

CAREMARK RX INC
Form 425
January 31, 2007

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The CVS/Caremark Merger is in the
Best Interest of Shareholders
Presentation to ISS
January 31, 2007
Filed by Caremark Rx, Inc.
Pursuant
to Rule 425 under the
Securities Act of 1933 and Deemed

Filed pursuant to Rule 14a-12 of
the Securities Exchange Act of 1934
Subject Company: Caremark Rx, Inc.
Commission File No.: 001-14200

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Cautionary Statement Regarding
Forward-Looking Statements

This document contains certain forward-looking statements about Caremark and CVS. When used in this document, the words anticipates , may , can , believes , expects , projects , intends , likely , will , to be and any similar

expressions and any other statements that are not historical facts, in each case as they relate to Caremark, CVS or the combined company or the transaction, are intended to identify those assertions as forward-looking statements. Such statements

include,

but

are

not
limited
to,
statements
about
the
benefits
of
the
merger,
information
about
the
combined
company,
including
anticipated
accretion,
return
on
equity,
cost
synergies,
incremental
revenues,
new
products
and
offerings, cash flows, combined operating and financial data, including future financial and operating results, the
combined company's objectives, plans and expectations, the likelihood of satisfaction of certain closing conditions and
whether and when the merger will be consummated. These statements are based upon the current beliefs and
expectations of management of Caremark and CVS and are subject to a number of factors that could cause actual
outcomes and results to be materially different from those projected or anticipated. These forward-looking statements
are subject to numerous risks and uncertainties. The following factors, among other things, could cause actual results to
differ from the forward-looking statements in this document: (1) the companies may be unable to obtain stockholder or
regulatory approvals in a timely manner, if at all; (2) the businesses of Caremark and CVS may not be integrated
successfully
or
as
quickly
as
expected;
(3)
cost
savings
and
any
other
synergies
or

cash
flows
from
the
merger
may
not

be fully realized or may take longer to realize than expected; (4) the transaction may involve unexpected costs; (5) the businesses and results of operations of Caremark and CVS may suffer as a result of uncertainty surrounding the transaction; and (6) the industry may be subject to future regulatory or legislative action. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements of the two companies. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this document may not occur. You are cautioned not to place undue reliance on these forward-looking statements which

speak
only
as
of
the
date
stated,

or
if
no
date
is
stated,

as
of
the
date
of
this
press
release.

Risk
factors
affecting
the
businesses
of
each
of
Caremark
and
CVS
are
set
forth
in,
and

may
be
accessed
through,
each
company's
filings
with
the SEC. These and other factors relating to the merger are available in the joint proxy statement/prospectus filed with
the SEC.

The actual results or performance by CVS or Caremark, or the combined company, and issues relating to the
transaction,

could
differ
materially
from
those
expressed
in,
or
implied
by,
any
forward-looking
statements
relating
to
those
matters.

Accordingly,
no
assurances
can
be
given
that
any
of
the
events
anticipated
by
the
forward-looking

statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or
financial condition of CVS or Caremark, the combined company or the transaction.

This presentation may include certain non-GAAP financial measures as defined under SEC rules. A reconciliation to the
most directly comparable GAAP measures can be found in the footnotes to the tables attached to Caremark's latest
quarterly earnings press release and certain supplemental information is provided on caremarkrx.com (applicable slides
are footnoted).

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Important Information

CVS has filed with the SEC a registration statement on Form S-4 that was declared effective by the SEC on January 19, 2007. This registration statement includes a joint proxy statement/prospectus in connection with the proposed merger. Caremark and CVS urge investors and stockholders to read the joint proxy statement/prospectus and any other relevant documents filed by either party with the SEC because they contain important information.

Investors and stockholders are currently able to obtain the joint proxy statement/prospectus and other documents filed with the SEC free of charge at the website maintained by the SEC at www.sec.gov. In addition, documents filed with the SEC by Caremark will be available free of charge on the investor relations portion of the Caremark website at www.caremark.com. Documents filed with the SEC by CVS will be available free of

charge on the investor relations

portion of the CVS website at <http://investor.cvs.com>. Investors and stockholders may obtain a detailed list of names, affiliations and interests of participants in the solicitation of proxies of Caremark stockholders to approve the merger at the following address: Innisfree

M&A

Incorporated, 501 Madison Avenue, 20th Floor, New York, New York 10022.

