

# **CIGNA Corporation**

## **Quarterly Statistical Supplement December 31, 2009**

*This document is dated February 4, 2010. The data contained in this document may not be accurate after such date and CIGNA does not undertake to update or keep it accurate after such date.*



## CIGNA Corporation Table of Contents

Income and Per Share Data for Periods Ended December 31 .....	1
Consolidated Income Statements for Periods Ended December 31 .....	3
Consolidated Balance Sheets.....	4
Investment Summaries:	
Summary of Fixed Maturities – Asset Quality / Type – Fair Value .....	5
Summary of Fixed Maturities – Analysis of Amortized Cost vs. Fair Value.....	6
Summary of Commercial Mortgage Loan Distribution.....	7
Stock and Balance Sheet Analyses.....	8
Condensed Consolidated Statements of Cash Flows .....	9
Business Segment Analysis:	
Health Care .....	10
Disability and Life .....	14
International .....	15
Run-off Reinsurance.....	16
Other Operations .....	17
Corporate.....	18

### BASIS OF PRESENTATION:

All dollar amounts are in millions, unless otherwise noted. Certain reclassifications have been made to prior year amounts to conform to the 2009 presentation.

CIGNA measures the financial results of its segments using "segment earnings (loss)," which is defined as shareholders' income (loss) from continuing operations before net realized investment gains (losses). Adjusted income (loss) from operations is defined as segment earnings excluding special items, which are identified and quantified on page 2, and results of CIGNA's guaranteed minimum income benefit business. Adjusted income (loss) from operations is a measure of profitability used by CIGNA's management because it presents the underlying results of operations of CIGNA's businesses and permits trend analysis. This measure is not determined in accordance with generally accepted accounting principles (GAAP) and should not be viewed as a substitute for shareholders' income (loss) from continuing operations or shareholders' net income determined in accordance with GAAP.

The Financial Accounting Standards Board (FASB) has established the Accounting Standards Codification (Codification or ASC) as the single source of authoritative accounting guidance effective for reporting in the third quarter of 2009. Therefore, CIGNA will use the Codification section or description when referring to GAAP.

On April 1, 2009, CIGNA adopted the FASB's updated guidance for evaluating whether an impairment is other than temporary for fixed maturities with declines in fair value below amortized cost (ASC 320). The cumulative effect of adoption increased CIGNA's retained earnings with an offsetting decrease to accumulated other comprehensive income of \$18 million, with no overall change to shareholders' equity.

Effective January 1, 2009, CIGNA adopted the FASB's updated consolidation guidance on accounting for noncontrolling interests (ASC 810) by reclassifying its \$6 million noncontrolling interest as of January 1, 2009 and 2008 from accounts payable, accrued expenses and other liabilities to total equity. In addition, for the year ended December 31, 2008, \$2 million attributable to the noncontrolling interest has been reclassified to be included in net income, and then deducted from net income to determine net income attributable to the shareholders ("shareholders' net income").

Effective January 1, 2009, CIGNA adopted the FASB's updated earnings per share guidance (ASC 260). This guidance requires unvested restricted stock awards that contain rights to nonforfeitable dividends to be included in the denominator of both basic and diluted earnings per share calculations. Prior period earnings per share data reflect the adoption of the guidance. For the year ended December 31, 2008, the change from previously reported EPS amounts was a \$.03 reduction in diluted EPS related to adjusted income from operations.

Discontinued operations for the year ended December 31, 2009 included a gain of \$1 million after-tax related to past divestitures related to the completion of the 2005 and 2006 IRS examinations.

For the year ended December 31, 2008, CIGNA reported income from discontinued operations of \$4 million.

# CIGNA Corporation

## Income and Per Share Data (unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>ADJUSTED INCOME (LOSS) FROM OPERATIONS <sup>(1)</sup></b>						
Health Care	\$ 194	\$ 209	(7) %	\$ 729	\$ 715	2 %
Disability and Life	66	64	3	279	275	1
International	38	44	(14)	182	188	(3)
Run-off Reinsurance	9	(179)	-	(24)	(209)	89
Other Operations	23	23	-	85	87	(2)
Corporate	(45)	(29)	(55)	(154)	(110)	(40)
<b>Total</b>	<b>\$ 285</b>	<b>\$ 132</b>	<b>116 %</b>	<b>\$ 1,097</b>	<b>\$ 946</b>	<b>16 %</b>
<b>SHAREHOLDERS' NET INCOME (LOSS)</b>						
<b>Segment Earnings (Loss)</b>						
Health Care <sup>(3) (4) (5) (6)</sup>	\$ 182	\$ 182	- %	\$ 731	\$ 664	10 %
Disability and Life <sup>(3) (4) (5)</sup>	64	62	3	284	273	4
International <sup>(3) (4) (5)</sup>	39	38	3	183	182	1
Run-off Reinsurance <sup>(2)</sup>	69	(394)	-	185	(646)	-
Other Operations <sup>(5)</sup>	23	23	-	86	87	(1)
Corporate <sup>(5) (6)</sup>	(45)	(29)	(55)	(142)	(162)	12
<b>Total</b>	<b>\$ 332</b>	<b>\$ (118)</b>	<b>-</b>	<b>\$ 1,327</b>	<b>\$ 398</b>	<b>233</b>
Net realized investment losses, net of taxes	(2)	(92)	98	(26)	(110)	76
Shareholders' income (loss) from continuing operations	\$ 330	\$ (210)	- %	\$ 1,301	\$ 288	352 %
Shareholders' income from discontinued operations	-	1	-	1	4	(75)
<b>Shareholders' net income (loss)</b>	<b>\$ 330</b>	<b>\$ (209)</b>	<b>- %</b>	<b>\$ 1,302</b>	<b>\$ 292</b>	<b>346 %</b>
<b>DILUTED EARNINGS PER SHARE <sup>(7)</sup></b>						
Adjusted income from operations <sup>(1)</sup>	\$ 1.03	\$ 0.48	115 %	\$ 3.98	\$ 3.39	17 %
Results of guaranteed minimum income benefits business, after-tax <sup>(2)</sup>	0.22	(0.79)	-	0.76	(1.57)	-
Net realized investment losses, net of taxes	(0.01)	(0.34)	97	(0.09)	(0.40)	78
Special item(s), after-tax <sup>(3) (4) (5) (6)</sup>	(0.05)	(0.12)	58	0.08	(0.39)	-
Shareholders' income (loss) from continuing operations	\$ 1.19	\$ (0.77)	- %	\$ 4.73	\$ 1.03	359 %
Shareholders' income from discontinued operations	-	-	-	-	0.02	-
<b>Shareholders' net income (loss)</b>	<b>\$ 1.19</b>	<b>\$ (0.77)</b>	<b>- %</b>	<b>\$ 4.73</b>	<b>\$ 1.05</b>	<b>350 %</b>
Weighted Average Shares (in thousands) <sup>(7)</sup>	277,343	272,567	2 %	275,357	278,843	(1) %

(1) Adjusted income (loss) from operations is segment earnings (loss) (shareholders' income (loss) from continuing operations before net realized investment gains (losses)) excluding results of CIGNA's guaranteed minimum income benefits business and special items. See page 2 for a detailed reconciliation of adjusted income (loss) from operations to segment earnings (loss), shareholders' income from continuing operations and shareholders' net income presented in accordance with generally accepted accounting principles.

