

Cigna Corporation

Quarterly Financial Supplement June 30, 2013

This document is dated August 1, 2013. 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) before net realized investment gains (losses). Special items are identified and quantified on page 3. Adjusted income (loss) from operations is defined as segment earnings excluding special items 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. Cigna's Consolidated Operating Revenues exclude hedge gains (losses) from the Run-off Reinsurance business and net realized investment results. This measure is used by Cigna's management because it presents the underlying revenue of Cigna's operating businesses. These measures are not determined in accordance with generally accepted accounting principles (GAAP) and should not be viewed as a substitute for shareholders' net income and segment revenues determined in accordance with GAAP.

On February 4, 2013, Cigna entered into a definitive agreement with Berkshire Hathaway to effectively exit the Run-off Reinsurance businesses. As a result of this transaction, in the first quarter of 2013 Cigna recorded an after-tax charge of \$507 million as a special item in the Run-Off Reinsurance segment. For more information, see Note 6 in Cigna's Form 10-Q for the period ended June 30, 2013 expected to be filed on August 1, 2013.

Effective December 31, 2012, Cigna changed its external reporting segments. The primary change was that the two businesses that comprised the former International segment (international health care and supplemental health, life and accident) are now reported as follows: 1) substantially all of the international health care business (comprised primarily of the global health benefits business) is now combined with the former Health Care segment and renamed Global Health Care; and 2) the supplemental health, life and accident business is now a separate reporting segment named the Global Supplemental Benefits segment. In addition, certain disability and life products, previously reported in the former Health Care segment, are now reported in the Group Disability and Life segment. Prior period segment information has been conformed to the current reporting segments. Please refer to the Fourth Quarter 2012 Quarterly Financial Supplement for the impact of the segment changes on previously reported results.

Cigna Corporation
Financial Highlights (unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
SEGMENT REVENUES						
Global Health Care	\$ 6,253	\$ 5,920	6 %	\$ 12,625	\$ 11,292	12 %
Global Supplemental Benefits	647	480	35	1,284	953	35
Group Disability and Life	927	840	10	1,861	1,679	11
Ongoing operations	7,827	7,240	8	15,770	13,924	13
Run-off Reinsurance, Other Operations and Corporate	127	155	(18)	267	307	(13)
Total operating revenue	7,954	7,395	8	16,037	14,231	13
Run-off Reinsurance hedge loss	-	31	-	(39)	(64)	39
Net realized investment gains	26	(4)	-	165	9	-
Total Revenues	\$ 7,980	\$ 7,422	8 %	\$ 16,163	\$ 14,176	14 %
ADJUSTED INCOME (LOSS) FROM OPERATIONS						
Global Health Care	\$ 403	\$ 368	10 %	\$ 830	\$ 664	25 %
Global Supplemental Benefits	49	27	81	104	70	49
Group Disability and Life	104	91	14	153	159	(4)
Ongoing operations	556	486	14	1,087	893	22
Run-off Reinsurance, Other Operations and Corporate	(44)	(52)	15	(78)	(100)	22
Total	\$ 512	\$ 434	18 %	\$ 1,009	\$ 793	27 %
Diluted earnings per share - adjusted income from operations	\$ 1.78	\$ 1.49	19 %	\$ 3.50	\$ 2.74	28 %

CUSTOMER RELATIONSHIPS

(Relationships, lives and policies in thousands)

	As of June 30,			As of December 31	
	2013	2012	% Change	2012	% Change
Global Health Care Medical Customers: (see page 8)	14,286	13,843	3 %	14,045	2 %
Other Customer Relationships: (see page 8)					
Behavioral care	22,386	21,208	6	21,750	3
Dental	12,058	11,248	7	11,392	6
Pharmacy	6,946	6,634	5	6,772	3
Medicare Part D	1,200	1,264	(5)	1,264	(5)
Global Supplemental Benefit Policies (see page 10) ⁽¹⁾	11,798	8,954	32	11,436	3
Group Disability and Life covered lives (estimated) ⁽²⁾	12,100	11,000	10	12,100	-
Total customer relationships	80,774	74,151	9 %	78,759	3 %

Effective December 31, 2012, Cigna changed its reporting segments. Prior period segment information has been conformed to the current reporting segments. See the "Basis of Presentation" for additional information.

(1) Policies from the China Joint Venture have not been included (see page 10).

(2) Reflects amounts estimated at December 31, 2012 and 2011 as disclosed in Cigna's 2012 and 2011 Form 10-Ks.

