

Financial Supplement

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This document is supplemental to the Company's third quarter 2003 earnings press release and should be read in conjunction therewith and in conjunction with the Company's September 30, 2003 Quarterly Report on Form 10-Q to be filed with the Securities and Exchange Commission. Please direct questions with respect to this material to David Entrekin, Vice President - Investor Relations, Aetna Inc., 151 Farmington Avenue, RW3H, Hartford, Connecticut 06156. Telephone: 860-273-7830. Email: entrekind@aetna.com.

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

	Three Months Ended					Nine Months Ended		
	Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Change Sep. 30, 2003 - Sep. 30, 2002	Change Sep. 30, 2003 - Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002	Change Sep. 30, 2003 - Sep. 30, 2002
<u>Operating Earnings from Continuing Operations *</u>								
Operating Earnings	\$ 207.1	\$ 151.5	\$ 203.9	36.7 %	1.6 %	\$ 726.9	\$ 307.7	136.2 %
Operating Earnings per Common Share	\$ 1.29	\$.98	\$ 1.28	31.6 %	.8 %	\$ 4.60	\$ 2.02	127.7 %
Cash Operating Earnings	\$ 215.3	\$ 164.4	\$ 212.2	31.0 %	1.5 %	\$ 751.6	\$ 384.5	95.5 %
Cash Operating Earnings per Common Share	\$ 1.34	\$ 1.06	\$ 1.33	26.4 %	.8 %	\$ 4.76	\$ 2.52	88.9 %
<u>Pretax Operating Margin *</u>								
Aetna Inc., including favorable items	8.1 %	5.7 %	8.1 %	2.4 pts.	- pts.	9.4 %	4.4 %	5.0 pts.
Aetna Inc. - Adjusted	8.0 %	4.5 %	8.1 %	3.5 pts.	(.1) pts.			
<u>After-tax Operating Margin *</u>								
Aetna Inc., including favorable items	5.2 %	3.8 %	5.1 %	1.4 pts.	.1 pts.	6.0 %	2.9 %	3.1 pts.
Aetna Inc. - Adjusted	5.1 %	3.0 %	5.1 %	2.1 pts.	- pts.			
<u>Operating Expenses as % of Revenue *</u>								
Aetna Inc.	22.1 %	21.8 %	22.7 %	.3 pts.	(.6) pts.	22.6 %	21.1 %	1.5 pts.
Health Care	24.3 %	24.1 %	25.0 %	.2 pts.	(.7) pts.	24.9 %	23.2 %	1.7 pts.
Group Insurance	12.0 %	10.4 %	12.0 %	1.6 pts.	- pts.	11.9 %	10.4 %	1.5 pts.
Large Case Pensions	2.2 %	2.3 %	2.4 %	(.1) pts.	(.2) pts.	2.4 %	2.3 %	.1 pts.
<u>Revenue by Segment *</u>								
Health Care	\$ 3,823.4	\$ 4,167.8	\$ 3,800.0	(8.3) %	.6 %	\$ 11,424.9	\$ 13,099.1	(12.8) %
Group Insurance	439.7	440.3	457.7	(.1) %	(3.9) %	1,351.0	1,317.2	2.6 %
Large Case Pensions	192.5	217.2	193.7	(11.4) %	(.6) %	575.9	687.1	(16.2) %
Total Revenue	<u>\$ 4,455.6</u>	<u>\$ 4,825.3</u>	<u>\$ 4,451.4</u>	(7.7) %	.1 %	<u>\$ 13,351.8</u>	<u>\$ 15,103.4</u>	(11.6) %
<u>Net Investment Income by Segment</u>								
Health Care	\$ 57.6	\$ 76.0	\$ 58.6	(24.2) %	(1.7) %	\$ 182.0	\$ 226.2	(19.5) %
Group Insurance	62.8	69.5	68.8	(9.6) %	(8.7) %	197.6	204.5	(3.4) %
Large Case Pensions	147.7	151.2	145.9	(2.3) %	1.2 %	437.8	501.6	(12.7) %
Total Net Investment Income	<u>\$ 268.1</u>	<u>\$ 296.7</u>	<u>\$ 273.3</u>	(9.6) %	(1.9) %	<u>\$ 817.4</u>	<u>\$ 932.3</u>	(12.3) %

