CVS CORP
Form 424B5
August 10, 2006

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Pursuant to Rule 424(b)(5)
Registration No. 333-134174

This prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated August 10, 2006

PROSPECTUS SUPPLEMENT
(To Prospectus Dated May 16, 2006)

$1,500,000,000

% Senior Notes due , 2011
% Senior Notes due , 2016

This is an offering by CVS Corporation of an aggregate of $ of % Senior Notes due , 2011, which we refer to as the "2011 Notes," and an aggregate of $ of % Senior Notes due , 2016, which we refer to as the "2016 Notes." We refer to the 2011 Notes and the 2016 Notes collectively as the "notes." We will pay interest on the notes every and , beginning , 2007. We may redeem the notes at any time at the redemption price specified herein.

The notes will be our general unsecured senior obligations and will rank equally in right of payment with all of our other existing and future unsecured and unsubordinated debt.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

	Per 2011 Note	**Total**	**Per 2016 Note**	**Total**
Public Offering Price	%	$	%	$
Underwriting Discount	%	$	%	$
Proceeds, before expenses, to CVS	%	$	%	$

Lehman Brothers Inc., on behalf of the underwriters, expects to deliver the notes on or about , 2006.

LEHMAN BROTHERS

BANC OF AMERICA SECURITIES LLC

BNY CAPITAL MARKETS, INC.

WACHOVIA SECURITIES

BB&T CAPITAL MARKETS   DAIWA SECURITIES SMBC EUROPE   HSBC
JPMORGAN   MORGAN STANLEY   PIPER JAFFRAY   WELLS FARGO SECURITIES

, 2006

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document has two parts. The first part consists of this prospectus supplement, which describes the specific terms of this offering and the notes offered. The second part, the accompanying prospectus, provides more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Before purchasing any notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the heading "Where You Can Find More Information" in this prospectus supplement and in the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus and in any free writing prospectus filed by us with the Securities and Exchange Commission. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus or in any such free writing prospectus is accurate as of any date other than their respective dates. Except as otherwise specified, the terms "CVS," the "Company," "we," "us," and "our" refer to CVS Corporation and its subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at http://www.sec.gov, from which interested persons can electronically access the registration statement including the exhibits and schedules thereto.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and in the accompanying prospectus and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules), on or after the date of this prospectus supplement until we sell all of the securities covered by this prospectus supplement:

(i) CVS' Current Reports on Form 8-K filed on June 2, 2006 and July 17, 2006;

(ii) CVS' Current Report on Form 8-K/A filed on August 8, 2006; and

(iii) CVS' Quarterly Report on Form 10-Q filed on August 8, 2006.

You may request a copy of any or all of the documents incorporated by reference into this prospectus supplement or the accompanying prospectus at no cost, by writing or telephoning us at the following address:

Nancy R. Christal
Vice President, Investor Relations
CVS Corporation
670 White Plains Road, Suite 210
Scarsdale, New York 10583
(800) 201-0938

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 (the "Reform Act") provides a safe harbor for forward-looking statements made by or on behalf of CVS Corporation. This prospectus supplement and the accompanying prospectus as well as the documents incorporated therein by reference may contain forward-looking statements. Generally, the inclusion of the words "believe," "expect," "intend," "estimate," "project," "anticipate," "will" and similar expressions identify statements that constitute forward-looking statements. All statements addressing operating performance of CVS Corporation or any subsidiary, events or developments that the Company expects or anticipates will occur in the future, including statements relating to sales growth, earnings or earnings per common share growth, free cash flow, debt rating, inventory levels, inventory turn and loss rates, store development, relocations and new market entries, as well as statements expressing optimism or pessimism about future operating results or events, are forward-looking statements within the meaning of the Reform Act.

The forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

By their nature, all forward-looking statements involve risks and uncertainties. Actual results may differ materially from those contemplated by the forward-looking statements for a number of reasons, including, but not limited to:

- The continued efforts of health maintenance organizations, managed care organizations, pharmacy benefit management companies and other third party payors to reduce prescription drug costs and pharmacy reimbursement rates;

- The effect on pharmacy revenue and gross profit rates attributable to the introduction in 2006 of a new Medicare prescription drug benefit and the continued efforts by various government entities to reduce state Medicaid pharmacy reimbursement rates;

- The growth of mail order pharmacies and changes to pharmacy benefit plans requiring maintenance medications to be filled exclusively through mail order pharmacies;

- The effect on PharmaCare, our pharmacy benefit management business, of increased competition in the pharmacy benefit management industry, a declining margin environment attributable to increased client demands for lower prices, enhanced service offerings and/or higher service levels and the possible termination of, or unfavorable modification to, contractual arrangements with key clients or providers;

- The potential effect on PharmaCare's business results of entering into risk based or reinsurance arrangements in connection with providing pharmacy benefit plan management services. Risks associated with these arrangements include relying on actuarial assumptions that underestimate prescription utilization rates and/or costs for covered members;

- Our ability to continue to improve the operating results of the businesses acquired during 2004;

- Our ability to successfully integrate the standalone drugstores and distribution center that we recently acquired from Albertson's, Inc.;

- Increased competition from other drugstore chains, supermarkets, discount retailers, membership clubs and Internet companies, as well as changes in consumer preferences or loyalties;

- The frequency and rate of introduction of successful new prescription drugs;

- Our ability to generate sufficient cash flows to support capital expansion and general operating activities;

- Interest rate fluctuations and changes in capital market conditions or other events affecting our ability to obtain necessary financing on favorable terms;
- Our ability to identify, implement and successfully manage and finance strategic expansion opportunities including entering new markets, acquisitions and joint ventures;
- Our ability to establish effective advertising, marketing and promotional programs (including pricing strategies and price reduction programs implemented in response to competitive pressures and/or to drive demand);
- Our ability to continue to secure suitable new store locations under acceptable lease terms;
- Our ability to attract, hire and retain suitable pharmacists and management personnel;
- Our ability to achieve cost efficiencies and other benefits from various operational initiatives and technological enhancements;
- Litigation risks as well as changes in laws and regulations, including changes in accounting standards and taxation requirements (including tax rate changes, new tax laws and revised tax law interpretations);
- The creditworthiness of the purchasers of businesses formerly owned by CVS and whose leases are guaranteed by CVS;
- Fluctuations in inventory cost, availability and loss levels and our ability to maintain relationships with suppliers on favorable terms;
- Our ability to implement successfully and to manage new computer systems and technologies;
- The strength of the economy in general or in the markets served by CVS, including changes in consumer purchasing power and/or spending patterns; and
- Other risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission.

The foregoing list is not exhaustive. There can be no assurance that the Company has correctly identified and appropriately assessed all factors affecting its business. Additional risks and uncertainties not presently known to the Company or that it currently believes to be immaterial also may adversely impact the Company. Should any risks and uncertainties develop into actual events, these developments could have material adverse effects on the Company's business, financial condition and results of operations. For these reasons, you are cautioned not to place undue reliance on the Company's forward-looking statements.

THE COMPANY

CVS Corporation is a leader in the retail drugstore industry in the United States with net sales of $37.0 billion in 2005. As of July 1, 2006, we operated 6,205 retail and specialty pharmacy stores in 44 states and the District of Columbia, which is more pharmacy stores than any other retailer. As of December 31, 2005, we operated in 71 of the top 100 U.S. drugstore markets and held the number one or number two market share in 50 of these markets. Overall, we held the number one or number two market share position in 70% of the markets in which our retail pharmacies operate. During fiscal 2005, we filled over 433 million prescriptions, or approximately 14% of the U.S. retail pharmacy market. Our current operations are grouped into two businesses: Retail Pharmacy and Pharmacy Benefit Management ("PBM").

Retail Pharmacy As of July 1, 2006, the Retail Pharmacy business included 6,153 retail drugstores, of which 6,060 operated a pharmacy, and our online retail website, CVS.com®. The retail drugstores are located in 41 states and the District of Columbia and operate under the CVS® or CVS/pharmacy® names. CVS/pharmacy® stores sell prescription drugs and a wide assortment of general merchandise, including over-the-counter drugs, beauty products and cosmetics, film and photo finishing services, seasonal merchandise, greeting cards and convenience foods, which we refer to as "front store" products. Existing stores generally range in size from approximately 8,000 to 18,000 square feet, although most new stores range in size from approximately 10,000 to 13,000 square feet and typically include a drive-thru pharmacy.

