



CVS Caremark Corporation

Supplemental Financial Information
Preliminary And Unaudited

Fourth Quarter 2012
February 6, 2013

The information in this report includes non-GAAP financial measures related to our company's performance, namely EBITDA and "Adjusted EPS". In accordance with SEC regulations, the definitions of the non-GAAP items mentioned, as well as the reconciliations to comparable GAAP measures, are available on the investor relations portion of our website at info.cvscaremark.com/investors.

Supplemental Information: Statement of Operations

Fourth Quarter 2012

<i>(In millions, except per share amounts)</i>	Fourth Quarter			Year-to-date		
	Three months ended			Year ended		
	December 31, 2012	December 31, 2011	Change	December 31, 2012	December 31, 2011	Change
Net revenues	\$ 31,394.1	\$ 28,317.0	10.9%	\$ 123,133.3	\$ 107,099.6	15.0%
Cost of revenues	25,097.2	22,761.6	10.3%	100,627.1	86,538.5	16.3%
Gross profit	6,296.9	5,555.4	13.3%	22,506.2	20,561.1	9.5%
gross margin	20.1%	19.6%	44 bps	18.3%	19.2%	(92 bps)
Operating expenses	3,993.6	3,598.3	11.0%	15,277.7	14,230.8	7.4%
as a % of net revenues	12.7%	12.7%	(1 bps)	12.4%	13.3%	88 bps
Operating profit	2,303.3	1,957.1	17.7%	7,228.5	6,330.3	14.2%
operating margin	7.3%	6.9%	43 bps	5.9%	5.9%	(4 bps)
Interest expense, net	160.1	147.3	8.7%	557.4	584.4	(4.6%)
Loss on early extinguishment of debt	347.6	-	N/A	347.6	-	N/A
Income from continuing ops before before income tax	1,795.6	1,809.8	(0.8%)	6,323.5	5,745.9	10.1%
Amortization	124.1	114.3	8.6%	486.1	452.0	7.5%
Adjusted income from cont ops before income tax	1,919.7	1,924.1	(0.2%)	6,809.6	6,197.9	9.9%
Adjusted income tax provision	712.4	756.3	(5.8%)	2,628.4	2,435.7	7.9%
Adj income from cont ops	1,207.3	1,167.8	3.4%	4,181.2	3,762.2	11.1%
as a % of net revenues	3.8%	4.1%	(28 bps)	3.4%	3.5%	(12 bps)
Net loss attributable to noncontrolling interest	-	0.8	N/A	1.7	3.8	(55.3%)
Adj income from cont ops attributable to CVS Caremark	1,207.3	1,168.6	3.3%	4,182.9	3,766.0	11.1%
as a % of net revenues	3.8%	4.1%	(28 bps)	3.4%	3.5%	(12 bps)
Weighted avg diluted common shares outstanding	1,249.2	1,309.8	(4.6%)	1,279.9	1,346.6	(5.0%)
Adj EPS from cont ops attributable to CVS Caremark	\$ 0.97	\$ 0.89	8.3%	\$ 3.27	\$ 2.80	16.9%
Depreciation	331.9	281.5	17.9%	1,266.5	1,115.7	13.5%
Depreciation and amortization	456.0	395.8	15.2%	1,752.6	1,567.7	11.8%
EBITDA	2,759.3	2,352.9	17.3%	8,981.1	7,898.0	13.7%
as a % of net revenues	8.8%	8.3%	48 bps	7.3%	7.4%	(8 bps)

