

Financial Supplement

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This document is supplemental to the Company's fourth quarter 2003 earnings press release and should be read in conjunction therewith and in conjunction with the Company's 2003 Annual Report on Form 10-K to be filed with the Securities and Exchange Commission. Please direct questions with respect to this material to David Entekin, Vice President - Investor Relations, Aetna Inc., 151 Farmington Avenue, RE2T, Hartford, Connecticut 06156. Telephone: 860-273-7830. Email: entekind@aetna.com.

Financial Statistics
(\$ in Millions, except per common share data)

	Three Months Ended					Twelve Months Ended		
	Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Change Dec. 31, 2003 - Dec. 31, 2002	Change Dec. 31, 2003 - Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002	Change Dec. 31, 2003 - Dec. 31, 2002
<u>Operating Earnings from Continuing Operations *</u>								
Operating Earnings	\$ 239.9	\$ 142.6	\$ 207.1	68.2 %	15.8 %	\$ 966.8	\$ 450.3	114.7 %
Operating Earnings per Common Share	\$ 1.50	\$.92	\$ 1.29	63.0 %	16.3 %	\$ 6.12	\$ 2.94	108.2 %
Cash Operating Earnings	\$ 248.2	\$ 150.8	\$ 215.3	64.6 %	15.3 %	\$ 999.8	\$ 535.3	86.8 %
Cash Operating Earnings per Common Share	\$ 1.55	\$.97	\$ 1.34	59.8 %	15.7 %	\$ 6.32	\$ 3.50	80.6 %
<u>Pretax Operating Margin *</u>								
Aetna Inc., including favorable items	8.7 %	5.4 %	8.1 %	3.3 pts.	.6 pts.	9.2 %	4.6 %	4.6 pts.
Aetna Inc. - Adjusted	7.7 %	4.7 %	8.0 %	3.0 pts.	(.3) pts.			
<u>After-tax Operating Margin *</u>								
Aetna Inc., including favorable items	5.8 %	3.6 %	5.2 %	2.2 pts.	.6 pts.	6.0 %	3.1 %	2.9 pts.
Aetna Inc. - Adjusted	5.2 %	3.1 %	5.1 %	2.1 pts.	.1 pts.			
<u>Operating Expenses as % of Revenue *</u>								
Aetna Inc.	22.4 %	22.0 %	22.1 %	.4 pts.	.3 pts.	22.6 %	21.3 %	1.3 pts.
Health Care	24.6 %	24.6 %	24.3 %	- pts.	.3 pts.	24.8 %	23.5 %	1.3 pts.
Group Insurance	12.2 %	9.0 %	12.0 %	3.2 pts.	.2 pts.	11.9 %	10.0 %	1.9 pts.
Large Case Pensions	2.7 %	2.2 %	2.2 %	.5 pts.	.5 pts.	2.5 %	2.3 %	.2 pts.
<u>Revenue by Segment *</u>								
Health Care	\$ 3,917.8	\$ 4,054.9	\$ 3,823.4	(3.4) %	2.5 %	\$ 15,342.7	\$ 17,154.0	(10.6) %
Group Insurance	459.3	449.7	439.7	2.1 %	4.5 %	1,810.3	1,766.9	2.5 %
Large Case Pensions	182.3	236.4	192.5	(22.9) %	(5.3) %	758.2	923.5	(17.9) %
Total Revenue	<u>\$ 4,559.4</u>	<u>\$ 4,741.0</u>	<u>\$ 4,455.6</u>	(3.8) %	2.3 %	<u>\$ 17,911.2</u>	<u>\$ 19,844.4</u>	(9.7) %
<u>Net Investment Income by Segment</u>								
Health Care	\$ 62.6	\$ 69.5	\$ 57.6	(9.9) %	8.7 %	\$ 244.6	\$ 295.7	(17.3) %
Group Insurance	71.1	65.0	62.8	9.4 %	13.2 %	268.7	269.5	(.3) %
Large Case Pensions	143.9	183.9	147.7	(21.8) %	(2.6) %	581.7	685.5	(15.1) %
Total Net Investment Income	<u>\$ 277.6</u>	<u>\$ 318.4</u>	<u>\$ 268.1</u>	(12.8) %	3.5 %	<u>\$ 1,095.0</u>	<u>\$ 1,250.7</u>	(12.4) %

* In order to provide a comparison that the Company believes provides useful information regarding its underlying performance, all operating earnings exclude the following from net income (loss): other items, net realized capital gains (losses), income from discontinued operations and cumulative effect adjustment. In addition, operating margins exclude interest expense and amortization of other acquired intangibles; furthermore pretax operating margin also excludes income taxes. Management uses these measures to assess performance and make operating decisions. The Company also displays certain metrics (e.g., medical cost ratios and operating margins) excluding changes to prior-period health care cost estimates to reflect underlying current period health care costs and favorable resolution of prior-period contract matters for a large customer to reflect underlying current period premium.

For a reconciliation of financial measures calculated under accounting principles generally accepted in the United States of America (GAAP), refer to pages 2 and 11-13.

Refer to page 14 for definitions of terms used.

Financial Statistics (Continued)

(\$ in Millions)

