

# **CIGNA Corporation**

## **Quarterly Statistical Supplement June 30, 2010**

*This document is dated August 5, 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**  
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**BASIS OF PRESENTATION:**

*All dollar amounts are in millions, unless otherwise noted. Certain reclassifications have been made to conform prior period results to the current 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.*

*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.*

## CIGNA Corporation Income and Per Share Data (unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>ADJUSTED INCOME (LOSS) FROM OPERATIONS</b>						
Health Care	\$ 247	\$ 177	40 %	\$ 414	\$ 331	25 %
Disability and Life	89	90	(1)	159	148	7
International	64	63	2	136	104	31
Run-off Reinsurance	-	2	-	(1)	(47)	98
Other Operations	24	21	14	43	39	10
Corporate	(40)	(40)	-	(86)	(74)	(16)
Total	\$ 384	\$ 313	23 %	\$ 665	\$ 501	33 %
<b>SHAREHOLDERS' NET INCOME</b>						
<b>Segment Earnings (Loss)</b>						
Health Care <sup>(1) (2) (3)</sup>	\$ 247	\$ 194	27 %	\$ 414	\$ 349	19 %
Disability and Life <sup>(1) (2) (3)</sup>	89	93	(4)	159	156	2
International <sup>(1) (3)</sup>	64	64	-	136	106	28
Run-off Reinsurance	(104)	112	-	(100)	86	-
Other Operations <sup>(3)</sup>	24	21	14	43	40	8
Corporate <sup>(3)</sup>	(40)	(40)	-	(86)	(62)	(39)
Total	\$ 280	\$ 444	(37) %	\$ 566	\$ 675	(16) %
Net realized investment gains (losses), net of taxes	14	(9)	-	11	(33)	-
Shareholders' income from continuing operations	\$ 294	\$ 435	(32) %	\$ 577	\$ 642	(10) %
Shareholders' income from discontinued operations	-	-	-	-	1	-
Shareholders' net income	\$ 294	\$ 435	(32) %	\$ 577	\$ 643	(10) %
<b>DILUTED EARNINGS PER SHARE</b>						
Adjusted income from operations	\$ 1.38	\$ 1.14	21 %	\$ 2.39	\$ 1.83	31 %
Results of guaranteed minimum income benefits business, after-tax	(0.37)	0.40	-	(0.35)	0.48	-
Net realized investment gains (losses), net of taxes	0.05	(0.03)	-	0.04	(0.12)	-
Special item(s), after-tax <sup>(1) (2) (3)</sup>	-	0.07	-	-	0.15	-
Shareholders' income from continuing operations	\$ 1.06	\$ 1.58	(33) %	\$ 2.08	\$ 2.34	(11) %
Shareholders' income from discontinued operations	-	-	-	-	-	-
Shareholders' net income	\$ 1.06	\$ 1.58	(33) %	\$ 2.08	\$ 2.34	(11) %
Weighted Average Shares (in thousands)	277,536	275,055	1 %	277,819	273,965	1 %

### **Special Item(s)**

- (1) The three and six months ended June 30, 2009 reflects a pre-tax curtailment benefit of \$46 million (\$30 million after-tax) resulting from the freeze of 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.
- (2) The three and six months ended June 30, 2009 includes a pre-tax charge of \$14 million (\$9 million after-tax) related to the previously announced cost reduction plan.  
- Pre-tax charge of \$13 million (\$8 million after-tax) in Health Care and a pre-tax charge of \$1 million (\$1 million after-tax) in Disability and Life.
- (3) The six months ended June 30, 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; a pre-tax charge of \$9 million (\$1 million after-tax benefit) in Other Operations; and an after-tax benefit of \$12 million in Corporate.

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

(Dollars in millions, except per share amounts)

	Diluted Earnings Per Share			Consolidated			Health Care			Disability & Life			International			Run-off Reinsurance			Other Operations			Corporate		
	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10	2Q10	2Q09	1Q10
<b>Three Months Ended</b>																								
Adjusted income (loss) from operations	\$ 1.38	\$ 1.14	\$ 1.01	\$ 384	\$ 313	\$ 281	\$ 247	\$ 177	\$ 167	\$ 89	\$ 90	\$ 70	\$ 64	\$ 63	\$ 72	\$ -	\$ 2	\$ (1)	\$ 24	\$ 21	\$ 19	\$ (40)	\$ (40)	\$ (46)
Results of guaranteed minimum income benefits business	(0.37)	0.40	0.02	(104)	110	5	-	-	-	-	-	-	-	-	-	(104)	110	5	-	-	-	-	-	-
Special item(s), after-tax:																								
Curtailment benefit	-	0.11	-	-	30	-	-	25	-	-	4	-	-	1	-	-	-	-	-	-	-	-	-	-
Charge for cost reduction plan	-	(0.04)	-	-	(9)	-	-	(8)	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment earnings (loss)	1.01	1.61	1.03	280	444	286	\$ 247	\$ 194	\$ 167	\$ 89	\$ 93	\$ 70	\$ 64	\$ 64	\$ 72	\$ (104)	\$ 112	\$ 4	\$ 24	\$ 21	\$ 19	\$ (40)	\$ (40)	\$ (46)
Net realized investment gains (losses), net of taxes	0.05	(0.03)	(0.01)	14	(9)	(3)																		
Shareholders' income from continuing operations	1.06	1.58	1.02	294	435	283																		
Shareholders' income from discontinued operations	-	-	-	-	-	-																		
Shareholders' net income	\$ 1.06	\$ 1.58	\$ 1.02	\$ 294	\$ 435	\$ 283																		

