

Walgreens Boots Alliance Fiscal 2022 Q2 Earnings

Strong Execution with Continued Progress on Strategic Priorities

"Second quarter results demonstrated broad-based execution, driving strong comparable sales and robust earnings growth. We continue to make important strides along our strategic priorities, building a consumer-centric, technology-enabled healthcare enterprise at the center of local communities. VillageMD and Shields are delivering tremendous pro forma sales growth compared to their year-ago standalone results, and our Walgreens Health segment is on track toward long-term targets. The strategic review of our Boots business is progressing, and our transformational actions are accelerating sustainable value creation." Chief Executive Officer Roz Brewer

Selected Financial Results

For complete Q2 fiscal 2022 results, announced on March 31, 2022, please click here. The following selected results are for WBA continuing operations.

Sales

in Q2, up 3.8% year-on-year on a constant

Free cash flow

currency basis

with the year-ago quarter

a \$431 million decrease compared

Adjusted EPS

in Q2, up 26.5% year-on-year on a constant currency basis

Reported EPS

a decrease compared with an EPS

of \$1.06 in Q2 fiscal 2021

Outlook

Maintaining full year adjusted EPS guidance of low-single digit growth.

Strategic Priorities

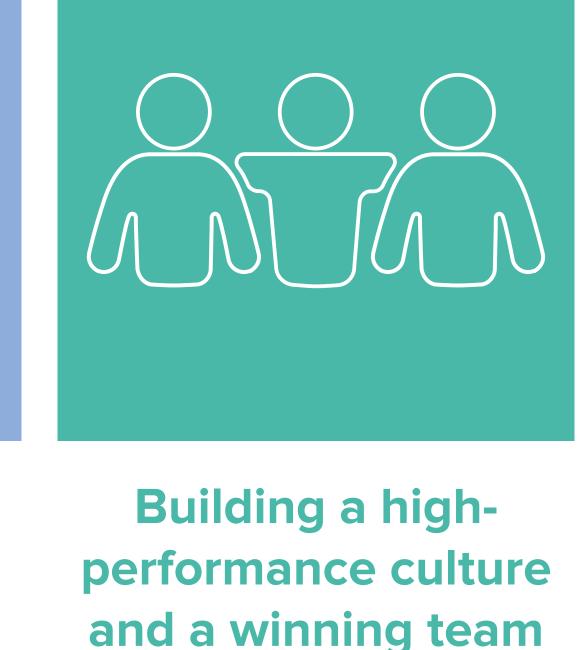






The expanded Transformational Cost Management

Program is on track to deliver \$3.3 billion in annual



Walgreens continued to achieve strong results across its businesses, including the following accomplishments around the COVID-19 pandemic

Continuing to Play a Leading Role in Fighting the Pandemic

COVID-19 vaccinations COVID-19 tests boosters

vaccinations, including 11.8 million COVID-19 vaccinations in Q2

To date Walgreens has

administered more than

62.8 million COVID-19

Walgreens has administered more than 27 million COVID-19 tests to date, including

tests in Q2 Transformational Cost Management Program

6.6 million COVID-19

More than 12 million* boosters administered to date

vaccinations to date

*The 12M boosters are included in the

Walgreens 62.8M+ total for COVID-19

cost savings by fiscal 2024 Annual cost savings

Business Updates

myWalgreens membership

at 96.1M members in Q2, up

10.9M members since Q4

Health **47** Walgreens Health

Corners launched to date, on

CareCentrix closing expected

track toward 100+ by the

end of calendar year 2022

by the end of Q3, subject to regulatory approval

The Walgreens Health

segment had second quarter sales of \$527M resulting

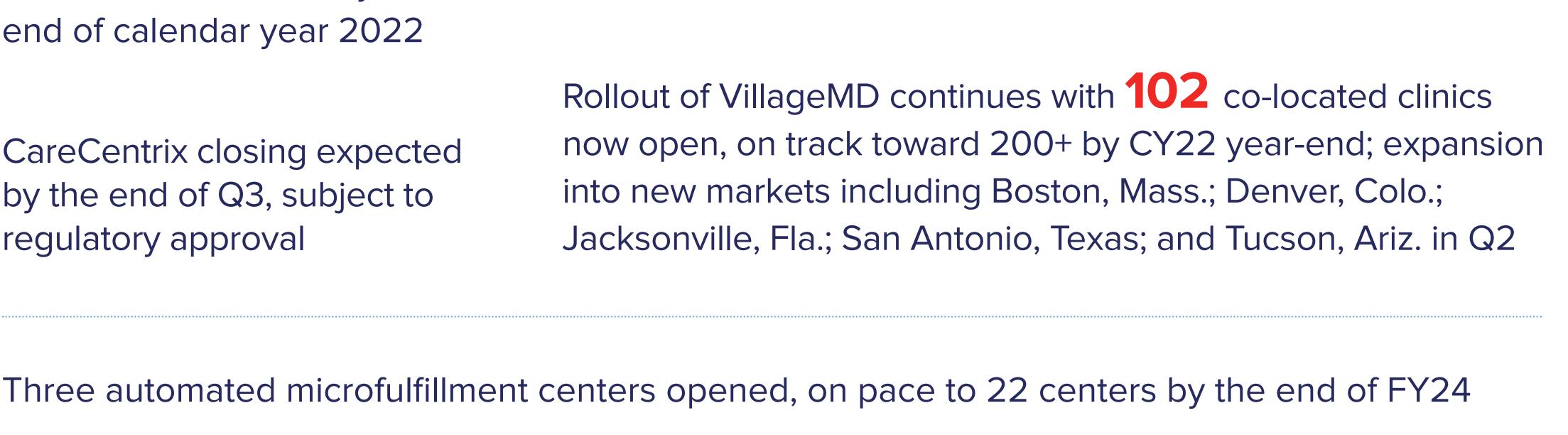
Robust growth in U.S. omnichannel business with

digital sales up 38% in Q2, on top of 78% in the year-

ago period, driven by 3.9M same day pick-up orders

from the acquisitions of

VillageMD and Shields.



Boots Price

Advantage

program

Nationwide launch of



Reintroduction

Launched FY21 **Environmental, Social,**

and Governance (ESG)

Report



With you. For life.

for Advantage cardholders Acquired remaining interest in Germany wholesale business

on January 31, 2022

from 55 percent to 100 percent, on December 31, 2021

Completed the consolidation of holding in AllianceRx Walgreens

This message contains selected results from WBA's fiscal quarter ended Feb. 28, 2022 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 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 statement after the date of this message.

(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 \$1.1 billion in the second quarter of fiscal 2022, down \$277 million from the second quarter of fiscal 2021.

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