		Three Months Ended					Twelve Months Ended		
		Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Change Dec. 31, 2003 - Dec. 31, 2002	Change Dec. 31, 2003 - Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002	Change Dec. 31, 2003 - Dec. 31, 2002
Health Care Premiums									
<u>Health Care Risk</u>									
Premiums (GAAP measure)	(A)	\$ 3,388.7	\$ 3,538.3	\$ 3,301.7	(4.2) %	2.6 %	\$ 13,235.5	\$ 15,036.1	(12.0) %
Favorable resolution of prior-period contract matters for a large customer		-	-	-			-	(32.0)	
Premiums - Adjusted	(B)	<u>\$ 3,388.7</u>	<u>\$ 3,538.3</u>	<u>\$ 3,301.7</u>	(4.2) %	2.6 %	<u>\$ 13,235.5</u>	<u>\$ 15,004.1</u>	(11.8) %
<u>Commercial Risk</u>									
Premiums (GAAP measure)	(C)	\$ 3,161.0	\$ 3,299.5	\$ 3,078.5	(4.2) %	2.7 %	\$ 12,329.3	\$ 14,014.6	(12.0) %
Favorable resolution of prior-period contract matters for a large customer		-	-	-			-	(32.0)	
Premiums - Adjusted	(D)	<u>\$ 3,161.0</u>	<u>\$ 3,299.5</u>	<u>\$ 3,078.5</u>	(4.2) %	2.7 %	<u>\$ 12,329.3</u>	<u>\$ 13,982.6</u>	(11.8) %
<u>Medicare HMO</u>									
Premiums (GAAP measure)	(E)	\$ 227.7	\$ 238.7	\$ 223.2	(4.6) %	2.0 %	\$ 906.2	\$ 1,013.1	(10.6) %
Health Care Costs									
<u>Health Care Risk</u>									
Health care costs (GAAP measure)	(F)	\$ 2,616.5	\$ 2,861.7	\$ 2,598.0	(8.6) %	.7 %	\$ 10,135.8	\$ 12,452.8	(18.6) %
Favorable development of prior-period health care cost estimates		43.0	35.0	5.0			228.0	71.0	
Health care costs - Adjusted	(G)	<u>\$ 2,659.5</u>	<u>\$ 2,896.7</u>	<u>\$ 2,603.0</u>	(8.2) %	2.2 %	<u>\$ 10,363.8</u>	<u>\$ 12,523.8</u>	(17.2) %
<u>Commercial Risk</u>									
Health care costs (GAAP measure)	(H)	\$ 2,421.9	\$ 2,657.1	\$ 2,406.7	(8.9) %	.6 %	\$ 9,365.4	\$ 11,615.3	(19.4) %
Favorable development of prior-period health care cost estimates		43.0	35.0	-			215.0	36.0	
Health care costs - Adjusted	(I)	<u>\$ 2,464.9</u>	<u>\$ 2,692.1</u>	<u>\$ 2,406.7</u>	(8.4) %	2.4 %	<u>\$ 9,580.4</u>	<u>\$ 11,651.3</u>	(17.8) %
<u>Medicare HMO</u>									
Health care costs (GAAP measure)	(J)	\$ 195.6	\$ 206.2	\$ 191.4	(5.1) %	2.2 %	\$ 771.8	\$ 832.6	(7.3) %
Favorable development of prior-period health care cost estimates		-	-	5.0			13.0	35.0	
Health care costs - Adjusted	(K)	<u>\$ 195.6</u>	<u>\$ 206.2</u>	<u>\$ 196.4</u>	(5.1) %	(.4) %	<u>\$ 784.8</u>	<u>\$ 867.6</u>	(9.5) %
Health Care Medical Cost Ratios *									
Health Care Risk (GAAP measure)	(F)/(A)	77.2 %	80.9 %	78.7 %	(3.7) pts.	(1.5) pts.	76.6 %	82.8 %	(6.2) pts.
Health Care Risk - Adjusted	(G)/(B)	78.5 %	81.9 %	78.8 %	(3.4) pts.	(.3) pts.	78.3 %	83.5 %	(5.2) pts.
Commercial Risk (GAAP measure)	(H)/(C)	76.6 %	80.5 %	78.2 %	(3.9) pts.	(1.6) pts.	76.0 %	82.9 %	(6.9) pts.
Commercial Risk - Adjusted	(I)/(D)	78.0 %	81.6 %		(3.6) pts.	(.2) pts.	77.7 %	83.3 %	(5.6) pts.
Medicare HMO (GAAP measure)	(J)/(E)	85.9 %	86.4 %	85.8 %	(.5) pts.	.1 pts.	85.2 %	82.2 %	3.0 pts.
Medicare HMO - Adjusted	(K)/(E)			88.0 %		(2.1) pts.	86.6 %	85.6 %	1.0 pts.

Health Care Costs Payable \$ 1,888.7 \$ 2,194.1 \$ 1,899.0

Days Claims Payable 66.4 70.5 67.2

Earnings Summary
(\$ in Millions, except per common share data)

Operating Earnings

	Three Months Ended			Twelve Months Ended	
	Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002
Operating earnings from continuing operations					
Health Care before amortization of other acquired intangible assets	\$ 222.4	\$ 128.9	\$ 187.5	\$ 895.4	\$ 446.6
Amortization of other acquired intangible assets	(8.3)	(8.2)	(8.2)	(33.0)	(85.0)
Health Care	214.1	120.7	179.3	862.4	361.6
Group Insurance	33.4	34.7	33.4	134.8	142.2
Large Case Pensions	9.3	7.1	11.0	36.5	24.2
Corporate Interest Expense	(16.9)	(19.9)	(16.6)	(66.9)	(77.7)
Operating earnings from continuing operations	<u>\$ 239.9</u>	<u>\$ 142.6</u>	<u>\$ 207.1</u>	<u>\$ 966.8</u>	<u>\$ 450.3</u>
Weighted average common shares - basic	<u>153,086,405</u>	<u>151,179,125</u>	<u>153,458,074</u>	<u>152,681,613</u>	<u>148,920,668</u>
Weighted average common shares - diluted	<u>159,704,773</u>	<u>154,885,692</u>	<u>160,342,416</u>	<u>158,081,582</u>	<u>152,960,047</u>
Operating earnings from continuing operations per common share					
Excluding other items	<u>\$ 1.50</u>	<u>\$.92</u>	<u>\$ 1.29</u>	<u>\$ 6.12</u>	<u>\$ 2.94</u>
Including other items	<u>\$ 1.50</u>	<u>\$.73</u>	<u>\$ 1.29</u>	<u>\$ 5.64</u>	<u>\$ 2.42</u>
Net Income (Loss)					
Operating earnings from continuing operations, excluding other items	\$ 239.9	\$ 142.6	\$ 207.1	\$ 966.8	\$ 450.3
Other items:					
Health Care Segment:					
Physician class action settlement	-	-	-	(75.0)	-
Income tax reserve release (prior period related)	-	-	-	-	19.8
Severance and facilities charge	-	(28.3)	-	-	(101.4)
Group Insurance Segment:					
Severance and facilities charge	-	(.9)	-	-	(3.2)
Large Case Pensions Segment:					
Reduction of reserve for anticipated future losses on discontinued products	-	-	-	-	5.4
Operating earnings from continuing operations, including other items	<u>239.9</u>	<u>113.4</u>	<u>207.1</u>	<u>891.8</u>	<u>370.9</u>
Net realized capital gains (losses)	9.6	(15.2)	8.8	42.0	22.3
Income from continuing operations	<u>249.5</u>	<u>98.2</u>	<u>215.9</u>	<u>933.8</u>	<u>393.2</u>
Income from discontinued operations (1)	-	-	-	-	50.0
Income before cumulative effect adjustment	<u>249.5</u>	<u>98.2</u>	<u>215.9</u>	<u>933.8</u>	<u>443.2</u>
Cumulative effect adjustment (2)	-	-	-	-	(2,965.7)
Net income (loss)	<u>\$ 249.5</u>	<u>\$ 98.2</u>	<u>\$ 215.9</u>	<u>\$ 933.8</u>	<u>\$ (2,522.5)</u>
Net income (loss) per common share	<u>\$ 1.56</u>	<u>\$.63</u>	<u>\$ 1.35</u>	<u>\$ 5.91</u>	<u>\$ (16.49)</u>

(1) During the twelve months ended December 31, 2002, the Company released \$50.0 million of federal tax reserves resulting from the resolution of several Internal Revenue Service audit issues related to former Aetna's property and casualty business.

