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CVS CORP
Form 11-K
June 29, 2001

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

FOR THE YEAR ENDED DECEMBER 31, 2000

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES AND EXCHANGE
ACT OF 1934

TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES AND
EXCHANGE ACT OF 1934

Commission File Number: 001-01011

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

401(K) PROFIT SHARING PLAN OF CVS COPORATION

B. Name of the issuer of the securities held pursuant to the plan and the
address of its principal executive office:

CVS CORPORATION
ONE CVS DRIVE
WOONSOCKET, RI 02895

REQUIRED INFORMATION

THE 401(K) PROFIT SHARING PLAN OF CVS CORPORATION (THE PLAN) IS SUBJECT TO THE
REQUIREMENTS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF (ERISA). ATTACHED
HERETO IS A COPY OF THE MOST RECENT FINANCIAL STATEMENTS AND SCHEDULES OF THE
PLAN PREPARED IN ACCORDANCE WITH THE FINANCIAL REPORTING REQUIREMENTS OF ERISA.

401(K) PROFIT SHARING PLAN OF CVS CORPORATION
FINANCIAL STATEMENTS AND SCHEDULE
DECEMBER 31, 2000 AND 1999

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INDEPENDENT AUDITORS' REPORT

The Administrative Committee of the 401K Profit Sharing Plan of CVS Corporation:

We have audited the accompanying statements of net assets available for plan benefits of the 401K Profit Sharing Plan of CVS Corporation (the "Plan") as of December 31, 2000 and 1999, and the related statements of changes in net assets available for plan benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as

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of December 31, 2000 and 1999, and the changes in net assets available for plan benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes at end of year is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Providence, Rhode Island

/s/ KPMG LLP
KPMG LLP

June 14, 2001

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Statements of Net Assets Available for Plan Benefits

December 31, 2000 and 1999

| | | 2000 |
|--------------------------------|----|---------------|
| Assets: | | |
| Investments: | | |
| Guaranteed Insurance Contracts | \$ | 176,656,187 |
| Equities | | 433,440,391 |
| Investments in pooled funds | | 425,859,590 |
| Loans | | 33,888,185 |
| | | 1,069,844,353 |
| Receivables: | | |
| Interest | | 1,402,444 |
| Dividends | | 1,891,770 |
| Employer contributions | | 2,339,014 |
| Employee contributions | | 8,016,077 |
| | | 13,649,305 |
| Total assets | | 1,083,493,658 |

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Liabilities:

| | | |
|--|------------------|--|
| Accrued expenses and other liabilities | 5,963,379 | |
| Net assets available for plan benefits | \$ 1,077,530,279 | |

See accompanying notes to financial statements.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Statements of Changes in Net Assets Available for Plan Benefits

Years ended December 31, 2000 and 1999

| | 2000 | 1999 |
|----------------------------------|------------------|--------|
| | | |
| Additions: | | |
| Interest income | \$ 14,590,526 | 13,12 |
| Dividend income | 9,907,883 | 9,49 |
| Employer contributions | 22,800,468 | 15,64 |
| Employee contributions | 101,689,666 | 79,54 |
| Realized gains | 42,145,527 | 50,06 |
| Unrealized gains (losses) | (15,139,872) | 42,46 |
| | | |
| Total additions | 175,994,198 | 210,34 |
| | | |
| Deductions: | | |
| Benefits paid to participants | 76,796,270 | 66,56 |
| Administrative expenses | 6,356,219 | 3,47 |
| Other deductions | 1,005,362 | 23 |
| Net forfeitures | (97,536) | 34 |
| | | |
| Total deductions | 84,060,315 | 70,62 |
| | | |
| Net increase for the year | 91,933,883 | 139,72 |
| Net assets beginning of the year | 985,596,396 | 845,87 |
| | | |
| Net assets end of the year | \$ 1,077,530,279 | 985,59 |
| | | |

See accompanying notes to financial statements.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

(1) PLAN DESCRIPTION

The following description of the 401K Profit Sharing Plan of CVS Corporation (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) BACKGROUND

The Plan is a defined contribution plan established as of January 1, 1989. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The general administration of the Plan and the responsibility for carrying out the provisions of the Plan are maintained by a committee (the "Plan Committee") of not less than three persons appointed by the Board of Directors (the "Board of Directors") of CVS Corporation ("CVS"). In accordance with the provisions of the Plan, the Plan Committee has appointed an Administrator (the "Administrator") and a Trustee (the "Trustee"). The Administrator maintains participant account records and instructs the Trustee to execute transactions such as benefit payments to participants. The Trustee holds the assets of the Plan and executes transactions at the direction of the Plan Committee and the Administrator. The Trustee also reports to the Plan's management regarding investments and changes in those investments.

