First Quarter 2011 Earnings Conference Call

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Safe Harbor Statement

During This Presentation, We Will Make Certain Forward-looking Statements That Are Subject To Risks And Uncertainties That Could Cause Actual Results To Differ Materially. Accordingly, For These Forward-looking Statements, We Claim The Protection Of The Safe Harbor For Forward-looking Statements Contained In The Private Securities Litigation Reform Act Of 1995. We Strongly Recommend That You Become Familiar With The Specific Risks And Uncertainties That Are Described In The "Risk Factors" Section Of Our Most Recently Filed Annual Report On Form 10-K And Under The Caption "Cautionary Statement Concerning Forward-looking Statements" In Our Most Recently Filed Quarterly Report On Form 10-Q. The Information In These Slides Is Based On Our Best Estimates And Information Known To Us On May 5, 2011 And CVS Caremark Assumes No Obligation And Expressly Disclaims Any Duty To Update Information Contained In These Slides Except As Required By Law.

Additionally, We Will Discuss Some Non-GAAP Financial Measures In Talking About Our Company's Performance, Namely Free Cash Flow, EBITDA And "Adjusted EPS". In Accordance With SEC Regulations, You Can Find The Definitions Of The Non-GAAP Items Mentioned, As Well As The Reconciliations To Comparable GAAP Measures, On The Investor Relations Portion Of Our Website At info.cvscaremark.com/investors.

First Quarter Results Slightly Ahead Of Guidance

	Actual	Guidance
Adjusted EPS[1]	$0.57	$0.54 to $0.56
PBM Operating Profit Inc./(Dec.)	(26.3%)	(27%) to (30%)
Retail Operating Profit Inc./(Dec.)	6.5%	4% to 6%

1) Adjusted earnings per share from continuing operations attributable to CVS Caremark excludes $106 million and $105 million of intangible asset amortization related to acquisition activity, for the three month periods ended March 31, 2011 and 2010, respectively.

Completed Acquisition Of Universal American's Medicare Part D Business

- Solidifies Our Position As A Strong #2 Player In This Fast-growing Space
- More Than Doubles Our PDP Membership To ~3.4 Million
- Expected To Be Approximately 8 Cents Accretive To Adjusted Earnings Per Share In 2011
- Begin Servicing PBM Contracts In 2012

Reaffirming Guidance For Full-year 2011

	FY11	FY10	Y-Y Growth
Adjusted EPS[1]	$2.72 to $2.82	$2.69	1% to 5%
Free Cash Flow	$4.0B to $4.2B	$3.3B	21% to 27%

1) The Company defines adjusted earnings per share as income before income tax provision plus amortization, less adjusted income tax provision, plus net loss attributable to non-controlling interest divided by the weighted average diluted common shares outstanding. In Accordance With SEC Regulations, You Can Find The Reconciliations To Comparable GAAP Measures On The Investor Relations Portion Of Our Website At info.cvscaremark.com/investors.

Note: This guidance includes the benefit of the recently closed acquisition of Universal American's Medicare Part D business, the costs related to the previously announced Pharmacy Services segment streamlining initiative, and the completion in 2011 of a $2.0 billion share repurchase program authorized last year by CVS Caremark's Board of Directors.

Integrated Model Positions Us For Long-term Success

- World-class Retail Operation Expected To Achieve Healthy Growth For Years To Come
- Breakthrough Products Are Gaining Traction In The Marketplace And Cannot Be Easily Replicated
- Achieved More Than $700 Million In Annual Purchasing Synergies And Overhead Savings
- Plan To Improve Performance In Our PBM Segment
- Introduced Five-year Financial Targets And An Operating Plan That Maps Our Pathway To Enhancing Shareholder Value

Key Elements of Plan To Improve PBM Performance

- Achieve Continued Momentum In New Business Wins And Strong Client Retention
- Continue To Develop And Up-sell Our Unique Clinical Offerings
- Drive Growth In 90-day Mail Choice And GDR
- Focus On High Growth Areas, Especially Medicare Part D, Specialty Pharmacy, And Aetna
- Execute Successfully On The PBM Streamlining Initiative

Quarterly Business Update: Pharmacy Services Segment

- Terrific 2011 Selling Season
  - $8.9 Billion In Net-new Business, Including Landmark Long-term Contract With Aetna
  - Completed More Than 90% of Renewals; Retention Rate Of 97%
- 2012 Selling Season Off To A Good Start
- Unique Plan Designs And Clinical Programs Continue To Resonate With Clients
  - Pharmacy Advisor: ~10 Million Lives Adopted At Launch, With Another 2.5 Million Committed For 2011 Implementation
  - Maintenance Choice: ~630 Clients, 7.8 Million Lives
  - Generic Step Therapy: ~200 Clients, 5.7 Million Lives