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Caremark Profile

Leading pharmaceutical services company providing comprehensive drug benefit services to health plan sponsors and their participants

Clients

Corporate health plans

Managed care organizations and insurance companies

Unions

Government agencies
National Prescription Drug Plan under Medicare Part D
YTD September 2006 Statistics

Revenues \$27.5 Billion

Adjusted prescriptions 477 million
28% of Rxs
dispensed by mail
55% of Rxs
dispensed were generics

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Headquarters

Medical Call Center

Operating Center

Mail Service Pharmacy

Call Center

CareCenter

Pharmacy

Specialty Pharmacy

IT Center

Regional Order Creation

Center

Sales Office

Clinical Office

Pharmaceutical

Repackaging Facility

Caremark Profile

Caremark retail network includes

60,000 pharmacies nationwide

Caremark operations

7 mail pharmacies

21 specialty pharmacies

9 customer call centers

12 client-site pharmacies

Industry s only FDA regulated

repackaging plant
13,000 employees, including 1,300
pharmacists

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Caremark Services Uniquely Integrated

Disease Management

Most comprehensive, highest quality DM programs

Disease Management

Most comprehensive, highest quality DM programs

Pharmacy Benefit Management

Industry-leading mail expertise

Highly-valued generic substitution programs

Broad clinical offerings and analytics capabilities

Leader in e-prescribing initiatives

Pharmacy Benefit Management

Industry-leading mail expertise
Highly-valued generic substitution programs
Broad clinical offerings and analytics capabilities
Leader in e-prescribing initiatives
Specialty Pharmacy
Largest provider of premier specialty pharmacy programs
Specialty Pharmacy
Largest provider of premier specialty pharmacy programs
A Highly
Integrated
Offering

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CVS Profile

Nation's largest retail pharmacy with more than 6,200 retail and specialty stores in 43 states.

Services

CVS/pharmacy stores

CVS.com

MinuteClinic

PharmaCare (PBM, Mail, Specialty services)
170,000 employees, including 20,000 pharmacists
2006 revenue \$43.8 billion
2006 prescriptions filled 495 million

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CVS/Caremark Merger Overview

February 2007

Expected Closing

Corporate: Woonsocket, RI

PBM: Nashville, TN

Headquarters

50/50 Split

Board Composition

Chairman: Mac Crawford

President & CEO: Tom Ryan

CFO: Dave Rickard

President PBM: Howard McLure
Management Team
CVS (NYSE)
Symbol
CVS/Caremark Corporation
Name

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CVS/Caremark Governance Structure Upon Close

Provides for annual election of all directors

Will have majority voting provision

Separate CEO and Chairman

Has stock ownership guidelines for D&O

Allows stockholders to ratify auditors

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CVS/Caremark Merger Developed Through Extensive
and Thorough Board Management Process

Management discussed combination thoroughly over 12 months

Mac Crawford and Tom Ryan began discussing a potential strategic
combination in October 2005

The CEOs discussed the potential deal numerous times before 11/1/06

CMX and CVS management met numerous times before 11/1/06
Each company's board considered the combination thoroughly

Caremark board met and discussed the transaction numerous times

CVS board met and discussed the transaction numerous times

Both

companies considered other strategic options

CVS considered, but did not pursue, deals with other major PBMs

Caremark considered, but did not pursue, deals with other potential partners, including a major PBM

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Caremark Board Considered Consumer Strategy
Superior to PBM Combination (Aug 2006)
Financial
Significance
Strategic Significance
Low
Low
High
High
Consumer
Strategy

National Retail
Chain
PBM

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CVS/Caremark Merger Capitalizes on
Evolving Industry Trends