* 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 medical 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					Nine Months Ended		
		Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Change Sep. 30, 2003 - Sep. 30, 2002	Change Sep. 30, 2003 - Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002	Change Sep. 30, 2003 - Sep. 30, 2002
Health Care Premiums									
<u>Health Care Risk</u>									
Premiums (GAAP measure)	(A)	\$ 3,301.7	\$ 3,635.5	\$ 3,276.1	(9.2) %	.8 %	\$ 9,846.8	\$ 11,497.8	(14.4) %
Favorable resolution of prior-period contract matters for a large customer		-	(32.0)	-					
Premiums - Adjusted	(B)	<u>\$ 3,301.7</u>	<u>\$ 3,603.5</u>	<u>\$ 3,276.1</u>	(8.4) %	.8 %			
<u>Commercial Risk</u>									
Premiums (GAAP measure)	(C)	\$ 3,078.5	\$ 3,391.4	\$ 3,044.6	(9.2) %	1.1 %	\$ 9,168.3	\$ 10,715.1	(14.4) %
Favorable resolution of prior-period contract matters for a large customer		-	(32.0)	-					
Premiums - Adjusted	(D)	<u>\$ 3,078.5</u>	<u>\$ 3,359.4</u>	<u>\$ 3,044.6</u>	(8.4) %	1.1 %			
<u>Medicare HMO</u>									
Premiums (GAAP measure)	(E)	<u>\$ 223.2</u>	<u>\$ 245.1</u>	<u>\$ 231.5</u>	(8.9) %	(3.6) %	\$ 678.5	\$ 774.4	(12.4) %
Health Care Costs									
<u>Health Care Risk</u>									
Health care costs (GAAP measure)	(F)	\$ 2,598.0	\$ 2,953.2	\$ 2,553.4	(12.0) %	1.7 %	\$ 7,519.3	\$ 9,591.1	(21.6) %
Favorable development of prior-period medical cost estimates		5.0	27.0	3.0					
Health care costs - Adjusted	(G)	<u>\$ 2,603.0</u>	<u>\$ 2,980.2</u>	<u>\$ 2,556.4</u>	(12.7) %	1.8 %			
<u>Commercial Risk</u>									
Health care costs (GAAP measure)	(H)	\$ 2,406.7	\$ 2,757.7	\$ 2,345.5	(12.7) %	2.6 %	\$ 6,943.5	\$ 8,958.2	(22.5) %
Favorable development of prior-period medical cost estimates		-	15.0	9.0					
Health care costs - Adjusted	(I)	<u>\$ 2,406.7</u>	<u>\$ 2,772.7</u>	<u>\$ 2,354.5</u>	(13.2) %	2.2 %			
<u>Medicare HMO</u>									
Health care costs (GAAP measure)	(J)	\$ 191.4	\$ 194.4	\$ 207.9	(1.5) %	(7.9) %	\$ 576.2	\$ 626.4	(8.0) %
Favorable (unfavorable) development of prior-period medical cost estimates		5.0	12.0	(6.0)					
Health care costs - Adjusted	(K)	<u>\$ 196.4</u>	<u>\$ 206.4</u>	<u>\$ 201.9</u>	(4.8) %	(2.7) %			
Health Care Medical Cost Ratios *									
Health Care Risk (GAAP measure)	(F)/(A)	78.7 %	81.2 %	77.9 %	(2.5) pts.	.8 pts.	76.4 %	83.4 %	(7.0) pts.
Health Care Risk - Adjusted	(G)/(B)	78.8 %	82.7 %	78.0 %	(3.9) pts.	.8 pts.			
Commercial Risk (GAAP measure)	(H)/(C)	78.2 %	81.3 %	77.0 %	(3.1) pts.	1.2 pts.	75.7 %	83.6 %	(7.9) pts.
Commercial Risk - Adjusted	(I)/(D)		82.5 %	77.3 %	(4.3) pts.	.9 pts.			
Medicare HMO (GAAP measure)	(J)/(E)	85.8 %	79.3 %	89.8 %	6.5 pts.	(4.0) pts.	84.9 %	80.9 %	4.0 pts.
Medicare HMO - Adjusted	(K)/(E)	88.0 %	84.2 %	87.2 %	3.8 pts.	.8 pts.			
Health Care Costs Payable									
		\$ 1,899.0	\$ 2,265.3	\$ 1,904.4					
Days Claims Payable									
		67.2	70.6	67.9					

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

Operating Earnings

	Three Months Ended			Nine Months Ended	
	Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002
Operating earnings from continuing operations					
Health Care before amortization of other acquired intangible assets	\$ 187.5	\$ 140.8	\$ 184.0	\$ 673.0	\$ 317.7
Amortization of other acquired intangible assets	(8.2)	(12.9)	(8.3)	(24.7)	(76.8)
Health Care	179.3	127.9	175.7	648.3	240.9
Group Insurance	33.4	38.2	35.4	101.4	107.5
Large Case Pensions	11.0	3.9	9.4	27.2	17.1
Corporate Interest Expense	(16.6)	(18.5)	(16.6)	(50.0)	(57.8)
Operating earnings from continuing operations	<u>\$ 207.1</u>	<u>\$ 151.5</u>	<u>\$ 203.9</u>	<u>\$ 726.9</u>	<u>\$ 307.7</u>
Weighted average common shares - basic	153,458,074	150,530,207	153,180,761	152,544,189	148,160,025
Weighted average common shares - diluted	<u>160,342,416</u>	<u>155,075,987</u>	<u>159,626,738</u>	<u>158,033,631</u>	<u>152,471,590</u>
Operating earnings from continuing operations per common share					
Excluding other items	<u>\$ 1.29</u>	<u>\$.98</u>	<u>\$ 1.28</u>	<u>\$ 4.60</u>	<u>\$ 2.02</u>
Including other items	<u>\$ 1.29</u>	<u>\$.60</u>	<u>\$.81</u>	<u>\$ 4.13</u>	<u>\$ 1.69</u>

Net Income (Loss)

