FIRST
QUARTER
2022

Earnings conference call

May 4, 2022

KAREN S. LYNCH
President
and Chief Executive Officer

SHAWN M. GUERTIN
Executive Vice President
and Chief Financial Officer

CVS Health

Cautionary statement concerning forward-looking statements

This presentation includes 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. 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 the risks and uncertainties related to the COVID-19 pandemic, including the potential emergence of additional variants, vaccine and testing protocols, government testing initiatives, the geographies impacted by and the severity and duration of the pandemic, the pandemic's impact on the U.S. and global economies and consumer behavior and health care utilization patterns, and the timing, scope and impact of stimulus legislation and other federal, state and local governmental responses to the pandemic, as well as the risks and uncertainties described in our Securities and Exchange Commission filings, including those set forth in the Risk Factors section and under the heading "Cautionary Statement Concerning Forward-Looking Statements" in our most recent Annual Report on Form 10-K, our recent Current Reports on Form 8-K, this morning's earnings press release and our Form 10-Q.

This presentation includes non-GAAP financial measures that we use to describe our company's performance. In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures, on the Investor Relations portion of our website.

Link to our non-GAAP Reconciliations

CVSHealth.

Financial highlights

Q1 2022 Adjusted EPS of $2.22 exceeded expectations; Raising FY 2022 guidance for Revenue, Adjusted Operating Income and Adjusted EPS

$2.22

Q1 adjusted EPS

Reflects adjusted operating income growth and lower interest expense

11.2%

Q1 revenue growth

Reflects growth across all businesses

$3.6 billion

Q1 cash flow from operations

Committed to disciplined capital allocation priorities

Evidence our strategy and execution is delivering value across the health care system for
our customers,
our communities,
our colleagues and
our shareholders

FY 2022 guidance

Total company revenue

$305B – $310B

Total company adjusted operating income

$16.9B – $17.3B

Total company adjusted EPS

$8.20 – $8.40

Deployed capital to generate shareholder value

Increased quarterly dividend by 10% effective Feb 1, 2022

Repurchased ~19.1 million shares of common stock

CVSHealth.

Unify our business around the consumer health experience and scale new sources of value

1. **Advance** all-payer primary care delivery capabilities
2. **Optimize** retail portfolio to serve as community health destinations
3. **Diversify** our growth portfolio with new health services
4. **Drive** digital-first, technology-forward approach
5. **Enhance** omnichannel health experiences

CVSHealth.

CVS Health continues to **lead the nation's COVID-19 response**

- **>6M tests** administered in Q1
- **>8M vaccines** administered in Q1
- **~41M** new customers through COVID-19 testing and vaccine services since inception
- **~15%** of customers new to CVS Health through COVID-19 testing services chose to fill new prescriptions or receive their vaccinations at CVS Health*

*New COVID-19 testing patients defined as those who have had 12 months elapse since their COVID-19 test.

2022 Q1 Financial Review

FIRST QUARTER 2022

Consolidated results

Delivered strong results and exceeded expectations

in millions, except per share amounts	Q1 2022	Q1 2021	Change %
Total Revenues	$76,826	$69,097	11.2%
Adjusted Operating Income	$4,483	$4,205	6.6%
GAAP EPS	$1.74	$1.68	3.6%
Adjusted EPS	$2.22	$2.04	8.8%
Cash Flow from Operations	$3,563	$2,892	23.2%

Strong revenue growth of 11.2% vs. prior year

Interest expense of $586 million

Adjusted effective tax rate of 25.3%

Weighted average diluted share count: 1,328 million shares

CVSHealth

Capital and cash flow

Liquidity and capital position remain strong

Powerful cash generation

$3.6 billion cash flow from operations, ~23% higher than prior year

Committed to investment grade ratings

Repaid net $21 billion of long-term debt since the close of the Aetna transaction

Deploying capital to generate shareholder value

Quarterly dividend increase of 10% resulted in $722 million in shareholder dividends

Repurchased ~19.1 million shares of common stock, marking first time the Company has repurchased stock since 2017

CVSHealth.

