

Walgreens Boots Alliance and Rite Aid Receive Second Request from FTC under HSR Act

11 December 2015

DEERFIELD, Ill. and CAMP HILL, Pa. (BUSINESS WIRE (<http://www.businesswire.com>)), 11 December 2015 - Walgreens Boots Alliance, Inc. (Nasdaq: WBA) and Rite Aid Corporation (NYSE: RAD) today announced that, as expected, the two companies have each received a request for additional information ("second request") from the Federal Trade Commission ("FTC") in connection with Walgreens Boots Alliance's proposed acquisition of Rite Aid. The second request was issued under notification requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). This second request is a standard part of the regulatory process in connection with the FTC's review.

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The transaction, which was announced 27 October 2015, is subject to approval of Rite Aid's stockholders and satisfaction of other customary closing conditions, including expiration or termination of the waiting period under the HSR Act. The effect of the second request is to extend the waiting period imposed by the HSR Act until 30 days after Walgreens Boots Alliance and Rite Aid have substantially complied with the request, unless that period is extended voluntarily by the parties or terminated sooner by the FTC. Walgreens Boots Alliance and Rite Aid have been cooperating with the FTC staff since shortly after the announcement of the proposed acquisition. Both companies expect the transaction to close in the second half of calendar 2016.

Notes to Editors:

About Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise.

The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

The company employs over 370,000* people and has a presence in more than 25* countries; it is the largest retail pharmacy, health and daily living destination in the USA and Europe. Including its equity method investments, Walgreens Boots Alliance is a global leader in pharmacy-led, health and wellbeing retail with over 13,100* stores in 11* countries. The company includes one of the largest global pharmaceutical wholesale and distribution networks with over 350* distribution centers delivering to more than 200,000** pharmacies, doctors, health centers and hospitals each year in 19* countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

Its 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, Botanics, Liz Earle and Soap & Glory. More company information is available at www.walgreensbootsalliance.com (<http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.walgreensbootsalliance.com&esheet=51241879&newsitemid=20151211005330&lan=en-US&anchor=www.walgreensbootsalliance.com&index=1&md5=2f20bba7d8833e66166cf4ed94153054>).

* As at 31 August 2015 including equity method investments

** For 12 months ended 31 August 2015 including equity method investments

About Rite Aid

Rite Aid Corporation (NYSE: RAD) is one of the nation's leading drugstore chains with nearly 4,600 stores in 31 states and the District of Columbia and fiscal 2015 annual revenues of \$26.5 billion. Information about Rite Aid, including corporate background and press releases, is available through the company's website at www.riteaid.com (<http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.riteaid.com&esheet=51241879&newsitemid=20151211005330&lan=en-US&anchor=www.riteaid.com&index=2&md5=df0ecf8cdf2ec277c569557754bb1968>).

Cautionary Statement Regarding Forward Looking Statements

This document includes “forward-looking statements” within the meaning of the securities laws. The words “will,” “may,” “should,” “expect,” “anticipate,” “believe,” “future,” “target,” “plan” and similar expressions are intended to identify information that is not historical in nature.