(b) ELIGIBILITY

Eligibility requirements were amended for the Plan year 2000. Employees are eligible to participate in the Plan upon attainment of age 21 and on the earliest of:

- o The first payroll period of the first month after completion of 90 continuous days of service as a full-time employee, or
- o Completion of 12 months of service beginning on the employee's enrollment date with at least 1,000 hours worked, or
- o Completion of at least 1,000 hours of service in the course of one calendar year.

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Prior to 2000, employees were required to complete twelve consecutive months during which they had completed at least 1,000 hours of service in order to be eligible.

(c) CONTRIBUTIONS

Effective January 1, 1990, participants may elect to have CVS contribute to their accounts from 1% to 15% of the compensation that would otherwise be due them, in multiples of 1%, pursuant to a salary reduction agreement. Each participant's total elective deferrals for any calendar year may not exceed 15% of annual compensation or the maximum allowed by the Internal Revenue Code (the "Code"), whichever is less, as specified in the Plan document. The maximum elective deferrals allowed by the Code were \$10,500 for 2000 and \$10,000 for 1999.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

Effective January 1, 1990, CVS made additional matching contributions to participants' accounts. The amount of such contributions was determined as follows: (1) for a participant who had completed at least three years of credited service, CVS' matching contribution was 50% of the participant's elective deferrals, limited to elective deferrals of up to 4% of the participant's salary, or (2) for a participant who had completed less than three years of credited service, CVS' contribution was 25% of the participant's elective deferrals, limited to elective deferrals of up to 4% of the participant's salary.

Effective April 1, 2000, the Plan has amended the matching contribution to 50% of the first 5% of pre-tax compensation contributed. The match is paid in cash to the Plan account on a monthly basis.

(d) INVESTMENT OPTIONS

Upon enrollment in the Plan or at select intervals thereafter, a participant may elect to direct contributions or investment balances within the investments listed below. The following is a brief explanation of each fund's investment objectives:

CORE EQUITY FUND (Vanguard Index 500 Portfolio Fund)

This fund's objective is to replicate the total return of the Standard and Poor's 500 Index, which represents about 75 percent of the U.S. stock market value.

DIVERSIFIED BOND (PIMCO Total Return Admin Fund)

This fund is a core bond fund that seeks to outperform the Lehman Brothers Aggregate Bond Index on a consistent basis while maintaining an overall risk similar to the Index.

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INTERNATIONAL EQUITY FUND (Templeton International Fund)

This fund's investment objective is long-term capital growth through participation in stock markets outside the U.S. The fund invests primarily in the common stock of companies based in more developed countries, but may also include investments in developing countries.

SMALL CAP GROWTH FUND (Invesco Small Company Growth Fund)

This fund seeks long-term growth of capital and dividend income through participation in the stock market. The fund invests primarily in stocks of relatively small companies.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

GLOBAL EQUITY (Janus Worldwide Fund)

This fund seeks long-term growth of capital by investing in a diversified portfolio of foreign and domestic companies. The fund tries to outperform the Morgan Stanley Capital International (MSCI) World Index, which measures the performance of U.S. and international stock markets.

SMALL CAP VALUE (Galaxy Small Cap Value Fund)

This fund seeks long-term growth by investing primarily in stocks of small to medium-sized companies that are believed to either offer superior earnings growth or appear to be undervalued. This fund is benchmarked by the Russell 2000 Index.

GROWTH AND INCOME FUND (J & W Seligman Large Cap Value Fund)

This fund seeks long-term capital growth and dividend income by investing primarily in the common stock of U.S. based, well established medium to large size companies.

LARGE CAP GROWTH FUND (Columbus Circle Core Equity Fund)

This investment objective is long-term capital growth. The fund invests primarily in the common stock of established large companies that are based in the U.S. Companies are typically in industry sectors that are growing faster than the broad stock market.

