

To: Cramer, Phil[Phil.Cramer@pharma.com]
Cc: Scifo, Tony[Tony.Scifo@pharma.com]; Devonport, Aimee[Aimee.Devonport@pharma.com]
From: Palma, Robert
Sent: Mon 11/6/2017 10:41:17 AM
Subject: Walgreens University Information
[Walgreens University Meeting Documents FINAL.pdf](#)

Hi Phil,

Attached please find some documents for the Walgreens meeting, including agendas, attendees and some background info on Walgreens.

We also have a print version available and will bring copy for you.

Looking forward to seeing you in Chicago. What time will you be getting to the hotel?

Bob

Click [here](#) for Full Prescribing information for all Purdue products.

PLAINTIFFS TRIAL
EXHIBIT
P-25988_00001

Insight Development Meeting

Walgreens University

November 8, 2017



Managed Markets Customer Meeting: Agenda & Particulars

MEETING NAME		
Pharmacy Insights - Walgreens University		
MEETING OBJECTIVE		
<ul style="list-style-type: none"> Walgreens University is a customized program specifically designed and developed for Purdue which provides a foundational overview of Walgreens pharmacy operations and workflow. Unique opportunity to engage with various Walgreen's executives. Gain insight to business practices and optimization of pharmacy channel strategy 		
CUSTOMER CONTACT INFO:		
Name and Credentials (MD, R. Ph, etc.)	Greg Pankow	
Address	1417 Lake Cook Rd Deerfield Illinois	
Phone	847-964-8155	
e-mail address	Greg.Pankow@walgreens.com	
DATE	TIME	LOCATION
11/07/17	Dinner 7:30 PM (Purdue Attendees)	Cooper Hawk 583 Milwaukee Rd Wheeling Illinois 847- 215-1200
11/08/17	6:45am - 7:45 am CST Pre-Meeting breakfast discussion (Purdue Attendees)	Marriott Suites 2 Parkway Deerfield, Illinois 847-405-9666
	8:15 am -4:30 pm CST	Walgreens University 6 Parkway Deerfield Illinois
	4:45 pm CST – transportation to airport	
MEETING HOST	CONTACT PERSON: (In Case of Emergency)	
Greg Pankow, Biopharmaceutical Development and Retail Trade Strategy	Greg Pankow P: 847-964-8155 C: 224-226-4669 Jerry Solujich – Walgreens National Account Manager M: 224-226-2328	
DRESS CODE		
Business Casual (Men Sport Coat)		

ATTENDEES

Monica Kwarcinski, Head of Medical Affairs
 Mike Ronning, Head of Marketing
 David Rosen, Head of Data, Market Insights and Analytics
 Phil Cramer, Head of Sales
 Bill Shank, Head of Market Access
 Mike McGlenn, Executive Director, Managed Markets
 Robert Palma, Director, Pharmacy & Distribution Sales
 Steve Projansky, Director, Strategy and Marketing
 Anthony Scifo, Senior National Account Executive.

CUSTOMER ATTENDEES

See Attached Agenda

AGENDA

TIME		
November 7^h 7:30 PM CST	Dinner (Cooper Hawk) (Purdue attendees only)	Meet in lobby at Marriott Suites at 7:15 pm. UBER transportation from hotel to restaurant.
November 8th		
6:45 am – 7:45 am CST	Breakfast (Pre-Meeting discussion)	Meet in lobby at Marriott Suites – Restaurant in hotel
7:45 am – 8:00 am ST	Travel to Walgreens University 6 Parkway North Deerfield, IL 60015 Charlie Morris meeting room	Meet in lobby at Marriott suites
8:15 am - 4:30 p.m.	Pharmacy Insights See attached agenda	Walgreens University
4:30 pm CST	Departure - Travel to airport	Transportation provided for all Purdue attendees

PRESENTATION MATERIALS

Purdue Corporate Commitment Slide Deck	Brief overview of Purdue	10-15 minute presentation
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KEY MESSAGES TO DELIVER

- Provide brief overview of Purdue and strategic focus
- Be prepared to respond to potential questions about the Opioid Epidemic and how Purdue has responded to addressing these challenges



**Insight Development Meeting
November 8th, 2017
Walgreens University: Charlie Morris Room
6 Parkway North
Deerfield, IL**

Arrivals & Refreshments	8:15 AM – 8:30 AM
Welcome & Introductions	8:30 AM – 9:00 AM
Walgreens Overview (Jerry Solujich)	9:00 AM – 9:15 AM
Purdue Overview	9:15 AM – 9:30 AM
Retail Clinics Overview (Greg Pankow)	9:30 AM – 9:45 AM
Medication Therapy Management (TBD)	9:45 AM – 10:15 AM
DEA Regulations & Requirements (Patricia Daugherty)	10:15 AM – 11:00 AM
Foundational Pharmacy Training (Pharmacy 101) (Greg Pankow/Nish Patel/Alyssa Holden)	11:00 AM – 11:30 AM
LUNCH	11:30 AM – 12:00 PM
Foundational Pharmacy Training (Pharmacy 101)	12:00 PM – 1:45 PM
Logistics, Inventory, supply chain (Barb Martin)	1:45 PM – 2:15 PM
Break	2:15 PM – 2:30 PM
Walgreens Pharmacy Demonstration Lab (Retail pharmacy leadership team)	2:30 PM – 4:00 PM
Q&A and Wrap-up Session	4:00 PM – 4:30 PM



Attendee List

NAME	TITLE	COMPANY
Bill Shank	Head of Market Access	Purdue
David Rosen	Head of Data, Market Insights and Analytics	Purdue
Monica Kwarcinski	Head of External Medical Affairs	Purdue
Phil Cramer	Head of Sales	Purdue
Mike Ronning	Head of Marketing	Purdue
Michael McGlenn	Executive Director, Managed Markets	Purdue
Robert Palma	Director of Pharmacy and Distribution Sales	Purdue
Steven Projansky	Director, Strategy and Operations	Purdue
Tony Scifo	Senior National Account Executive	Purdue

NAME	TITLE	COMPANY
Frank DeStefano	VP , Biopharmaceutical Development	Walgreens
Emily House	Sr. Director, Retail Trade Strategy	Walgreens
Van Anderson	Sr. Director, National Biopharmaceutical Accounts	Walgreens
Barb Martin	Manager, Rx Inventory	Walgreens
Patricia Daugherty	Manager, Pharmaceutical Integrity	Walgreens
Jacque Pham	Category Manager, Brand Rx Purchasing	Walgreens
Jerry Solujich	Account Manager	Walgreens
Greg Pankow	Sr. Manager, Clinical Solutions	Walgreens
Nish Patel	Manager, Clinical Pharma Programs	Walgreens
Chris Dymon	Director, Third party Operations	Walgreens
Shari Schneider	Manager, Third Party Operations	Walgreens
Alyssa Holden	Lead Specialist, Third Party Operations	Walgreens
Steve Santucci	Pharmacy Manager	Walgreens
Mina Patel	Pharmacy Manager	Walgreens
Ronak Talati	Pharmacy Manager	Walgreens
Katie Gehrand	Manager, Rx Inventory Supply and Strategy	Walgreens
Tyrone Clarke	Purchasing Coordinator	Walgreens

Walgreens Account Profile

Tony Scifo
Senior National Account Executive



Walgreens Boots Alliance – Customer Overview



Mission Statement

Walgreens Boots Alliance is the first global pharmacy-led, health and wellbeing enterprise. Our purpose is to help people across the world lead healthier and happier lives.

Key Statistics

Walgreens Boots Alliance has a presence in over 25 countries. Global sales totaling \$117 Billion; 385,000 employees worldwide. The global leader in pharmacy-led, health, and well-being retail with over 13,200 stores in 11 countries.

Company Strategy

The largest global pharmaceutical wholesale and distribution network with over 390 distribution centers delivering to more than 230,000 pharmacies, doctors, health centers, and hospitals each year in 20 countries the world's. Walgreen Boot strategy is to be the most convenient and most technologically advanced healthcare retailer. Walgreens emphasizes the importance of Payer relationships and to engage with payers to address the reimbursement issues including Medicare part D networks

Customer Strategy

Strategies and initiatives are focused on ensuring customers get, stay and live well. This strategy has lead Walgreens into new health and wellness categories to serve their communities.

Key Business Trends

Growth through acquisition of Rite Aid stores (1932 stores). Walgreen has also been aligning with key hospital systems to sell, manage, or staff retail clinics in Wag stores.



Walgreens USA – At the Corner of Happy and Healthy



Account Overview

HQ: Deerfield, Ill.

- > 8,200 retail pharmacies in U.S. and Puerto Rico
- ~ 70 specialty Pharmacies across the U.S.
- 1 out of every 5 RXs filled in U.S. is filled at Walgreens pharmacy
- 2/3 of all Americans live within 3 miles of a Walgreens
- 23.9% of ownership in Amerisource Bergen Wholesaler
- Largest US Pharmacy Chain
- Purdue's largest Pharmacy Chain Account.

Fiscal year ends August 2017

Walgreens Boots Alliance Global has sales of \$118.2 billion

US Retail Pharmacy:

- \$87.3 billion in revenue in U.S.
- 20.4% of US Prescription Market Share
- 72.1% of sales come from Rx
- Total Rx growth fiscal YTD is +3.7%
- Analysts expect +10% growth rate in next 3-5 years

Mission/Vision

- Mission: to be the first choice for pharmacy, wellbeing and beauty, caring for people and communities around the world.
- Vision: To be the largest globally led pharmacy, health and wellbeing enterprise in the world.

