



Walgreens and Prime Therapeutics Complete Formation of AllianceRx Walgreens Prime, a Combined Central Specialty Pharmacy and Mail Services Company

Transaction closing part of strategic alliance announced last August

Leadership team selected, headquarters in Orlando, Fla.

DEERFIELD, Ill. and ST. PAUL, Minn. – April 3, 2017 – Walgreens and pharmacy benefit manager (PBM) [Prime Therapeutics LLC](#) (Prime) today announced the closing of their transaction to form a combined central specialty pharmacy and mail services company, as part of a strategic alliance first announced by the companies last August. The company, AllianceRx Walgreens Prime, is headquartered in Orlando, Fla.

Active work to unite mail services and central specialty operations will begin immediately. The parties also announced the AllianceRx Walgreens Prime leadership team. Joel Wright, formerly divisional vice president for Walgreens specialty solutions, will lead the company as its CEO after holding numerous leadership roles within Walgreens over the past 25 years. Other executive team appointments include:

- Guillermo Sollberger, chief operating officer
- Alex Katen, chief financial officer
- Daniel Tardiff, chief legal officer
- Don Vidic, chief pharmacy and growth officer
- Jim Adams, chief information officer

“I’m honored to have the opportunity to lead this innovative company, and with a strong leadership team and experienced employees, we’ll be well positioned to meet the evolving prescription drug needs of consumers,” said Wright. “Leveraging Walgreens pharmacy network and operational efficiencies, along with the pharmacy benefit management expertise of Prime, we have the resources to deliver better care coordination, patient outcomes, and exceptional care and service to patients and payers.”

AllianceRx Walgreens Prime will manage several consolidated mail service and central specialty pharmacy operations. Its workforce of approximately 3,000 employees nationally will be comprised of current Walgreens and Prime employees, including those currently working at the existing Prime location in Orlando. The AllianceRx Walgreens Prime brand will be rolled out in the marketplace over the coming months.

While Prime’s pharmacies will now be part of the combined company, Prime will continue its core function of providing pharmacy benefit management services from its locations in Minnesota, Nebraska, New Mexico and Texas. Similarly, Walgreens will continue to operate its more than 230 specialty pharmacies throughout the U.S., in addition to its retail pharmacies.

Central specialty pharmacy and mail service customers of Walgreens and Prime will be seamlessly transitioned and can benefit from features such as omni-channel tools and resources to help improve medication adherence, 24/7 pharmacy support and pickup of specialty medicines at Walgreens retail locations.

The companies are already providing a number of new benefits for members through the retail network component of the agreement, which took effect Jan. 1. For example, the 90DayMyWay[®] program gives members the option of picking up 90-day prescriptions at any Walgreens location or having them delivered to their home. Additionally, Blue Cross and Blue Shield members can receive consultations from a Walgreens pharmacist upon beginning a new medication therapy, and can also receive important reminders about certain preventive health care services, such as immunizations.

"I am pleased with the progress to-date to launch this innovative joint venture and to ensuring the success of our new alliance," said Prime President and CEO Jim DuCharme. "Already, the retail pharmacy network agreement component of our alliance is yielding considerable savings for our plans and their members, as fully 50 percent of Prime's members have transitioned into a network anchored by Walgreens. We have built a powerful team of leaders at our joint company with the experience to deliver efficiencies and enhanced care coordination through our combined pharmacies. I look forward to this joint company delivering better health outcomes and deeper savings for our health plans and members for years to come and to governing the new company together with Walgreens."

AllianceRx Walgreens Prime will be consolidated by Walgreens Boots Alliance, Inc., the parent company of Walgreens, in its financial statements. Full integration is expected to be complete by early calendar year 2018.

Cautionary Note Regarding Forward-Looking Statements: All statements in this release 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 involve risks, assumptions and uncertainties, including, but not limited to, those related to the timing and effectiveness of transition and integration plans, the ability to realize the anticipated benefits of the alliance, and the ability to realize anticipated operating and purchasing efficiencies and achieve anticipated financial and operating results in the amounts and at the times anticipated, as well as those described in Item 1A (Risk Factors) of Walgreens Boots Alliance, Inc.'s Form 10-K for the fiscal year ending 31 August 2016, which is incorporated herein by reference, and in other documents that Walgreens Boots Alliance, Inc. files or furnishes with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially. These forward-looking statements speak only as of the date they are made. Except to the extent required by law, each of Walgreens Boots Alliance, Inc., Walgreens and Prime do not undertake, and expressly disclaim, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

About Walgreens

Walgreens (www.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. More than 10 million customers interact with Walgreens each day in communities across America, using the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. Walgreens operates 8,175 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.

About Prime Therapeutics

Prime Therapeutics LLC (Prime) helps people get the medicine they need to feel better and live well. Prime manages pharmacy benefits for health plans, employers, and government programs including Medicare and Medicaid. The company processes claims and delivers medicine to members, offering clinical services for people with complex medical conditions. Prime serves nearly 20 million people. It is collectively owned by 14 Blue Cross and Blue Shield Plans, subsidiaries or affiliates of those plans. For more information, visit www.primetherapeutics.com or follow [@Prime_PBM](https://twitter.com/Prime_PBM) on Twitter.

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Media Contacts

Jim Cohn, Walgreens | jim.cohn@walgreens.com | 847-315-2950

Karen Lyons, Prime Therapeutics | klyons@primetherapeutics.com | 612.777.5742