CVS HEALTH Corp
Form 424B2
March 08, 2018

Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-217596

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)(2)
Floating Rate Notes due 2020	$1,000,000,000	100.000%	$1,000,000,000	$ 124,500.00
Floating Rate Notes due 2021	$1,000,000,000	100.000%	$1,000,000,000	$ 124,500.00
3.125% Senior Notes due 2020	$2,000,000,000	99.952%	$1,999,040,000	$ 248,880.48
3.350% Senior Notes due 2021	$3,000,000,000	99.949%	$2,998,470,000	$ 373,309.52
3.700% Senior Notes due 2023	$6,000,000,000	99.104%	$5,946,240,000	$ 740,306.88
4.100% Senior Notes due 2025	$5,000,000,000	99.021%	$4,951,050,000	$ 616,405.73
4.300% Senior Notes due 2028	$9,000,000,000	98.594%	$8,873,460,000	$1,104,745.77
4.780% Senior Notes due 2038	$5,000,000,000	98.014%	$4,900,700,000	$ 610,137.15
5.050% Senior Notes due 2048	$8,000,000,000	99.430%	$7,954,400,000	$ 990,322.80

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. The total registration fee for this offering is $4,933,108.33.

(2) Pursuant to Rule 457(p) under the Securities Act of 1933, this registration fee is partially offset by $704,925 (the **Offsetting Amount**), the remaining amount available from unused registration fees in respect of $6,500,000,000 of unsold debt securities previously registered pursuant to the Registrant s Registration Statement on Form S-3 (No. 333-210872) (the **Prior Registration Statement**) filed with the Securities and Exchange Commission on April 22, 2016. The Offsetting Amount consists of unused filing fees of $503,500 initially paid in connection with the filing of the Prior Registration Statement and unused filing fees of $201,425 initially paid in connection with the filing of the Registrant s Registration Statement on Form S-3 (No. 333-205156), filed on June 23, 2015, of which $1,500,000,000 unsold debt securities and the associated filing fees therewith were subsequently included as part of the Registrant s Prior Registration Statement. After offsetting the registration fee by the Offsetting Amount, the remaining balance of the registration fee of $4,228,183.33 has been paid in connection with this offering.

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PROSPECTUS SUPPLEMENT

(To Prospectus Dated May 2, 2017)

$40,000,000,000

$1,000,000,000 Floating Rate Notes due 2020

$1,000,000,000 Floating Rate Notes due 2021

$2,000,000,000 3.125% Senior Notes due 2020

$3,000,000,000 3.350% Senior Notes due 2021

$6,000,000,000 3.700% Senior Notes due 2023

$5,000,000,000 4.100% Senior Notes due 2025

$9,000,000,000 4.300% Senior Notes due 2028

$5,000,000,000 4.780% Senior Notes due 2038

$8,000,000,000 5.050% Senior Notes due 2048

This is an offering by CVS Health Corporation of an aggregate of $1,000,000,000 of Floating Rate Notes due 2020, which we refer to as the 2020 floating rate notes, an aggregate of $1,000,000,000 of Floating Rate Notes due 2021, which we refer to as the 2021 floating rate notes, an aggregate of $2,000,000,000 of 3.125% Senior Notes due 2020, which we refer to as the 2020 notes, an aggregate of $3,000,000,000 of 3.350% Senior Notes due 2021, which we refer to as the 2021 notes, an aggregate of $6,000,000,000 of 3.700% Senior Notes due 2023, which we refer to as the 2023 notes, an aggregate of $5,000,000,000 of 4.100% Senior Notes due 2025, which we refer to as the 2025 notes, an aggregate of $9,000,000,000 of 4.300% Senior Notes due 2028, which we refer to as the 2028 notes, an aggregate of $5,000,000,000 of 4.780% Senior Notes due 2038, which we refer to as the 2038 notes, and an aggregate of $8,000,000,000 of 5.050% Senior Notes due 2048, which we refer to as the 2048 notes. We refer to the 2020 floating rate notes and 2021 floating rate notes collectively as the floating rate notes. We refer to the 2020 notes, 2021 notes, 2023 notes, 2025 notes, 2028 notes, 2038 notes and 2048 notes collectively as the fixed rate notes. We refer to the floating rate notes and fixed rate notes collectively as the notes.

We will pay interest on the floating rate notes on March 9, June 9, September 9 and December 9 of each year beginning on June 9, 2018. The 2020 floating rate notes will bear interest at a floating rate equal to LIBOR plus 0.630% per year and will mature on March 9, 2020. The 2021 floating rate notes will bear interest at a floating rate equal to LIBOR plus 0.720% per year and will mature on March 9, 2021.

We will pay interest on the 2020 notes, 2021 notes and 2023 notes on March 9 and September 9 of each year beginning on September 9, 2018. We will pay interest on the 2025 notes, 2028 notes, 2038 notes and 2048 notes on March 25 and September 25 of each year beginning on September 25, 2018. The 2020 notes will bear interest at a rate of 3.125% per year and will mature on March 9, 2020. The 2021 notes will bear interest at a rate of 3.350% per year and will mature on March 9, 2021. The 2023 notes will bear interest at a rate of 3.700% per year and will mature on March 9, 2023. The 2025 notes will bear interest at a rate of 4.100% per year and will mature on March 25, 2025. The 2028 notes will bear interest at a rate of 4.300% per year and will mature on March 25, 2028. The 2038 notes will bear interest at a rate of 4.780% per year and will mature on March 25, 2038. The 2048 notes will bear interest at a rate of 5.050% per year and will mature on March 25, 2048.

Upon the occurrence of a Change of Control Triggering Event (as defined herein), we will be required to make an offer to purchase the notes at a price equal to 101% of their aggregate principal amount plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase. See Description of the Notes Repurchase of the Notes Upon a Change of Control Triggering Event in this prospectus supplement. We have the option to redeem all or a portion of the fixed rate notes as described under the heading Description of the Notes Optional Redemption in this prospectus supplement. We do not have the option to redeem the floating rate notes prior to maturity.

On December 3, 2017, we entered into a merger agreement (the merger agreement) to acquire Aetna Inc. (Aetna), one of the nation s leading diversified health care benefits companies (the merger).

We plan to use the net proceeds of this offering, together with borrowings under our existing term loan facility and cash on hand at CVS Health and Aetna, to fund the merger. The offering is not conditioned upon the consummation of the merger; however, if (i) the merger has not been consummated on or prior to September 3, 2019 (the Outside Date), (ii) prior to the Outside Date, the merger agreement is terminated, or (iii) we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding 2020 floating rate notes, 2021 floating rate notes, 2020 notes, 2021 notes, 2023 notes, 2025 notes, 2028 notes and 2038 notes (the Special Mandatory Redemption Notes) on the special mandatory redemption date (as defined herein) at a special mandatory redemption price equal to 101% of the aggregate principal amount of the Special Mandatory Redemption Notes plus accrued and unpaid interest, if any, to, but excluding, the special mandatory redemption date, as described under the heading Description of the Notes Special Mandatory Redemption in this prospectus supplement.

The 2048 notes are not subject to the special mandatory redemption and will remain outstanding even if we do not consummate the merger.

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 indebtedness and will be structurally subordinated to the indebtedness of our subsidiaries and, upon consummation of the merger, indebtedness of Aetna and its subsidiaries that we assume in connection with the merger.

Investing in these notes involves certain risks. See Risk Factors on page S-9.

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.

	Public Offering Price[(1)]	Underwriting Discount

					Proceeds, before expenses, to CVS Health	
	Per Note	**Total**	**Per Note**	**Total**	**Per Note**	**Total**
2020 Floating Rate Notes	100.000%	$ 1,000,000,000	0.200%	$ 2,000,000	99.800%	$ 998,000,000
2021 Floating Rate Notes	100.000%	$ 1,000,000,000	0.250%	$ 2,500,000	99.750%	$ 997,500,000
2020 Notes	99.952%	$ 1,999,040,000	0.200%	$ 4,000,000	99.752%	$ 1,995,040,000
2021 Notes	99.949%	$ 2,998,470,000	0.250%	$ 7,500,000	99.699%	$ 2,990,970,000
2023 Notes	99.104%	$ 5,946,240,000	0.350%	$ 21,000,000	98.754%	$ 5,925,240,000
2025 Notes	99.021%	$ 4,951,050,000	0.400%	$ 20,000,000	98.621%	$ 4,931,050,000
2028 Notes	98.594%	$ 8,873,460,000	0.450%	$ 40,500,000	98.144%	$ 8,832,960,000
2038 Notes	98.014%	$ 4,900,700,000	0.875%	$ 43,750,000	97.139%	$ 4,856,950,000
2048 Notes	99.430%	$ 7,954,400,000	0.875%	$ 70,000,000	98.555%	$ 7,884,400,000

(1) Plus accrued interest, if any, from March 9, 2018.

The notes are expected to be delivered on or about March 9, 2018. Delivery of the notes will be made in book-entry form only through the facilities of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*, against payment therefor in immediately available funds.

Barclays

Goldman Sachs & Co. LLC

BofA Merrill Lynch

J.P. Morgan

Wells Fargo Securities

BNY Mellon Capital Markets, LLC

Mizuho Securities

MUFG

RBC Capital Markets

SunTrust Robinson Humphrey

US Bancorp

Fifth Third Securities

KeyBanc Capital Markets

PNC Capital Markets LLC

Santander

SMBC Nikko

ICBC Standard Bank

Guggenheim Securities

Loop Capital Markets

TD Securities

Drexel Hamilton

MFR Securities, Inc.

Ramirez & Co., Inc.

The Williams Capital Group, L.P.

The date of this prospectus supplement is March 6, 2018.

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PROSPECTUS

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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.

We have not, and the underwriters have not, authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectuses filed by us with the U.S. Securities and Exchange Commission (SEC). We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the underwriters are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus is accurate as of any date other than their respective dates. Except as otherwise specified, the terms CVS Health, the Company, we, us and our refer to CVS Health Corporation and its subsidiaries.

Unless specifically indicated, the information presented in this prospectus supplement does not give effect to the proposed merger, which is currently projected to close in the second half of 2018. See Summary Merger with Aetna.

Notice to Prospective Investors in the European Economic Area

This prospectus supplement has been prepared on the basis that any offer of notes in any Member State of the European Economic Area (the EEA) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes.

Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of notes to any legal entity which is not a qualified investor as defined in the Prospectus Directive, *provided* that no such offer of notes shall require us or any underwriter to publish a prospectus or supplement a prospectus pursuant to the Prospectus Directive for such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of notes through any financial intermediary, other than offers made by the underwriters, which constitute the final placement of the notes contemplated in this prospectus supplement.

The expression Prospectus Directive means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in the Member State concerned.

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the Insurance Mediation Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the PRIIPs Regulation) for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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Notice to Prospective Investors in the United Kingdom

In the United Kingdom this document is for distribution only to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the Financial Promotion Order), (ii) persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order, or (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as relevant persons). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In the United Kingdom any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current 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, NE, Washington, DC 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 our SEC filings, including the registration statement and the exhibits and schedules to the registration statement. In addition, you can inspect and copy our reports, proxy statements and other information at the offices of the New York Stock Exchange, 11 Wall Street, New York, New York 10005.

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 information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below 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 complete the offering of the notes covered by this prospectus supplement:

Annual Report on Form 10-K, filed with the SEC on February 14, 2018.

Current Reports on Form 8-K, filed with the SEC on December 5, 2017, February 1, 2018, February 6, 2018, February 9, 2018, February 28, 2018 and March 6, 2018.

Definitive Proxy Statement on Schedule 14A, filed with the SEC on March 31, 2017 (as to the information under the headings Committees of the Board, Code of Conduct, Audit Committee Report, Section 16(a) Beneficial Ownership Reporting Compliance, Share Ownership of Directors and Certain Executive Officers, Share Ownership of Principal Stockholders, Item 1: Election of Directors, Item 2: Ratification of Appointment of Independent Registered Public Accounting Firm, Independence Determinations for Directors, Related Person Transaction Policy, and Executive Compensation and Related Matters (including Compensation Discussion and Analysis, Letter from the Management Planning and Development Committee and Executive Compensation Tables thereto)).

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:

Michael P. McGuire

Senior Vice President, Investor Relations

CVS Health Corporation

One CVS Drive MC 1008

Woonsocket, Rhode Island 02895

(800) 201-0938

investorinfo@cvshealth.com

Selected information related to Aetna s business and operations, certain material risks related to Aetna s business, operations and financial condition, certain material regulatory matters related to Aetna s business, and Aetna s audited consolidated financial statements for the fiscal years ended December 31, 2017 and 2016 and for each of the years in the three-year period ended December 31, 2017, have been included in CVS Health s Current Reports on Form 8-K filed on February 28, 2018 and March 6, 2018, which are incorporated by reference herein.

Please also see the unaudited pro forma condensed combined financial statements of CVS Health and Aetna included elsewhere in this prospectus supplement under the heading Unaudited Pro Forma Condensed Combined

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Financial Statements.   The unaudited pro forma condensed combined financial statements include an unaudited pro forma condensed combined statement of income for the year ended December 31, 2017, which reflects the combined historical consolidated statements of income of CVS Health and Aetna giving effect to the merger as if it had occurred on January 1, 2017, the first day of the fiscal year ended December 31, 2017, and the unaudited pro forma condensed combined balance sheet as of December 31, 2017, which reflects the combined historical consolidated balance sheets of CVS Health and Aetna giving effect to the merger as if it had occurred on December 31, 2017.

We take no responsibility for Aetna s filings with the SEC, and we are not incorporating by reference such filings into this prospectus supplement or the accompanying prospectus.

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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 the Company. The Company and its representatives may, from time to time, make written or verbal forward-looking statements, including statements contained in the Company s filings with the SEC and in its reports to stockholders, press releases, webcasts, conference calls, meetings and other communications. Generally, the inclusion of the words believe, expect, intend, estimate, project, anticipate, will, should a expressions identify statements that constitute forward-looking statements. All statements addressing operating performance of CVS Health Corporation or any subsidiary, events or developments that the Company expects or anticipates will occur in the future, including statements relating to corporate strategy; revenue growth; earnings or earnings per common share growth; adjusted earnings or adjusted earnings per common share growth; free cash flow; debt ratings; inventory levels; inventory turn and loss rates; store development; relocations and new market entries; retail pharmacy business, sales trends and operations; pharmacy benefit management (PBM) business, sales trends and operations; specialty pharmacy business, sales trends and operations; long-term care (LTC) pharmacy business, sales trends and operations; the Company s ability to attract or retain customers and clients; Medicare Part D competitive bidding, enrollment and operations; new product development; the impact of industry and regulatory developments; and any proposed acquisition (including the merger), 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 as described in our SEC filings, including those set forth in the Risk Factors section in our Annual Report on Form 10-K for the year ended December 31, 2017, and including, but not limited to:

- Risks relating to the health of the economy in general and in the markets we serve, which could impact consumer purchasing power, preferences and/or spending patterns, drug utilization trends, the financial health of our PBM and LTC clients, retail and specialty pharmacy payors or other payors doing business with the Company and our ability to secure necessary financing, suitable store locations and sale-leaseback transactions on acceptable terms.

