CVS Health Corporation

Supplemental Financial Information

Preliminary and Unaudited
Third Quarter 2018
Earnings Release
November 6, 2018

The information in this supplement includes non-GAAP financial measures related to our company's performance, namely Adjusted Operating Profit, 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 investors.cvshealth.com. This supplement contains financial information derived from our company's Form 10-Q for the quarter ended September 30, 2018. This filing is available on the investor relations portion of our website at investors.cvshealth.com.

GAAP

(In millions, except per share amounts)	Third Quarter — Three months ended			Year-to-Date — Nine months ended		
	September 30, 2018	September 30, 2017	+/-Variance	**September 30, 2018**	September 30, 2017	+/-Variance
Net revenues	**$ 47,269.6**	$ 46,181.4	2.4%	**$ 139,670.4**	$ 136,380.1	2.4%
Cost of revenues [1] [3]	**39,941.5**	39,063.4	(2.2%)	**118,282.8**	115,766.3	(2.2%)
Gross profit [3]	**7,328.1**	7,118.0	3.0%	**21,387.6**	20,613.8	3.8%
gross margin [3]	***15.5%***	*15.4%*	*9 bps*	***15.3%***	*15.1%*	*20 bps*
Operating expenses [2] [3]	**4,974.5**	4,618.9	(7.7%)	**18,675.3**	14,205.1	(31.5%)
as a % of net revenues [3]	***10.5%***	*10.0%*	*(52) bps*	***13.4%***	*10.4%*	*(296) bps*
Operating profit	**$ 2,353.6**	$ 2,499.1	(5.8%)	**$ 2,712.3**	$ 6,408.7	(57.7%)
operating margin	***5.0%***	*5.4%*	*(43) bps*	***1.9%***	*4.7%*	*(276) bps*
Interest expense, net [4]	**452.9**	245.1	(84.8%)	**1,401.2**	744.2	(88.3%)
Other expenses [7]	**1.2**	192.5	99.4%	**6.6**	205.9	96.8%
Income before income tax provision	**1,899.5**	2,061.5	(7.9%)	**1,304.4**	5,458.6	(76.1%)
Income tax provision [5]	**509.1**	777.2	34.5%	**1,478.4**	2,115.1	30.1%
effective tax rate [5]	***26.8%***	*37.7%*	*1090 bps*	***113.3%***	*38.7%*	*(7459) bps*
Discontinued operations	**0.1**	0.6	86.2%	**(0.5)**	(7.8)	94.0%
Net income (loss)	**1,390.5**	1,285.0	8.2%	**(174.4)**	3,335.7	(105.2%)
as a % of net revenues	***2.9%***	*2.8%*	*16 bps*	***-0.1%***	*2.4%*	*(257) bps*
Net income (loss) attributable to noncontrolling interest	**(0.2)**	(0.1)	NM	**(0.5)**	(0.4)	NM
Net income (loss) attributable to CVS Health	**$ 1,390.3**	$ 1,284.9	8.2%	**$ (174.9)**	$ 3,335.2	(105.2%)
as a % of net revenues	***2.9%***	*2.8%*	*16 bps*	***(0.1%)***	*2.4%*	*(257) bps*
Earnings allocated to participating securities	**1.6**	2.9	44.0%	**3.2**	12.6	75.0%
Income (loss) available for common shareholders	**1,388.6**	1,282.0	8.3%	**(178.1)**	3,322.6	105.4%
Weighted average diluted shares outstanding [6]	**1,022.1**	1,020.2	(0.2%)	**1,018.0**	1,026.2	0.8%
GAAP diluted earnings (loss) per share from continuing ops	**$ 1.36**	$ 1.26	8.2%	**$ (0.17)**	$ 3.25	(105.4%)
Depreciation & amortization	**620.1**	614.7	0.9%	**1,910.5**	1,856.9	2.9%
EBITDA	**$ 2,972.5**	$ 2,921.3	1.8%	**$ 4,616.2**	$ 8,059.7	(42.7%)
as a % of net revenues	***6.3%***	*6.3%*	*(4) bps*	***3.3%***	*5.9%*	*(260) bps*

Footnotes

Totals may not foot due to rounding.

