

AETNA INC /PA/  
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Subject Company: Aetna Inc.

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Date: December 5, 2017

## **CVS Health to Acquire Aetna**

### **Talking Points for Health Plan Customer Use**

#### **Talking Points**

#### **CVS Health to Acquire Aetna**

Combined company will offer clients enhanced products and services

On December 3, 2017, CVS Health agreed to acquire Aetna, a diversified health care benefits company.

The new company represents new opportunities for clients and the entire healthcare industry, and **enables CVS Health to bring enhanced products and services to all clients.**

The combined company will also bring together a more extensive array of services and capabilities that allow us to continue to innovate with, and for, all our clients.

#### **Need for Innovation**

The health care system in America is fragmented. It is expensive and confusing, and people need help getting better more proactive and personal care, with a human touch.

At the same time, increasing numbers of consumers are taking on greater responsibility for their health care as more of the burden of costs are being shifted to them.

Fifty percent of Americans have a chronic disease and this accounts for 86 percent of all health care costs. We can, and must, do better to help people achieve their best health.

The combined company will offer consumers a uniquely integrated, community-based health care experience.

The company will be able to better understand patients' health goals, guide them through the health care system, and help them achieve their best health by providing expanded health care services every day.

An entirely new health services offering available in many locations will function as a community-based health hub, dedicated to connecting the pathways needed to improve health and answering patients' questions about their health conditions, as well as prescription drugs and health coverage.

CVS Pharmacy locations will include space for wellness, clinical and pharmacy services, vision, hearing, nutrition, beauty, and medical equipment, in addition to the products and services our customers currently enjoy.

### **Better Serving our Clients**

CVS Health expects that capabilities gained as a result of the combination with Aetna will enable it to bring enhanced products and services to all of our clients.

CVS Health sees the combined company as the foundational innovation platform for the development of products and services that involve existing and future broader CVS Health assets.

This includes more than 9,700 CVS Pharmacy locations and 1,100 MinuteClinic walk-in clinics, as well as Omnicare's senior pharmacy solutions, Coram's infusion services, and the more than 4,000 CVS Health nursing professionals providing in-clinic and home-based care across the nation.

### **Data and Information Security**

Aetna will remain a separate business unit, structurally, operationally and legally, after the deal closes. All business units will maintain appropriate firewalls.

CVS Health currently enforces controls and separation of duties between various other parts of our enterprise such as:

SilverScript Insurance Company and support of clients with Medicare Advantage and Part D plans

Confidential pricing information of retail networks and PBM networks

Between health plan customers in our health plan business unit

Audit reports and our Information Security Policy are available for clients to review upon request

## **Competitive Environment**

CVS Health will continue to serve its clients as it does today including an independent, dedicated business unit for health plan clients with the objective of continuing to provide payors with:

Competitive pricing

Exceptional service

Innovative solutions

CVS Health will have improved size, scale and diversity of offerings to provide clients competitive pricing and exceptional service.

CVS Health is measured by its ability to support our clients success and growth, and will continue to support them in maintaining competitiveness in the marketplace.

## **Value to Clients**

The capabilities achieved through the combined company will open up new innovation opportunities in local care delivery, plan design, health care service offerings, data analytics, value-based and risk products, among others, and directly benefit the clients CVS Health serves.

To see the press release about the CVS Health acquisition of Aetna, [click here](#).

## **No Offer or Solicitation**

This communication is for informational purposes only and not intended to and does not constitute an offer to subscribe for, buy or sell, the solicitation of an offer to subscribe for, buy or sell or an invitation to subscribe for, buy or sell any securities or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the proposed transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

## **Additional Information and Where to Find It**

In connection with the proposed transaction between CVS Health Corporation ( *CVS Health* ) and Aetna Inc. ( *Aetna* ), CVS Health and Aetna will file relevant materials with the Securities and Exchange Commission (the *SEC* ), including a CVS Health registration statement on Form S-4 that will include a joint proxy statement of CVS Health and Aetna that also constitutes a prospectus of CVS Health, and a definitive joint proxy statement/prospectus will be mailed to stockholders of CVS Health and shareholders of Aetna. INVESTORS AND SECURITY HOLDERS OF CVS HEALTH AND AETNA ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the registration statement and the joint proxy statement/prospectus (when available) and other documents filed with the SEC by CVS Health or Aetna through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC by CVS Health will be available free of charge within the Investors section of CVS Health's Web site at <http://www.cvshealth.com/investors> or by contacting CVS Health's Investor Relations Department at 800-201-0938. Copies of the documents filed with the SEC by Aetna will be available free of charge on Aetna's internet website at <http://www.Aetna.com> or by contacting Aetna's Investor Relations Department at 860-273-8204.