	Diluted Earnings Per Share		Consolidated		Health Care		Disability & Life		International		Run-off Reinsurance		Other Operations		Corporate	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Six Months Ended June 30,</b>																
Adjusted income (loss) from operations	\$ 2.39	\$ 1.83	\$ 665	\$ 501	\$ 414	\$ 331	\$ 159	\$ 148	\$ 136	\$ 104	\$ (1)	\$ (47)	\$ 43	\$ 39	\$ (86)	\$ (74)
Results of guaranteed minimum income benefits business	(0.35)	0.48	(99)	133	-	-	-	-	-	-	(99)	133	-	-	-	-
Special item(s), after-tax:																
Curtailment benefit	-	0.11	-	30	-	25	-	4	-	1	-	-	-	-	-	-
Charge for cost reduction plan	-	(0.03)	-	(9)	-	(8)	-	(1)	-	-	-	-	-	-	-	-
Completion of IRS examination	-	0.07	-	20	-	1	-	5	-	1	-	-	-	1	-	12
Segment earnings (loss)	2.04	2.46	566	675	\$ 414	\$ 349	\$ 159	\$ 156	\$ 136	\$ 106	\$ (100)	\$ 86	\$ 43	\$ 40	\$ (86)	\$ (62)
Net realized investment gains (losses), net of taxes	0.04	(0.12)	11	(33)												
Shareholders' income from continuing operations	2.08	2.34	577	642												
Shareholders' income from discontinued operations	-	-	-	1												
Shareholders' net income	\$ 2.08	\$ 2.34	\$ 577	\$ 643												

**CIGNA Corporation**  
**Consolidated Income Statements (unaudited)**

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>Revenues:</b>						
Premiums and fees	\$ 4,504	\$ 4,013	12 %	\$ 9,047	\$ 8,064	12 %
Net investment income	283	260	9	549	489	12
Mail order pharmacy revenues <sup>(1)</sup>	351	316	11	699	628	11
Other revenues <sup>(2)</sup>	193	(83)	-	247	134	84
Net realized investment gains (losses)	22	(18)	-	16	(54)	-
Total revenues	<u>5,353</u>	<u>4,488</u>	19	<u>10,558</u>	<u>9,261</u>	14
<b>Benefits and Expenses:</b>						
Health Care medical claims expense	2,078	1,748	19	4,287	3,528	22
Other benefit expenses	977	689	42	1,856	1,797	3
Mail order pharmacy cost of goods sold	290	255	14	575	507	13
Guaranteed minimum income benefits fair value (gain) loss	164	(164)	-	160	(196)	-
Operating expenses excluding special item(s)	1,405	1,362	3	2,819	2,745	3
Special item(s) <sup>(3)</sup>	-	(32)	-	-	(23)	-
Total benefits and expenses	<u>4,914</u>	<u>3,858</u>	27	<u>9,697</u>	<u>8,358</u>	16
Income from continuing operations before income taxes	<u>439</u>	<u>630</u>	(30)	<u>861</u>	<u>903</u>	(5)
Income taxes: <sup>(3)</sup>						
Current	68	155	(56)	155	70	121
Deferred	76	40	90	127	190	(33)
Total taxes	<u>144</u>	<u>195</u>	(26)	<u>282</u>	<u>260</u>	8
Income from continuing operations	295	435	(32)	579	643	(10)
Income from discontinued operations	-	-	-	-	1	-
<b>Net income</b>	\$ 295	\$ 435	(32) %	\$ 579	\$ 644	(10) %
<b>Less: net income attributable to noncontrolling interest</b>	1	-	-	2	1	100
<b>Shareholders' net income</b>	\$ 294	\$ 435	(32) %	\$ 577	\$ 643	(10) %

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

(2) Includes pre-tax gains of \$92 million and \$47 million for the three and six months ended June 30, 2010, respectively, and pre-tax losses of \$188 million and \$71 million for the three and six months ended June 30, 2009, respectively, 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-Q for the period ended June 30, 2010 which is expected to be filed on August 5, 2010.

(3) See the Special Item(s) discussion on Page 1 for further information.

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

(Dollars in millions)