1 Includes $2 million and $7 million of acquisition-related integration costs in the three and nine months ended September 30, 2017, related to the acquisition of Omnicare.

2 Includes $70 million and $152 million of acquisition-related transaction and integration costs during the three and nine months ended September 30, 2018, respectively. Includes $4 million and $24 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, respectively. In 2018, transaction and integration costs relate to the proposed acquisition of Aetna and the acquisition of Omnicare. In 2017, integration costs relate to the acquisition of Omnicare. Includes $3.9 billion and $135 million of goodwill impairment charges in the nine months ended September 30, 2018 and 2017, respectively. In 2018, the charge relates to the LTC reporting unit and in 2017 the charge relates to the RxCrossroads reporting unit both within the Retail/LTC Segment. Includes $86 million of pre-tax loss in the nine months ended September 30, 2018 on the sale of the RxCrossroads subsidiary for $725 million in January 2018. Includes $6 million and $211 million of charges primarily for noncancelable lease obligations associated with stores closed in connection with our enterprise streamlining initiative during the three and nine months ended September 30, 2017, respectively.

3 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

4 The three and nine months ended September 30, 2018 include $2 million and $171 million, respectively, of bridge financing costs, plus $434 million and $979 million, respectively, of interest expense on the $40 billion of senior notes issued on March 9, 2018 and the $5 billion term loan facility, less related interest income of $209 million and $453 million, respectively, earned on the proceeds of the 2018 senior notes.

5 The income tax provision for the three and nine months ended September 30, 2018 and 2017, include the effects of the items described in footnotes 1 through 4.

6 There were 2 million of potential common shares in the nine months ended September 30, 2018 that were excluded from the calculation of GAAP loss per share, as the shares would have had an anti-dilutive effect as a result of the GAAP net loss incurred.

7 Includes $187 million of losses on settlements of defined benefit pension plans in the three and nine months ended September 30, 2017.

(In millions)	Third Quarter — Three months ended September 30, 2018	Third Quarter — Three months ended September 30, 2017	+/-Variance	Year-to-Date — Nine months ended September 30, 2018	Year-to-Date — Nine months ended September 30, 2017	+/-Variance
Net revenues	**$ 33,763.0**	$ 32,895.8	2.6%	**$ 99,228.0**	$ 96,444.1	2.9%
Cost of revenues [1]	**32,025.5**	31,263.9	(2.4%)	**94,858.0**	92,273.1	(2.8%)
Gross profit [1]	**1,737.5**	1,631.9	6.5%	**4,370.0**	4,170.9	4.8%
gross margin [1]	***5.1%***	*5.0%*	*19 bps*	***4.4%***	*4.3%*	*8 bps*
Operating expenses [1]	**392.5**	305.2	(28.6%)	**1,175.6**	975.4	(20.5%)
as a % of net revenues [1]	***1.2%***	*0.9%*	*(23) bps*	***1.2%***	*1.0%*	*(17) bps*
Operating profit [1]	**$ 1,345.0**	$ 1,326.7	1.4%	**$ 3,194.4**	$ 3,195.5	(0.0%)
operating margin [1]	***4.0%***	*4.0%*	*(5) bps*	***3.2%***	*3.3%*	*(9) bps*
Net revenues:						
Mail choice	**11,811.2**	11,589.8	1.9%	**34,806.6**	33,950.2	2.5%
Pharmacy network [2]	**21,183.2**	20,519.2	3.2%	**61,302.7**	59,446.9	3.1%
Other [2]	**768.6**	786.8	(2.3%)	**3,118.7**	3,047.0	2.4%
Pharmacy claims processed [3]:						
Total adjusted claims	**466.3**	441.1	5.7%	**1,405.2**	1,323.2	6.2%
Adjusted mail choice	**71.8**	66.9	7.4%	**213.0**	196.2	8.6%
Adjusted pharmacy network	**394.5**	374.2	5.4%	**1,192.2**	1,127.0	5.8%
Generic dispensing rate [3]:						
Total	**87.2%**	87.0%	*19 bps*	**87.5%**	87.1%	*41 bps*
Mail Choice	**83.9%**	83.3%	*64 bps*	**84.0%**	83.1%	*95 bps*
Pharmacy network	**87.8%**	87.7%	*8 bps*	**88.1%**	87.8%	*34 bps*
Mail choice penetration rate [3]	**15.4%**	15.2%	*23 bps*	**15.2%**	14.8%	*33 bps*

