NEWS RELEASE

Walgreens Boots Alliance and McKesson to Create German Wholesale Joint Venture

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- New entity combines wholesale operations to drive sustainable growth and deliver efficient distribution solutions for an evolving market
- Partnership will enable investment in new and enhanced services, delivering operational excellence and maintaining service levels for German customers

DEERFIELD, Ill. & IRVING, Texas--(BUSINESS WIRE)-- Walgreens Boots Alliance (Nasdaq: WBA) and McKesson Corporation (NYSE: MCK) today signed an agreement to create a joint venture that will combine their respective pharmaceutical wholesale businesses in Germany, Alliance Healthcare Deutschland and GEHE Pharma Handel. WBA will have a 70% controlling equity interest in the joint venture and McKesson will have a 30% ownership interest.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20191212005230/en/

The new joint venture is expected to enhance the ability to compete and deliver high customer satisfaction through new services and operational excellence, ultimately advancing patient-centric solutions. In addition, the combined business will deliver efficient distribution solutions, and drive greater economies of scale, stimulating the competitiveness of the German pharmaceutical wholesale market. The transaction does not include any other WBA or McKesson businesses outside of the German wholesale activities.

Ornella Barra, Co-Chief Operating Officer, WBA, said: “Combining our wholesale operations is the right decision to secure the long-term success of both businesses. This is a strategic step that will offer benefits for all. We are creating a sustainable company to drive success for our customers and the German healthcare system.”

“We are excited to join forces with Walgreens Boots Alliance, and through this strategic partnership we are securing
the future of pharmaceutical distribution in the German market,” says Kevin Kettler, chairman of McKesson Europe's management board, “This transaction provides a unique opportunity to drive operational success in a complex environment.”

Organization and Regulatory Approvals

Both companies will have a proportional representation on the joint venture's Supervisory Board. The transaction is subject to merger clearance and approval by the customary authorities. This process is expected to take at least six months. Financial terms of the transaction have not been disclosed.

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25 countries and employ more than 415,000 people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with its equity method investments, has more than 18,500 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390 distribution centers delivering to more than 230,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Soap & Glory, Liz Earle, Sleek MakeUP and Botanics.

Walgreens Boots Alliance is proud to be a force for good, leveraging many decades of experience and its international scale, to care for people and the planet through numerous social responsibility and sustainability initiatives that have an impact on the health and wellbeing of millions of people.

Walgreens Boots Alliance is included in Fortune magazine's 2019 list of the World's Most Admired Companies and ranked first in the food and drugstore category. This is the 26th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list. More company information is available at www.walgreensbootsalliance.com.
About McKesson

McKesson Corporation, currently ranked 7th on the FORTUNE 500, is a global leader in healthcare supply chain management solutions, retail pharmacy, community oncology and specialty care, and healthcare information technology. McKesson partners with pharmaceutical manufacturers, providers, pharmacies, governments and other organizations in healthcare to help provide the right medicines, medical products and healthcare services to the right patients at the right time, safely and cost-effectively. United by our ICARE shared principles, our employees work every day to innovate and deliver opportunities that make our customers and partners more successful — all for the better health of patients. McKesson has been named the “Most Admired Company” in the healthcare wholesaler category by FORTUNE, a “Best Place to Work” by the Human Rights Campaign Foundation, and a top military-friendly company by Military Friendly. For more information, visit www.McKesson.com.

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