(2) The year ended December 31, 2008 includes a pre-tax charge of \$202 million (\$131 million after-tax) on the adoption of the FASB's fair value disclosure and measurement guidance (ASC 820) for guaranteed minimum income benefit contracts.

(3) The year ended December 31, 2009 reflects a pre-tax curtailment benefit of \$46 million (\$30 million after-tax) resulting from the decision to freeze CIGNA's pension plans.  
- Pre-tax benefit of \$39 million (\$25 million after-tax) in Health Care; pre-tax benefit of \$6 million (\$4 million after-tax) in Disability and Life; and pre-tax benefit of \$1 million (\$1 million after-tax) in International.

(4) The year ended December 31, 2009 includes a pre-tax charge of \$44 million (\$29 million after-tax) related to the previously announced cost reduction plan.  
- Pre-tax charge of \$37 million (\$24 million after-tax) in Health Care; a pre-tax charge of \$5 million (\$4 million after-tax) in Disability and Life; and a pre-tax charge of \$2 million (\$1 million after-tax) in International.

The year ended December 31, 2008 includes a pre-tax charge of \$55 million (\$35 million after-tax) related to the previously announced cost reduction plan.

- Pre-tax charge of \$44 million (\$27 million after-tax) in Health Care; a pre-tax charge of \$3 million (\$2 million after-tax) in Disability and Life; and a pre-tax charge of \$8 million (\$6 million after-tax) in International for the fourth quarter of 2008.

(5) The year ended December 31, 2009 includes a net tax benefit of \$20 million resulting from the completion of the 2005 and 2006 IRS examinations.

- After-tax benefit of \$1 million in Health Care; after-tax benefit of \$5 million in Disability and Life; after-tax benefit of \$1 million in International; after-tax benefit of \$1 million in Other Operations; and an after-tax benefit of \$12 million in Corporate.

(6) The year ended December 31, 2008 includes pre-tax charges of \$80 million (\$52 million after-tax) in Corporate and \$37 million (\$24 million after-tax) in Health Care, both of which related to litigation matters.

(7) Weighted average shares outstanding are impacted by the following factors:

1. The accounting change related to earnings per share guidance (ASC 260) effective January 1, 2009 which requires unvested restricted stock with non-forfeitable dividends to be treated as outstanding common shares.

2. Higher common stock equivalents when CIGNA's stock price increases and exceeds the exercise price of its employees' outstanding stock options.

**CIGNA Corporation**  
**Supplemental Financial Information (unaudited)**  
**Reconciliation of Adjusted Income from Operations to Shareholders' Net Income**

(Dollars in millions, except per share amounts)

Quarterly Results	Diluted Earnings Per Share (1) (7)			Consolidated			Health Care			Disability & Life			International			Run-off Reinsurance			Other Operations			Corporate		
	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09	4Q09	4Q08	3Q09
Adjusted income (loss) from operations	\$ 1.03	\$ 0.48	\$ 1.13	\$ 285	\$ 132	\$ 311	\$ 194	\$ 209	\$ 204	\$ 66	\$ 64	\$ 65	\$ 38	\$ 44	\$ 40	\$ 9	\$ (179)	\$ 14	\$ 23	\$ 23	\$ 23	\$ (45)	\$ (29)	\$ (35)
Results of guaranteed minimum income benefits business, excluding charge on adoption of fair value measurements	0.22	(0.79)	0.06	60	(215)	16	-	-	-	-	-	-	-	-	-	60	(215)	16	-	-	-	-	-	-
Special item(s), after-tax:																								
Charge for cost reduction plan <sup>(9)</sup>	(0.05)	(0.12)	(0.03)	(13)	(35)	(7)	(12)	(27)	(4)	(2)	(2)	(1)	1	(6)	(2)	-	-	-	-	-	-	-	-	-
Segment earnings (loss)	1.20	(0.43)	1.16	332	(118)	320	\$ 182	\$ 182	\$ 200	\$ 64	\$ 62	\$ 64	\$ 39	\$ 38	\$ 38	\$ 69	\$ (394)	\$ 30	\$ 23	\$ 23	\$ 23	\$ (45)	\$ (29)	\$ (35)
Net realized investment gains (losses), net of taxes	(0.01)	(0.34)	0.03	(2)	(92)	9																		
Shareholders' income (loss) from continuing operations <sup>(6)</sup>	1.19	(0.77)	1.19	330	(210)	329																		
Shareholders' income from discontinued operations	-	-	-	-	1	-																		
Shareholders' net income (loss) <sup>(6)</sup>	\$ 1.19	\$ (0.77)	\$ 1.19	\$ 330	\$ (209)	\$ 329																		

  

Year Ended December 31,	Diluted Earnings Per Share (1) (7)		Consolidated		Health Care		Disability & Life		International		Run-off Reinsurance		Other Operations		Corporate	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Adjusted income (loss) from operations	\$ 3.98	\$ 3.39	\$ 1,097	\$ 946	\$ 729	\$ 715	\$ 279	\$ 275	\$ 182	\$ 188	\$ (24)	\$ (209)	\$ 85	\$ 87	\$ (154)	\$ (110)
Results of guaranteed minimum income benefits business, after-tax:																
Charge on adoption of fair value measurements	-	(0.47)	-	(131)	-	-	-	-	-	-	-	(131)	-	-	-	-
Results of guaranteed minimum income benefits business, excluding charge on adoption of fair value measurements	0.76	(1.10)	209	(306)	-	-	-	-	-	-	209	(306)	-	-	-	-
Total	0.76	(1.57)	209	(437)	-	-	-	-	-	-	209	(437)	-	-	-	-
Special item(s), after-tax:																
Curtailment benefit <sup>(2)</sup>	0.11	-	30	-	25	-	4	-	1	-	-	-	-	-	-	-
Charge for cost reduction plan <sup>(9)</sup>	(0.10)	(0.12)	(29)	(35)	(24)	(27)	(4)	(2)	(1)	(6)	-	(4)	-	-	-	-
Completion of IRS examination <sup>(4)</sup>	0.07	-	20	-	1	-	5	-	1	-	-	-	1	-	12	-
Charge associated with litigation matters <sup>(5)</sup>	-	(0.27)	-	(76)	-	(24)	-	-	-	-	-	-	-	-	-	(52)
Segment earnings (loss)	4.82	1.43	1,327	398	\$ 731	\$ 664	\$ 284	\$ 273	\$ 183	\$ 182	\$ 185	\$ (646)	\$ 86	\$ 87	\$ (142)	\$ (162)
Net realized investment losses, net of taxes	(0.09)	(0.40)	(26)	(110)												
Shareholders' income from continuing operations <sup>(6)</sup>	4.73	1.03	1,301	288												
Shareholders' income from discontinued operations	-	0.02	1	4												
Shareholders' net income <sup>(6)</sup>	\$ 4.73	\$ 1.05	\$ 1,302	\$ 292												