LIFESTYLE CONSERVATIVE FUND (various managers)

This fund is for people who will need access to their money in less than five years. Approximately seventy percent of the fund is invested in fixed-income or low-risk investments. The remaining thirty percent is invested in stock-oriented mutual funds or moderate-risk investments.

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LIFESTYLE MODERATE FUND (various managers)

This fund is for less conservative investors who can keep their money invested for at least five years. Because stocks make up approximately sixty percent of the fund's mix, the fund has more exposure to the fluctuations in the stock market than the Conservative fund. The remaining forty percent is invested in bonds.

LIFESTYLE AGGRESSIVE FUND (various managers)

This fund is for those individuals who can keep their money invested for at least ten years or those who are willing to accept a greater level of risk in return for greater possible reward. Therefore, eighty percent of the fund is invested in stocks and the remaining twenty percent is invested in fixed-income securities.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

CVS STOCK FUND

This fund was established as a result of the transfer of assets from the Revco D.S., Inc. 401k Plan during 1997. The Plan may, at the discretion of the Plan Committee, offer a company stock fund as one of the available investment funds for employee and employer contributions. The fund holds CVS common stock.

GIC FUND (managed by State Street Bank & Trust Co.)

This fund seeks to preserve capital, while generating a steady rate of return higher than money market funds. The fund's investments consist of highly-rated insurance company and bank investment contracts.

(e) VESTING

Participants become fully vested in their accounts upon the completion of five years of credited service. Participants whose account balances have been transferred into the Plan from other defined contribution plans maintain at least the degree of vesting in the account they had at the time of the transfer. Notwithstanding the foregoing, participants are fully vested in, and have a nonforfeitable right to, (1) their accounts upon death or disability, and (2) any elective deferrals described in note 1(c).

(f) PAYMENT OF BENEFITS

Upon termination of service, the Administrator directs the Trustee to pay participants their benefits in an immediate lump-sum or a deferred lump-sum, if certain criteria are met.

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(g) FORFEITURES

Upon participants' termination date, the unvested portion of their accounts are forfeited. If a former participant resumes employment and eligibility in the Plan within five years of termination, any amounts previously forfeited are restored to the participant's account, but remain subject to the vesting provisions of the Plan. Forfeitures during any plan year are applied as follows: (1) to restore amounts previously forfeited by participants but required to be reinstated upon resumption of employment; (2) to pay administrative expenses of the Plan; or (3) to reduce future matching and employer contributions. If forfeitures for any year are insufficient to restore the required forfeitures, CVS contributes the balance required for that purpose. Forfeitures for 2000 and 1999 were approximately \$2,944,956 and \$1,435,000, respectively. Forfeitures restored to participants upon resumption of employment for 2000 and 1999 were approximately \$87,327 and \$280,300, respectively.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(c) BENEFITS PAID

Benefits are recorded when paid.

(d) INVESTMENTS

The valuation of the investments held at December 31, 2000 and 1999, is based on the fair value of the underlying funds as determined by the Trustee, except for the investment contracts which are valued at contract value with an insurance company. The value fluctuates in response to various factors including, but not limited to, the price of the shares in the underlying funds, dividends paid, earnings and losses, and the mix of assets in the respective fund.

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(e) NEW ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). SFAS No. 133 requires that an entity recognize all derivatives and measure those instruments at fair value.

SFAS No. 133 is effective for fiscal years beginning after June 15, 2000. Pursuant to SFAS No. 137, the Plan is required to adopt SFAS No. 133 effective January 1, 2001. Management has not yet determined the impact of SFAS No. 133 on the Plan financial statements.

(3) LOANS TO PARTICIPANTS

Under the terms of the Plan, participants may obtain bona fide loans from the Plan, utilizing funds accumulated in their accounts. The minimum amount which may be borrowed is \$1,000. Participants can borrow up to 50% of their vested account balance but not more than \$50,000 less their highest outstanding loan balance during the previous twelve months.

The loans are repaid to the Plan through after-tax payroll deductions. The term of the loan is selected at the discretion of the participant, but may not exceed five years for a general loan and twenty-five years for a home purchase loan.