- Efforts to reduce reimbursement levels and alter health care financing practices, including pressure to reduce reimbursement levels for generic drugs.

- The possibility of PBM and LTC client loss and/or the failure to win new PBM and LTC business, including as a result of failure to win renewal of expiring contracts, contract termination rights that may permit clients to terminate a contract prior to expiration and early or periodic renegotiation of pricing by clients prior to expiration of a contract.

The possibility of loss of Medicare Part D business and/or failure to obtain new Medicare Part D business, whether as a result of the annual Medicare Part D competitive bidding process or otherwise.

Risks related to the frequency and rate of the introduction of generic drugs and brand name prescription products.

Risks of declining gross margins attributable to increased competitive pressures, increased client demand for lower prices, enhanced service offerings and/or higher service levels and market dynamics and, with respect to the PBM industry, regulatory changes that impact our ability to offer plan sponsors pricing that includes the use of retail differential or spread or the use of maximum allowable cost pricing.

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- Regulatory changes, business changes and compliance requirements and restrictions that may be imposed by Centers for Medicare and Medicaid Services (CMS), Office of Inspector General or other government agencies relating to the Company s participation in Medicare, Medicaid and other federal and state government-funded programs, including sanctions and remedial actions that may be imposed by CMS on our Medicare Part D business.

- Risks and uncertainties related to the timing and scope of reimbursement from Medicare, Medicaid and other government-funded programs, including the possible impact of sequestration, the impact of other federal budget, debt and deficit negotiations and legislation that could delay or reduce reimbursement from such programs and the impact of any closure, suspension or other changes affecting federal or state government funding or operations.

- Possible changes in industry pricing benchmarks used to establish pricing in many of our PBM and LTC client contracts, pharmaceutical purchasing arrangements, retail network contracts, specialty payor agreements and other third party payor contracts.

- Efforts to increase reimbursement rates in PBM pharmacy networks and to inhibit the ability of PBMs to audit network pharmacies for fraud, waste and abuse.

- Risks related to increasing oversight of PBM activities by state departments of insurance and boards of pharmacy.

- A highly competitive business environment, including the uncertain impact of increased consolidation in the PBM industry, the possibility of combinations, joint ventures or other collaboration between PBMs and retailers, uncertainty concerning the ability of our retail pharmacy business to secure and maintain contractual relationships with PBMs and other payors on acceptable terms, uncertainty concerning the ability of our PBM business to secure and maintain competitive access, pricing and other contract terms from retail network pharmacies in an environment where some PBM clients are willing to consider adopting narrow or more restricted retail pharmacy networks, the possibility of our retail stores or specialty pharmacies being excluded from narrow or restricted networks, the potential of disruptive innovation from existing and new competitors and risks related to developing and maintaining a relevant experience for our customers.

- The Company s ability to timely identify or effectively respond to changing consumer preferences and spending patterns, an inability to expand the products being purchased by our customers, or the failure or inability to obtain or offer particular categories of products.

- Risks relating to our ability to secure timely and sufficient access to the products we sell from our domestic and/or international suppliers, including limited distribution drugs.

Reform of the U.S. health care system, including ongoing implementation of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, ACA) and the possible repeal and replacement of all or parts of ACA, continuing legislative efforts, regulatory changes and judicial interpretations impacting our health care system and the possibility of shifting political and legislative priorities related to reform of the health care system in the future.

Risks related to changes in legislation, regulation and government policy (including through the use of Executive Orders) that could significantly impact our business and the health care and retail industries, including, but not limited to, the possibility of major developments in tax policy or trade relations, such as the imposition of unilateral tariffs on imported products, changes with respect to the approval process for biosimilars, or changes or developments with respect to the regulation of drug pricing, including federal and state drug pricing programs.

Risks relating to any failure to properly maintain our information technology systems, our information security systems and our infrastructure to support our business and to protect the privacy and security of sensitive customer and business information.

Risks related to compliance with a broad and complex regulatory framework, including compliance with new and existing federal, state and local laws and regulations relating to health care, network pharmacy reimbursement and auditing, accounting standards, corporate securities, tax, environmental and other laws and regulations affecting our business.

Risks related to litigation, government investigations and other legal proceedings as they relate to our business, the pharmacy services, retail pharmacy, LTC pharmacy, specialty pharmacy or retail clinic industries, or to the health care industry generally.

The risk that any condition related to the closing of any proposed acquisition, including the merger, may not be satisfied on a timely basis or at all, including the inability to obtain required regulatory approvals of any proposed acquisition, including the merger, or on the terms desired or anticipated; the risk that such approvals may result in the imposition of conditions that could adversely affect the resulting combined company or the expected benefits of any proposed transaction, including the merger; and the risk that the proposed transactions, including the merger fail to close for any other reason, which could negatively impact our stock price and our future business and financial results.

The possibility that the anticipated synergies and other benefits from any acquisition by us, including the merger, will not be realized, or will not be realized within the expected time periods.

Other risks related to the merger including the possibility of failing to retain existing management including key executives of Aetna, the potential for disruption of our business relationships due to uncertainty associated with the merger, the increased difficulty for us to pursue alternatives to the merger, and the possibility that the merger may not be accretive to our earnings per share.

The risks and uncertainties related to our ability to integrate the operations, products, services and employees of any entities acquired by us, including the merger, and the effect of the potential disruption of management s attention from ongoing business operations due to any pending acquisitions, including the merger.

The accessibility or availability of adequate financing on a timely basis and on reasonable terms and the risks of increased indebtedness incurred to fund the merger.

Risks related to the outcome of any legal proceedings related to, or involving any entity that is a part of, any proposed acquisition contemplated by us, including the risk that we may be subject to securities class action and derivative lawsuits in connection with the merger.

The possibility of lower than expected valuations at the Company s reporting units could result in goodwill impairment charges at those reporting units.

Other risks and uncertainties detailed from time to time in our filings with the SEC.

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

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SUMMARY

CVS Health

Overview

CVS Health, together with its subsidiaries, is a pharmacy innovation company helping people on their path to better health. At the forefront of a changing health care landscape, the Company has an unmatched suite of capabilities and the expertise needed to drive innovations that will help shape the future of health care.

We are currently the only integrated pharmacy health care company with the ability to impact consumers, payors, and providers with innovative, channel-agnostic solutions. We have a deep understanding of their diverse needs through our unique integrated model, and we are bringing them innovative solutions that help increase access to quality care, deliver better health outcomes, and lower overall health care costs.

Through more than 9,800 retail locations, more than 1,100 walk-in health care clinics, a leading pharmacy benefits manager with more than 94 million plan members, a dedicated senior pharmacy care business serving more than one million patients per year, expanding specialty pharmacy services and a leading stand-alone Medicare Part D prescription drug plan, we enable people, businesses, and communities to manage health in more affordable, effective ways. We are delivering break-through products and services, from advising patients on their medications at our CVS Pharmacy® locations, to introducing unique programs to help control costs for our clients at CVS Caremark®, to innovating how care is delivered to our patients with complex conditions through CVS Specialty®, to improving pharmacy care for the senior community through Omnicare®, or by expanding access to high-quality, low-cost care at CVS MinuteClinic®.

We have three reportable segments: Pharmacy Services, Retail/LTC and Corporate.

Pharmacy Services Segment

Our Pharmacy Services business generates revenue from a full range of pharmacy benefit management (PBM) solutions, including plan design offerings and administration, formulary management, Medicare Part D services, mail order pharmacy, specialty pharmacy and infusion services, retail pharmacy network management services, prescription management systems, clinical services, disease management services and medical spend management.

Our clients are primarily employers, insurance companies, unions, government employee groups, health plans, Medicare Part D plans, Managed Medicaid plans, plans offered on the public and private exchanges, other sponsors of health benefit plans, and individuals throughout the United States. A portion of covered lives, primarily within the Managed Medicaid, health plan and employer markets, have access to our services through public and private exchanges.

As a pharmacy benefits manager, we manage the dispensing of prescription drugs through our mail order pharmacies, specialty pharmacies, national network of long-term care pharmacies and more than 68,000 retail pharmacies, consisting of approximately 41,000 chain pharmacies (which includes our CVS Pharmacy® pharmacies) and 27,000 independent pharmacies, to eligible members in the benefit plans maintained by our clients and utilize our information systems to perform, among other things, safety checks, drug interaction screenings and brand-to-generic substitutions.

Our specialty pharmacies support individuals who require complex and expensive drug therapies. Our specialty pharmacy business includes mail order and retail specialty pharmacies that operate under the CVS Caremark®, Navarro® Health Services and Advanced Care Scripts (ACS Pharmacy) names. Substantially all of

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our mail service specialty pharmacies have been accredited by The Joint Commission, which is an independent, not-for-profit organization that accredits and certifies health care organizations and programs in the United States. We also offer specialty infusion services and enteral nutrition services through Coram LLC and its subsidiaries (collectively, Coram). With Specialty Connect®, which integrates our specialty pharmacy mail and retail capabilities, we provide members with disease-state specific counseling from our experienced specialty pharmacists and the choice to bring their specialty prescriptions to any CVS Pharmacy location. Whether submitted through one of our mail order pharmacy or at a CVS Pharmacy, all prescriptions are filled through the Company s specialty mail order pharmacies, so all revenue from this specialty prescription services program is recorded within the Pharmacy Services Segment. Members then can choose to pick up their medication at their local CVS Pharmacy or have it sent to their home through the mail.

We also provide health management programs, which include integrated disease management for 18 conditions, through our AccordantCare rare disease management offering. The majority of these integrated programs are accredited by the National Committee for Quality Assurance.

In addition, through our SilverScript Insurance Company (SilverScript) subsidiary, we are a national provider of drug benefits to eligible beneficiaries under the federal government s Medicare Part D program. As of December 31, 2017, we provided Medicare Part D plan benefits to approximately 5.5 million beneficiaries through SilverScript, including our individual and employer group waiver plans.

The Pharmacy Services Segment operates under the CVS Caremark® Pharmacy Services, Caremark®, CVS Caremark®, CVS Specialty®, AccordantCare , SilverScript®, Wellpartner®, Coram®, NovoLogix®, Navarro® Health Services and ACS Pharmacy names. As of December 31, 2017, the Pharmacy Services Segment operated 23 retail specialty pharmacy stores, 18 specialty mail order pharmacies, four mail order dispensing pharmacies, and 83 branches for infusion and enteral services, including approximately 73 ambulatory infusion suites and three centers of excellence, located in 42 states, Puerto Rico and the District of Columbia.

Retail/LTC Segment

Our Retail/LTC Segment sells prescription drugs and a wide assortment of general merchandise, including over-the-counter drugs, beauty products and cosmetics, personal care products, convenience foods, photo finishing, seasonal merchandise and greeting cards. With the acquisition of Omnicare s long-term care (LTC) operations, the Retail/LTC Segment now also includes the distribution of prescription drugs, related pharmacy consulting and other ancillary services to chronic care facilities and other care settings. Omnicare operations also included commercialization services which were provided under the name RxCrossroads® (RxC), until the sale of RxC was completed on January 2, 2018. See Note 3 Goodwill and Other Intangibles to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2017 incorporated by reference into this prospectus supplement for more information on the RxC sale. Our Retail/LTC Segment derives the majority of its revenues through the sale of prescription drugs, which are dispensed by our more than 32,000 pharmacists. The role of our retail pharmacists is expanding from primarily dispensing prescriptions to also providing services, including flu vaccinations as well as face-to-face patient counseling with respect to adherence to drug therapies, closing gaps in care, and more cost-effective drug therapies. Our integrated pharmacy services model enables us to enhance access to care while helping to lower overall health care costs and improve health outcomes.

Our Retail/LTC Segment also provides health care services through our MinuteClinic® health care clinics. MinuteClinics are staffed by nurse practitioners and physician assistants who utilize nationally recognized protocols to diagnose and treat minor health conditions, perform health screenings, monitor chronic conditions, and deliver vaccinations. We believe our clinics provide high quality services that are affordable and convenient.

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Our proprietary loyalty card program, ExtraCare®, has about 62 million active cardholders, making it one of the largest and most successful retail loyalty card programs in the country.

As of December 31, 2017, our Retail/LTC Segment included 9,803 retail stores (of which 8,060 were our stores that operated a pharmacy and 1,695 were our pharmacies located within Target stores) located in 49 states, the District of Columbia, Puerto Rico and Brazil operating primarily under the CVS Pharmacy®, CVS®, CVS Pharmacy y más®, Longs Drugs®, Navarro Discount Pharmacy® and Drogaria Onofre names, 37 onsite pharmacies primarily operating under the CarePlus CVS Pharmacy®, CarePlus® and CVS Pharmacy® names, and 1,134 retail health care clinics operating under the MinuteClinic® name (of which 1,129 were located in our retail pharmacy stores or Target stores), and our online retail websites, CVS.com®, Navarro.com and Onofre.com.br . LTC operations are comprised of 145 spoke pharmacies that primarily handle new prescription orders, of which 30 are also hub pharmacies that use proprietary automation to support spoke pharmacies with refill prescriptions. LTC operates primarily under the Omnicare® and NeighborCare® names.

Corporate Segment

The Corporate Segment provides management and administrative services to support the Company. The Corporate Segment consists of certain aspects of our executive management, corporate relations, legal, compliance, human resources, information technology and finance departments.

CVS Health Corporation is a Delaware corporation. Our 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 Health is available through our website at *http://www.cvshealth.com*. Our financial press releases and filings with the SEC are available free of charge within the Investors section of our website at *http://investors.cvshealth.com*. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus supplement or the accompanying prospectus.

Merger with Aetna

On December 3, 2017, we entered into a definitive merger agreement to acquire all of the outstanding shares of Aetna Inc. for a combination of cash and stock. Pursuant to the terms of the merger agreement, a wholly-owned subsidiary of CVS Health will be merged with and into Aetna, with Aetna surviving the merger as a wholly-owned subsidiary of CVS Health. Aetna shareholders will receive $145.00 per share in cash and 0.8378 CVS Health shares for each Aetna share.