- (1) All earnings per share figures reflect the adoption of the FASB's updated earnings per share guidance (ASC 260), which requires non-vested restricted stock grants with non-forfeitable dividend rights to be included in weighted average shares outstanding.
- (2) The year ended December 31, 2009 reflects a pre-tax curtailment benefit of \$46 million (\$30 million after-tax) resulting from the decision to freeze CIGNA's pension plans.
- (3) The year ended December 31, 2009 includes a pre-tax charge of \$44 million (\$29 million after-tax) related to the previously announced cost reduction plan. The year ended December 31, 2008 includes a pre-tax charge of \$55 million (\$35 million after-tax) related to the previously announced cost reduction plan.
- (4) The year ended December 31, 2009 includes a net tax benefit of \$20 million resulting from the completion of the 2005 and 2006 IRS examinations.
- (5) The year ended December 31, 2008 includes pre-tax charges of \$80 million (\$52 million after-tax) in Corporate and \$37 million (\$24 million after-tax) in Health Care, both of which related to litigation matters.
- (6) Shareholders' income (loss) from continuing operations and shareholders' net income (loss) are presented in accordance with generally accepted accounting principles (GAAP). Effective January 1, 2009, CIGNA adopted the FASB's updated consolidation guidance (ASC 810), which requires income attributable to noncontrolling interests to be included in net income, but then subtracted to determine "shareholders' net income."
- (7) Weighted average shares outstanding are impacted by the following factors:
  1. The accounting change related to earnings per share guidance (ASC 260) effective January 1, 2009 which requires unvested restricted stock with non-forfeitable dividends to be treated as outstanding common shares.
  2. Higher common stock equivalents when CIGNA's stock price increases and exceeds the exercise price of its employees' outstanding stock options.

**CIGNA Corporation**  
**Consolidated Income Statements**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees	\$ 3,992	\$ 4,056	(2) %	\$ 16,041	\$ 16,253	(1) %
Net investment income	262	261	-	1,014	1,063	(5)
Mail order pharmacy revenues <sup>(1)</sup>	338	322	5	1,282	1,204	6
Other revenues <sup>(2)</sup>	47	320	(85)	120	751	(84)
Net realized investment losses	(3)	(142)	98	(43)	(170)	75
Total revenues	<u>4,636</u>	<u>4,817</u>	(4)	<u>18,414</u>	<u>19,101</u>	(4)
<b>Benefits and Expenses:</b>						
Health Care medical claims expense	1,701	1,772	(4)	6,927	7,252	(4)
Other benefit expenses	856	1,408	(39)	3,407	4,285	(20)
Mail order pharmacy cost of goods sold	274	257	7	1,036	961	8
Policy acquisition expenses	122	132	(8)	477	493	(3)
Guaranteed minimum income benefits (income) expense <sup>(3)</sup>	(89)	337	-	(304)	690	-
Other operating expenses excluding special items	1,244	1,194	4	4,966	4,866	2
Special item(s) <sup>(4)</sup>	20	55	(64)	7	172	(96)
Total benefits and expenses	<u>4,128</u>	<u>5,155</u>	(20)	<u>16,516</u>	<u>18,719</u>	(12)
Income (loss) from continuing operations before income taxes	<u>508</u>	<u>(338)</u>	-	<u>1,898</u>	<u>382</u>	397
Income taxes (benefits): <sup>(5)</sup>						
Current	137	39	251	275	313	(12)
Deferred	40	(167)	-	319	(221)	-
Total taxes	<u>177</u>	<u>(128)</u>	-	<u>594</u>	<u>92</u>	546
Income (loss) from continuing operations	331	(210)	-	1,304	290	350
Income from discontinued operations	-	1	-	1	4	(75)
<b>Net income (loss)</b>	\$ 331	\$ (209)	-	\$ 1,305	\$ 294	344
<b>Less: net income attributable to noncontrolling interest</b>	1	-	-	3	2	50
<b>Shareholders' net income (loss)</b>	\$ 330	\$ (209)	- %	\$ 1,302	\$ 292	346 %

(1) Reflects revenues for non-risk pharmacy mail order fulfillment services.

(2) Includes pre-tax losses of \$50 million for the fourth quarter of 2009 and \$282 million for the year ended December 31, 2009, and pre-tax gains of \$215 million for the fourth quarter of 2008 and \$333 million for the year ended December 31, 2008 from futures contracts entered into as part of a dynamic hedge program to manage equity risks in CIGNA's run-off reinsurance operations. CIGNA recorded corresponding offsets in benefits and expenses to adjust liabilities for reinsured guaranteed minimum death benefit contracts. For more information, please refer to CIGNA's Form 10-K for the year ended December 31, 2009 which is expected to be filed on February 25, 2010.

(3) The year ended December 31, 2008 includes a pre-tax charge of \$202 million (\$131 million after-tax) on the adoption of the FASB's fair value disclosure and measurement guidance (ASC 820) for guaranteed minimum income benefit contracts.

(4) The year ended December 31, 2009 includes a pre-tax curtailment benefit of \$46 million (\$30 million after-tax) resulting from the decision to freeze CIGNA's pension plans, a pre-tax charge of \$44 million (\$29 million after-tax) related to the previously announced cost reduction plan, and a pre-tax charge of \$9 million in conjunction with the completion of the 2005 and 2006 IRS examinations. The year ended December 31, 2008 includes a pre-tax charge of \$55 million (\$35 million after-tax) related to the previously announced cost reduction plan and pre-tax charges of \$80 million (\$52 million after-tax) in Corporate and \$37 million (\$24 million after-tax) in Health Care, both of which related to litigation matters.

(5) The year ended December 31, 2009 includes a tax benefit of \$29 million resulting from the completion of the 2005 and 2006 IRS examinations. These tax benefits are partially offset by the pre-tax charge of \$9 million discussed in (4) above, resulting in a net after-tax benefit of \$20 million. This amount was treated as a special item.

**CIGNA Corporation**  
**Consolidated Balance Sheets**

(Dollars in millions)

