



Annual results
for the year ended 31 March 2014

Press conference
15 May 2014



Stefano Pessina
Executive Chairman

Regulatory statement

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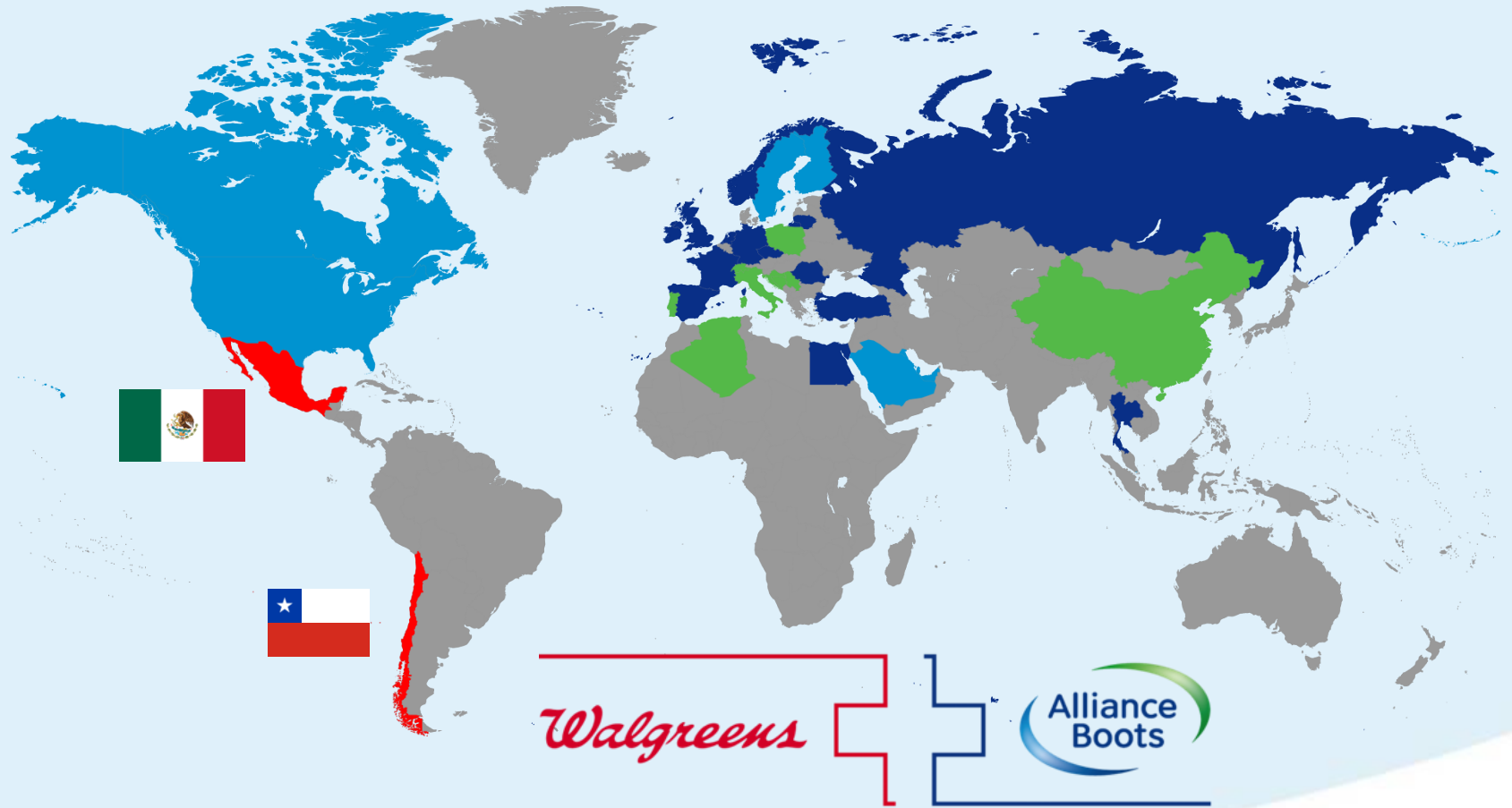
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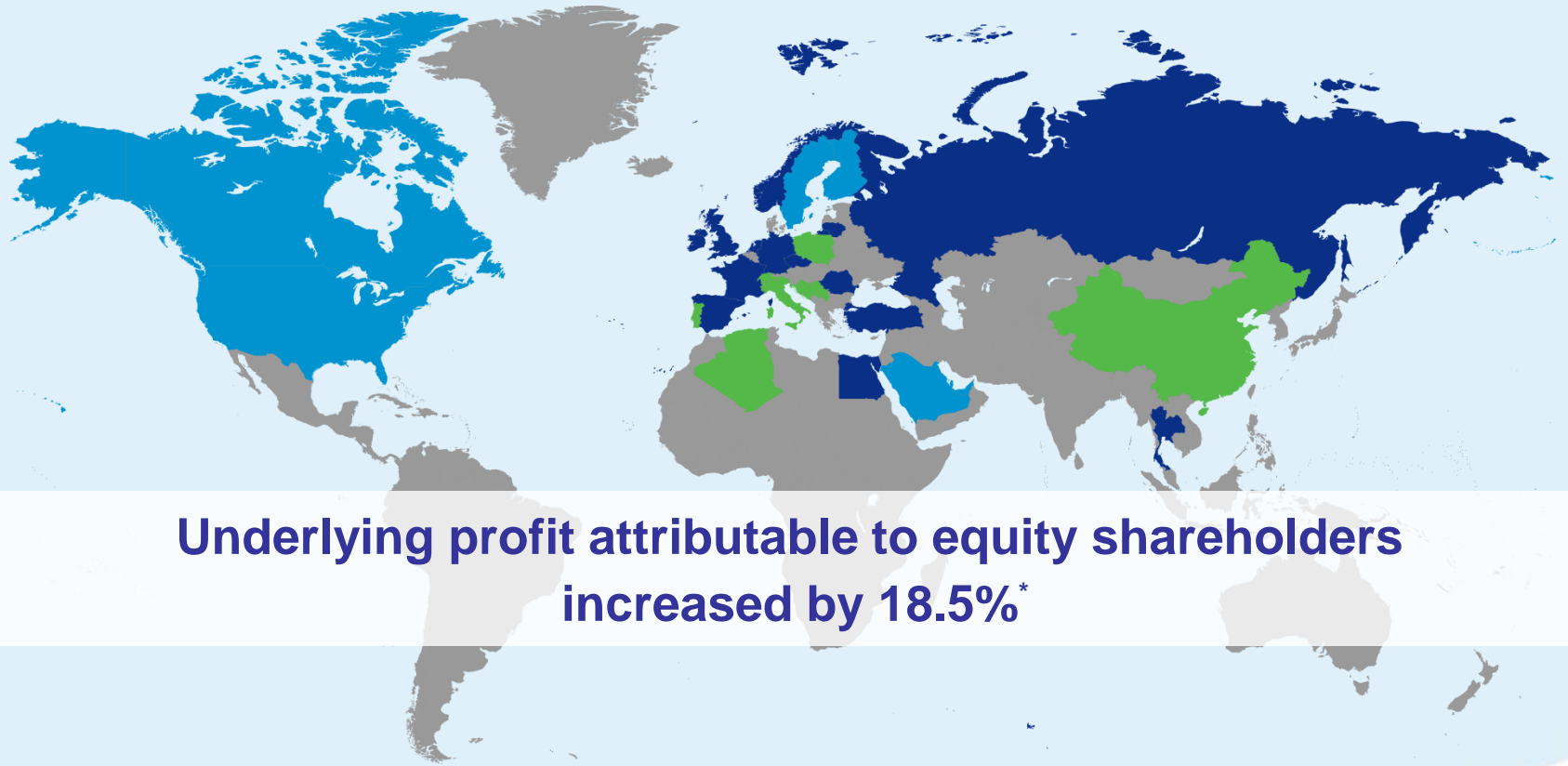
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2013/14 overview



