

## CONSOLIDATED STATEMENTS OF INCOME

(In Millions, Except Per Share Data)

	Year Ended December 31		
	2003	2002	2001
<b>Revenues</b>			
Premiums	\$15,170.2	\$11,941.0	\$ 9,244.8
Administrative fees	1,180.7	962.2	817.3
Other revenue	126.2	87.3	58.2
Total operating revenue	16,477.1	12,990.5	10,120.3
Net investment income	278.1	260.7	238.6
Net realized gains on investments	17.8	30.4	60.8
Gain (loss) on sale of subsidiary operations	(1.6)	0.7	25.0
	16,771.4	13,282.3	10,444.7
<b>Expenses</b>			
Benefit expense	12,263.9	9,839.4	7,814.7
Administrative expense	3,109.6	2,506.6	1,986.1
Interest expense	131.2	98.5	60.2
Amortization of goodwill and other intangible assets	47.6	30.2	31.5
Demutualization expenses	—	—	27.6
	15,552.3	12,474.7	9,920.1
<b>Income before income taxes and minority interest</b>			
	1,219.1	807.6	524.6
Income taxes	440.1	255.2	183.4
Minority interest (credit)	4.7	3.3	(1.0)
<b>Net income</b>	<b>\$ 774.3</b>	<b>\$ 549.1</b>	<b>\$ 342.2</b>
<b>Net income per share<sup>1</sup></b>			
Basic	\$ 5.60	\$ 4.61	\$ 3.31
Diluted	\$ 5.45	\$ 4.51	\$ 3.30

<sup>1</sup>Amounts for 2001 include pro forma earnings per share prior to the initial public offering.

The information presented above should be read in conjunction with the audited consolidated financial statements and accompanying notes included in Anthem's 2003 Annual Report on Form 10-K.