

performan

\$2.41
earnings per share

Strong Financial Performance

WellChoice delivered solid financial performance during 2003, reflecting a consistent track record of growing profitable membership; dedication to underwriting and pricing discipline which provides stable revenue growth; the ability to predict accurately medical loss ratios; and significant financial flexibility as a well-capitalized company.

WellChoice reported net income for the year ended December 31, 2003 of \$201.1 million, or \$2.41 per fully diluted share, based on 83.8 million weighted average shares outstanding.

Total revenue for the year ended December 31, 2003 was **\$5.4 billion** compared to \$5.1 billion for the year ended December 31, 2002. Insured premiums for the full year 2003 were \$4.88 billion compared to \$4.63 billion for the full year 2002. Service fees increased \$49.6 million to \$445.8 million during the same period.

Standard and Poor's (S&P) reiterated Empire's financial strength and counterparty credit ratings to an **"A- Positive"** during 2003. The rating reflects its significantly improved capitalization, a strong turnaround in earnings performance, stabilized enrollment trends, and conservative investment practices in an extremely competitive operating environment.

"A- Positive"

financial strength and counterparty credit rating by S&P