Pharmacy Benefit Management The PBM business provides a full range of prescription benefit management services to managed care and other organizations. These services include mail order pharmacy, specialty pharmacy, plan design and administration, formulary management and claims processing. The PBM business operates under the PharmaCare Management Services name, and ranks as the fourth largest, full service PBM in the nation. Our specialty pharmacy focuses on supporting individuals that require complex and expensive drug therapies to treat conditions such as organ transplants, HIV/AIDS and genetic conditions such as infertility, multiple sclerosis and certain cancers. As of July 1, 2006, we operated 52 specialty pharmacies, operating under the PharmaCare Pharmacy® name, located in 22 states and the District of Columbia, and four mail order facilities. Specialty pharmacy stores average 2,000 square feet in size and sell prescription drugs and a limited assortment of front store items such as alternative medications, homeopathic remedies and vitamins.

CVS Corporation is a Delaware corporation. Our Store Support Center (corporate office) is located at One CVS Drive, Woonsocket, Rhode Island 02895, telephone (401) 765-1500. Our common stock is listed on the New York Stock Exchange under the trading symbol "CVS." General information about CVS is available through our website at http://www.cvs.com. Our financial press releases and filings with the Securities and Exchange Commission are available free of charge on the investor relations portion of our website at http://investor.cvs.com.

RECENT DEVELOPMENTS

Acquisition of Standalone Drug Business

On June 2, 2006, we acquired certain assets and assumed certain liabilities from Albertson's, Inc. for $4.0 billion. The assets acquired and the liabilities assumed included approximately 700 standalone drugstores and a distribution center located in La Habra, California (collectively the "Standalone Drug Business"). Approximately one-half of the drugstores are located in southern California. The remaining drugstores are primarily located in our existing markets in the Midwest and Southwest. We believe that the acquisition of the Standalone Drug Business is consistent with our long-term strategy of expanding our retail drugstore business in high-growth markets. We financed the acquisition of the Standalone Drug Business by issuing commercial paper and borrowing $1.0 billion from a bridge loan facility. We expect to repay a portion of our commercial paper borrowings with the proceeds from the sale of notes pursuant to this offering. See "Use of Proceeds." During the fourth quarter of 2006, we expect to sell a substantial portion of the acquired real estate through a sale-leaseback transaction, the proceeds of which will be used in retiring the bridge loan facility.

Same Store Sales Results

On August 7, 2006, we announced our July 2006 sales results. Same store sales (sales from stores open more than one year) for the four weeks ended July 29, 2006 increased 9.5% over the prior year period. Pharmacy same store sales increased 10.6% and front end same store sales increased 7.0% over the prior year period. Same store sales do not include the sales results of the acquired Standalone Drug Business. The acquired stores will be included in same store sales following the one-year anniversary of the acquisition, beginning in fiscal July 2007. Total revenue for the four-week period ended July 29, 2006 increased 27.5% to $3.4 billion, compared to $2.7 billion in the prior year period. Total pharmacy revenue represented 69.7% of total company sales in July 2006.