	As of December 31, 2009	As of December 31, 2008		As of December 31, 2009	As of December 31, 2008
<b>Assets</b>			<b>Liabilities</b>		
Investments:					
Fixed maturities, at fair value <sup>(1)</sup> (amortized cost, \$12,580 and \$11,492)	\$ 13,443	\$ 11,781	Contractholder deposit funds	\$ 8,484	\$ 8,539
Equity securities, at fair value (cost, \$137 and \$140)	113	112	Future policy benefits	8,136	8,754
Commercial mortgage loans <sup>(2)</sup>	3,522	3,617	Unpaid claims and claim expenses	3,968	4,037
Policy loans	1,549	1,556	Health Care medical claims payable	921	924
Real estate	124	53	Unearned premiums and fees	<u>427</u>	<u>414</u>
Other long-term investments	595	632	Total insurance and contractholder liabilities	21,936	22,668
Short-term investments	<u>493</u>	<u>236</u>	Accounts payable, accrued expenses and other liabilities <sup>(3)</sup>	5,797	6,869
Total investments	19,839	17,987	Short-term debt	104	301
Cash and cash equivalents	924	1,342	Long-term debt	2,436	2,090
Accrued investment income	238	225	Nonrecourse obligations	23	16
Premiums, accounts and notes receivable	1,361	1,407	Separate account liabilities	<u>7,288</u>	<u>5,864</u>
Reinsurance recoverables	6,597	6,973	Total liabilities	<u>37,584</u>	<u>37,808</u>
Deferred policy acquisition costs	943	789	<b>Shareholders' Equity</b>		
Property and equipment	862	804	Common stock	88	88
Deferred income taxes, net	1,029	1,617	Additional paid-in capital	2,514	2,502
Goodwill	2,876	2,878	Net unrealized appreciation (depreciation)- fixed maturities <sup>(3)</sup>	\$ 378	\$ (147)
Other assets, including other intangibles	1,056	1,520	Net unrealized appreciation- equity securities	4	7
Separate account assets	7,288	5,864	Net unrealized depreciation- derivatives	(30)	(13)
			Net translation of foreign currencies	(12)	(60)
			Postretirement benefits liability adjustment	<u>(958)</u>	<u>(861)</u>
			Accumulated other comprehensive loss	(618)	(1,074)
			Retained earnings <sup>(3)</sup>	8,625	7,374
			Less treasury stock, at cost	<u>(5,192)</u>	<u>(5,298)</u>
			Total shareholders' equity	5,417	3,592
			Noncontrolling interest <sup>(3)</sup>	<u>12</u>	<u>6</u>
			Total equity	5,429	3,598
<b>Total assets</b>	<b>\$ 43,013</b>	<b>\$ 41,406</b>	<b>Total liabilities and equity</b>	<b>\$ 43,013</b>	<b>\$ 41,406</b>

(1) Refer to the Summary of Fixed Maturities - Asset Quality / Type - Fair Value exhibit on page 5 and Summary of Fixed Maturities - Analysis of Amortized Cost vs. Fair Value exhibit on page 6.

(2) Refer to the Summary of Commercial Mortgage Loan Distribution exhibit by property type and geographic region on page 7.

(3) Refer to Basis of Presentation for more information.

**CIGNA Corporation**  
**Summary of Fixed Maturities (unaudited)**  
**Asset Quality / Type**  
**Fair Value**

(Dollars in millions)

Sector	As of December 31, 2009				As of December 31, 2008			
	Public	Private	Total <sup>(1)</sup>	% of Fixed Maturities	Public	Private	Total <sup>(1)</sup>	% of Fixed Maturities
United States Government	\$ 571	\$ -	\$ 571	4%	\$ 762	\$ -	\$ 762	7%
States and Local Government	2,514	7	2,521	19%	2,479	7	2,486	21%
Foreign Government	1,005	65	1,070	8%	890	54	944	8%
<b>Government</b>	<b>4,090</b>	<b>72</b>	<b>4,162</b>	<b>31%</b>	<b>4,131</b>	<b>61</b>	<b>4,192</b>	<b>36%</b>
Basic Industry	552	872	1,424	11%	414	766	1,180	10%
Capital Goods	366	727	1,093	8%	277	582	859	7%
Communications	451	140	591	4%	355	123	478	4%
Consumer	789	988	1,777	13%	552	783	1,335	11%
Electric and Utility	376	629	1,005	8%	256	558	814	7%
Energy and Natural Gas	464	737	1,201	9%	273	609	882	8%
Financial	1,060	348	1,408	10%	896	302	1,198	10%
Other	75	11	86	1%	103	7	110	1%
<b>Corporate</b>	<b>4,133</b>	<b>4,452</b>	<b>8,585</b>	<b>64%</b>	<b>3,126</b>	<b>3,730</b>	<b>6,856</b>	<b>58%</b>
Collateralized Debt Obligations	18	-	18	0%	19	-	19	0%
Credit Card	-	-	-	0%	10	-	10	0%
Home Equity	2	-	2	0%	2	-	2	0%
Foreign Bank Obligations	-	427	427	3%	-	489	489	5%
Other	3	91	94	1%	-	51	51	0%
<b>Asset-Backed Securities</b>	<b>23</b>	<b>518</b>	<b>541</b>	<b>4%</b>	<b>31</b>	<b>540</b>	<b>571</b>	<b>5%</b>
Commercial Mortgage-Backed Securities	120	-	120	1%	123	-	123	1%
Collateralized Mortgage Obligations	34	1	35	0%	38	1	39	0%
<b>Total Fixed Maturities <sup>(2)</sup></b>	<b>\$ 8,400</b>	<b>\$ 5,043</b>	<b>\$ 13,443</b>	<b>100%</b>	<b>\$ 7,449</b>	<b>\$ 4,332</b>	<b>\$ 11,781</b>	<b>100%</b>
% of Fixed Maturities	62%	38%	100%		63%	37%	100%	

(1) 92% of fixed maturities were investment grade as of December 31, 2009 and December 31, 2008. The remaining 8% of below investment grade holdings are invested mainly in corporate debt, split relatively evenly between public and private placements.

(2) Amortized cost, net of impairments, for problem and potential problem bonds, were \$138 million and \$161 million as of December 31, 2009 and December 31, 2008 respectively. For more information, please refer to CIGNA's Form 10-K for the year ended December 31, 2009 which is expected to be filed on February 25, 2010.

**CIGNA Corporation**  
**Summary of Fixed Maturities (unaudited)**  
**Analysis of Amortized Cost vs. Fair Value**

(Dollars in millions)

Sector	As of December 31, 2009				As of December 31, 2008			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 398	\$ 174	\$ 1	\$ 571	\$ 359	\$ 403	\$ -	\$ 762
States and Local Government	2,341	188	8	2,521	2,391	117	22	2,486
Foreign Government	1,040	38	8	1,070	882	70	8	944
<b>Government</b>	<b>3,779</b>	<b>400</b>	<b>17</b>	<b>4,162</b>	<b>3,632</b>	<b>590</b>	<b>30</b>	<b>4,192</b>
Basic Industry	1,349	86	11	1,424	1,237	26	83	1,180
Capital Goods	1,040	67	14	1,093	958	18	117	859
Communications	550	45	4	591	494	7	23	478
Consumer	1,678	110	11	1,777	1,397	32	94	1,335
Electric and Utility	953	59	7	1,005	817	28	31	814
Energy and Natural Gas	1,103	103	5	1,201	904	21	43	882
Financial	1,390	62	44	1,408	1,310	24	136	1,198
Other	85	3	2	86	101	11	2	110
<b>Corporate</b>	<b>8,148</b>	<b>535</b>	<b>98</b>	<b>8,585</b>	<b>7,218</b>	<b>167</b>	<b>529</b>	<b>6,856</b>
Collateralized Debt Obligations	20	-	2	18	22	-	3	19
Credit Card	-	-	-	-	10	-	-	10
Home Equity	2	-	-	2	2	-	-	2
Foreign Bank Obligations	377	54	4	427	365	128	4	489
Other	95	1	2	94	57	-	6	51
<b>Asset-Backed Securities</b>	<b>494</b>	<b>55</b>	<b>8</b>	<b>541</b>	<b>456</b>	<b>128</b>	<b>13</b>	<b>571</b>
Commercial Mortgage-Backed Securities	125	5	10	120	148	-	25	123
Collateralized Mortgage Obligations	34	1	-	35	38	1	-	39
<b>Total Fixed Maturities</b>	<b>\$ 12,580</b>	<b>\$ 996</b>	<b>\$ 133</b>	<b>\$ 13,443</b>	<b>\$ 11,492</b>	<b>\$ 886</b>	<b>\$ 597</b>	<b>\$ 11,781</b>