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

(4) INVESTMENT POLICY

At December 31, 2000 and 1999, most of the Plan's assets were allocated among the investment options discussed in note 1(d) based on employees' elections. The investment options are administered by independent investment managers. Employee asset allocations that are awaiting processing are temporarily invested in commingled funds held by a bank-administered trust fund. These commingled funds are also used to account for and administer participants' loans. The loan repayments and interest earned are allocated to each of the investment funds based upon the participants' contribution election percentages.

Net unrealized appreciation (depreciation) represents the net difference between the fair value of the investment and its historical cost basis if purchased during the plan year or the change in its fair value during the plan year. During 2000 and 1999, the Plan's investments (including investments bought, sold and held during the year) experienced net appreciation (depreciation) as follows:

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| | 2000 | | 1999 |
|--------------|---------------|--------------|------------|
| | REALIZED | UNREALIZED | REALIZED |
| Mutual Funds | \$ 42,145,527 | (15,139,872) | 50,066,718 |

The following represents total investments segregated by investment type. Investments that represent 5 percent or more of the fair value of the Plan's assets are marked by an asterisk.

| | 2000 |
|---|------------------|
| Mutual Funds: | |
| Vanguard Index Trust 500 Portfolio Fund | \$ 192,762,764* |
| PIMCO Total Return Admin Fund | 46,642,010 |
| Templeton International Fund | 44,346,304 |
| Invesco Small Company Growth Fund | 9,467,967 |
| Janus Worldwide Fund | 60,636,400* |
| Galaxy Small Cap Value Fund | 52,795,467 |
| J & W Seligman Large Cap Value Fund | 147,163,424* |
| Columbus Circle Core Equity Fund | 229,052,514* |
| CVS Corporation Common Stock Fund | 76,108,952* |
| Commingled Fund | 324,179 |
| | ----- |
| | 859,299,981 |
| Loans to participants | 33,888,185 |
| GIC Fund | 176,656,187* |
| | ----- |
| | \$ 1,069,844,353 |
| | ===== |

401K PROFIT SHARING PLAN OF CVS CORPORATION

Notes to Financial Statements

DECEMBER 31, 2000 AND 1999

(5) PLAN TERMINATION

Although it has not expressed any intent to do so, CVS has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If CVS terminated the Plan, all participants in the Plan would become fully vested.

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(6) FEDERAL INCOME TAXES

The Plan is qualified pursuant to Section 401(a) of the Code, and the trust established under the Plan to hold the Plan's assets is exempt from Federal income taxes pursuant to Section 501(a) of the Code; accordingly, the trust's net investment income is exempt from income taxes. The Plan has obtained a favorable tax determination letter from the Internal Revenue Service and the Plan's sponsor believes that the Plan, as amended, continues to qualify and operate as designed.

(7) REGULATORY REVIEW

On July 16, 1998, the Plan received correspondence from the U.S. Department of Labor (DOL) that a review was scheduled for the Plan years ended December 31, 1994, 1995 and 1996. The DOL requested certain Plan information from the Company to perform its review, which has been supplied to the DOL as requested. On December 27, 1999, the Plan received correspondence from the DOL stating that their review has been concluded and no further action by the DOL is contemplated at this time.

401K PROFIT SHARING PLAN OF CVS CORPORATION

Schedule of Assets Held for Investment Purposes at End of Year

December 31, 2000

| FUND | PAR VALUE/ NUMBER OF SHARES | IDENTITY OF ISSUE | DESCRIPTION |
|------------------------|-----------------------------------|-----------------------------------|--|
| Commingled | 33,888,185 | Loans to participants* | Prime plus 1% at loan request |
| | 320,764 | Bank of New York* | Collective Short-Term Investm |
| | 198 | AT&T Corp Com | Fund Non-Discretionary Common Stock |
| Commingled Subtotal | | | |
| Lifestyle Conservative | 33,512 | Vanguard Institutional Index Fund | Mutual Fund |
| | 552,986 | PIMCO Funds Total Return | Mutual Fund |
| | 9,821,304 | State Street Bank | Various GICs held at State St due 9/15/05 |

