

Financial Data for Walgreens and CVS

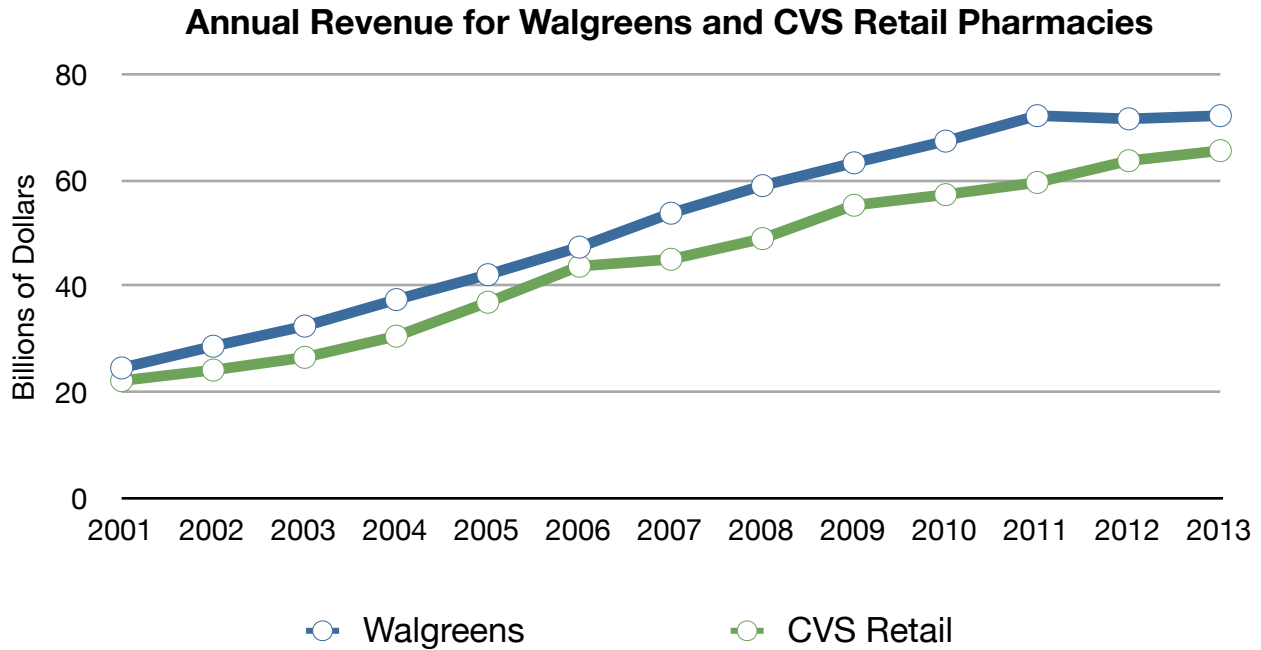


Figure 1: Total annual revenue for Walgreens and CVS retail pharmacies has tripled since 2001. Walgreens earned about \$24.6 billion in 2001 and \$72.2 billion in 2013. CVS went from \$22 Billion to \$61 billion in just their retail pharmacy sales during that time.