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,		
	2013	2012	% Change	2013	2012	% Change
ADJUSTED INCOME (LOSS) FROM OPERATIONS						
Global Health Care	\$ 403	\$ 368	10 %	\$ 830	\$ 664	25 %
Global Supplemental Benefits	49	27	81	104	70	49
Group Disability and Life	104	91	14	153	159	(4)
Run-off Reinsurance	(3)	(11)	73	(4)	(22)	82
Other Operations	18	21	(14)	39	41	(5)
Corporate	(59)	(62)	5	(113)	(119)	5
Total	\$ 512	\$ 434	18 %	\$ 1,009	\$ 793	27 %
SHAREHOLDERS' NET INCOME						
Segment Earnings (Loss)						
Global Health Care ^{(1), (4), (5)}	\$ 379	\$ 368	3 %	\$ 806	\$ 644	25 %
Global Supplemental Benefits	49	27	81	104	70	49
Group Disability and Life ⁽³⁾	104	91	14	102	159	(36)
Run-off Reinsurance ⁽²⁾	(3)	(62)	95	(486)	(32)	-
Other Operations	18	21	(14)	39	41	(5)
Corporate ⁽⁴⁾	(59)	(62)	5	(113)	(140)	19
Total	488	383	27	452	742	(39)
Net realized investment gains (losses), net of taxes	17	(3)	-	110	9	-
Shareholders' net income	\$ 505	\$ 380	33 %	\$ 562	\$ 751	(25) %
DILUTED EARNINGS PER SHARE						
Adjusted income from operations	\$ 1.78	\$ 1.49	19 %	\$ 3.50	\$ 2.74	28 %
Results of guaranteed minimum income benefits business, after-tax	-	(0.17)	(100)	0.09	(0.04)	-
Net realized investment gains (losses), net of taxes	0.06	(0.01)	-	0.38	0.03	-
Special items, after-tax	(0.08)	-	-	(2.02)	(0.14)	-
Shareholders' net income	\$ 1.76	\$ 1.31	34 %	\$ 1.95	\$ 2.59	(25) %
Weighted Average Shares (in thousands)	287,086	290,547	(1) %	288,167	289,773	(1) %
	As of June 30,			As of December 31,		
	2013	2012		2012		
Common shares outstanding (in thousands)	283,649	288,365	(2) %	285,829		(1) %

Effective December 31, 2012, Cigna changed its reporting segments. Prior period segment information has been conformed to the current reporting segments. See the "Basis of Presentation" for additional information.

Special Items

- (1) The three months and six months ended June 30, 2013 include a pre-tax charge of \$37 million (\$24 million after-tax) related to the Pharmacy Benefits Manager ("PBM") partnering agreement with Catamaran.
- (2) The six months ended June 30, 2013 includes a pre-tax charge of \$781 million (\$507 million after-tax) related to the transaction with Berkshire to effectively exit the Run-off Reinsurance business.
- (3) The six months ended June 30, 2013 includes a pre-tax charge of \$77 million (\$51 million after-tax) related to a disability claims regulatory matter in the Group Disability and Life segment. See Note 17 to the Consolidated Financial Statements in the Company's second quarter 2013 Form 10-Q for additional information.
- (4) The six months ended June 30, 2012 includes pre-tax charges of \$41 million (\$28 million after-tax) for costs associated with the 2012 acquisition of HealthSpring: \$30 million pre-tax (\$21 million after-tax) in Corporate and \$11 million pre-tax (\$7 million after-tax) in Global Health Care.
- (5) The six months ended June 30, 2012 includes pre-tax charges of \$20 million (\$13 million after-tax) resulting from a litigation matter in Global Health Care.

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		Global Health Care		Global Supplemental Benefits		Group Disability and Life		Run-off Reinsurance		Other Operations		Corporate	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	Three Months Ended June 30,															
Adjusted income (loss) from operations	\$1.78	\$1.49	\$512	\$434	\$403	\$368	\$49	\$27	\$104	\$91	\$(3)	\$(11)	\$18	\$21	\$(59)	\$(62)
Results of guaranteed minimum income benefits business	-	(0.17)	-	(51)	-	-	-	-	-	-	-	(51)	-	-	-	-
Special items, after-tax:																
Costs associated with PBM services agreement	(0.08)	-	(24)	-	(24)	-	-	-	-	-	-	-	-	-	-	-
Segment earnings (loss)	1.70	1.32	488	383	\$379	\$368	\$49	\$27	\$104	\$91	\$(3)	\$(62)	\$18	\$21	\$(59)	\$(62)
Net realized investment gains (losses), net of taxes	0.06	(0.01)	17	(3)												
Shareholders' net income	\$1.76	\$1.31	\$505	\$380												