	As of June 30, 2010	As of December 31, 2009		As of June 30, 2010	As of December 31, 2009
<b>Assets</b>			<b>Liabilities</b>		
Investments:					
Fixed maturities, at fair value <sup>(1)</sup> (amortized cost, \$13,322 and \$12,580)	\$ 14,744	\$ 13,443	Contractholder deposit funds	\$ 8,519	\$ 8,484
Equity securities, at fair value (cost, \$138 and \$137)	117	113	Future policy benefits	8,358	8,136
Commercial mortgage loans <sup>(2)</sup>	3,409	3,522	Unpaid claims and claim expenses	3,947	3,968
Policy loans	1,558	1,549	Health Care medical claims payable	1,268	921
Real estate	195	124	Unearned premiums and fees	410	427
Other long-term investments	608	595	Total insurance and contractholder liabilities	22,502	21,936
Short-term investments	153	493	Accounts payable, accrued expenses and other liabilities	5,866	5,797
Total investments	20,784	19,839	Short-term debt	326	104
Cash and cash equivalents	1,449	924	Long-term debt	2,510	2,436
Accrued investment income	231	238	Nonrecourse obligations	23	23
Premiums, accounts and notes receivable	1,457	1,361	Separate account liabilities	7,214	7,288
Reinsurance recoverables	6,483	6,597	Total liabilities	38,441	37,584
Deferred policy acquisition costs	997	943			
Property and equipment	875	862	<b>Shareholders' Equity</b>		
Deferred income taxes, net	868	1,029	Common stock	88	88
Goodwill	2,879	2,876	Additional paid-in capital	2,526	2,514
Other assets, including other intangibles	1,195	1,056	Net unrealized appreciation- fixed maturities	\$ 569	\$ 378
Separate account assets	7,214	7,288	Net unrealized appreciation- equity securities	3	4
			Net unrealized depreciation- derivatives	(10)	(30)
			Net translation of foreign currencies	(51)	(12)
			Postretirement benefits liability adjustment	(1,050)	(958)
			Accumulated other comprehensive loss	(539)	(618)
			Retained earnings	9,129	8,625
			Less treasury stock, at cost	(5,228)	(5,192)
			Total shareholders' equity	5,976	5,417
			Noncontrolling interest	15	12
			Total equity	5,991	5,429
Total assets	\$ 44,432	\$ 43,013	Total liabilities and equity	\$ 44,432	\$ 43,013

(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 Loans exhibit by property type and geographic region on pages 7 and 8.

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

(Dollars in millions)

Sector	As of June 30, 2010				As of December 31, 2009			
	Public	Private	Total <sup>(1)</sup>	% of Fixed Maturities	Public	Private	Total <sup>(1)</sup>	% of Fixed Maturities
United States Government	\$ 758	\$ -	\$ 758	5%	\$ 571	\$ -	\$ 571	4%
States and Local Government	2,539	6	2,545	17%	2,514	7	2,521	19%
Foreign Government	1,042	54	1,096	8%	1,005	65	1,070	8%
Government	4,339	60	4,399	30%	4,090	72	4,162	31%
Basic Industry	578	945	1,523	10%	552	872	1,424	11%
Capital Goods	385	831	1,216	8%	366	727	1,093	8%
Communications	490	138	628	4%	451	140	591	4%
Consumer	993	1,073	2,066	14%	789	988	1,777	13%
Electric and Utility	533	657	1,190	8%	376	629	1,005	8%
Energy and Natural Gas	488	800	1,288	9%	464	737	1,201	9%
Financial	1,201	328	1,529	11%	1,060	348	1,408	10%
Other	100	11	111	1%	75	11	86	1%
Corporate	4,768	4,783	9,551	65%	4,133	4,452	8,585	64%
Collateralized Debt Obligations	19	-	19	0%	18	-	18	0%
Home Equity	2	-	2	0%	2	-	2	0%
Foreign Bank Obligations	-	498	498	3%	-	427	427	3%
Other	1	152	153	1%	3	91	94	1%
Asset-Backed Securities	22	650	672	4%	23	518	541	4%
Commercial Mortgage-Backed Securities	95	-	95	1%	120	-	120	1%
Collateralized Mortgage Obligations	26	1	27	0%	34	1	35	0%
<b>Total Fixed Maturities <sup>(2)</sup></b>	<b>\$ 9,250</b>	<b>\$ 5,494</b>	<b>\$ 14,744</b>	<b>100%</b>	<b>\$ 8,400</b>	<b>\$ 5,043</b>	<b>\$ 13,443</b>	<b>100%</b>
% of Fixed Maturities	63%	37%	100%		62%	38%	100%	

(1) 92% of fixed maturities were investment grade as of June 30, 2010 and December 31, 2009. The remaining fixed maturities were below investment grade holdings and invested mainly in corporate debt, split relatively evenly between public and private placements.

(2) Problem and potential problem bonds at amortized cost, net of impairments, were \$80 million and \$138 million as of June 30, 2010 and December 31, 2009 respectively. For more information, please refer to CIGNA's Form 10-Q for the period ended June 30, 2010 which is expected to be filed on August 5, 2010.

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

(Dollars in millions)