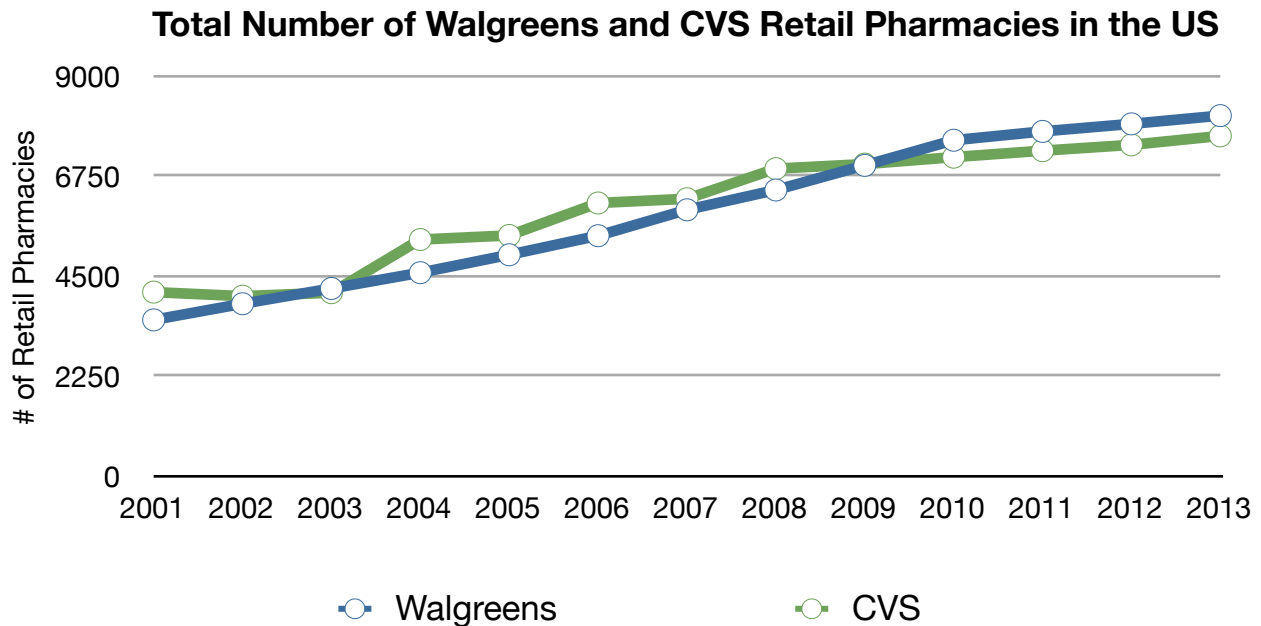


Figure 2: During that same time Walgreens and CVS doubled their total number of retail pharmacies in the US.

Total Annual Revenue for CVS and Caremark Together

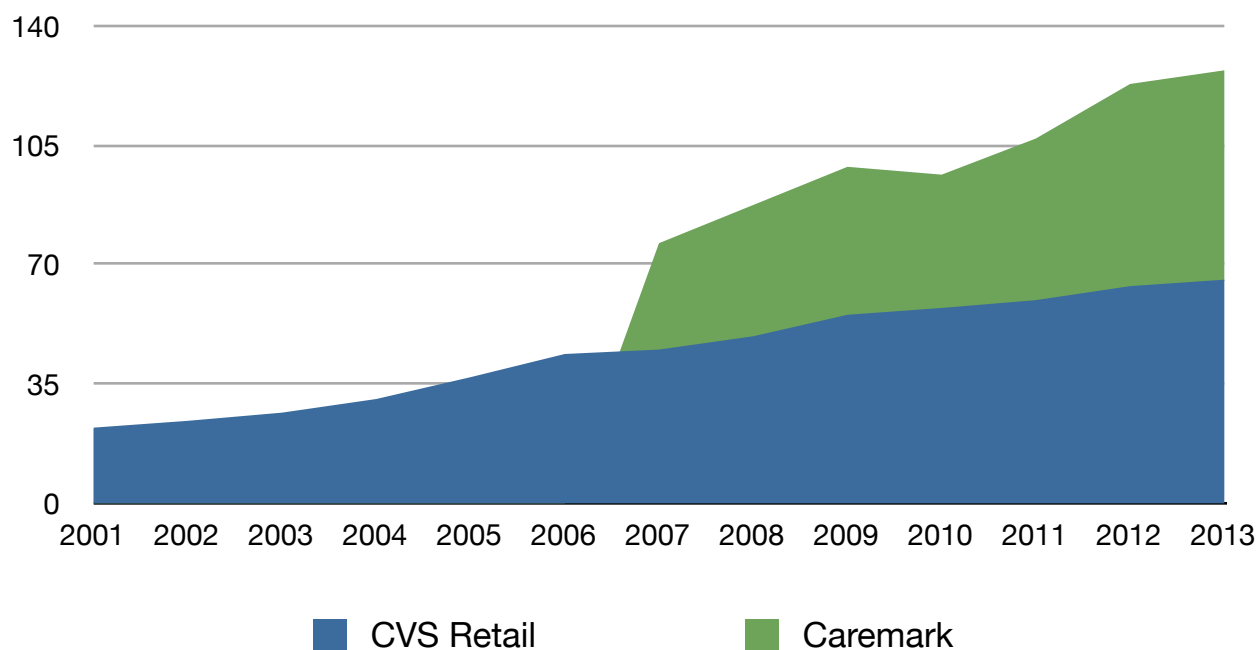


Figure 3: In 2007 CVS merged with Caremark. The merger nearly doubled CVS's annual revenue. In 2013 CVS/Caremark earned a total of nearly \$127 billion. Their earnings exceeded that of United Health Group which is the largest single health insurance corporation (\$122 billion in 2013) Costco (\$110 billion in 2014) and Johnson and Johnson which is the largest single pharmaceutical corporation (\$71 billion in 2013).

Additional information:

-69.5% of CVS's retail pharmacy revenue in 2013 was from prescription drug sales, 97.9% of those prescription drug sales involved a third party (insurance) and 80.8% of the prescription medications sold were generic. In 2001 90.9% of prescription drug sales involved a third party.

-In 1991 CVS made about \$9.9 billion in total revenue and 35.7% of it was from prescription drug sales

-62.9% of Walgreens' revenue was from prescription drug sales and 95.8% of those sales involved a third party. In 2001 57.5% of Walgreens' revenue was from prescription drug sales and 88.4% of those sales involved a third party.

-In 1992 Walgreens made about \$7.5 billion in total revenue.

-In 2001 less than 50% of prescriptions written in the US were for generic medications.