Footnotes

Totals may not foot due to rounding.

1 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

2 Amounts revised for the three and nine months ended September 30, 2017, to reflect the reclassification of Medicare Part D premium revenues from pharmacy network revenues to other revenues.

3 Includes the adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal prescription.

(In millions)	Third Quarter Three months ended September 30, 2018	Third Quarter Three months ended September 30, 2017	+/-Variance	Year-to-Date Nine months ended September 30, 2018	Year-to-Date Nine months ended September 30, 2017	+/-Variance
Net revenues	**$ 20,856.6**	$ 19,593.4	6.4%	**$ 61,960.7**	$ 58,488.3	5.9%
Cost of revenues [1] [2]	**15,042.5**	13,904.1	(8.2%)	**44,318.6**	41,440.7	(6.9%)
Gross profit [2]	**5,814.1**	5,689.4	2.2%	**17,642.1**	17,047.6	3.5%
gross margin [2]	***27.9%***	*29.0%*	*(116) bps*	***28.5%***	*29.1%*	*(67) bps*
Operating expenses [2] [3]	**4,323.2**	4,108.5	(5.2%)	**16,752.5**	12,605.5	(32.9%)
as a % of net revenues [2]	***20.7%***	*21.0%*	*24 bps*	***27.0%***	*21.6%*	*(549) bps*
Operating profit (loss) [2]	**$ 1,490.9**	$ 1,580.9	(5.7%)	**$ 889.7**	$ 4,442.1	(80.0%)
operating margin [2]	***7.1%***	*8.1%*	*(92) bps*	***1.4%***	*7.6%*	*(616) bps*
RETAIL STATISTICS						
Same-store increase (decrease) [4]:						
Total sales	**6.7%**	(3.2%)	*990 bps*	**6.2%**	(3.5%)	*970 bps*
Retail pharmacy sales	**8.7%**	(3.4%)	*1210 bps*	**8.1%**	(3.6%)	*1170 bps*
Retail front store sales	**0.8%**	(2.8%)	*360 bps*	**0.5%**	(3.3%)	*380 bps*
Total prescription volume	**3.2%**	(3.0%)	*620 bps*	**3.3%**	(3.2%)	*650 bps*
Total adjusted prescription volume [5]	**9.2%**	0.3%	*890 bps*	**9.1%**	(0.4%)	*950 bps*
SEGMENT STATISTICS						
Net revenues increase (decrease):						
Total	**6.4%**	(2.7%)	*917 bps*	**5.9%**	(2.9%)	*887 bps*
Pharmacy revenues	**16,123.3**	14,867.8	8.4%	**47,428.0**	43,900.7	8.0%
Pharmacy	**8.4%**	(2.9%)	*1137 bps*	**8.0%**	(3.1%)	*1110 bps*
FS revenues	**4,557.0**	4,469.6	2.0%	**13,989.9**	13,788.3	1.5%
Front store	**2.0%**	(2.1%)	*404 bps*	**1.5%**	(2.4%)	*389 bps*
Generic dispensing rate [5]	**87.3%**	87.2%	*11 bps*	**87.8%**	87.4%	*40 bps*
Rx % of net revenues	**77.3%**	75.9%	*142 bps*	**76.5%**	75.1%	*149 bps*
FS % of net revenues	**21.8%**	22.8%	*(96) bps*	**22.6%**	23.6%	*(100) bps*
Retail/LTC prescriptions filled	**241.9**	234.2	*3.3%*	**733.9**	708.8	*3.5%*
Adjusted retail/LTC prescriptions filled [5]	**331.2**	304.0	*8.9%*	**989.7**	908.7	*8.9%*

Footnotes

Totals may not foot due to rounding.

