Five-Year Financial Summary

	Fiscal Year				
In millions, except per share amounts	**1999 (53 weeks)**	1998 (52 weeks)	1997 (52 weeks)	1996 (52 weeks)	1995 (52 weeks)
Statement of operations data:					
Net sales	**$18,098.3**	$15,273.6	$13,749.6	$11,831.6	$10,513.1
Gross margin[1]	**4,861.4**	4,129.2	3,718.3	3,300.9	2,960.0
Selling, general & administrative	**3,448.0**	2,949.0	2,776.0	2,490.8	2,336.4
Depreciation and amortization	**277.9**	249.7	238.2	205.4	186.4
Merger, restructuring and other nonrecurring charges	**—**	178.6	422.4	12.8	165.5
Operating profit[2]	**1,135.5**	751.9	281.7	591.9	271.7
Other expense (income), net	**59.1**	60.9	44.1	(51.5)	114.0
Income tax provision	**441.3**	306.5	149.2	271.0	74.3
Earnings from continuing operations before extraordinary item[3]	**$ 635.1**	$ 384.5	$ 88.4	$ 372.4	$ 83.4
Per common share data:					
Earnings from continuing operations before extraordinary item:[3]					
Basic	**$ 1.59**	$ 0.96	$ 0.20	$ 0.98	$ 0.18
Diluted	**1.55**	0.95	0.19	0.95	0.18
Cash dividends per common share	**0.2300**	0.2250	0.2200	0.2200	0.7600
Balance sheet and other data:					
Total assets	**$ 7,275.4**	$ 6,686.2	$ 5,920.5	$ 6,014.9	$ 6,614.4
Long-term debt	**558.5**	275.7	290.4	1,204.8	1,056.3
Total shareholders' equity	**3,679.7**	3,110.6	2,626.5	2,413.8	2,567.4
Number of stores (at end of period)	**4,098**	4,122	4,094	4,204	3,715

(1) Gross margin includes the pre-tax effect of the following nonrecurring charges: (i) in 1998, $10.0 million ($5.9 million after-tax) related to the markdown of noncompatible Arbor merchandise and (ii) in 1997, $75.0 million ($49.9 million after-tax) related to the markdown of noncompatible Revco merchandise.

(2) Operating profit includes the pre-tax effect of the charges discussed in Note (1) above and the following merger, restructuring and other nonrecurring charges: (i) in 1998, $147.3 million ($101.3 million after-tax) related to the merger of CVS and Arbor and $31.3 million ($18.4 million after-tax) of nonrecurring costs incurred in connection with eliminating Arbor's information technology systems and Revco's noncompatible store merchandise fixtures, (ii) in 1997, $337.1 million ($229.8 million after-tax) related to the merger of CVS and Revco, $54.3 million ($32.0 million after-tax) of nonrecurring costs incurred in connection with eliminating Revco's information technology systems and noncompatible store merchandise fixtures 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 information technology functions and retaining former employees until their respective job functions were transitioned.

(3) Earnings from continuing operations before extraordinary item and earnings per common share from continuing operations before extraordinary item include the after-tax effect of the charges discussed in Notes (1) and (2) above and a $121.4 million ($72.1 million after-tax) gain realized during 1996 upon the sale of equity securities received from the sale of Marshalls.