We expect to finance the cash portion of the purchase price through a combination of the net proceeds of this offering, together with borrowings under our existing term loan facility and cash on hand at CVS Health and Aetna. This offering is not conditioned on the consummation of the merger.

We made customary representations, warranties and covenants in the merger agreement, including, among others, a covenant, subject to certain exceptions, to conduct our business in the ordinary course between the execution of the merger agreement and the consummation of the merger.

The proposed merger is currently projected to close in the second half of 2018 and remains subject to approval by CVS Health stockholders and Aetna shareholders and customary closing conditions, including the expiration of the waiting period under the federal Hart-Scott-Rodino Antitrust Improvements Act of 1976 and approvals of state departments of insurance and U.S. and international regulators.

If the transaction is not completed, the Company could be liable to Aetna for a termination fee of $2.1 billion in connection with the merger agreement, depending on the reasons leading to such termination.

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The merger agreement contains a number of termination rights for the benefit of CVS Health and Aetna, including, among others, the right of each party to terminate the merger agreement if the merger has not been consummated by December 3, 2018, subject to each of CVS Health s and Aetna s right to extend such date to March 3, 2019 if all closing conditions (other than receipt of antitrust and other specified regulatory approvals) have been satisfied by December 3, 2018, and CVS Health s right to further extend such date to June 3, 2019 if all closing conditions (other than receipt of antitrust and other specified regulatory approvals) have been satisfied by March 3, 2019. These provisions are subject to amendment or waiver, including amendment or waiver of the termination date, by CVS Health and Aetna.

The merger agreement, including a summary of termination provisions, is included as a part of CVS Health s Current Report on Form 8-K filed on December 5, 2017, which is incorporated by reference into this prospectus supplement. See Where You Can Find More Information.

Overview of Aetna

Aetna Inc., together with its subsidiaries, is one of the nation s leading diversified health care benefits companies, serving an estimated 37.9 million people as of December 31, 2017. Aetna offers a broad range of traditional, voluntary and consumer-directed health insurance products and related services, including medical, pharmacy, dental and behavioral health plans, medical management capabilities, Medicaid health care management services, Medicare Advantage and Medicare Supplement plans, workers compensation administrative services and health information technology products and services. Aetna s customers include employer groups, individuals, college students, part-time and hourly workers, health plans, health care providers, governmental units, government-sponsored plans, labor groups and expatriates. On November 1, 2017, Aetna sold its domestic group life insurance, group disability insurance and absence management businesses to Hartford Life and Accident Insurance Company.

For more information on Aetna, including a summary of Aetna s business and operations, a discussion of certain material risks related to Aetna s business, operations and financial condition, a summary of certain material regulatory matters, and Aetna s consolidated financial statements for the fiscal years ended December 31, 2017 and 2016 and for each of the years in the three-year period ended December 31, 2017, see CVS Health s Current Reports on Form 8-K filed on February 28, 2018 and March 6, 2018. See Where You Can Find More Information.

Please also see the unaudited pro forma condensed combined financial statements of CVS Health and Aetna included elsewhere in this prospectus supplement under the heading Unaudited Pro Forma Condensed Combined Financial Statements. The unaudited pro forma condensed combined financial statements include an unaudited pro forma condensed combined statement of income for the year ended December 31, 2017, which reflects the combined historical consolidated statements of income of CVS Health and Aetna giving effect to the merger as if it had occurred on January 1, 2017, the first day of the fiscal year ended December 31, 2017, and the unaudited pro forma condensed combined balance sheet as of December 31, 2017, which reflects the combined historical consolidated balance sheets of CVS Health and Aetna giving effect to the merger as if it had occurred on December 31, 2017.

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The Offering

Issuer	CVS Health Corporation.
Securities Offered	$1,000,000,000 aggregate principal amount of Floating Rate Notes due 2020.
	$1,000,000,000 aggregate principal amount of Floating Rate Notes due 2021.
	$2,000,000,000 aggregate principal amount of 3.125% Senior Notes due 2020.
	$3,000,000,000 aggregate principal amount of 3.350% Senior Notes due 2021.
	$6,000,000,000 aggregate principal amount of 3.700% Senior Notes due 2023.
	$5,000,000,000 aggregate principal amount of 4.100% Senior Notes due 2025.
	$9,000,000,000 aggregate principal amount of 4.300% Senior Notes due 2028.
	$5,000,000,000 aggregate principal amount of 4.780% Senior Notes due 2038.
	$8,000,000,000 aggregate principal amount of 5.050% Senior Notes due 2048.
Maturity Date	The 2020 floating rate notes: March 9, 2020.
	The 2021 floating rate notes: March 9, 2021.

	The 2020 notes: March 9, 2020.
	The 2021 notes: March 9, 2021.
	The 2023 notes: March 9, 2023.
	The 2025 notes: March 25, 2025.
	The 2028 notes: March 25, 2028.
	The 2038 notes: March 25, 2038.
	The 2048 notes: March 25, 2048.
Interest Payment Dates	We will pay interest on the floating rate notes on March 9, June 9, September 9 and December 9 of each year beginning on June 9, 2018.
	We will pay interest on the 2020 notes, 2021 notes and 2023 notes on March 9 and September 9 of each year beginning on September 9, 2018. We will pay interest on the 2025 notes, 2028 notes, 2038 notes and 2048 notes on March 25 and September 25 of each year beginning on September 25, 2018.
	Interest on the notes offered hereby will accrue from March 9, 2018.

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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 indebtedness and will be structurally subordinated to the indebtedness of our subsidiaries and, upon consummation of the merger, indebtedness of Aetna and its subsidiaries that we assume in connection with the merger.
Use of Proceeds	We estimate that the net proceeds to us from this offering will be approximately $39,373,930,000, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering, together with borrowings under our existing term loan facility and cash on hand at CVS Health and Aetna, to fund the approximately $47.9 billion cash portion of the purchase price of the merger.
	In the event that the merger is not consummated on or prior to the Outside Date or if, prior to the Outside Date, the merger agreement is terminated, or if we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding Special Mandatory Redemption Notes. In such case, we intend to use the net proceeds from the offering of the 2048 notes for general corporate purposes, including the possible payment of a termination fee under the merger agreement and to fund a portion of the payment resulting from the special mandatory redemption of the Special Mandatory Redemption Notes.
	See Use of Proceeds and Description of the Notes Special Mandatory Redemption.
Optional Redemption	Prior to the maturity date, the 2020 notes and 2021 notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, equal to the greater of: (1) 100% of the aggregate principal amount of the notes being redeemed, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed (not including any portion of such payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield (as defined herein) plus the Applicable Spread (as defined herein) for such series of notes.

Prior to (i) with respect to the 2023 notes, February 9, 2023 (one month prior to the maturity date of such notes), (ii) with respect to the 2025 notes, January 25, 2025 (two months prior to the maturity date of such notes), (iii) with respect to the 2028 notes, December 25, 2027 (three months prior to the maturity date of such notes), (iv) with respect to the 2038 notes, September 25, 2037 (six months prior to the maturity date of such notes) and (v) with respect to the 2048 notes,

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	September 25, 2047 (six months prior to the maturity date of such notes) (in each case, the Applicable Par Call Date), such series of notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, equal to the greater of: (1) 100% of the aggregate principal amount of the notes being redeemed, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed that would be due if such series of notes matured on the Applicable Par Call Date (not including any portion of such payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus the Applicable Spread for such series of notes.
	On or after the Applicable Par Call Date, the 2023 notes, 2025 notes, 2028 notes, 2038 notes and 2048 notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price equal to 100% of the aggregate principal amount of the notes being redeemed plus accrued and unpaid interest, if any, to, but excluding, the redemption date on such notes.
	We do not have the option to redeem the floating rate notes prior to maturity.
	See Description of the Notes Optional Redemption.
Special Mandatory Redemption	The offering is not conditioned upon the consummation of the merger; however, if (i) the merger has not been consummated on or prior to the Outside Date, (ii) prior to the Outside Date, the merger agreement is terminated, or (iii) we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding Special Mandatory Redemption Notes on the special mandatory redemption date at a special mandatory redemption price equal to 101% of the aggregate principal amount of the Special Mandatory Redemption Notes, plus accrued and unpaid interest, if any, to, but excluding, the special mandatory redemption date.
	The special mandatory redemption date means the 20th day (or if such day is not a business day, the first business day thereafter) after the earliest to occur of (1) the Outside Date, if the merger has not been consummated on or prior to the Outside Date, (2) the date of termination of the merger agreement, or (3) the date of public announcement by CVS

Health that the merger will not be consummated. See Description of the Notes Special Mandatory Redemption.

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	The 2048 notes are not subject to the special mandatory redemption and will remain outstanding even if we do not consummate the merger.
Repurchase Upon a Change of Control Triggering Event	Upon the occurrence of a Change of Control Triggering Event (as defined herein), we will be required to make an offer to purchase the notes at a price equal to 101% of their aggregate principal amount plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase. See Description of the Notes Repurchase of the Notes Upon a Change of Control Triggering Event.
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 Mellon Trust Company, N.A.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider all of the risk factors described below and the information included elsewhere in this prospectus supplement, the accompanying prospectus and the other documents incorporated by reference herein and therein before deciding to invest in the notes. We also urge you to consider carefully the factors set forth under the heading Cautionary Statement Concerning Forward-Looking Statements in this prospectus supplement.

Risks Related to CVS Health

See Risk Factors in CVS Health s Annual Report on Form 10-K for the year ended December 31, 2017, incorporated by reference herein, which includes a discussion of the material risks related to CVS Health and the merger. See Where You Can Find More Information.

Risks Related to Aetna

Following consummation of the merger, we will also be subject to the risks related to Aetna. We have filed a summary of those risks as Exhibit 99.2 to our Current Report on Form 8-K filed on March 6, 2018 and which is incorporated by reference herein. See Where You Can Find More Information.

Risks Related to the Notes

If we do not consummate the merger on or prior to the Outside Date or if, on or prior to such date, the merger agreement is terminated, or if we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all of the outstanding notes offered hereby, other than the 2048 notes.

Our ability to complete the merger is subject to various conditions, certain of which are beyond our control. The merger agreement contains certain termination provisions permitting each of CVS Health and Aetna to terminate the merger agreement under certain circumstances.

If the merger has not been consummated on or prior to the Outside Date or if, prior to the Outside Date, the merger agreement is terminated, or if we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding Special Mandatory Redemption Notes on the special mandatory redemption date at a special mandatory redemption price equal to 101% of the aggregate principal amount of the notes plus accrued and unpaid interest, if any, to, but excluding, the special mandatory redemption date. See Description of the Notes Special Mandatory Redemption. If we redeem the Special Mandatory Redemption Notes pursuant to the special mandatory redemption, you may not obtain the return that you expected on your investment in the Special Mandatory Redemption Notes. Whether or not the special mandatory redemption is ultimately triggered, it may adversely affect trading prices for the Special Mandatory Redemption Notes prior to the special mandatory redemption date.

You will have no rights under the special mandatory redemption provisions if the merger closes, nor will you have any right to require us to repurchase your notes if, between the closing of this offering and the consummation of the merger, we experience any changes (including any material adverse changes) in our business or financial condition, or if the terms of the merger agreement change, including in material respects.

The 2048 notes are not subject to the special mandatory redemption and will remain outstanding even if we do not complete the merger.

We may be unable to redeem any or all of the Special Mandatory Redemption Notes in the event of a special mandatory redemption.

We are not obligated to place the proceeds of the offering of any notes in escrow prior to the consummation of the merger or to provide a security interest in those proceeds, and the indenture governing the notes imposes

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no other restrictions on our use of these proceeds during this time. Accordingly, we will need to fund any special mandatory redemption of the Special Mandatory Redemption Notes using proceeds that we have voluntarily retained and from other sources of liquidity. In addition, if the transaction is not completed, CVS Health could be liable to Aetna for a termination fee of $2.1 billion in connection with the merger agreement, depending on the reasons leading to such termination. In the event of a special mandatory redemption, we may not have sufficient funds to redeem any or all of the Special Mandatory Redemption Notes, which would constitute an event of default under the indenture and could result in defaults under our other debt agreements and have material adverse consequences for us and the holders of the notes.

The notes are structurally subordinated to the liabilities of our subsidiaries, which will include the liabilities of Aetna and its subsidiaries if the merger is consummated.

The notes are our obligations exclusively and not of any of our subsidiaries. Therefore, the notes are structurally subordinated to the liabilities of our subsidiaries and, upon consummation of the merger, the notes will also be structurally subordinated to indebtedness of Aetna and its subsidiaries that we expect to assume in connection with the merger. As of December 31, 2017, we had approximately $693 million aggregate principal amount of such indebtedness issued by subsidiaries that would rank effectively senior to the notes and, after giving effect to the merger as if it occurred on December 31, 2017, the indebtedness of our subsidiaries, which would include Aetna and its subsidiaries, that would rank effectively senior to the notes would be approximately $9.9 billion.

The amount of interest payable on the floating rate notes is set only once per quarter based on the three-month LIBOR rate on the interest determination date, which rate may fluctuate substantially.

Historically, the level of the three-month London Interbank Offered Rate (LIBOR) has experienced significant fluctuations. You should note that historical levels, fluctuations and trends of the three-month LIBOR rate are not necessarily indicative of future levels, fluctuations and/or trends. Any historical upward or downward trend in the three-month LIBOR rate is not an indication that the three-month LIBOR rate is more or less likely to increase or decrease at any time during a floating rate interest period, and you should not take the historical levels of the three-month LIBOR rate as an indication of its future performance. You should further note that although the actual three-month LIBOR rate on an interest payment date or at other times during an interest period may be higher than the three-month LIBOR rate on the applicable interest determination date, you will not benefit from the three-month LIBOR rate at any time other than on the interest determination date for such interest period. As a result, changes in the three-month LIBOR rate may not result in a comparable change in the market value of the floating rate notes.

Increased regulatory oversight, uncertainty relating to the LIBOR calculation process and potential phasing out of LIBOR after 2021 may adversely affect the value of and return on the floating rate notes. LIBOR is the subject of recent national and international regulatory guidance and proposals for reform.

Regulators and law enforcement agencies in the United Kingdom and elsewhere are conducting civil and criminal investigations into whether the banks that provide rates in connection with the calculation of LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR. A number of banks have entered into settlements with their regulators and law enforcement agencies with respect to this alleged manipulation of LIBOR.