Growth Areas in the U.S.

Growth Sources

- Rite Aid acquisition 1,932 stores Sept 2017
- Valeant Pharmaceutical Partnership
- Boots Beauty Proposition
- Tricare December 2016- 9.5 million patients, \$3.1 Billion in retail pharmacy
- Patient Pharmacy Experience

- Alliance Specialty Pharmacy and Mail order Company. Walgreens and Prime Therapeutics (PBM) formation of a company to service the Specialty Pharmacy and Mail Services sector of the market.

Challenges & Opportunities

Challenges:

- Pharmaceutical representatives are not allowed in retail stores.
- Challenged with access to educate their pharmacists one on one.

Opportunities

- Walgreens Health Care Supervisors meetings with Purdue District Managers to provide educational information.
- Walgreens is open to partnerships or strategies that improve patient experience. i.e. Walgreens Insights capability, Digital solutions, Pharmacist education, Clinical Solutions.

PURDUE

Walgreens - Rite Aid acquisition

- **As of September 17, 2017 Walgreens Boots Alliance secured regulatory clearance for purchase of 1932 stores and related assets from Rite Aid.**
 - This agreement replaces prior agreements on purchasing Rite Aid entirely and the earlier amendment to purchase only 2,186 stores.
- **Final transaction includes 1,932 Rite Aid stores and 3 distribution centers for \$4.375 billion.**
- **Walgreens will close approximately 600 stores that overlap Walgreen/Rite Aid locations.**
 - Store transition began October, 2017.

Current Landscape

- **Drug mix is slowing down with the generic wave and cost of goods inflation.**
- **Industry facing reimbursement pressure driven by Government payers as well as consolidation of commercial payers. Constant pressure on reimbursement is the new normal.**
- **Shift of market access – insured lives moving to Managed Medicaid, and growth of restricted or narrow pharmacy networks.**
- **Retail access for the U.S. Population - Reimbursement is decreasing and restrictions are increasing.**
- **Opioid epidemic – DEA scrutiny and increasing Government & media attention.**

Walgreens Specialty Pharmacy

- **Walgreens Specialty estimated at \$8.5 billion.**
- **Walgreens has ~ 70 Specialty Pharmacies across the United States. Two-thirds of the company's specialty goes through Walgreens' pharmacies, with the remainder through central fill.**
- **Walgreens designated more than 50 of its local specialty pharmacies as cancer-specialized locations. Each of the locations led by pharmacists and pharmacy technicians who have advanced cancer training and expertise and are committed to making sure patients get the medications and answers they need.**
- **Alliance Specialty Pharmacy - Walgreens and Prime Therapeutics (PBM) formation of a company to service the Specialty Pharmacy and Mail Services sector of the market.**

Walgreens Well Transitions

The program is designed to help patients as they're transitioning from the hospital out into the community to ensure that they get their medication before they leave the hospital, so it's really focused on that primary non-adherence gap.

- “Walgreens Well Transitions program has successfully reduced hospital readmission by some 47% in more than a dozen communities nationwide”.
- **Walgreens has ~360 retail clinics**
 - Currently partnering with Healthcare systems which manage and/or own clinics in some markets:
 - Chicago — Walgreens collaborates with Advocate with 56 clinics who staff these clinics
 - Washington and Oregon — collaborates with Providence in 25 clinics
 - Missouri and Southern Illinois — 27 clinics are owned and staffed by SSM Health.
 - Tampa Hospital staffs 15 clinics

Walgreens Drug Disposal Program

- Walgreens added Disposal units in 600 stores nationally in 45 states
- 1st national chain to add Drug Disposal Kiosks national.
- Walgreens has collected over 155 tons of unwanted medications.
- Walgreens launched “itendswithus” to educate teen nationwide on the opioid epidemic. Brandon Larracuenta will speak to 6.000 teens at WE DAY UN in New York event at Madison Square Garden.
- Narcan Nasal spray available in all pharmacies nationwide.
- Walgreens now offers Naloxone in 45 states without a prescription

Walgreens / Purdue Business (MATTY Sept. 2017)



- >8,200 Walgreens stores carry Purdue prescription products
- Walgreens distributes ~\$374M (16.8%) of Purdue's prescription products
- Walgreens is the largest of the >200 retail chains that dispense Purdue Rx Products

12 Month Volume	3v3 Δ	6v6 Δ	12v12 Δ
\$374.4MM	-\$6.32MM -6.9%	-\$19.02MM -9.7%	-\$26.47MM -6.6%

OxyContin				
Year	Avg. Monthly	Annualized	Annual Change	% Change
2010	\$25,269,202	\$303,230,419		
2011	\$33,828,465	\$405,941,577	\$102,711,158	33.9%
2012	\$34,247,556	\$410,970,670	\$5,029,093	1.2%
2013	\$28,203,503	\$338,442,039	(\$72,528,630)	-17.6%
2014	\$26,663,383	\$319,960,601	(\$18,481,439)	-5.5%
2015	\$27,760,433	\$333,125,200	\$13,164,599	4.1%
2016	\$27,714,597	\$332,575,162	(\$550,038)	-0.2%
2017	\$25,157,465	\$301,889,576	(\$30,685,586)	-9.2%

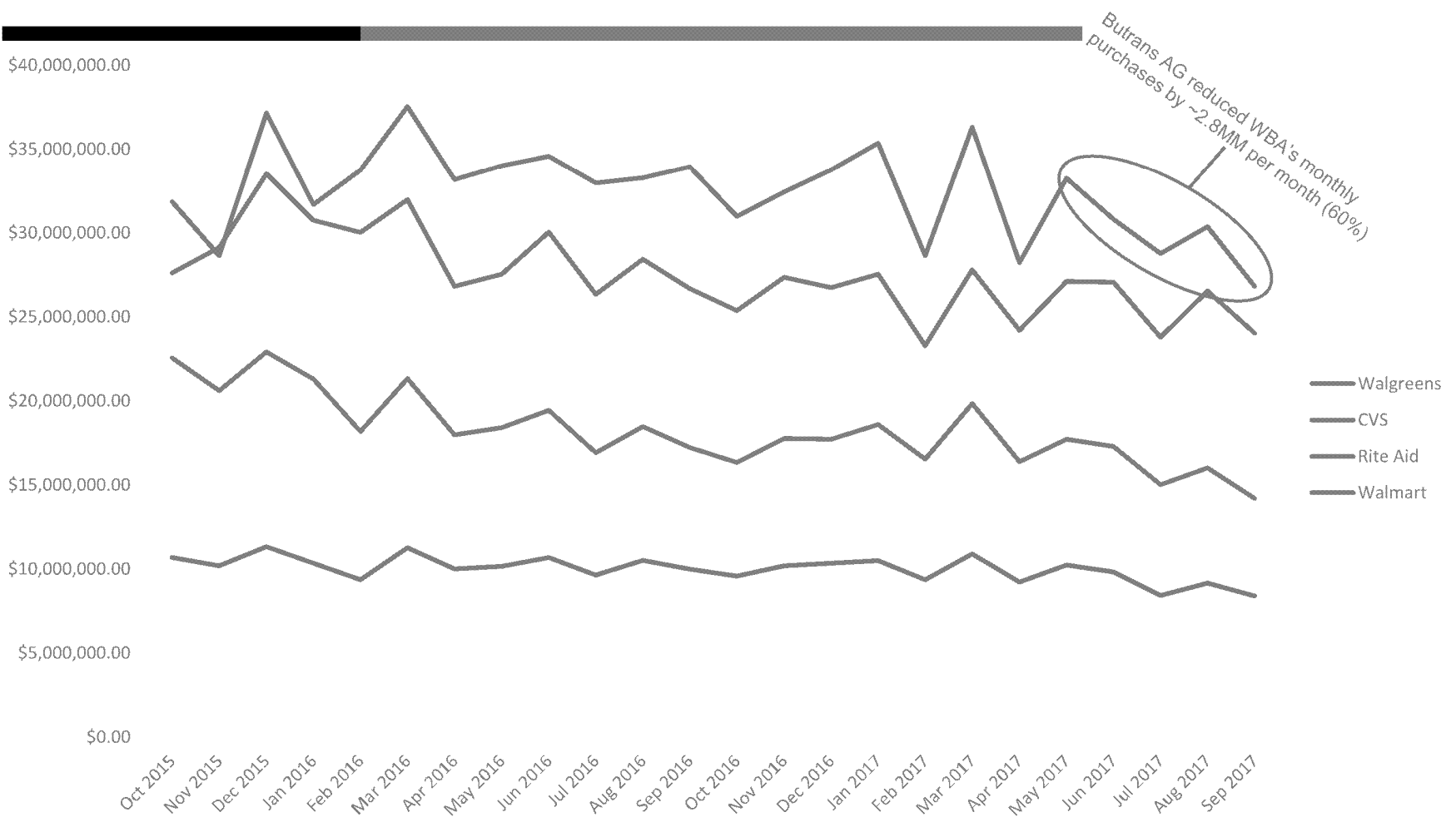
Butrans				
Year	Avg. Monthly	Annualized	Annual Change	\$ Change
2011	\$1,311,862	\$15,742,349		
2012	\$1,506,458	\$18,077,497	\$2,335,148	14.8%
2013	\$2,178,824	\$26,145,886	\$8,068,389	44.6%
2014	\$2,882,358	\$34,588,299	\$8,442,413	32.3%
2015	\$3,593,138	\$43,117,651	\$8,529,352	24.7%
2016	\$4,091,180	\$49,094,157	\$5,976,506	13.9%
2017	\$3,786,594	\$45,439,124	(\$3,655,033)	-7.4%