In store enrollment and consultation; Medication
Therapy Management

Medicare Part D

More transparency at point of sale -
consumer able to

make totally informed decisions

Cost Shift to Consumer

Retail locations; In store consultation and disease
management enrollment

Increasing Use of
Biotech Products

May drive higher substitution rates at point of sale

Robust Generic Pipeline

Consultation by pharmacist or clinician with participant
yields favorable outcomes

Focus on Wellness

Gives consumers timely, actionable, personalized
information to improve health outcomes

Growing Consumerism

CVS/Caremark Merger Benefit

Market Trends

Payors demanding more effective cost management, more participant participation, outcomes

Consumers need access to information and choice

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CVS/Caremark Merger is in Best Interest
of Shareholders

Financial benefits immediate and concrete

High certainty of completion

Significant strategic benefits

Business opportunity

Solid financial position

Proven management teams

CVS/Caremark Merger Enhances Shareholder Value

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CVS/Caremark Merger Enhances

Shareholder Value

Uniquely positioned to capitalize on trends and better serve customers

Will enable creation of differentiated services

More effective cost management for payors

More access to information and choice for consumers

Strategic Benefits

Received necessary regulatory approvals from FTC and SEC

Shareholder votes are last step (CMX Feb 20, CVS Feb 23)

Certainty of

Completion

1.67 shares CVS/Caremark stock for each share of CMX

\$2.00 special dividend to CMX shareholders of record

Accretive repurchase of 150 million CVS/Caremark shares

\$500 M in cost synergies, integration planning underway

\$800 M to \$1 B in revenue synergies

Financial Benefits

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CVS/Caremark Merger Enhances

Shareholder Value

Substantial FCF will enable flexibility for investments in existing business, strategic opportunities, dividends and share repurchases

Solid investment grade credit rating

Financial

Flexibility

Proven track-records with large scale acquisition integration

History of exceeding stated synergies

Visionary leadership

Management

Teams

Clients overwhelmingly positive

Differentiated services will be compelling to payors

Unmatched in-store services will increase consumer loyalty

February close creates opportunity for 2007 selling season

Business

Opportunity

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Back up for Cost Synergy Calculations
Cost Synergies

Conservatively estimated

Calculated by outside consultant retained by legal counsel

Rigorous analysis based on input from both management teams

Based on details from customer and client contracts
Initial estimate of \$400 M

Bulk of synergies related to purchasing efficiencies

Corporate overhead

PBM consolidation

Cost synergies recently increased to \$500 M

Further interaction between management teams increased comfort with cost synergy potential following HSR clearance

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Near-Term Revenue Opportunities Unique to
CVS/Caremark Combination

Incremental opportunities of \$800 M to \$1 B in 2008

Half from PBM, half from retail

Revenue estimates based on market research and
PharmaCare-CVS experience

Revenue synergy examples:

Improved access/services for PBM specialty participants

Retail to mail conversion (including in-store pick up)

Front store offers for PBM participants (also on-line and mail)

Improved generic substitution & benefit design compliance

Integrated offering leading to higher PBM sales

Ability to market PBM consumer products in CVS stores

Disease management programs with face-to-face interaction

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Integration Planning Underway

Teams already engaged in integration planning

Scope defined and focused on three areas

PBM integration

Corporate integration

New go-to market products and services

Individuals for steering committees, project management
and core teams have been established and have kicked off

activities

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Caremark Board of Directors Thoroughly

Considered Express Proposal

Caremark BOD met six times to consider Express proposal

12/18/06, 12/22/06, 12/27/06, 1/3/07, 1/5/07 and 1/24/07

Legal counsel thoroughly reviewed legal aspects numerous times

Fiduciary duties and standards under Delaware law

Applicable requirements of merger agreement with CVS

Potential antitrust considerations

Financial advisors thoroughly reviewed financial aspects with BOD

Overview of Express proposal and CVS merger

Impact of relative synergies of each transaction

Implied transaction values of Express proposal and CVS merger

Management thoroughly reviewed strategic/business aspects with BOD

Comparison of key considerations for Express proposal and CVS merger

Board of directors retained special counsel

Caremark retained a third financial advisor

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Caremark Board of Directors Concluded that Express
Proposal Not in Best Interests of Shareholders