On July 27, 2017, the chief executive of the United Kingdom Financial Conduct Authority (the FCA), which regulates LIBOR, announced that the FCA intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. The FCA s announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict the effect of these changes, any changes in the methods pursuant to which LIBOR rates are determined or any other reforms to LIBOR that will be enacted in the United Kingdom and elsewhere, which may adversely affect the trading market for LIBOR-based

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securities, including the floating rate notes, or result in the phasing out of LIBOR as a reference rate for securities. In addition, any changes announced by the FCA, the ICE Benchmark Administration Ltd. (the independent administrator of LIBOR) or any other successor governance or oversight body, or future changes adopted by such body, in the method pursuant to which LIBOR rates are determined may result in a sudden or prolonged increase or decrease in reported LIBOR rates. If that were to occur, the level of interest payments would be affected and the value of the floating rate notes may be materially affected.

Further, if a LIBOR rate is not available on an interest determination date, the terms of the floating rate notes will require alternative determination procedures which may result in interest payments differing from expectations and could materially affect the value of the floating rate notes. If a published LIBOR rate is unavailable, the rate on the floating rate notes will be determined as set forth under the heading Description of the Notes Principal, Maturity and Interest Floating Rate Notes in this prospectus supplement.

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USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $39,373,930,000, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering, together with borrowings under our existing term loan facility and cash on hand at CVS Health and Aetna, to fund the approximately $47.9 billion cash portion of the purchase price of the merger. Pending the consummation of the merger, the net proceeds from the offering of the notes may be invested temporarily in investment-grade securities or similar instruments. This offering is not conditioned on the consummation of the merger.

In the event that the merger is not consummated on or prior to the Outside Date or if, prior to the Outside Date, the merger agreement is terminated, or if we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding Special Mandatory Redemption Notes. In such case, we intend to use the net proceeds from the offering of the 2048 notes for general corporate purposes, including the possible payment of a termination fee under the merger agreement and to fund a portion of the payment resulting from the special mandatory redemption of the Special Mandatory Redemption Notes. See Description of the Notes Special Mandatory Redemption.

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CAPITALIZATION

The table below sets forth CVS Health s total cash and short-term investments and total capitalization at December 31, 2017:

- on an actual basis;
- on an as adjusted basis to give effect to this offering (but not the application of the proceeds therefrom), after deducting the underwriting discount and estimated offering expenses payable by us; and
- on an as further adjusted basis to give effect to the merger, including the application of the proceeds as described in Use of Proceeds.

You should read the table together with CVS Health s consolidated financial statements and the notes thereto and Management s Discussion and Analysis of Financial Condition and Results of Operations in CVS Health s Annual Report on Form 10-K for the year ended December 31, 2017, incorporated by reference into this prospectus supplement and the accompanying prospectus and the unaudited pro forma condensed combined financial statements of CVS Health and Aetna under the heading Unaudited Pro Forma Condensed Combined Financial Statements included elsewhere in this prospectus supplement.

	December 31, 2017		
($ in millions)	**Actual**	**As Adjusted (Unaudited)**	**As Further Adjusted (Unaudited)**
Cash and cash equivalents	$ 1,696	$ 41,070	$ 2,228
Short-term investments	111	111	2,391
Total cash and short-term investments	1,807	41,181	4,619
Short-term debt:			
Assumed current portion of Aetna long-term debt[(1)]			1,000
1.9% Notes due 2018	2,250	2,250	2,250
2.25% Notes due 2018	1,250	1,250	1,250
Commercial paper	1,276	1,276	1,276
Capital lease obligations	22	22	22
Other	23	23	23
Total short-term debt	4,821	4,821	5,821
Long-term debt:			
Assumed Aetna long-term debt[(2)]			8,205

2.25% Notes due 2019	850	850	850
2.8% Notes due 2020	2,750	2,750	2,750
2.125% Notes due 2021	1,750	1,750	1,750
4.125% Notes due 2021	550	550	550
2.75% Notes due 2022	1,250	1,250	1,250
3.5% Notes due 2022	1,500	1,500	1,500
4.75% Notes due 2022	399	399	399
4% Notes due 2023	1,250	1,250	1,250
3.375% Notes due 2024	650	650	650
5% Notes due 2024	299	299	299
3.875% Notes due 2025	2,828	2,828	2,828
2.875% Notes due 2026	1,750	1,750	1,750
6.25% Notes due 2027	372	372	372

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($ in millions)	December 31, 2017 Actual	As Adjusted (Unaudited)	As Further Adjusted (Unaudited)
3.25% Senior Exchange Debentures due 2035[3]	1	1	1
4.875% Notes due 2035	652	652	652
6.125% Notes due 2039	447	447	447
5.75% Notes due 2041	133	133	133
5.3% Notes due 2043	750	750	750
5.125% Notes due 2045	3,500	3,500	3,500
2020 floating rate notes offered hereby		1,000	1,000
2021 floating rate notes offered hereby		1,000	1,000
3.125% 2020 notes offered hereby		2,000	2,000
3.350% 2021 notes offered hereby		3,000	3,000
3.700% 2023 notes offered hereby		6,000	6,000
4.100% 2025 notes offered hereby		5,000	5,000
4.300% 2028 notes offered hereby		9,000	9,000
4.780% 2038 notes offered hereby		5,000	5,000
5.050% 2048 notes offered hereby		8,000	8,000
Term loan facility[4]			5,000
Capital lease obligations	648	648	648
Debt premiums[5]	28	28	639
Debt discounts and deferred financing costs	(196)	(822)	(822)
Other	20	20	20
Total long-term debt	22,181	61,555	75,371
Total debt	27,002	66,376	81,192
Shareholders equity:			
CVS Health shareholders equity:			
Common stock and capital surplus	32,096	32,096	32,096
Treasury stock and shares held in trust	(37,796)	(37,796)	(18,082)
Retained earnings	43,556	43,556	43,192
Accumulated other comprehensive (loss)	(165)	(165)	(165)
Total CVS Health shareholders equity	37,691	37,691	57,041
Noncontrolling interest	4	4	261
Total shareholders equity	37,695	37,695	57,302
Total capitalization	$ 64,697	$ 104,071	$ 138,494

(1) Consists of Aetna s 1.7% Senior Notes due 2018 and includes the elimination of $1 million of Aetna s unamortized debt issuance costs and net debt discounts/premiums.

(2) Includes the elimination of $45 million of Aetna s unamortized debt issuance costs and net debt discounts/premiums.

(3) CVS Health s 3.25% Senior Exchange Debentures due 2035 were redeemed in full on January 15, 2018.

(4) Borrowings under the existing term loan facility, which will be used together with the net proceeds of this offering and cash on hand at CVS Health and Aetna to fund the cash portion of the purchase price of the merger, are expected to be drawn at the time of the consummation of the merger.

(5) The As Further Adjusted balance includes a $611 million fair value adjustment of Aetna s long-term debt to be assumed by CVS Health.

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SELECTED CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table sets forth the selected historical consolidated financial and operating data for CVS Health. The selected consolidated statement of operations data for the fiscal years ended December 31, 2017, 2016 and 2015 and the selected consolidated balance sheet data as of December 31, 2017 and 2016 have been derived from CVS Health s consolidated financial statements incorporated by reference herein. The selected consolidated statement of operations data for the fiscal years ended December 31, 2014 and 2013 and the selected consolidated balance sheet data as of December 31, 2015, 2014 and 2013 have been derived from CVS Health s consolidated financial statements that are not incorporated by reference herein. The selected consolidated financial data should be read in conjunction with the consolidated financial statements and the audit report of Ernst & Young LLP included in CVS Health s Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference herein.

You should not take historical results as necessarily indicative of the results that may be expected for any future period. You should read this selected consolidated financial and operating data in conjunction with CVS Health s Annual Report on Form 10-K for the year ended December 31, 2017, incorporated by reference herein.

	Year Ended December 31,				
	2017	2016	2015(1)	2014	2013
	(in millions, except per share amounts, number of stores, growth rates and ratios)				
Statement of Operations Data:					
Net revenues	$ 184,765	$ 177,526	$ 153,290	$ 139,367	$ 126,761
Gross profit	28,545	28,857	26,528	25,367	23,783
Operating expenses(2)	19,028	18,491	17,053	16,545	15,713
Operating profit	9,517	10,366	9,475	8,822	8,070
Interest expense, net	1,041	1,058	838	600	509
Loss on early extinguishment of debt		643		521	
Other expense	208	28	21	23	33
Income tax provision	1,637	3,317	3,386	3,033	2,928
Income from continuing operations	6,631	5,320	5,230	4,645	4,600
Income (loss) from discontinued operations, net of tax	(8)	(1)	9	(1)	(8)
Net income	6,623	5,319	5,239	4,644	4,592
Net income attributable to noncontrolling interest	(1)	(2)	(2)		
Net income attributable to CVS Health	$ 6,622	$ 5,317	$ 5,237	$ 4,644	$ 4,592
Per Common Share Data:					
Income from continuing operations attributable to CVS Health:					
Basic	$ 6.48	$ 4.93	$ 4.65	$ 3.98	$ 3.78
Diluted	6.45	4.91	4.62	3.96	3.75

Income (loss) from discontinued operations attributable to CVS Health:					
Basic	$ (0.01)	$	$ 0.01	$	$ (0.01)
Diluted	(0.01)		0.01		(0.01)
Net income attributable to CVS Health:					
Basic	$ 6.47	$ 4.93	$ 4.66	$ 3.98	$ 3.77
Diluted	6.44	4.90	4.63	3.96	3.74
Cash dividends per common share	2.00	1.70	1.40	1.10	0.90
Balance Sheet Data (at end of period):					
Working capital[3]	$ 581	$ 4,792	$ 5,989	$ 5,971	$ 8,998
Total assets	95,131	94,462	92,437	73,202	70,550
Long-term debt	22,181	25,615	26,267	11,630	12,767
Total shareholders equity	37,695	36,834	37,203	37,963	37,938
Other Operating Data:					
Ratio of earnings to fixed charges[4]	5.41x	5.58x	6.26x	6.39x	6.81x
Total same store sales growth	(2.60%)	1.90%	1.70%	2.10%	1.70%
Pharmacy same store sales growth	(2.60%)	3.20%	4.50%	4.80%	2.60%
Number of stores (at end of period)	9,846	9,750	9,681	7,866	7,702

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(1) Includes the acquired operations of Omnicare, Inc. from August 18, 2015 and the acquired operations of the clinics and pharmacies of Target Corporation from December 16, 2015.
(2) As of January 1, 2017, CVS Health adopted Accounting Standards Update (ASU) No. 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, which resulted in a retrospective reclassification of $28 million, $21 million, $23 million and $33 million of net benefit costs from operating expenses to other expense in the years ended December 31, 2016, 2015, 2014 and 2013, respectively.
(3) Working capital is defined as current assets minus current liabilities. As of January 1, 2016, CVS Health adopted ASU No. 2015-17, *Income Taxes* (Topic 740), issued by the Financial Accounting Standards Board in November 2015. The effect of the retrospective adoption on CVS Health s historical consolidated balance sheets is a reduction in current assets and deferred income taxes of $985 million, $902 million and $693 million as of December 31, 2014, 2013 and 2012 respectively.
(4) Fixed charges consist of interest expense, capitalized interest, amortization of debt discount, and a portion of net rental expense deemed to be representative of the interest factor. The ratio of earnings to fixed charges is calculated as income from continuing operations, before provision for income taxes, plus fixed charges (excluding capitalized interest), plus amortization of capitalized interest, with the sum divided by fixed charges.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The unaudited pro forma condensed combined statement of income for the year ended December 31, 2017 combines the historical consolidated statements of income of CVS Health and Aetna, giving effect to the merger as if it had occurred on January 1, 2017, the first day of the fiscal year ended December 31, 2017. The unaudited pro forma condensed combined balance sheet as of December 31, 2017, combines the historical consolidated balance sheets of CVS Health and Aetna, giving effect to the merger as if it had occurred on December 31, 2017. The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the statement of income, expected to have a continuing impact on the combined company s results. The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial information was based on, and should be read in conjunction with, the following historical consolidated financial statements and accompanying notes, which are incorporated by reference into this prospectus supplement:

- separate audited historical consolidated financial statements of CVS Health as of and for the year ended December 31, 2017, and the related notes included in CVS Health s Annual Report on Form 10-K for the year ended December 31, 2017; and

- separate audited historical consolidated financial statements of Aetna as of and for the year ended December 31, 2017, and the related notes included in CVS Health s Current Report on Form 8-K filed on February 28, 2018.

The unaudited pro forma condensed combined financial information has been prepared by CVS Health using the acquisition method of accounting in accordance with U.S. generally accepted accounting principles. CVS Health has been treated as the acquirer in the merger for accounting purposes. The acquisition accounting is dependent upon certain valuation and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. The merger has not yet received the necessary approvals from governmental authorities. Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder (the HSR Act) and other relevant laws and regulations, before completion of the merger, there are significant limitations regarding what CVS Health can learn about Aetna. The assets and liabilities of Aetna have been measured based on various preliminary estimates using assumptions that CVS Health believes are reasonable based on information that is currently available to it. Differences between these preliminary estimates and the final acquisition accounting will occur, and those differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company s future results of operations and financial position. The pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the SEC.

CVS Health intends to commence the necessary valuation and other studies required to complete the acquisition accounting promptly upon completion of the merger and will finalize the acquisition accounting as soon as practicable within the required measurement period, but in no event later than one year following completion of the merger.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The unaudited pro forma condensed combined financial information does not purport to represent the actual results of operations that CVS Health and Aetna would have achieved had the companies been combined during the periods presented in the unaudited pro forma condensed combined financial statements and is not intended to project the future results of operations that the combined company may achieve after the merger. The unaudited pro forma condensed combined financial information does not reflect any potential divestitures that may occur prior to, or subsequent to, completion of the merger or cost savings that may be realized as a result of the merger and also does not reflect any restructuring or integration-related costs to achieve those potential cost savings.