FIRST QUARTER 2022

Health Care Benefits segment

Sequential membership growth across all product lines; continued progression towards normalized total medical costs

in millions, except MBR	Q1 2022	Q1 2021	Change %
Total Revenues	$23,109	$20,483	12.8%
Adjusted Operating Income	$1,751	$1,782	(1.7%)
Total Medical Membership	24.5	23.6	3.8%
Commercial	17.2	16.8	2.4%
Government	7.3	6.8	7.4%
Medical Benefit Ratio (MBR)	83.5%	83.2%	(30 bps)

Total revenue growth reflects growth across all product lines

Adjusted operating income down slightly due to net realized capital losses and the continued progression towards normalized total medical costs, largely offset by membership growth across all product lines

Higher MBR reflects continued progression towards normalized total medical costs

CVSHealth.

FIRST QUARTER 2022

Pharmacy Services segment

Results demonstrate the consistent value and savings that we deliver to our customers

in millions	Q1 2022	Q1 2021	Change %
Total Revenues	$39,461	$36,321	8.6%
Adjusted Operating Income	$1,636	$1,507	8.6%
Total Pharmacy Claims Processed[1,2]	567.0	535.9	5.8%

Total revenue growth reflects increased pharmacy claims volume, growth in specialty pharmacy and brand inflation, partially offset by continued client price improvements

- **Specialty Pharmacy** revenue growth of ~17% year-over-year reflects net new business and brand inflation

Adjusted operating income growth reflects improved purchasing economics, including increased contributions from the products and services of the Company's group purchasing organization, and specialty pharmacy, partially offset by continued client price improvements

Total pharmacy claims processed[1] increase reflects net new business, increased utilization, and the impact of a weaker cough, cold and flu season experienced in the prior year

[1] Total pharmacy claims processed include an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions.
[2] Excluding the impact of COVID-19 vaccinations, total pharmacy claims processed increased 5.5% on a 30-day equivalent basis for the three months ended March 31, 2022 compared to the prior year.

Retail / LTC segment

Retail continued to serve as a community health destination for millions of Americans

in millions	Q1 2022	Q1 2021	Change %
Total Revenues	$25,418	$23,274	9.2%
Adjusted Operating Income	$1,605	$1,394	15.1%
Prescriptions Filled[1,2]	394.6	375.4	5.1%

Total revenue growth reflects increased prescription and front store volume, including the sale of COVID-19 OTC test kits and the impact of a weaker cough, cold and flu season experienced in the prior year, as well as pharmacy brand inflation. These were partially offset by the impact of recent generic introductions, continued pharmacy reimbursement pressure and decreased COVID-19 diagnostic testing

Adjusted operating income growth reflects the increased prescription and front store volume described above, the impact of COVID-19 vaccinations and improved generic drug purchasing. These were partially offset by continued pharmacy reimbursement pressure, increased investments in the segment's operations and capabilities and decreased COVID-19 diagnostic testing

[1] Retail/LTC prescriptions filled includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions.
[2] Excluding the impact of COVID-19 vaccinations, prescriptions filled increased 5.6% on a 30-day equivalent basis for the three months ended March 31, 2022 compared to the prior year.

FIRST QUARTER 2022

Retail pharmacy

Significant year-over-year growth in a dynamic environment

	Change vs. Q1 2021
Retail Pharmacy Script Share of 26.7%[1,2]	Up ~49 bps
Same Store Sales[3]	10.7%
Pharmacy Sales	10.1%
Pharmacy Prescription Volume[2]	6.1%
Front Store Sales	13.2%

Continued growth in Retail pharmacy script share

Growth in prescriptions filled[2] reflects increased utilization and the impact of a weaker cough, cold and flu season experienced in the prior year

Front Store sales increase driven by strength in consumer health, including the sale of COVID-19 OTC test kits and the impact of a weaker cough, cold and flu season experienced in the prior year

[1] Source: IQVIA retail pharmacy script data for Q1 2022. Disclosure reflects IQVIA's restated methodology for market share data.

[2] Retail pharmacy prescriptions filled includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions.

[3] Same store sales and prescription volume exclude revenues from MinuteClinic and revenues and prescriptions from long-term care operations.

CVSHealth.

2022 Guidance

FULL-YEAR 2022 GUIDANCE

Total company outlook

Raising guidance for revenue, adjusted operating income and adjusted EPS

in billions, except per share amounts	**Q1:22 Earnings Call** May 4, 2022	**Q4:21 Earnings Call** Feb 9, 2022
Total Revenues	\$305 to \$310 5 – 6%	\$304 to \$309 4 – 6%
Adjusted Operating Income	\$16.9 to \$17.3 (2) – 0%	\$16.7 to \$17.1 (4) – (1)%
GAAP EPS	\$6.93 to \$7.13 16 – 20%	\$7.04 to \$7.24 18 – 22%
Adjusted EPS	\$8.20 to \$8.40 (2) – 0%	\$8.10 to \$8.30 (4) – (1)%
Cash Flow from Operations	\$12.0 to \$13.0	\$12.0 to \$13.0

Revenue growth of 5 – 6%

Adj. EPS growth of 4 – 6% versus 2021 baseline[1]

Strong cash generation

Percentages represent year-over-year growth from reported 2021 results.