**CIGNA Corporation**  
**Summary of Commercial Mortgage Loans (unaudited)**  
**As of December 31, 2009**

(Dollars in millions)

Geographic Region	Property Type							Total <sup>(1)</sup>	% of Mortgage Loans
	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other			
Massachusetts	292	176	12	18	15	-	513	15%	
Connecticut	-	25	8	-	20	-	53	1%	
<b>New England</b>	<b>\$ 292</b>	<b>\$ 201</b>	<b>\$ 20</b>	<b>\$ 18</b>	<b>\$ 35</b>	<b>\$ -</b>	<b>\$ 566</b>	<b>16%</b>	
New York	155	-	-	81	-	20	256	7%	
Other <sup>(3)</sup>	67	47	-	38	-	-	152	4%	
<b>Middle Atlantic</b>	<b>222</b>	<b>\$ 47</b>	<b>\$ -</b>	<b>\$ 119</b>	<b>\$ -</b>	<b>20</b>	<b>408</b>	<b>11%</b>	
Florida	-	36	130	9	64	-	239	7%	
Georgia	11	73	79	30	16	-	209	6%	
South Carolina	-	12	136	-	-	-	148	4%	
Virginia	-	30	-	50	22	-	102	3%	
Other <sup>(3)</sup>	19	18	-	-	-	-	37	1%	
<b>South Atlantic</b>	<b>30</b>	<b>169</b>	<b>345</b>	<b>89</b>	<b>102</b>	<b>-</b>	<b>735</b>	<b>21%</b>	
Texas	67	90	-	-	47	-	204	6%	
Tennessee	-	10	1	49	34	-	94	3%	
Illinois	80	-	13	-	-	-	93	3%	
Other <sup>(3)</sup>	47	16	43	-	20	-	126	3%	
<b>Central</b>	<b>194</b>	<b>116</b>	<b>57</b>	<b>49</b>	<b>101</b>	<b>-</b>	<b>517</b>	<b>15%</b>	
Colorado	73	148	26	44	-	-	291	8%	
Other <sup>(3)</sup>	33	-	3	4	-	-	40	1%	
<b>Mountain</b>	<b>106</b>	<b>148</b>	<b>29</b>	<b>48</b>	<b>-</b>	<b>-</b>	<b>331</b>	<b>9%</b>	
California	206	190	44	162	106	24	732	21%	
Washington	15	30	8	-	82	-	135	4%	
Oregon	36	-	48	14	-	-	98	3%	
<b>Pacific</b>	<b>257</b>	<b>220</b>	<b>100</b>	<b>176</b>	<b>188</b>	<b>24</b>	<b>965</b>	<b>28%</b>	
<b>Totals</b>	<b>\$ 1,101</b>	<b>\$ 901</b>	<b>\$ 551</b>	<b>\$ 499</b>	<b>\$ 426</b>	<b>\$ 44</b>	<b>\$ 3,522</b>	<b>100%</b>	
% of Mortgage Loans	31%	26%	16%	14%	12%	1%	100%		

Loan to Value % <sup>(2)</sup>	Property Type							Total <sup>(1)</sup>	% of Mortgage Loans
	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other			
	73%	82%	81%	77%	74%	61%	77%		
<b>Origination Years</b>									
Pre-2005	\$ 251	\$ 205	\$ 149	\$ 26	\$ 200	\$ -	\$ 831	24%	
2005	126	178	119	167	63	-	653	19%	
2006	268	375	170	97	82	44	1,036	29%	
2007	209	113	-	25	20	-	367	10%	
2008	147	30	72	184	48	-	481	14%	
2009	100	-	41	-	13	-	154	4%	
<b>Totals</b>	<b>\$ 1,101</b>	<b>\$ 901</b>	<b>\$ 551</b>	<b>\$ 499</b>	<b>\$ 426</b>	<b>\$ 44</b>	<b>\$ 3,522</b>	<b>100%</b>	

Loan to Value Distribution <sup>(2)</sup>				
Loan to Value Ratios	Amortized Cost			% of Mortgage Loans
	Senior	Subordinated	Total	
Below 50%	\$ 199	\$ 164	\$ 363	10%
50% to 59%	309	-	309	9%
60% to 69%	383	37	420	12%
70% to 79%	524	72	596	17%
80% to 89%	838	47	885	25%
90% to 99%	666	17	683	19%
100% or above	251	15	266	8%
<b>Totals</b>	<b>\$ 3,170</b>	<b>\$ 352</b>	<b>\$ 3,522</b>	<b>100%</b>

- (1) Problem and potential problem commercial mortgage loans at amortized cost, net of impairments, were \$397 million and \$92 million as of December 31, 2009 and December 31, 2008, respectively. For more information, please refer to the Investment Assets section in the Management's Discussion and Analysis section of CIGNA's Form 10-K for the year ended December 31, 2009 which is expected to be filed on February 25, 2010.
- (2) Valuations are internal estimates based on the most recent full year financial statements and budgets/projections for the next year, considering occupancy, rental rates, operating costs, and other relevant information. The values are determined as part of an annual review process which was completed during the second quarter 2009. For more information, please refer to CIGNA's Form 10-K for the year ended December 31, 2009 which is expected to be filed on February 25, 2010.
- (3) Represents states in a region with a concentration of less than 3%.

**CIGNA Corporation**  
**Stock and Balance Sheet Analyses (unaudited)**

<i>(In millions, except per share data)</i>	Three Months Ended December 31,				Year Ended December 31,				
	2009		2008		2009		2008		
Price range of common stock:	High	\$	38.12	\$	34.47	\$	38.12	\$	56.98
	Low	\$	26.83	\$	8.00	\$	12.68	\$	8.00
Market price (as of end of period)						\$	35.27	\$	16.85
Dividends declared per share		\$	-	\$	-	\$	0.040	\$	0.040
Common dividends declared		\$	-	\$	-	\$	11	\$	11

	As of December 31,			
	2009		2008	
Common shares outstanding (in thousands)		274,257		271,036
Book value per share	\$	19.75	\$	13.25

**CIGNA Corporation**  
**Condensed Consolidated Statements of Cash Flows**

(Dollars in millions)

	Year Ended December 31,	
	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 1,305	\$ 294
Adjustments to reconcile net income to net cash provided by operating activities:		
(Income) from discontinued operations	(1)	(4)
Insurance liabilities	(357)	485
Reinsurance recoverables	30	63
Deferred policy acquisition costs	(109)	(74)
Premiums, accounts and notes receivable	49	219
Other assets	452	(860)
Accounts payable, accrued expenses and other liabilities	(1,321)	1,466
Current income taxes	55	(72)
Deferred income taxes	319	(221)
Realized investment losses	43	170
Depreciation and amortization	268	244
Gains on sales of businesses (excluding discontinued operations)	(32)	(38)
Proceeds from sales of mortgage loans held for sale	1	1
Other, net	43	(17)
Net cash provided by operating activities	745	1,656
Net cash (used in) investing activities	(1,485)	(2,572)
Net cash provided by financing activities	307	314
Effect of foreign currency rate changes on cash and cash equivalents	15	(26)
Net decrease in cash and cash equivalents	(418)	(628)
Cash and cash equivalents, beginning of period	1,342	1,970
Cash and cash equivalents, end of period	\$ 924	\$ 1,342