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Unaudited Pro Forma Condensed Combined Statement of Income for the Year Ended December 31, 2017

	CVS Health	Aetna	Pro Forma Adjustments (Note 6)	Pro Forma Combined
	(Millions, except per common share data)			
Revenues:				
***Pharmacy, consumer products and other*:**				
Net revenues	$ 181,897	$	$ (8,501)[j]	$ 173,396
***Insurance*:**				
Premiums[i]	2,868	53,894		56,762
Fees and other revenue		5,691		5,691
Net investment income		950	(111)[k]	839
Total net revenues	184,765	60,535	(8,612)	236,688
Operating costs and expenses:				
***Pharmacy, consumer products and other*:**				
Cost of revenues	153,970		(8,386)[j]	145,584
***Insurance*:**				
Benefit costs[i]	2,250	44,519		46,769
	156,220	44,519	(8,386)	192,353
Selling, general and administrative expenses	19,028	12,336	1,426[l]	32,790
Total operating costs and expenses	175,248	56,855	(6,960)	225,143
Operating income	9,517	3,680	(1,652)	11,545
Interest expense, net	1,041	442	1,862[m]	3,345
Loss on early extinguishment of debt		246		246
Other expense (income)	208		(171)[n]	37
Income from continuing operations before income tax provision	8,268	2,992	(3,343)	7,917
Income tax provision	1,637	1,087	(1,304)[o]	1,420
Income from continuing operations	6,631	1,905	(2,039)	6,497
Income from continuing operations attributable to noncontrolling interest	(1)	(1)		(2)
Income from continuing operations attributable to CVS Health	$ 6,630	$ 1,904	$ (2,039)	$ 6,495
Earnings per share from continuing operations attributable to CVS Health:				
Basic	$ 6.48	$ 5.71		$ 5.00[q]

Diluted	$ 6.45	$ 5.68		$ 4.96[q]
Weighted average shares:				
Basic	1,020	333	(59)	1,294[p]
Diluted	1,024	335	(53)	1,306[p]

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements. The pro forma adjustments shown above are explained in *Note 6. Income Statement Pro Forma Adjustments*.

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Unaudited Pro Forma Condensed Combined Balance Sheet as of December 31, 2017

	CVS Health	Aetna	Pro Forma Adjustments (Note 7)	Pro Forma Combined
			(Millions)	
Assets:				
Cash and cash equivalents	$ 1,696	$ 4,076	$ (3,136)[(r)]	$ 2,636
Investments	111	2,280		2,391
Accounts receivable, net	13,181	5,071	(1,124)[(s)]	17,128
Inventories	15,296			15,296
Other current assets	945	4,096	(165)[(dd)]	4,876
Total current assets	31,229	15,523	(4,425)	42,327
Long-term investments		17,793		17,793
Property and equipment, net	10,292	586		10,878
Goodwill	38,451	10,571	33,613[(t)]	82,635
Intangible assets, net	13,630	1,180	26,665[(u)]	41,475
Separate Account assets		4,296		4,296
Other assets	1,529	5,202	(1,231)[(v)]	5,500
Total assets	$ 95,131	$ 55,151	$ 54,622	$ 204,904
Liabilities and equity:				
Pharmacy claims and discounts payable	$ 10,355	$	$	$ 10,355
Health care costs payable and other insurance liabilities		7,269	(1,124)[(s)]	6,145
Accrued expenses and other current liabilities	15,472	8,569	199[(w)]	24,240
Short-term debt and current portion of long-term debt	4,821	999		5,820
Total current liabilities	30,648	16,837	(925)	46,560
Long-term debt	22,181	8,160	45,427[(x)]	75,768
Deferred income taxes	2,996		6,350[(y)]	9,346
Separate Account liabilities		4,296		4,296
Other long-term insurance liabilities		7,685		7,685
Other long-term liabilities	1,611	2,336		3,947
Total liabilities	57,436	39,314	50,852	147,602
Shareholders equity:				
Common stock and capital surplus[(1)]	32,096	4,706	(4,706)[(z)]	32,096
Treasury stock and shares held in trust	(37,796)		19,714[(aa)]	(18,082)
Retained earnings	43,556	12,118	(12,482)[(bb)]	43,192
Accumulated other comprehensive income (loss)	(165)	(1,244)	1,244[(cc)]	(165)
Total shareholders equity	37,691	15,580	3,770	57,041
Noncontrolling interest	4	257		261

Total equity	37,695	15,837	3,770	57,302
Total liabilities and equity	$ 95,131	$ 55,151	$ 54,622	$ 204,904

(1) On an historical basis, share information of CVS Health is as follows: 3.2 billion common shares authorized; 1.7 billion common shares issued and 1.0 billion shares outstanding. On a pro forma combined basis, share information is as follows: 3.2 billion common shares authorized; 2.0 billion common shares issued and 1.287 billion common shares outstanding.

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements. The pro forma adjustments shown above are explained in *Note* 7. *Balance Sheet Pro Forma Adjustments*.

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1. Description of Transaction

On December 3, 2017, CVS Health, a wholly-owned subsidiary of CVS Health and Aetna entered into the merger agreement, pursuant to which, subject to the terms and conditions set forth in the merger agreement, Aetna will become a wholly-owned subsidiary of CVS Health. Upon completion of the merger, each Aetna common share issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive $145.00 in cash, without interest thereon (the cash consideration), and 0.8378 of a share of CVS Health common stock (the share consideration, which, together with the cash consideration, is collectively referred to as the merger consideration).

As of completion of the merger, each vested Aetna stock appreciation right representing the right to receive a payment in Aetna common shares, including those Aetna stock appreciation rights that vest by their terms as of completion of the merger (collectively, the Aetna stock appreciation rights), will be cancelled and converted into the right to receive a cash amount (without interest) equal to the product of (a) the excess, if any, of (i) the sum of $145.00 plus the value equal to the product of the average of the volume weighted averages of the trading prices for shares of CVS Health common stock on the New York Stock Exchange (the NYSE) on each of the five consecutive trading days ending on the trading day that is two trading days prior to completion of the merger (the CVS Health closing price), multiplied by the ratio of 0.8378 of a share of CVS Health common stock for each Aetna common share (the exchange ratio) (the sum of such amounts is referred as the equity award cash consideration) over (ii) the applicable per share exercise price of such Aetna stock appreciation right multiplied by (b) the total number of Aetna common shares subject to such Aetna stock appreciation right. Each outstanding vested Aetna stock appreciation right (including those Aetna stock appreciation rights that vest by their terms as of completion of the merger) with a per share exercise price greater than or equal to the equity award cash consideration will be cancelled for no consideration.

As of completion of the merger, each Aetna stock appreciation right that is not vested as of completion of the merger or that is granted after the date of the merger agreement (to the extent permitted under the merger agreement), will be assumed by CVS Health and will become a stock appreciation right (an assumed stock appreciation right), representing the right to receive a payment in shares of CVS Health common stock on the same terms and conditions, except that (i) the number of shares of CVS Health common stock subject to the assumed stock appreciation right will equal the product of (A) the number of Aetna common shares that were subject to such Aetna stock appreciation right immediately prior to completion of the merger multiplied by (B) the sum of (x) the exchange ratio plus (y) the quotient of $145.00, divided by the CVS Health closing price (the sum of such amounts is referred to as the equity award exchange ratio), (with such product rounded down to the nearest whole share of CVS Health common stock) and (ii) the per share exercise price will equal the exercise price per share of the Aetna stock appreciation right immediately prior to completion of the merger divided by the equity award exchange ratio (rounded up to the nearest whole cent).

Immediately prior to completion of the merger, each outstanding Aetna restricted stock unit (an Aetna RSU) and each outstanding Aetna performance stock unit (an Aetna PSU) that provides for accelerated vesting upon completion of the merger will vest and will be converted into the right to receive, with respect to each Aetna common share underlying the Aetna RSU or Aetna PSU, the merger consideration, less applicable tax withholdings.

As of completion of the merger, each Aetna RSU or Aetna PSU that is not converted into a right to receive the merger consideration, or that is granted after the date of the merger agreement (to the extent permitted under the merger agreement), will be assumed by CVS Health and will be converted into a time-based vesting CVS Health RSU award corresponding to the merger consideration.

Completion of the merger is subject to the approval of and adoption of the merger agreement by Aetna shareholders, the approval of the stock issuance by CVS Health stockholders, termination or expiration of the waiting period under the HSR Act, the required governmental authorizations having been obtained and being in

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full force and effect and certain other conditions to completion of the merger. As of the date of this prospectus supplement, and subject to the satisfaction or, to the extent permitted by law, waiver of the conditions described in the preceding sentence, CVS Health and Aetna expect the merger to be completed in the second half of 2018.

For more information on the terms of the merger agreement, please see CVS Health s Current Report on Form 8-K filed on December 5, 2017 which is incorporated by reference into this prospectus supplement. See Where You Can Find More Information.

2. Basis of Presentation

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting and are based on the historical consolidated financial statements of CVS Health and Aetna.

The acquisition method of accounting is based on Accounting Standards Codification (ASC) 805, *Business Combinations*, and uses the fair value concepts defined in ASC 820, *Fair Value Measurement*.

ASC 805 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. In addition, ASC 805 requires that the consideration transferred be measured at the date the merger is completed at the then-current market price. This requirement will likely result in a per share equity component that is different from the amount assumed in these unaudited pro forma condensed combined financial statements, since the market price of the shares of CVS Health common stock at the date the merger is completed is likely to be different than the $71.90 market price that was used in the preparation of the unaudited pro forma condensed combined financial statements. The market price of $71.90 was based upon the closing price of shares of CVS Health common stock on the NYSE on February 16, 2018.

ASC 820 defines the term fair value, sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, CVS Health may be required to record the fair value of assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect CVS Health s intended use of those assets. Many of these fair value measurements can be highly subjective, and it is possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under the acquisition method of accounting, the assets acquired and liabilities assumed will be recorded, as of completion of the merger, primarily at their respective fair values and added to those of CVS Health. Financial statements and reported results of operations of CVS Health issued after completion of the merger will reflect these values, but will not be retroactively restated to reflect the historical financial position or results of operations of Aetna.

Under ASC 805, acquisition-related transaction costs (e.g., advisory, legal and other professional fees) are not included as a component of consideration transferred but are accounted for as expenses in the periods in which such costs are incurred. Acquisition-related transaction costs expected to be incurred by CVS Health include estimated fees related to a bridge financing commitment and agreement. Total acquisition-related transaction costs expected to be incurred by CVS Health and Aetna are estimated to be approximately $408 million and $165 million, respectively, of which $90 million and $38 million, respectively, were incurred through December 31, 2017.

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The unaudited pro forma condensed combined balance sheet as of December 31, 2017 is required to include adjustments which give effect to events that are directly attributable to the merger regardless of whether they are expected to have a continuing impact on the combined results or are non-recurring. Therefore, acquisition-related transaction costs expected to be incurred by CVS Health and Aetna subsequent to December 31, 2017 of approximately $318 million and $127 million, respectively, are reflected as pro forma adjustments to the unaudited pro forma condensed combined balance sheet as of December 31, 2017, with the after-tax impact presented as an increase to accrued expenses and other current liabilities and a decrease to other current assets and retained earnings.

The unaudited pro forma condensed combined financial statements do not reflect any potential divestitures that may occur prior to, or subsequent to, completion of the merger, or the projected realization of cost savings following completion of the merger. These cost savings opportunities are from administrative cost savings as well as reduced health care costs due to medical management. Although CVS Health projects that cost savings will result from the merger, there can be no assurance that these cost savings will be achieved. The unaudited pro forma condensed combined financial statements do not reflect any projected pre-tax restructuring and integration-related costs associated with the projected annual cost savings. The annual cost savings are projected to be approximately $750 million in the second full year following completion of the merger. The restructuring and integration-related costs will be expensed in the appropriate accounting periods after completion of the merger.

On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act (the TCJA). Among numerous changes to existing tax laws, the TCJA permanently reduced the federal corporate income tax rate from 35% to 21% effective on January 1, 2018. The effects on deferred income tax balances of changes in tax rates are required to be taken into consideration in the period in which the changes are enacted, regardless of when they are effective. Consequently, the income statement adjustments to these unaudited pro forma condensed combined financial statements assume a 39% effective income tax rate and the balance sheet adjustments to these unaudited pro forma condensed combined financial statements assume a new lower effective income tax rate of 26%.

3. Accounting Policies

At completion of the merger, CVS Health will review Aetna s accounting policies. As a result of that review, CVS Health may identify differences between the accounting policies of the two companies that, when conformed, could have a material impact on the combined financial statements. With the exception of one accounting policy related to recently issued accounting guidance that CVS Health early adopted in the first quarter of 2017 (see Note 6(l)), CVS Health is not aware of any differences that would have a material impact on the combined financial statements, and therefore, the unaudited pro forma condensed combined financial statements assume there are no other differences in accounting policies other than the one described in Note 6(l).

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4. Estimate of Consideration Expected to be Transferred

The following is a preliminary estimate of consideration expected to be transferred to effect the acquisition of Aetna:

		(Millions, except per common share data)
Cash consideration:		
Shareholders:		
Aetna common shares outstanding		327.0
Multiplied by merger agreement cash consideration per share paid to Aetna shareholders	$	145.00
Preliminary estimate of cash consideration paid to Aetna shareholders	$	47,409
Stock appreciation right holders:		
Aetna vested in-the-money stock appreciation rights		3.7
Multiplied by merger consideration value of $205.24 less exercise price	$	125.71
Preliminary estimate of cash consideration paid to holders of vested Aetna stock appreciation rights	$	463
RSU and PSU holders:		
Vested Aetna RSUs and Aetna PSUs		0.3
Multiplied by merger agreement cash consideration per share paid to Aetna shareholders	$	145.00
Preliminary estimate of cash consideration paid to Aetna RSU and Aetna PSU holders	$	46
Preliminary fair value estimate of total cash consideration	$	47,918
Share consideration:		
Shareholders:		
Aetna common shares outstanding		327.0
Multiplied by merger agreement per share exchange ratio		0.8378
Multiplied by per share price of CVS Health common stock on February 16, 2018	$	71.90
Preliminary estimate of fair value of common stock issued to Aetna shareholders	$	19,695
RSU and PSU holders:		
Vested Aetna RSUs and Aetna PSUs		0.3
Multiplied by merger agreement per share exchange ratio		0.8378
Multiplied by per share price of CVS Health common stock on February 16, 2018	$	71.90
Preliminary estimate of fair value of common stock issued to Aetna RSU and Aetna PSU holders	$	19

Preliminary fair value estimate of total share consideration	$	19,714
Total consideration:		
Cash consideration	$	47,918
Common share consideration		19,714
Other consideration transferred[(a)]		
Estimate of total consideration expected to be transferred[(b)]	$	67,632

(a) As further described in *Note 1. Description of Transaction*, certain outstanding equity awards granted to Aetna employees will not be settled upon completion of the merger, and instead will be converted into replacement awards issued by CVS Health. The above table excludes approximately 1.4 million aggregate Aetna RSUs and PSUs and approximately 3.3 million Aetna stock appreciation rights, each outstanding at February 16, 2018, from the estimate of total consideration expected to be transferred. Other consideration transferred will include the portion of the fair value of the replacement awards that is attributed to

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pre-merger services. The fair value attributable to post-merger services will be recorded as compensation expense in CVS Health s post-merger financial statements. At this time, CVS Health is unable to reasonably estimate the respective amounts attributable to pre- and post-merger services.