No experience with large-scale merger integration

Recent integration track-record questionable

Management

Team

Limited capital for investment in existing business, strategic
opportunities, dividends and share repurchases

ESRX recently placed on negative watch by rating agencies

Financial Position

Clients overwhelmingly negative

Risk of substantial client attrition

Business Risk

Delay would damage 2007 and perhaps 2008 selling season

Enforcement agencies could impose adverse conditions

Antitrust Risk

Review of recent filings show offer is highly conditional

Lost business & negative synergies could result in loss of value

Synergy calculation questionable

Financial Risk

Does not create competitive advantages

Defensive reaction out of concern about enhanced competition

Constructed to disrupt CVS merger

Strategic

Rationale

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Express Scripts Offer Includes Material
Conditions

A due diligence review

Satisfaction of financing conditions

Anti-trust and other regulatory approvals

Approval by their own shareholders

a process they have not

even begun and, which by their own admission, would prevent
their illusory February 13 deadline from even occurring

No decline in the Dow Jones Industrial Average, the Standard
& Poor's Index or the NASDAQ--100 Index by an amount in

excess of 15%

No material change in the market price of Caremark Common
Stock

Satisfaction of certain Delaware anti-takeover requirements
that cannot readily be satisfied absent Caremark's prior Board
approval

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Value of Transactions for Caremark
Shareholders

* VALUES DO NOT REFLECT CONDITIONALITY
AND BUSINESS RISK
FACTORS ASSOCIATED WITH ESRX PROPOSAL

Value of
Value of
Calculated as of
1/30/2007
CVS Merger
ESRX Proposal

Counterparty Stock Price

33.05

\$

69.91

\$

*

Exchange Ratio

1.67

0.426

Implied Value of Stock Consideration

55.19

\$

29.78

\$

*

Value of Dividend/Cash Consideration

2.00

\$

29.25

\$

*

Implied Value of Transaction

57.19

\$

59.03

\$

PV of Dividend/Cash Consideration

1.98

\$

27.38

\$

Present Value of Offer

57.18

\$

57.16

\$

*

Annual Discount Rate

10%

10%

Closing Date Assumption

2/28/2007

9/28/2007

Estimated Days to Close

29

241

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CVS/Caremark Merger is in the Best
Interests of Shareholders

Immediate and concrete
financial benefits

February 2007 close

Significant strategic benefits

Clients supportive

Proven management teams

Highly conditional offer

Financial benefits suspect

Uncertain timing

Lacks strategic rationale

Client attrition

CMX would be 20x the
largest integration ESRX has
ever done

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CVS/Caremark Merger is in Best Interest
of Shareholders

Financial benefits immediate and concrete

High certainty of completion

Significant strategic benefits

Business opportunity

Solid financial position

Proven management teams

CVS/Caremark Merger Enhances Shareholder Value

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Appendix

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Caremark's Board members have complied with their fiduciary duties and obligations under Delaware law in considering both the CVS transaction and the Express Scripts proposal.

Mac Crawford, as Chairman of the Board, serves at the direction of Caremark's Board of Directors, and he and the other Board members perform their services by acting in the best interest of Caremark's shareholders.

Roger Headrick, an independent Board member, serves as Lead Director of Caremark's Board. He and the other independent members of the Board play a strong leadership role in the oversight of management and governance for the company. This oversight has been essential in delivering extraordinary shareholder returns and making Caremark the strong company it is today.