Operating earnings from continuing operations, excluding other items	\$ 207.1	\$ 151.5	\$ 203.9	\$ 726.9	\$ 307.7
Other items:					
Health Care Segment:					
Physician class action settlement	-	-	(75.0)	(75.0)	-
Income tax reserve release (prior period related)	-	-	-	-	19.8
Severance and facilities charge	-	(55.6)	-	-	(73.1)
Group Insurance Segment:					
Severance and facilities charge	-	(2.3)	-	-	(2.3)
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>207.1</u>	<u>93.6</u>	<u>128.9</u>	<u>651.9</u>	<u>257.5</u>
Net realized capital gains	8.8	5.2	9.5	32.4	37.5
Income from continuing operations	<u>215.9</u>	<u>98.8</u>	<u>138.4</u>	<u>684.3</u>	<u>295.0</u>
Income from discontinued operations (1)	-	-	-	-	50.0
Income before cumulative effect adjustment	<u>215.9</u>	<u>98.8</u>	<u>138.4</u>	<u>684.3</u>	<u>345.0</u>
Cumulative effect adjustment (2)	-	-	-	-	(2,965.7)
Net income (loss)	<u>\$ 215.9</u>	<u>\$ 98.8</u>	<u>\$ 138.4</u>	<u>\$ 684.3</u>	<u>\$ (2,620.7)</u>
Net income (loss) per common share	<u>\$ 1.35</u>	<u>\$.64</u>	<u>\$.87</u>	<u>\$ 4.33</u>	<u>\$ (17.19)</u>

(1) During the nine months ended September 30, 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 September 30, 2003	Health Care	Group Insurance	Large Case Pensions	Corporate Interest	Consolidated
Revenue:					
Premiums	\$ 3,301.7	\$ 370.3	\$ 41.1	\$ -	\$ 3,713.1
Administrative services contract fees	460.6	5.7	-	-	466.3
Net investment income	57.6	62.8	147.7	-	268.1
Other income	3.5	.9	3.7	-	8.1
Total revenue, excluding net realized capital gains *	<u>3,823.4</u>	<u>439.7</u>	<u>192.5</u>	<u>-</u>	<u>4,455.6</u>
Benefits and expenses:					
Health care costs (1)	2,598.0	-	-	-	2,598.0
Current and future benefits	-	340.7	171.6	-	512.3
Operating expenses	928.8	52.6	4.3	-	985.7
Interest expense	-	-	-	25.6	25.6
Amortization of other acquired intangible assets	12.7	-	-	-	12.7
Total benefits and expenses	<u>3,539.5</u>	<u>393.3</u>	<u>175.9</u>	<u>25.6</u>	<u>4,134.3</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits)	283.9	46.4	16.6	(25.6)	321.3
Income taxes (benefits)	104.6	13.0	5.6	(9.0)	114.2
Operating earnings (loss) from continuing operations	<u>179.3</u>	<u>33.4</u>	<u>11.0</u>	<u>(16.6)</u>	<u>207.1</u>
Net realized capital gains, net of tax	3.0	5.4	.4	-	8.8
Income (loss) from continuing operations	<u>\$ 182.3</u>	<u>\$ 38.8</u>	<u>\$ 11.4</u>	<u>\$ (16.6)</u>	<u>\$ 215.9</u>
Three Months Ended September 30, 2002					
Revenue:					
Premiums (2)	\$ 3,635.5	\$ 361.3	\$ 61.5	\$ -	\$ 4,058.3
Administrative services contract fees	450.9	8.5	-	-	459.4
Net investment income	76.0	69.5	151.2	-	296.7
Other income	5.4	1.0	4.5	-	10.9
Total revenue, excluding net realized capital gains (losses) *	<u>4,167.8</u>	<u>440.3</u>	<u>217.2</u>	<u>-</u>	<u>4,825.3</u>
Benefits and expenses:					
Health care costs (3)	2,953.2	-	-	-	2,953.2
Current and future benefits	-	338.1	206.1	-	544.2
Operating expenses	1,002.8	46.0	5.1	-	1,053.9
Interest expense	-	-	-	28.5	28.5
Amortization of other acquired intangible assets	19.8	-	-	-	19.8
Total benefits and expenses	<u>3,975.8</u>	<u>384.1</u>	<u>211.2</u>	<u>28.5</u>	<u>4,599.6</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other item	192.0	56.2	6.0	(28.5)	225.7
Income taxes (benefits)	64.1	18.0	2.1	(10.0)	74.2
Operating earnings (loss) from continuing operations, excluding other item	<u>127.9</u>	<u>38.2</u>	<u>3.9</u>	<u>(18.5)</u>	<u>151.5</u>
Severance and facilities charge, net of tax	(55.6)	(2.3)	-	-	(57.9)
Operating earnings (loss) from continuing operations, including other item	<u>72.3</u>	<u>35.9</u>	<u>3.9</u>	<u>(18.5)</u>	<u>93.6</u>
Net realized capital gains (losses), net of tax	9.6	(5.8)	1.4	-	5.2
Income (loss) from continuing operations	<u>\$ 81.9</u>	<u>\$ 30.1</u>	<u>\$ 5.3</u>	<u>\$ (18.5)</u>	<u>\$ 98.8</u>

