

# Walgreens Boots Alliance Fiscal 2021 Q3 Earnings

Results exceed expectations; Company raises guidance for full year fiscal 2021

"This quarter's results demonstrate continued momentum, and while challenges lie ahead, we are in a strong position to grow and innovate our core retail and pharmacy businesses for the future. We are accelerating our investments to advance our operational excellence, including technology innovations that support mass personalization, pharmacy of the future and the next phase of growth in tech-enabled healthcare. These investments are fueled by our Alliance Healthcare divestiture. I remain proud of our team members and the essential role they are

playing to help end the pandemic as the communities we serve continue to turn to our trusted brands and expert pharmacists." Chief Executive Officer Roz Brewer

## For complete Q3 fiscal 2021 results, announced on July 1, 2021,

Selected Financial Results

please click here. The following selected results are for WBA total operations, including

continuing operations and those that were discontinued following the completion of the sale of Alliance Healthcare, which was announced on June 2, 2021.

**Adjusted EPS** 

in Q3, up 81.4% year-on-year on a

constant currency basis

**Reported EPS** 

in Q3, compared to a loss in the year-ago quarter

Free cash flow

a \$788M increase year-on-year

and do not account for operations of the divested assets. **Adjusted EPS** Reported EPS Sales

The following selected results are for WBA continuing operations

in Q3, up 93.6% year-on-year on a constant currency basis

in Q3, compared to a loss in the year-ago quarter

The company raised fiscal 2021 guidance from mid-to-high

13, up 12.1% year-on-year

to date.

Outlook

single digit growth to around 10 percent growth in constant currency adjusted EPS from continuing operations. The revised guidance reflects strong results in the third quarter and greater clarity on the impact of COVID-19 vaccinations.

### Walgreens and Boots UK pharmacists continue to play a critical role on the front lines of the pandemic, including the following examples through June

Fighting the Pandemic

COVID-19 vaccinations COVID-19 tests

including same-day and walk-in appointments, mobile clinics and employer partnerships. COVID-19 tests

Boots is one of the UK's leading

COVID-19 test providers with more

the majority in partnership with the

than 3M COVID-19 tests administered,

Walgreens has administered more

than 25M COVID-19 vaccinations to

date and has expanded vaccination

models to ensure convenient access,

National Health Service, and a growing private test offering with several at home and in-store tests available, in addition to testing partnerships with several major airlines. Strategic Priorities

Walgreens has administered more than 8M COVID-19 tests to date as part of its Test & Protect efforts, including over-the-counter self tests.

locations

Action in June.

Walgreens extended hours to ensure

convenient vaccination access at over

4,000 locations as part of the Biden

Administration's National Month of





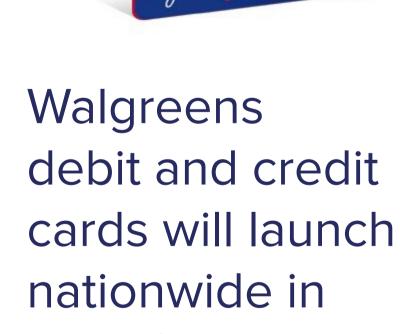




# WBA and VillageMD opened 46 previously

announced Village Medical at Walgreens locations and plan to open the next 35 locations by the end of calendar 2021, for a total of approximately 80 co-locations.

Mass personalization boosted Walgreens retail sales by 100 basis points in the third quarter.



cards will launch early fall as part of its expanded financial services offering.

Boots HEALTH HUB

**Boots UK launched** the Boots Health Hub, an innovative marketplace that serves as a gateway to Boots

and third party

services.

As part of iA pharmacy automation efforts aimed at improving

health outcomes over time by empowering pharmacists to deliver

healthcare services, two micro-fulfillment centers are operating in

Phoenix and Dallas; these currently support approximately 550

online healthcare

## Walgreens Walgreens completed the nationwide

deployment of its SAP S/4HANA front of store technology platform.

### increased to more

**W** Find Care

Walgreens

Find Care

platform use

than 135M visits in the third quarter, mostly driven by COVID-19 testing and vaccinations.



More than 500

excess of \$2B in annual cost savings by fiscal 2022.

The company is on

track to deliver in

grown to 75M, up from 56M in the

MyWalgreens

membership has

second quarter.

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 are subject to risks, uncertainties and assumptions, known or unknown, that could cause actual results to vary materially and speak only

as of the date they are made. The company does not undertake, and expressly disclaims, any duty or obligation to update publicly any forward-looking

This message contains selected results from WBA's fiscal quarter ended May 31, 2021 and is not intended to be a substitute for a comprehensive review of the company's earnings release, linked above and available in the Investor Relations section of walgreensbootsalliance.com, and the company's filings with the U.S. Securities and Exchange Commission, which can be found at www.SEC.gov. Cautionary Note Regarding Forward-Looking Statements: All statements in this message that are not historical are forward-looking statements made

WBA reports earnings according to generally accepted accounting principles (GAAP). The company's adjusted results are non-GAAP financial measures that exclude the impact of certain items affecting comparability and that supplement GAAP results. Please refer to the "Supplemental Information (Unaudited) Regarding Non-GAAP Financial Measures" in the press release for more information including reconciliations to the most directly comparable GAAP financial measures.

Free cash flow is a non-GAAP financial measure. WBA net cash provided by operating activities was \$1.8B in the third quarter of fiscal 2021, up from \$914M

statement after the date of this message.

in the third quarter of fiscal 2020.

Walgreens locations, and will soon support approximately 1,000 locations.