Hysingla ER				
Year	Avg. Monthly	Annualized	Annual Change	% Change
2015	\$910,612	\$10,927,338.00		
2016	\$1,332,290	\$15,987,483.03	\$5,060,145.03	46.3%
2017	\$1,905,835	\$22,870,017.13	\$6,882,534.10	43.0%

PURDUE

Major Chains'

Purchases of Purdue Prescription Products



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Walgreens Collaboration



- **Walgreens is the only major retail chain account that has auto shipped every new product launched**
 - The only account that auto shipped Hysingla ER (~4,000 stores)
 - Symproic auto shipped 973 stores, more than any other chain.
- **Walgreens allows District Managers to call on their Walgreens Healthcare Supervisors who oversee ~70-100 retail stores.**
 - The list is limited to select manufacturers and a contract is required.
 - Purdue was among the first to be selected and provided access to call on their Healthcare Supervisors.
- **Walgreens engages with manufacturers to provide pharmacist education material to their pharmacists through corporate coordination, including branded and unbranded resources to reach 27,000 pharmacists.**
- **Walgreens contracted with Purdue through Data Analytics for a one year study focused on the journey of the OIC patient. Sample based upon patients that have opted in to their study.**
- **Purdue contracts for data for Walgreens RX purchases at the store level. Data is received daily and posted in Phoenix for sales force, as well added to ValueCentric for executive review and analysis.**



Expand Access to Walgreens Healthcare Supervisors

Strategy: Coordinate with DBMs to facilitate access to Walgreens Healthcare Supervisors (HCS)

Tactics	Resources	Metrics	Timeline
<ol style="list-style-type: none">1. Provide DBM updated Walgreens HCS list2. Distribution of educational materials through DBM3. Attend Walgreens District & Regional meetings4. Purdue DBM /Walgreen Pharmacy Supervisor meetings to educate Walgreen HCS and handle local issues with Walgreen HCS	<ul style="list-style-type: none">• Approved educational material• Updated Walgreen HCS list• DBM support• LELE as needed• MSL as needed	<ul style="list-style-type: none">• Access to WAG HCS• Increased relationships with Purdue DBM and WAG HCS• Dissemination of approved educational• Product Access	2017

Walgreens Pharmacist education

Strategy: Leverage Walgreens capabilities to provide pharmacist educational material

Tactics	Resources	Metrics	Timeline
<ol style="list-style-type: none">1. Branded and unbranded information posted on Walgreens website.2. Product MPUs sent to WAG pharmacists (27000)3. Revisit and expand FDA Guidance ADP education for WAG pharmacists4. Engage Wag staff to attend LELE presentations as scheduled i.e. State Pharmacist conventions	<ul style="list-style-type: none">• Approved branded and unbranded material• Budget for select initiatives (i.e. MPUs)• Approved FDA Guidance ADP presentation- MSL as needed• LELE support as needed	<ul style="list-style-type: none">• Dissemination of educational material to WAG RxS• WAG intranet postings	2017

Assess business opportunities through WAG retail clinics

Strategy: Work with TBMs/ATBMs and KAMs at select retail clinics

Tactics	Resources Needed	Metrics	Timeline
<ol style="list-style-type: none">1. Coordinate field work with TBMs/ATBMs targeting select retail clinics2. Identify key clinicians/ decision makers3. Provide clinical product information to clinic key influencers / stakeholders	<ul style="list-style-type: none">• Approved branded and unbranded resources• Patient educational material• MSL as needed	<ul style="list-style-type: none">• Product access	2017

Symproic launch

Strategy: Secure product stocking in high potential stores as identified.

Tactics	Resources Needed	Metrics	Timeline
1. Pre-launch business meetings with Walgreens to review/ discuss Symproic	• Retail sell sheet	• Auto stock 973 priority stores	Q1-Q2
2. Fact Based and Value Prop presentations	• FPI	• Approved education material disseminated to all 27,000 Walgreens Pharmacists	Q3-Q4
3. Review priority store list with Jacquie Pham and gain support to stock 973 stores.	• Single page Pharmacist Summary Guide		
4. Work through ABC to auto ship selected stores upon launch	• Priority Store List		
5. Walgreens on targeted strategic store recommendations of 973 stores.	• ABC DC list for Wag orders	• Purdue DBM's to communicate with Walgreens Healthcare Supervisors	
6. Implement pharmacist education material to WAG pharmacists (27,000 pharmacists)			

Critical Success Factors



Success Factor
#1

Product demand and pull through Walgreens pharmacies.

Success Factor
#2

Approved resources to support pharmacist education initiatives.

Success Factor
#3

Continued collaboration with Walgreens key executives, clinical personnel and to support MTM/Pain Management

Success Factor
#4

Purdue DBM's develop a business relationships with Walgreens Healthcare Supervisors.



Key Decision Makers

Name/Title	Role/Responsibilities	Level of Influence*	Relationship Status with Purdue *
Catherine MacPherson	Vice President Adherence Innovation	5	5
Nanci Bowes Rph	Manager, Enterprise Adherence Health Services Department, Medicare Stars and payer marketing	4	5
Heidi Hilker, Pharm D	Manager, Adherence Innovation –MTM	5	4
Rick Gates, Rph	Vice President Pharmacy Operations	5	5
Tasha Polster, Rph	Sr. Director, Pharmaceutical Integrity Pharmacovigilance	5	4
Christopher Dymon, Pharm D, MBA	Manager, Third Party Operations & Finance	5	4
Patricia Daugherty Rph	Director, Pharmaceutical Integrity Pharmacovigilance	4	4
Rex Swords, Rph	Senior VP, Pharmaceutical Integrity Pharmacovigilance	5	4
Denny Murray Rph	Director Rx inventory, Mgmt., Drug Stores	5	4
Justin Coyle, Pharm D	Senior Director, Pharmacy Operations	4	
Diane Murdock	Vice President, UnitedHealth Group Accounts Managed Market Sales	4	



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Key Decision Makers

Name/Title	Role/Responsibilities	Level of Influence*	Relationship Status with Purdue *
Emily House, Rph	Senior Director, Retail Trade Strategy	5	5
Jacque Pham Rph	Category Manger, Brand Pharmaceuticals	4	5
Rick Gates, Rph	Vice President Pharmacy Operations	5	5
Tasha Polster, Rph	Sr. Director, Pharmaceutical Integrity Pharmacovigilance	5	4
Jerry Solujich	Director, National Accounts/ Operations	3	5
Averill Gordon Rph	Manager, Pharmacy Quality Assurance Clinical	5	4
Patricia Daugherty Rph	Director, Pharmaceutical Integrity Pharmacovigilance	4	4
Rex Swords, Rph	Senior VP, Pharmaceutical Integrity Pharmacovigilance	5	4
Denny Murray Rph	Director Rx inventory, Mgmt., Drug Stores	5	4



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September 19, 2017

Walgreens Boots Alliance Secures Regulatory Clearance for Purchase of Stores and Related Assets from Rite Aid

- Hart-Scott-Rodino waiting period expires for amended purchase agreement with Rite Aid
- Final transaction includes 1,932 stores and related assets for \$4.375 billion in cash
- Store purchases expected to begin in October with completion anticipated in spring 2018
- Walgreens Boots Alliance expects to realize more than \$300 million in annual synergies within four years

DEERFIELD, Ill.--(BUSINESS WIRE)-- Walgreens Boots Alliance, Inc. (Nasdaq: WBA) announced today that it has secured regulatory clearance for an amended and restated asset purchase agreement to purchase 1,932 stores, three distribution centers and related inventory from Rite Aid Corporation (NYSE: RAD) for \$4.375 billion in cash and other consideration. The amended and restated purchase agreement between the parties updates the terms of the agreement with Rite Aid announced in June 2017. The transaction has been approved by the boards of directors of Rite Aid and Walgreens Boots Alliance and is still subject to other customary closing conditions. Store purchases are expected to begin in October, with completion anticipated in spring 2018.

The consideration for the transaction will now be \$4.375 billion in cash, the assumption by Walgreens Boots Alliance of the related real estate leases and the grant of the option to Rite Aid, exercisable through May 2019, to become a member of Walgreens Boots Alliance's group purchasing organization, Walgreens Boots Alliance Development GmbH. Walgreens Boots Alliance will also assume certain limited store-related liabilities as part of the new transaction.

"This is a significant moment for our company, and we are excited about the opportunities this agreement will deliver for our customers and patients, employees and investors," said Walgreens Boots Alliance Executive Vice Chairman and CEO Stefano Pessina. "Combining Walgreens retail pharmacy network with a strong portfolio of Rite Aid locations is expected to help us achieve enhanced, sustainable growth while enabling us to broaden our reach and provide greater access to convenient, affordable care in more local neighborhoods across the United States. We are confident in the path ahead and look forward to working together to shape the future of health care and deliver on the full potential these stores bring to our network."

After all stores are acquired, stores are planned to be converted to the Walgreens brand in carefully planned phases over time. The stores to be purchased are located primarily in the Northeast and Southern U.S., and the three distribution centers to be purchased are located in Dayville, Conn., Philadelphia, Pa., and Spartanburg, S.C. The transition of these distribution centers to Walgreens will not begin for at least 12 months.