Sector	As of June 30, 2010				As of December 31, 2009			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 496	\$ 262	\$ -	\$ 758	\$ 398	\$ 174	\$ 1	\$ 571
States and Local Government	2,336	213	4	2,545	2,341	188	8	2,521
Foreign Government	1,036	62	2	1,096	1,040	38	8	1,070
<b>Government</b>	<b>3,868</b>	<b>537</b>	<b>6</b>	<b>4,399</b>	<b>3,779</b>	<b>400</b>	<b>17</b>	<b>4,162</b>
Basic Industry	1,392	134	3	1,523	1,349	86	11	1,424
Capital Goods	1,104	114	2	1,216	1,040	67	14	1,093
Communications	581	48	1	628	550	45	4	591
Consumer	1,886	186	6	2,066	1,678	110	11	1,777
Electric and Utility	1,082	111	3	1,190	953	59	7	1,005
Energy and Natural Gas	1,167	128	7	1,288	1,103	103	5	1,201
Financial	1,463	86	20	1,529	1,390	62	44	1,408
Other	106	6	1	111	85	3	2	86
<b>Corporate</b>	<b>8,781</b>	<b>813</b>	<b>43</b>	<b>9,551</b>	<b>8,148</b>	<b>535</b>	<b>98</b>	<b>8,585</b>
Collateralized Debt Obligations	20	-	1	19	20	-	2	18
Home Equity	2	-	-	2	2	-	-	2
Foreign Bank Obligations	384	117	3	498	377	54	4	427
Other	149	6	2	153	95	1	2	94
<b>Asset-Backed Securities</b>	<b>555</b>	<b>123</b>	<b>6</b>	<b>672</b>	<b>494</b>	<b>55</b>	<b>8</b>	<b>541</b>
Commercial Mortgage-Backed Securities	93	8	6	95	125	5	10	120
Collateralized Mortgage Obligations	25	2	-	27	34	1	-	35
<b>Total Fixed Maturities</b>	<b>\$ 13,322</b>	<b>\$ 1,483</b>	<b>\$ 61</b>	<b>\$ 14,744</b>	<b>\$ 12,580</b>	<b>\$ 996</b>	<b>\$ 133</b>	<b>\$ 13,443</b>

**CIGNA Corporation**  
**Summary of Commercial Mortgage Loans (unaudited)**  
**As of June 30, 2010**

(Dollars in millions)

Geographic Region	Property Type							Total <sup>(1)</sup>	% of Mortgage Loans
	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other			
Massachusetts	\$ 290	\$ 175	\$ 10	\$ 18	\$ 15	\$ -	\$ 508	15%	
Connecticut	-	25	8	-	20	-	53	1%	
<b>New England</b>	<b>290</b>	<b>200</b>	<b>18</b>	<b>18</b>	<b>35</b>	<b>-</b>	<b>561</b>	<b>16%</b>	
New York	156	-	-	81	-	15	252	8%	
New Jersey	66	-	-	10	-	-	76	2%	
Pennsylvania	-	47	-	28	-	-	75	2%	
<b>Middle Atlantic</b>	<b>222</b>	<b>47</b>	<b>-</b>	<b>119</b>	<b>-</b>	<b>15</b>	<b>403</b>	<b>12%</b>	
Georgia	11	73	79	30	16	-	209	6%	
Florida	-	-	128	9	64	-	201	6%	
South Carolina	-	12	136	-	-	-	148	4%	
Virginia	27	30	-	55	22	-	134	4%	
Other <sup>(2)</sup>	19	18	-	-	-	-	37	1%	
<b>South Atlantic</b>	<b>57</b>	<b>133</b>	<b>343</b>	<b>94</b>	<b>102</b>	<b>-</b>	<b>729</b>	<b>21%</b>	
Texas	66	90	-	-	46	-	202	6%	
Illinois	80	-	13	-	-	-	93	3%	
Tennessee	-	-	1	48	32	-	81	2%	
Other <sup>(2)</sup>	16	15	44	-	20	-	95	3%	
<b>Central</b>	<b>162</b>	<b>105</b>	<b>58</b>	<b>48</b>	<b>98</b>	<b>-</b>	<b>471</b>	<b>14%</b>	
Colorado	72	147	26	44	-	-	289	9%	
Other <sup>(2)</sup>	33	-	3	4	-	-	40	1%	
<b>Mountain</b>	<b>105</b>	<b>147</b>	<b>29</b>	<b>48</b>	<b>-</b>	<b>-</b>	<b>329</b>	<b>10%</b>	
California	125	225	44	161	105	24	684	20%	
Washington	15	30	7	-	82	-	134	4%	
Oregon	36	-	48	14	-	-	98	3%	
<b>Pacific</b>	<b>176</b>	<b>255</b>	<b>99</b>	<b>175</b>	<b>187</b>	<b>24</b>	<b>916</b>	<b>27%</b>	
<b>Totals</b>	<b>\$ 1,012</b>	<b>\$ 887</b>	<b>\$ 547</b>	<b>\$ 502</b>	<b>\$ 422</b>	<b>\$ 39</b>	<b>\$ 3,409</b>	<b>100%</b>	
% of Mortgage Loans	<b>30%</b>	<b>26%</b>	<b>16%</b>	<b>15%</b>	<b>12%</b>	<b>1%</b>	<b>100%</b>		

(1) Problem and potential problem commercial mortgage loans carried at amortized cost, net of impairments, were \$456 million and \$397 million as of June 30, 2010 and December 31, 2009, respectively. For more information, please refer to the Investment Assets section in the Management's Discussion and Analysis section of CIGNA's Form 10-Q for the period ended June 30, 2010 which is expected to be filed on August 5, 2010.

(2) Represents states in a region with a concentration of less than 3%.

