form 10-K for the fiscal year ended January 29, 2005.*

(8) *FY 2004 excludes one-time items of ($3.7) million of which ($12.7) million was related to a pretax gain from the sale of a distribution center attributable to gross profit from retail sales per Pep Boys Form 10-K for the fiscal year ended January 29, 2005 and $9.0 million was related to a charge for reorganization of field operations attributable to selling, general and administrative expenses per Pep Boys Press Release, dated January 7, 2005.*

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(9) YTD 10/05 excludes one-time items of ($1.8) million of which $1.9 million was related to a non-cash charge for warranty reserves attributable to net sales from service center per Pep Boys Press Release, dated November 10, 2005, ($4.7) million was related to a pretax gain from the sale of two stores attributable to gross margin from retail sales per Pep Boys Form 10-Q for the quarter ended July 30, 2005 and $1.0 million was related to self-insured costs for hurricane damage claims attributable to selling, general and administrative expenses per Pep Boys Press Release, dated November 10, 2005.
(10) See, e.g. Goldman Sachs Retailing Conference, September 9, 2005.
(11) Segment results may exhibit certain discrepancies from those reported in Pep Boys Forms 10-Q or Press Releases due to discrepancies with quarterly unaudited results and year-end audited statements.
(12) Q2:03 excludes $3.3 million corporate restructuring charge per Pep Boys Form 10-K for fiscal year ended January 31, 2004.
(13) Q3:05 excludes $1.9 million non-cash charge for warranty reserves per Pep Boys Press Release, dated November 10, 2005.
(14) Standard & Poor's Press Release, dated July 21, 2005.
(15) Moody's Press Release, dated November 28, 2005.
(16) Employment Agreement between Pep Boys and Lawrence Napier Stevenson, dated April 28, 2003.
(17) Glass Lewis & Co. Proxy Paper, dated May 5, 2005.
(18) Pep Boys Press Release, dated November 10, 2005.

We did not seek or obtain the consent of any author or publication whose materials or quotations are cited herein.

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Certain Information Concerning Participants

No meeting of shareholders of The Pep Boys—Manny, Moe & Jack (the "Company") is currently pending or scheduled. Neither Barington Companies Equity Partners, L.P. ("Barington") nor any other member of the Barington Group is currently soliciting, or has determined to solicit in the future, any proxies with respect to shares of common stock of the Company.

In the event that Barington were to determine to solicit proxies with respect to shares of the Company in the future, the following persons, which have joined with Barington in filing a Statement on Schedule 13D with respect to the Company's common stock, are anticipated to be, or may be deemed to be, participants in any such proxy solicitation: Barington Companies Equity Partners, L.P., Barington Companies Investors, LLC, Barington Companies Offshore Fund, Ltd. (BVI), Barington Investments, L.P., Barington Companies Advisors, LLC, Barington Capital Group, L.P., LNA Capital Corp., James Mitarotonda, Parche, LLC, Starboard Value and Opportunity Master Fund Ltd., RCG Carpathia Master Fund, Ltd., Admiral Advisors, LLC, Ramius Capital Group, LLC, C4S & Co., LLC, Peter A. Cohen, Morgan B. Stark, Jeffrey M. Solomon, Thomas W. Strauss, RJG Capital Partners, L.P., RJG Capital Management, LLC, Ronald Gross, D.B. Zwirn Special Opportunities Fund, L.P., D.B. Zwirn Special Opportunities Fund (TE), L.P., D.B. Zwirn Special Opportunities Fund, Ltd., HCM/Z Special Opportunities LLC, D.B. Zwirn & Co., L.P., DBZ GP, LLC, Zwirn Holdings, LLC and Daniel B. Zwirn.

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