Due to the expected timing of store purchases under the amended and restated asset purchase agreement, Walgreens Boots Alliance does not expect the transaction to have a significant impact to its adjusted diluted net earnings per share in its fiscal year ending 31 August 2018. The company expects to realize annual synergies from the new transaction of more than \$300 million, which are expected to be fully realized within four years of the initial closing of the new transaction and derived primarily from procurement, cost savings and other operational matters.

The amended and restated asset purchase agreement replaces the earlier purchase agreement entered into by the parties in June 2017, which included 2,186 stores and related assets for \$5.175 billion in cash and other consideration.

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise.

The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the USA and Europe.



25 October 2017

Walgreens Boots Alliance Reports Fourth Quarter and Fiscal 2017 Results

Fourth quarter highlights

- GAAP diluted net earnings per share were \$0.76, down 20.0 percent from the year-ago quarter due to Rite Aid related costs, mainly merger termination fees; Adjusted diluted net earnings per share were \$1.31, an increase of 22.4 percent on both an actual and constant currency basis
- GAAP net earnings attributable to Walgreens Boots Alliance decrease 22.1 percent, to \$802 million; Adjusted net earnings attributable to Walgreens Boots Alliance increase 18.8 percent to \$1.4 billion, up 19.1 percent on a constant currency basis
- Sales increase 5.3 percent to \$30.1 billion, an increase of 6.4 percent on a constant currency basis
- GAAP operating income decreases 2.3 percent to \$1.1 billion; Adjusted operating income increases 21.2 percent to \$1.9 billion, up 22.3 percent on a constant currency basis

Fiscal 2017 highlights

- GAAP diluted net earnings per share decrease 1.0 percent from the prior year, to \$3.78; Adjusted diluted net earnings per share increase 11.1 percent to \$5.10, up 12.9 percent on a constant currency basis
- GAAP net earnings attributable to Walgreens Boots Alliance decrease 2.3 percent, to \$4.1 billion; Adjusted net earnings attributable to Walgreens Boots Alliance increase 9.9 percent to \$5.5 billion, up 11.6 percent on a constant currency basis
- Sales increase 0.7 percent to \$118.2 billion, an increase of 3.3 percent on a constant currency basis
- GAAP operating income decreases 7.4 percent to \$5.6 billion; Adjusted operating income increases 4.6 percent to \$7.5 billion, up 6.5 percent on a constant currency basis
- GAAP net cash provided by operating activities was \$7.3 billion; Free cash flow was \$5.9 billion

Share repurchase program

- Company completes \$5.0 billion share repurchase and adds \$1.0 billion to program

Fiscal 2018 guidance

- Company introduces guidance of \$5.40 to \$5.70 for fiscal year 2018 adjusted diluted net earnings per share

DEERFIELD, Ill.--(BUSINESS WIRE)-- Walgreens Boots Alliance, Inc. (Nasdaq: WBA) today announced financial results for the fourth quarter and fiscal year 2017, which ended 31 August 2017.

Executive Vice Chairman and CEO Stefano Pessina said, "We are pleased to report the company has performed well, with our businesses delivering significant progress while managing against ongoing prescription reimbursement pressure and competing in fast-changing retail environments. We look forward to building on this solid underlying growth in the year to come, enhanced by the expansion of our U.S. retail pharmacy network through the upcoming purchases of Rite Aid stores."

Overview of Fourth Quarter Results

Fiscal 2017 fourth quarter net earnings attributable to Walgreens Boots Alliance determined in accordance with GAAP decreased 22.1 percent to \$802 million compared with the same quarter a year ago, while GAAP diluted net earnings per share decreased 20.0 percent to \$0.76 compared with the same quarter a year ago. The decreases in GAAP net earnings and GAAP net earnings per share reflect Rite Aid related costs, mainly merger termination fees.

Adjusted fiscal 2017 fourth quarter net earnings attributable to Walgreens Boots Alliance¹ increased 18.8 percent to \$1.4 billion, up 19.1 percent on a constant currency basis, compared with the same quarter a year ago. Adjusted diluted net earnings per share for the quarter were \$1.31, up 22.4 percent on an actual and constant currency basis, compared with the same quarter a year ago.

Sales in the fourth quarter were \$30.1 billion, an increase of 5.3 percent from the year-ago quarter, and an increase of 6.4 percent on a constant currency basis.

GAAP operating income in the fourth quarter was \$1.1 billion, a decrease of 2.3 percent from the same quarter a year ago. Adjusted operating income in the fourth quarter was \$1.9 billion, an increase of 21.2 percent from the same quarter a year ago, and an increase of 22.3 percent on a constant currency basis.

GAAP net cash provided by operating activities was \$2.0 billion in the fourth quarter, and free cash flow was \$1.6 billion.

Overview of Fiscal Year Results

Fiscal 2017 net earnings attributable to Walgreens Boots Alliance determined in accordance with GAAP decreased 2.3 percent to \$4.1 billion, while GAAP diluted net earnings per share decreased 1.0 percent to \$3.78, compared with the prior year. The decreases primarily reflect Rite Aid related costs.

Adjusted net earnings attributable to Walgreens Boots Alliance¹ in fiscal 2017 increased 9.9 percent to \$5.5 billion, up 11.6 percent on a constant currency basis, compared with the prior year. Adjusted diluted net earnings per share in the fiscal year increased 11.1 percent to \$5.10, up 12.9 percent on a constant currency basis, compared with the prior year.

Sales increased 0.7 percent to \$118.2 billion in fiscal 2017 compared with the prior year. On a constant currency basis, sales increased 3.3 percent.

GAAP operating income in fiscal 2017 was \$5.6 billion, a decrease of 7.4 percent from the prior year. Adjusted operating income in the fiscal year was \$7.5 billion, an increase of 4.6 percent, and an increase of 6.5 percent on a constant currency basis.

GAAP net cash provided by operating activities was \$7.3 billion in fiscal 2017, and free cash flow was \$5.9 billion.

Rite Aid Transaction

On 19 September 2017 the company announced it had secured regulatory clearance for an amended and restated asset purchase agreement to purchase 1,932 stores, three distribution centers and related inventory from Rite Aid Corporation for \$4.375 billion in cash and other consideration. The first few Rite Aid stores have been acquired in the past week. Ownership of the remaining stores is expected to be transferred in phases, with the goal being to complete the store transfers in spring 2018. These transfers remain subject to closing conditions set forth in the agreement.

The company expects to complete integration of the acquired stores and related assets within the next three years, at an estimated cost of approximately \$750 million, which will be reported as acquisition-related costs. In addition, the company plans to spend approximately \$500 million of capital on store conversions and related activities.

In addition to the strategic benefits of the transaction - including extending the Walgreens brand into additional communities, greater access to more customers, U.S. store network expansion and broader coverage of both retail and pharmacy markets - as previously announced the company expects to realize \$300 million in annual synergies. These are expected to be fully realized within four years of the initial closing of this transaction and derived primarily from procurement, cost savings and other operational matters.

Store Optimization Program

Following regulatory clearance for the Rite Aid transaction, the company has been able to carry out a complete review of its expected combined U.S. store portfolio to determine the scope of a program to optimize locations. This is expected to take place over an 18 month period beginning in spring 2018, resulting in estimated pre-tax charges to the company's GAAP financial results of approximately \$450 million. Cost savings from the program are anticipated to be approximately \$300 million per year, and are expected to be fully delivered by the end of fiscal 2020.

Share Repurchase Program

In October 2017 the company completed its \$5.0 billion share repurchase program announced in June 2017. On 24 October the company expanded the program by an additional \$1.0 billion.

Company Outlook

The company today introduced guidance of \$5.40 to \$5.70 for fiscal year 2018 adjusted diluted net earnings per share. This guidance assumes current exchange rates for the rest of the fiscal year, and continuation of the company's normal anti-dilutive share buyback program.

Fourth Quarter Business Division Highlights

Retail Pharmacy USA:

Retail Pharmacy USA had fourth quarter sales of \$22.3 billion, an increase of 7.5 percent over the year-ago quarter. Sales in comparable stores increased 3.1 percent compared with the same quarter a year ago.

Pharmacy sales, which accounted for 72.1 percent of the division's sales in the quarter, increased 12.6 percent compared with the year-ago quarter, primarily due to higher prescription volumes, including mail and central specialty following the formation of AllianceRx Walgreens Prime. Comparable pharmacy sales increased 5.6 percent, primarily due to higher volume. Reimbursement pressure and generics had a negative impact on comparable pharmacy sales growth, which was partially offset by brand inflation. The division filled 250.2 million prescriptions (including immunizations) adjusted to 30-day equivalents in the quarter, an increase of 9.0 percent over the year-ago quarter. Prescriptions filled in comparable stores increased 8.7 percent compared with the same quarter a year ago, primarily due to Medicare Part D growth and volume growth from previously announced strategic pharmacy partnerships. The division's retail prescription market share on a 30-day adjusted basis in the fourth quarter increased approximately 120 basis points over the year-ago quarter to 20.5 percent, as reported by IMS Health. This was the division's highest reported quarterly retail prescription market share in the U.S., for a second consecutive quarter.

Retail sales decreased 3.9 percent in the fourth quarter compared with the year-ago period, which includes the impact of the previously announced closure of certain e-commerce operations. Comparable retail sales were down 2.1 percent in the quarter, partly due to changes in promotional plans. Declines in the consumables and general merchandise category and in the personal care category were partially offset by growth in the beauty category and in the health and wellness category.