Quarterly Business Update: Pharmacy Services Segment

- Announced New Specialty Medical Benefit Drug Management Service, Available To Clients In Jan. 2012
- Aetna Implementation Continues To Progress As Planned
  - Completing Key Integration Milestones
  - Working Closely With Aetna On 2012 Sales Story
  - Leveraging Our Analytic Expertise To Present Savings Opportunities To Support Expansion Of Our Unique Products

Quarterly Business Update: Pharmacy Services Segment

- Streamlining Initiative On-track
  - Closed One Of Seven Call Centers
  - Integration Of Adjudication Platforms Has Begun
    - More Than 50% Of Existing Client Volume Already On Destination Platform
    - Recently Concluded First Wave Of Migration With Zero Disruption To Clients And Members
    - Processes In Place To Ensure Accuracy Prior To Switchover
    - Process Has Worked As Designed During First Wave, Which Bodes Well For A Seamless Transition

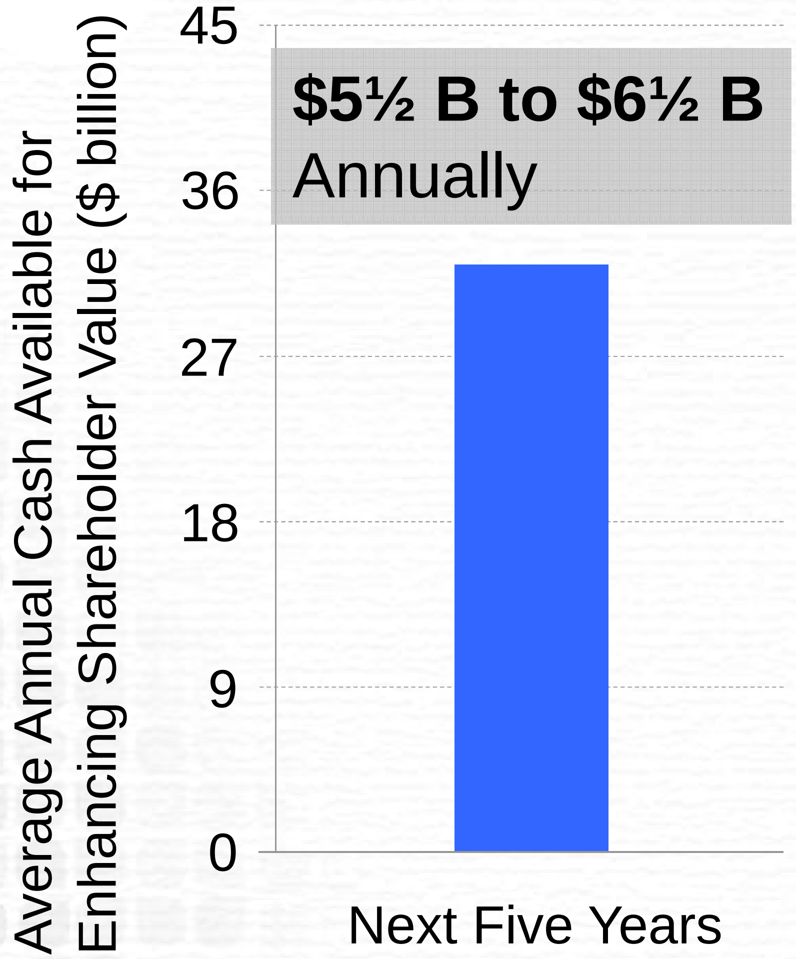
Quarterly Business Update: Retail Pharmacy Segment

- 2.6% Same-store Sales Growth In Q1…Continued To Gain Share
  - Front Store Comps Increased 0.4%, Despite Negative Impact Of Easter Shift (45 basis points) And Absence Of Sales Associated With Longs Grand Re-openings In Prior Year (65 basis points)
  - Pharmacy Comps Increased 3.7%
  - Script Comps Increased 3.9% As Reported; Increased 6.0% On A 30-day Equivalent Basis
- Store Brand Penetration At 17.5% Of Front Store Sales, Up 100 Basis Points Vs. LY
- Store Clustering Initiatives Will Help Fuel Future Growth
  - Plan To Complete 220 Urban Stores This Year, On Top Of 200 Done Last Year
  - Seeing Exciting Results From Pharmacy Dominant Pilot

Quarterly Business Update: Retail Pharmacy Segment

- Real Estate Program
  - Q1: Opened 106 New Or Relocated CVS/pharmacy Stores And One Specialty Store; Closed 13 CVS/pharmacy Stores, Resulting In 45 Net New Stores
  - FY: Expect To Open Approximately 150 Net New Stores, And Deliver 2% To 3% Square Footage Growth
- MinuteClinic Business Continues Strong Growth
  - 9.4 Million Patient Visits Since Inception
  - Patient Visits Up 24% On A Comparable Basis In Q1
  - Expanded Offerings To Treat Chronic Conditions
  - Opened 8 Clinics In Q1, And On-track To Add 100 Clinics Annually Over Next Five Years