(1) Includes favorable development of prior-period medical cost estimates of approximately \$5 million pretax (approximately \$3 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 medical cost estimates of approximately \$27 million pretax (approximately \$17 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
Nine Months Ended September 30, 2003					
Revenue:					
Premiums	\$ 9,846.8	\$ 1,126.4	\$ 127.0	\$ -	\$ 11,100.2
Administrative services contract fees	1,388.7	24.3	-	-	1,413.0
Net investment income	182.0	197.6	437.8	-	817.4
Other income	7.4	2.7	11.1	-	21.2
Total revenue, excluding net realized capital gains *	<u>11,424.9</u>	<u>1,351.0</u>	<u>575.9</u>	<u>-</u>	<u>13,351.8</u>
Benefits and expenses:					
Health care costs	7,519.3	-	-	-	7,519.3
Current and future benefits	-	1,045.8	520.0	-	1,565.8
Operating expenses	2,841.5	160.3	14.0	-	3,015.8
Interest expense	-	-	-	77.0	77.0
Amortization of other acquired intangible assets	38.1	-	-	-	38.1
Total benefits and expenses	<u>10,398.9</u>	<u>1,206.1</u>	<u>534.0</u>	<u>77.0</u>	<u>12,216.0</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other item	1,026.0	144.9	41.9	(77.0)	1,135.8
Income taxes (benefits)	377.7	43.5	14.7	(27.0)	408.9
Operating earnings (loss) from continuing operations, excluding other item	648.3	101.4	27.2	(50.0)	726.9
Physician class action settlement, net of tax	(75.0)	-	-	-	(75.0)
Operating earnings (loss) from continuing operations, including other item	573.3	101.4	27.2	(50.0)	651.9
Net realized capital gains, net of tax	16.9	9.0	6.5	-	32.4
Income (loss) from continuing operations	<u>\$ 590.2</u>	<u>\$ 110.4</u>	<u>\$ 33.7</u>	<u>\$ (50.0)</u>	<u>\$ 684.3</u>
Nine Months Ended September 30, 2002					
Revenue:					
Premiums	\$ 11,497.8	\$ 1,084.7	\$ 171.5	\$ -	\$ 12,754.0
Administrative services contract fees	1,361.5	25.1	-	-	1,386.6
Net investment income	226.2	204.5	501.6	-	932.3
Other income	13.6	2.9	14.0	-	30.5
Total revenue, excluding net realized capital gains (losses)*	<u>13,099.1</u>	<u>1,317.2</u>	<u>687.1</u>	<u>-</u>	<u>15,103.4</u>
Benefits and expenses:					
Health care costs	9,591.1	-	-	-	9,591.1
Current and future benefits	-	1,022.2	644.6	-	1,666.8
Operating expenses	3,035.0	136.9	15.6	-	3,187.5
Interest expense	-	-	-	89.0	89.0
Amortization of other acquired intangible assets	118.1	-	-	-	118.1
Total benefits and expenses	<u>12,744.2</u>	<u>1,159.1</u>	<u>660.2</u>	<u>89.0</u>	<u>14,652.5</u>
Operating earnings (loss) from continuing operations, excluding income taxes (benefits) and other items	354.9	158.1	26.9	(89.0)	450.9
Income taxes (benefits)	114.0	50.6	9.8	(31.2)	143.2
Operating earnings (loss) from continuing operations, excluding other items	240.9	107.5	17.1	(57.8)	307.7
Income tax reserve release (prior period related)	19.8	-	-	-	19.8
Severance and facilities charge, net of tax	(73.1)	(2.3)	-	-	(75.4)
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	187.6	105.2	22.5	(57.8)	257.5
Net realized capital gains (losses), net of tax	40.3	(5.6)	2.8	-	37.5
Income (loss) from continuing operations	<u>\$ 227.9</u>	<u>\$ 99.6</u>	<u>\$ 25.3</u>	<u>\$ (57.8)</u>	<u>\$ 295.0</u>

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

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

	September 30, 2003			September 30, 2002			Risk % Change	Total % Change	December 31, 2002			Risk % Change	Total % Change
	Risk	ASC	Total	Risk	ASC	Total			Risk	ASC	Total		
Medical:													
Commercial													
HMO (1)	3,289	1,392	4,681	4,108	1,348	5,456	(19.9)	(14.2)	3,948	1,349	5,297	(16.7)	(11.6)
POS	117	2,169	2,286	96	2,562	2,658	21.9	(14.0)	101	2,514	2,615	15.8	(12.6)
PPO	796	3,542	4,338	738	3,172	3,910	7.9	10.9	753	3,171	3,924	5.7	10.6
Indemnity	86	1,388	1,474	112	1,528	1,640	(23.2)	(10.1)	106	1,517	1,623	(18.9)	(9.2)
Total Commercial	4,288	8,491	12,779	5,054	8,610	13,664	(15.2)	(6.5)	4,908	8,551	13,459	(12.6)	(5.1)
Medicare HMO	107	-	107	121	-	121	(11.6)	(11.6)	117	-	117	(8.5)	(8.5)
Medicaid HMO	-	116	116	-	160	160	-	(27.5)	-	102	102	-	13.7
Total Medical	4,395	8,607	13,002	5,175	8,770	13,945	(15.1)	(6.8)	5,025	8,653	13,678	(12.5)	(4.9)
Total Dental	4,414	6,571	10,985	4,798	7,065	11,863	(8.0)	(7.4)	4,740	7,027	11,767	(6.9)	(6.6)
Group Insurance:													
Group Life			9,784			9,284		5.4			9,274		5.5
Disability			2,068			2,228		(7.2)			2,210		(6.4)
Long-Term Care			201			178		12.9			180		11.7
Total Group Insurance			12,053			11,690		3.1			11,664		3.3