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Lifestyle Conservative Subtotal

| | | | | |
|--------------------|-----------|-----------------------------------|-------------------------------|--|
| Lifestyle Moderate | 61,382 | Vanguard Institutional Index Fund | Mutual Fund | |
| | 1,622,400 | PIMCO Funds Total Return | Mutual Fund | |
| | 524,964 | Templeton Foreign Fund | Mutual Fund | |
| | 441,778 | Galaxy Small Cap | Mutual Fund | |
| | 5,343,384 | State Street Bank | Various GIC held at State Str | |
| | | | due 9/15/05 | |

Lifestyle Moderate Subtotal

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Schedule of Assets Held for Investment Purposes at End of Year (Continued)

December 31, 2000

| FUND | PAR VALUE/ NUMBER OF SHARES | IDENTITY OF ISSUE | DESCRIPTION | |
|-------------------------------|-----------------------------------|-----------------------------------|--------------|----|
| Lifestyle Aggressive | 44,849 | Vanguard Institutional Index Fund | Mutual Fund | \$ |
| | 1,188,978 | PIMCO Funds Total Return | Mutual Fund | |
| | 867,431 | Templeton Foreign Fund | Mutual Fund | |
| | 1,452,803 | Galaxy Small Cap | Mutual Fund | |
| Lifestyle Aggressive Subtotal | | | | |
| International Equity Fund | 2,896,416 | Templeton Foreign Fund | Mutual Fund | |
| Core Equity Fund | 1,457,032 | Vanguard Institutional Index Fund | Mutual Fund | 1 |
| Growth & Income Fund | 50,000 | Kimberly-Clark Corp. | Common Stock | |
| | 64,200 | Costco Whsl Corp. | Common Stock | |
| | 185,000 | Conagra, Inc. | Common Stock | |
| | 135,000 | Dole Food Inc | Common Stock | |
| | 70,000 | Safeway, Inc. | Common Stock | |
| | 125,714 | Qwest Communications Intl Inc. | Common Stock | |
| | 110,000 | Dial Corporation | Common Stock | |
| | 130,000 | Philip Morris Companies, Inc. | Common Stock | |
| | 134,890 | Ford Motor Company | Common Stock | |
| | 85,000 | Radioshack Corp. | Common Stock | |
| | 110,000 | B F Goodrich Company | Common Stock | |

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| | | |
|---------|------------------------------|--------------|
| 51,700 | United Health Group Inc. | Common Stock |
| 135,000 | Dow Chemical Company | Common Stock |
| 120,000 | International Paper Company | Common Stock |
| 55,000 | American Home Products Corp. | Common Stock |
| 50,000 | Baxter Intl., Inc. | Common Stock |
| 320,000 | Humana, Inc. | Common Stock |
| 80,000 | Medtronic, Inc. | Common Stock |

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Schedule of Assets Held for Investment Purposes at End of Year (Continued)

December 31, 2000

| FUND | PAR VALUE/ NUMBER OF SHARES | IDENTITY OF ISSUE | DESCRIPTION |
|--------------------------|-----------------------------------|--|---|
| | 60,000 | UTD Technologies | Common Stock |
| | 177,371 | Georgia Pacific Group | Common Stock |
| | 53,300 | Edison Intl | Common Stock |
| | 72,000 | Texaco, Inc. | Common Stock |
| | 55,000 | El Paso Energy Corp | Common Stock |
| | 120,000 | Allstate Corp. | Common Stock |
| | 60,000 | International Business Machines | Common Stock |
| | 200,000 | Sprint Corp. | Common Stock |
| | 85,000 | Bank of NY Co., Inc. | Common Stock |
| | 86,666 | Citigroup, Inc. | Common Stock |
| | 120,000 | Chase Manhattan Corp. | Common Stock |
| | 120,000 | Summit Bancorp | Common Stock |
| | 110,000 | Washington Mut., Inc. | Common Stock |
| | 45,000 | Federal Natl Mtg Assn (D/B/A Fannie Mae) | Common Stock |
| | 100,000 | St. Paul Cos., Inc. VTC | Common Stock |
| | 177,700 | Unumprovident Corp | Common Stock |
| | 3,190,874 | Bank of New York* | Collective short term investment fund non-discretionary |
| Growth & Income Subtotal | | | |
| Large Cap Growth Fund | 121,000 | Anheuser-Busch Co. | Common Stock |
| | 185,000 | Pepsico Inc. | Common Stock |
| | 53,000 | Applera Corp Com Applied Biosystems Grp | Common Stock |