Supplemental Information: Pharmacy Services Segment

Fourth Quarter 2012

	Fourth Quarter			Year-to-date		
	Three months ended			Year ended		
	December 31, 2012	December 31, 2011	Change	December 31, 2012	December 31, 2011	Change
<i>(In millions, except per claim amounts)</i>						
Net revenues	\$ 18,642.0	\$ 15,873.3	17.4%	\$ 73,443.8	\$ 58,873.5	24.7%
Cost of revenues	17,307.9	14,857.8	16.5%	69,635.8	55,594.8	25.3%
Gross profit	1,334.1	1,015.5	31.4%	3,808.0	3,278.7	16.1%
<i>gross margin</i>	7.2%	6.4%	76 bps	5.2%	5.6%	(38 bps)
Operating expenses	299.0	291.1	2.7%	1,128.7	1,058.7	6.6%
<i>as a % of net revenues</i>	1.6%	1.8%	23 bps	1.5%	1.8%	26 bps
Operating profit	1,035.1	724.4	42.9%	2,679.3	2,220.0	20.7%
<i>operating margin</i>	5.6%	4.6%	99 bps	3.6%	3.8%	(12 bps)
Depreciation and amortization	137.0	115.9	18.2%	517.2	432.7	19.5%
EBITDA	1,172.1	840.3	39.5%	3,196.5	2,652.7	20.5%
<i>as a % of net revenues</i>	6.3%	5.3%	99 bps	4.4%	4.5%	(15 bps)
Net revenues:						
Mail choice	5,758.7	4,900.8	17.5%	22,842.8	18,616.1	22.7%
Pharmacy network	12,838.2	10,923.2	17.5%	50,411.3	40,039.3	25.9%
Other	45.1	49.3	(8.5%)	189.7	218.1	(13.0%)
Pharmacy claims processed:						
Total	225.9	210.8	7.1%	880.5	774.6	13.7%
Mail choice	20.4	17.8	14.6%	81.7	70.6	15.7%
Pharmacy network	205.5	193.0	6.5%	798.8	704.0	13.5%
Total Adjusted claims	264.0	243.9	8.2%	1,033.0	905.6	14.1%
Generic dispensing rate:						
Total	80.0%	75.0%	500 bps	78.5%	74.1%	440 bps
Mail choice	74.5%	66.1%	840 bps	72.0%	64.9%	710 bps
Pharmacy network	80.5%	75.8%	470 bps	79.1%	75.0%	410 bps
Mail choice penetration rate	22.1%	20.8%	130 bps	22.7%	22.3%	40 bps
EBITDA per adjusted claim	\$ 4.44	\$ 3.45	28.9%	\$ 3.09	\$ 2.93	5.6%

Supplemental Information: Retail Pharmacy Segment

Fourth Quarter 2012

<i>(In millions)</i>	Fourth Quarter			Year-to-date		
	<i>Three months ended</i>			<i>Year ended</i>		
	December 31, 2012	December 31, 2011	Change	December 31, 2012	December 31, 2011	Change
Net revenues	\$ 16,280.2	\$ 15,492.7	5.1%	\$ 63,653.6	\$ 59,599.1	6.8%
Cost of revenues	11,185.2	10,884.9	2.8%	44,544.8	42,131.2	5.7%
Gross profit	5,095.0	4,607.8	10.6%	19,108.8	17,467.9	9.4%
<i>gross margin</i>	31.3%	29.7%	155 bps	30.0%	29.3%	71 bps
Operating expenses	3,512.7	3,155.0	11.3%	13,455.2	12,555.4	7.2%
<i>as a % of net revenues</i>	21.6%	20.4%	(121 bps)	21.1%	21.1%	(7 bps)
Operating profit	1,582.3	1,452.8	8.9%	5,653.6	4,912.5	15.1%
<i>operating margin</i>	9.7%	9.4%	34 bps	8.9%	8.2%	64 bps
Depreciation and amortization	297.7	260.2	14.4%	1,152.6	1,060.2	8.7%
EBITDA	1,880.0	1,713.0	9.7%	6,806.2	5,972.7	14.0%
<i>as a % of net revenues</i>	11.5%	11.1%	49 bps	10.7%	10.0%	67 bps
Net revenues:						
Total	5.1%	4.0%	108 bps	6.8%	3.9%	290 bps
Pharmacy	4.9%	4.9%	(2 bps)	7.6%	4.4%	321 bps
Front store	5.5%	2.1%	342 bps	5.1%	3.0%	206 bps
Same-store increase (decrease):						
Total Sales	4.0%	2.5%	150 bps	5.5%	2.3%	320 bps
Pharmacy Sales	4.0%	3.6%	40 bps	6.5%	3.1%	340 bps
Front store Sales	3.9%	0.1%	380 bps	3.4%	0.8%	260 bps
Total prescription volume	9.0%	2.1%	690 bps	8.1%	2.2%	590 bps
Total adj. prescription volume*	11.0%	4.4%	660 bps	10.3%	4.4%	590 bps
Generic dispensing rate	79.9%	75.9%	400 bps	79.2%	75.6%	360 bps
Rx % of net revenues	67.6%	67.7%	(10 bps)	68.8%	68.3%	50 bps
3rd party % of Rx revenues	97.5%	97.9%	(40 bps)	97.6%	97.8%	(20 bps)
Retail prescriptions filled	185.5	168.9	9.8%	717.9	657.8	9.1%
Adj. retail prescriptions filled*	219.7	197.1	11.5%	848.0	763.4	11.1%