Regions:	September 30, 2003			September 30, 2002			Risk % Change	Total % Change	December 31, 2002			Risk % Change	Total % Change
	Risk	ASC	Total	Risk	ASC	Total			Risk	ASC	Total		
Northeast	1,045	1,224	2,269	1,137	1,274	2,411	(8.1)	(5.9)	1,126	1,267	2,393	(7.2)	(5.2)
Mid-Atlantic	884	1,474	2,358	946	1,519	2,465	(6.6)	(4.3)	942	1,506	2,448	(6.2)	(3.7)
Southeast	765	1,420	2,185	873	1,402	2,275	(12.4)	(4.0)	847	1,395	2,242	(9.7)	(2.5)
North Central	411	2,032	2,443	508	2,031	2,539	(19.1)	(3.8)	487	2,032	2,519	(15.6)	(3.0)
Southwest	520	1,303	1,823	704	1,317	2,021	(26.1)	(9.8)	669	1,247	1,916	(22.3)	(4.9)
West	697	1,149	1,846	938	1,221	2,159	(25.7)	(14.5)	888	1,201	2,089	(21.5)	(11.6)
Other	73	5	78	69	6	75	5.8	4.0	66	5	71	10.6	9.9
Total Medical	4,395	8,607	13,002	5,175	8,770	13,945	(15.1)	(6.8)	5,025	8,653	13,678	(12.5)	(4.9)
Risk/ASC %	33.8%	66.2%	100.0%	37.1%	62.9%	100.0%	(3.3) pts.		36.7%	63.3%	100.0%	(2.9) pts.	

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

Refer to page 14 for definitions of terms used.