1 Includes $2 million and $7 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, related to the acquisition of Omnicare.

2 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

3 Includes $4 million and $7 million of acquisition-related integration costs during the three and nine months ended September 30, 2018, related to the acquisition of Omnicare. Includes $7 million and $27 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, respectively, related to the acquisition of Omnicare. Includes $3.9 billion and $135 million of goodwill impairment charges in the nine months ended September 30, 2018 and 2017, respectively. In 2018, the charge relates to the LTC reporting unit and in 2017 the charge relates to the RxCrossroads reporting unit both within the Retail/LTC Segment. Includes $86 million of pre-tax loss in the nine months ended September 30, 2018 on the sale of the RxCrossroads subsidiary for $725 million. Includes $6 million and $211 million of charges primarily for noncancelable lease obligations associated with stores closed in connection with our enterprise streamlining initiative during the three and nine months ended September 30, 2017, respectively.

4 Same store sales and prescriptions exclude revenues from MinuteClinic®, and revenue and prescriptions from stores in Brazil, LTC operations and, in 2017, from commercialization services provided through RxCrossroads.

5 Includes the adjustment to convert 90-day non-specialty prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal 30-day prescription.

	Third Quarter			Year-to-Date		
	Three months ended			Nine months ended		
(In millions)	**September 30, 2018**	September 30, 2017	+/-Variance	**September 30, 2018**	September 30, 2017	+/-Variance
Net revenues	**$ -**	$ -	N/A	**$ -**	$ -	N/A
Cost of revenues	**-**	-	N/A	**-**	-	N/A
Gross profit	**-**	-	N/A	**-**	-	N/A
gross margin	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*
Operating expenses [1] [2]	**286.0**	222.1	(28.8%)	**813.5**	677.3	(20.1%)
as a % of net revenues	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*
Operating loss [1] [2]	**$ (286.0)**	$ (222.1)	(28.8%)	**$ (813.5)**	$ (677.3)	(20.1%)
operating margin	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*

Footnotes

Totals may not foot due to rounding.

1 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

2 Includes $66 million and $145 million of acquisition-related transaction and integration costs for the three and nine months ended September 30, 2018, respectively, related to the proposed acquisition of Aetna.

(In millions)	Third Quarter — Three months ended			Year-to-Date — Nine months ended		
	September 30, 2018	September 30, 2017	+/-Variance	**September 30, 2018**	September 30, 2017	+/-Variance
Net revenues	**$ (7,349.9)**	$ (6,307.8)	(16.5%)	**$ (21,518.2)**	$ (18,552.3)	(16.0%)
Cost of revenues	**(7,126.5)**	(6,104.6)	16.7%	**(20,893.7)**	(17,947.5)	16.4%
Gross profit	**(223.5)**	(203.3)	(9.9%)	**(624.4)**	(604.8)	(3.2%)
gross margin	***3.0%***	*3.2%*	*(18) bps*	***2.9%***	*3.3%*	*(36) bps*
Operating expenses	**(27.1)**	(16.9)	(60.5%)	**(66.2)**	(53.1)	(24.6%)
as a % of net revenues	***0.4%***	*0.3%*	*10 bps*	***0.3%***	*0.3%*	*2 bps*
Operating profit	**$ (196.3)**	$ (186.4)	(5.3%)	**$ (558.2)**	$ (551.7)	(1.2%)
operating margin	***2.7%***	*3.0%*	*(28) bps*	***2.6%***	*3.0%*	*(38) bps*

Footnotes

Totals may not foot due to rounding.

