

6 May 2014

## **Alliance Boots to acquire two major retail pharmacy networks in Latin America**

Alliance Boots today announces that it has signed an agreement to acquire Farmacias Ahumada ("FASA").

The acquisition comprises two main businesses, which together operate over 1,400 stores, with combined revenues of around £835 million. Farmacias Benavides is the third largest retail pharmacy chain in Mexico with around 1,000 stores, and Farmacias Ahumada is one of the three largest retail pharmacy chains in Chile with around 400 stores.

The transaction, which is subject to regulatory approvals, is expected to complete in the third quarter of 2014.

Stefano Pessina, Executive Chairman, Alliance Boots, commented:

"This acquisition will give Alliance Boots a major presence in the attractive Latin American market, one of our priority areas for investment. It is also a further step towards reaching a truly global footprint. The well-positioned retail pharmacy businesses of Farmacias Ahumada and Farmacias Benavides will be great additions to our Group's unique portfolio of retail, product and service brands around the world. We are confident in the high potential for sustainable growth and value generation that will be unlocked by this acquisition, including the opportunity for consumers in Mexico and Chile to access for the first time leading Boots product brands, such as our renowned skincare and cosmetics ranges."

ENDS

### **Notes to editors:**

#### **Transaction structure**

The transaction will be effected by Alliance Boots launching an all cash tender offer for the outstanding fully diluted share capital of Farmacias Ahumada S.A. ("FASA") whose shares are listed on the Santiago Stock Exchange. Grupo Casa Saba, S.A.B. de C.V. ("Casa Saba") has irrevocably undertaken, via a wholly owned subsidiary, to tender its holding of 97.89% of FASA's share capital to the offer. The tender offer will be conditional upon certain customary conditions precedent. FASA itself owns 95.62% of the outstanding fully diluted share capital of Farmacias Benavides S.A.B. de C.V., the operator of the Farmacias Benavides retail pharmacy business.

#### **About Farmacias Ahumada**

Farmacias Ahumada is network of pharmacies in Chile providing medicines, pharmacy products, nutritional supplements, beauty, hygiene, personal care and convenience items. Its store networks comprise five store formats: Farmacias Ahumada, Native, Farmarebajas, GNC and Guapa. At December 2013, it operated around 400 outlets in 98 cities, primarily in the central region of Chile, and it employed around 3,900 people.

## **About Farmacias Benavides**

Farmacias Benavides is a network of pharmacies in Mexico, providing medicines and pharmacy products, convenience items and health & beauty products. At December 2013, it comprised around 1,000 stores, with coverage of 21 states (over 150 cities, including Mexico City since 2013) and the Federal District, and it employed around 7,800 people.

## **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 businesses: 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 25\* countries and employs over 108,000\* people. Alliance Boots has pharmacy-led health and beauty retail businesses in nine\* countries and operates more than 3,100\* health and beauty retail stores, of which just over 3,000\* have a pharmacy. In addition, Alliance Boots has around 605\* optical practices, of which around 190\* operate on a franchise basis, and around 390\* hearingcare practices. Our pharmaceutical wholesale businesses deliver over 4.6 billion\* units each year to more than 170,000\* 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., the largest drugstore chain in the US, to create the first global pharmacy-led, health and wellbeing enterprise.

\* Figures are approximations as at 31 March 2013 and include associates and joint ventures.

For further information, please contact:

### **Media relations:**

Yves Romestan/Laura Vergani/Katie Johnson/Julie Longton, Alliance Boots: +44 (0)207 980 8585  
James Murgatroyd/Claire Scicluna, RLM Finsbury: +44 (0)207 251 3801

### **Investor relations:**

Gerald Gradwell, Alliance Boots: +44 (0)207 980 8527 (UK)/+1 646 688 1336 (US)