(2) Relates to the adoption of a new accounting standard, FAS 142, *Goodwill and Other Intangible Assets*.

Consolidating Statements of Income (Loss) from Continuing Operations by Segment
(\$ in Millions)

Three Months Ended December 31, 2003	Health Care	Group Insurance	Large Case Pensions	Corporate Interest	Consolidated
Revenue:					
Premiums	\$ 3,388.7	\$ 380.8	\$ 34.3	\$ -	\$ 3,803.8
Administrative services contract fees	465.2	6.5	-	-	471.7
Net investment income	62.6	71.1	143.9	-	277.6
Other income	1.3	.9	4.1	-	6.3
Total revenue, excluding net realized capital gains (losses) *	<u>3,917.8</u>	<u>459.3</u>	<u>182.3</u>	<u>-</u>	<u>4,559.4</u>
Benefits and expenses:					
Health care costs (1)	2,616.5	-	-	-	2,616.5
Current and future benefits	-	360.4	164.6	-	525.0
Operating expenses	962.5	55.9	4.9	-	1,023.3
Interest expense	-	-	-	25.9	25.9
Amortization of other acquired intangible assets	12.7	-	-	-	12.7
Total benefits and expenses	<u>3,591.7</u>	<u>416.3</u>	<u>169.5</u>	<u>25.9</u>	<u>4,203.4</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits)	326.1	43.0	12.8	(25.9)	356.0
Income taxes (benefits)	112.0	9.6	3.5	(9.0)	116.1
Operating earnings (loss) from continuing operations	<u>214.1</u>	<u>33.4</u>	<u>9.3</u>	<u>(16.9)</u>	<u>239.9</u>
Net realized capital gains (losses), net of tax	5.3	5.5	(1.2)	-	9.6
Income (loss) from continuing operations	<u>\$ 219.4</u>	<u>\$ 38.9</u>	<u>\$ 8.1</u>	<u>\$ (16.9)</u>	<u>\$ 249.5</u>
Three Months Ended December 31, 2002					
Revenue:					
Premiums	\$ 3,538.3	\$ 372.7	\$ 47.7	\$ -	\$ 3,958.7
Administrative services contract fees	445.1	10.9	-	-	456.0
Net investment income	69.5	65.0	183.9	-	318.4
Other income	2.0	1.1	4.8	-	7.9
Total revenue, excluding net realized capital losses *	<u>4,054.9</u>	<u>449.7</u>	<u>236.4</u>	<u>-</u>	<u>4,741.0</u>
Benefits and expenses:					
Health care costs (2)	2,861.7	-	-	-	2,861.7
Current and future benefits	-	358.3	220.4	-	578.7
Operating expenses	999.5	40.3	5.3	-	1,045.1
Interest expense	-	-	-	30.5	30.5
Amortization of other acquired intangible assets	12.7	-	-	-	12.7
Total benefits and expenses	<u>3,873.9</u>	<u>398.6</u>	<u>225.7</u>	<u>30.5</u>	<u>4,528.7</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other item	181.0	51.1	10.7	(30.5)	212.3
Income taxes (benefits)	60.3	16.4	3.6	(10.6)	69.7
Operating earnings (loss) from continuing operations, excluding other item	<u>120.7</u>	<u>34.7</u>	<u>7.1</u>	<u>(19.9)</u>	<u>142.6</u>
Severance and facilities charge, net of tax	(28.3)	(9)	-	-	(29.2)
Operating earnings (loss) from continuing operations, including other item	<u>92.4</u>	<u>33.8</u>	<u>7.1</u>	<u>(19.9)</u>	<u>113.4</u>
Net realized capital losses, net of tax	(3.9)	(8.4)	(2.9)	-	(15.2)
Income (loss) from continuing operations	<u>\$ 88.5</u>	<u>\$ 25.4</u>	<u>\$ 4.2</u>	<u>\$ (19.9)</u>	<u>\$ 98.2</u>

(1) Includes favorable development of prior-period health care cost estimates of approximately \$43 million pretax (approximately \$28 million after tax) in the Health Care Segment.

(2) Includes favorable development of prior-period health care cost estimates of approximately \$35 million pretax (approximately \$23 million after tax) in the Health Care Segment.

* Refer to pages 11-13 for reconciliations of revenue calculated under GAAP for all periods.

Consolidating Statements of Income (Loss) from Continuing Operations by Segment (Continued)
(\$ in Millions)