## **Participants in Solicitation**

CVS Health, Aetna, their respective directors and certain of their respective executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of CVS Health is set forth in its Annual Report on Form 10-K for the year ended December 31, 2016 ( *CVS Health's Annual Report* ), which was filed with the SEC on February 9, 2017, its proxy statement for its 2017 annual meeting of stockholders, which was filed with the SEC on March 31, 2017, and its Current Report on Form 8-K, which was filed with the SEC on May 12, 2017. Information about the directors and executive officers of Aetna is set forth in its Annual Report on Form 10-K for the year ended December 31, 2016 ( *Aetna's Annual Report* ), which was filed with the SEC on February 17, 2017, its proxy statement for its 2017 annual meeting of shareholders, which was filed with the SEC on April 7, 2017, and its Current Reports on Form 8-K, which were filed with the SEC on May 24, 2017 and October 2, 2017. Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

## **Cautionary Statement Regarding Forward-Looking Statements**

The Private Securities Litigation Reform Act of 1995 (the *Reform Act* ) provides a safe harbor for forward-looking statements made by or on behalf of CVS Health or Aetna. This communication may contain forward-looking statements within the meaning of the Reform Act. You can generally identify forward-looking statements by the use of forward-looking terminology such as *anticipate, believe, can, continue, could, estimate, evaluate, expect, forecast, guidance, intend, likely, may, might, outlook, plan, potential, predict, probable, project,*

or will, or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond CVS Health's and Aetna's control.

Statements in this communication regarding CVS Health and Aetna that are forward-looking, including CVS Health's and Aetna's projections as to the closing date for the pending acquisition of Aetna (the transaction), the extent of, and the time necessary to obtain, the regulatory approvals required for the transaction, the anticipated benefits of the transaction, the impact of the transaction on CVS Health's and Aetna's businesses, the expected terms and scope of the expected financing for the transaction, the ownership percentages of CVS Health's common stock of CVS Health stockholders and Aetna shareholders at closing, the aggregate amount of indebtedness of CVS Health following the closing of the transaction, CVS Health's expectations regarding debt repayment and its debt to capital ratio following the closing of the transaction, CVS Health's and Aetna's respective share repurchase programs and ability and intent to declare future dividend payments, the number of prescriptions used by people served by the combined companies pharmacy benefit business, the synergies from the transaction, and CVS Health's, Aetna's and/or the combined company's future operating results, are based on CVS Health's and Aetna's managements' estimates, assumptions

and projections, and are subject to significant uncertainties and other factors, many of which are beyond their control. In particular, projected financial information for the combined businesses of CVS Health and Aetna is based on estimates, assumptions and projections and has not been prepared in conformance with the applicable accounting requirements of Regulation S-X relating to pro forma financial information, and the required pro forma adjustments have not been applied and are not reflected therein. None of this information should be considered in isolation from, or as a substitute for, the historical financial statements of CVS Health and Aetna. Important risk factors related to the transaction could cause actual future results and other future events to differ materially from those currently estimated by management, including, but not limited to: the timing to consummate the proposed transaction; the risk that a regulatory approval that may be required for the proposed transaction is delayed, is not obtained or is obtained subject to conditions that are not anticipated; the risk that a condition to the closing of the proposed transaction may not be satisfied; the ability to achieve the synergies and value creation contemplated; CVS Health's ability to promptly and effectively integrate Aetna's businesses; and the diversion of and attention of management of both CVS Health and Aetna on transaction-related issues.

In addition, this communication may contain forward-looking statements regarding CVS Health's or Aetna's respective businesses, financial condition and results of operations. These forward-looking statements also involve risks, uncertainties and assumptions, some of which may not be presently known to CVS Health or Aetna or that they currently believe to be immaterial also may cause CVS Health's or Aetna's actual results to differ materially from those expressed in the forward-looking statements, adversely impact their respective businesses, CVS Health's ability to complete the transaction and/or CVS Health's ability to realize the expected benefits from the transaction. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the transaction and/or CVS Health or Aetna, CVS Health's ability to successfully complete the transaction and/or realize the expected benefits from the transaction. Additional information concerning these risks, uncertainties and assumptions can be found in CVS Health's and Aetna's respective filings with the SEC, including the risk factors discussed in Item 1.A. Risk Factors in CVS Health's and Aetna's most recent Annual Reports on Form 10-K, as updated by their Quarterly Reports on Form 10-Q and future filings with the SEC.

You are cautioned not to place undue reliance on CVS Health's and Aetna's forward-looking statements. These 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. Neither CVS Health nor Aetna assumes any duty to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, as of any future date.