January 11, 2022
Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure included in JPM Conference Materials

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of CVS Health Corporation ("CVS Health" or the "Company"). The information within this document is forward-looking, including information related to CVS Health's estimated full year 2021 and projected 2022 GAAP diluted EPS, Adjusted EPS, income from continuing operations attributable to CVS Health, adjusted income from continuing operations attributable to CVS Health and the other financial information included in the table below, all of which are preliminary. By their nature, all forward-looking statements are not guarantees of future performance or results and are subject to risks and uncertainties that are difficult to predict and/or quantify. Actual results may differ materially from those contemplated by the forward-looking statements due to continuing uncertainties related to the COVID-19 pandemic, including the impact of new and existing variants on consumer behavior, health care utilization patterns and federal, state and local response to the pandemic, as well as the risks and uncertainties described in the Company's Securities and Exchange Commission ("SEC") filings, including those set forth in the Risk Factors section and under the heading "Cautionary Statement Concerning Forward-Looking Statements" in the Company's most recently filed Annual Report on Form 10-K for the year ended December 31, 2020 and in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021, and our Current Reports on Form 8-K.

You are cautioned not to place undue reliance on the Company's forward-looking statements. The Company's forward-looking statements are and will be based upon management's then-current views and assumptions regarding preliminary financial estimates and projections, future events and operating performance, and are applicable only as of the dates of such statements. The Company does not assume any duty to update or revise forward-looking statements, whether as a result of new information, future events, uncertainties or otherwise.

ADJUSTED EARNINGS PER SHARE

Estimated and projected GAAP diluted Earnings Per Share ("EPS") and estimated and projected Adjusted EPS, respectively, are calculated by dividing estimated or projected income from continuing operations attributable to CVS Health and estimated or projected adjusted income from continuing operations attributable to CVS Health by the Company's estimated or projected weighted average diluted shares outstanding. The Company defines adjusted income from continuing operations attributable to CVS Health as income from continuing operations attributable to CVS Health (GAAP measure) excluding the impact of amortization of intangible assets and other items, if any, that neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance, such as acquisition-related integration costs, store impairments, goodwill impairments, acquisition purchase price adjustments outside of measurement period, gains/losses on divestitures, receipt of amounts owed to the Company under the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, the "ACA") risk corridor program, losses on early extinguishment of debt and the corresponding tax benefit or expense related to the items excluded from adjusted income from continuing operations attributable to CVS Health. The following are reconciliations of the estimated and projected GAAP diluted EPS to estimated and projected Adjusted EPS:

ESTIMATED FULL-YEAR 2021

	2021E				2020	
	Low		High		Actual	
In millions, except per share amounts	Total Company	Per Common Share	Total Company	Per Common Share	Total Company	Per Common Share
Income from continuing operations attributable to CVS Health (GAAP measure)	$ 7,797	$ 5.87	$ 7,862	$ 5.92	$ 7,188	$ 5.47
Non-GAAP adjustments:						
Amortization of intangible assets	2,260	1.70	2,260	1.70	2,341	1.78
Acquisition-related integration costs [(1)]	133	0.10	133	0.10	332	0.25
Store impairments [(2)]	1,358	1.02	1,358	1.02	-	-
Goodwill impairment [(3)]	431	0.33	431	0.33	-	-
Acquisition purchase price adjustment outside of measurement period [(4)]	(61)	(0.05)	(61)	(0.05)	-	-
Gain on divestiture of subsidiary [(5)]	-	-	-	-	(269)	(0.20)
Receipt of fully reserved ACA risk corridor receivable [(6)]	-	-	-	-	(307)	(0.23)
Loss on early extinguishment of debt [(7)]	452	0.34	452	0.34	1,440	1.09
Tax impact of non-GAAP adjustments [(8)]	(1,300)	(0.98)	(1,300)	(0.98)	(877)	(0.67)
Receipt of ACA risk corridor receivable attributable to noncontrolling interest, net of tax [(6)]	-	-	-	-	12	0.01
Adjusted income from continuing operations attributable to CVS Health	**$ 11,070**	**$ 8.33**	**$ 11,135**	**$ 8.38**	$ 9,860	$ 7.50
Weighted average diluted shares outstanding		1,329		1,329		1,314