	Health Care	Group Insurance	Large Case Pensions	Corporate Interest	Consolidated
Twelve Months Ended December 31, 2003					
Revenue:					
Premiums	\$ 13,235.5	\$ 1,507.2	\$ 161.3	\$ -	\$ 14,904.0
Administrative services contract fees	1,853.9	30.8	-	-	1,884.7
Net investment income	244.6	268.7	581.7	-	1,095.0
Other income	8.7	3.6	15.2	-	27.5
Total revenue, excluding net realized capital gains *	<u>15,342.7</u>	<u>1,810.3</u>	<u>758.2</u>	<u>-</u>	<u>17,911.2</u>
Benefits and expenses:					
Health care costs (1)	10,135.8	-	-	-	10,135.8
Current and future benefits	-	1,406.2	684.6	-	2,090.8
Operating expenses	3,804.0	216.2	18.9	-	4,039.1
Interest expense	-	-	-	102.9	102.9
Amortization of other acquired intangible assets	50.8	-	-	-	50.8
Total benefits and expenses	<u>13,990.6</u>	<u>1,622.4</u>	<u>703.5</u>	<u>102.9</u>	<u>16,419.4</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other item	1,352.1	187.9	54.7	(102.9)	1,491.8
Income taxes (benefits)	489.7	53.1	18.2	(36.0)	525.0
Operating earnings (loss) from continuing operations, excluding other item	<u>862.4</u>	<u>134.8</u>	<u>36.5</u>	<u>(66.9)</u>	<u>966.8</u>
Physician class action settlement, net of tax	(75.0)	-	-	-	(75.0)
Operating earnings (loss) from continuing operations, including other item	<u>787.4</u>	<u>134.8</u>	<u>36.5</u>	<u>(66.9)</u>	<u>891.8</u>
Net realized capital gains, net of tax	22.2	14.5	5.3	-	42.0
Income (loss) from continuing operations	<u>\$ 809.6</u>	<u>\$ 149.3</u>	<u>\$ 41.8</u>	<u>\$ (66.9)</u>	<u>\$ 933.8</u>
Twelve Months Ended December 31, 2002					
Revenue:					
Premiums (2)	\$ 15,036.1	\$ 1,457.4	\$ 219.2	\$ -	\$ 16,712.7
Administrative services contract fees	1,806.6	36.0	-	-	1,842.6
Net investment income	295.7	269.5	685.5	-	1,250.7
Other income	15.6	4.0	18.8	-	38.4
Total revenue, excluding net realized capital gains (losses)*	<u>17,154.0</u>	<u>1,766.9</u>	<u>923.5</u>	<u>-</u>	<u>19,844.4</u>
Benefits and expenses:					
Health care costs (3)	12,452.8	-	-	-	12,452.8
Current and future benefits	-	1,380.5	865.0	-	2,245.5
Operating expenses	4,034.5	177.2	20.9	-	4,232.6
Interest expense	-	-	-	119.5	119.5
Amortization of other acquired intangible assets	130.8	-	-	-	130.8
Total benefits and expenses	<u>16,618.1</u>	<u>1,557.7</u>	<u>885.9</u>	<u>119.5</u>	<u>19,181.2</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other items	535.9	209.2	37.6	(119.5)	663.2
Income taxes (benefits)	174.3	67.0	13.4	(41.8)	212.9
Operating earnings (loss) from continuing operations, excluding other items	<u>361.6</u>	<u>142.2</u>	<u>24.2</u>	<u>(77.7)</u>	<u>450.3</u>
Income tax reserve release (prior period related)	19.8	-	-	-	19.8
Severance and facilities charge, net of tax	(101.4)	(3.2)	-	-	(104.6)
Reduction of reserve for anticipated future losses on discontinued products, net of tax	-	-	5.4	-	5.4
Operating earnings (loss) from continuing operations, including other items	<u>280.0</u>	<u>139.0</u>	<u>29.6</u>	<u>(77.7)</u>	<u>370.9</u>
Net realized capital gains (losses), net of tax	36.4	(14.0)	(1.1)	-	22.3
Income (loss) from continuing operations	<u>\$ 316.4</u>	<u>\$ 125.0</u>	<u>\$ 29.5</u>	<u>\$ (77.7)</u>	<u>\$ 393.2</u>

(1) Includes favorable development of prior-period health care cost estimates of approximately \$228 million pretax (approximately \$148 million after tax) in the Health Care Segment.

(2) Includes a benefit of approximately \$32 million pretax (approximately \$21 million after tax) due to favorable resolution of prior-period contract matters for a large customer in the Health Care segment.

(3) Includes favorable development of prior-period health care cost estimates of approximately \$71 million pretax (approximately \$46 million after tax) in the Health Care Segment.

* Refer to pages 11-13 for reconciliations of revenue calculated under GAAP for all periods.

**Health Care and Group Insurance Enrollment
(Members in Thousands)**

	December 31, 2003			September 30, 2003			Risk % Change	Total % Change	December 31, 2002			Risk % Change	Total % Change
	Risk	ASC	Total	Risk	ASC	Total			Risk	ASC	Total		
Medical:													
Commercial													
HMO (1)	3,327	1,385	4,712	3,289	1,392	4,681	1.2	.7	3,948	1,349	5,297	(15.7)	(11.0)
POS	127	2,160	2,287	117	2,169	2,286	8.5	-	101	2,514	2,615	25.7	(12.5)
PPO	824	3,554	4,378	796	3,542	4,338	3.5	.9	753	3,171	3,924	9.4	11.6
Indemnity	75	1,331	1,406	86	1,388	1,474	(12.8)	(4.6)	106	1,517	1,623	(29.2)	(13.4)
Total Commercial	4,353	8,430	12,783	4,288	8,491	12,779	1.5	-	4,908	8,551	13,459	(11.3)	(5.0)
Medicare HMO	105	-	105	107	-	107	(1.9)	(1.9)	117	-	117	(10.3)	(10.3)
Medicaid HMO	-	114	114	-	116	116	-	(1.7)	-	102	102	-	11.8
Total Medical	4,458	8,544	13,002	4,395	8,607	13,002	1.4	-	5,025	8,653	13,678	(11.3)	(4.9)
Total Dental	4,435	6,507	10,942	4,414	6,571	10,985	.5	(.4)	4,740	7,027	11,767	(6.4)	(7.0)
Group Insurance:													
Group Life			10,000			9,784		2.2			9,274		7.8
Disability			2,085			2,068		.8			2,210		(5.7)
Long-Term Care			203			201		1.0			180		12.8
Total Group Insurance			12,288			12,053		1.9			11,664		5.3

	December 31, 2003			September 30, 2003			Risk % Change	Total % Change	December 31, 2002			Risk % Change	Total % Change
	Risk	ASC	Total	Risk	ASC	Total			Risk	ASC	Total		
Regions:													
Northeast	1,054	1,221	2,275	1,045	1,224	2,269	.9	.3	1,126	1,267	2,393	(6.4)	(4.9)
Mid-Atlantic	927	1,457	2,384	884	1,474	2,358	4.9	1.1	942	1,506	2,448	(1.6)	(2.6)
Southeast	779	1,415	2,194	765	1,420	2,185	1.8	.4	847	1,395	2,242	(8.0)	(2.1)
North Central	413	2,009	2,422	411	2,032	2,443	.5	(.9)	487	2,032	2,519	(15.2)	(3.9)
Southwest	529	1,294	1,823	520	1,303	1,823	1.7	-	669	1,247	1,916	(20.9)	(4.9)
West	693	1,144	1,837	697	1,149	1,846	(.6)	(.5)	888	1,201	2,089	(22.0)	(12.1)
Other	63	4	67	73	5	78	(13.7)	(14.1)	66	5	71	(4.5)	(5.6)
Total Medical	4,458	8,544	13,002	4,395	8,607	13,002	1.4	-	5,025	8,653	13,678	(11.3)	(4.9)
Risk/ASC %	34.3%	65.7%	100.0%	33.8%	66.2%	100.0%	.5 pts.		36.7%	63.3%	100.0%	(2.4) pts.	