**CIGNA Corporation**  
**Health Care**  
**Segment Earnings**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees	\$ 2,806	\$ 2,905	(3) %	\$ 11,384	\$ 11,665	(2) %
Net investment income	49	46	7	181	200	(10)
Mail order pharmacy revenues	338	322	5	1,282	1,204	6
Other revenues	61	68	(10)	262	267	(2)
Segment revenues	<u>3,254</u>	<u>3,341</u>	(3)	<u>13,109</u>	<u>13,336</u>	(2)
<b>Benefits and Expenses:</b>						
Health Care medical claims expense	1,701	1,772	(4)	6,927	7,252	(4)
Other benefit expenses	35	42	(17)	169	193	(12)
Mail order pharmacy cost of goods sold	274	257	7	1,036	961	8
Policy acquisition expenses	32	38	(16)	141	138	2
Other operating expenses excluding special items	915	914	-	3,708	3,695	-
Special item(s) <sup>(1)</sup>	17	44	(61)	(2)	81	-
Benefits and expenses	<u>2,974</u>	<u>3,067</u>	(3)	<u>11,979</u>	<u>12,320</u>	(3)
Income before income taxes	280	274	2	1,130	1,016	11
Income taxes <sup>(2)</sup>	98	92	7	399	352	13
<b>Segment earnings, after-tax</b>	182	182	-	731	664	10
Less: Special items, after-tax <sup>(1)(2)</sup>	(12)	(27)	56	2	(51)	-
<b>Adjusted income from operations</b>	\$ 194	\$ 209	(7) %	\$ 729	\$ 715	2 %
<b>Net realized investment losses, net of taxes</b>	\$ (2)	\$ (36)	94 %	\$ (19)	\$ (13)	(46) %

(1) The year ended December 31, 2009 includes a curtailment benefit of \$39 million (\$25 million after-tax) resulting from the decision to freeze CIGNA's pension plans and a pre-tax charge of \$37 million (\$24 million after-tax) related to the previously announced cost reduction plan.  
The year ended December 31, 2008 includes pre-tax charges of \$44 million (\$27 million after-tax) related to the previously announced cost reduction program and \$37 million (\$24 million after-tax) related to litigation matters.

(2) The year ended December 31, 2009 includes a \$1 million tax benefit resulting from the completion of the 2005 and 2006 IRS examinations.

**CIGNA Corporation**  
**Health Care**  
**Revenue Analysis (unaudited)**

(Dollars in millions)	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
Premiums:						
Medical:						
Guaranteed cost excluding voluntary / limited benefits <sup>(1)</sup>	\$ 781	\$ 858	(9) %	\$ 3,148	\$ 3,504	(10) %
Voluntary / Limited Benefits	56	49	14	232	200	16
Experience-rated <sup>(2)</sup>	423	454	(7)	1,699	1,953	(13)
Stop loss	309	338	(9)	1,274	1,197	6
Dental	181	196	(8)	731	785	(7)
Medicare	152	100	52	595	400	49
Medicare Part D <sup>(3)</sup>	69	54	28	342	327	5
Other	133	134	(1)	515	518	(1)
Total medical	2,104	2,183	(4)	8,536	8,884	(4)
Life and other non-medical	37	45	(18)	179	184	(3)
Total Premiums	2,141	2,228	(4)	8,715	9,068	(4)
Fees <sup>(3)(4)</sup>	665	677	(2)	2,669	2,597	3
Mail order pharmacy revenues <sup>(5)</sup>	338	322	5	1,282	1,204	6
Other revenues <sup>(6)</sup>	61	68	(10)	262	267	(2)
Net investment income	49	46	7	181	200	(10)
<b>Segment revenues</b>	<b>\$ 3,254</b>	<b>\$ 3,341</b>	<b>(3) %</b>	<b>\$ 13,109</b>	<b>\$ 13,336</b>	<b>(2) %</b>

(1) Includes guaranteed cost premiums primarily associated with open access and commercial HMO, as well as other risk-related products.

(2) Minimum premium funding arrangements combine insurance protection with an element of self-funding. The policyholder assumes the risk for, and self-funds, claim costs up to a predetermined aggregate, maximum amount, and CIGNA bears the risk for claim costs incurred in excess of that amount, but has the potential to recover this excess from policyholders that renew their minimum premium contracts with CIGNA. Accordingly, minimum premium funding arrangements have a risk profile similar to retrospectively experience-rated funding arrangements and therefore minimum premium members are presented with experience-rated members. The risk portion of minimum premium revenue is reported in experience-rated premium whereas the self-funding portion of minimum premium revenue is recorded in fees.

(3) Certain reclassifications have been made to the Medicare Part D premiums to conform to the current presentation.

(4) Fees represent administrative service fees for medical members and related specialty products and also include fees related to Medicare Part D of \$7 million for the fourth quarter of 2009, \$41 million for the year ended December 31, 2009, \$13 million for the fourth quarter of 2008, and \$69 million for the year ended December 31, 2008.

(5) Reflects revenues for non-risk pharmacy mail order fulfillment services.

(6) Includes amounts relating to Medicare Claim Administration of \$21 million for the fourth quarter of 2009, \$91 million for the year ended December 31, 2009, \$26 million for the fourth quarter of 2008, and \$97 million for the year ended December 31, 2008. Net of this item, Other revenues primarily reflect non-risk revenues for direct channel specialty products.

**CIGNA Corporation**  
**Health Care**  
**Key Metrics (unaudited)**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>OTHER OPERATING EXPENSES</b>						
<b>EXCLUDING SPECIAL ITEMS:</b>						
Pharmacy expenses <sup>(1)</sup>	\$ 43	\$ 44	(2) %	\$ 174	\$ 182	(4) %
Medicare Part D expenses	11	16	(31)	51	58	(12)
Disease management expenses	41	42	(2)	169	171	(1)
Transformation amortization expenses	1	19	(95)	40	83	(52)
Voluntary / limited benefits expenses <sup>(2)</sup>	16	16	-	63	64	(2)
Medicare claim administration	19	25	(24)	91	96	(5)
Great-West Integration <sup>(3)</sup>	9	16	(44)	51	55	(7)
Other operating expenses	775	736	5	3,069	2,986	3
<b>Other operating expenses excluding special items</b>	<b>\$ 915</b>	<b>\$ 914</b>	<b>- %</b>	<b>\$ 3,708</b>	<b>\$ 3,695</b>	<b>- %</b>

(1) Includes expenses supporting both mail order and retail pharmacy operations.

(2) Represents operating expenses of the Star HRG voluntary / limited benefits business acquired in July 2006.

(3) Acquisition of Great-West Healthcare effective April 1, 2008.