**CIGNA Corporation**  
**Summary of Commercial Mortgage Loans (unaudited)**  
**As of June 30, 2010**

(Dollars in millions)

Loan to Value Ratio <sup>(1)</sup>	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other	Total	% of Mortgage Loans
	70%	79%	85%	76%	71%	59%	76%	
<b>Origination Years</b>								
Pre-2006	\$ 329	\$ 368	\$ 265	\$ 192	\$ 260	\$ -	\$ 1,414	41%
2006	229	375	169	96	81	39	989	29%
2007	182	77	-	25	20	-	304	9%
2008	146	30	72	189	48	-	485	14%
2009	99	-	41	-	13	-	153	5%
2010	27	37	-	-	-	-	64	2%
<b>Totals</b>	<b>\$ 1,012</b>	<b>\$ 887</b>	<b>\$ 547</b>	<b>\$ 502</b>	<b>\$ 422</b>	<b>\$ 39</b>	<b>\$ 3,409</b>	<b>100%</b>

Loan to Value Distribution <sup>(1)</sup>				
Amortized Cost				
Loan to Value Ratios	Senior	Subordinated	Total	% of Mortgage Loans
Below 50%	\$ 180	\$ 158	\$ 338	10%
50% to 59%	420	33	453	13%
60% to 69%	526	60	586	17%
70% to 79%	298	34	332	10%
80% to 89%	811	34	845	25%
90% to 99%	573	27	600	18%
100% or above	255	-	255	7%
<b>Totals</b>	<b>\$ 3,063</b>	<b>\$ 346</b>	<b>\$ 3,409</b>	<b>100%</b>

(1) The Loan to Value Ratio on the commercial mortgage loans that we hold in our portfolio leverage internal valuations which are 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 in July of 2010. For more information, please refer to CIGNA's Form 10-Q for the period ended June 30, 2010 which is expected to be filed on August 5, 2010.

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

		Three Months Ended June 30,		Six Months Ended June 30,	
		2010	2009	2010	2009
<i>(In millions, except per share data)</i>					
Price range of common stock:	High	\$ 37.61	\$ 25.60	\$ 39.26	\$ 25.60
	Low	\$ 30.78	\$ 16.84	\$ 30.78	\$ 12.68
Market price (as of end of period)				\$ 31.06	\$ 24.09
Dividends declared per share		\$ -	\$ -	\$ 0.040	\$ 0.040
Common dividends declared		\$ -	\$ -	\$ 11	\$ 11
		As of June 30,		As of December 31,	
		2010	2009	2009	
Common shares outstanding (in thousands)		273,040	272,722	274,257	
Book value per share		\$ 21.89	\$ 16.46	\$ 19.75	

**CIGNA Corporation**  
**Condensed Consolidated Statements of Cash Flows (unaudited)**

(Dollars in millions)

	Six Months Ended June 30,	
	2010	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 579	\$ 644
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	128	145
Realized investment (gains) losses	(16)	54
Deferred income taxes	127	190
Gains on sales of businesses (excluding discontinued operations)	(12)	(16)
Income from discontinued operations	-	(1)
Net changes in assets and liabilities, net of non-operating effects:		
Premiums, accounts and notes receivable	(100)	(90)
Reinsurance recoverables	17	10
Deferred policy acquisition costs	(87)	(38)
Other assets	(165)	292
Insurance liabilities	375	(72)
Accounts payable, accrued expenses and other liabilities	(87)	(1,076)
Current income taxes	18	41
Other, net	(4)	29
Net cash provided by operating activities	773	112
Net cash used in investing activities	(536)	(648)
Net cash provided by financing activities	301	211
Effect of foreign currency rate changes on cash and cash equivalents	(13)	5
Net increase (decrease) in cash and cash equivalents	525	(320)
Cash and cash equivalents, beginning of period	924	1,342
Cash and cash equivalents, end of period	\$ 1,449	\$ 1,022

**CIGNA Corporation**  
**Health Care**  
**Segment Earnings (unaudited)**

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>Revenues:</b>						
Premiums and fees	\$ 3,276	\$ 2,855	15 %	\$ 6,595	\$ 5,766	14 %
Net investment income	64	46	39	118	80	48
Mail order pharmacy revenues	351	316	11	699	628	11
Other revenues	65	69	(6)	129	135	(4)
Segment revenues	<u>3,756</u>	<u>3,286</u>	14	<u>7,541</u>	<u>6,609</u>	14
<b>Benefits and Expenses:</b>						
Health Care medical claims expense	2,078	1,748	19	4,287	3,528	22
Other benefit expenses	29	38	(24)	57	86	(34)
Mail order pharmacy cost of goods sold	290	255	14	575	507	13
Operating expenses excluding special item(s)	975	969	1	1,978	1,974	-
Special item(s) <sup>(1)</sup>	-	(26)	-	-	(26)	-
Benefits and expenses	<u>3,372</u>	<u>2,984</u>	13	<u>6,897</u>	<u>6,069</u>	14
Income before income taxes	384	302	27	644	540	19
Income taxes <sup>(1)</sup>	137	108	27	230	191	20
<b>Segment earnings, after-tax</b>	247	194	27	414	349	19
Less: Special item(s), after-tax <sup>(1)</sup>	-	17	-	-	18	-
<b>Adjusted income from operations</b>	\$ 247	\$ 177	40 %	\$ 414	\$ 331	25 %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 8	\$ (11)	- %	\$ 5	\$ (16)	- %

(1) See the Special Item(s) discussion on Page 1 for further information.