Adjusted to Exclude Certain Items

Supplemental Information: Consolidated Statements of Operations (Excluding Certain Items)

Third Quarter 2018

(In millions, except per share amounts)	Third Quarter — Three months ended			Year-to-Date — Nine months ended		
	September 30, 2018	September 30, 2017	+/-Variance	**September 30, 2018**	September 30, 2017	+/-Variance
Net revenues	**$ 47,269.6**	$ 46,181.4	2.4%	**$ 139,670.4**	$ 136,380.1	2.4%
Cost of revenues [1] [3]	**39,941.5**	39,061.6	(2.3%)	**118,282.7**	115,758.3	(2.2%)
Gross profit [3]	**7,328.1**	7,119.8	2.9%	**21,387.7**	20,621.7	3.7%
gross margin [3]	***15.5%***	*15.4%*	*9 bps*	***15.3%***	*15.1%*	*19 bps*
Operating expenses [2] [3]	**4,904.4**	4,608.8	(6.4%)	**14,515.6**	13,836.3	(4.9%)
as a % of net revenues [3]	***10.4%***	*10.0%*	*(40) bps*	***10.4%***	*10.1%*	*(25) bps*
Operating profit	**$ 2,423.7**	$ 2,511.0	(3.5%)	**$ 6,872.1**	$ 6,785.4	1.3%
operating margin	***5.1%***	*5.4%*	*(31) bps*	***4.9%***	*5.0%*	*(6) bps*
Interest expense, net [4]	**225.5**	245.1	8.0%	**704.5**	744.2	5.3%
Other expenses [7]	**1.2**	5.2	77.6%	**6.6**	18.5	64.4%
Income before income tax provision	**2,197.1**	2,260.7	(2.8%)	**6,161.1**	6,022.7	2.3%
Amortization	**214.9**	205.3	4.7%	**638.7**	608.7	4.9%
Adjusted net income before income tax provision	**2,412.0**	2,466.1	(2.2%)	**6,799.8**	6,631.4	2.5%
Adjusted income tax provision [5]	**641.6**	934.6	31.4%	**1,798.5**	2,520.5	28.6%
effective tax rate [5]	***26.6%***	*37.9%*	*1130 bps*	***26.5%***	***38.0%***	*1156 bps*
Adjusted net income	**1,770.4**	1,531.4	15.6%	**5,001.2**	4,110.8	21.7%
as a % of net revenues	***3.7%***	*3.3%*	*43 bps*	***3.6%***	*3.0%*	*57 bps*
Earnings allocated to participating securities	**(2.0)**	(3.4)	40.1%	**(9.6)**	(15.4)	37.5%
Net income attributable to noncontrolling interest	**(0.2)**	(0.1)	NM	**(0.5)**	(0.4)	NM
Adjusted net income attributable to CVS Health	**$ 1,768.2**	$ 1,528.0	15.7%	**$ 4,991.1**	$ 4,095.0	21.9%
as a % of net revenues	***3.7%***	*3.3%*	*43 bps*	***3.6%***	*3.0%*	*57 bps*
Weighted average diluted shares outstanding [6]	**1,022.1**	1,020.2	(0.2%)	**1,020.3**	1,026.2	0.6%
Adjusted EPS from continuing operations	**$ 1.73**	$ 1.50	15.5%	**$ 4.89**	$ 3.99	22.6%
Depreciation & amortization	**620.1**	614.3	1.0%	**1,910.5**	1,856.4	2.9%
EBITDA	**$ 3,042.7**	$ 3,120.1	(2.5%)	**$ 8,776.0**	$ 8,623.3	1.8%
as a % of net revenues	***6.4%***	*6.8%*	*(32) bps*	***6.3%***	*6.3%*	*(4) bps*

Footnotes

Totals may not foot due to rounding.

1 Excludes $2 million and $7 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, related to the acquisition of Omnicare.

