



Walgreens Boots Alliance

Kroger & Walgreens Join Together in Exploratory Pilot

October 2, 2018

Companies testing offering that brings Kroger Pickup and selection of Kroger-owned brands to Walgreens stores in select pilot locations

DEERFIELD, Ill. & CINCINNATI--(BUSINESS WIRE)--Oct. 2, 2018-- The Kroger Co. (NYSE: KR) and Walgreens today announced that the companies are collaborating on an exploratory pilot with a new format and concept that combines Kroger's role as America's grocer and food authority with Walgreens global expertise in pharmacy, health and beauty.

The two retail leaders have selected 13 Walgreens stores in Northern Kentucky, near Kroger's Cincinnati headquarters, to pilot the format. The companies will conduct this pilot over the next several months, listening closely to customer feedback.

"This exciting collaboration aligns with Kroger's vision of serving America through food inspiration and uplift," said Rodney McMullen, Kroger's chairman and CEO. "This concept brings together the best of two great brands to rethink convenience and redefine the way America shops for food."

Initially, Kroger and Walgreens will develop and test a one-stop shopping experience where customers can access products and services from both companies. Customers will be able to order Kroger grocery items online and pickup orders at the participating Walgreens locations. Kroger's popular *Our Brands* grocery items, including America's largest natural and organic brand, Simple Truth®, will also be available in-store at participating Walgreens locations. The diversified shopping assortment will complement Walgreens products and services across health and wellness, pharmacy and beauty.

"This innovative new concept is an opportunity to test and learn, as we determine how we can best work together to further elevate our customer offering," said Stefano Pessina, executive vice chairman and CEO of Walgreens Boots Alliance, Inc. "We continue to evolve our offerings to meet the changing needs of our customers and provide a more differentiated shopping experience. We've been implementing new approaches to promotions, product selection and other areas to deliver greater value in our stores."

About Kroger

The Kroger Co. (NYSE: KR), is dedicated to its Purpose: to Feed the Human Spirit™. Our family of companies are nearly half a million associates who serve nine million customers daily through a seamless digital shopping experience and 2,800 retail food stores under a variety of banner names, serving America through food inspiration and uplift, and creating #ZeroHungerZeroWaste communities by 2025. To learn more about Kroger, visit its newsroom and investor relations site.

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. Approximately 8 million customers interact with Walgreens in stores and online each day, using the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. As of June 28, 2018, Walgreens operates approximately 9,800 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.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20181002005278/en/>

Source: Walgreens

Kroger Media:

Kristal Howard, (513) 762-1304

or

Kroger Investors:

Rebekah Manis, (513) 762-4969

or

Walgreens Media:

Brian Faith, (847) 315-2921

or

Walgreens Investors:

Gerald Gradwell, Ashish Kohli, (847) 315-2922