GAAP gross profit increased 4.6 percent compared with the same quarter a year ago and adjusted gross profit increased 4.3 percent.

GAAP fourth quarter selling, general and administrative expenses (SG&A) as a percentage of sales decreased 0.6 percentage points compared with the year-ago quarter, primarily due to sales mix and higher sales, partially offset by costs related to the Rite Aid transaction. On an adjusted basis, SG&A as a percentage of sales decreased 1.8 percentage points in the same period, due to sales mix and higher sales.

GAAP operating income in the fourth quarter increased 2.7 percent from the year-ago quarter to \$800 million. Adjusted operating income in the fourth quarter increased 27.5 percent from the year-ago quarter to \$1.4 billion.

Retail Pharmacy International:

Retail Pharmacy International had fourth quarter sales of \$2.9 billion, a decrease of 3.2 percent from the year-ago quarter mainly due to currency translation. Sales decreased 0.4 percent on a constant currency basis.

On a constant currency basis, comparable store sales decreased 0.2 percent compared with the year-ago quarter. Comparable pharmacy sales increased 0.5 percent on a constant currency basis, primarily due to growth in the UK. Comparable retail sales decreased 0.5 percent on a constant currency basis, reflecting challenging conditions across a number of markets.

GAAP gross profit decreased 3.7 percent compared with the same quarter a year ago, mainly due to currency translation. On a constant currency basis, adjusted gross profit decreased 0.8 percent.

GAAP SG&A as a percentage of sales decreased by 1.0 percentage point. Adjusted SG&A as a percentage of sales, on a constant currency basis, decreased by 0.9 percentage point.

GAAP operating income in the fourth quarter increased 6.8 percent from the year-ago quarter to \$219 million, while adjusted operating income increased 5.7 percent to \$261 million, up 8.9 percent on a constant currency basis.

Pharmaceutical Wholesale:

Pharmaceutical Wholesale had fourth quarter sales of \$5.4 billion, an increase of 0.8 percent from the year-ago quarter. Growth was adversely affected by currency translation. On a constant currency basis, comparable sales increased 5.4 percent, which was ahead of the company's estimate of market growth, weighted on the basis of country wholesale sales, with growth in emerging markets and the UK partially offset by challenging market conditions in continental Europe.

GAAP operating income in the fourth quarter was \$96 million, which included a loss of \$8 million from the company's equity earnings in AmerisourceBergen, compared with a gain of \$34 million in the year-ago quarter. Adjusted operating income increased 6.3 percent to \$221 million, up 11.5 percent on a constant currency basis. Excluding adjusted equity earnings from AmerisourceBergen, adjusted operating income was down 5.7 percent on a constant currency basis.

Conference Call

Walgreens Boots Alliance will hold a one-hour conference call to discuss the fourth quarter results beginning at 8:30 a.m. Eastern time today, 25 October 2017. The conference call will be simulcast through the Walgreens Boots Alliance investor relations website at: <http://investor.walgreensbootsalliance.com>. A replay of the conference call will be archived on the website for 12 months after the call.

The replay also will be available from 11:30 a.m. Eastern time, 25 October 2017 through 2 November 2017 by calling +1 855 859 2056 within the U.S. and Canada, or +1 404 537 3406 outside the U.S. and Canada, using replay code 81743092.

¹ Please see the "Supplemental Information (Unaudited) Regarding Non-GAAP Financial Measures" at the end of this press release for more detailed information regarding non-GAAP financial measures.

Cautionary Note Regarding Forward-Looking Statements: All statements in this release that are not historical including, without limitation, those regarding estimates of and goals for future financial and operating performance (including those under "Company Outlook" above), the expected execution and effect of our business strategies, our cost-savings and growth initiatives and restructuring activities and the amounts and timing of their expected impact, and our amended and restated asset purchase agreement with Rite Aid and the transactions contemplated thereby and their possible timing and effects, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation

Please refer to the supplemental information presented below for reconciliations of the non-GAAP financial measures used in this release to the most comparable GAAP financial measure and related disclosures.

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25* countries and employ more than 385,000* people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 13,200* stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390* distribution centers delivering to more than 230,000** pharmacies, doctors, health centers and hospitals each year in more than 20* countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Soap & Glory, Liz Earle, Sleek MakeUP and Botanics.

The company ranks No. 1 in the Food and Drug Stores industry of Fortune magazine's 2017 list of the World's Most Admired Companies.

More company information is available at www.walgreensbootsalliance.com.

* As of 31 August 2017, using publicly available information for AmerisourceBergen.

** For 12 months ending 31 August 2017, using publicly available information for AmerisourceBergen

(WBA-ER)

WALGREENS BOOTS ALLIANCE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(UNAUDITED)
(in millions, except per share amounts)

	Three months ended		Twelve months ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
Sales	\$ 30,149	\$ 28,636	\$ 118,214	\$ 117,351
Cost of sales	22,809	21,481	89,052	87,477

Gross profit	7,340	7,155	29,162	29,874
Selling, general and administrative expenses	6,218	6,049	23,740	23,910
Equity earnings in AmerisourceBergen	(8)	34	135	37
Operating income	1,114	1,140	5,557	6,001
Other income (expense)	11	264	(11)	(261)
Earnings before interest and income tax provision	1,125	1,404	5,546	5,740
Interest expense, net	193	171	693	596
Earnings before income tax provision	932	1,233	4,853	5,144
Income tax provision	126	207	760	997
Post tax earnings from other equity method investments	1	9	8	44
Net earnings	807	1,035	4,101	4,191
Net earnings attributable to noncontrolling interests	5	5	23	18
Net earnings attributable to Walgreens Boots Alliance, Inc.	\$ 802	\$ 1,030	\$ 4,078	\$ 4,173
Net earnings per common share:				
Basic	\$ 0.76	\$ 0.95	\$ 3.80	\$ 3.85
Diluted	\$ 0.76	\$ 0.95	\$ 3.78	\$ 3.82
Dividends declared per share	\$ 0.400	\$ 0.375	\$ 1.525	\$ 1.455
Weighted average common shares outstanding:				
Basic	1,055.1	1,082.5	1,073.5	1,083.1
Diluted	1,059.5	1,089.0	1,078.5	1,091.1

WALGREENS BOOTS ALLIANCE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in millions)

August 31, 2017 August 31, 2016

Assets

Current assets:

Cash and cash equivalents	\$ 3,301	\$ 9,807
Accounts receivable, net	6,528	6,260
Inventories	8,899	8,956

Other current assets	1,025	860
Total current assets	<u>19,753</u>	<u>25,883</u>
Non-current assets:		
Property, plant and equipment, net	13,642	14,335
Goodwill	15,632	15,527
Intangible assets, net	10,156	10,302
Equity method investments	6,320	6,174
Other non-current assets	506	467
Total non-current assets	<u>46,256</u>	<u>46,805</u>
Total assets	<u>\$ 66,009</u>	<u>\$ 72,688</u>

Liabilities and equity**Current liabilities:**

Short-term borrowings	\$ 251	\$ 323
Trade accounts payable	12,494	11,000
Accrued expenses and other liabilities	5,473	5,484
Income taxes	329	206
Total current liabilities	<u>18,547</u>	<u>17,013</u>

Non-current liabilities:

Long-term debt	12,684	18,705
Deferred income taxes	2,281	2,644
Other non-current liabilities	4,223	4,045
Total non-current liabilities	<u>19,188</u>	<u>25,394</u>
Total equity	28,274	30,281
Total liabilities and equity	<u>\$ 66,009</u>	<u>\$ 72,688</u>

WALGREENS BOOTS ALLIANCE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in millions)

	Twelve months ended	
	August 31, 2017	August 31, 2016
Cash flows from operating activities:		
Net earnings	\$ 4,101	\$ 4,191
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,654	1,718
Change in fair value of warrants and related amortization	—	516
Deferred income taxes	(434)	(442)
Stock compensation expense	91	115
Equity earnings from equity method investments	(143)	(81)
Other	364	148

Changes in operating assets and liabilities:		
Accounts receivable, net	(153)	115
Inventories	98	(644)
Other current assets	—	66
Trade accounts payable	1,690	1,572
Accrued expenses and other liabilities	(128)	313
Income taxes	44	202
Other non-current assets and liabilities	67	58
Net cash provided by operating activities	<u>7,251</u>	<u>7,847</u>
Cash flows from investing activities:		
Additions to property, plant and equipment	(1,351)	(1,325)
Proceeds from sale leaseback transactions	444	60
Proceeds from sale of businesses	—	74
Proceeds from sale of other assets	59	155
Business and intangible asset acquisitions, net of cash acquired	(88)	(126)
Investment in AmerisourceBergen	—	(2,360)
Other	93	5
Net cash used for investing activities	<u>(843)</u>	<u>(3,517)</u>
Cash flows from financing activities:		
Proceeds and payments from short-term borrowings, net	33	29
Proceeds from issuance of long-term debt	—	5,991
Payments of long-term debt	(6,196)	(791)
Stock purchases	(5,220)	(1,152)
Proceeds related to employee stock plans	217	235
Cash dividends paid	(1,723)	(1,563)
Other	(45)	(143)
Net cash (used for) provided by financing activities	<u>(12,934)</u>	<u>2,606</u>
Effect of exchange rate changes on cash and cash equivalents	20	(129)
Changes in cash and cash equivalents:		
Net (decrease) increase in cash and cash equivalents	(6,506)	6,807
Cash and cash equivalents at beginning of period	9,807	3,000
Cash and cash equivalents at end of period	<u>\$ 3,301</u>	<u>\$ 9,807</u>

WALGREENS BOOTS ALLIANCE, INC. AND SUBSIDIARIES
SUPPLEMENTAL INFORMATION (UNAUDITED)
REGARDING NON-GAAP FINANCIAL MEASURES
(in millions, except per share amounts)

The following information provides reconciliations of the supplemental non-GAAP financial measures, as defined under SEC rules, presented in this press release to the most directly

comparable financial measures calculated and presented in accordance with generally accepted accounting principles in the United States (GAAP). The Company has provided the non-GAAP financial measures in the press release, which are not calculated or presented in accordance with GAAP, as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP.

