

Express Scripts Holding Co.  
Form 10-Q  
October 27, 2015  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF  
1934

For the quarterly period ended September 30, 2015.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF  
1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number: 1-35490

EXPRESS SCRIPTS HOLDING COMPANY  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

45-2884094  
(I.R.S. Employer  
Identification No.)

One Express Way, St. Louis, MO  
(Address of principal executive offices)

63121  
(Zip Code)

Registrant's telephone number, including area code: (314) 996-0900

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No  
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Common stock outstanding as of September 30, 2015: 676,276,000 Shares

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## EXPRESS SCRIPTS HOLDING COMPANY

## Unaudited Consolidated Balance Sheet

(in millions)	September 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$438.2	\$1,832.6
Receivables, net	7,391.1	5,979.8
Inventories	1,730.4	2,113.2
Deferred taxes	359.9	390.8
Prepaid expenses and other current assets	354.8	251.7
Total current assets	10,274.4	10,568.1
Property and equipment, net	1,343.1	1,584.0
Goodwill	29,277.9	29,280.9
Other intangible assets, net	10,961.5	12,255.2
Other assets	139.6	110.7
Total assets	\$51,996.5	\$53,798.9
Liabilities and stockholders' equity		
Current liabilities:		
Claims and rebates payable	\$8,738.6	\$8,488.2
Accounts payable	3,273.0	3,137.3
Accrued expenses	2,353.0	2,836.1
Current maturities of long-term debt	1,649.2	2,555.3
Total current liabilities	16,013.8	17,016.9
Long-term debt	14,037.7	11,012.7
Deferred taxes	4,621.8	4,923.2
Other liabilities	777.0	782.1
Total liabilities	35,450.3	33,734.9
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Preferred stock, 15.0 shares authorized, \$0.01 par value per share; no shares issued and outstanding	—	—
Common stock, 2,985.0 shares authorized, \$0.01 par value; shares issued: 853.9 and 848.6, respectively; shares outstanding: 676.3 and 726.1, respectively	8.5	8.5
Additional paid-in capital	22,140.4	22,671.4
Accumulated other comprehensive (loss) income	(10.7	) 2.1
Retained earnings	7,623.3	5,920.4
	29,761.5	28,602.4
Common stock in treasury at cost, 177.6 and 122.5 shares, respectively	(13,223.2	) (8,548.2
Total Express Scripts stockholders' equity	16,538.3	20,054.2
Non-controlling interest	7.9	9.8
Total stockholders' equity	16,546.2	20,064.0
Total liabilities and stockholders' equity	\$51,996.5	\$53,798.9
See accompanying Notes to Unaudited Consolidated Financial Statements		



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## EXPRESS SCRIPTS HOLDING COMPANY

## Unaudited Consolidated Statement of Operations

(in millions, except per share data)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Revenues <sup>(1)</sup>	\$25,222.6	\$25,778.5	\$75,576.4	\$74,574.5
Cost of revenues <sup>(1)</sup>	23,049.1	23,705.5	69,437.7	68,743.4
Gross profit	2,173.5	2,073.0	6,138.7	5,831.1
Selling, general and administrative	1,007.3	1,088.6	3,013.2	3,171.5
Operating income	1,166.2	984.4	3,125.5	2,659.6
Other (expense) income:				
Interest income and other	7.8	15.5		