2013/14 overview



**Underlying profit attributable to equity shareholders
increased by 18.5%***

* Excludes distributed associate



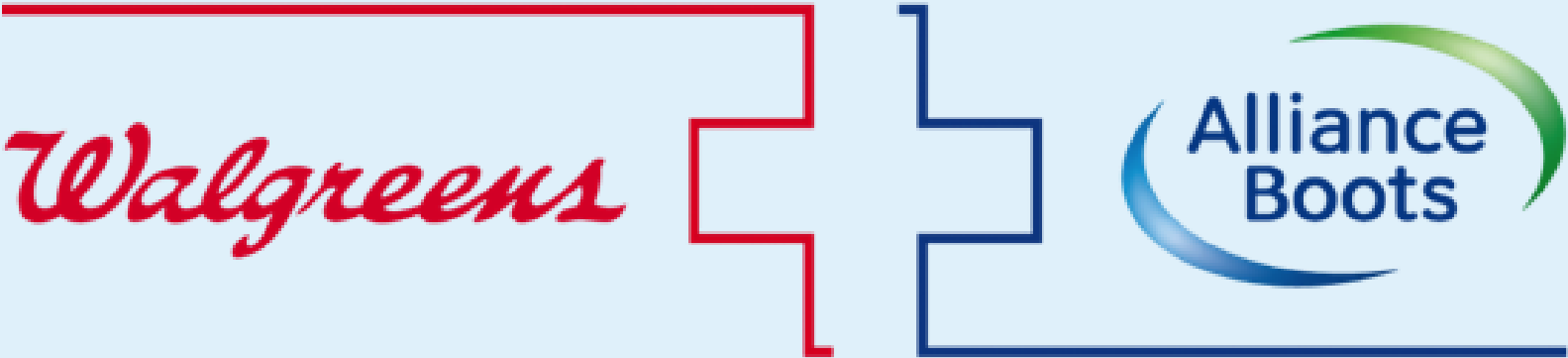
Health & Beauty Division



Pharmaceutical Wholesale Division

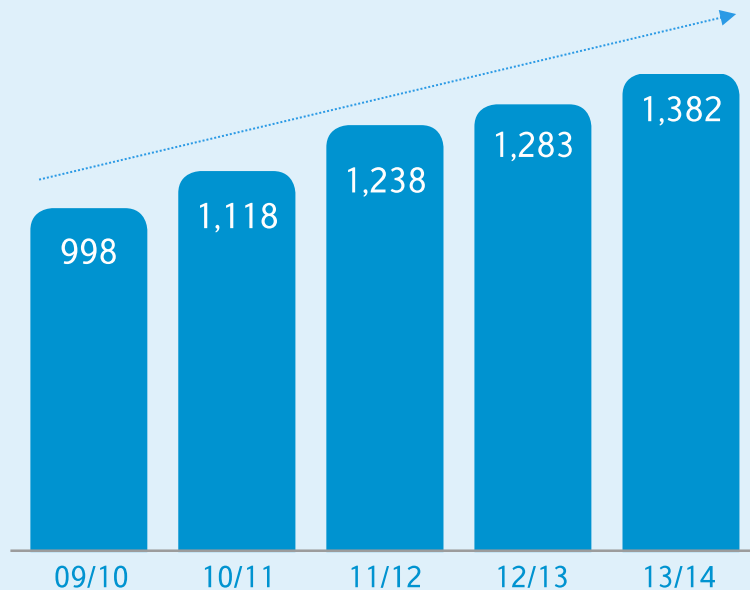


Joint synergy programme

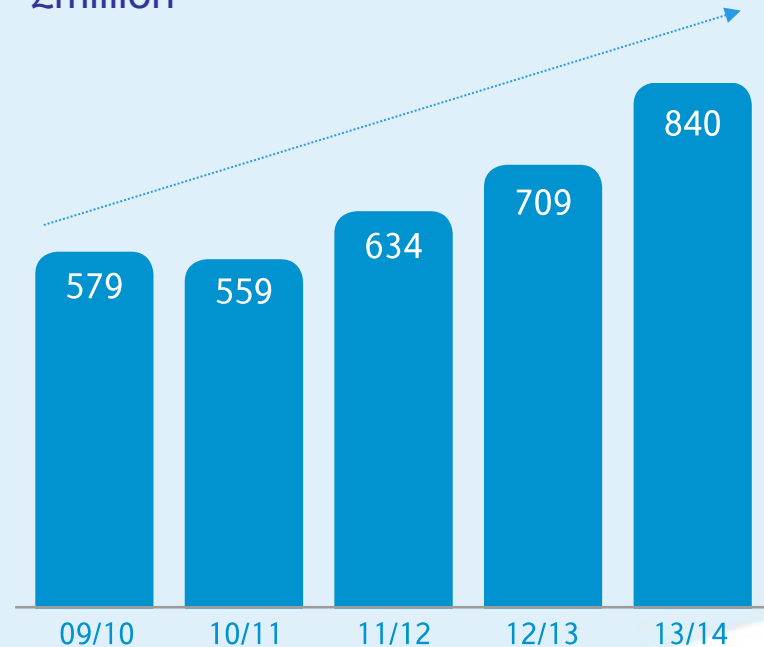


Alliance Boots continues to deliver higher profits

Trading profit
including share of associates
and joint ventures*
£million



Underlying profit
attributable to equity
shareholders*
£million



* Excludes distributed associate





George Fairweather
Group Finance Director

Group financial highlights

Year ended 31 March 2014

Revenue:

- reported: up 4.3% to **£23.4bn**
- including share of associates and joint ventures*: up 4.3% to **£25.7bn**

Trading profit:

- reported: up 0.4% to **£1,270m**
- including share of associates and joint ventures*: up 7.7% to **£1,382m** - up 8.0% in constant currency

* Excludes distributed associate



Group financial highlights

Year ended 31 March 2014

Profit attributable to equity shareholders:

- underlying*: up 18.5% to **£840m**
- statutory: up 32.4% to **£936m**

Cash generated from operations: £1,544m

Net borrowings reduction: £842m

- to under £5.1bn

* Excludes distributed associate





Health & Beauty Division

Year ended 31 March 2014

Revenue: c.£7.7bn

