



Walgreens December Sales Increase 10.8 Percent

January 5, 2009

DEERFIELD, Ill., Jan. 5, 2009 - Walgreens (NYSE, NASDAQ: WAG) had December sales of \$6,107,300,000, an increase of 10.8 percent from \$5,512,830,000 for the same month in 2007. Sales in comparable stores (those open at least a year) rose 4.9 percent, while comparable store front-end sales increased 0.4 percent.

Walgreens stores saw steady consumer traffic throughout the month, with transactions in comparable stores increasing 0.7 percent in December.

December pharmacy sales increased 13.5 percent, while comparable pharmacy sales increased 8.5 percent. Comparable pharmacy sales were negatively impacted by 2.5 percentage points due to generic drug introductions in the last 12 months.

Total prescriptions filled at comparable stores increased 6.0 percent in December, negatively impacted by 0.6 percentage points due to the switch of Zyrtec from prescription to over-the-counter status. Pharmacy sales accounted for 58.8 percent of total sales for the month.

Calendar day shifts had a positive impact on the month, as pharmacy patients fill more prescriptions during the week than on weekends. This year, December had two more weekdays compared to December 2007. Calendar shifts positively impacted total comparable store sales by 2.0 percentage points, comparable pharmacy sales by 3.4 percentage points and prescriptions filled in comparable stores by 3.3 percentage points. Front-end sales were not impacted by the day shift.

December front-end sales were helped in part by strong sales of basic necessities, consumables and key beauty categories. Also, Zyrtec's switch to over-the-counter status benefited front-end sales by 0.4 percentage points. December sales were hurt by weakness in seasonal categories as consumers continue to focus on non-discretionary purchases.

Calendar 2008 sales were \$60,547,997,000 an increase of 9.2 percent from \$55,463,660,000 in 2007.

Fiscal 2009 year-to-date sales for the first four months were \$21,054,424,000 up 7.7 percent from \$19,540,713,000. Comparable store sales for the fiscal year to date increased 2.6 percent.

Walgreens opened two stores during December, acquired five stores and closed one.

At Dec. 31, Walgreens operated 7,131 locations in 49 states, the District of Columbia, Puerto Rico and Guam. That includes 6,636 drugstores, 596 more than a year ago. The company also operates worksite health centers, home care facilities and specialty, institutional and mail service pharmacies. Its Take Care Health Systems subsidiary manages 678 in-store convenient care clinics and worksite health and wellness centers. Franchisees of Option Care, Inc., a wholly-owned subsidiary of Walgreens, are not included in Walgreens location or store count.

Please note: Monthly sales numbers are preliminary and unaudited. 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. Relocated and acquired stores are not included as comparable stores for the first 12 months after the relocation or acquisition.