



## CVS Caremark profit slips on higher costs

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NEW YORK (AP) — CVS Caremark (CVS) said Tuesday that charges and higher costs outweighed a boost in the drugstore operator's pharmacy sales, pushing first-quarter profit down slightly.

The company says it earned \$738.4 million, or 50 cents a share, down from profit of \$745 million, or 51 cents a share, a year ago. Revenue rose 12% to \$23.39 billion from \$21.33 billion.

Excluding buyout costs, the company says it earned 55 cents a share. Wall Street expected 54 cents on revenue of \$23.64 billion.

Woonsocket, R.I.-based CVS said sales from pharmacy services and retail pharmacies rose, despite one less reporting day during the quarter. Revenue was also helped by the acquisition of Longs Drugs.

CVS, which also manages prescription benefits for insurers and employers, saw pharmacy benefit network revenue rise 6.8%, while mail order service revenue rose 8.4%.

Pharmacy services revenue rose 7.2% to \$11.5 billion during the quarter, while retail network claims processed rose 4.4%, primarily because of the addition of RxAmerica.

The retail segment gained 13.9% to reach \$13.5 billion in revenue, with same-store sales rising 3.3%.

During the quarter, CVS opened 39 retail stores and closed 50. It moved 53 retail stores. As of March 31,

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