<b>RATIOS:</b>	Three Months Ended December 31,			Change Better (Worse)	Year Ended December 31,			Change Better (Worse)
	2009	2008			2009	2008		
Guaranteed Cost care ratio (excluding voluntary / limited benefits) <sup>(4)</sup>	86.3 %	85.7 %	(0.6)	85.5 %	84.8 %	(0.7)		
Guaranteed Cost care ratio (including voluntary / limited benefits) <sup>(4)</sup>	84.4 %	84.0 %	(0.4)	83.9 %	83.4 %	(0.5)		
Medicare Part D care ratio (including fees)	60.1 %	64.8 %	4.7	81.8 %	80.1 %	(1.7)		
Medicare Part D care ratio (excluding fees) <sup>(5)</sup>	70.9 %	89.8 %	18.9	91.6 %	96.9 %	5.3		

(4) The Guaranteed Cost care ratio excludes the stop loss products associated with experience-rated and service members.

(5) Certain reclassifications have been made to the Medicare Part D care ratio to conform to the current presentation.

**CIGNA Corporation**  
**Health Care**  
**Estimated Covered Lives (unaudited)**

COVERED LIVES BY FUNDING TYPE:	As of December 31,			COVERED LIVES BY MARKET SEGMENT: <sup>(6)</sup>	As of December 31,		
	2009	2008	Change		2009	2008	Change
<i>(Lives in thousands)</i>				<i>(Lives in thousands)</i>			
<b>Medical membership :</b>				<b>Medical membership :</b>			
Guaranteed cost excluding voluntary / limited benefits <sup>(1)</sup>	780	891	(12) %	National Accounts	4,165	4,586	(9) %
Voluntary / Limited Benefits	221	201	10	Middle Market	6,166	6,299	(2)
Medicare	52	35	49	Select	571	686	(17)
Total guaranteed cost	1,053	1,127	(7)	Other, including Individual	138	108	28
Experience-rated <sup>(2)</sup>	761	864	(12)				
Service	9,226	9,688	(5)				
<b>Total medical membership</b>	<b>11,040</b>	<b>11,679</b>	<b>(5) %</b>	<b>Total medical membership</b>	<b>11,040</b>	<b>11,679</b>	<b>(5) %</b>
<b>Non-medical membership :</b>							
Medicare Part D <sup>(3)</sup>	305	326	(6) %				
Dental <sup>(4)</sup>	9,873	10,615	(7) %				
Behavioral care <sup>(4)</sup>	17,647	18,316	(4) %				
Pharmacy <sup>(4)</sup>	6,451	6,203	4 %				

(1) Includes guaranteed cost premiums primarily associated with open access and commercial HMO, as well as other risk-related products.

(2) Includes minimum premium members, who have a risk profile similar to experience-rated funding arrangements. Also, includes certain non-participating cases for which special customer level reporting of experience is required.

(3) Reflects members enrolled in CIGNA's Medicare Part D program, which provides access to prescription medications through a nationwide pharmacy network.

(4) Reflects members enrolled in CIGNA's dental, behavioral care or managed pharmacy programs, which provide access to services through a nationwide network. These members may also be medical members, or they may have stand-alone dental, behavioral care or pharmacy coverage. The managed pharmacy members in 2009 include the fourth quarter 2009 conversion of members from Great-West Healthcare.

(5) Estimated Covered Lives by Market Segment generally reflects the following:  
~ the National Accounts market segment includes multi-site employers with more than 5,000 employees;  
~ the Middle Market segment includes multi-site employers with more than 250 but fewer than 5,000 employees and single-site employers with more than 250 employees;  
~ the Select market segment includes employers with more than 50 but fewer than 250 employees; and  
~ Other includes Individual, Small business, which generally includes employers with 2-50 employees, and Medicare, which includes Individual and Group Medicare Private Fee for Service.

**CIGNA Corporation**  
**Disability and Life**  
**Segment Earnings**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees:						
Life	\$ 314	\$ 338	(7) %	\$ 1,301	\$ 1,261	3 %
Disability	268	255	5	1,057	1,004	5
Other	65	73	(11)	276	297	(7)
Total premiums and fees	647	666	(3)	2,634	2,562	3
Net investment income	64	63	2	244	256	(5)
Other revenues	26	27	(4)	113	117	(3)
Segment revenues	737	756	(3)	2,991	2,935	2
<b>Benefits and Expenses:</b>						
Benefit expenses	474	511	(7)	1,922	1,914	-
Policy acquisition expenses	4	2	100	6	6	-
Other operating expenses excluding special items	165	153	8	671	630	7
Special item(s) <sup>(1)</sup>	3	3	-	(1)	3	-
Benefits and expenses	646	669	(3)	2,598	2,553	2
Income before income taxes	91	87	5	393	382	3
Income taxes <sup>(2)</sup>	27	25	8	109	109	-
<b>Segment earnings, after-tax</b>	64	62	3	284	273	4
Less: Special items, after-tax <sup>(1)(2)</sup>	(2)	(2)	-	5	(2)	-
<b>Adjusted income from operations</b>	\$ 66	\$ 64	3 %	\$ 279	\$ 275	1 %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 1	\$ (25)	- %	\$ (1)	\$ (48)	98 %

(1) The year ended December 31, 2009 includes a curtailment benefit of \$6 million (\$4 million after-tax) resulting from the decision to freeze CIGNA's pension plans and a pre-tax charge of \$5 million (\$4 million after-tax) related to the previously announced cost reduction plan.

The year ended December 31, 2008 includes a pre-tax charge of \$3 million (\$2 million after-tax) related to the previously announced cost reduction plan.

(2) The year ended December 31, 2009 includes a \$5 million tax benefit resulting from the completion of the 2005 and 2006 IRS examinations.

**CIGNA Corporation**  
**International**  
**Segment Earnings**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees	\$ 504	\$ 448	13 %	\$ 1,882	\$ 1,870	1 %
Net investment income	19	17	12	69	79	(13)
Other revenues	8	6	33	22	18	22
Segment revenues	<u>531</u>	<u>471</u>	13	<u>1,973</u>	<u>1,967</u>	-
<b>Benefits and Expenses:</b>						
Benefit expenses	295	238	24	1,080	1,003	8
Policy acquisition expenses	84	90	(7)	324	343	(6)
Other operating expenses excluding special items	87	74	18	312	325	(4)
Special item(s) <sup>(1) (2)</sup>	-	8	-	1	8	(88)
Benefits and expenses	<u>466</u>	<u>410</u>	14	<u>1,717</u>	<u>1,679</u>	2
Income before income taxes	65	61	7	256	288	(11)
Income taxes <sup>(3)</sup>	25	23	9	70	104	(33)
Income attributable to noncontrolling interest	1	-	-	3	2	50
<b>Segment earnings, after-tax</b>	39	38	3	183	182	1
Less: Special items, after-tax <sup>(1) (2) (3)</sup>	1	(6)	-	1	(6)	-
<b>Adjusted income from operations</b>	\$ 38	\$ 44	(14) %	\$ 182	\$ 188	(3) %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 1	\$ (1)	- %	\$ 2	\$ (3)	- %

(1) The year ended December 31, 2009 includes a pre-tax charge of \$2 million (\$1 million after-tax) related to the previously announced cost reduction plan. The year ended December 31, 2008 includes a pre-tax charge of \$8 million (\$6 million after-tax) related to the previously announced cost reduction plan.