THE OFFERING

Issuer	CVS Corporation
Securities Offered	$ aggregate principal amount of % Senior Notes due , 2011 (the "2011 Notes") $ aggregate principal amount of % Senior Notes due , 2016 (the "2016 Notes")
Maturity Dates	The 2011 Notes: , 2011 The 2016 Notes: , 2016
Interest Payment Dates	Each , and , beginning , 2007. Interest on the notes being offered by this prospectus supplement will accrue from , 2006.
Record Dates	Each and immediately preceding each interest payment date.
Ranking	The notes will be our general unsecured senior obligations and will rank equally in right of payment with all of our other existing and future unsecured and unsubordinated debt.
Use of Proceeds	We intend to use the net proceeds from this offering to repay commercial paper issued to finance the acquisition of the Standalone Drug Business. See "Use of Proceeds."
Optional Redemption	We may redeem some or all of the notes at any time and from time to time at the prices described under the heading "Description of the Notes Optional Redemption."
Certain Covenants	The indenture pursuant to which the notes will be issued contains covenants that, among other things, limit our ability and the ability of our Restricted Subsidiaries (as defined therein) to secure indebtedness with a security interest on certain property or stock or engage in certain sale and leaseback transactions with respect to certain properties. See "Description of Debt Securities Certain Covenants" in the accompanying prospectus.
Trustee, Registrar and Paying Agent	The Bank of New York Trust Company, N.A.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to repay commercial paper issued to finance the acquisition of the Standalone Drug Business. As of August 3, 2006, we had $3,448.9 million of commercial paper outstanding with a weighted average interest rate of 5.42%. The commercial paper to be repaid with the net proceeds from this offering bears interest at a weighted average interest rate of 5.38% and matures on or about the date of the closing of this offering.

CAPITALIZATION

The table below sets forth our total capitalization at July 1, 2006 on an actual basis (which includes the effect of the issuance of commercial paper and the $1.0 billion of bridge facility borrowings, the proceeds of which were used to finance the acquisition of the Standalone Drug Business which closed on June 2, 2006) and as adjusted for the issuance of the notes offered hereby and the application of the estimated of net proceeds therefrom as set forth in "Use of Proceeds."

You should read the table together with our consolidated financial statements and the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated by reference into this prospectus supplement and the accompanying prospectus.

	July 1, 2006	
	Actual	**As Adjusted(1)**
	($ in millions, unaudited)	
Short-term debt:		
Commercial paper	$ 3,461.2	$
Bridge facility	1,000.0	1,000.0
Guaranteed ESOP obligation	31.9	31.9
Other	16.2	16.2
Total short term debt	4,509.3	
Long-term debt:		
$3^7/_8$% Notes due 2007	300.0	300.0
4% Notes due 2009	650.0	650.0
$4^7/_8$% Notes due 2014	550.0	550.0
Notes offered hereby		1,500.0
Guaranteed ESOP obligation	82.1	82.1
Other	198.1	198.1
Total long term debt	1,780.2	3,280.2
Shareholders' equity:		
Preferred stock, $0.01 par value: authorized 120,619 shares; no shares issued or outstanding		
Preference stock, series one ESOP convertible, par value $1.00: authorized 50,000,000 shares; issued and outstanding 4,077,000 shares at July 1, 2006	217.9	217.9
Common stock, par value $0.01: authorized 1,000,000,000 shares; issued 842,537,000 shares at July 1, 2006	8.4	8.4
Treasury stock, at cost: 23,118,000 shares at July 1, 2006	(337.1)	(337.1)
Guaranteed ESOP obligation	(114.0)	(114.0)
Capital surplus	2,048.6	2,048.6
Retained earnings	7,342.8	7,342.8
Accumulated other comprehensive loss	(84.6)	(84.6)
Total shareholders' equity	9,082.0	9,082.0
Total capitalization	$ 15,371.5	$

(1)

Gives the effect to this offering of the notes and the use of the proceeds therefrom to pay down a portion of the commercial paper used to fund the acquisition of the Standalone Drug Business.

SELECTED CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table sets forth selected historical consolidated financial and operating data for CVS. The selected consolidated financial and operating data as of and for the fifty-two week periods ended December 31, 2005, January 1, 2005, December 28, 2002, December 29, 2001 and the fifty-three week period ended January 3, 2004 have been derived from CVS' consolidated financial statements, which have been audited by KPMG LLP, independent registered public accounting firm. You should not assume that our historical results are necessarily indicative of the results that may be expected for any future period. The selected consolidated financial and operating data as of and for the six months ended July 1, 2006 and July 2, 2005 has been derived from CVS' unaudited consolidated condensed financial statements. The financial performance of the Standalone Drug Business from June 2, 2006 through July 1, 2006 is reflected in CVS' results of operations for the six months ended July 1, 2006. The financial results for the six months ended July 1, 2006 are not necessarily indicative of results that may be expected for the entire fiscal year.