Caremark's board consists of 11 members, 8 of whom are independent under applicable NYSE and other legal standards. Each Board member has been elected to serve by the company's shareholders, and nominees for Board membership are selected by a nominating and corporate governance committee comprised of

independent Board members. Some of the Board members previously served as board members of companies acquired by Caremark, and they have been invaluable in ensuring smooth integrations of acquired businesses and cultures and fostering good corporate governance practices. Caremark's board has the skills necessary to make informed decisions and deliver superior value for its shareholders. The directors bring a wealth of experience and expertise to the collective knowledge of the board, including:

Healthcare & Health Services

Prescription Benefit Management

Investment Management

Banking

Law

Biotechnology

Public Relations, Marketing and Advertising

Venture Capital

Strong Board Oversight

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Caremark Board of Directors

C. David Brown II,

54, has been a member of the Board of Directors since March 2001. He was the Managing Partner of the Orlando, Florida office of Broad and Cassel, a law firm,

from 1989 until March 2000, when he became Chairman of the firm.

Harris Diamond,

53, has been a member of the Board of Directors since May 2000.

Mr.

Diamond

is

the
Chief
Executive
Officer
of
Weber
Shandwick
Worldwide
and
the
Chief
Executive
Officer
of
Constituency
Management
Group,
which
are
both
public
relations
firms
and divisions of the Interpublic Group of Companies, a marketing
and advertising
corporation.
C.A.
Lance
Piccolo,
64,
has
been
Vice
Chairman
of
the
Board
of
Directors
since
September
1996.
He
has
been
President
and
Chief
Executive
Officer

of
HealthPic
Consultants,
Inc.,
a
private
company,
since
September
1996.
Mr.
Piccolo
also
serves
as
a
director
of
Chemtura
Corporation, a public polymer and specialty products manufacturer, and a director of
NovaMed
Eyecare, Inc., a public eye care services company.

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Caremark Board of Directors
Michael
D.
Ware,
60,
has
been
a
member
of
the

Board
of
Directors
since
March
2004.
Prior
to
joining
the
Company's
Board,
Mr.
Ware
served
as
a
director
of
AdvancePCS
beginning
in
July
1993,
and
he
was
also
a
member
of
the
Compensation
and
Audit
Committees
of
AdvancePCS.
Mr.
Ware
is
a
co-founder
of
Advance
Capital
Markets,
Inc.,
a
private

investment
firm,
and
has
served
as
its
managing
director
since
January
1989.
Mr.
Ware
also
serves
as
a
director
of
the
American
Council
of
Renewable
Energy
and
as
a
director
and
member
of
the
Audit
Committee
of
Konarka
Technologies,
Inc.,
a
manufacturer
of
light-
activated
power
plastic.
Mr.
Ware
previously

served
as
a
managing
general
partner
of
Black
Emerald
Capital
Advisors,
LLC,
a
private
investment
firm,
and
as
a
partner
of
Black
Emerald
Capital
LLC,
a
private
investment
firm,
until
December
2003.
Edwin
M.
Banks,
43,
has
been
a
member
of
the
Board
of
Directors
since
May
2000.
Mr.

Banks has served as Portfolio Manager for W. R. Huff Asset Management Company, an

investment management firm, since June 1988. He is a director and a member of the Compensation Committee for NTL, Incorporated, a communications services company, and a director of CKX, Inc., an entertainment management company.

Colleen

Conway-Welch,

R.N.,

61,

has

been

a

member

of

the

Board

of

Directors

since

May

2001.

Ms.

Conway-Welch

has

been

the

Dean

of

the

Vanderbilt

University

School

of

Nursing

since 1984. In addition, Ms.

Conway-Welch is a founder and director of Pinnacle Bank in

Nashville, Tennessee, a director and member of the Audit Committee for Rehabcare, Inc.

and a director and member of the Audit Committee for Ardent Health Services, Inc.

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Caremark Board of Directors
Roger
L.
Headrick,
69,
has
been
a
member
of
the

Board
of
Directors
since
September
1996

and was named lead director in February 2004. He is Managing General Partner of HMCH Ventures, a private venture capital investment partnership. Since June 1989, Mr.

Headrick

has
been
President

and
Chief
Executive
Officer
of

ProtaTek
International,
Inc.,

a
private
bioprocess and biotechnology company that develops and manufactures animal vaccines. He was President and Chief Executive Officer of the privately-held Minnesota Vikings

Football
Club
from

January
1991
until

August
1998.

