



FY25 Q1 Earnings Results



Tim Wentworth,
Chief Executive Officer

“Our first quarter results reflect our disciplined execution against our 2025 priorities: stabilizing the retail pharmacy by optimizing our footprint, controlling operating costs, improving cash flow and continuing to address reimbursement models.” said Tim Wentworth, Chief Executive Officer, Walgreens Boots Alliance. “While our turnaround will take time, our early progress reinforces our belief in a sustainable, retail pharmacy-led operating model.”

1Q Results Demonstrate Early Progress Against 2025 Priorities

- Execution on enterprise cost management
- Strength in U.S. Pharmacy Services and maintained script market share
- Underperformance in U.S. retail due to weaker cough cold flu season and continued challenging consumer discretionary spending environment
- Strong performance in International, with gross profit growth across all businesses led by strong retail performance in Boots UK
- Continued revenue and profitability growth in U.S. Healthcare



1Q financial results represent focus on several areas



For complete results, announced on January 10, 2025, please click [here](#).

This message contains selected results from WBA's fiscal quarter ended November 30, 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.

¹The company considers comparable prescriptions excluding immunizations as a key performance indicator (KPI) because the company's management evaluates its results of operations using this metric and believes that such KPIs provide additional perspective and insights when analyzing the core operating performance of the company from period to period and trends in its historical operating results. Comparable prescriptions excluding immunizations is calculated from total number of prescriptions.
²WBA reports earnings according to generally accepted accounting principles (GAAP). Free cash flow is a non-GAAP measure and is defined as net cash provided by operating activities in a period less additions to property, plant and equipment (capital expenditures), plus acquisition related payments and incremental pension payments made in that period. This measure does not represent residual cash flows available for discretionary expenditures as the measure does not deduct the payments required for debt service and other contractual obligations or payments for future business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to the Consolidated Condensed Statement of Cash Flows.

| Free Cash Flow | | |
|--|---------|---------|
| Three months ended November 30, | | |
| | 2024 | 2023 |
| Net cash used for operating activities (GAAP) | \$(140) | \$(281) |
| Less: Additions to property, plant and equipment | (284) | (506) |
| Free cash flow (Non-GAAP measure) | \$(424) | \$(788) |