(1) At December 31, 2003, Commercial HMO includes 1,080 thousand POS members who access primary care physicians and referred care through an HMO network. There were 1,049 thousand such members at September 30, 2003 and 1,067 thousand at December 31, 2002.

Refer to page 14 for definitions of terms used.

Consolidated Balance Sheets
(\$ in Millions)

	Dec. 31, 2003	Dec. 31, 2002 (1)		Dec. 31, 2003	Dec. 31, 2002 (1)
Assets					
Current assets:					
Cash and cash equivalents	\$ 1,433.4	\$ 1,802.9		\$ 1,888.7	\$ 2,194.1
Investment securities	14,990.5	14,013.5		811.1	778.1
Other investments	103.1	358.0		624.3	590.0
Premiums receivable, net	318.4	392.0		203.7	184.1
Other receivables, net	396.0	286.2		1,044.5	1,072.2
Accrued investment income	221.5	214.3		827.4	969.0
Collateral received under securities loan agreements	827.4	969.0		154.7	322.5
Loaned securities	810.6	948.2		<u>1,813.1</u>	<u>1,608.8</u>
Deferred income taxes	217.6	311.3		<u>7,367.5</u>	<u>7,718.8</u>
Other current assets	<u>238.3</u>	<u>163.9</u>			
Total current assets	<u>19,556.8</u>	<u>19,459.3</u>			
Long-term investments	1,521.5	1,754.9		8,085.7	8,333.3
Mortgage loans	1,353.1	1,514.9		1,159.4	1,177.8
Investment real estate	270.4	308.8		1,529.7	1,867.3
Reinsurance recoverables	1,196.3	1,251.8		1,613.7	1,633.2
Goodwill, net	3,679.5	3,618.4		1,413.4	1,672.9
Other acquired intangible assets, net	496.1	546.9		<u>11,856.8</u>	<u>10,664.2</u>
Property and equipment, net	267.5	244.8		<u>33,026.2</u>	<u>33,067.5</u>
Deferred income taxes	396.0	472.5			
Other long-term assets	356.2	211.0			
Separate Accounts assets	<u>11,856.8</u>	<u>10,664.2</u>			
Total assets	<u>\$ 40,950.2</u>	<u>\$ 40,047.5</u>			
			Liabilities and shareholders' equity		
			Current liabilities:		
			Health care costs payable	\$ 1,888.7	\$ 2,194.1
			Future policy benefits	811.1	778.1
			Unpaid claims	624.3	590.0
			Unearned premiums	203.7	184.1
			Policyholders' funds	1,044.5	1,072.2
			Collateral payable under securities loan agreements	827.4	969.0
			Income taxes payable	154.7	322.5
			Accrued expenses and other current liabilities	<u>1,813.1</u>	<u>1,608.8</u>
			Total current liabilities	<u>7,367.5</u>	<u>7,718.8</u>
			Future policy benefits	8,085.7	8,333.3
			Unpaid claims	1,159.4	1,177.8
			Policyholders' funds	1,529.7	1,867.3
			Long-term debt	1,613.7	1,633.2
			Other long-term liabilities	1,413.4	1,672.9
			Separate Accounts liabilities	<u>11,856.8</u>	<u>10,664.2</u>
			Total liabilities	<u>33,026.2</u>	<u>33,067.5</u>
			Shareholders' equity		
			Common stock and additional paid-in capital	4,024.8	4,070.9
			Accumulated other comprehensive loss (2)	(408.0)	(470.4)
			Retained earnings	<u>4,307.2</u>	<u>3,379.5</u>
			Total shareholders' equity	<u>7,924.0</u>	<u>6,980.0</u>
			Total liabilities and shareholders' equity	<u>\$ 40,950.2</u>	<u>\$ 40,047.5</u>

(1) Certain reclassifications have been made to the 2002 financial information to conform to the 2003 presentation.

(2) Includes a minimum pension liability adjustment of (\$703.4) million and (\$755.2) million at December 31, 2003 and December 31, 2002, respectively, and net unrealized capital gains related to FAS No. 115 of \$287.6 million and \$282.0 million at December 31, 2003 and December 31, 2002, respectively.

Combining Balance Sheet
December 31, 2003
(\$ in Millions)

	Health Care and Group Insurance	Large Case Pensions	Total		Health Care and Group Insurance	Large Case Pensions	Total
Assets				Liabilities and equity			
Current assets:				Current liabilities:			
Cash and cash equivalents	\$ 1,328.3	\$ 105.1	\$ 1,433.4	Health care costs payable	\$ 1,888.7	\$ -	\$ 1,888.7
Investment securities	8,469.1	6,521.4	14,990.5	Future policy benefits	86.3	724.8	811.1
Other investments	21.6	81.5	103.1	Unpaid claims	623.9	.4	624.3
Premiums receivable, net	318.4	-	318.4	Unearned premiums	197.8	5.9	203.7
Other receivables, net	311.8	84.2	396.0	Policyholders' funds	426.5	618.0	1,044.5
Accrued investment income	103.6	117.9	221.5	Collateral payable under securities loan agreements	428.6	398.8	827.4
Collateral received under securities loan agreements	428.6	398.8	827.4	Income taxes payable	171.9	(17.2)	154.7
Loaned securities	419.9	390.7	810.6	Accrued expenses and other current liabilities	<u>1,458.0</u>	<u>355.1</u>	<u>1,813.1</u>
Deferred income taxes	193.1	24.5	217.6	Total current liabilities	5,281.7	2,085.8	7,367.5
Other current assets	<u>227.7</u>	<u>10.6</u>	<u>238.3</u>				
Total current assets	<u>11,822.1</u>	<u>7,734.7</u>	<u>19,556.8</u>	Future policy benefits	1,864.9	6,220.8	8,085.7
Long-term investments	993.1	528.4	1,521.5	Unpaid claims	1,159.4	-	1,159.4
Mortgage loans	446.4	906.7	1,353.1	Policyholders' funds	612.1	917.6	1,529.7
Investment real estate	165.3	105.1	270.4	Long-term debt	1,613.7	-	1,613.7
Reinsurance recoverables	1,178.3	18.0	1,196.3	Other long-term liabilities	1,344.2	69.2	1,413.4
Goodwill, net	3,679.5	-	3,679.5	Separate Accounts liabilities	<u>9.1</u>	<u>11,847.7</u>	<u>11,856.8</u>
Other acquired intangible assets, net	496.1	-	496.1	Total liabilities	<u>11,885.1</u>	<u>21,141.1</u>	<u>33,026.2</u>
Property and equipment, net	150.8	116.7	267.5				
Deferred income taxes	257.5	138.5	396.0	Equity			
Other long-term assets	356.2	-	356.2	Total equity	<u>7,669.3</u>	<u>254.7</u>	<u>7,924.0</u>
Separate Accounts assets	<u>9.1</u>	<u>11,847.7</u>	<u>11,856.8</u>				
Total assets	<u>\$ 19,554.4</u>	<u>\$ 21,395.8</u>	<u>\$ 40,950.2</u>	Total liabilities and equity	<u>\$ 19,554.4</u>	<u>\$ 21,395.8</u>	<u>\$ 40,950.2</u>