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

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
Premiums:						
Medical:						
Guaranteed cost <sup>(1)</sup>	\$ 955	\$ 844	13 %	\$ 1,883	\$ 1,701	11 %
Experience-rated <sup>(2)</sup>	427	426	-	910	858	6
Stop loss	321	320	-	642	653	(2)
Dental	198	185	7	398	371	7
Medicare	371	153	142	733	291	152
Medicare Part D	146	92	59	316	202	56
Other	133	127	5	271	258	5
Total medical	2,551	2,147	19	5,153	4,334	19
Life and other non-medical	29	46	(37)	62	96	(35)
Total Premiums	2,580	2,193	18	5,215	4,430	18
Fees <sup>(3)</sup>	696	662	5	1,380	1,336	3
Mail order pharmacy revenues <sup>(4)</sup>	351	316	11	699	628	11
Other revenues <sup>(5)</sup>	65	69	(6)	129	135	(4)
Net investment income	64	46	39	118	80	48
<b>Segment revenues</b>	<b>\$ 3,756</b>	<b>\$ 3,286</b>	<b>14 %</b>	<b>\$ 7,541</b>	<b>\$ 6,609</b>	<b>14 %</b>

(1) Includes open access, commercial HMO and voluntary/limited benefits business, as well as other risk-related products.

(2) Includes minimum premium members who have a risk profile similar to experience-rated funding arrangements. The risk portion of minimum premium revenue is reported in experience-rated medical premium whereas the self funding portion of minimum premium revenue is reported in fees. Also, includes certain non-participating cases for which special customer level reporting of experience is required.

(3) Represents administrative service fees for medical members and related specialty product fees for non-medical members as well as fees related to Medicare Part D of \$12 million for the three months and \$22 million for the six months ended June 30, 2010, respectively, and \$9 million for the three months and \$17 million for the six months ended June 30, 2009, respectively.

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

(5) Includes amounts relating to Medicare Claim Administration of \$16 million for the three months and \$33 million for the six months ended June 30, 2010, respectively, and \$26 million for the three months and \$48 million for the six months ended June 30, 2009, respectively. Excluding 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 June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>OPERATING EXPENSES EXCLUDING SPECIAL ITEM(S):</b>						
Fulfillment	\$ 435	\$ 464	(6) %	\$ 879	\$ 926	(5) %
Customer acquisition	95	90	6	203	215	(6)
Staff	46	46	-	89	94	(5)
Other	84	92	(9)	167	166	1
<b>Medical operating expenses</b>	<b>660</b>	<b>692</b>	<b>(5)</b>	<b>1,338</b>	<b>1,401</b>	<b>(4)</b>
Premium taxes and commissions	101	94	7	202	197	3
<b>Sub Total (before Investment)</b>	<b>761</b>	<b>786</b>	<b>(3)</b>	<b>1,540</b>	<b>1,598</b>	<b>(4)</b>
Individual segment expansion	16	8	100	30	16	88
Pharmacy <sup>(1)</sup>	48	44	9	94	88	7
Disease management	37	39	(5)	76	83	(8)
Dental	37	37	-	75	76	(1)
Medicare claim administration	19	29	(34)	37	49	(24)
Medicare Part D	14	17	(18)	29	30	(3)
All other	43	9	378	97	34	185
<b>Sub Total</b>	<b>198</b>	<b>175</b>	<b>13</b>	<b>408</b>	<b>360</b>	<b>13</b>
<b>Operating expenses excluding special item(s)</b>	<b>\$ 975</b>	<b>\$ 969</b>	<b>1 %</b>	<b>\$ 1,978</b>	<b>\$ 1,974</b>	<b>- %</b>

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

<b>RATIOS:</b>	Three Months Ended June 30,		Change Better (Worse)	Six Months Ended June 30,		Change Better (Worse)
	2010	2009		2010	2009	
Guaranteed Cost care ratio (including voluntary / limited benefits) <sup>(2)</sup>	78.8 %	85.2 %	6.4	80.8 %	83.4 %	2.6
Medicare Part D care ratio (including fees)	90.3 %	87.5 %	(2.8)	96.9 %	93.1 %	(3.8)
Medicare Part D care ratio (excluding fees)	98.3 %	96.5 %	(1.8)	103.8 %	101.0 %	(2.8)

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

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

COVERED LIVES BY FUNDING TYPE:	As of June 30,			As of December 31,		
	2010	2009	Change	2009	Change	
<i>(Lives in thousands)</i>						
<b>Medical membership :</b>						
Guaranteed cost <sup>(1)</sup>	1,113	992	12 %	1,001	11 %	
Experience-rated <sup>(2)</sup>	826	773	7	761	9	
Total commercial risk	1,939	1,765	10	1,762	10	
Medicare	147	49	200	52	183	
Total risk	2,086	1,814	15	1,814	15	
Service	9,279	9,375	(1)	9,226	1	
<b>Total medical membership</b>	<b>11,365</b>	<b>11,189</b>	<b>2 %</b>	<b>11,040</b>	<b>3 %</b>	
<b>Non-medical membership :</b>						
Medicare Part D <sup>(3)</sup>	518	306	69 %	305	70 %	
Dental <sup>(4)</sup>	10,261	10,095	2 %	9,873	4 %	
Behavioral care <sup>(4)</sup>	17,956	17,890	- %	17,647	2 %	
Pharmacy <sup>(4)</sup>	6,574	5,908	11 %	6,451	2 %	

(1) Includes open access, commercial HMO, and voluntary / limited benefits business, as well as other risk-related products.

(2) Includes minimum premium members, who have a risk profile similar to experience-rated members. 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.