	Diluted Earnings Per Share		Consolidated		Global Health Care		Global Supplemental Benefits		Group Disability and Life		Run-off Reinsurance		Other Operations		Corporate	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	Six Months Ended June 30,															
Adjusted income (loss) from operations	\$3.50	\$2.74	\$1,009	\$793	\$830	\$664	\$104	\$70	\$153	\$159	\$(4)	\$(22)	\$39	\$41	\$(113)	\$(119)
Results of guaranteed minimum income benefits business	0.09	(0.04)	25	(10)	-	-	-	-	-	-	25	(10)	-	-	-	-
Special items, after-tax:																
Costs associated with PBM services agreement	(0.08)	-	(24)	-	(24)	-	-	-	-	-	-	-	-	-	-	-
Charge related to reinsurance transaction	(1.76)	-	(507)	-	-	-	-	-	-	-	(507)	-	-	-	-	-
Charge for disability claims regulatory matter	(0.18)	-	(51)	-	-	-	-	-	(51)	-	-	-	-	-	-	-
Costs associated with acquisitions	-	(0.10)	-	(28)	-	(7)	-	-	-	-	-	-	-	-	-	(21)
Litigation matters	-	(0.04)	-	(13)	-	(13)	-	-	-	-	-	-	-	-	-	-
Segment earnings (loss)	1.57	2.56	452	742	\$806	\$644	\$104	\$70	\$102	\$159	\$(486)	\$(32)	\$39	\$41	\$(113)	\$(140)
Net realized investment gains, net of taxes	0.38	0.03	110	9												
Shareholders' net income	\$1.95	\$2.59	\$562	\$751												

Cigna Corporation
Consolidated Income Statements (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees	\$ 7,172	\$ 6,651	8 %	\$ 14,486	\$ 12,758	14 %
Net investment income	289	283	2	576	571	1
Mail order pharmacy revenues	437	402	9	862	788	9
Other revenues	<u>56</u>	<u>59</u>	(5)	<u>113</u>	<u>114</u>	(1)
Total operating revenues	7,954	7,395	8	16,037	14,231	13
Run-off Reinsurance hedge gain (loss) ⁽¹⁾	-	31	(100)	(39)	(64)	39
Net realized investment gains (losses)	<u>26</u>	<u>(4)</u>	-	<u>165</u>	<u>9</u>	-
Total revenues	<u>7,980</u>	<u>7,422</u>	8	<u>16,163</u>	<u>14,176</u>	14
Benefits and Expenses:						
Global Health Care medical claims expense	3,904	3,707	5	7,951	7,023	13
Other benefit expenses excluding special items	997	912	9	2,057	1,737	18
Mail order pharmacy cost of goods sold	362	330	10	706	651	8
Guaranteed minimum income benefits fair value (gain) loss excluding special items	-	87	(100)	(45)	20	
Operating expenses excluding special items	1,913	1,798	6	3,758	3,544	6
Special items (See details on page 2)	<u>37</u>	<u>-</u>	-	<u>895</u>	<u>61</u>	-
Total benefits and expenses	<u>7,213</u>	<u>6,834</u>	6	<u>15,322</u>	<u>13,036</u>	18
Income before income taxes	<u>767</u>	<u>588</u>	30	<u>841</u>	<u>1,140</u>	(26)
Income taxes:						
Current	181	211	(14)	80	346	(77)
Deferred	<u>80</u>	<u>(3)</u>	-	<u>196</u>	<u>43</u>	356
Total taxes	261	208	25	276	389	(29)
Net income	506	380	33	565	751	(25)
Less: net income attributable to redeemable noncontrolling interest	1	-	-	3	-	-
Shareholders' net income	\$ 505	\$ 380	33 %	\$ 562	\$ 751	(25) %

Effective December 31, 2012, Cigna changed its reporting segments. Reclassifications within certain captions in the consolidated statement of income occurred primarily as a result of these changes. There was no change to historically reported consolidated shareholders' net income. Prior periods were conformed to the current presentation.

(1) Includes pre-tax losses from futures and swaps contracts entered into prior to February 4, 2013 as part of a dynamic hedge program to manage equity and growth interest rate risks in Cigna's Run-off Reinsurance operations. Cigna recorded related offsets in Benefits and Expenses to adjust liabilities for reinsured guaranteed minimum death benefit and guaranteed minimum income benefit contracts. These hedge programs were terminated after February 4, 2013 as a result of the transaction with Berkshire in which Cigna effectively exited the Run-off Reinsurance business. For more information, please refer to Cigna's Form 10-Q for the period ended June 30, 2013 which is expected to be filed on August 1, 2013.