Cash Deployment Guided By Disciplined, Risk-adjusted Decisions



- Increase Dividends
  - Target Payout Ratio Of 25% to 30%, by 2015
- Drive ROIC With Value-enhancing Projects
- Value-creating Share Repurchases
  - $3 to $4 Billion Per Year, On Average, Available After Dividends

* Cash available for enhancing shareholder value = Free cash flow +/- change in net debt

Capital Allocation Update: Enhancing Shareholder Returns Remains High Priority

- Returned More Than $638 Million To Shareholders In Q111, Through Dividends And Share Repurchases
- Increased Dividend By 43% In 2011; Paid A Dividend Of $170 Million To Shareholders In Q1
- Repurchased 14.2 Million Shares For Approximately $467 Million During Q1
- Expect To Complete In 2011 The Current $2.0 Billion Share Repurchase Authorization, The Financing Of The UAM Acquisition, And The Refinancing Of Our 2011 Debt Maturities – All The While Maintaining Our Target Capital Structure

Continued Strength In Balance Sheet And Cash Flows

- Inventory Reduction Efforts Off To Great Start
  - Achieved ~$225 Million Reduction In Q1
  - Well On-track To Achieve $1 Billion Goal By Year-end
  - Also Seeing Improvements In Accounts Payable / DPO
- Gross Capital Expenditures Of $309 Million In Q1, Down From $401 Million Last Year
- Generated $1.6 Billion Of Free Cash Flow In Q1, More Than Double The Amount In Q1 Last Year
- On-track To Generate Between $4.0 And $4.2 Billion Of Free Cash Flow In 2011
- Targeting Adjusted Debt To EBITDA Of 2.7x

First Quarter 2011: Consolidated Results

($ in millions; except per share figures)	Q1'11	Growth vs. Q1'10
Net Revenues	$ 25,879.7	+ 8.9%
Gross Profit	$ 4,750.7	+ 0.1%
Gross Margin	*18.4%*	*(162 bps)*
Total Operating Expenses	$ 3,439.4	+ 3.1%
Operating Expense as % of Revenues	*13.3%*	*(75 bps)*
Operating Profit	$ 1,311.3	(7.0%)
Operating Margin	*5.1%*	*(86 bps)*
GAAP Diluted EPS (Cont. Ops)	$ 0.52	(5.8%)
Adjusted EPS (Cont. Ops)[1]	$ 0.57	(5.1%)

1) **Adjusted earnings per share from continuing operations attributable to CVS Caremark excludes $106 million and $105 million of intangible asset amortization related to acquisition activity, for the three month periods ended March 31, 2011 and 2010, respectively.**

First Quarter 2011:
Pharmacy Services Segment

($ in millions)	Q1'11	Growth vs. Q1'10
Net Revenues	$ 14,013.9	+ 18.4%
Gross Profit	$ 639.2	(18.3%)
Gross Margin	*4.6%*	*(205 bps)*
Total Operating Expenses	$ 242.5	(0.7%)
Operating Expense as % of Revenues	*1.7%*	*(33 bps)*
Operating Profit	$ 396.7	(26.3%)
Operating Margin	*2.8%*	*(172 bps)*
EBITDA	$ 495.3	(22.1%)
EBITDA Margin	*3.5%*	*(184 bps)*

First Quarter 2011: Pharmacy Services Segment

(In millions, except EBITDA / Adjusted Claim)	**Q1'11**	**Growth vs. Q1'10**
Net Revenues		
Mail Choice	$ 4,535.2	+ 11.2%
Retail Network	$ 9,376.5	+ 22.2%
Other	$ 102.2	+ 15.5%
Pharmacy Claims Processed		
Total	175.2	+ 18.8%
Mail Choice	17.5	+ 13.0%
Retail Network	157.7	+ 19.5%
Generic Dispensing Rate	73.8%	+ 340 bps
Mail Choice Penetration Rate	24.1%	(70 bps)
EBITDA / Adjusted Claim	$ 2.39	(34.0%)

First Quarter 2011: Retail Pharmacy Segment

($ in millions)	Q1'11	Growth vs. Q1'10
Net Revenues	$ 14,586.4	+ 4.4%
Gross Profit	$ 4,146.5	+ 4.0%
Gross Margin	*28.4%*	*(9 bps)*
Total Operating Expenses	$ 3,049.8	+ 3.1%
Operating Expense as % of Revenues	*20.9%*	*(25 bps)*
Operating Profit	$ 1,096.7	+ 6.5%
Operating Margin	*7.5%*	*16 bps*