Combining Balance Sheet
September 30, 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	\$ 1,612.3	\$ 168.0	\$ 1,780.3	Health care costs payable	\$ 1,899.0	\$ -	\$ 1,899.0
Investment securities	7,897.0	6,719.4	14,616.4	Future policy benefits	67.4	643.0	710.4
Other investments	187.3	133.8	321.1	Unpaid claims	642.1	.5	642.6
Premiums receivable, net	389.0	-	389.0	Unearned premiums	131.0	6.4	137.4
Other receivables, net	281.9	66.3	348.2	Policyholders' funds	412.6	685.8	1,098.4
Accrued investment income	97.5	120.1	217.6	Collateral payable under securities loan agreements	429.1	481.3	910.4
Collateral received under securities loan agreements	429.1	481.3	910.4	Income taxes payable	261.1	(9.7)	251.4
Loaned securities	420.5	471.5	892.0	Accrued expenses and other current liabilities	<u>1,734.5</u>	<u>460.0</u>	<u>2,194.5</u>
Deferred income taxes	228.0	23.1	251.1	Total current liabilities	5,576.8	2,267.3	7,844.1
Other current assets	189.5	1.2	190.7				
Total current assets	<u>11,732.1</u>	<u>8,184.7</u>	<u>19,916.8</u>	Future policy benefits	1,896.1	6,361.1	8,257.2
Long-term investments	1,171.8	469.6	1,641.4	Unpaid claims	1,173.2	-	1,173.2
Mortgage loans	445.7	882.3	1,328.0	Policyholders' funds	619.6	969.5	1,589.1
Investment real estate	172.9	114.9	287.8	Long-term debt	1,626.7	-	1,626.7
Reinsurance recoverables	1,190.7	17.2	1,207.9	Other long-term liabilities	1,379.5	79.5	1,459.0
Goodwill, net	3,618.4	-	3,618.4	Separate Accounts liabilities	8.2	11,405.8	11,414.0
Other acquired intangible assets, net	508.8	-	508.8	Total liabilities	<u>12,280.1</u>	<u>21,083.2</u>	<u>33,363.3</u>
Property and equipment, net	150.3	124.0	274.3				
Deferred income taxes	379.6	130.8	510.4	Equity			
Other long-term assets	347.5	-	347.5	Total equity	<u>7,445.9</u>	<u>246.1</u>	<u>7,692.0</u>
Separate Accounts assets	8.2	11,405.8	11,414.0				
Total assets	<u>\$ 19,726.0</u>	<u>\$ 21,329.3</u>	<u>\$ 41,055.3</u>	Total liabilities and equity	<u>\$ 19,726.0</u>	<u>\$ 21,329.3</u>	<u>\$ 41,055.3</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				Liabilities and equity			
Current assets:				Current liabilities:			
Cash and cash equivalents	\$ 1,668.1	\$ 134.8	\$ 1,802.9	Health care costs payable	\$ 2,194.1	\$ -	\$ 2,194.1
Investment securities	7,309.4	6,704.1	14,013.5	Future policy benefits	68.1	710.0	778.1
Other investments	156.4	201.6	358.0	Unpaid claims	589.5	.5	590.0
Premiums receivable, net	392.0	-	392.0	Unearned premiums	178.5	5.6	184.1
Other receivables, net	247.1	39.1	286.2	Policyholders' funds	350.5	721.7	1,072.2
Accrued investment income	93.3	121.0	214.3	Collateral payable under securities loan agreements	481.5	487.5	969.0
Collateral received under securities loan agreements	481.5	487.5	969.0	Income taxes payable	307.8	14.7	322.5
Loaned securities	471.3	476.9	948.2	Accrued expenses and other current liabilities	1,263.6	345.2	1,608.8
Deferred income taxes	294.8	16.5	311.3	Total current liabilities	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	Future policy benefits	1,936.2	6,397.1	8,333.3
Long-term investments	1,190.5	564.4	1,754.9	Unpaid claims	1,177.8	-	1,177.8
Mortgage loans	513.7	1,001.2	1,514.9	Policyholders' funds	674.5	1,192.8	1,867.3
Investment real estate	169.8	139.0	308.8	Long-term debt	1,633.2	-	1,633.2
Reinsurance recoverables	1,234.5	17.3	1,251.8	Other long-term liabilities	1,654.4	18.5	1,672.9
Goodwill, net	3,618.4	-	3,618.4	Separate Accounts liabilities	7.4	10,656.8	10,664.2
Other acquired intangible assets, net	546.9	-	546.9	Total liabilities	12,517.1	20,550.4	33,067.5
Property and equipment, net	108.6	136.2	244.8				
Deferred income taxes	351.7	120.8	472.5	Equity			
Other long-term assets	211.0	-	211.0	Total equity	6,697.5	282.5	6,980.0
Separate Accounts assets	7.4	10,656.8	10,664.2				
Total assets	\$ 19,214.6	\$ 20,832.9	\$ 40,047.5	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			Nine Months Ended	
	Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002
Cash flows from operating activities:					
Net income (loss)	\$ 215.9	\$ 98.8	\$ 138.4	\$ 684.3	\$ (2,620.7)
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:					
Cumulative effect adjustment	-	-	-	-	2,965.7
Income from discontinued operations	-	-	-	-	(50.0)
Severance and facilities charge	-	89.0	-	-	116.0
Physician class action settlement charge	-	-	115.4	115.4	-
Amortization of other acquired intangible assets	12.7	19.8	12.7	38.1	118.1
Depreciation and other amortization	35.3	44.4	32.9	110.1	126.0
Amortization of net investment premium	14.3	17.8	12.6	39.0	12.8
Net realized capital gains	(13.5)	(6.8)	(14.6)	(49.8)	(57.6)
Cash flow from operating activities before balance sheet changes	<u>264.7</u>	<u>263.0</u>	<u>297.4</u>	<u>937.1</u>	<u>610.3</u>
Changes in assets and liabilities:					
Decrease (increase) in accrued investment income	2.6	6.7	(3.8)	(3.3)	15.4
Decrease (increase) in premiums due and other receivables	4.4	(9.3)	(3.1)	57.5	190.4
Net change in income taxes	(3.3)	16.0	(169.3)	(44.4)	27.1
Net change in other assets and other liabilities	(118.7) (1)	(107.8)	16.7	(372.7)	(135.4)
Net decrease in health care and insurance liabilities	(63.3) (2)	(194.3)	(172.5)	(538.0)	(974.7)
Other, net	(11.6)	(10.3)	(11.2)	(45.9)	8.5
Net cash provided by (used for) operating activities	<u>74.8</u>	<u>(36.0)</u>	<u>(45.8)</u>	<u>(9.7)</u>	<u>(258.4)</u>
Cash flows from investing activities:					
Proceeds from sales and investment maturities	2,695.7	5,242.1	3,366.1	11,895.7	14,905.3
Cost of investments	(2,542.8)	(4,524.0)	(3,224.7)	(11,332.8)	(13,708.2)
Increase in property and equipment	(101.0)	(45.4)	(40.8)	(168.1)	(114.4)
Net cash provided by investing activities	<u>51.9</u>	<u>672.7</u>	<u>100.6</u>	<u>394.8</u>	<u>1,082.7</u>
Cash flows from financing activities:					
Withdrawals of investment contracts, net	(95.6)	(176.2)	(113.3)	(310.0)	(387.6)
Repayment of short-term debt	-	-	-	-	(109.7)
Common shares issued under benefit plans	39.4	10.4	173.1	248.2	225.4
Common shares repurchased	(146.7)	(12.1)	(175.5)	(335.9)	(116.4)
Other, net	(10.0)	-	4.0	(10.0)	-
Net cash used for financing activities	<u>(212.9)</u>	<u>(177.9)</u>	<u>(111.7)</u>	<u>(407.7)</u>	<u>(388.3)</u>
Net (decrease) increase in cash and cash equivalents	(86.2)	458.8	(56.9)	(22.6)	436.0
Cash and cash equivalents, beginning of period	1,866.5	1,375.4	1,923.4	1,802.9	1,398.2
Cash and cash equivalents, end of period	<u>\$ 1,780.3</u>	<u>\$ 1,834.2</u>	<u>\$ 1,866.5</u>	<u>\$ 1,780.3</u>	<u>\$ 1,834.2</u>
Net cash provided by (used for) operating activities (above)	\$ 74.8	\$ (36.0)	\$ (45.8)	\$ (9.7)	\$ (258.4)
Change in reserves for Large Case Pensions	(71.4)	(51.5)	(70.7)	(211.6)	(228.8)
Adjusted cash flow from operating activities	<u>\$ 146.2</u>	<u>\$ 15.5</u>	<u>\$ 24.9</u>	<u>\$ 201.9</u>	<u>\$ (29.6)</u>

(1) Includes approximately \$32 million of severance and facilities reserve payments and \$180 million of voluntary pension plan contributions.