You should read this selected consolidated financial and operating data in conjunction with CVS' Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and CVS' Quarterly Report on Form 10-Q for the quarterly period ended July 1, 2006, which are incorporated by reference into this prospectus supplement and the accompanying prospectus.

	26 Weeks Ended		Fiscal Year				
	July 1, 2006	July 2, 2005	2005 (52 weeks)	2004 (52 weeks)	2003 (53 weeks)	2002 (52 weeks)	2001 (52 weeks)
	(dollars in millions, except per share amounts)						
Statement of Operations Data:							
Net revenues	$ 20,540.6	$ 18,303.8	$ 37,006.2	$ 30,594.3	$ 26,588.0	$ 24,181.5	$ 22,241.4
Gross profit(1)	5,493.4	4,798.2	9,901.2	8,031.2	6,863.0	6,068.8	5,691.0
Selling, general & administrative(2)	3,999.4	3,535.2	7,292.6	6,079.7	5,097.7	4,552.3	4,256.3
Depreciation and amortization(2)(3)	338.5	285.5	589.1	496.8	341.7	310.3	320.8
Merger, restructuring and other nonrecurring charges and gains							343.3
Operating profit(4)	1,155.5	977.5	2,019.5	1,454.7	1,423.6	1,206.2	770.6
Interest expense, net	59.5	56.3	110.5	58.3	48.1	50.4	61.0
Income tax provision(5)	428.5	355.6	684.3	477.6	528.2	439.2	296.4
Net earnings(6)	$ 667.5	$ 565.6	$ 1,224.7	$ 918.8	$ 847.3	$ 716.6	$ 413.2
Per Common Share Data(7):							
Net earnings(6)							
Basic	$ 0.81	$ 0.69	$ 1.49	$ 1.13	$ 1.06	$ 0.89	$ 0.51
Diluted	0.78	0.67	1.45	1.10	1.03	0.88	0.50
Cash dividends declared	$ 0.0775	$ 0.0725	$ 0.145	$ 0.1325	$ 0.115	$ 0.115	$ 0.115
Other Operating Data:							
Ratio of earnings to fixed charges(8)	4.57x	4.29x	4.45x	4.22x	4.78x	4.35x	3.01x
Pharmacy revenue as a percentage of total revenue	70.0%	70.8%	70.2%	70.0%	68.8%	67.6%	66.1%
Total same store sales growth	7.5%	6.9%	6.5%	5.5%	5.8%	8.4%	8.6%
Pharmacy same store sales growth	8.0%	8.1%	7.0%	7.0%	8.1%	11.7%	13.0%
Third party revenue as a percentage of pharmacy revenue	94.3%	94.0%	94.1%	94.1%	93.2%	92.3%	90.9%
Number of stores (at end of period)	6,205	5,439	5,471	5,375	4,179	4,087	4,191
Balance Sheet Data (at end of period):							
Total working capital	$ 917.6	$ 3,102.4	$ 3,808.8	$ 3,060.7	$ 3,007.3	$ 2,876.2	$ 2,344.0
Total assets	20,301.4	14,765.8	15,283.4	14,546.8	10,543.1	9,645.3	8,636.3
Long-term debt	1,780.2	1,629.7	1,594.1	1,925.9	753.1	1,076.3	810.4
Total shareholders' equity	9,082.0	7,682.5	8,331.2	6,987.2	6,021.8	5,197.0	4,566.9

(1) Gross profit includes the pre-tax effect of a $5.7 million ($3.6 million after-tax) non-recurring charge in 2001 related to the markdown of certain inventory contained in the stores as part of a strategic restructuring program.

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(2)

In 2004, CVS conformed its accounting for operating leases and leasehold improvements to the views expressed by the Office of the Chief Accountant of the Securities and Exchange Commission to the American Institute of Certified Public Accountants on February 7, 2005. As a result, CVS recorded a non-cash pre-tax adjustment of $9.0 million ($5.4 million after-tax) to selling, general and administrative expenses and $56.9 million ($35.1 million after tax) to depreciation and amortization, which represents the cumulative effect of the adjustment for a period of approximately 20 years. Since the effect of this non-cash adjustment was not material to any previously reported fiscal year, the cumulative effect was recorded in the fourth quarter of 2004.

