



Walgreens Boots Alliance

Walgreens November Sales Increase 4.9 Percent

December 3, 2014

DEERFIELD, Ill., Dec. 3, 2014 - Walgreens (NYSE: WAG) (Nasdaq: WAG) had November sales of \$6.36 billion, an increase of 4.9 percent from \$6.06 billion for the same month in fiscal 2014.

Total front-end sales increased 1.3 percent compared with the same month in fiscal 2014, while comparable store front-end sales increased 0.8 percent. Customer traffic in comparable stores decreased 3.3 percent while basket size increased 4.1 percent.

Prescriptions filled at comparable stores increased by 2.6 percent in November and increased 4.6 percent on a calendar day-shift adjusted basis. This year's November had one additional Sunday and one fewer Friday compared with November 2013. These calendar shifts negatively impacted prescriptions filled at comparable stores by 2.0 percentage points. Prescriptions filled at comparable stores were positively impacted by 0.1 percentage point due to more flu shots versus last year.

November pharmacy sales increased by 7.6 percent, while comparable store pharmacy sales increased 6.7 percent and increased by a calendar day-shift adjusted 8.7 percent. Calendar day shifts negatively impacted pharmacy sales in comparable stores by 2.0 percentage points. Calendar day-shift adjusted comparable store pharmacy sales were negatively impacted by 1.9 percentage points due to generic drug introductions in the last 12 months, and were positively impacted by 0.1 percentage point due to more flu shots versus last year. Pharmacy sales accounted for 65.2 percent of total sales for the month.

Flu shots administered at pharmacies and clinics season to date were nearly 7.0 million versus more than 6.1 million last year.

Sales in comparable stores increased by 4.5 percent in November. Calendar day shifts negatively impacted total comparable sales by 1.3 percentage points, while generic drug introductions in the last 12 months also negatively impacted total comparable sales by 1.3 percentage points.

Total sales for the first quarter of fiscal 2015, which ended Nov. 30, were \$19.59 billion, up 6.8 percent from \$18.34 billion in last year's quarter. Comparable store sales for the first quarter of fiscal 2015 increased 5.8 percent, while front-end comparable store sales for the quarter increased 1.5 percent. Prescriptions filled at comparable stores increased 4.2 percent in the first quarter and comparable pharmacy sales increased 8.3 percent.

Calendar 2014 sales to date were \$70.52 billion, an increase of 6.0 percent from \$66.52 billion in 2013.

Walgreens opened 24 stores during November, including 12 relocations, and closed one.

On Nov. 30, Walgreens operated 8,330 locations in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. That includes 8,229 drugstores, 30 more than a year ago, including 13 net stores acquired over the last 12 months. The company also operates infusion and respiratory services facilities, specialty pharmacies and mail service facilities. Walgreens digital business includes Walgreens.com, drugstore.com, Beauty.com, SkinStore.com and VisionDirect.com. Walgreens also manages more than 400 Healthcare Clinic and provider practice locations around the country.



Please note: Sales numbers and the adjustments shown in the table are preliminary, unaudited and subject to revision. Comparable stores are defined as those drugstore locations open for at least 12 consecutive months without closure for seven or more consecutive days and without a major remodel or a natural disaster in the past 12 months. Acquired operating locations and relocations are not included as comparable stores for the first 12 months after the acquisition or relocation.

Cautionary Note Regarding Forward-Looking Statements: Statements in this release that are not historical are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as "expect," "likely," "outlook," "forecast," "would," "could," "should," "can," "will," "project," "intend," "plan," "goal," "target," "continue," "sustain," "synergy," "on track," "believe," "seek," "estimate," "anticipate," "may," "possible," "assume," and variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks, assumptions and uncertainties, including, but not limited to, those described in Item 1A (Risk Factors) of our most recent Annual Report on Form 10-K, as amended, 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 from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by law, Walgreens does not undertake, and expressly disclaims, 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.