(2) Includes approximately \$20 million of medical claim payments for reserves on lapsed members.

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

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

		Three Months Ended			Nine Months Ended	
		Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002
Reconciliation to Income from continuing operations before income taxes						
Cash operating earnings, excluding interest expense, other items and favorable items	(A)	\$ 354.6	\$ 215.0	\$ 359.4		
Favorable development of prior-period medical cost estimates		5.0	27.0	3.0		
Favorable resolution of prior-period contract matters for a large customer		-	32.0	-		
Cash operating earnings, excluding interest expense and other items	(B)	359.6	274.0	362.4	\$ 1,250.9	\$ 658.0
Interest expense		(25.6)	(28.5)	(25.5)	(77.0)	(89.0)
Amortization of other acquired intangible assets		(12.7)	(19.8)	(12.7)	(38.1)	(118.1)
Physician class action settlement		-	-	(115.4)	(115.4)	-
Severance and facilities charge		-	(89.0)	-	-	(116.0)
Reduction of reserve for anticipated future losses on discontinued products		-	-	-	-	8.3
Net realized capital gains		13.5	6.8	14.6	49.8	57.6
Income from continuing operations before income taxes (GAAP measure)	(C)	\$ 334.8	\$ 143.5	\$ 223.4	\$ 1,070.2	\$ 400.8
Reconciliation to Income from continuing operations						
Cash operating earnings, excluding interest expense, other items and favorable items	(D)	\$ 228.9	\$ 144.9	\$ 226.8		
Favorable development of prior-period medical cost estimates, net of tax		3.0	17.0	2.0		
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)	231.9	182.9	228.8	\$ 801.6	\$ 442.3
Interest expense, net of tax		(16.6)	(18.5)	(16.6)	(50.0)	(57.8)
Cash operating earnings, excluding other items	(F)	215.3	164.4	212.2	751.6	384.5
Amortization of other acquired intangible assets, net of tax		(8.2)	(12.9)	(8.3)	(24.7)	(76.8)
Operating earnings, excluding other items	(G)	207.1	151.5	203.9	726.9	307.7
Physician class action settlement, net of tax		-	-	(75.0)	(75.0)	-
Income tax reserve release (prior period related)		-	-	-	-	19.8
Severance and facilities charge, net of tax		-	(57.9)	-	-	(75.4)
Reduction of reserve for anticipated future losses on discontinued products, net of tax		-	-	-	-	5.4
Operating earnings, including other items	(H)	207.1	93.6	128.9	651.9	257.5
Net realized capital gains, net of tax		8.8	5.2	9.5	32.4	37.5
Income from continuing operations (GAAP measure)	(I)	\$ 215.9	\$ 98.8	\$ 138.4	\$ 684.3	\$ 295.0
Reconciliation of Revenue						
Revenue, excluding net realized capital gains and favorable item	(J)	\$ 4,455.6	\$ 4,793.3	\$ 4,451.4		
Favorable resolution of prior-period contract matters for a large customer		-	32.0	-		
Revenue, excluding net realized capital gains	(K)	4,455.6	4,825.3	4,451.4	\$ 13,351.8	\$ 15,103.4
Net realized capital gains		13.5	6.8	14.6	49.8	57.6
Total revenue (GAAP measure)	(L)	\$ 4,469.1	\$ 4,832.1	\$ 4,466.0	\$ 13,401.6	\$ 15,161.0
Weighted average common shares - diluted	(M)	160,342,416	155,075,987	159,626,738	158,033,631	152,471,590
Operating earnings per common share:						
Cash operating earnings	(F)/(M)	\$ 1.34	\$ 1.06	\$ 1.33	\$ 4.76	\$ 2.52
Operating earnings, excluding other items	(G)/(M)	\$ 1.29	\$.98	\$ 1.28	\$ 4.60	\$ 2.02
Operating earnings, including other items	(H)/(M)	\$ 1.29	\$.60	\$.81	\$ 4.13	\$ 1.69
Income from continuing operations (GAAP measure)	(I)/(M)	\$ 1.35	\$.64	\$.87	\$ 4.33	\$ 1.93
Operating margin						
Pretax operating margin	(B)/(K)	8.1 %	5.7 %	8.1 %	9.4 %	4.4 %
Pretax operating margin - Adjusted	(A)/(J)	8.0 %	4.5 %	8.1 %		
Pretax operating margin (GAAP measure)	(C)/(L)	7.5 %	3.0 %	5.0 %	8.0 %	2.6 %
After-tax operating margin	(E)/(K)	5.2 %	3.8 %	5.1 %	6.0 %	2.9 %
After-tax operating margin - Adjusted	(D)/(J)	5.1 %	3.0 %	5.1 %		
After-tax operating margin (GAAP measure)	(I)/(L)	4.8 %	2.0 %	3.1 %	5.1 %	1.9 %