All statements, other than historical facts, including statements regarding the expected timing of the closing of the transaction; the ability of the parties to complete the transaction considering the various closing conditions; the expected benefits of the transaction such as improved operations, enhanced revenues and cash flow, growth potential, market profile and financial strength; the competitive ability and position of WBA following completion of the proposed transaction; and any assumptions underlying any of the foregoing, are forward-looking statements. Such statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. You should not place undue reliance on such statements. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, that (1) one or more closing conditions to the transaction, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the transaction, may require conditions, limitations or restrictions in connection with such approvals or that the required approval by the stockholders of Rite Aid may not be obtained; (2) there may be a material adverse change of Rite Aid or the business of Rite Aid may suffer as a result of uncertainty surrounding the transaction; (3) the transaction may involve unexpected costs, liabilities or delays; (4) legal proceedings may be initiated related to the transaction; (5) changes in economic conditions, political conditions, changes in federal or state laws or regulations, including the Patient Protection and Affordable Care Act and the Health Care Education Affordability Reconciliation Act and any regulations enacted thereunder may occur; (6) provider and state contract changes may occur; (7) reduction in provider payments by governmental payors may occur; (8) the expiration of Rite Aid’s Medicare or Medicaid managed care contracts by federal or state governments; (9) tax matters; (10) there may be difficulties and delays in achieving synergies and cost savings; and (11) other risk factors as detailed from time to time in Rite Aid’s and WBA’s reports filed with the Securities and Exchange Commission (the “SEC”), including Rite Aid’s Annual Report on Form 10-K for the fiscal year ended February 28, 2015 and WBA’s Annual Report on Form 10-K for the fiscal year ended August 31, 2015, each of which is available on the SEC’s Web site (www.sec.gov (<http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.sec.gov&esheet=51241879&newsitemid=20151211005330&lan=en-US&anchor=www.sec.gov&index=3&md5=2be65aa40b6bfaf0a55617a94260c8ba>)). These risks, as well as other risks associated with the merger, are more fully discussed in the preliminary proxy statement, as it may be amended, that was filed by Rite Aid with the SEC on November 24, 2015 in connection with the merger. There can be no assurance that the merger will be completed, or if it is completed, that it will close within the anticipated time period or that the expected benefits of the merger will be realized.

Neither WBA nor Rite Aid undertakes any obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

Additional Information and Where to Find It

In connection with the proposed strategic combination, Rite Aid prepared a preliminary proxy statement on Schedule 14A that has been filed with the SEC on November 24, 2015. The preliminary proxy statement is not yet final and will be amended. Following the filing of the definitive proxy statement with the SEC, Rite Aid will mail the definitive proxy statement and a proxy card to each stockholder entitled to vote at the special meeting relating to the proposed merger. INVESTORS ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. Investors may obtain the proxy statement, as well as other filings containing information about Rite Aid, free of charge, from the SEC’s Web site (www.sec.gov (<http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.sec.gov&esheet=51241879&newsitemid=20151211005330&lan=en-US&anchor=www.sec.gov&index=4&md5=0ffe9091878b429ace877ddb70da5bf9>)). Investors may also obtain Rite Aid’s SEC filings in connection with the transaction, free of charge, from Rite Aid’s Web site (www.RiteAid.com (<http://cts.businesswire.com/ct/CT?id=smartlink&url=http%3A%2F%2Fwww.RiteAid.com&esheet=51241879&newsitemid=20151211005330&lan=en-US&anchor=www.RiteAid.com&index=5&md5=261edbef8357784ee20cf75f175808c2>)) under the link “Investor Relations” and then under the tab “SEC Filings,” or by directing a request to Rite Aid, Byron Purcell, Attention: Senior Director, Treasury Services & Investor Relations.

Participants in the Merger Solicitation

The directors, executive officers and employees of Rite Aid and other persons may be deemed to be participants in the solicitation of proxies in respect of the transaction. Information regarding Rite Aid's directors and executive officers is available in its definitive proxy statement for its 2015 annual meeting of stockholders filed with the SEC on May 15, 2015. This document can be obtained free of charge from the sources indicated above. Other information regarding the interests of the participants in the proxy solicitation is set forth in the preliminary proxy statement, as it may be amended, that has been filed with the SEC on November 24, 2015. This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

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Contact(s)

Walgreens Boots Alliance, Inc.

Media Relations

USA / Michael Polzin, +1 847 315 2935

International / Laura Vergani, +44 (0)207 980 8585

or

Investor Relations

Gerald Gradwell and Ashish Kohli, +1 847 315 2922

or

Rite Aid Corporation

Media Relations

Ashley Flower, +1 717 975 5718

or

Investor Relations

Matt Schroeder, +1 717 214 8867

