

4 December 2014

China: Alliance Boots completes investment in Nanjing Pharmaceutical Company Limited

Alliance Boots today announces that it has completed the acquisition of a 12% stake in Nanjing Pharmaceutical Company Limited.

The completion follows receipt of government and regulatory approvals. As a result of the investment, Alliance Boots becomes the second largest shareholder of the company with the right to nominate Board members and a member of the senior management.

In September 2012, Alliance Boots announced its intention to invest in Nanjing Pharmaceutical Company Limited through a private placement, for a total consideration of approximately £56 million (RMB560 million).

Alliance Boots first entered the Chinese market in 2008 through its joint venture, Guangzhou Pharmaceuticals Corporation, which operates in complementary geographies and continues its successful development.

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Notes to editors:

About Nanjing Pharmaceutical Company Limited

Nanjing Pharmaceutical Company Limited is the seventh largest pharmaceutical wholesaler in China. It specialises in pharmaceutical wholesaling and distribution, with an additional network of nearly 300 branded community pharmacies. In recent years, it has focussed on the operation of in-hospital pharmacies with innovative services and supply chain solutions. The company operates primarily in East and Southeast China, with regional coverage including Jiangsu, Anhui and Fujian, as well as several central provinces.

At November 2014, Nanjing Pharmaceutical Company Limited employed more than 5,000 people. Its revenue in 2013 was around £2 billion (RMB20 billion). The company has been listed on the Shanghai Stock Exchange since 1996, when it was the first ever pharmaceutical wholesaler in China to become public.

About Alliance Boots

Alliance Boots is a leading international pharmacy-led health and beauty group delivering a range of products and services to customers. Working in close partnership with manufacturers and pharmacists, we are committed to improving health in the local communities we serve and helping our customers and patients to look and feel their best. Our focus is on growing our two core business activities of: pharmacy-led health and beauty retailing and pharmaceutical wholesaling and distribution, while increasingly developing and internationalising our product brands.

Alliance Boots has a presence in more than 27* countries and employs over 120,000* people. We have pharmacy-led health and beauty retail businesses in 11* countries and operate more than 4,600* health and beauty retail stores, of which more than 4,450* have a pharmacy, with a fast growing online presence. In addition, Alliance Boots has around 600* optical practices, of which around 180* operate on a franchise basis, and hearingcare services in around 430* locations. Our pharmaceutical wholesale businesses deliver over 4.5* billion units each year to more than 180,000* pharmacies, doctors, health centres and hospitals from over 370* distribution centres in 20* countries.

In June 2012, Alliance Boots announced that it had entered into a strategic partnership with Walgreen Co. (Walgreens), the largest drugstore chain in the US. In August 2014, Alliance Boots and Walgreens communicated that they plan to merge in the first quarter of calendar 2015 to create the first global pharmacy-led, health and wellbeing enterprise, which will be named Walgreens Boots Alliance.

* Figures are approximations as at 31 March 2014, with the addition of Farmacias Ahumada data at the date of its acquisition on 11 August 2014, and include associates and joint ventures.

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