(3)

As a result of adopting SFAS No. 142, "Goodwill and Other Intangible Assets" at the beginning of fiscal 2002, CVS no longer amortizes goodwill and other indefinite-lived intangible assets. Goodwill amortization totaled $31.4 million pre-tax ($28.2 million after-tax) in 2001.

(4)

Operating profit includes the pre-tax effect of the charges discussed in Note (1) above and the following merger, restructuring, and other nonrecurring charges and gains: (i) in 2004, $65.9 million ($40.5 million after-tax) relating to conforming CVS' accounting for operating leases and leasehold improvements, and (ii) in 2001, $346.8 million ($226.9 million after-tax) related to restructuring and asset impairment costs associated with the strategic restructuring and $3.5 million ($2.1 million after-tax) non-recurring gain resulting from the net effect of the $50.3 million of settlement proceeds received from various lawsuits against certain manufacturers of brand name prescription drugs which was offset by our contribution of $46.8 million of these settlement proceeds to the CVS Charitable Trust, Inc. to fund future charitable giving.

(5)

Income tax provision includes the effect of the following: (i) in 2004, a $52.6 million reversal of previously recorded tax reserves through the tax provision principally based on resolving certain state tax matters, and (ii) in 2004, a $60.0 million reversal of previously recorded tax reserves through the tax provision principally based on finalizing certain tax return years and on a 2004 court decision relevant to the industry.

(6)

Net earnings and net earnings per common share include the after-tax effect of the charges and gains discussed in Notes (1), (2), (3), (4) and (5) above.

(7)

On May 12, 2005, CVS Corporation's Board of Directors authorized a two-for-one common stock split, which was effected in the form of a dividend by the issuance of one additional share of common stock for each share of common stock outstanding. These shares were distributed on June 6, 2005 to shareholders of record as of May 23, 2005. All prior periods have been restated to reflect the effect of the two-for-one stock split.

(8)

For purposes of computing the ratio of earnings to fixed charges, earnings consist of net earnings before income taxes and fixed charges (excluding capitalized interest). Fixed charges consist of interest, capitalized interest and one-third of rental expense, which is deemed representative of the interest factor.

DESCRIPTION OF THE NOTES

General

The % Senior Notes due , 2011, which we refer to as the "2011 Notes," and the % Senior Notes due , 2016, which we refer to as the "2016 Notes," each constitute a series of senior debt securities described in the accompanying prospectus. This description supplements, and to the extent inconsistent therewith, replaces the descriptions of the general terms and provisions contained in "Description of Debt Securities" in the accompanying prospectus.

Each series of notes will be issued under an indenture to be dated , 2006 between CVS Corporation, as issuer, and The Bank of New York Trust Company, N.A., as trustee. The following summary of the material provisions of the indenture does not summarize all of the provisions of the indenture. We urge you to read the indenture because it, not the summaries below and in the accompanying prospectus, defines your rights. A copy of the form of the indenture has been filed as an exhibit to the registration statement of which the accompanying prospectus is a part. You may obtain a copy of the indenture from us without charge. See the section entitled "Where You Can Find More Information" in this prospectus supplement and in the accompanying prospectus.

The notes will be issued only in registered form without coupons, in denominations of $1,000 or integral multiples thereof. No service charge will be made for any registration of transfer or any exchange of notes, but we may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

We do not intend to list notes on a national securities exchange.

The indenture does not contain any provisions that would limit our ability to incur indebtedness or require the maintenance of financial ratios or specified levels of net worth or liquidity, nor does it contain covenants or other provisions designed to afford holders of the notes protection in the event of a highly leveraged transaction, change in credit rating or other similar occurrence. However, the provisions of the indenture do:

(1) provide that, subject to certain exceptions, neither we nor any of our Restricted Subsidiaries (as defined therein) will subject our property or assets to any mortgage or other encumbrance unless the notes are secured equally and ratably with such other indebtedness thereby secured, and

(2) contain certain limitations on the entry into certain sale and leaseback arrangements by us and our Restricted Subsidiaries.