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| | | |
|---------|------------------------------|--------------|
| 170,300 | Pfizer Inc. | Common Stock |
| 139,000 | Pharmacia Corp | Common Stock |
| 77,000 | Teva Pharmaceutical Inds ADR | Common Stock |
| 346,800 | Sysco Corp | Common Stock |
| 81,500 | Walmart Stores, Inc. | Common Stock |
| 79,000 | Kohls Corp | Common Stock |
| 72,500 | McKesson HBOC Inc. | Common Stock |
| 71,000 | Affymetrix Inc. | Common Stock |

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Schedule of Assets Held for Investment Purposes at End of Year (Continued)

December 31, 2000

| FUND | PAR VALUE/ NUMBER OF SHARES | IDENTITY OF ISSUE | DESCRIPTION |
|------|-----------------------------------|--|--------------|
| | | | |
| | 230,000 | HCA-Healthcare | Common Stock |
| | 79,500 | King Pharmaceuticals | Common Stock |
| | 192,700 | Waste Management Inc. | Common Stock |
| | 93,100 | Bea Sys Inc. | Common Stock |
| | 186,000 | Broadvision Inc. | Common Stock |
| | 42,000 | Check Point Software Technologies LTD | Common Stock |
| | 51,500 | Comverse Technology Inc. | Common Stock |
| | 124,000 | Palm Inc. | Common Stock |
| | 44,000 | Adobe Sys., Inc. | Common Stock |
| | 72,200 | America Online, Inc. | Common Stock |
| | 66,900 | Ciena Corp. | Common Stock |
| | 154,000 | Cisco Sys, Inc. | Common Stock |
| | 90,000 | Siebel Sys Inc. | Common Stock |
| | 91,000 | Waters Corp. | Common Stock |
| | 72,000 | BJ Svcs Co. | Common Stock |
| | 60,500 | Coastal Corp. | Common Stock |
| | 80,000 | Schlumberger Limited | Common Stock |
| | 92,500 | Aes Corporation | Common Stock |
| | 152,000 | Calpine Corp. | Common Stock |
| | 100,900 | Bank One Corp. | Common Stock |
| | 64,000 | Countrywide CR Inds Inc. | Common Stock |
| | 99,000 | Federal Natl Mtg. Assn (D/B/A Fannie Mae) | Common Stock |
| | 65,000 | Golden West Financial Corp. | Common Stock |
| | 70,300 | Enron Corp. | Common Stock |
| | 84,500 | USA ED Inc. | Common Stock |
| | 164,000 | Citigroup, Inc. | Common Stock |
| | 80,000 | Wells Fargo & Co. | Common Stock |

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14,184,022 Bank of New York*

Collective
short-term
investment fund
non-discretionary

Large Cap Growth Fund Subtotal

Small Cap Growth Fund 616,805,685 Invesco Small Company Growth Mutual Fund

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401K PROFIT SHARING PLAN OF CVS CORPORATION

Schedule of Assets Held for Investment Purposes at End of Year (Continued)

December 31, 2000

| FUND | PAR VALUE/ NUMBER OF SHARES | IDENTITY OF ISSUE | DESCRIPTION |
|--------------------------|-----------------------------------|---------------------------------------|---|
| Diversified Bond Fund | 1,124,761 | Pimco Fds Total Return | Mutual Fund |
| Small Cap Value Fund | 2,046,520 | Galaxy Small Cap | Mutual Fund |
| Global Equity Fund | 1,066,416 | Janus Worldwide Fund | Mutual Fund |
| Investment Contract Fund | 161,491,500 | State Street Bank | Various GICs held at State Street; due 9/15/05 |
| CVS Stock Fund | 1,244,562 1,513,017 | CVS Corporation* Bank of New York* | Common Stock Collective short term investment fund non- discretionary |

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*Party-in-interest

See accompanying independent auditor's report.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustee (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

401(K) PROFIT SHARING PLAN OF
CVS CORPORATION

Date: June 29, 2001

By: /s/ David B. Rickard

David B. Rickard
Executive Vice President and Chief
Financial Officer

EXHIBIT INDEX

| EXHIBIT | DESCRIPTION |
|---------|---------------------------------|
| 23 | Consent of Independent Accounts |

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