- up 2.4% (up 2.5% constant currency)

Trading margin: 11.6%

- maintained

Trading profit: £886m

- up 2.4% (up 2.4% constant currency)



Health & Beauty – UK

Year ended 31 March 2014



Revenue: c.£6.7bn

- up 2.3%

Trading margin: 12.4%

- maintained

Trading profit: £830m

- up 2.1%



Comprises Boots UK and Boots Opticians



Boots UK

Year ended 31 March 2014



Revenue: c.£6

Beauty & Toiletries

35%

35%

15%

15%

Lifestyle

Retail Health



Boots UK – Dispensing

Year ended 31 March 2014



Items dispensed: 222m

Increasing number of doctors
issuing electronic prescriptions

- now accounting for c.9% of
Boots volumes in England





Boots UK – Retail

Year ended 31 March 2014

Revenue: **c.£4.1bn**

- up 3.4% (up 2.0% like for like)

boots.com

- revenue up 30%

- 59% of orders collected
in-store

- net contribution increased
substantially



Boots UK – product categories

Year ended 31 March 2014



Retail Health: £936m

- up 3.5%

Beauty & Toiletries: £2,253m

- up 3.4%



Launching innovative new products



Boots Opticians

Year ended 31 March 2014



Like for like revenue - up 4.3%



Health & Beauty Division – International

Year ended 31 March 2014



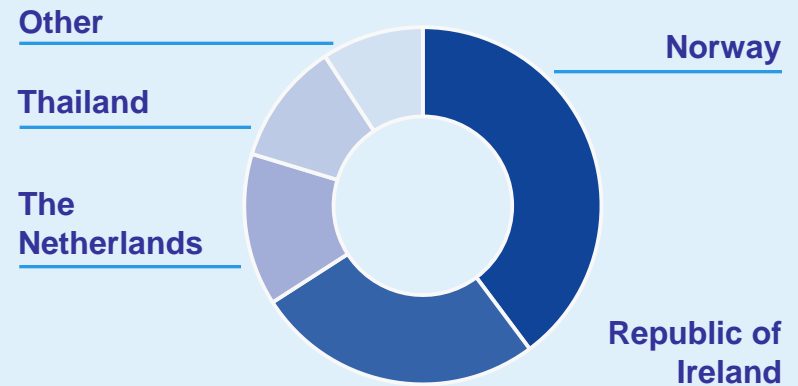
Revenue: £965m

- up 3.2% reported basis
(up 3.9% constant currency)

Trading profit: £56m

- up 7.7% reported basis
(up 6.4% constant currency)