COVERED LIVES BY MARKET SEGMENT: <sup>(5)</sup>	As of June 30,			As of December 31,		
	2010	2009	Change	2009 <sup>(6)</sup>	Change	
<i>(Lives in thousands)</i>						
<b>Medical membership :</b>						
National Accounts	3,962	4,337	(9) %	4,214	(6) %	
Middle Market	6,534	6,152	6	6,126	7	
Select	597	584	2	562	6	
Other	272	116	134	138	97	
<b>Total medical membership</b>	<b>11,365</b>	<b>11,189</b>	<b>2 %</b>	<b>11,040</b>	<b>3 %</b>	

(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.

(6) Prior period restated to reflect segment transfers resulting primarily from increased/decreased enrollment at the account level.

**CIGNA Corporation**  
**Disability and Life**  
**Segment Earnings (unaudited)**

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>Revenues:</b>						
Premiums and fees:						
Life	\$ 297	\$ 328	(9) %	\$ 607	\$ 662	(8) %
Disability	289	262	10	577	530	9
Other	64	71	(10)	127	141	(10)
Total premiums and fees	650	661	(2)	1,311	1,333	(2)
Net investment income	67	61	10	131	118	11
Other revenues	28	28	-	57	57	-
Segment revenues	745	750	(1)	1,499	1,508	(1)
<b>Benefits and Expenses:</b>						
Benefit expenses	439	455	(4)	925	967	(4)
Operating expenses excluding special item(s)	179	168	7	349	334	4
Special item(s) <sup>(1)</sup>	-	(5)	-	-	(5)	-
Benefits and expenses	618	618	-	1,274	1,296	(2)
Income before income taxes	127	132	(4)	225	212	6
Income taxes <sup>(1)</sup>	38	39	(3)	66	56	18
<b>Segment earnings, after-tax</b>	89	93	(4)	159	156	2
Less: Special item(s), after-tax <sup>(1)</sup>	-	3	-	-	8	-
<b>Adjusted income from operations</b>	\$ 89	\$ 90	(1) %	\$ 159	\$ 148	7 %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 2	\$ 3	(33) %	\$ 3	\$ (7)	- %

(1) See the Special Item(s) discussion on Page 1 for further information.

**CIGNA Corporation  
International  
Segment Earnings (unaudited)**

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>Revenues:</b>						
Premiums and fees:						
Health, Life, and Accident (Individual)	\$ 295	\$ 239	23 %	\$ 588	\$ 458	28 %
Expatriate / Healthcare (Group)	247	223	11	481	438	10
Total premiums and fees	542	462	17	1,069	896	19
Net investment income	20	17	18	39	33	18
Other revenues	8	5	60	15	10	50
Segment revenues	570	484	18	1,123	939	20
<b>Benefits and Expenses:</b>						
Benefit expenses	298	264	13	583	506	15
Operating expenses <sup>(1)</sup>	181	151	20	355	299	19
Special item(s) <sup>(2)</sup>	-	(1)	-	-	(1)	-
Benefits and expenses	479	414	16	938	804	17
Income before income taxes	91	70	30	185	135	37
Income taxes <sup>(2)</sup>	26	6	333	47	28	68
Income attributable to noncontrolling interest	1	-	-	2	1	100
<b>Segment earnings, after-tax</b>	64	64	-	136	106	28
Less: Special item(s), after-tax <sup>(2)</sup>	-	1	-	-	2	-
<b>Adjusted income from operations</b>	\$ 64	\$ 63	2 %	\$ 136	\$ 104	31 %
<b>Net realized investment gains, net of taxes</b>	\$ -	\$ 3	- %	\$ 2	\$ 1	100 %

(1) Operating expenses include policy acquisition expenses of \$86 million for the three months and \$173 million for the six months ended June 30, 2010, respectively, and \$77 million for the three months and \$156 million for the six months ended June 30, 2009, respectively.

(2) See the Special Item(s) discussion on Page 1 for further information.

<b>Excluding the Effect of Foreign Currency Movements:<sup>(3)</sup></b>	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
(Dollars in millions)						
Premiums and fees	\$ 523	\$ 462	13 %	\$ 1,000	\$ 896	12 %
Adjusted income from operations	\$ 60	\$ 63	(5) %	\$ 125	\$ 104	20 %

(3) Movements in foreign currency exchange rates between reporting periods impact the comparability of reported results. The impact of foreign currency movements was calculated by comparing the reported results to what the results would have been had the exchange rates remained constant with the prior period's exchange rates.

**CIGNA Corporation**  
**International**  
**Key Metrics (unaudited)**

(Dollars in millions)

HEALTH, LIFE AND ACCIDENT (INDIVIDUAL) PREMIUMS AND FEES BY GEOGRAPHY:	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
Korea	\$ 172	\$ 129	33 %	\$ 340	\$ 242	40 %
Taiwan	51	41	24	99	80	24
Indonesia	21	18	17	41	33	24
Europe	18	20	(10)	38	41	(7)
Other	33	31	6	70	62	13
<b>Total Health, Life and Accident (Individual) <sup>(1)</sup></b>	<b>\$ 295</b>	<b>\$ 239</b>	<b>23 %</b>	<b>\$ 588</b>	<b>\$ 458</b>	<b>28 %</b>

NUMBER OF POLICIES:	As of June 30,			As of December 31,	
	2010	2009	Change	2009	Change
Health, Life and Accident Policies (Individual) <sup>(1)</sup>	5,456	4,837	13 %	5,209	5 %

(1) CIGNA owns a 50% noncontrolling interest in its China Joint Venture. CIGNA's 50% share of the joint venture's earnings are reported in Other Revenues using the equity method of accounting under GAAP. As such, the premiums and fees and policy count from the China Joint Venture have not been included in the Health, Life and Accident Premiums and Fees By Geography or Number of Policies.