In addition, the indenture does not contain any provisions which would require us to repurchase or redeem or otherwise modify the terms of any of the notes upon a change in control or other events involving us which may adversely affect the creditworthiness of the notes. See "Description of Debt Securities Certain Covenants" in the accompanying prospectus.

Principal, Maturity and Interest

The 2011 Notes will be issued in an aggregate principal amount of $ and will mature on , 2011. The 2011 Notes will bear interest at % per annum from , 2006, or from the most recent date to which interest has been paid or provided for, payable semiannually in arrears to holders of record at the close of business on the or immediately preceding the interest payment on or of each year, respectively, commencing , 2007.

The 2016 Notes will be issued in an aggregate principal amount of $ and will mature on , 2016. The 2016 Notes will bear interest at % per annum from , 2006, or from the most recent date to which interest has been paid or provided for, payable semiannually in arrears to holders of record at the close of business on the or immediately preceding the respective interest payment on or of each year, respectively, commencing , 2007.

If any interest payment date, date of redemption or the maturity date of any of the notes is not a business day, then payment of interest and/or principal will be made on the next succeeding business day. No interest will accrue on the amount so payable for the period from such interest payment date, redemption date or maturity date, as the case may be, to the date payment is made.

The notes do not contain any sinking fund provisions.

In some circumstances, we may elect to discharge our obligations on the notes through defeasance or covenant defeasance. See "Description of Debt Securities Discharge and Defeasance of Debt Securities and Covenants" in the accompanying prospectus for more information about how we may do this.

Ranking

The notes will be our general unsecured senior obligations and will rank equally in right of payment with all of our other existing and future unsecured and unsubordinated debt.

Optional Redemption

The notes will be redeemable, in whole, at any time, or in part, from time to time, at our option upon not less than 30 nor more than 60 days' notice at a redemption price, plus accrued and unpaid interest to the date of redemption, equal to the greater of:

(1) 100% of the principal amount thereof, or

(2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus basis points for the 2011 Notes or the applicable Treasury Yield plus basis points for the 2016 Notes.

"*Treasury Yield*" means, with respect to any redemption date applicable to a series of the notes, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue for that series, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such redemption date.

"*Comparable Treasury Issue*" means, with respect to either series of the notes, the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of such series of the notes, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such series of the notes.

"*Independent Investment Banker*" means, with respect to each series of notes offered hereby, Lehman Brothers Inc. or, if such firm is unwilling or unable to select the applicable Comparable Treasury Issue, an independent investment banking institution of national standing appointed by the trustee.

"*Comparable Treasury Price*" means, with respect to any redemption date applicable to a series of the notes, (i) the average of the applicable Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such applicable Reference Treasury Dealer Quotations, or (ii) if the trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

"*Reference Treasury Dealer*" means, with respect to each series of the notes offered hereby, (i) Lehman Brothers Inc. and its successors; provided however, that if the foregoing shall cease to be a primary United States Government securities dealer in New York City (a "Primary Treasury Dealer"), we shall substitute therefor another Primary Treasury Dealer and (ii) any other Primary Treasury Dealer selected by us.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date for a series of the notes, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue for that series of the notes (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

A notice of redemption shall be mailed by us (or, at our request, by the trustee on our behalf) by first class mail to each holder of notes to be redeemed. Such notice of redemption shall specify the principal amount of notes to be redeemed, the CUSIP and ISIN numbers of the notes to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment and that payment will be made upon presentation and surrender of such notes. Once notice of redemption is sent to holders, notes called for redemption will become due and payable on the redemption date at the redemption price, plus interest accrued to the redemption date. On or before 10:00 a.m. New York City time on the redemption date, we will deposit with the trustee or with one or more paying agents an amount of money sufficient to redeem on the redemption date all the notes so called for redemption at the appropriate redemption price, together with accrued interest to the date fixed for redemption. Unless we default in payment of the redemption price plus interest accrued to the redemption date, commencing on the redemption date interest on notes called for redemption will cease to accrue and holders of such notes will have no rights with respect to such notes except the right to receive the redemption price and any unpaid interest to the redemption date.