Revenue mix by country



Internationalising our product brands



**Boots product sales grew strongly
in North America & Middle East**



Internationalising our product brands



Sales by our US customers totalled almost \$120 million*

* At retail value



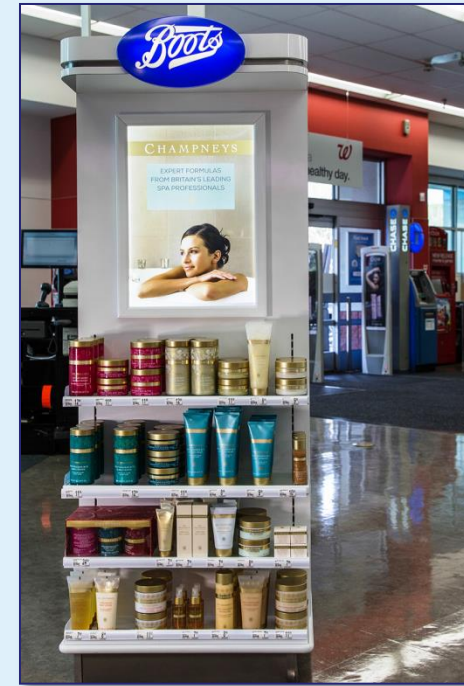
Internationalising our product brands



**No7 Men – available in over
7,200 Walgreens stores**



Internationalising our product brands



Wider Boots range – launched in 189 Walgreens stores across Arizona



Internationalising our product brands



**Now being rolled out to
c.180 stores in New York**



Accelerating flow of innovative products



Pharmaceutical markets



Pharmaceutical Wholesale Division

Year ended 31 March 2014

Revenue: £17.2bn

- up 4.8% (up 4.8% constant currency)