1. Calculated versus 2021 baseline of \$7.92 excluding prior years development (net of profits returned to customers), net realized capital gains and includes the annualized impact from increase to minimum wage.

CVSHealth

FULL-YEAR 2022 GUIDANCE

Health Care Benefits outlook

Raising guidance for revenue, adjusted operating income and membership. Lowering guidance for medical benefit ratio

in billions, except MBR and membership	**Q1:22 Earnings Call** May 4, 2022	**Q4:21 Earnings Call** Feb 9, 2022
Total Revenues	$89.3 to $90.8 9 – 11%	$88.1 to $89.6 7 – 9%
Adjusted Operating Income	$5.94 to $6.04 19 – 21%	$5.76 to $5.86 15 – 17%
Medical Benefit Ratio (MBR)	84.0% +/- 50 bps	84.2% +/- 50 bps
Total Medical Membership (in millions)	24.0 to 24.3 1 – 2%	23.8 to 24.1 0 – 1%

Revenue growth of 9 – 11%

Adj. operating income growth of 19 – 21%

Reflects administration of fourth COVID-19 booster to adults aged 50+ and to certain immunocompromised individuals as per guidelines set forth by CDC

Percentages represent year-over-year growth from reported 2021 results.

CVSHealth.

FULL-YEAR 2022 GUIDANCE

Pharmacy Services outlook

Guidance unchanged since Q4 2021 Earnings Call

in billions	**Q1:22 Earnings Call** May 4, 2022	**Q4:21 Earnings Call** Feb 9, 2022
Total Revenues	$162.5 to $165.3 6 – 8%	$162.5 to $165.3 6 – 8%
Adjusted Operating Income	$7.31 to $7.45 7 – 9%	$7.31 to $7.45 7 – 9%
Total Pharmacy Claims Processed[1]	2.24 to 2.27 0 – 1%	2.24 to 2.27 0 – 1%

Core retention rate is defined as: 1 less (estimated lost revenues from any known terminations plus annualization of any mid-year terminations, divided by estimated PBM revenues for that selling season year) expressed as a percentage. Excludes impact from Medicaid fee-for-service carve-outs.

Revenue growth of 6 – 8%

Adj. operating income growth of 7 – 9%

Strong selling season

Percentages represent year-over-year growth from reported 2021 results.

1. Total pharmacy claims processed includes an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. Total pharmacy claims processed include vaccinations.

CVSHealth.

FULL-YEAR 2022 GUIDANCE

Retail/LTC outlook

Guidance unchanged since Q4 2021 Earnings Call

in billions	**Q1:22 Earnings Call** May 4, 2022	**Q4:21 Earnings Call** Feb 9, 2022
Total Revenues	$99.0 to $100.7 (1) – 1%	$99.0 to $100.7 (1) – 1%
Adjusted Operating Income	$5.96 to $6.06 (22) – (21%)	$5.96 to $6.06 (22) – (21%)
Prescriptions Filled[1]	1.61 to 1.64 1 – 3%	1.61 to 1.64 1 – 3%

Expected Revenue of (1) – 1%

Reflects administration of fourth COVID-19 booster to adults aged 50+ and to certain immunocompromised individuals as per guidelines set forth by CDC

Percentages represent year-over-year growth from reported 2021 results.

1. Prescriptions filled include an adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. Prescriptions filled include vaccinations administered.

CVSHealth.

FULL-YEAR 2022 GUIDANCE

Other items

in billions, except tax rate. Cost reduction initiatives in millions	**Q1:22 Earnings Call** May 4, 2022	**Q4:21 Earnings Call** Feb 9, 2022
Interest Expense	~$2.3	~$2.3
Capital Expenditures	$2.8 to $3.0	$2.8 to $3.0
Adjusted Effective Tax Rate	~25.6%	~25.6%
Weighted Average Diluted Share Count	~1.330	~1.330
Cost Reduction Initiatives	~$200M	~$200M

Share repurchase program to offset dilution

10% dividend increase effective February 1, 2022

CVSHealth.