(b) The estimated total consideration expected to be transferred reflected in these unaudited pro forma condensed combined financial statements does not purport to represent the actual consideration that will be transferred when the merger is completed. In accordance with ASC 805 the fair value of equity securities issued as part of the consideration transferred will be measured on the date the merger is completed at the then-current market price. This requirement will likely result in a different value of the share consideration portion of the merger consideration and a per Aetna share equity component different from the $60.24 assumed in these unaudited pro forma condensed combined financial statements, and that difference may be material. For example, if the per share price of CVS Health s common stock on the date the merger is completed increased or decreased by 10% from the price assumed in these unaudited pro forma condensed combined financial statements, the consideration transferred would increase or decrease by approximately $2.0 billion, which would be reflected in these unaudited pro forma condensed combined financial statements as an increase or decrease to goodwill.

5. Estimate of Assets to be Acquired and Liabilities to be Assumed

The following is a preliminary estimate of the assets to be acquired and the liabilities to be assumed by CVS Health in the merger, reconciled to the estimate of total consideration expected to be transferred:

	At December 31, 2017 (Millions)
Assets Acquired and Liabilities Assumed:	
Historical net book value of net assets acquired	$ 15,837
Less historical:	
Goodwill	(10,571)
Intangible assets	(1,180)
Debt issuance costs and net debt discounts/premiums	(46)
Capitalized software	(698)
Deferred acquisition costs	(521)
Deferred tax assets on outstanding equity awards	(14)
Deferred tax assets on debt premiums	(10)
Deferred tax liabilities on deferred acquisition costs	109
Deferred tax liabilities on historical capitalized software	155
Deferred tax liabilities on historical intangible assets and tax deductible goodwill	453
Adjusted book value of net assets acquired	3,514
Adjustments to:	
Goodwill[c]	44,184
Identifiable intangible assets[d]	27,845
Deferred tax liabilities[e]	(7,043)
Fair value adjustment to debt[f]	(611)
Fair value of noncontrolling interest[g]	(257)

Other[h]		
Total adjustments		64,118
Consideration transferred	$	67,632

(c) Goodwill is calculated as the difference between the acquisition date fair value of the total consideration expected to be transferred and the aggregate values assigned to the assets acquired and liabilities assumed. Goodwill is not amortized.

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(d) As of completion of the merger, identifiable intangible assets are required to be measured at fair value, and these acquired assets could include assets that are not intended to be used or sold or that are intended to be used in a manner other than their highest and best use. For purposes of these unaudited pro forma condensed combined financial statements and consistent with the ASC 820 requirements for fair value measurements, it is assumed that all assets will be used, and that all acquired assets will be used in a manner that represents the highest and best use of those acquired assets, but it is not assumed that any market participant synergies will be achieved.

The fair value of identifiable intangible assets is determined primarily using variations of the income approach, which is based on the present value of the future after-tax cash flows attributable to each identifiable intangible asset. Other valuation methods, including the market approach and cost approach, were also considered in estimating the fair value. Under the HSR Act and other relevant laws and regulations, there are significant limitations on CVS Health s ability to obtain specific information about Aetna s intangible assets prior to completion of the merger.

As of the date of this prospectus supplement, CVS Health does not have sufficient information as to the amount, timing and risk of the cash flows from all of Aetna s identifiable intangible assets to determine their fair value. Some of the more significant assumptions inherent in the development of intangible asset values, from the perspective of a market participant, include, but are not limited to: the amount and timing of projected future cash flows (including revenue and profitability); the discount rate selected to measure the risks inherent in the future cash flows; the assessment of the asset s life cycle; and the competitive trends impacting the asset. However, for purposes of these unaudited pro forma condensed combined financial statements and using publicly available information, such as historical revenues, Aetna s cost structure, industry information for comparable intangible assets and certain other high-level assumptions, the fair value of Aetna s identifiable intangible assets and their weighted average useful lives have been preliminarily estimated as follows:

	Estimated Fair Value (Millions)	Estimated Useful Life (Years)
Customer relationships	$ 19,400	10
Technology	900	5
Provider networks	845	15
Definite-lived trade names/trademarks	200	7
	21,345	
Indefinite-lived trade name/trademark	6,500	N/A
Total	$ 27,845	

These preliminary estimates of fair value and weighted average useful life will likely be different from the amounts included in the final acquisition accounting, and the difference could have a material impact on the accompanying unaudited pro forma condensed combined financial statements. Once CVS Health has full access to information about Aetna s intangible assets, additional insight will be gained that could impact (i) the estimated total value assigned to identifiable intangible assets, (ii) the estimated allocation of value between finite-lived and indefinite-lived intangible assets and/or (iii) the estimated weighted average useful life of each category of intangible assets. The estimated intangible asset values and their useful lives could be impacted by a variety of factors that may become known to CVS Health only upon access to additional information and/or by changes in such factors that may occur prior to completion of the merger. These factors include, but are not limited to, changes in the regulatory, legislative, legal, technological and/or competitive environments. Increased knowledge about these and/or other elements could result in a change to the estimated fair value of the identifiable Aetna intangible assets and/or to the estimated weighted average useful lives from what CVS Health has assumed in these unaudited pro forma condensed combined financial statements. The combined effect of any such changes could then also result in a significant increase or decrease to CVS Health s estimate of associated amortization expense.

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(e) As of completion of the merger, CVS Health will establish net deferred tax liabilities and make other tax adjustments as part of the accounting for the merger, primarily related to estimated fair value adjustments for identifiable intangible assets and debt (see Notes 5(d) and 5(f)). The pro forma adjustment to record the effect of deferred taxes was computed as follows:

	(Millions)
Estimated fair value of identifiable intangible assets to be acquired	$ 27,845
Estimated fair value adjustment of debt to be assumed	(611)
Total estimated fair value adjustments of assets to be acquired and liabilities to be assumed	$ 27,234
Deferred taxes associated with the estimated fair value adjustments of assets to be acquired and liabilities to be assumed, at 26%(*)	$ 7,043

(*) The tax impacts of the acquisition were estimated based on applicable law as in effect on December 31, 2017. CVS Health assumed a 26% effective income tax rate when estimating the deferred income tax impacts of the acquisition.

(f) As of completion of the merger, Aetna s debt is required to be measured at fair value. CVS Health has calculated the pro forma adjustment using publicly available information and believes the pro forma adjustment amount to be reasonable. This adjustment reflects the incremental fair value of Aetna s long-term debt over the par value of such debt.

(g) The net book value of Aetna s noncontrolling interest is assumed to approximate its fair value in the pro forma condensed combined balance sheet.

(h) As of completion of the merger, various other assets and liabilities are required to be measured at fair value, including, but not limited to: accounts receivable, property and equipment, insurance liabilities, and legal contingencies. As of the date of this prospectus supplement, CVS Health does not have sufficient information to make a reasonable preliminary estimate of the fair value of these assets and liabilities. Accordingly, for purposes of these unaudited pro forma condensed combined financial statements, CVS Health has assumed that the historical Aetna book values represent the best estimate of fair value.

6. Income Statement Pro Forma Adjustments

(i) For the year ended December 31, 2017, CVS Health s insurance premiums from its SilverScript Insurance Company Medicare Part D prescription drug plan of $2.9 billion have been reclassified and presented separately from net revenues from pharmacy, consumer products and other. The related costs and benefits for the year ended December 31, 2017 of $2.3 billion have been reclassified and presented separately from cost of revenues from pharmacy, consumer products and other. These reclassifications made in these pro forma condensed combined financial statements were made to conform to Aetna s insurance-related presentation.

(j) To eliminate pharmacy and clinical services revenue CVS Health earned from Aetna of $8,501 million for the year ended December 31, 2017. The related costs eliminated and their financial statement line items are as follows:

	Year Ended December 31, 2017 (Millions)
Elimination of cost of revenues	$ 8,386
Elimination of administrative fees from selling, general and administrative expenses	115
Total elimination	$ 8,501

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(k) For purposes of these unaudited pro forma condensed combined financial statements, this adjustment reflects CVS Health s estimated forgone interest income associated with adjusting the amortized cost of Aetna s debt securities investment portfolio to fair value as of completion of the merger. Forgone interest income due to the fair value adjustment to Aetna s debt securities investment portfolio under the acquisition method of accounting is projected to be approximately $111 million for the year ended December 31, 2017.

(l) During the first quarter of 2017, CVS Health early adopted on a retrospective basis ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. ASU 2017-07 requires entities to disaggregate the current service cost component from the other components of net benefit cost and present it with other current compensation costs for related employees in the income statement and present the other components of net benefit cost elsewhere in the income statement and outside of operating income.

Below is Aetna s reclassification from selling, general and administrative expenses to other expense (income) to conform with CVS Health s current accounting policy:

	Year Ended December 31, 2017 (Millions)
Net periodic benefit income for pension plans	$ (112)
Net periodic benefit expense for other postretirement employee benefit plans	5
Reclassification of net periodic benefit income from selling, general and administrative expenses to other expense (income)	$ (107)

Selling, general and administrative expenses is adjusted, as follows:

	Year Ended December 31, 2017 (Millions)
Reclassification of net periodic benefit income to other expense (income), as discussed above	$ 107
Eliminate Aetna s historical administrative fees paid to CVS Health (see (j))	(115)
Eliminate CVS Health and Aetna transaction costs incurred in 2017	(72)
Eliminate Aetna s historical intangible asset amortization expense	(272)
Eliminate Aetna s historical deferred acquisition cost amortization expense	(111)
Eliminate Aetna s historical capitalized software amortization expense	(316)
Estimated transaction-related intangible asset amortization(*)	2,205
Estimated adjustment to selling, general and administrative expenses	$ 1,426

(*)

Assumes an estimated $21.3 billion of finite-lived intangibles and a weighted average amortization period of approximately 10 years (refer to *Note 5. Estimate of Assets to be Acquired and Liabilities to be Assumed*).

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(m) CVS estimates interest expense, net to increase due to the following:

	Year Ended December 31, 2017 (Millions)
Additional interest expense associated with the issuance of $40.0 billion of long-term fixed-rate and/or floating rate debt that CVS Health expects to issue to partially fund the merger with various maturity tranches ranging from 2 to 30 years and an assumed weighted average annual interest rate of 4.27%(**)	$ 1,708
Additional interest expense associated with the issuance of $5.0 billion of fixed-rate term loans to partially fund the merger with an assumed maturity of 3 to 5 years and an assumed weighted average annual interest rate of 3.87%(***)	194
Eliminate CVS Health bridge financing costs incurred in 2017	(56)
CVS Health estimated foregone interest income associated with cash used to partially fund a portion of the merger consideration. The estimated forgone interest income for the combined entity is based on a weighted average annual interest rate of 1.45% for the year ended December 31, 2017	45
Eliminate historical amortization of net debt premiums/debt issuance costs	2
Amortization of estimated debt issuance costs of $230 million associated with the long-term debt and term loans to be issued to partially fund the merger	20
Amortization of the estimated fair value adjustment to Aetna s debt assumed by CVS Health over the remaining life of Aetna s outstanding debt	(51)
Estimated adjustment to interest expense	$ 1,862

(**) If interest rates were to increase or decrease by 0.125% from the rates assumed in estimating this pro forma adjustment to interest expense, pro forma interest expense would increase or decrease by approximately $50 million in the year ended December 31, 2017.

(***) If interest rates were to increase or decrease by 0.125% from the rates assumed in estimating this pro forma adjustment to interest expense, pro forma interest expense would increase or decrease by approximately $6 million in the year ended December 31, 2017.

(n) To adjust other expense (income) for the following:

	Year Ended December 31, 2017 (Millions)
	$ (107)

Reclassification of net periodic benefit income from selling, general and administrative expenses to other expense as discussed in (l)		
Adjustment to net periodic benefit income to eliminate the amortization of prior service credit and deferred actuarial losses		(64)
Total	$	(171)

(o) The pro forma income tax adjustments are estimated at the applicable statutory income tax rates in effect through December 31, 2017, generally 39%.

(p) The combined basic and diluted earnings per share from continuing operations for the periods presented are based on the combined weighted average basic and diluted common shares of CVS Health and Aetna. The historical weighted average basic and diluted shares of Aetna were assumed to be replaced by the shares expected to be issued by CVS Health to effect the merger.

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The following table summarizes the computation of the unaudited pro forma combined weighted average basic and diluted shares outstanding:

	Year Ended December 31, 2017 (Millions)
CVS Health weighted average shares used to compute basic earnings per share	1,020
Aetna shares outstanding at February 16, 2018, converted at the exchange ratio of (327.0*0.8378)	274
Combined weighted average basic shares outstanding	1,294
Number of Aetna RSUs and Aetna PSUs at February 16, 2018, expected to vest at closing converted at the exchange ratio (0.3*0.8378)	0.3
Pro forma weighted average basic shares outstanding	1,294
Dilutive effect of CVS Health s outstanding stock-based awards	4
Dilutive effect of Aetna s outstanding stock-based awards, converted at the exchange ratio (CVS Health awards to be issued to replace Aetna awards)	8
Pro forma weighted average shares used to compute diluted earnings per share	1,306

Note: Certain amounts may reflect rounding adjustments.

(q) The following is a reconciliation of pro forma basic and diluted earnings per share for the applicable period:

	Year Ended December 31, 2017 (Millions)	
Numerator for earnings per share calculation:		
Pro forma income from continuing operations attributable to CVS Health	$	6,495
Income allocated to participating securities		(20)
Total	$	6,475
Denominator for earnings per share calculation:		
Pro forma weighted average shares, basic		1,294
Pro forma weighted average shares, diluted		1,306
Pro forma earnings per share:		
Basic	$	5.00
Diluted	$	4.96

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7. Balance Sheet Pro Forma Adjustments

(r) To reflect the use of available cash to partially fund the merger. This estimate is derived as follows:

	(Millions)
To record issuance of CVS Health long-term debt and term loans to effect the merger	$ 45,000
Estimated debt issuance costs incurred	(218)
To record the cash portion of the merger consideration	(47,918)
Total	$ (3,136)

(s) To eliminate trade receivables and payables between CVS Health and Aetna.