Trading margin: 2.5%

- down 0.2pp

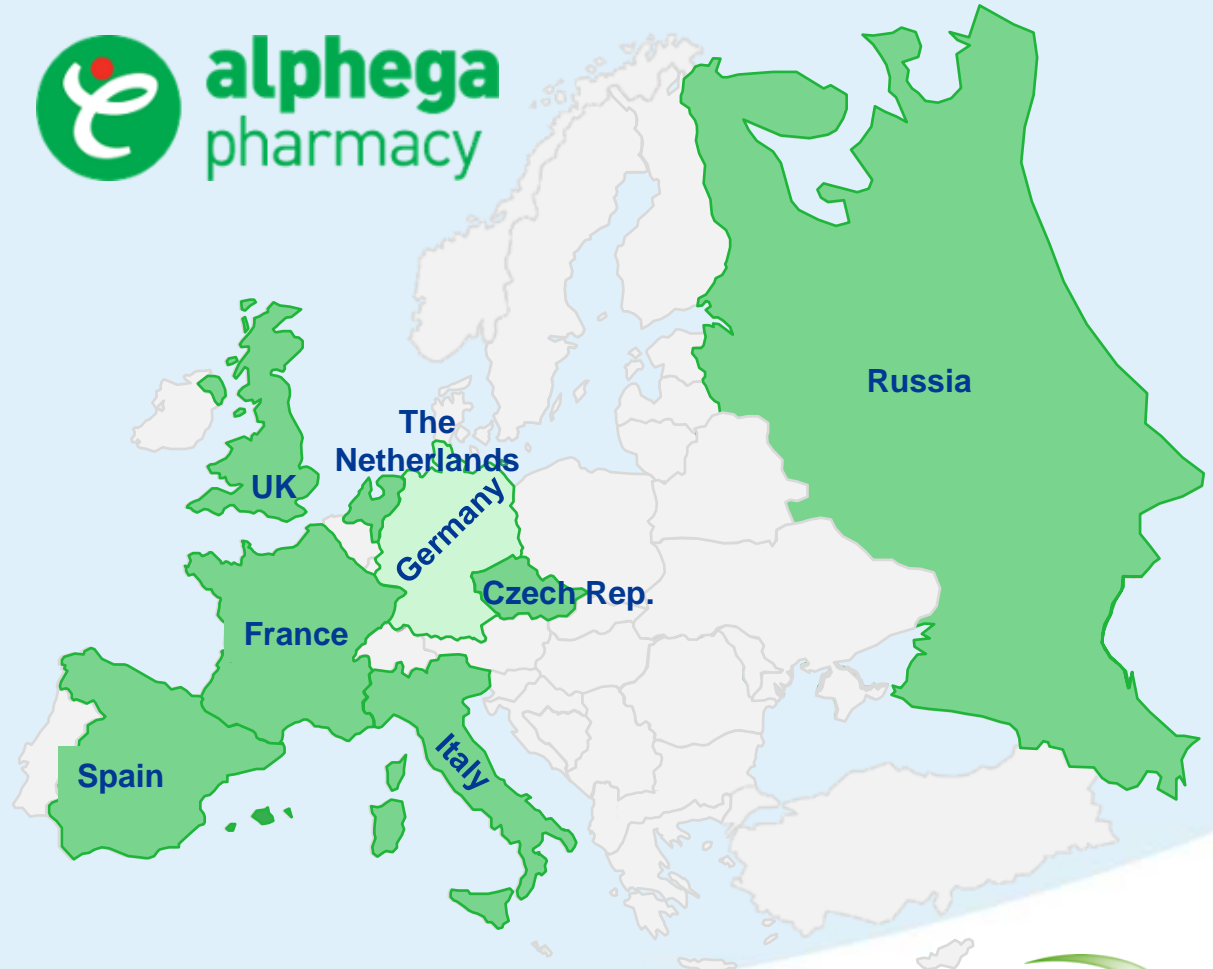
Trading profit: £428m

- down 1.6% (down 0.8% constant currency)

Pharmaceutical Wholesale Division



Our European network of independent pharmacists



Associates and joint ventures

Year ended 31 March 2014



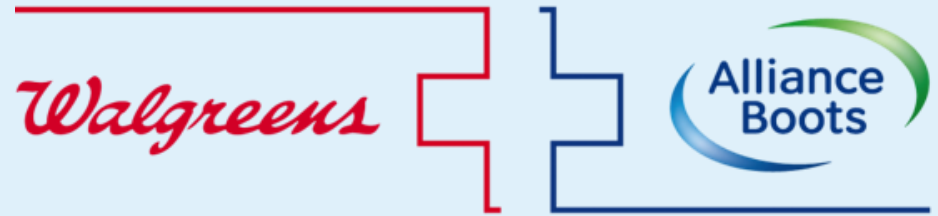
Share of underlying post tax earnings*: **£79m**
- up £85m

* Excludes distributed associate



Walgreens Boots Alliance Development

Year ended 31 March 2014




AmerisourceBergen®

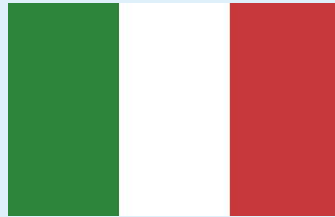
Share of underlying post tax earnings: **£58m**

- up £52m



Other associates and joint ventures

Year ended 31 March 2014



Share of underlying post tax earnings*: **£21m**

* Excludes distributed associate



Net finance costs and tax

Year ended 31 March 2014

Underlying net finance costs: £311m

Underlying tax charge: £150m

Tax paid: £141m (UK £90m)

- up £27m (UK up £26m)

Cash flow and balance sheet

Year ended 31 March 2014

Cash generated from operations: **£1,544m**

Cash capital expenditure: **£253m**

Acquisition related expenditure: **£166m**



Net borrowings and equity

Year ended 31 March 2014

Net borrowings reduced by £842m

- to under £5.1bn

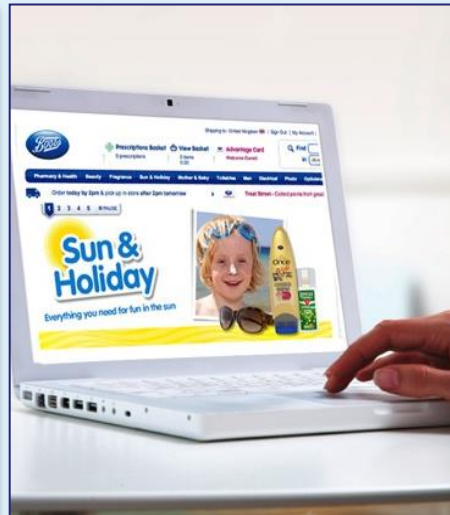
Equity increased by £552m

- to c.£6.2bn

Financial outlook



Transforming our industry



Transforming our industry



Transforming our industry



Transforming our industry



“We continue on our path to become the clear world leader in both retail pharmacy and pharmaceutical wholesaling”

China





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