First Quarter 2011: Retail Pharmacy Segment

(In millions)	**Q1'11**	**Growth vs. Q1'10**
Net Revenues		
Pharmacy	$ 10,081.1	+ 5.1%
Front Store	$ 4,505.3	+ 2.8%
Same Store Sales		
Total	+ 2.6%	
Pharmacy	+ 3.7%	
Front Store	+ 0.4%	
Mail Choice Impact on Pharmacy SSS		
Gross Impact	+ 220 bps	
Net Impact	+ 170 bps	
Generic Dispensing Rate	75.2%	+ 310 bps
Retail Prescriptions Filled	165.6	+ 5.2%

Full Year 2011 Guidance: Earnings Per Share

	2011E	2010A	Y-Y Growth
GAAP Diluted EPS	$2.52 to $2.62	$2.50	1% to 5%
Adjusted EPS[1]	$2.72 to $2.82	$2.69	1% to 5%

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Note: This guidance includes the benefit of the recently closed acquisition of Universal American's Medicare Part D business, the costs related to the previously announced Pharmacy Services segment streamlining initiative, and the completion in 2011 of a $2.0 billion share repurchase program authorized last year by CVS Caremark's Board of Directors.

Full Year 2011 Guidance: Pharmacy Services Segment

	2011E vs. 2010A
Net Revenue Growth	23% to 26%
Adjusted Claims	~ 890 to 920 million
Gross Profit Margin	Significant Decline
Operating Expenses (% of net revenue)	Modest Improvement
Operating Profit Growth/(Decline)	(5%) to (9%)
EBITDA per Adjusted Claim	~ $2.95

Full Year 2011 Guidance: Retail Pharmacy Segment

	2011E vs. 2010A
Net Revenue Growth	4% to 6%
Same-store Sales Growth	2.5% to 4.5%
Gross Profit Margin	Moderately Down
Operating Expenses (% of net revenue)	Notable Improvement
Operating Profit Growth	6% to 8%

Full Year 2011 Guidance: Consolidated Income Statement

	2011E vs. 2010A
Net Revenue Growth	11% to 13%
Intercompany Eliminations (% of combined segment revenues)	~ 9.5%
Gross Profit Margin	Significant Decline
Operating Expenses (% of net revenue)	Significant Improvement
Operating Profit Margin	Moderate Decline

Full Year 2011 Guidance:
Other Income Statement Items

	2011E
Corporate Segment Expense	$625 to $645 million
Net Interest Expense	$560 to $570 million
Effective Tax Rate	~ 39.3%
Weighted Average Shares	~ 1.35 billion
Consolidated Amortization	~ $460 million
Consolidated D&A	~ $1.6 billion

Full Year 2011 Guidance: Cash Flows

	2011E
Net Cash Provided by Operating Activities	**$5.5 to $5.7 billion**
Subtract: Additions to Property and Equipment	($2.0) to ($2.1) billion
Add: Proceeds from Sale-leaseback Transactions	$550 to $600 million
Free Cash Flow	**$4.0 to $4.2 billion**

Second Quarter 2011 Guidance: Consolidated Income Statement

GAAP Diluted EPS	$0.58 to $0.60
Adjusted EPS (cont. ops)[1]	$0.63 to $0.65
Net Revenue Growth	10% to 12%

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Second Quarter 2011 Guidance: Pharmacy Services Segment

Net Revenue Growth	23% to 26%
Gross Profit Margin	Significant Decline
Operating Profit Growth/(Decline)	(23%) to (26%)

Pharmacy Services Segment: Quarterly Progression

Expect PBM Performance To Steadily Improve Throughout The Year, With Most Dramatic Improvement Expected To Occur From Q3 To Q4:

- Cycle Impact Of FEP Renewal Pricing By End Of August, Resulting In Easier September - December Comp
- Medicare Part D Profitability Back-end Loaded, Plus Universal American Is Additive
- Net Impact Of Streamlining Costs And Benefits Improves As The Year Progresses

Second Quarter 2011 Guidance: Retail Pharmacy Segment

Net Revenue Growth	3.5% to 5.5%
Same-store Sales Growth	2% to 4%
Operating Profit Growth	9% to 11%

Full Year 2011 Guidance: Other Key Assumptions

- Estimates Assume Completion Of The Current $2 Billion Share Repurchase Authorization This Year
  - No Assumption Of Additional Buyback Beyond Current Authorization
- Real Estate Plans
  - Expect To Open 225 To 250 New Or Relocated Stores
  - Equates To Approx. 150 Net-new Stores, Or 2% to 3% Retail Square Footage Growth
- MinuteClinic
  - Expect To Open ~100 New Clinics
  - Expect To Breakeven On Enterprise Basis, By Year-end

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