These supplemental non-GAAP financial measures are presented because management has evaluated the Company's financial results both including and excluding the adjusted items or the effects of foreign currency translation, as applicable, and believe that the supplemental non-GAAP financial measures presented provide additional perspective and insights when analyzing the core operating performance of the Company's business from period to period and trends in the Company's historical operating results. These supplemental non-GAAP financial measures should not be considered superior to, as a substitute for or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented in the press release. The Company does not provide a reconciliation for non-GAAP estimates on a forward-looking basis (including the information under "Company Outlook" above) where it is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing or amount of various items that have not yet occurred, are out of the Company's control and/or cannot be reasonably predicted, and that would impact diluted net earnings per share, the most directly comparable forward-looking GAAP financial measure. For the same reasons, the Company is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

Constant currency

The Company also presents certain information related to current period operating results in "constant currency," which is a non-GAAP financial measure. These amounts are calculated by translating current period results at the foreign currency exchange rates used in the comparable period in the prior year. The Company presents such constant currency financial information because it has significant operations outside of the United States reporting in currencies other than the U.S. dollar and this presentation provides a framework to assess how its business performed excluding the impact of foreign currency exchange rate fluctuations.

Comparable sales

For our Retail Pharmacy divisions, comparable stores are defined as those that have been open for at least 12 consecutive months and that have not been closed for seven or more consecutive days, undergone a major remodel or been subject to a natural disaster during the past 12 months. Relocated and acquired stores are not included as comparable stores for the first 12 months after the relocation or acquisition. Comparable store sales, comparable pharmacy sales and comparable retail sales refer to total sales, pharmacy sales and retail sales, respectively, in such stores. For our Pharmaceutical Wholesale division, comparable sales are defined as sales excluding acquisitions and dispositions. The method of calculating comparable sales varies across the industries in which we operate. As a result, our method of calculating comparable sales may not be the same as other companies' methods.

Comparable sales are presented on a constant currency basis for the Retail Pharmacy and Pharmaceutical Wholesale divisions. In the fourth quarter of fiscal 2017 compared to the year-ago quarter, the Retail Pharmacy International division's comparable store sales on a reported

currency basis decreased 3.0 percent, comparable pharmacy sales on a reported currency basis decreased 2.1 percent and comparable retail sales on a reported currency basis decreased 3.5 percent. The Pharmaceutical Wholesale division's comparable sales excluding acquisitions and dispositions on a reported currency basis increased 0.8 percent.

NET EARNINGS AND DILUTED NET EARNINGS PER SHARE

	Three months ended		Twelve months ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
Net earnings attributable to Walgreens Boots Alliance, Inc. (GAAP)	\$ 802	\$ 1,030	\$ 4,078	\$ 4,173
Adjustments to operating income:				
Cost transformation	243	233	835	424
Acquisition-related costs	399	20	474	102
Acquisition-related amortization	85	91	332	369
Adjustments to equity earnings in AmerisourceBergen	92	16	187	21
LIFO provision	(38)	8	166	214
Legal settlement	—	47	—	47
Asset impairment (recovery)	(11)	—	(11)	30
Total adjustments to operating income	770	415	1,983	1,207
Adjustments to other income (expense):				
Net investment hedging loss	33	49	48	12
Change in fair market value of AmerisourceBergen warrants	—	(328)	—	517
Impact of change in accounting method for AmerisourceBergen equity investment	—	—	—	(268)
Total adjustments to other income (expense)	33	(279)	48	261
Adjustments to interest expense, net:				
Prefunded acquisition financing costs	80	42	203	46
Total adjustments to interest expense, net	80	42	203	46
Adjustments to income tax provision:				
United Kingdom tax rate change ¹	—	—	(77)	(178)
Equity method non-cash tax ¹	(11)	10	23	10
Tax impact of adjustments ²	(289)	(52)	(755)	(510)
Total adjustments to income tax provision	(300)	(42)	(809)	(678)
Adjusted net earnings attributable to Walgreens Boots Alliance, Inc. (Non-GAAP measure)	\$ 1,385	\$ 1,166	\$ 5,503	\$ 5,009

Diluted net earnings per common share (GAAP)	\$ 0.76	\$ 0.95	\$ 3.78	\$ 3.82
Adjustments to operating income	0.73	0.38	1.84	1.11
Adjustments to other income (expense)	0.03	(0.26)	0.04	0.24
Adjustments to interest expense, net	0.08	0.04	0.19	0.04
Adjustments to income tax provision	(0.29)	(0.04)	(0.75)	(0.62)
Adjusted diluted net earnings per common share (Non-GAAP measure)	<u>\$ 1.31</u>	<u>\$ 1.07</u>	<u>\$ 5.10</u>	<u>\$ 4.59</u>
Weighted average common shares outstanding, diluted	1,059.5	1,089.0	1,078.5	1,091.1

1 Discrete tax-only items.

2 Represents the adjustment to the GAAP basis tax provision commensurate with non-GAAP adjustments.

OPERATING INCOME BY DIVISION

	Three months ended August 31, 2017				Walgreens Boots Alliance, Inc.
	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale ¹	Eliminations	
Operating income (GAAP)	\$ 800	\$ 219	\$ 96	\$ (1)	\$ 1,114
Cost transformation	214	16	13	—	243
Acquisition-related costs	399	—	—	—	399
Acquisition-related amortization	39	26	20	—	85
Adjustments to equity earnings in AmerisourceBergen	—	—	92	—	92
LIFO provision	(38)	—	—	—	(38)
Asset impairment (recovery)	(11)	—	—	—	(11)
Adjusted operating income (Non- GAAP measure)	<u>\$ 1,403</u>	<u>\$ 261</u>	<u>\$ 221</u>	<u>\$ (1)</u>	<u>\$ 1,884</u>
Sales	\$ 22,301	\$ 2,941	\$ 5,445	\$ (538)	\$ 30,149
Operating margin (GAAP) ²	3.6%	7.4%	1.9%		3.7%
Adjusted operating	6.3%	8.9%	2.5%		6.0%

margin (Non-GAAP measure)²

Three months ended August 31, 2016

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale¹	Eliminations	Walgreens Boots Alliance, Inc.
Operating income (GAAP)	\$ 779	\$ 205	\$ 156	\$ —	\$ 1,140
Cost transformation	204	15	14	—	233
Acquisition-related costs	20	—	—	—	20
Acquisition-related amortization	42	27	22	—	91
Adjustments to equity earnings in AmerisourceBergen	—	—	16	—	16
LIFO provision	8	—	—	—	8
Legal settlement	47	—	—	—	47
Adjusted operating income (Non-GAAP measure)	<u>\$ 1,100</u>	<u>\$ 247</u>	<u>\$ 208</u>	<u>\$ —</u>	<u>\$ 1,555</u>
Sales	\$ 20,747	\$ 3,037	\$ 5,400	\$ (548)	\$ 28,636
Operating margin (GAAP) ²	3.8%	6.8%	2.3%		3.9%
Adjusted operating margin (Non-GAAP measure) ²	5.3%	8.1%	2.9%		5.3%

Twelve months ended August 31, 2017

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale¹	Eliminations	Walgreens Boots Alliance, Inc.
Operating income (GAAP)	\$ 4,195	\$ 741	\$ 621	\$ —	\$ 5,557
Cost transformation	731	67	37	—	835
Acquisition-related costs	474	—	—	—	474
Acquisition-related amortization	152	101	79	—	332
Adjustments to	—	—	187	—	187

equity earnings in AmerisourceBergen					
LIFO provision	166	—	—	—	166
Asset impairment (recovery)	(11)	—	—	—	(11)
Adjusted operating income (Non-GAAP measure)	<u>\$ 5,707</u>	<u>\$ 909</u>	<u>\$ 924</u>	<u>\$ —</u>	<u>\$ 7,540</u>
Sales	\$ 87,302	\$ 11,813	\$ 21,188	\$ (2,089)	\$ 118,214
Operating margin (GAAP) ²	4.8%	6.3%	2.3%		4.6%
Adjusted operating margin (Non-GAAP measure) ²	6.5%	7.7%	2.8%		6.1%

Twelve months ended August 31, 2016

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale¹	Eliminations	Walgreens Boots Alliance, Inc.
Operating income (GAAP)	\$ 4,405	\$ 1,029	\$ 579	\$ (12)	\$ 6,001
Cost transformation	374	29	21	—	424
Acquisition-related costs	102	—	—	—	102
Acquisition-related amortization	185	97	87	—	369
Adjustments to equity earnings in AmerisourceBergen	—	—	21	—	21
LIFO provision	214	—	—	—	214
Legal settlement	47	—	—	—	47
Asset impairment	30	—	—	—	30
Adjusted operating income (Non-GAAP measure)	<u>\$ 5,357</u>	<u>\$ 1,155</u>	<u>\$ 708</u>	<u>\$ (12)</u>	<u>\$ 7,208</u>
Sales	\$ 83,802	\$ 13,256	\$ 22,571	\$ (2,278)	\$ 117,351
Operating margin (GAAP) ²	5.3%	7.8%	2.4%		5.1%
Adjusted operating margin (Non-GAAP measure) ²	6.4%	8.7%	2.9%		6.1%

- Operating income for Pharmaceutical Wholesale includes equity earnings in AmerisourceBergen. As a result of the two month reporting lag, operating income for the three and twelve month periods ended August 31, 2017 includes AmerisourceBergen equity earnings for the periods of April 1, 2017 through June 30, 2017 and July 1, 2016 through June 30, 2017, respectively. Operating income for the three and twelve month periods ended August 31, 2016 includes AmerisourceBergen equity earnings for the period of April 1, 2016 through June 30, 2016 and March 18, 2016 through June 30, 2016, respectively.
- Operating margins and adjusted operating margins have been calculated excluding equity earnings in AmerisourceBergen.