2 Excludes $70 million and $152 million of acquisition-related transaction and integration costs during the three and nine months ended September 30, 2018, respectively. Excludes $4 million and $24 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, respectively. In 2018, transaction and integration costs relate to the proposed acquisition of Aetna and the acquisition of Omnicare. In 2017, integration costs relate to the acquisition of Omnicare. Excludes $3.9 billion and $135 million of goodwill impairment charges in both the three and nine months ended September 30, 2018 and 2017, respectively. In 2018, the charge relates to the LTC reporting unit and in 2017 the charge relates to the RxCrossroads reporting unit both within the Retail/LTC Segment. Excludes $86 million of pre-tax loss in the nine months ended September 30, 2018 on the sale of the RxCrossroads subsidiary for $725 million. Excludes $6 million and $211 million of charges primarily for noncancelable lease obligations associated with stores closed in connection with our enterprise streamlining initiative during the three and nine months ended September 30, 2017, respectively.

3 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

4 The three and nine months ended September 30, 2018 exclude $2 million and $171 million, respectively, of bridge financing costs, plus $434 million and $979 million, respectively, of interest expense on the $40 billion of senior notes issued on March 9, 2018 and the $5 billion term loan facility, less related interest income of $209 million and $453 million, respectively, earned on the proceeds of the 2018 senior notes.

5 The income tax provision for the three and nine months ended September 30, 2018 and 2017, include the effects of the items described in footnotes 1 through 4.

6 Adjusted earnings per share for the nine months ended September 30, 2018 is calculated utilizing weighted average diluted shares outstanding, which include 2 million of potential common shares, as the impact of the potential common shares was dilutive. The potential common shares were excluded from the calculation of GAAP loss per share for the nine months ended September 30, 2018, as the shares would have had an anti-dilutive effect as a result of the GAAP net loss incurred.

7 Excludes $187 million of losses on the settlements of defined benefit pension plans in the three and nine months ended September 30, 2017.

Supplemental Information: Pharmacy Services Segment
(Excluding Certain Items)

Third Quarter 2018

(In millions)	Third Quarter Three months ended September 30, 2018	Third Quarter Three months ended September 30, 2017	+/-Variance	Year-to-Date Nine months ended September 30, 2018	Year-to-Date Nine months ended September 30, 2017	+/-Variance
Net revenues	**$ 33,763.0**	$ 32,895.8	2.6%	**$ 99,228.0**	$ 96,444.1	2.9%
Cost of revenues [1]	**32,025.5**	31,263.9	(2.4%)	**94,858.0**	92,273.1	(2.8%)
Gross profit [1]	**1,737.5**	1,631.9	6.5%	**4,370.0**	4,170.9	4.8%
gross margin [1]	***5.1%***	*5.0%*	*19 bps*	***4.4%***	*4.3%*	*8 bps*
Operating expenses [1]	**392.5**	305.2	(28.6%)	**1,175.6**	975.4	(20.5%)
as a % of net revenues [1]	***1.2%***	*0.9%*	*(23) bps*	***1.2%***	*1.0%*	*(17) bps*
Operating profit [1]	**$ 1,345.0**	$ 1,326.7	1.4%	**$ 3,194.4**	$ 3,195.5	(0.0%)
operating margin [1]	***4.0%***	*4.0%*	*(5) bps*	***3.2%***	*3.3%*	*(9) bps*
Other expense	**-**	(1.0)	NM	**-**	(3.0)	NM
Depreciation and amortization	**170.8**	175.5	(2.6%)	**536.1**	532.7	0.6%
EBITDA	**$ 1,515.8**	$ 1,501.2	1.0%	**$ 3,730.5**	$ 3,725.2	0.1%
as a % of net revenues	***4.5%***	*4.6%*	*(7) bps*	***3.8%***	*3.9%*	*(10) bps*
Net revenues:						
Mail choice	**11,811.2**	11,589.8	1.9%	**34,806.6**	33,950.2	2.5%
Pharmacy network [2]	**21,183.2**	20,519.2	3.2%	**61,302.7**	59,446.9	3.1%
Other [2]	**768.6**	786.8	(2.3%)	**3,118.7**	3,047.0	2.4%
Pharmacy claims processed [3]:						
Total adjusted claims	**466.3**	441.1	5.7%	**1,405.2**	1,323.2	6.2%
Adjusted mail choice	**71.8**	66.9	7.4%	**213.0**	196.2	8.6%
Adjusted pharmacy network	**394.5**	374.2	5.4%	**1,192.2**	1,127.0	5.8%
Generic dispensing rate [3]:						
Total	**87.2%**	87.0%	*19 bps*	**87.5%**	87.1%	*41 bps*
Mail Choice	**83.9%**	83.3%	*64 bps*	**84.0%**	83.1%	*95 bps*
Pharmacy network	**87.8%**	87.7%	*8 bps*	**88.1%**	87.8%	*34 bps*
Mail choice penetration rate [3]	**15.4%**	15.2%	*23 bps*	**15.2%**	14.8%	*33 bps*

