Five-Year Financial Summary

In millions, except per share amounts	**1998**	1997	1996	1995	1994
Results of operations:[3]					
Net sales	**$15,273.6**	$13,749.6	$11,831.6	$10,513.1	$9,469.1
Operating profit	**772.2**	261.4	591.9	271.7	416.8
Comparable operating profit[1]	**940.5**	779.1	604.7	486.8	416.8
Earnings from continuing operations before extraordinary item	**396.4**	76.5	372.4	83.4	185.9
Comparable earnings from continuing operations before extraordinary item[2]	**510.1**	419.2	306.8	210.2	185.9
Net earnings (loss)	**396.4**	76.9	208.2	(547.1)	400.2
Per common share:					
Earnings from continuing operations before extraordinary item:					
Basic	**$ 0.99**	$ 0.17	$ 0.98	$ 0.18	$ 0.47
Diluted	**0.98**	0.16	0.95	0.18	0.47
Comparable earnings from continuing operations before extraordinary item:[2]					
Basic	**1.28**	1.08	0.80	0.53	0.47
Diluted	**1.26**	1.05	0.78	0.53	0.47
Weighted average number of common shares outstanding used to calculate comparable diluted earnings per common share	**405.2**	396.0	383.6	364.8	361.6
Cash dividends	**0.225**	0.220	0.220	0.760	0.760
Financial position and other data:					
Total assets	**$ 6,763.2**	$ 5,978.9	$ 6,014.9	$ 6,614.4	$7,202.9
Total long-term debt	**275.7**	290.4	1,204.8	1,056.3	1,012.3
Shareholders' equity	**3,110.6**	2,614.6	2,413.8	2,567.4	3,341.4
Depreciation and amortization	**249.7**	238.2	205.4	186.4	169.5
Number of stores at year-end	**4,122**	4,094	4,204	3,715	3,617
Percentage of net sales:					
Operating profit	**5.1%**	1.9%	5.0%	2.6%	4.4%
Comparable operating profit[1]	**6.2%**	5.7%	5.1%	4.6%	4.4%
Earnings from continuing operations before extraordinary item	**2.6%**	0.6%	3.1%	0.8%	2.0%
Comparable earnings from continuing operations before extraordinary item[2]	**3.3%**	3.0%	2.6%	2.0%	2.0%
Net earnings (loss)	**2.6%**	0.6%	1.8%	(5.2%)	4.2%

(1) Comparable operating profit excludes the pre-tax effect of the following nonrecurring charges: (i) in 1998, $158.3 million ($107.8 million after-tax) related to the merger of CVS and Arbor and $10.0 million ($5.9 million after-tax) related to the markdown of noncompatible Arbor merchandise, (ii) in 1997, $411.7 million ($273.7 million after-tax) related to the merger of CVS and Revco, $75.0 million ($49.9 million after-tax) related to the markdown of noncompatible Revco merchandise and $31.0 million ($19.1 million after-tax) related to the restructuring of Big B, Inc., (iii) in 1996, $12.8 million ($6.5 million after-tax) related to the write-off of costs incurred in connection with the failed merger of Rite Aid Corporation and Revco and (iv) in 1995, $165.5 million ($97.7 million after-tax) related to the Company's strategic restructuring program and the early adoption of SFAS No. 121 and $49.5 million ($29.1 million after-tax) related to the Company changing its policy from capitalizing internally developed software costs to expensing the costs as incurred, outsourcing certain technology functions and retaining certain employees until their respective job functions were transitioned.

(2) Comparable earnings from continuing operations before extraordinary item and comparable earnings per common share from continuing operations before extraordinary item exclude the after-tax effect of the charges discussed in Note (1) above and a $121.4 million ($72.1 million after-tax) gain on sale of securities.

(3) Prior to the Mergers, Arbor's fiscal year ended on July 31 and Revco's fiscal year ended on the Saturday closest to May 31. In recording the business combinations, Arbor's and Revco's historical stand-alone consolidated financial statements have been restated to a December 31 year-end, to conform with CVS' fiscal year-end. As permitted by the rules and regulations of the Securities and Exchange Commission, Arbor's fiscal year ended July 31, 1995 and Revco's fiscal year ended June 3, 1995 have been combined with CVS' fiscal year ended December 31, 1994.