Combining Balance Sheet (Continued)
December 31, 2002
(\$ in Millions)

	Health Care and Group Insurance (1)	Large Case Pensions	Total		Health Care and Group Insurance (1)	Large Case Pensions	Total
Assets							
Current assets:							
Cash and cash equivalents	\$ 1,668.1	\$ 134.8	\$ 1,802.9		\$ 2,194.1	\$ -	\$ 2,194.1
Investment securities	7,309.4	6,704.1	14,013.5		68.1	710.0	778.1
Other investments	156.4	201.6	358.0		589.5	.5	590.0
Premiums receivable, net	392.0	-	392.0		178.5	5.6	184.1
Other receivables, net	247.1	39.1	286.2		350.5	721.7	1,072.2
Accrued investment income	93.3	121.0	214.3		481.5	487.5	969.0
Collateral received under securities loan agreements	481.5	487.5	969.0		307.8	14.7	322.5
Loaned securities	471.3	476.9	948.2		1,263.6	345.2	1,608.8
Deferred income taxes	294.8	16.5	311.3		5,433.6	2,285.2	7,718.8
Other current assets	148.2	15.7	163.9				
Total current assets	11,262.1	8,197.2	19,459.3				
Long-term investments	1,190.5	564.4	1,754.9		1,936.2	6,397.1	8,333.3
Mortgage loans	513.7	1,001.2	1,514.9		1,177.8	-	1,177.8
Investment real estate	169.8	139.0	308.8		674.5	1,192.8	1,867.3
Reinsurance recoverables	1,234.5	17.3	1,251.8		1,633.2	-	1,633.2
Goodwill, net	3,618.4	-	3,618.4		1,654.4	18.5	1,672.9
Other acquired intangible assets, net	546.9	-	546.9		7.4	10,656.8	10,664.2
Property and equipment, net	108.6	136.2	244.8		12,517.1	20,550.4	33,067.5
Deferred income taxes	351.7	120.8	472.5				
Other long-term assets	211.0	-	211.0				
Separate Accounts assets	7.4	10,656.8	10,664.2				
Total assets	\$ 19,214.6	\$ 20,832.9	\$ 40,047.5				
Liabilities and equity							
Current liabilities:							
Health care costs payable							
Future policy benefits							
Unpaid claims							
Unearned premiums							
Policyholders' funds							
Collateral payable under securities loan agreements							
Income taxes payable							
Accrued expenses and other current liabilities							
Total current liabilities							
Future policy benefits							
Unpaid claims							
Policyholders' funds							
Long-term debt							
Other long-term liabilities							
Separate Accounts liabilities							
Total liabilities							
Equity							
Total equity	6,697.5	282.5	6,980.0				
Total liabilities and equity	\$ 19,214.6	\$ 20,832.9	\$ 40,047.5				

(1) Certain reclassifications have been made to the 2002 financial information to conform to the 2003 presentation.

Condensed Consolidated Statements of Cash Flows
(\$ in Millions)

	Three Months Ended			Twelve Months Ended	
	Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002
Cash flows from operating activities:					
Net income (loss)	\$ 249.5	\$ 98.2	\$ 215.9	\$ 933.8	\$ (2,522.5)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Cumulative effect adjustment	-	-	-	-	2,965.7
Income from discontinued operations	-	-	-	-	(50.0)
Severance and facilities charge	-	45.0	-	-	161.0
Physician class action settlement charge	-	-	-	115.4	-
Amortization of other acquired intangible assets	12.7	12.7	12.7	50.8	130.8
Depreciation and other amortization	38.7	44.7	35.3	148.8	170.7
Amortization of net investment premium (discount)	15.2	(1.5)	14.3	54.2	11.3
Net realized capital (gains) losses	(15.4)	23.3	(13.5)	(65.2)	(34.3)
Cash flow from operating activities before balance sheet changes	300.7	222.4	264.7	1,237.8	832.7
Changes in assets and liabilities:					
(Increase) decrease in accrued investment income	(3.9)	2.6	2.6	(7.2)	18.0
Decrease in premiums due and other receivables	92.6	162.5	4.4	150.1	352.9
Net change in income taxes	60.7	191.3	(3.3)	16.3	218.4
Net change in other assets and other liabilities	3.3 (1)	70.6	(118.7)	(369.4) (1) (2)	(64.8)
Net decrease in health care and insurance liabilities	(59.2) (3)	(72.0)	(63.3)	(597.2) (3)	(1,046.7)
Other, net	(13.9)	(12.6)	(11.6)	(59.8)	(4.1)
Net cash provided by operating activities	<u>380.3</u>	<u>564.8</u>	<u>74.8</u>	<u>370.6</u>	<u>306.4</u>
Cash flows from investing activities:					
Proceeds from sales and investment maturities	3,841.1	5,023.4	2,695.7	15,736.8	19,928.7
Cost of investments	(4,304.1)	(5,454.3)	(2,542.8)	(15,636.9)	(19,162.5)
Increase in property and equipment	(42.7)	(41.1)	(101.0)	(210.8)	(155.5)
Cash used for acquisition, net of cash acquired	(53.5)	-	-	(53.5)	-
Net cash (used for) provided by investing activities	<u>(559.2)</u>	<u>(472.0)</u>	<u>51.9</u>	<u>(164.4)</u>	<u>610.7</u>
Cash flows from financing activities:					
Withdrawals of investment contracts, net	(98.0)	(77.4)	(95.6)	(408.0)	(465.0)
Repayment of short-term debt	-	-	-	-	(109.7)
Common shares issued under benefit plans	45.4	8.1	39.4	293.6	233.5
Common shares repurchased	(109.3)	(48.8)	(146.7)	(445.2)	(165.2)
Dividends paid to shareholders	(6.1)	(6.0)	-	(6.1)	(6.0)
Other, net	-	-	(10.0)	(10.0)	-
Net cash used for financing activities	<u>(168.0)</u>	<u>(124.1)</u>	<u>(212.9)</u>	<u>(575.7)</u>	<u>(512.4)</u>
Net (decrease) increase in cash and cash equivalents	(346.9)	(31.3)	(86.2)	(369.5)	404.7
Cash and cash equivalents, beginning of period	1,780.3	1,834.2	1,866.5	1,802.9	1,398.2
Cash and cash equivalents, end of period	<u>\$ 1,433.4</u>	<u>\$ 1,802.9</u>	<u>\$ 1,780.3</u>	<u>\$ 1,433.4</u>	<u>\$ 1,802.9</u>
Net cash provided by operating activities (above)	\$ 380.3	\$ 564.8	\$ 74.8	\$ 370.6	\$ 306.4
Change in reserves for Large Case Pensions	(77.8)	(43.4)	(71.4)	(289.4)	(272.2)
Adjusted cash flow from operating activities	<u>\$ 458.1</u>	<u>\$ 608.2</u>	<u>\$ 146.2</u>	<u>\$ 660.0</u>	<u>\$ 578.6</u>