ESTIMATED COVERED LIVES:	As of June 30,			As of December 31,	
	2010	2009	Change	2009	Change
<i>(Lives in thousands)</i>					
<b>Expatriate and Healthcare membership by Funding Type:</b>					
Risk	442	401	10 %	399	11 %
Service	174	236	(26)	230	(24)
<b>Total Expatriate and Healthcare membership</b>	<b>616</b>	<b>637</b>	<b>(3) %</b>	<b>629</b>	<b>(2) %</b>

**CIGNA Corporation**  
**Run-off Reinsurance**  
**Segment Earnings (unaudited)**

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<i>(Dollars in millions)</i>						
<b>Revenues:</b>						
Premiums and fees	\$ 6	\$ 6	- %	\$ 14	\$ 12	17 %
Net investment income	28	34	(18)	56	58	(3)
Other revenues <sup>(1)</sup>	92	(189)	-	46	(74)	-
Segment revenues	126	(149)	-	116	(4)	-
<b>Benefits and Expenses:</b>						
Benefit expenses	113	(165)	-	92	45	104
Guaranteed minimum income benefits fair value (gain) loss	164	(164)	-	160	(196)	-
Operating expenses	8	8	-	16	15	7
Benefits and expenses	285	(321)	-	268	(136)	-
Income (loss) before income taxes	(159)	172	-	(152)	132	-
Income taxes (benefits)	(55)	60	-	(52)	46	-
<b>Segment income (loss), after-tax</b>	(104)	112	-	(100)	86	-
Results of guaranteed minimum income benefits business <sup>(2)</sup>	(104)	110	-	(99)	133	-
<b>Adjusted income (loss) from operations</b>	\$ -	\$ 2	- %	\$ (1)	\$ (47)	98 %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 2	\$ (3)	- %	\$ 1	\$ (6)	- %

(1) See the Dynamic Hedge Program discussion on page 3 for further information.

(2) Results of guaranteed minimum income benefits business include "Guaranteed minimum income benefits fair value (gain) loss," as well as net investment income and income taxes associated with this business.

**CIGNA Corporation**  
**Other Operations**  
**Segment Earnings (unaudited)**

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<i>(Dollars in millions)</i>						
<b>Revenues:</b>						
Premiums and fees	\$ 30	\$ 29	3 %	\$ 58	\$ 57	2 %
Net investment income	104	102	2	205	200	3
Other revenues	15	17	(12)	30	33	(9)
Segment revenues	<u>149</u>	<u>148</u>	1	<u>293</u>	<u>290</u>	1
<b>Benefits and Expenses:</b>						
Benefit expenses	98	100	(2)	199	200	(1)
Operating expenses excluding special item(s)	16	16	-	30	33	(9)
Special item(s) <sup>(1)</sup>	-	-	-	-	9	-
Benefits and expenses	<u>114</u>	<u>116</u>	(2)	<u>229</u>	<u>242</u>	(5)
Income before income taxes	35	32	9	64	48	33
Income taxes <sup>(1)</sup>	11	11	-	21	8	163
<b>Segment earnings, after-tax</b>	24	21	14	43	40	8
Less: Special item(s), after-tax <sup>(1)</sup>	-	-	-	-	1	-
<b>Adjusted income from operations</b>	\$ 24	\$ 21	14 %	\$ 43	\$ 39	10 %
<b>Net realized investment gains (losses), net of taxes</b>	\$ 2	\$ (1)	- %	\$ -	\$ (5)	- %

(1) See the Special Item(s) discussion on Page 1 for further information.

**CIGNA Corporation**  
**Corporate (unaudited)**

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2010	2009	Change	2010	2009	Change
<b>Revenues:</b>						
Other revenues <sup>(1)</sup>	\$ (15)	\$ (13)	(15) %	\$ (30)	\$ (27)	(11) %
Segment revenues	(15)	(13)	(15)	(30)	(27)	(11)
<b>Benefits and Expenses:</b>						
Benefit expenses <sup>(1)</sup>	-	(3)	-	-	(7)	-
Operating expenses <sup>(1)</sup>	46	50	(8)	91	90	1
Benefits and expenses	46	47	(2)	91	83	10
Loss before income tax benefits	(61)	(60)	(2)	(121)	(110)	(10)
Income tax benefits <sup>(2)</sup>	(21)	(20)	(5)	(35)	(48)	27
<b>Segment loss, after-tax</b>	(40)	(40)	-	(86)	(62)	(39)
Less: Special item(s), after-tax <sup>(2)</sup>	-	-	-	-	12	-
<b>Adjusted loss from operations</b>	\$ (40)	\$ (40)	- %	\$ (86)	\$ (74)	(16) %

(1) Includes amounts for elimination of intercompany revenues and expenses.

(2) See the Special Item(s) discussion on Page 1 for further information.