Footnotes

Totals may not foot due to rounding.

1 Amounts revised to reflect the a change to the company's cost allocation methodology effective January 1, 2018.

2 Amounts revised for the three and nine months ended September 30, 2017, to reflect the reclassification of Medicare Part D premium revenues from pharmacy network revenues to other revenues.

3 Includes the adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal prescription.

Supplemental Information: Retail/LTC Segment
(Excluding Certain Items)

Third Quarter 2018

(In millions)	Third Quarter — Three months ended			Year-to-Date — Nine months ended		
	September 30, 2018	September 30, 2017	+/-Variance	**September 30, 2018**	September 30, 2017	+/-Variance
Net revenues	**$ 20,856.6**	$ 19,593.4	6.4%	**$ 61,960.7**	$ 58,488.3	5.9%
Cost of revenues [1] [2]	**15,042.5**	13,902.2	(8.2%)	**44,318.5**	41,432.7	(7.0%)
Gross profit [2]	**5,814.1**	5,691.2	2.2%	**17,642.2**	17,055.6	3.4%
gross margin [2]	***27.9%***	*29.0%*	*(117) bps*	***28.5%***	*29.2%*	*(69) bps*
Operating expenses [2] [3]	**4,318.8**	4,095.6	(5.5%)	**12,738.2**	12,233.9	(4.1%)
as a % of net revenues [2]	***20.7%***	*20.9%*	*20 bps*	***20.6%***	*20.9%*	*36 bps*
Operating profit [2]	**$ 1,495.3**	$ 1,595.6	(6.3%)	**$ 4,903.9**	$ 4,821.7	1.7%
operating margin [2]	***7.2%***	*8.1%*	*(97) bps*	***7.9%***	*8.2%*	*(33) bps*
Other expense	**-**	(4.0)	(100.0%)	**-**	(14.0)	(100.0%)
Depreciation and amortization	**415.0**	408.1	1.7%	**1,272.5**	1,235.6	3.0%
EBITDA	**$ 1,910.2**	$ 1,999.7	(4.5%)	**$ 6,176.4**	$ 6,043.3	2.2%
as a % of net revenues	***9.2%***	*10.2%*	*(105) bps*	***10.0%***	*10.3%*	*(36) bps*
RETAIL STATISTICS						
Same-store increase (decrease) [4]:						
Total sales	**6.7%**	(3.2%)	*990 bps*	**6.2%**	(3.5%)	*970 bps*
Retail pharmacy sales	**8.7%**	(3.4%)	*1210 bps*	**8.1%**	(3.6%)	*1170 bps*
Retail front store sales	**0.8%**	(2.8%)	*360 bps*	**0.5%**	(3.3%)	*380 bps*
Total prescription volume	**3.2%**	(3.0%)	*620 bps*	**3.3%**	(3.2%)	*650 bps*
Total adjusted prescription volume [5]	**9.2%**	0.3%	*890 bps*	**9.1%**	(0.4%)	*950 bps*
SEGMENT STATISTICS						
Net revenues increase (decrease):						
Total	**6.4%**	(2.7%)	*917 bps*	**5.9%**	(2.9%)	*887 bps*
Pharmacy revenues	**16,123.3**	14,867.8	8.4%	**47,428.0**	43,900.7	8.0%
Pharmacy	**8.4%**	(2.9%)	*1137 bps*	**8.0%**	(3.1%)	*1110 bps*
FS revenues	**4,557.0**	4,469.6	2.0%	**13,989.9**	13,788.3	1.5%
Front store	**2.0%**	(2.1%)	*404 bps*	**1.5%**	(2.4%)	*389 bps*
Generic dispensing rate [5]	**87.3%**	87.2%	*11 bps*	**87.8%**	87.4%	*40 bps*
Rx % of net revenues	**77.3%**	75.9%	*142 bps*	**76.5%**	75.1%	*149 bps*
FS % of net revenues	**21.8%**	22.8%	*(96) bps*	**22.6%**	23.6%	*(100) bps*
Retail/LTC prescriptions filled	**241.9**	234.2	*3.3%*	**733.9**	708.8	*3.5%*
Adjusted retail/LTC prescriptions filled [5]	**331.2**	304.0	*8.9%*	**989.7**	908.7	*8.9%*