(1) Includes severance and facilities reserve payments of approximately \$24 million and approximately \$174 million for the three months and twelve months ended December 31, 2003, respectively.

(2) Includes voluntary pension plan contributions of approximately \$245 million for the twelve months ended December 31, 2003.

(3) Includes medical claim payments for reserves on lapsed members of approximately \$12 million and approximately \$232 million for the three months and twelve months ended December 31, 2003, respectively.

Reconciliations of Certain Reported Amounts to the Most Directly Comparable GAAP Measure

(\$ in Millions, except per common share data)

		Three Months Ended			Twelve Months Ended	
		Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002
Reconciliation to Income from continuing operations before income taxes						
Cash operating earnings, excluding interest expense, other items and favorable items	(A)	\$ 351.6	\$ 220.5	\$ 354.6	\$ 1,417.5	\$ 810.5
Favorable development of prior-period health care cost estimates		43.0	35.0	5.0	228.0	71.0
Favorable resolution of prior-period contract matters for a large customer		-	-	-	-	32.0
Cash operating earnings, excluding interest expense and other items	(B)	394.6	255.5	359.6	1,645.5	913.5
Interest expense		(25.9)	(30.5)	(25.6)	(102.9)	(119.5)
Amortization of other acquired intangible assets		(12.7)	(12.7)	(12.7)	(50.8)	(130.8)
Physician class action settlement		-	-	-	(115.4)	-
Severance and facilities charge		-	(45.0)	-	-	(161.0)
Reduction of reserve for anticipated future losses on discontinued products		-	-	-	-	8.3
Net realized capital gains (losses)		15.4	(23.3)	13.5	65.2	34.3
Income from continuing operations before income taxes (GAAP measure)	(C)	\$ 371.4	\$ 144.0	\$ 334.8	\$ 1,441.6	\$ 544.8
Reconciliation to Income from continuing operations						
Cash operating earnings, excluding interest expense, other items and favorable items	(D)	\$ 237.1	\$ 147.7	\$ 228.9	\$ 918.7	\$ 546.0
Favorable development of prior-period health care cost estimates, net of tax		28.0	23.0	3.0	148.0	46.0
Favorable resolution of prior-period contract matters for a large customer, net of tax		-	-	-	-	21.0
Cash operating earnings, excluding interest expense and other items	(E)	265.1	170.7	231.9	1,066.7	613.0
Interest expense, net of tax		(16.9)	(19.9)	(16.6)	(66.9)	(77.7)
Cash operating earnings, excluding other items	(F)	248.2	150.8	215.3	999.8	535.3
Amortization of other acquired intangible assets, net of tax		(8.3)	(8.2)	(8.2)	(33.0)	(85.0)
Operating earnings, excluding other items	(G)	239.9	142.6	207.1	966.8	450.3
Physician class action settlement, net of tax		-	-	-	(75.0)	-
Income tax reserve release (prior period related)		-	-	-	-	19.8
Severance and facilities charge, net of tax		-	(29.2)	-	-	(104.6)
Reduction of reserve for anticipated future losses on discontinued products, net of tax		-	-	-	-	5.4
Operating earnings, including other items	(H)	239.9	113.4	207.1	891.8	370.9
Net realized capital gains (losses), net of tax		9.6	(15.2)	8.8	42.0	22.3
Income from continuing operations (GAAP measure)	(I)	\$ 249.5	\$ 98.2	\$ 215.9	\$ 933.8	\$ 393.2
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses) and favorable item	(J)	\$ 4,559.4	\$ 4,741.0	\$ 4,455.6	\$ 17,911.2	\$ 19,812.4
Favorable resolution of prior-period contract matters for a large customer		-	-	-	-	32.0
Revenue, excluding net realized capital gains (losses)	(K)	4,559.4	4,741.0	4,455.6	17,911.2	19,844.4
Net realized capital gains (losses)		15.4	(23.3)	13.5	65.2	34.3
Total revenue (GAAP measure)	(L)	\$ 4,574.8	\$ 4,717.7	\$ 4,469.1	\$ 17,976.4	\$ 19,878.7
Weighted average common shares - diluted	(M)	159,704,773	154,885,692	160,342,416	158,081,582	152,960,047
Operating earnings per common share:						
Cash operating earnings	(F)/(M)	\$ 1.55	\$.97	\$ 1.34	\$ 6.32	\$ 3.50
Operating earnings, excluding other items	(G)/(M)	\$ 1.50	\$.92	\$ 1.29	\$ 6.12	\$ 2.94
Operating earnings, including other items	(H)/(M)	\$ 1.50	\$.73	\$ 1.29	\$ 5.64	\$ 2.42
Income from continuing operations (GAAP measure)	(I)/(M)	\$ 1.56	\$.63	\$ 1.35	\$ 5.91	\$ 2.57
Operating margin						
Pretax operating margin	(B)/(K)	8.7 %	5.4 %	8.1 %	9.2 %	4.6 %
Pretax operating margin - Adjusted	(A)/(J)	7.7 %	4.7 %	8.0 %	7.9 %	4.1 %
Pretax operating margin (GAAP measure)	(C)/(L)	8.1 %	3.1 %	7.5 %	8.0 %	2.7 %
After-tax operating margin	(E)/(K)	5.8 %	3.6 %	5.2 %	6.0 %	3.1 %
After-tax operating margin - Adjusted	(D)/(J)	5.2 %	3.1 %	5.1 %	5.1 %	2.8 %
After-tax operating margin (GAAP measure)	(I)/(L)	5.5 %	2.1 %	4.8 %	5.2 %	2.0 %

Refer to page 14 for definitions of terms used.