EQUITY EARNINGS IN AMERISOURCEBERGEN

	Three months ended		Twelve months ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
Equity earnings in AmerisourceBergen (GAAP)	\$ (8)	\$ 34	\$ 135	\$ 37
Acquisition-related amortization	30	24	110	28
Change in fair market value of AmerisourceBergen warrants	—	(8)	30	(8)
LIFO provision	(5)	7	(26)	8
Litigation settlements	71	—	75	—
Other	(4)	(7)	(2)	(7)
Adjusted equity earnings in AmerisourceBergen (Non-GAAP measure)	<u>\$ 84</u>	<u>\$ 50</u>	<u>\$ 322</u>	<u>\$ 58</u>

GROSS PROFIT BY DIVISION

	Three months ended August 31, 2017				Walgreens Boots Alliance, Inc.
	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	
Gross profit (GAAP)	\$ 5,628	\$ 1,226	\$ 487	\$ (1)	\$ 7,340
Cost transformation	28	—	—	—	28
LIFO provision	(38)	—	—	—	(38)
Adjusted gross profit (Non-GAAP measure)	<u>\$ 5,618</u>	<u>\$ 1,226</u>	<u>\$ 487</u>	<u>\$ (1)</u>	<u>\$ 7,330</u>
Sales	\$ 22,301	\$ 2,941	\$ 5,445	\$ (538)	\$ 30,149
Gross margin	25.2%	41.7%	8.9%		24.3%

(GAAP)

Adjusted gross

margin (Non-

GAAP measure)

25.2%

41.7%

8.9%

24.3%

Three months ended August 31, 2016

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Gross profit (GAAP)	\$ 5,380	\$ 1,273	\$ 502	\$ —	\$ 7,155
LIFO provision	8	—	—	—	8
Adjusted gross profit (Non-GAAP measure)	<u>\$ 5,388</u>	<u>\$ 1,273</u>	<u>\$ 502</u>	<u>\$ —</u>	<u>\$ 7,163</u>
Sales	\$ 20,747	\$ 3,037	\$ 5,400	\$ (548)	\$ 28,636
Gross margin (GAAP)	25.9%	41.9%	9.3%		25.0%
Adjusted gross margin (Non-GAAP measure)	26.0%	41.9%	9.3%		25.0%

Twelve months ended August 31, 2017

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Gross profit (GAAP)	\$ 22,450	\$ 4,753	\$ 1,965	\$ (6)	\$ 29,162
Cost transformation	89	—	—	—	89
LIFO provision	166	—	—	—	166
Adjusted gross profit (Non-GAAP measure)	<u>\$ 22,705</u>	<u>\$ 4,753</u>	<u>\$ 1,965</u>	<u>\$ (6)</u>	<u>\$ 29,417</u>
Sales	\$ 87,302	\$ 11,813	\$ 21,188	\$ (2,089)	\$ 118,214
Gross margin (GAAP)	25.7%	40.2%	9.3%		24.7%
Adjusted gross margin (Non-GAAP measure)	26.0%	40.2%	9.3%		24.9%

Twelve months ended August 31, 2016

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Gross profit (GAAP)	\$ 22,323	\$ 5,432	\$ 2,131	\$ (12)	\$ 29,874
LIFO provision	214	—	—	—	214
Adjusted gross profit (Non-GAAP measure)	<u>\$ 22,537</u>	<u>\$ 5,432</u>	<u>\$ 2,131</u>	<u>\$ (12)</u>	<u>\$ 30,088</u>
Sales	\$ 83,802	\$ 13,256	\$ 22,571	\$ (2,278)	\$ 117,351
Gross margin (GAAP)	26.6%	41.0%	9.4%		25.5%
Adjusted gross margin (Non-GAAP measure)	26.9%	41.0%	9.4%		25.6%

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES BY DIVISION**Three months ended August 31, 2017**

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Selling, general and administrative expenses (GAAP)	\$ 4,828	\$ 1,007	\$ 383	\$ —	\$ 6,218
Cost transformation	(186)	(16)	(13)	—	(215)
Acquisition-related costs	(399)	—	—	—	(399)
Acquisition-related amortization	(39)	(26)	(20)	—	(85)
Asset recovery	11	—	—	—	11
Adjusted selling, general and administrative expenses (Non-GAAP measure)	<u>\$ 4,215</u>	<u>\$ 965</u>	<u>\$ 350</u>	<u>\$ —</u>	<u>\$ 5,530</u>

Sales	\$ 22,301	\$ 2,941	\$ 5,445	\$ (538)	\$ 30,149
Selling, general and administrative expenses percent to sales (GAAP)	21.6%	34.2%	7.0%		20.6%
Adjusted selling, general and administrative expenses percent to sales (Non-GAAP measure)	18.9%	32.8%	6.4%		18.3%

Three months ended August 31, 2016

	<u>Retail Pharmacy USA</u>	<u>Retail Pharmacy International</u>	<u>Pharmaceutical Wholesale</u>	<u>Eliminations</u>	<u>Walgreens Boots Alliance, Inc.</u>
Selling, general and administrative expenses (GAAP)	\$ 4,601	\$ 1,068	\$ 380	\$ —	\$ 6,049
Cost transformation	(204)	(15)	(14)	—	(233)
Acquisition-related costs	(20)	—	—	—	(20)
Acquisition-related amortization	(42)	(27)	(22)	—	(91)
Legal settlement	(47)	—	—	—	(47)
Adjusted selling, general and administrative expenses (Non-GAAP measure)	<u>\$ 4,288</u>	<u>\$ 1,026</u>	<u>\$ 344</u>	<u>\$ —</u>	<u>\$ 5,658</u>
Sales	\$ 20,747	\$ 3,037	\$ 5,400	\$ (548)	\$ 28,636
Selling, general and administrative expenses percent to sales (GAAP)	22.2%	35.2%	7.0%		21.1%

Adjusted selling, general and administrative expenses percent to sales (Non-GAAP measure)	20.7%	33.8%	6.4%	19.8%
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Twelve months ended August 31, 2017

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Selling, general and administrative expenses (GAAP)	\$ 18,255	\$ 4,012	\$ 1,479	\$ (6)	\$ 23,740
Cost transformation	(642)	(67)	(37)	—	(746)
Acquisition-related costs	(474)	—	—	—	(474)
Acquisition-related amortization	(152)	(101)	(79)	—	(332)
Asset recovery	11	—	—	—	11
Adjusted selling, general and administrative expenses (Non-GAAP measure)	<u>\$ 16,998</u>	<u>\$ 3,844</u>	<u>\$ 1,363</u>	<u>\$ (6)</u>	<u>\$ 22,199</u>
Sales	\$ 87,302	\$ 11,813	\$ 21,188	\$ (2,089)	\$ 118,214
Selling, general and administrative expenses percent to sales (GAAP)	20.9%	34.0%	7.0%		20.1%
Adjusted selling, general and administrative expenses percent to sales (Non-GAAP measure)	19.5%	32.5%	6.4%		18.8%

Twelve months ended August 31, 2016

	Retail Pharmacy USA	Retail Pharmacy International	Pharmaceutical Wholesale	Eliminations	Walgreens Boots Alliance, Inc.
Selling, general and administrative expenses (GAAP)	\$ 17,918	\$ 4,403	\$ 1,589	\$ —	\$ 23,910
Cost transformation	(374)	(29)	(21)	—	(424)
Acquisition-related costs	(102)	—	—	—	(102)
Acquisition-related amortization	(185)	(97)	(87)	—	(369)
Legal settlement	(47)	—	—	—	(47)
Asset impairment	(30)	—	—	—	(30)
Adjusted selling, general and administrative expenses (Non-GAAP measure)	<u>\$ 17,180</u>	<u>\$ 4,277</u>	<u>\$ 1,481</u>	<u>\$ —</u>	<u>\$ 22,938</u>
Sales	\$ 83,802	\$ 13,256	\$ 22,571	\$ (2,278)	\$ 117,351
Selling, general and administrative expenses percent to sales (GAAP)	21.4%	33.2%	7.0%		20.4%
Adjusted selling, general and administrative expenses percent to sales (Non-GAAP measure)	20.5%	32.3%	6.6%		19.5%

FREE CASH FLOW

	Three months ended		Twelve months ended	
	August 31, 2017	August 31, 2016	August 31, 2017	August 31, 2016
Net cash provided by operating	\$ 2,014	\$ 2,658	\$ 7,251	\$ 7,847

activities (GAAP)

Less: Additions to property, plant
and equipment

Free cash flow (Non-GAAP
measure)¹

(439)	(421)	(1,351)	(1,325)
<u>\$ 1,575</u>	<u>\$ 2,237</u>	<u>\$ 5,900</u>	<u>\$ 6,522</u>

¹ Free cash flow is defined as net cash provided by operating activities in a period less additions to property, plant and equipment (capital expenditures) made in that period. This measure does not represent residual cash flows available for discretionary expenditures as the measure does not deduct the payments required for debt service and other contractual obligations or payments for future business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our entire statements of cash flows.