(t) To adjust goodwill to an estimate of acquisition date goodwill, as follows:

	(Millions)
Eliminate Aetna s historical goodwill	$ (10,571)
Estimated transaction goodwill	44,184
Total	$ 33,613

(u) To adjust intangible assets to their estimated fair value, as follows:

	(Millions)
Eliminate Aetna s historical intangible assets	$ (1,180)
Estimated fair value of intangible assets acquired	27,845
Total	$ 26,665

(v) To adjust other assets to their estimated fair value, as follows:

	(Millions)
Eliminate Aetna s historical capitalized software	$ (698)
Eliminate Aetna s historical deferred acquisition costs	(521)
Reclassify term loan facility fees paid in December 2017 as a reduction of long-term debt	(12)

Total	$	(1,231)

(w) To adjust accrued expenses and other current liabilities:

		(Millions)
To accrue estimated acquisition-related transaction costs projected to be incurred after December 31, 2017	$	280
To reduce current tax liabilities related to estimated tax-deductible acquisition-related transactions costs		(81)
Total	$	199

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(x) To record issuance of CVS Health long-term debt and related debt issuance costs, eliminate the Aetna historical debt issuance costs that have no future economic benefit, and adjust Aetna s debt to an estimate of fair value, as follows:

	(Millions)
Establish incremental CVS Health long-term debt to effect the merger	$ 40,000
Establish incremental CVS Health term loans to effect the merger	5,000
Estimated debt issuance costs	(230)
Elimination of unamortized debt issuance costs and net debt discounts/premiums	46
Estimated fair value increase over par value of assumed Aetna debt	611
Total	$ 45,427

(y) Adjustment of deferred income tax liabilities (assets) as follows:

	(Millions)
Eliminate Aetna s historical deferred tax liability on intangible assets and tax deductible goodwill	$ (453)
Eliminate Aetna s historical deferred tax liability on capitalized software	(155)
Eliminate Aetna s historical deferred tax asset on debt premiums	10
Eliminate Aetna s historical deferred tax asset on outstanding equity awards	14
Eliminate Aetna s historical deferred tax liability on deferred acquisition costs	(109)
Estimated transaction-related deferred tax liability on identifiable intangible assets	7,202
Estimated transaction-related deferred tax asset for fair value increase in assumed debt	(159)
Total	$ 6,350

(z) To eliminate Aetna s historical common shares and additional paid-in capital of $4.7 billion.

(aa) Issuance of shares of CVS Health common stock from treasury stock to record the share consideration portion of the merger consideration.

(bb) To eliminate Aetna s historical retained earnings and to record the estimated after-tax portion of the acquisition-related transaction costs projected to be incurred after December 31, 2017:

	(Millions)
Elimination of Aetna s historical retained earnings	$ (12,118)
Estimated transaction costs projected to be incurred after December 31, 2017	(364)

Total	$	(12,482)

(cc) To eliminate Aetna s historical accumulated other comprehensive income.

(dd) To eliminate CVS Health s unamortized bridge financing costs paid in December 2017.

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The unaudited pro forma condensed combined financial statements do not present a combined dividend per share amount. On each of February 2, 2017, May 1, 2017, August 3, 2017, November 3, 2017 and February 2, 2018, CVS Health paid a dividend of $0.50 per share of CVS Health common stock. On January 27, 2017, Aetna paid a dividend of $0.25 per Aetna common share. On each of April 28, 2017, July 28, 2017, October 27, 2017 and January 26, 2018, Aetna paid a dividend of $0.50 per Aetna common share. Under the terms of the merger agreement, during the period prior to completion of the merger, Aetna is not permitted to declare, set aside or pay any dividend or other distribution other than its regular cash dividend in the ordinary course of business consistent with past practice in an amount not to exceed $0.50 per share per quarter. Under the terms of the merger agreement, during the period before completion of the merger, CVS Health is not permitted to declare, set aside or pay any dividend or other distribution other than its regular cash dividend in the ordinary course of business consistent with past practice in an amount not to exceed $0.50 per share per quarter. The dividend policy of CVS Health following completion of the merger will be determined by CVS Health s board of directors.

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DESCRIPTION OF THE NOTES

General

The Floating Rate Notes due 2020, which we refer to as the 2020 floating rate notes, Floating Rate Notes due 2021, which we refer to as the 2021 floating rate notes, 3.125% Senior Notes due 2020, which we refer to as the 2020 notes, 3.350% Senior Notes due 2021, which we refer to as the 2021 notes, 3.700% Senior Notes due 2023, which we refer to as the 2023 notes, 4.100% Senior Notes due 2025, which we refer to as the 2025 notes, 4.300% Senior Notes due 2028, which we refer to as the 2028 notes, 4.780% Senior Notes due 2038, which we refer to as the 2038 notes, and 5.050% Senior Notes due 2048, which we refer to as the 2048 notes each constitute a series of senior debt securities described in the accompanying prospectus. We refer to the 2020 floating rate notes and 2021 floating rate notes collectively as the floating rate notes. We refer to the 2020 notes, 2021 notes, 2023 notes, 2025 notes, 2028 notes, 2038 notes, and 2048 notes collectively as the fixed rate notes. We refer to the floating rate notes and fixed rate notes collectively as the notes. 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 the Senior Indenture dated August 15, 2006 between CVS Health Corporation (formerly known as CVS Corporation), as issuer, and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee (the indenture). 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 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 Where You Can Find More Information in this prospectus supplement. In this description, all references to CVS Health, we, our and us mean CVS Health Corporation only.

The notes will be issued only in registered form without coupons, in denominations of $2,000 and integral multiples of $1,000 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 the 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 (except as set forth in Repurchase of the Notes Upon a Change of Control Triggering Event). 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 certain of 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.

Principal, Maturity and Interest

Floating Rate Notes

The 2020 floating rate notes will be issued in an aggregate principal amount of $1,000,000,000 and will mature on March 9, 2020. The 2020 floating rate notes will bear interest from March 9, 2018, or from the most

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recent date to which interest has been paid or provided for, payable to holders of record at the close of business on the February 22, May 25, August 25 or November 24 (whether or not a LIBOR business day) immediately preceding the respective interest payment on March 9, June 9, September 9 or December 9, of each year, respectively, beginning on June 9, 2018, subject to certain exceptions. The interest rate per annum (the floating interest rate) in effect for each day of an interest period (as defined below) for the 2020 floating rate notes will be equal to LIBOR (as defined below) plus 0.630%.

The 2021 floating rate notes will be issued in an aggregate principal amount of $1,000,000,000 and will mature on March 9, 2021. The 2021 floating rate notes will bear interest from March 9, 2018, or from the most recent date to which interest has been paid or provided for, payable to holders of record at the close of business on the February 22, May 25, August 25 or November 24 (whether or not a LIBOR business day) immediately preceding the respective interest payment on March 9, June 9, September 9 or December 9, of each year, respectively, beginning on June 9, 2018, subject to certain exceptions. The interest rate per annum (the floating interest rate) in effect for each day of an interest period for the 2021 floating rate notes will be equal to LIBOR plus 0.720%.

The floating interest rate for the initial interest period for the floating rate notes will be determined on March 7, 2018. The floating interest rate for each interest period after the initial interest period for the floating rate notes will be reset on the 9th day of the months of March, June, September and December of each year, commencing June 9, 2018 (each such date, an interest reset date) until the principal on the 2020 floating rate notes or 2021 floating rate notes, as applicable, is paid or made available for payment. The applicable interest rate will be determined two London business days prior to each interest reset date (each such date, an interest determination date). If any interest reset date and floating rate interest payment date for the floating rate notes would otherwise be a day that is not a LIBOR business day, such interest reset date and floating rate interest payment date will be the next succeeding LIBOR business day, unless the next succeeding LIBOR business day is in the next succeeding calendar month, in which case such interest reset date and floating rate interest payment date will be the immediately preceding LIBOR business day.

LIBOR business day means (i) a day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law, regulation or executive order to close in The City of New York; and (ii) the day is also a London business day.

interest period means the period from and including an interest reset date or, in the case of the initial interest period, from March 9, 2018 to, but excluding, the next succeeding interest reset date and, in the case of the last such period, from, and including, the interest reset date immediately preceding the maturity date to, but not including, such maturity date. If the maturity date is not a LIBOR business day, then the principal amount of the floating rate notes plus accrued and unpaid interest thereon shall be paid on the next succeeding LIBOR business day and no interest shall accrue for the maturity date, or any day thereafter.

LIBOR for any interest determination date is the rate for deposits in U.S. dollars for a three-month period as such rate is displayed on Thomson Reuters on page LIBOR01 (or any other page as may replace such page on such service or any successor service nominated by ICE Benchmark Administration Ltd. for the purpose of displaying the London interbank rates of major banks for U.S. dollars) (Reuters Page LIBOR01) as of 11:00 a.m., London time, on such interest determination date.

The following procedure will be followed if LIBOR cannot be determined as described above:

We shall request the principal London offices of each of four major reference banks in the London interbank market to provide the calculation agent with its offered quotation for deposits in U.S. dollars for a three-month period, commencing on the related interest reset date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on such interest determination date and in a principal amount that is representative for a single transaction in U.S. dollars in such market at such time. If at least two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean calculated by the calculation agent of such quotations. If fewer than two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean calculated by the calculation agent of the rates quoted at approximately 11:00 a.m., in The City of New York, on such interest determination date by three major banks (which may include affiliates of the agent) in The City of New York selected by us for loans in U.S. dollars to leading European banks, for a three-month period and in a principal amount that is representative for a single transaction in U.S. dollars in such market at such time; *provided*, *however*, that if the banks so selected by us are not quoting as mentioned in this sentence, LIBOR determined as of such interest determination date shall be LIBOR in effect on such interest determination date.

London business day means a day on which commercial banks are open for business (including dealings in U.S. dollars) in London.

The amount of interest for each day that the 2020 floating rate notes or 2021 floating rate notes are outstanding, as applicable (the daily interest amount) will be calculated by dividing the applicable floating interest rate in effect for such day by 360 and multiplying the result by the principal amount of the applicable floating rate notes. The amount of interest to be paid on the 2020 floating rate notes or 2021 floating rate notes for any applicable interest period will be calculated by adding the daily interest amounts for each day in such applicable interest period.

The floating interest rate on the floating rate notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application. In no event will the floating interest rate be less than 0.0%.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)) and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The floating interest rate and amount of interest to be paid on the 2020 floating rate notes and 2021 floating rate notes for each applicable interest period will be determined by the calculation agent. The Bank of New York Mellon Trust Company, N.A. will initially act as calculation agent. All calculations made by the calculation agent shall in the absence of manifest error be conclusive for all purposes and binding on us and the holders of the floating rate notes. So long as LIBOR is required to be determined with respect to the floating rate notes, there will at all times be a calculation agent. In the event that any then-acting calculation agent shall be unable or unwilling to act, or such calculation agent shall fail duly to establish LIBOR for any interest period, or we propose to remove such calculation agent, we shall appoint another person which is a bank, trust company, investment banking firm, or other financial institution to act as the calculation agent.

Fixed Rate Notes

The 2020 notes will be issued in an aggregate principal amount of $2,000,000,000 and will mature on March 9, 2020. The 2020 notes will bear interest at 3.125% per annum from March 9, 2018, 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 February 22 or August 25 (whether or not a business day) immediately preceding the respective interest payment on March 9 or September 9 of each year, respectively, beginning on September 9, 2018.

The 2021 notes will be issued in an aggregate principal amount of $3,000,000,000 and will mature on March 9, 2021. The 2021 notes will bear interest at 3.350% per annum from March 9, 2018, 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 February 22 or August 25 (whether or not a business day) immediately preceding the respective interest payment on March 9 or September 9 of each year, respectively, beginning on September 9, 2018.

The 2023 notes will be issued in an aggregate principal amount of $6,000,000,000 and will mature on March 9, 2023. The 2023 notes will bear interest at 3.700% per annum from March 9, 2018, 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 February 22 or August 25 (whether or not a business day) immediately preceding the respective interest payment on March 9 or September 9 of each year, respectively, beginning on September 9, 2018.

The 2025 notes will be issued in an aggregate principal amount of $5,000,000,000 and will mature on March 25, 2025. The 2025 notes will bear interest at 4.100% per annum from March 9, 2018, 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 March 10 or September 10 (whether or not a business day) immediately preceding the respective interest payment on March 25 or September 25 of each year, respectively, beginning on September 25, 2018.

The 2028 notes will be issued in an aggregate principal amount of $9,000,000,000 and will mature on March 25, 2028. The 2028 notes will bear interest at 4.300% per annum from March 9, 2018, 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 March 10 or September 10 (whether or not a business day) immediately preceding the respective interest payment on March 25 or September 25 of each year, respectively, beginning on September 25, 2018.

The 2038 notes will be issued in an aggregate principal amount of $5,000,000,000 and will mature on March 25, 2038. The 2038 notes will bear interest at 4.780% per annum from March 9, 2018, 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 March 10 or September 10 (whether or not a business day) immediately preceding the respective interest payment on March 25 or September 25 of each year, respectively, beginning on September 25, 2018.

The 2048 notes will be issued in an aggregate principal amount of $8,000,000,000 and will mature on March 25, 2048. The 2048 notes will bear interest at 5.050% per annum from March 9, 2018, 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 March 10 or September 10 (whether or not a business day) immediately preceding the respective interest payment on March 25 or September 25 of each year, respectively, beginning on September 25, 2018.

If any interest payment date, redemption date or the maturity date of the fixed rate 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. Interest on the fixed rate notes will be paid on the basis of a 360-day year consisting of twelve 30-day months.

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.

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

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 indebtedness and will be structurally subordinated to the indebtedness of our subsidiaries and, upon consummation of the merger, indebtedness of Aetna and its subsidiaries that we assume in connection with the merger.

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Optional Redemption

Prior to the maturity date, the 2020 notes and 2021 notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, equal to the greater of:

(1) 100% of the aggregate principal amount of the notes being redeemed, or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed (not including any portion of such payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus the Applicable Spread for such series of notes.

Prior to the Applicable Par Call Date, the 2023 notes, 2025 notes, 2028 notes, 2038 notes and 2048 notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, equal to the greater of:

(1) 100% of the aggregate principal amount of the notes being redeemed, or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed that would be due if such series of notes matured on the Applicable Par Call Date (not including any portion of such payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus the Applicable Spread for such series of notes.

On or after the Applicable Par Call Date, the 2023 notes, 2025 notes, 2028 notes, 2038 notes and 2048 notes will be redeemable, in whole or in part at any time, at our option upon not less than 15 nor more than 60 days notice at a redemption price equal to 100% of the aggregate principal amount of the notes being redeemed plus accrued and unpaid interest, if any, to, but excluding, the redemption date on such notes.

Applicable Par Call Date means (i) with respect to the 2023 notes, February 9, 2023 (one month prior to the maturity date of such notes), (ii) with respect to the 2025 notes, January 25, 2025 (two months prior to the maturity date of such notes), (iii) with respect to the 2028 notes, December 25, 2027 (three months prior to the maturity date of such notes), (iv) with respect to the 2038 notes, September 25, 2037 (six months prior to the maturity date of such notes) and (v) with respect to the 2048 notes, September 25, 2047 (six months prior to the maturity date of such notes).

