



FY24 Q3 Earnings Results



WBA Q3 Sales



U.S. Retail Pharmacy



Second consecutive quarter of positive adjusted EBITDA in U.S. Healthcare segment, significant year-over-year growth

Continued solid performance in International; Boots UK retail comp sales +6.0% vs. year-ago quarter, Q3 sales of \$5.7B

Lowering FY24 adjusted EPS guidance to **\$2.80-\$2.95**, reflecting challenging pharmacy industry trends and a worse-than-expected U.S. consumer environment



Tim Wentworth,
Chief Executive Officer

"We continue to face a difficult operating environment, including persistent pressures on the U.S. consumer and the impact of recent marketplace dynamics which have eroded pharmacy margins. Our results and outlook reflect these headwinds, despite solid performance in both our International and U.S. Healthcare segments.

Informed by our strategic review, we are focused on improving our core business: retail pharmacy, which is central to the future of healthcare. We are addressing critical issues with urgency and working to unlock opportunities for growth. Many of these actions will take time, but I am confident that we have the right team and the right strategy to lead a business turnaround for the Walgreens that our customers and patients need."

Performance across business segments, sharpening focus on execution



U.S. Retail Pharmacy navigating external headwinds while delivering cost savings



Strong quarter for U.S. Healthcare driven by VillageMD and Shields



International continued solid performance, 13th consecutive quarter of market share gains for Boots UK



WBA taking action to right-size costs and increase cash flow, on track to deliver \$1B in projected cost savings in FY24



Driving \$600M in projected capex reduction, and \$500M in projected working capital improvements

Strategic Review Update

Finalizing significant multiyear footprint optimization program to close certain underperforming U.S. stores

Launching U.S. Retail Pharmacy action plan to invest in and deliver an improved customer and patient experience across channels

Aligning U.S. Pharmacy and Healthcare organizations for enhanced go-to-market capabilities

Simplifying and focusing the U.S. Healthcare portfolio



For complete results, announced on June 27, 2024, please click here.

This message contains selected results from WBA's fiscal quarter ended May 31, 2024, 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. 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.