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			Nine Months Ended	
		<u>Sep. 30, 2003</u>	<u>Sep. 30, 2002</u>	<u>Jun. 30, 2003</u>	<u>Sep. 30, 2003</u>	<u>Sep. 30, 2002</u>
<u>Aetna Inc.</u>						
Reconciliation of Operating Expenses						
Operating expenses, excluding physician class action settlement	(A)	\$ 985.7	\$ 1,053.9	\$ 1,009.7	\$ 3,015.8	\$ 3,187.5
Physician class action settlement		-	-	115.4	115.4	-
Total operating expenses (GAAP measure)	(B)	<u>\$ 985.7</u>	<u>\$ 1,053.9</u>	<u>\$ 1,125.1</u>	<u>\$ 3,131.2</u>	<u>\$ 3,187.5</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains	(C)	\$ 4,455.6	\$ 4,825.3	\$ 4,451.4	\$ 13,351.8	\$ 15,103.4
Net realized capital gains		13.5	6.8	14.6	49.8	57.6
Total revenue (GAAP measure)	(D)	<u>\$ 4,469.1</u>	<u>\$ 4,832.1</u>	<u>\$ 4,466.0</u>	<u>\$ 13,401.6</u>	<u>\$ 15,161.0</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(A)/(C)	22.1 %	21.8 %	22.7 %	22.6 %	21.1 %
Total operating expenses as a % of total revenue (GAAP measure)	(B)/(D)	22.1 %	21.8 %	25.2 %	23.4 %	21.0 %
<u>Health Care</u>						
Reconciliation of Operating Expenses						
Operating expenses, excluding physician class action settlement	(E)	\$ 928.8	\$ 1,002.8	\$ 950.2	\$ 2,841.5	\$ 3,035.0
Physician class action settlement		-	-	115.4	115.4	-
Total operating expenses (GAAP measure)	(F)	<u>\$ 928.8</u>	<u>\$ 1,002.8</u>	<u>\$ 1,065.6</u>	<u>\$ 2,956.9</u>	<u>\$ 3,035.0</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains	(G)	\$ 3,823.4	\$ 4,167.8	\$ 3,800.0	\$ 11,424.9	\$ 13,099.1
Net realized capital gains		4.7	13.8	8.0	26.0	62.0
Total revenue (GAAP measure)	(H)	<u>\$ 3,828.1</u>	<u>\$ 4,181.6</u>	<u>\$ 3,808.0</u>	<u>\$ 11,450.9</u>	<u>\$ 13,161.1</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(E)/(G)	24.3 %	24.1 %	25.0 %	24.9 %	23.2 %
Total operating expenses as a % of total revenue (GAAP measure)	(F)/(H)	24.3 %	24.0 %	28.0 %	25.8 %	23.1 %

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

(\$ in Millions)

		Three Months Ended			Nine Months Ended	
		Sep. 30, 2003	Sep. 30, 2002	Jun. 30, 2003	Sep. 30, 2003	Sep. 30, 2002
Group Insurance						
Reconciliation of Operating Expenses						
Total operating expenses (GAAP measure)	(A)	<u>\$ 52.6</u>	<u>\$ 46.0</u>	<u>\$ 54.9</u>	<u>\$ 160.3</u>	<u>\$ 136.9</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains (losses)	(B)	\$ 439.7	\$ 440.3	\$ 457.7	\$ 1,351.0	\$ 1,317.2
Net realized capital gains (losses)		<u>8.3</u>	<u>(9.1)</u>	<u>1.8</u>	<u>13.9</u>	<u>(8.7)</u>
Total revenue (GAAP measure)	(C)	<u>\$ 448.0</u>	<u>\$ 431.2</u>	<u>\$ 459.5</u>	<u>\$ 1,364.9</u>	<u>\$ 1,308.5</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(A)/(B)	12.0 %	10.4 %	12.0 %	11.9 %	10.4 %
Total operating expenses as a % of total revenue (GAAP measure)	(A)/(C)	11.7 %	10.7 %	11.9 %	11.7 %	10.5 %
 Large Case Pensions						
Reconciliation of Operating Expenses						
Total operating expenses (GAAP measure)	(D)	<u>\$ 4.3</u>	<u>\$ 5.1</u>	<u>\$ 4.6</u>	<u>\$ 14.0</u>	<u>\$ 15.6</u>
Reconciliation of Revenue						
Revenue, excluding net realized capital gains	(E)	\$ 192.5	\$ 217.2	\$ 193.7	\$ 575.9	\$ 687.1
Net realized capital gains		<u>.5</u>	<u>2.1</u>	<u>4.8</u>	<u>9.9</u>	<u>4.3</u>
Total revenue (GAAP measure)	(F)	<u>\$ 193.0</u>	<u>\$ 219.3</u>	<u>\$ 198.5</u>	<u>\$ 585.8</u>	<u>\$ 691.4</u>
Operating expenses as a % of revenue						
Operating expenses as a % of revenue	(D)/(E)	2.2 %	2.3 %	2.4 %	2.4 %	2.3 %
Total operating expenses as a % of total revenue (GAAP measure)	(D)/(F)	2.2 %	2.3 %	2.3 %	2.4 %	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 or unfavorable development of prior-period medical 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.