Reconciliations of Certain Reported Amounts to the Most Directly Comparable GAAP Measure (Continued)
(\$ in Millions)

		Three Months Ended			Twelve Months Ended	
		Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002
Actna Inc.						
Reconciliation of Operating Expenses						
Operating expenses, excluding physician class action settlement	(A)	\$ 1,023.3	\$ 1,045.1	\$ 985.7	\$ 4,039.1	\$ 4,232.6
Physician class action settlement		-	-	-	115.4	-
Total operating expenses (GAAP measure)	(B)	<u>\$ 1,023.3</u>	<u>\$ 1,045.1</u>	<u>\$ 985.7</u>	<u>\$ 4,154.5</u>	<u>\$ 4,232.6</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses)	(C)	\$ 4,559.4	\$ 4,741.0	\$ 4,455.6	\$ 17,911.2	\$ 19,844.4
Net realized capital gains (losses)		15.4	(23.3)	13.5	65.2	34.3
Total revenue (GAAP measure)	(D)	<u>\$ 4,574.8</u>	<u>\$ 4,717.7</u>	<u>\$ 4,469.1</u>	<u>\$ 17,976.4</u>	<u>\$ 19,878.7</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(A)/(C)	22.4 %	22.0 %	22.1 %	22.6 %	21.3 %
Total operating expenses as a % of total revenue (GAAP measure)	(B)/(D)	22.4 %	22.2 %	22.1 %	23.1 %	21.3 %
Health Care						
Reconciliation of Operating Expenses						
Operating expenses, excluding physician class action settlement	(E)	\$ 962.5	\$ 999.5	\$ 928.8	\$ 3,804.0	\$ 4,034.5
Physician class action settlement		-	-	-	115.4	-
Total operating expenses (GAAP measure)	(F)	<u>\$ 962.5</u>	<u>\$ 999.5</u>	<u>\$ 928.8</u>	<u>\$ 3,919.4</u>	<u>\$ 4,034.5</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses)	(G)	\$ 3,917.8	\$ 4,054.9	\$ 3,823.4	\$ 15,342.7	\$ 17,154.0
Net realized capital gains (losses)		8.4	(6.0)	4.7	34.4	56.0
Total revenue (GAAP measure)	(H)	<u>\$ 3,926.2</u>	<u>\$ 4,048.9</u>	<u>\$ 3,828.1</u>	<u>\$ 15,377.1</u>	<u>\$ 17,210.0</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(E)/(G)	24.6 %	24.6 %	24.3 %	24.8 %	23.5 %
Total operating expenses as a % of total revenue (GAAP measure)	(F)/(H)	24.5 %	24.7 %	24.3 %	25.5 %	23.4 %

Reconciliations of Certain Reported Amounts to the Most Directly Comparable GAAP Measure (Continued)
(\$ in Millions)

		Three Months Ended			Twelve Months Ended	
		Dec. 31, 2003	Dec. 31, 2002	Sep. 30, 2003	Dec. 31, 2003	Dec. 31, 2002
Group Insurance						
Reconciliation of Operating Expenses						
Total operating expenses (GAAP measure)	(A)	<u>\$ 55.9</u>	<u>\$ 40.3</u>	<u>\$ 52.6</u>	<u>\$ 216.2</u>	<u>\$ 177.2</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses)	(B)	\$ 459.3	\$ 449.7	\$ 439.7	\$ 1,810.3	\$ 1,766.9
Net realized capital gains (losses)		<u>8.7</u>	<u>(12.9)</u>	<u>8.3</u>	<u>22.6</u>	<u>(21.6)</u>
Total revenue (GAAP measure)	(C)	<u>\$ 468.0</u>	<u>\$ 436.8</u>	<u>\$ 448.0</u>	<u>\$ 1,832.9</u>	<u>\$ 1,745.3</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(A)/(B)	12.2 %	9.0 %	12.0 %	11.9 %	10.0 %
Total operating expenses as a % of total revenue (GAAP measure)	(A)/(C)	11.9 %	9.2 %	11.7 %	11.8 %	10.2 %
 Large Case Pensions						
Reconciliation of Operating Expenses						
Total operating expenses (GAAP measure)	(D)	<u>\$ 4.9</u>	<u>\$ 5.3</u>	<u>\$ 4.3</u>	<u>\$ 18.9</u>	<u>\$ 20.9</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses)	(E)	\$ 182.3	\$ 236.4	\$ 192.5	\$ 758.2	\$ 923.5
Net realized capital gains (losses)		<u>(1.7)</u>	<u>(4.4)</u>	<u>.5</u>	<u>8.2</u>	<u>(.1)</u>
Total revenue (GAAP measure)	(F)	<u>\$ 180.6</u>	<u>\$ 232.0</u>	<u>\$ 193.0</u>	<u>\$ 766.4</u>	<u>\$ 923.4</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(D)/(E)	2.7 %	2.2 %	2.2 %	2.5 %	2.3 %
Total operating expenses as a % of total revenue (GAAP measure)	(D)/(F)	2.7 %	2.3 %	2.2 %	2.5 %	2.3 %

Definitions

Cash Operating Earnings are derived by adding back the amortization of other acquired intangible assets to operating earnings.

Adjusted noted on a financial statistic indicates that the statistic excludes favorable development of prior-period health care cost estimates and favorable resolution of prior-period contract matters for a large customer.

Health Care Risk includes all medical and dental risk products.

Commercial Risk includes all medical and dental risk products except Medicare and Medicaid.

Days Claims Payable reflects the number of days of medical cost expense contained in Health Care Costs Payable, associated with risk plans and is calculated based on actual number of days in each respective period.

Risk includes all medical and dental products for which the Company assumes all or a majority of health care cost, utilization or other risk.

Administrative Services Contracts ("ASC") include all medical and dental products offered on an employer-funded basis. Under employer-funded plans, the plan sponsor, not the Company, assumes all or a majority of health care cost, utilization, or other risk.