If fewer than all of the notes of a particular series are being redeemed, the trustee will select the notes to be redeemed pro rata, by lot or by any other method the trustee in its sole discretion deems fair and appropriate, in denominations of $1,000 principal amount and multiples thereof. Upon surrender of any note redeemed in part, the holder will receive a new note equal in principal amount to the unredeemed portion of the surrendered note.

In addition, we may at any time purchase notes by tender, in the open market or by private agreement, subject to applicable law.

Additional Notes

We may, without the consent of the holders of the notes, create and issue additional notes ranking equally with either series of notes in all respects, including having the same CUSIP number of such series, so that such additional notes shall be consolidated and form a single series with such notes and shall have the same terms as to status or otherwise as such notes, except for the offer price to the public and the issue date. No additional notes may be issued if an event of default has occurred and is continuing with respect to such notes. In addition to the notes, we may issue other series of debt securities under the indenture. There is no limit on the total aggregate principal amount of debt securities that we can issue under the indenture.

Book-Entry System

Upon sale, each series of notes will be represented by one or more fully registered global securities. Each such global security will be deposited with, or on behalf of, the Depository Trust Company ("DTC") and registered in the name of DTC or a nominee thereof. Unless and until it is exchanged in whole or in part for notes in definitive form, no global security may be transferred except as a whole by DTC to a nominee of DTC or by a nominee of the DTC to DTC or another nominee

DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor. Accountholders in the Euroclear or Clearstream Banking clearance systems may hold beneficial interests in the notes through the accounts that each of these systems maintain as participants in DTC.

So long as DTC or its nominee is the registered owner of the global securities, DTC or its nominee, as the case may be, will be the sole holder of the notes represented thereby for all purposes under the indenture. Except as otherwise provided in this section, the beneficial owners of the global securities representing the notes will not be entitled to receive physical delivery of certificated notes and will not be considered the holders thereof for any purpose under the indenture, and the global securities representing the notes shall not be exchangeable or transferable. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder under the indenture. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. Such limits and such laws may impair the ability to transfer beneficial interests in the global securities representing the notes.

The global securities representing the notes are exchangeable for certificated notes of like tenor and terms and of differing authorized denominations aggregating a like amount, only if:

- DTC notifies us that it is unwilling, unable or ineligible to continue as depositary for the global securities and a successor depositary is not appointed by us within 90 days of such notification or of our becoming aware of DTC's ineligibility;

- there shall have occurred and be continuing an Event of Default under the indenture with respect to any of the global securities and the outstanding notes shall have become due and payable pursuant to the indenture and the trustee has requested that certificated notes be issued; or

- we have decided to discontinue use of book-entry transfers through DTC. DTC has advised us that, under its current practices, it would notify its participants of our request, but would only withdraw beneficial interests from the global securities at the request of its participants.

Upon any such exchange, the certificated notes shall be registered in the names of the beneficial owners of the global securities representing the notes as provided by DTC's relevant participants (as identified by DTC).

The description of the operations and procedures of DTC set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Neither we nor the underwriters take any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

The following is based on information furnished by DTC:

- DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is available to securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.

Persons who are not participants may beneficially own the notes held by DTC only through direct participants or indirect participants. Purchases of the notes under DTC's system must be made by or through direct participants, which will receive a credit for such notes on DTC's records. The ownership interest of each actual purchaser of each note represented by a global security ("a Beneficial Owner") is in turn to be recorded on the direct participants' and indirect participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct participants or indirect participants through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in the global securities representing the notes are to be accomplished by entries made on the books of participants acting on behalf of Beneficial Owners. Beneficial Owners of the global securities representing the notes will not receive certificated notes representing their ownership interests therein, except in the event that use of the book-entry system for such notes is discontinued and in certain other limited circumstances.

Principal, premium, if any, and interest payments on the global securities representing the notes will be made to DTC. DTC's practice is to credit direct participants' accounts on the applicable payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on such date. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of DTC, the trustee or ours, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to DTC is our and the trustee's responsibility, disbursement of such payments to direct participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of direct participants and indirect participants.

DTC may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to us or the trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificated notes are required to be printed and delivered.

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