Mr.
Headrick
serves

as
a
director
and

Chairman of the Organization, Compensation and Governance Committee of Chemtura Corporation, a public polymer and specialty products manufacturer, Chairman of the Board and Chairman of the Compensation Committee of Rahr

Malting Company, a privately-held
company, and Chairman of the Board of Celmed
Biosciences Inc., also a privately-held

company. Mr.

Headrick
received a BA degree from Williams College and an MBA in
Finance from Columbia University Graduate School of Business.

Jean-Pierre

Millon,
56,
has
been
a
member
of
the
Board
of
Directors
since
March
2004.

Prior to joining the Company's Board, Mr.

Millon
served as a director of AdvancePCS
beginning in October 2000. Mr.

Millon
currently is Chairman of the Board and a member of
the Compensation

Committee
of
Protemix
Corporation,

a
New
Zealand-
based
biotechnology company. Mr.

Millon
joined PCS Health Systems, Inc. in 1995, where
he served as President and Chief Executive Officer from June 1996 to September 2000.

Prior to joining PCS Health Systems, Inc., Mr.

Millon
served as an executive and held
several leadership positions with Eli Lilly and Company, the former parent company of PCS
Health Systems, Inc. He also serves as a director, Chairman of the Nominating and
Corporate Governance Committee and member of the Audit Committee
for Cypress

Biosciences, Inc., a public company. In addition, Mr.

Millon
is a director and member of the
Audit Committee of Prometheus Laboratories, Inc., a specialty pharmaceutical company, a
director of Medical Present Value Inc., a medical services company and a director of HAPC,
a special purpose acquisition company.

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Caremark Board of Directors
Edwin
M.
Crawford,
57,
was
named
Chairman
of
the
Board

of
Directors
in
December
1998.

He has served as Chief Executive Officer and as a director of the Company since March 1998.

He
also
served
as
President
of
the
Company
from
March
1998
until
May
2000,
and,
effective March

24, 2004, he re-assumed the role of President and became Chairman, President and Chief Executive Officer of the Company.

Kristen
Gibney
Williams,
57,
has
been
a
member
of
the
Board
of
Directors
since
February
1999.

She
joined
Baxter
Healthcare
in
1975
and
served
in

various managerial positions with the Parenteral Products Division. In 1986, she founded the prescription benefit management business at Baxter where she served as General Manager. Ms. Gibney Williams served in the capacity of President of the Prescription Benefits Management Division of Caremark International Inc. until June 1993 and as Corporate Vice President of the Prescription Benefits Management Division of Caremark International Inc. from June 1993 to January 1997. The Company acquired Caremark International Inc. in September 1996.

Edward L. Hardin, Jr., 66, has been a member of the Board of Directors since May

2000.

He has been Executive Vice President and General Counsel of the Company since June

1998. From

September

1965

until

June

1998,

Mr.

Hardin

was

engaged

in

the

private

practice

of

law

in

Birmingham,

Alabama,

where

he

was

senior

principal

in

the

law

firm

of

Hardin

&

Hawkins. Mr.

Hardin received his law degree from the University of Alabama School of Law.

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CVS Board of Directors

David

W.

Dorman

Director since 2006 (Age 53)

Mr. Dorman is the retired Chairman of the Board and Chief Executive Officer of AT&T Corporation ("AT&T Corp."). From November 2005 until his retirement in January 2006, Mr. Dorman served as President and a director of AT&T, Inc. (formerly known as SBC Communications). From November 2002 until November 2005, Mr. Dorman was Chairman of the Board and Chief Executive Officer of AT&T Corp. From 2000 to 2002, he was President of

AT&T Corp. Mr. Dorman is a director of Yum! Brands, Inc., and was a director of Scientific Atlanta, Inc. until its acquisition by Cisco Systems, Inc. was completed in February 2006.

Thomas

P.

Gerrity

Director since 1995 (Age 65)

Mr. Gerrity

has been Professor of Management at The Wharton School of the University of Pennsylvania since 1990. From 1990 to June 1999, he also served as Dean of The Wharton School. Mr. Gerrity

is a director of Sunoco, Inc., Hercules, Inc., and Internet Capital Group, Inc.