Footnotes

Totals may not foot due to rounding.

1 Excludes $2 million and $7 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, related to the acquisition of Omnicare.

2 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

3 Excludes $4 million and $7 million of acquisition-related integration costs during the three and nine months ended September 30, 2018, respectively, related to the acquisition of Omnicare. Excludes $7 million and $27 million of acquisition-related integration costs during the three and nine months ended September 30, 2017, respectively, related to the acquisition of Omnicare. Excludes $3.9 billion and $135 million of goodwill impairment charges in the nine months ended September 30, 2018 and 2017, respectively. In 2018, the charge relates to the LTC reporting unit and in 2017 the charge relates to the RxCrossroads reporting unit both within the Retail/LTC Segment. Excludes $86 million of pre-tax loss in the nine months ended September 30, 2018 on the sale of the RxCrossroads subsidiary for $725 million. Excludes $6 million and $211 million of charges primarily for noncancelable lease obligations associated with stores closed in connection with our enterprise streamlining initiative during the three and nine months ended September 30, 2017, respectively.

4 Same store sales and prescriptions exclude revenues from MinuteClinic®, and revenue and prescriptions from stores in Brazil, LTC operations and, in 2017, from commercialization services provided through RxCrossroads.

5 Includes the adjustment to convert 90-day non-specialty prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal 30-day prescription.

Supplemental Information: Corporate Segment
(Excluding Certain Items)

Third Quarter 2018

(In millions)	Third Quarter Three months ended September 30, 2018	Third Quarter Three months ended September 30, 2017	+/-Variance	Year-to-Date Nine months ended September 30, 2018	Year-to-Date Nine months ended September 30, 2017	+/-Variance
Net revenues	**$ -**	$ -	N/A	**$ -**	$ -	N/A
Cost of revenues	**-**	-	N/A	**-**	-	N/A
Gross profit	**-**	-	N/A	**-**	-	N/A
gross margin	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*
Operating expenses [1] [2]	**220.2**	225.0	2.1%	**668.0**	680.1	1.8%
as a % of net revenues	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*
Operating profit [1] [2]	**$ (220.2)**	$ (225.0)	2.1%	**$ (668.0)**	$ (680.1)	1.8%
operating margin	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*
Other expense [3]	**(1.2)**	-	N/A	**(6.6)**	(2.0)	229.1%
Depreciation and amortization	**34.3**	30.7	11.5%	**101.9**	88.1	15.6%
EBITDA	**$ (187.1)**	$ (194.2)	3.7%	**$ (572.7)**	$ (594.0)	3.6%
as a % of net revenues	***N/A***	*N/A*	*N/A*	***N/A***	*N/A*	*N/A*

Footnotes

Totals may not foot due to rounding.

1 Amounts revised to reflect a change to the company's cost allocation methodology effective January 1, 2018.

2 Excludes $66 million and $145 million of acquisition-related transaction and integration costs for the three and nine months ended September 30, 2018, respectively, related to the proposed acquisition of Aetna.

3 Excludes $187 million of losses on the settlements of defined benefit pension plans in the three and nine months ended September 30, 2017.