

EXPRESS SCRIPTS INC
Form 8-K
March 28, 2012

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): March 28, 2012

Express Scripts, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-20199
(Commission
File Number)

43-1420563
(I.R.S. Employer
Identification No.)

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

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

63121
(Zip Code)

Not Applicable

Former name or former 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:

- .. 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))

Item 8.01 Other Events.

Under the terms of the previously announced Agreement and Plan of Merger (the *merger agreement*) by and among Express Scripts, Inc. (*Express Scripts*), Medco Health Solutions, Inc. (*Medco*), Aristotle Holding, Inc., a Delaware corporation and wholly owned subsidiary of Express Scripts (*Parent*), Aristotle Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent, and Plato Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent, following closing, each of Express Scripts and Medco will become a direct, wholly-owned subsidiary of Parent. As a result of the transactions contemplated by the merger agreement, former Medco and Express Scripts stockholders will own stock in Parent, which, following the closing, is expected to be renamed *Express Scripts Holding Company* and to list its common stock on the NASDAQ.

Express Scripts and Medco have previously announced that the parties expected that the mergers will be completed by the earlier part of the second quarter of 2012. Express Scripts now expects the parties may be in a position to close the transaction as early as the week of April 2, 2012, subject to satisfaction or waiver of the remaining closing conditions. There is no assurance that the closing conditions will be satisfied or that the proposed mergers will be consummated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This material may include forward-looking statements, both with respect to us and our industry, that reflect our current views with respect to future events and financial performance. Statements that include the words *expect, intend, plan, believe, project, anticipate, will, may* similar statements of a future or forward-looking nature may be used to identify forward-looking statements. All forward-looking statements address matters that involve risks and uncertainties, many of which are beyond our control. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements. We believe that these factors include, but are not limited to, the following:

STANDARD OPERATING FACTORS

Our ability to remain profitable in a very competitive marketplace is dependent upon our ability to attract and retain clients while maintaining our margins, to differentiate our products and services from others in the marketplace, and to develop and cross sell new products and services to our existing clients;

Our failure to anticipate and appropriately adapt to changes in the rapidly changing health care industry;

Changes in applicable laws or regulations, or their interpretation or enforcement, or the enactment of new laws or regulations, which apply to our business practices (past, present or future) or require us to spend significant resources in order to comply;

Changes to the healthcare industry designed to manage healthcare costs or alter healthcare financing practices;

Changes relating to our participation in Medicare Part D, the loss of Medicare Part D eligible members, or our failure to otherwise execute on our strategies related to Medicare Part D;

A failure in the security or stability of our technology infrastructure, or the infrastructure of one or more of our key vendors, or a significant failure or disruption in service within our operations or the operations of such vendors;

Our failure to effectively execute on strategic transactions, or to integrate or achieve anticipated benefits from any acquired businesses;

The termination, or an unfavorable modification, of our relationship with one or more key pharmacy providers, or significant changes within the pharmacy provider marketplace;

The termination, or an unfavorable modification, of our relationship with one or more key pharmaceutical manufacturers, or the significant reduction in payments made or discounts provided by pharmaceutical manufacturers;

Changes in industry pricing benchmarks;

Results in pending and future litigation or other proceedings which would subject us to significant monetary damages or penalties and/or require us to change our business practices, or the costs incurred in connection with such proceedings;

Our failure to execute on, or other issues arising under, certain key client contracts;

The impact of our debt service obligations on the availability of funds for other business purposes, and the terms and our required compliance with covenants relating to our indebtedness;

Our failure to attract and retain talented employees, or to manage succession and retention for our Chief Executive Officer or other key executives;

TRANSACTION-RELATED FACTORS

Uncertainty as to whether Express Scripts will be able to consummate the Merger on the terms set forth in the merger agreement or at all;

The ability to obtain governmental approvals of the Merger;

Uncertainty as to the market value of the stock of Aristotle to be used as consideration for the Merger;

Failure to realize the anticipated benefits of the Merger, including as a result of a delay in completing the Merger or a delay or difficulty in integrating the businesses of Express Scripts and Medco;

Uncertainty as to the long-term value of Aristotle (which will be renamed Express Scripts Holding Company) common shares;

Uncertainty as to whether Express Scripts will be able to reduce its leverage and service its debt obligations in a timely manner; and

The expected amount and timing of cost savings and operating synergies.

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The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and elsewhere, including the risk factors included in Express Scripts' most recent reports on Form 10-K and Form 10-Q and the risk factors included in Medco's most recent reports on Form 10-K and Form 10-Q and other documents of Express Scripts, Aristotle and Medco on file with the Securities and Exchange Commission (SEC). Any forward-looking statements made in this material are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us or our business or operations. Except to the extent required by applicable law, we undertake no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

SIGNATURES

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, hereunto duly authorized.

Express Scripts, Inc.
(Registrant)

By: /s/ Keith J. Ebling
Name: Keith J. Ebling
Title: Executive Vice President and General Counsel

Dated: March 28, 2012