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Walgreens Boots Alliance, Inc.

Media Relations

U.S. / Michael Polzin

+1 847 315 2935

or

International / Laura Vergani

+44 (0)207 980 8585

or

Investor Relations

Gerald Gradwell and Ashish Kohli

+1 847 315 2922

Source: Walgreens Boots Alliance, Inc.

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Walgreens Stocking Life Saving Narcan® Nasal Spray in All Pharmacies Nationwide

24 October 2017

DEERFIELD, Ill., October 24, 2017 - As part of its comprehensive national plan to combat drug abuse, Walgreens is now stocking Narcan®, an FDA-approved nasal form of naloxone, in all of its more than 8,000 pharmacies nationwide.

The medication, administered by nasal spray, can be used in the event of an overdose to reverse the effects of opioid drugs, which include some prescription painkillers and heroin.

"By stocking Narcan in all our pharmacies, we are making it easier for families and caregivers to help their loved ones by having it on hand in case it is needed," said Rick Gates, Walgreens group vice president of pharmacy. "As a pharmacy we are committed to making Narcan more accessible in the communities we serve."

In addition, Walgreens is adopting Centers for Disease Control and Prevention (CDC) recommendations by educating patients about Narcan when they are dispensed a controlled substance greater than 50 morphine milligram equivalents (MME) and may be at risk of accidental overdose.

"This action is an important milestone and we applaud Walgreens initiatives to improve access to Narcan Nasal Spray in communities across the U.S.," said Seamus Mulligan, Chief Executive Officer of Adapt Pharma, the manufacturer of Narcan Nasal Spray. "This effort, combined with the opportunity for patients and caregivers to obtain Narcan Nasal Spray without an individual prescription in 45 states, is critical in combating this crisis."

In an effort to educate the public on use of naloxone, pharmaceutical wholesaler AmerisourceBergen has distributed Narcan demo devices at no cost to Walgreens pharmacists for use in instructing patients on how to administer the medication. Additional instructions include calling 911, as Narcan is not a substitute for medical care. Anyone who is administered the medication should seek immediate medical attention.

"At AmerisourceBergen, we strive to provide our customers the highest quality care and support so they can ultimately enhance the lives of patients in their communities," said Robert Mauch, Executive Vice President & Group President, Pharmaceutical Distribution & Strategic Global Sourcing for AmerisourceBergen. "We recognize the important role we play in addressing the opioid epidemic, and our collaboration with Walgreens is another key milestone to supply our customers with access to lifesaving initiatives and emergency medications that can help keep individuals safe across the country."

Last year Walgreens announced an effort to make naloxone available without requiring a prescription in states where regulations allow. The company now offers naloxone without requiring a prescription in 45 states and is eager and willing to work with the remaining states to make naloxone easier to obtain.

Walgreens has also collected more than 155 tons of unwanted medications through its safe medication disposal kiosks in 600 pharmacies across 45 states and Washington D.C. The kiosks allow individuals to safely and conveniently dispose of unwanted prescriptions, including controlled substances and over-the-counter medications, year-round at no cost.

About Walgreens

Walgreens (walgreens.com (http://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.walgreens.com%2Fpharmacy%2Fscheduler%2Fscheduler_home.jsp&esheet=51703893&newsitemid=20171024005944&lan=en-US&anchor=walgreens.com&index=1&md5=c96f75269f66a3d56416ca5eb63002bb)), one of the nation's largest drugstore chains, is included in the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (NASDAQ: WBA), the first global pharmacy-led, health and wellbeing enterprise. More than 10 million customers interact with Walgreens each day in communities across America, using the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. Walgreens operates 8,175 drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, along with its omnichannel business, Walgreens.com. Approximately 400 Walgreens stores offer Healthcare Clinic or other provider retail clinic services.

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Contact(s)

Walgreens

Phil Caruso, 847-315-2936

philip.caruso@walgreens.com (<mailto:philip.caruso@walgreens.com>)

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BREAKING NEWS

Walgreens to close 600 stores following Rite Aid buy

BY MARIANNE WILSON

October 25, 2017

Walgreens Boots Alliance expects to shutter about 600 stores in the wake of its purchase of 1,932 stores from rival Rite Aid.

The closings will start next year and take place over 18 months, Walgreens CFO George Fairweather said on the chain's quarterly earnings call. The stores marked for closing will mostly be Rite Aid locations. The retailer expects to close stores within a mile of another Walgreens or Rite Aid location.

In September, Walgreens won regulatory approval to buy 1,932 stores and three distribution centers from Rite Aid for \$4.38 billion.

In its quarterly earnings report released Wednesday, Walgreens said the first few Rite Aid locations have been acquired in the past week. Ownership of the remaining stores is expected to be transferred in phases and be completed by spring 2018.

Walgreens expects to complete the integration of the acquired stores and related assets within the next three years for an estimated cost of approximately \$750 million, which will be reported as acquisition-related costs. The company also plans to spend approximately \$500 million of capital on store conversions and related activities.

For its fourth quarter ended Aug.31, Walgreens' earnings dropped 22% to \$802 million. Earnings were impacted by more than \$300 million in termination fees and costs related to the company's decision to call off its acquisition of Rite Aid. Excluding one-time items, Walgreens reported adjusted earnings of \$1.31 per share. Analysts expected earnings of \$1.22 per share.

Total revenue rose 5.3% to a better-than-expected \$30.15 billion. Same-store sales rose 3%. Sales in Walgreens' U.S. retail pharmacy division's sales rose 7.5% to \$22.3 billion; same-store rose 3.1%.

Pharmacy sales, which made up 72.1% of the division's sales in the quarter, increased 12.6%, primarily due to higher prescription volumes and its new combined specialty pharmacy and mail services company, AllianceRx Walgreens Prime. Retail sales fell 3.9%, with same-store sales down 2.1%.

For commentary on Walgreens results, [click here](#).

Walgreens Launches “#ItEndsWithUs” Campaign to Educate Teens Nationwide on the Opioid Epidemic

NEW YORK, September 20, 2017 - Today, Walgreens, one of the nation’s largest drugstore chains, launches its new campaign “#ItEndsWithUs” to educate teens nationwide on the opioid epidemic. The campaign will be unveiled by actor Brandon Larracuentе from Netflix’s popular series “13 Reasons Why” and “Bloodline.” Larracuentе, who lost a close friend to the opioid epidemic, will speak to an audience of more than 6,000 youth at the WE Day UN in New York event at Madison Square Garden.

“I have personally been affected by the opioid epidemic. My friend was only 19 when she died and it only took one wrong, risk-taking decision to cost her, her life,” said Larracuentе. “I’m honored to work with Walgreens to raise awareness of the issue with my generation and let them know of the resources the company has made available to customers nationwide. This epidemic ends with our generation.”

The #ItEndsWithUs campaign provides teens with resources and positive steps they can take in their community, which are all available at the #ItEndsWithUs hub at www.walgreens.com/itendswithus. Once there, visitors are greeted with a message from Larracuentе and a personal testimonial from Francesca Paparone, a young woman who overcame her addiction and is now working with Walgreens to raise awareness. Together, both Paparone and Larracuentе will speak to Walgreens safe medication disposal program that began in 2016 in their messages.

The safe medication disposal kiosks allow individuals to safely and conveniently dispose of their unwanted, unused or expired prescriptions, including controlled substances, and over-the-counter medications, year-round at no cost. The kiosks at Walgreens pharmacies are available during regular pharmacy hours and offer one of the best ways to ensure medications are not accidentally used or intentionally misused by someone else. Most people who misuse prescription drugs first obtain them from a family member or friend, often from a home medicine cabinet.

Kiosks are available in more than 600 pharmacies across 45 states and the District of Columbia; that’s more than 100 kiosks above the program’s original goal. In its first year, the program has resulted in the collection and disposal of 72 tons of unwanted medication, or the equivalent weight of about 40 midsize cars.

The #ItEndsWithUs campaign launches at a time when the national opioid crisis has escalated into an epidemic of addiction and overdose. According to the Center for Disease Control and Prevention (CDC), overdose deaths among 15-to-19-year-olds spiked more than 19 percent between 2014 and 2015. The CDC also found that nearly half of all opioid overdose deaths involve a prescription opioid.

Walgreens will continue to raise awareness around the opioid epidemic at upcoming WE Day events in 2018, with the help of Larracuentе engaging teens across the country. For more information about the #ItEndsWithUs campaign and how to get involved, visit www.walgreens.com/itendswithus.

About Walgreens

Walgreens (walgreens.com), one of the nation’s largest drugstore chains, is included in the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (NASDAQ: WBA), the first global pharmacy-led, health and wellbeing enterprise. More than 10 million customers interact with Walgreens each day in communities across America, using the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. Walgreens operates 8,175 drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, along with its omnichannel business, Walgreens.com. Approximately 400 Walgreens stores offer Healthcare Clinic or other provider retail clinic services.