

Consolidated Statements of Income

<i>(in millions, except per share data)</i>	Year ended December 31		
	2004	2003	2002
Revenues			
Premiums	\$18,771.6	\$15,167.7	\$11,937.9
Administrative fees	1,436.9	1,160.2	946.8
Other revenue	252.4	159.2	115.7
Total operating revenue	20,460.9	16,487.1	13,000.4
Net investment income	311.7	278.1	260.7
Net realized gains on investments	42.5	16.2	31.1
	20,815.1	16,781.4	13,292.2
Expenses			
Benefit expense	15,387.8	12,254.5	9,821.9
Selling, general and administrative expense			
Selling expense	537.2	411.2	308.0
General and administrative expense	2,940.5	2,686.3	2,207.1
Total selling, general and administrative expense	3,477.7	3,097.5	2,515.1
Cost of drugs	95.0	38.7	24.0
Interest expense	142.3	131.2	98.5
Amortization of other intangible assets	61.4	47.6	30.2
Merger-related undertakings	61.5	—	—
Loss on repurchase of debt securities	146.1	—	—
	19,371.8	15,569.5	12,489.7
Income before income taxes	1,443.3	1,211.9	802.5
Income taxes	483.2	437.6	253.4
Net income	\$ 960.1	\$ 774.3	\$ 549.1
Net income per share			
Basic	\$ 6.29	\$ 5.60	\$ 4.61
Diluted	\$ 6.10	\$ 5.45	\$ 4.51

The information presented above should be read in conjunction with the audited consolidated financial statements and accompanying notes included in WellPoint's 2004 Annual Report on Form 10-K.