(2) The year ended December 31, 2009 includes a curtailment benefit of \$1 million (\$1 million after-tax) resulting from the decision to freeze CIGNA's pension plans.

(3) The year ended December 31, 2009 includes a \$1 million tax benefit resulting from the completion of the 2005 and 2006 IRS examinations.

**CIGNA Corporation**  
**Run-off Reinsurance**  
**Segment Earnings**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees	\$ 6	\$ 8	(25) %	\$ 29	\$ 43	(33) %
Net investment income	27	34	(21)	113	104	9
Other revenues <sup>(1)</sup>	(49)	214	-	(283)	331	-
Segment revenues	<u>(16)</u>	<u>256</u>	-	<u>(141)</u>	<u>478</u>	-
<b>Benefits and Expenses:</b>						
Benefit expenses	(44)	520	-	(146)	782	-
Guaranteed minimum income benefits (income) expense <sup>(2)</sup>	(89)	337	-	(304)	690	-
Other operating expenses	9	4	125	31	27	15
Benefits and expenses	<u>(124)</u>	<u>861</u>	-	<u>(419)</u>	<u>1,499</u>	-
Income (loss) before income taxes	108	(605)	-	278	(1,021)	-
Income taxes (benefits)	39	(211)	-	93	(375)	-
<b>Segment income (loss), after-tax</b>	<b>69</b>	<b>(394)</b>	<b>-</b>	<b>185</b>	<b>(646)</b>	<b>-</b>
Results of guaranteed minimum income benefits business, after-tax:						
Charge on adoption of fair value measurements	-	-	-	-	(131)	-
Results of guaranteed minimum income benefits business, excluding charge on adoption of fair value measurements <sup>(3)</sup>	<u>60</u>	<u>(215)</u>	-	<u>209</u>	<u>(306)</u>	-
Total	60	(215)	-	209	(437)	-
<b>Adjusted income (loss) from operations</b>	<b>\$ 9</b>	<b>\$ (179)</b>	<b>- %</b>	<b>\$ (24)</b>	<b>\$ (209)</b>	<b>89 %</b>
<b>Net realized investment gains (losses), net of taxes</b>	<b>\$ -</b>	<b>\$ (14)</b>	<b>- %</b>	<b>\$ (2)</b>	<b>\$ (19)</b>	<b>89 %</b>

(1) Includes pre-tax losses of \$50 million for the fourth quarter of 2009 and \$282 million for the year ended December 31, 2009, and pre-tax gains of \$215 million for the fourth quarter of 2008 and \$333 million for the year ended December 31, 2008 from futures contracts entered into as part of a dynamic hedge program to manage equity risks in CIGNA's run-off reinsurance operations. CIGNA recorded corresponding offsets in benefits and expenses to adjust liabilities for reinsured guaranteed minimum death benefit contracts. For more information, please refer to CIGNA's Form 10-K for the year ended December 31, 2009 which is expected to be filed on February 25, 2010.

(2) The year ended December 31, 2008 includes a pre-tax charge of \$202 million (\$131 million after-tax) on the adoption of the FASB's fair value disclosure and measurement guidance (ASC 820) for guaranteed minimum income benefit contracts.

(3) Results of guaranteed minimum income benefits business include "Guaranteed minimum income benefits (income) expense," as well as net investment income and income taxes associated with this business.

**CIGNA Corporation**  
**Other Operations**  
**Segment Earnings**

(Dollars in millions)	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Premiums and fees	\$ 29	\$ 29	- %	\$ 112	\$ 113	(1) %
Net investment income	103	101	2	407	414	(2)
Other revenues	15	17	(12)	64	71	(10)
Segment revenues	<u>147</u>	<u>147</u>	-	<u>583</u>	<u>598</u>	(3)
<b>Benefits and Expenses:</b>						
Benefit expenses	100	101	(1)	398	408	(2)
Policy acquisition expenses	2	2	-	6	6	-
Other operating expenses excluding the special item	11	11	-	53	54	(2)
Special item(s) <sup>(1)</sup>	-	-	-	9	-	-
Benefits and expenses	<u>113</u>	<u>114</u>	(1)	<u>466</u>	<u>468</u>	-
Income before income taxes	34	33	3	117	130	(10)
Income taxes <sup>(2)</sup>	11	10	10	31	43	(28)
<b>Segment earnings, after-tax</b>	23	23	-	86	87	(1)
Less: Special items, after-tax <sup>(2)</sup>	-	-	-	1	-	-
<b>Adjusted income from operations</b>	\$ 23	\$ 23	- %	\$ 85	\$ 87	(2) %
<b>Net realized investment losses, net of taxes</b>	\$ (2)	\$ (16)	88 %	\$ (6)	\$ (27)	78 %

(1) The year ended December 31, 2009 reflects a \$9 million pre-tax charge in conjunction with completion of the 2005 and 2006 IRS examination. See Note 2 below for more information.

(2) The year ended December 31, 2009 includes a tax benefit of \$10 million resulting from completion of the 2005 and 2006 IRS examinations. This tax benefit is substantially offset by the pre-tax charge of \$9 million discussed in (1) above, resulting in a net after-tax benefit of \$1 million. This amount was treated as a special item.

**CIGNA Corporation**  
**Corporate**

(Dollars in millions)

	Three Months Ended December 31,			Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
<b>Revenues:</b>						
Net investment income	\$ -	\$ -	- %	\$ -	\$ 10	- %
Other revenues <sup>(1)</sup>	(14)	(12)	(17)	(58)	(53)	(9)
Segment revenues	(14)	(12)	(17)	(58)	(43)	(35)
<b>Benefits and Expenses:</b>						
Benefit expenses <sup>(1)</sup>	(4)	(4)	-	(16)	(15)	(7)
Other operating expenses	57	38	50	191	135	41
Special item(s) <sup>(3)</sup>	-	-	-	-	80	-
Benefits and expenses	53	34	56	175	200	(13)
Loss before income tax benefits	(67)	(46)	(46)	(233)	(243)	4
Income tax benefits <sup>(2)</sup>	(22)	(17)	(29)	(91)	(81)	(12)
<b>Loss, after-tax</b>	(45)	(29)	(55)	(142)	(162)	12
Less: Special items, after-tax <sup>(2) (3)</sup>	-	-	-	12	(52)	-
<b>Adjusted loss from operations</b>	\$ (45)	\$ (29)	(55) %	\$ (154)	\$ (110)	(40) %
<b>Net realized investment gains (losses), net of taxes</b>	\$ -	\$ -	- %	\$ -	\$ -	- %

(1) Other revenues and Benefit expenses include amounts for elimination of intercompany revenues and expenses.

(2) The year ended December 31, 2009 includes a \$12 million tax benefit resulting from the completion of the 2005 and 2006 IRS examinations.

(3) The year ended December 31, 2008 reflects a pre-tax charge of \$80 million (\$52 million after-tax) related to litigation matters.