Marian

L.

Heard

Director since 1999 (Age 66)

Ms. Heard has been President and Chief Executive Officer of Oxen

Hill Partners, specialists in

leadership development programs, since August 2004. From February 1992 until July 2004,

Ms. Heard was President and Chief Executive Officer of the United Way of Massachusetts Bay and Chief Executive Officer of United Ways of New England, each a social service agency.

Ms.

Heard

is

a

director

of

Sovereign

Bancorp,

Blue

Cross

&

Blue

Shield

of

Massachusetts,

Liberty

Mutual

Insurance

Company,

and

BioSphere

Medical,

Inc.

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CVS Board of Directors

William H. Joyce

Director since 1994 (Age 71)

Dr. Joyce has been Chairman of the Board and Chief Executive Officer of Nalco Company, a leading provider of integrated water treatment and process improvement services, chemicals and equipment programs for industrial and institutional applications, from November 2003 to the present. From May 2001 to October 2003, Dr. Joyce was Chairman and Chief Executive Officer of Hercules, Incorporated, a global manufacturer of chemical specialties. From January 1996 to February 2001, he was Chairman of the Board and Chief Executive Officer of Union Carbide Corporation. Dr. Joyce is currently a director of Nalco and El Paso Corporation.

Terrence Murray

Director since 1996 (Age 65)

Mr.
Murray
is
the
retired
former
Chairman
of
FleetBoston
Financial
Corporation
and
its
predecessors
("FleetBoston"),
a
financial
services
institution.

Mr.
Murray
served
as
Chief
Executive
Officer
of
FleetBoston
from
May
1982
to
December
2001.

Mr.
Murray
is
a
director
of
A.T.
Cross
Company
and
ChoicePoint,
Inc.

Sheli
Z. Rosenberg
Director since 1997 (Age 64)

Ms. Rosenberg is an Adjunct Professor at Northwestern University's J. L. Kellogg Graduate School of Business, and the former President, Chief Executive Officer and Vice Chairman of Equity Group Investments, L.L.C., a privately held real estate investment firm. Ms. Rosenberg was Vice Chairman of Equity Group Investments from January 2000 to October 2002, and from 1994 to January 2000, she served as President, Chief Executive Officer and a director of Equity Group Investments.

Ms. Rosenberg is a director of Cendant Corporation, Equity Lifestyle Properties, Inc. and Ventas, Inc. and a trustee of Equity Residential Properties Trust and Equity Office Properties Trust.

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CVS Board of Directors

Thomas

M.

Ryan

Director since 1996 (Age 54)

Mr. Ryan has been President and Chief Executive Officer of CVS Corporation since May 1998 and Chairman of CVS Corporation since April 1999; he has also been President and Chief Executive Officer of CVS Pharmacy, Inc. since 1994. Mr. Ryan is a director of Bank of America Corporation and Yum! Brands, Inc.

Richard

J.

Swift

Director Since 2006 (Age 62)

Mr. Swift is the former Chairman of the Board, President and Chief Executive Officer of Foster Wheeler Ltd., an international engineering and construction firm, having served in those positions from April 1994 until his retirement in October 2001. Since January 2002, Mr. Swift has served as a member of the Financial Accounting Standards Advisory Council (FASAC) and, until December 31, 2006, served as its Chairman. Mr. Swift is also a director of the Public Service Enterprise Group, Ingersoll-Rand Company, Ltd., Kaman Corporation, and Hubbell Incorporated.

Alfred J.

Verrecchia

Director Since 2004 (Age 63)

Mr. Verrecchia

has been President and Chief Executive Officer of Hasbro, Inc.,

a worldwide

leader in children's and family leisure time entertainment products and services, from May

2003 to the present. Mr. Verrecchia

has served in various positions with Hasbro for 40 years,

including

President

and

Chief

Operating

Officer

from

2000

to

May

2003.

Mr.

Verrecchia

is

a

director of Hasbro, FM Global, Old Stone Corporation and LIFESPAN, where he is Chairman.