Applicable Spread means (i) with respect to the 2020 notes, 15 basis points, (ii) with respect to the 2021 notes, 15 basis points, (iii) with respect to the 2023 notes, 20 basis points, (iv) with respect to the 2025 notes, 25 basis points, (v) with respect to the 2028 notes, 25 basis points, (vi) with respect to the 2038 notes, 30 basis points and (vii) with respect to the 2048 notes, 30 basis points.

Comparable Treasury Issue means, with respect to each series of the fixed rate notes offered hereby, the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of such series of notes to be redeemed (assuming, for this purpose, that, except with respect to the 2020 notes and 2021 notes, such series of notes matured on the Applicable Par Call Date) 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 such remaining term.

Comparable Treasury Price means, with respect to any redemption date for a series of fixed rate 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 Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

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Independent Investment Banker means, with respect to each series of the fixed rate notes offered hereby, Barclays Capital 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 us.

Reference Treasury Dealer means, with respect to each series of the fixed rate notes offered hereby, (i) Barclays Capital Inc., Goldman Sachs & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC and their respective successors; *provided*, *however*, that if any of 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 fixed rate notes, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue for such series of the notes (expressed in each case as a percentage of its aggregate principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

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

A notice of redemption shall be transmitted by us (or, at our request, by the trustee on our behalf) to each holder of notes to be redeemed. Such notice of redemption shall specify the aggregate 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 (or if not then ascertainable, the manner of calculation thereof), 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 of a series called for redemption will become due and payable on the redemption date at the redemption price for such series, plus accrued and unpaid interest, if any, to, but excluding, 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 of a series so called for redemption at the appropriate redemption price for such series, together with accrued and unpaid interest, if any, to, but excluding, the redemption date. Unless we default in payment of the redemption price for such series plus accrued and unpaid interest, if any, to, but excluding, the redemption date, commencing on the redemption date interest on notes of a series 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 for such series and any unpaid interest to, but excluding, the redemption date.

If fewer than all of the notes of a particular series are being redeemed, and such notes are represented by one or more global securities, interests in the notes of such series to be redeemed will be selected for redemption by The Depository Trust Company (DTC) in accordance with its standard procedures therefor. 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.

We do not have the option to redeem the floating rate notes prior to maturity.

Special Mandatory Redemption

If (i) the merger has not been consummated on or prior to September 3, 2019 (the Outside Date), (ii) prior to the Outside Date, the merger agreement is terminated, or (iii) we otherwise publicly announce that the merger will not be consummated, then we will be required to redeem all outstanding 2020 floating rate notes, 2021 floating rate notes, 2020 notes, 2021 notes, 2023 notes, 2025 notes, 2028 notes and 2038 notes (the Special Mandatory Redemption Notes) on the special mandatory redemption date at a special mandatory redemption price equal to 101% of the aggregate principal amount of the Special Mandatory Redemption Notes plus accrued and unpaid interest, if any, to, but excluding, the special mandatory redemption date.

The offering is not conditioned upon the consummation of the merger.

The special mandatory redemption date means the 20th day (or if such day is not a business day, the first business day thereafter) after the earliest to occur of (1) the Outside Date, if the merger has not been consummated on or prior to the Outside Date, (2) the date of termination of the merger agreement, or (3) the date of public announcement by CVS Health that the merger will not be consummated.

Notwithstanding the foregoing, installments of interest on the Special Mandatory Redemption Notes that are due and payable on interest payment dates falling on or prior to the special mandatory redemption date will be payable on such interest payment dates to the registered holders as of the close of business on the relevant record dates in accordance with the terms of the Special Mandatory Redemption Notes and the indenture.

We will cause the notice of special mandatory redemption to be transmitted, with a copy to the trustee, within five business days after the occurrence of the event triggering the special mandatory redemption to each holder at its registered address. If funds sufficient to pay the special mandatory redemption price of the outstanding Special Mandatory Redemption Notes to be redeemed on the special mandatory redemption date (plus accrued and unpaid interest, if any, to, but excluding, such date) are deposited with the trustee or a paying agent on or before such special mandatory redemption date, and certain other conditions are satisfied, on and after such special mandatory redemption date, the outstanding Special Mandatory Redemption Notes will cease to bear interest.

The 2048 notes are not subject to this special mandatory redemption and will remain outstanding even if we do not consummate the merger.

The merger agreement contains a number of termination rights for the benefit of CVS Health and Aetna, including, among others, the right of each party to terminate the merger agreement if the merger has not been consummated by December 3, 2018, subject to each of CVS Health s and Aetna s right to extend such date to March 3, 2019 if all closing conditions (other than receipt of antitrust and other specified regulatory approvals) have been satisfied by December 3, 2018, and CVS Health s right to further extend such date to June 3, 2019 if all closing conditions (other than receipt of antitrust and other specified regulatory approvals) have been satisfied by March 3, 2019. These provisions are subject to amendment or waiver, including amendment or waiver of the termination date, by CVS Health and Aetna.

Upon the consummation of the merger, the foregoing provisions regarding the special mandatory redemption will cease to apply.

The merger agreement, including a summary of the termination provisions, is filed as part of CVS Health s Current Report on Form 8-K filed on December 5, 2017. See Where You Can Find More Information.

Repurchase of the Notes Upon a Change of Control Triggering Event

If a Change of Control Triggering Event (as defined below) occurs, holders of notes will have the right to require us to repurchase all or any part (in integral multiples of $1,000 original principal amount) of their notes pursuant to the offer described below (Change of Control Offer) on the terms set forth in the notes. In the Change of Control Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to, but excluding,

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the date of purchase (Change of Control Payment). Within 30 days following any Change of Control Triggering Event, we will be required to mail a notice to holders of notes describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (Change of Control Payment Date), pursuant to the procedures required by the notes and described in such notice. We must comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the notes, we will be required to comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control provisions of the notes by virtue of such conflicts and compliance with law.

On the Change of Control Payment Date, we will be required, to the extent lawful, to:

- accept for payment all notes properly tendered pursuant to the Change of Control Offer;
- deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee the notes properly accepted together with an officers certificate stating the aggregate principal amount of notes or portions of notes being purchased.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of our properties or assets and the properties and assets of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries taken as a whole to another person or group may be uncertain.

We will not be required to make a Change of Control Offer upon the occurrence of a Change of Control Triggering Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and the third party repurchases all notes properly tendered and not withdrawn under its offer. In addition, we will not repurchase any notes if there has occurred and is continuing on the Change of Control Payment Date an event of default under the indenture, other than a default in the payment of the Change of Control Payment upon a Change of Control Triggering Event.

For purposes of the foregoing discussion of a repurchase at the option of holders, the following definitions are applicable:

Below Investment Grade Rating Event means that notes are rated below an Investment Grade Rating by each of the Rating Agencies (as defined below) on any date from the date of the public notice of an arrangement that could result in a Change of Control until the end of the 60-day period following public notice of the occurrence of the Change of Control (which 60-day period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies); *provided*, *however*, that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating will not be deemed to have occurred in respect of a particular Change of Control (and thus will not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Triggering Event) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at our or its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control has occurred at the time of the Below Investment Grade Rating Event).

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Change of Control means the occurrence of any of the following: (1) any event requiring the filing of any report under or in response to Schedule 13D or 14D-1 pursuant to the Exchange Act disclosing beneficial ownership of either 50% or more of our common stock then outstanding or 50% or more of our voting power or our voting stock then outstanding; (2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or our assets and the assets of our respective subsidiaries taken as a whole to one or more persons (as defined in the indenture) other than us or one of our subsidiaries; or (3) the first day on which a majority of the members of our Board of Directors are not Continuing Directors. Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control if (1) we become a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the voting stock of such holding company immediately following that transaction are substantially the same as the holders of our voting stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the voting stock of such holding company.

Under clause (3) of the definition of Change of Control described above, a Change of Control will occur when a majority of our directors are not Continuing Directors. In a decision in connection with a proxy contest, the Court of Chancery of Delaware held that the occurrence of a change of control under a similar indenture provision may nevertheless be avoided if the existing directors were to approve the slate of new director nominees (who would constitute a majority of the new board) as continuing directors solely for purposes of avoiding the triggering of such change of control clause, *provided* that the incumbent directors give their approval in the good faith exercise of their fiduciary duties. Therefore, in certain circumstances involving a significant change in the composition of our Board of Directors, including in connection with a proxy contest where our Board of Directors does not endorse a dissident slate of directors but approves them as Continuing Directors, holders of the notes may not be entitled to require us to make a Change of Control Offer.

Change of Control Triggering Event means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

Continuing Director means, as of any date of determination, any member of our Board of Directors who (1) was a member of such Board of Directors on the date of the issuance of the notes; or (2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

Investment Grade Rating means a rating equal to or higher than Baa3 (or the equivalent) by Moody s and BBB- (or the equivalent) by S&P.

Moody s means Moody s Investors Service, Inc., or its successor.

Rating Agencies means (1) each of Moody s and S&P; and (2) if any of Moody s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 3(a)(62) under the Exchange Act selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Moody s or S&P, or both of them, as the case may be.

S&P means S&P Global Ratings, a division of S&P Global Inc., or its successor.

Additional Notes

We may, without the consent of the holders of the notes, create and issue additional notes ranking equally with each series of notes offered hereby in all respects so that such additional notes shall form a single series with

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such notes and shall have the same terms as to status or otherwise as such notes, except for the public offering price and issue date. No additional notes of a series may be issued if an event of default has occurred and is continuing with respect to such series of 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 the 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 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 DTC to DTC or another nominee of 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 maintains 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 of the series represented by such global securities 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 of the applicable series 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.

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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 Exchange Act. 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.

The information in this section concerning DTC and DTC s system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof. Transfers between participants in DTC will be effected in accordance with DTC s procedures and will be settled in same-day funds.

Governing Law

The indenture and the notes shall be governed by and construed in accordance with the laws of the State of New York.

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UNDERWRITING

We have entered into an underwriting agreement with Barclays Capital Inc., Goldman Sachs & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, as representatives of the underwriters, pursuant to which, and subject to its terms and conditions, we have agreed to sell to the underwriters and each of the underwriters has severally agreed to purchase from us the respective principal amount of notes shown opposite its name in the following table.

Underwriters	Principal Amount of 2020 Floating Rate Notes	Principal Amount of 2021 Floating Rate Notes	Principal Amount of 2020 Notes	Principal Amount of 2021 Notes	Principal Amount of 2023 Notes
Barclays Capital Inc.	$ 274,500,000	$ 274,500,000	$ 549,000,000	$ 823,500,000	$ 1,647,000,000
Goldman Sachs & Co. LLC	$ 274,500,000	$ 274,500,000	$ 549,000,000	$ 823,500,000	$ 1,647,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 123,250,000	$ 123,250,000	$ 246,500,000	$ 369,750,000	$ 739,500,000
J.P. Morgan Securities LLC	$ 79,500,000	$ 79,500,000	$ 159,000,000	$ 238,500,000	$ 477,000,000
Wells Fargo Securities, LLC	$ 79,500,000	$ 79,500,000	$ 159,000,000	$ 238,500,000	$ 477,000,000
BNY Mellon Capital Markets, LLC	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
Mizuho Securities USA LLC	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
MUFG Securities Americas Inc.	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
RBC Capital Markets, LLC	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
SunTrust Robinson Humphrey, Inc.	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
U.S. Bancorp Investments, Inc.	$ 18,500,000	$ 18,500,000	$ 37,000,000	$ 55,500,000	$ 111,000,000
Fifth Third Securities, Inc.	$ 7,550,000	$ 7,550,000	$ 15,100,000	$ 22,650,000	$ 45,300,000
KeyBanc Capital Markets Inc.	$ 7,550,000	$ 7,550,000	$ 15,100,000	$ 22,650,000	$ 45,300,000
PNC Capital Markets LLC	$ 7,550,000	$ 7,550,000	$ 15,100,000	$ 22,650,000	$ 45,300,000
Santander Investment Securities Inc.	$ 7,550,000	$ 7,550,000	$ 15,100,000	$ 22,650,000	$ 45,300,000
SMBC Nikko Securities America, Inc.	$ 7,550,000	$ 7,550,000	$ 15,100,000	$ 22,650,000	$ 45,300,000
Drexel Hamilton, LLC	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
Guggenheim Securities, LLC	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
ICBC Standard Bank Plc	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
Loop Capital Markets LLC	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
MFR Securities, Inc.	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000

Samuel A. Ramirez & Company, Inc.					
TD Securities (USA) LLC	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
The Williams Capital Group, L.P.	$ 2,500,000	$ 2,500,000	$ 5,000,000	$ 7,500,000	$ 15,000,000
Total	$ 1,000,000,000	$ 1,000,000,000	$ 2,000,000,000	$ 3,000,000,000	$ 6,000,000,000

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Underwriters	Principal Amount of 2025 Notes	Principal Amount of 2028 Notes	Principal Amount of 2038 Notes	Principal Amount of 2048 Notes
Barclays Capital Inc.	$ 1,372,500,000	$ 2,470,500,000	$ 1,372,500,000	$ 2,196,000,000
Goldman Sachs & Co. LLC	$ 1,372,500,000	$ 2,470,500,000	$ 1,372,500,000	$ 2,196,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 616,250,000	$ 1,109,250,000	$ 616,250,000	$ 986,000,000
J.P. Morgan Securities LLC	$ 397,500,000	$ 715,500,000	$ 397,500,000	$ 636,000,000
Wells Fargo Securities, LLC	$ 397,500,000	$ 715,500,000	$ 397,500,000	$ 636,000,000
BNY Mellon Capital Markets, LLC	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
Mizuho Securities USA LLC	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
MUFG Securities Americas Inc.	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
RBC Capital Markets, LLC	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
SunTrust Robinson Humphrey, Inc.	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
U.S. Bancorp Investments, Inc.	$ 92,500,000	$ 166,500,000	$ 92,500,000	$ 148,000,000
Fifth Third Securities, Inc.	$ 37,750,000	$ 67,950,000	$ 37,750,000	$ 60,400,000
KeyBanc Capital Markets Inc.	$ 37,750,000	$ 67,950,000	$ 37,750,000	$ 60,400,000
PNC Capital Markets LLC	$ 37,750,000	$ 67,950,000	$ 37,750,000	$ 60,400,000
Santander Investment Securities Inc.	$ 37,750,000	$ 67,950,000	$ 37,750,000	$ 60,400,000
SMBC Nikko Securities America, Inc.	$ 37,750,000	$ 67,950,000	$ 37,750,000	$ 60,400,000