

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

EXPRESS SCRIPTS INC

CIK: **885721** | IRS No.: **431420563** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-20199** | Film No.: **06999624**
SIC: **5912** Drug stores and proprietary stores

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MARYLAND HEIGHTS MO
63043

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MARYLAND HEIGHTS MO
63043
3147701666

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): August 2, 2006

EXPRESS SCRIPTS, INC.
(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or Other Jurisdiction of
Incorporation or Organization)

0-20199

(Commission File Number)

43-1420563

(I.R.S. Employer
Identification No.)

13900 Riverport Drive, Maryland Heights, MO

(Address of Principal Executive Offices)

63043

(Zip Code)

Registrant's telephone number including area code: 314-770-1666

No change since last report

(Former Name or Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

7.01 Regulation FD Disclosure.

The information contained in this Current Report on Form 8-K, including the accompanying Exhibit 99.1, is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section. The information contained in this Current Report on Form 8-K, including the accompanying Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference in such a filing.

On August 2, 2006 Express Scripts, Inc. (the “Company”) issued a press release with respect to the planned adoption of a trading plan under Rule 10b5-1 of the Exchange Act by George Paz, the Company's President, Chief Executive Officer and Chairman, as well as the reiteration of the Company's 2006 earnings guidance. The press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(c) The following Exhibits are furnished as part of this report on Form 8-K:

Exhibit 99.1 Press Release, dated August 2, 2006.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EXPRESS SCRIPTS, INC.

Date: August 2, 2006

By: /s/ Thomas M. Boudreau
Thomas M. Boudreau
Senior Vice President and General Counsel

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release, dated August 2, 2006



Contact:

Edward Stiften, Chief Financial Officer

David Myers, Vice President Investor Relations

(314) 702-7173

investor_relations@express-scripts.com

**Express Scripts' CEO To Adopt 10b5-1 Plan
Reiterates 2006 Earnings Guidance**

ST. LOUIS, August 2, 2006—Express Scripts, Inc. (Nasdaq: ESRX) announced today that George Paz, the Company's president, chief executive officer and chairman, plans to adopt a new prearranged trading plan under Rule 10b5-1 of the Securities and Exchange Act of 1934. Rule 10b5-1 permits officers and directors of public companies to adopt predetermined plans for selling specified amounts of stock. No transactions under this new plan will occur until 2007 following the expiration of Mr. Paz's current 10b5-1 plan, which was put in place in March 2006.

"Our strong second quarter results combined with the success of our 2006 formulary strategy positions us well for the second half of 2006 and beyond," added Paz. "I am adopting the 10b5-1 plan as a way of achieving prudent diversification of my investments. The amount of shares covered under this new trading plan represents less than 16 percent of my equity position in the Company." Other Express Scripts executives may from time to time adopt 10b5-1 plans in order to diversify their holdings.

As part of the second quarter earnings release, the Company increased its 2006 earnings guidance from a range of \$3.10 to \$3.22 to a range of \$3.16 to \$3.28. Because of the wide variation in allocation of earnings estimates between the third and fourth quarters by analysts, the Company is reiterating its 2006 diluted earnings per share guidance range of \$3.16 to \$3.28, and that third quarter diluted earnings per share will be in a range of \$0.77 and \$0.83 and fourth quarter will be between \$0.94 and \$1.00.

Express Scripts, Inc. is one of the largest PBM companies in North America, providing PBM services to over 50 million members. Express Scripts serves thousands of client groups, including managed-care organizations, insurance carriers, employers, third-party administrators, public sector, and union-sponsored benefit plans.

Express Scripts provides integrated PBM services, including network-pharmacy claims processing, home delivery services, benefit-design consultation, drug-utilization review, formulary management, disease management, and medical- and drug-data analysis services. The Company also distributes a full range of injectable and infusion biopharmaceutical products directly to patients or their physicians, and provides extensive cost-management and patient-care services.

Express Scripts is headquartered in St. Louis, Missouri. More information can be found at <http://www.express-scripts.com>, which includes expanded investor information and resources.

SAFE HARBOR STATEMENT

This press release contains forward-looking statements, including, but not limited to, statements related to the Company's plans, objectives, expectations (financial and otherwise) or intentions. Actual results may differ significantly from those projected or suggested in any forward-looking statements. Factors that may impact these forward-looking statements include but are not limited to:

- *uncertainties associated with our acquisitions (including our acquisition of Priority Healthcare), which include integration risks and costs, uncertainties associated with client retention and repricing of client contracts, and uncertainties associated with the operations of acquired businesses*
- *costs and uncertainties of adverse results in litigation, including a number of pending class action cases that challenge certain of our business practices*
- *investigations of certain PBM practices and pharmaceutical pricing, marketing and distribution practices currently being conducted by the U.S. Attorney offices in Philadelphia and Boston, and by other regulatory agencies including the Department of Labor, and various state attorneys general*
- *uncertainties regarding the implementation of the Medicare Part D prescription drug benefit, including the financial impact to us to the extent that we participate in the program on a risk-bearing basis, uncertainties of client or member losses to other providers under Medicare Part D, and increased regulatory risk*
- *uncertainties associated with U.S. Centers for Medicare & Medicaid's ("CMS") implementation of the Medicare Part B Competitive Acquisition Program ("CAP"), including the potential loss of clients/revenues to providers choosing to participate in the CAP*
- *our ability to maintain growth rates, or to control operating or capital costs*
- *continued pressure on margins resulting from client demands for lower prices, enhanced service offerings and/or higher service levels, and the possible termination of, or unfavorable modification to, contracts with key clients or providers*
- *competition in the PBM and specialty pharmacy industries, and our ability to consummate contract negotiations with prospective clients, as well as competition from new competitors offering services that may in whole or in part replace services that we now provide to our customers*
- *results in regulatory matters, the adoption of new legislation or regulations (including increased costs associated with compliance with new laws and regulations), more aggressive enforcement of existing legislation or regulations, or a change in the interpretation of existing legislation or regulations*
- *increased compliance relating to our contracts with the DoD TRICARE Management Activity and various state governments and agencies*
- *the possible loss, or adverse modification of the terms, of relationships with pharmaceutical manufacturers, or changes in pricing, discount or other practices of pharmaceutical manufacturers or interruption of the supply of any pharmaceutical products*
- *the possible loss, or adverse modification of the terms, of contracts with pharmacies in our retail pharmacy network*
- *the use and protection of the intellectual property we use in our business*
- *our leverage and debt service obligations, including the effect of certain covenants in our borrowing agreements*
- *our ability to continue to develop new products, services and delivery channels*
- *general developments in the health care industry, including the impact of increases in health care costs, changes in drug utilization and cost patterns and introductions of new drugs*
- *increase in credit risk relative to our clients due to adverse economic trends*
- *changes in average wholesale prices, which could reduce prices and margins*
- *our ability to attract and retain qualified personnel*
- *other risks described from time to time in our filings with the SEC*

We do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.