* 90-day prescriptions adjusted to 30-day equivalent

Supplemental Information: Corporate Segment

Fourth Quarter 2012

<i>(In millions)</i>	Fourth Quarter			Year-to-date		
	<i>Three months ended</i>			<i>Year ended</i>		
	December 31, 2012	December 31, 2011	Change	December 31, 2012	December 31, 2011	Change
Net revenues	\$ -	\$ -	N/A	\$ -	\$ -	N/A
Cost of revenues	-	-	N/A	-	-	N/A
Gross profit	-	-	N/A	-	-	N/A
<i>gross margin</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Operating expenses	181.8	152.2	19.4%	693.7	616.7	12.5%
<i>as a % of consolidated net revenues</i>	<i>0.6%</i>	<i>0.5%</i>	<i>(4 bps)</i>	<i>0.6%</i>	<i>0.6%</i>	<i>1 bps</i>
Operating profit	(181.8)	(152.2)	(19.4%)	(693.7)	(616.7)	(12.5%)
<i>operating margin</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Depreciation and amortization	21.3	19.7	8.1%	82.8	74.8	10.7%
EBITDA	(160.5)	(132.5)	(21.1%)	(610.9)	(541.9)	(12.7%)
<i>as a % of net revenues</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>

Supplemental Information: Eliminations

Fourth Quarter 2012

<i>(In millions)</i>	Fourth Quarter			Year-to-date		
	<i>Three months ended</i>			<i>Year ended</i>		
	December 31, 2012	December 31, 2011	Change	December 31, 2012	December 31, 2011	Change
Net revenues	\$ (3,528.0)	\$ (3,049.0)	(15.7%)	\$ (13,964.0)	\$ (11,373.0)	(22.8%)
Cost of revenues	(3,395.8)	(2,981.1)	(13.9%)	(13,553.4)	(11,187.5)	(21.1%)
Gross profit	(132.2)	(67.9)	(94.7%)	(410.6)	(185.5)	(121.3%)
<i>gross margin</i>	3.7%	2.2%	152 bps	2.9%	1.6%	131 bps
Operating expenses	-	-	N/A	-	-	N/A
<i>as a % of net revenues</i>	N/A	N/A	N/A	N/A	N/A	N/A
Operating profit	(132.2)	(67.9)	(94.7%)	(410.6)	(185.5)	(121.3%)
<i>operating margin</i>	3.7%	2.2%	152 bps	2.9%	1.6%	131 bps
Depreciation and amortization	-	-	N/A	-	-	N/A
EBITDA	(132.2)	(67.9)	(94.7%)	(410.6)	(185.5)	(121.3%)
<i>as a % of net revenues</i>	3.7%	2.2%	152 bps	2.9%	1.6%	131 bps