



Walgreens Boots Alliance Comments on 340B Program

July 24, 2017

DEERFIELD, Ill.--(BUSINESS WIRE)-- Beginning today, members of Walgreens Boots Alliance, Inc. (Nasdaq:WBA) management will be meeting with various investors. During these meetings, in addition to answering general inquiries, the company intends to clarify its participation in the U.S. Health Resources and Services Administration 340B drug pricing program.

For the first nine months of fiscal 2017, prescriptions related to the 340B program represented less than 1 percent of the Retail Pharmacy USA division's prescription volume*. The division has around 1,200 340B contracts. During the first nine months of fiscal 2017, 340B prescriptions were filled at approximately 6,100 of the division's pharmacies. 340B prescriptions represented a small percentage of the total prescriptions filled by these pharmacies.

The proposal from the U.S. Centers for Medicare and Medicaid Services, announced on 13 July 2017, seeks to address how Medicare pays hospitals for drugs acquired under the 340B program, but does not propose eliminating the program altogether. The hospital market represents slightly more than half of the Retail Pharmacy USA division's overall 340B prescriptions. As required by law, 340B drug inventory is owned by the covered entity, not by the pharmacy.

On a pro forma basis, for the nine months ended 31 May 2017, had the proposed changes to the program been in place throughout the period, the company estimates that the net impact on Retail Pharmacy USA divisional adjusted gross profit dollars would have been less than 0.5 percent.

* Prescription volumes, including immunizations, are reported on a 30-day adjusted basis.

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. 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 400,000* 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 over 13,200* stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 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, Botanics, Liz Earle and Soap & Glory.

In October 2016 Walgreens Boots Alliance received the United Nations Foundation Global Leadership Award for its commitment to the UN's Sustainable Development Goals. The company also 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 2016, using publicly available information for AmerisourceBergen.

** For 12 months ending 31 August 2016, using publicly available information for AmerisourceBergen.

(WBA-GEN)

Cautionary Note Regarding Forward-Looking Statements: All statements in this release that are not historical including, without limitation, those regarding proposed revisions to the 340B program and the terms, timing or effects thereof and any estimates of future financial and operating performance, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not guarantees of future performance and involve risks, assumptions and uncertainties, including those associated with the terms, timing and effects of any revisions to the 340B program, changes in market and regulatory conditions, and those described in Item 1A (Risk Factors) of our Form 10-K for the fiscal year ending 31 August 2016 and our Form 10-Q for the fiscal quarter ended 31 May 2017, each of which is incorporated herein by reference, and in other documents that we file or furnish with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially. These forward-looking statements speak only as of the date they are made. Except to the extent required by law, we do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

View source version on businesswire.com: <http://www.businesswire.com/news/home/20170724005374/en/>

Walgreens Boots Alliance, Inc.

Media Relations

USA / Michael Polzin, +1 847-315-2935

or

International / Laura Vergani, +44 (0)207 980 8585

Investor Relations

Gerald Gradwell and Ashish Kohli, +1 847-315-2922

Source: Walgreens Boots Alliance, Inc.

News Provided by Acquire Media