



Walgreens Reaches Agreement with Genpact for Accounting Services

Gurgaon, India, January 7, 2010: Walgreens (NYSE, NASDAQ: WAG), the largest drugstore chain in the United States with over 7,000 stores and revenues of USD 63 Billion, has signed an agreement with Genpact (NYSE: G), a leader in managing business processes for companies around the world, to provide Walgreens with accounting services as part of Walgreens' Rewiring for Growth initiative. Walgreens is finding ways to be more effective and efficient to support the company's growth strategy. Financial terms of the agreement were not disclosed.

Under the 10-year agreement, Genpact will assume several accounting processes currently managed by Walgreens, as the retailer implements a new structure for its accounting division. The agreement will impact accounting staff at its offices in Deerfield, Illinois and surrounding areas, including Danville, Illinois and nine smaller accounting locations across the U.S.

Genpact has agreed to acquire the Danville facility and maintain or potentially grow employment levels over the duration of the agreement. Approximately 500 Walgreens accounting employees in Danville will become Genpact employees within the next four months, with the remainder staying with Walgreens. Over the next six to 18 months, another 300 jobs at various sites may be impacted as part of the transition of accounting work.

With this strategic decision, Danville will become the largest of three delivery centers for Genpact in the U.S. and positions Genpact as a strong player in the retail vertical. This move also strengthens the company's offering for the healthcare industry given its ability to deliver solutions across all sub segments including pharmaceuticals, health insurance companies, pharmacy benefits managers, pharmacies, device manufacturers, and hospitals. Genpact will continue to make investments in building domain expertise and enhancing the skills of employees in Danville while leveraging their expertise to provide greater on-shore access to its clients.

"Genpact's proven ability to bring efficiency to finance and accounting processes and its commitment to our Danville employees were key factors in our decision to forge this agreement," said Walgreens executive vice president and CFO **Wade Miquelon**. "This move will help us improve cost productivity and facilitate our growth strategies, while maintaining an agile and service-focused organization."

"We are delighted to announce this strategic relationship with Walgreens," said Genpact President and CEO **Pramod Bhasin**. "This agreement strengthens our ability to deliver end-to-end solutions for the retail and healthcare industries. As leaders in our industry, we are redefining the market by moving beyond just process efficiencies and focusing more on accelerating positive business outcomes for our clients. We believe our domain expertise in finance and accounting, health care, back-office processes, re-engineering and analytics coupled with our heritage of Lean Six Sigma uniquely positions us to support Walgreens growth initiatives."

"We are very excited to have Danville as one of our largest delivery centers in the US," said Genpact Chief Operating Officer '**Tiger**' **Tyagarajan**. "It will also enable us in providing a range of services for multiple industries including retail, healthcare and pharmaceuticals from Danville with greater onshore access to our clients."

About Genpact

Genpact is a leader in managing business processes, offering a broad portfolio of enterprise and industry-specific services. The company manages over 3000 processes for more than 175 clients worldwide. Putting process in the forefront, Genpact couples its deep process knowledge and insights with focused IT capabilities, targeted analytics and pragmatic reengineering to deliver comprehensive solutions for clients. Lean and Six Sigma are ingrained in the company's culture, which views the management of business processes as a science. Genpact has developed Smart Enterprise Processes (SEPSM), a groundbreaking, rigorously scientific methodology for managing business processes, which focuses on optimizing process effectiveness in addition to efficiency to deliver superior business outcomes. Services are seamlessly delivered from a global network of centers to meet a client's business objectives, cultural and language needs and cost reduction goals. Learn more at www.genpact.com.

About Walgreens

Walgreens (www.walgreens.com) is the nation's largest drugstore chain with fiscal 2009 sales of \$63 billion. The company operates 7,149 drugstores in all 50 states, the District of Columbia and Puerto Rico. Walgreens provides the most convenient access to consumer goods and services and cost-effective pharmacy, health and wellness services in America through its retail drugstores, Walgreens Health Services division and Walgreens Health and Wellness division. Walgreens Health Services assists pharmacy patients and prescription drug and medical plans through Walgreens Health Initiatives Inc. (a pharmacy benefit manager), Walgreens Mail Service Inc., Walgreens Home Care Inc., Walgreens Specialty Pharmacy LLC and SeniorMed LLC (a pharmacy provider to long-term care facilities). Walgreens Health and Wellness Division includes Take Care Health Systems, the largest and most comprehensive manager of worksite health and wellness centers and in-store convenient care clinics, with more than 700 locations throughout the country.

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