(1) Acquisition-related integration costs relate to the acquisition of Aetna Inc.
(2) In connection with a planned closure of approximately 900 stores between 2022 and 2024, the Company expects to record an impairment charge in the fourth quarter of 2021 of approximately $1.4 billion. This charge relates to the write down of operating lease right-of-use assets and property and equipment within the Retail/LTC segment.
(3) The goodwill impairment charge was recorded in the third quarter of 2021 in the long-term care reporting unit within the Retail/LTC segment.
(4) In June 2021, the Company received $61 million related to a purchase price working capital adjustment for an acquisition completed during the first quarter of 2020. The resolution of this matter occurred subsequent to the acquisition accounting measurement period and is reflected within the Health Care Benefits segment.
(5) In 2020, gain on divestiture of subsidiary represents the pre-tax gain on the sale of the Company's Coventry Health Care Workers' Compensation business, sold on July 31, 2020 for approximately $850 million.
(6) Reflects the receipt of $313 million owed to the Company under the ACA's risk corridor program during October 2020 that was previously fully reserved for as payment was uncertain. After considering offsetting items such as the ACA's minimum medical loss ratio rebate requirements and premium taxes, the Company recognized pre-tax income of approximately $307 million within the Health Care Benefits segment during the fourth quarter of 2020. The portion of the ACA risk corridor payment attributable to noncontrolling interest was $12 million related to third party ownership interests in the Company's consolidated operating entities.
(7) During the year ended December 31, 2021, the loss on early extinguishment of debt relates to the Company's repayment of approximately $2.3 billion of its outstanding senior notes in December 2021 pursuant to its make-whole provision for such

senior notes, which resulted in an $89 million loss on early extinguishment of debt in the fourth quarter of 2021. During the year ended December 31, 2021, the loss on early extinguishment of debt also relates to the Company's repayment of approximately $2.0 billion of its outstanding senior notes in August 2021 pursuant to its tender offers for such senior notes, which resulted in a $363 million loss on the early extinguishment of debt in the third quarter of 2021. During the year ended December 31, 2020, the loss on early extinguishment of debt relates to the Company's repayment of $4.5 billion of its outstanding senior notes in December 2020 pursuant to its tender offers for such senior notes and the Company's repayment of $6.0 billion of its outstanding senior notes in August 2020 pursuant to its tender offer for such senior notes.

(8) Represents the corresponding tax benefit or expense related to the items excluded from estimated Adjusted EPS above. The nature of each non-GAAP adjustment is evaluated to determine whether a discrete adjustment should be made to the estimated adjusted income tax provision.

PROJECTED FULL-YEAR 2022

	Year Ending December 31, 2022E			
	Low		High	
In millions, except per share amounts	Total Company	Per Common Share	Total Company	Per Common Share
Income from continuing operations attributable to CVS Health (GAAP measure)	$ 9,370	$ 7.04	$ 9,630	$ 7.24
Non-GAAP adjustments:				
Amortization of intangible assets	1,870	1.41	1,870	1.41
Tax impact of non-GAAP adjustments [(1)]	(470)	(0.35)	(470)	(0.35)
Adjusted income from continuing operations attributable to CVS Health	**$ 10,770**	**$ 8.10**	**$ 11,030**	**$ 8.30**
Weighted average diluted shares outstanding		**1,330**		**1,330**

(1) Represents the corresponding tax benefit or expense related to the items excluded from projected Adjusted EPS above. The nature of each non-GAAP adjustment is evaluated to determine whether a discrete adjustment should be made to the projected adjusted income tax provision.