Cigna Corporation
Global Health Care
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees	\$ 5,687	\$ 5,398	5 %	\$ 11,511	\$ 10,267	12 %
Net investment income	82	61	34	157	127	24
Mail order pharmacy revenues	437	402	9	862	788	9
Other revenues	47	59	(20)	95	110	(14)
Segment revenues	6,253	5,920	6	12,625	11,292	12
Benefits and Expenses:						
Global Health Care medical claims expense	3,904	3,707	5	7,951	7,023	13
Mail order pharmacy cost of goods sold	362	330	10	706	651	8
Operating expenses excluding special items	1,360	1,302	4	2,679	2,573	4
Special items (See details on page 2)	37	-	-	37	31	19
Benefits and expenses	5,663	5,339	6	11,373	10,278	11
Income before income taxes	590	581	2	1,252	1,014	23
Income taxes	211	213	(1)	446	370	21
Segment earnings, after-tax	379	368	3	806	644	25
Less: Special items, after-tax (See details on page 2)	(24)	-	-	(24)	(20)	(20)
Adjusted income from operations	\$ 403	\$ 368	10 %	\$ 830	\$ 664	25 %
Net realized investment gains (losses), net of taxes	\$ (4)	\$ (3)	(33) %	\$ 51	\$ 4	- %

The financial results of HealthSpring are included with the Global Health Care segment from the date of acquisition, which was January 31, 2012.

Effective December 31, 2012, the Global Health Care segment includes Cigna's international health care business, previously reported in the former International segment, and excludes certain disability and life business which is now reflected in the Group Disability and Life segment. Prior periods have been conformed to the current segment presentation.

Cigna Corporation
Global Health Care
Revenue Analysis (unaudited)

(Dollars in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Premiums:						
Guaranteed cost	\$ 1,108	\$ 1,057	5 %	\$ 2,215	\$ 2,085	6 %
Experience-rated ⁽¹⁾	569	525	8	1,140	1,030	11
Stop loss	467	413	13	931	820	14
International health care	438	413	6	882	809	9
Dental	282	247	14	565	493	15
Medicare	1,413	1,356	4	2,851	2,311	23
Medicaid	79	54	46	154	75	105
Medicare Part D	351	384	(9)	787	783	1
Other	182	166	10	364	333	9
Total Premiums	4,889	4,615	6	9,889	8,739	13
Fees, including international health care	798	783	2	1,622	1,528	6
Premiums and Fees	5,687	5,398	5	11,511	10,267	12
Mail order pharmacy revenues ⁽²⁾	437	402	9	862	788	9
Other revenues ⁽³⁾	47	59	(20)	95	110	(14)
Net investment income	82	61	34	157	127	24
Segment revenues	\$ 6,253	\$ 5,920	6 %	\$ 12,625	\$ 11,292	12 %

The financial results of HealthSpring are included with the Global Health Care segment from the date of acquisition, which was January 31, 2012. Effective December 31, 2012, the Global Health Care segment also includes Cigna's international health care business, previously reported in the former International segment, and excludes certain disability and life business which is now reflected in the Group Disability and Life segment. Prior periods have been conformed to the current segment presentation.

- (1) Includes minimum premium business that has 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.
- (2) Reflects revenues for non-risk mail order pharmacy fulfillment services.
- (3) Includes non-risk revenues for direct channel specialty products and revenues for management services provided to independent physician associations and health plans.

Cigna Corporation
Global Health Care
Ratio Analysis (unaudited)

RATIOS:	Three Months Ended June 30,		Change <i>Better (Worse)</i>	Six Months Ended June 30,		Change <i>Better (Worse)</i>
	2013	2012		2013	2012	
Guaranteed Cost care ratio ⁽¹⁾	78.7 %	80.1 %	1.4	78.2 %	78.2 %	-
Medicare Advantage care ratio (excluding IPFFS)	82.9 %	80.4 %	(2.5)	83.6 %	80.7 %	(2.9)
Medicare Part D care ratio	91.1 %	85.9 %	(5.2)	95.2 %	94.2 %	(1.0)
Operating Expense ratio ⁽²⁾	21.7 %	22.0 %	0.3	21.2 %	22.8 %	1.6

The financial results of HealthSpring are included with the Global Health Care segment from the date of acquisition, which was January 31, 2012. Effective December 31, 2012, the Global Health Care segment also includes Cigna's international health care business, previously reported in the former International segment, and excludes certain disability and life business which is now reflected in the Group Disability and Life segment. Prior periods have been conformed to the current segment presentation.

(1) Excludes the stop loss products associated with experience-rated and service customers and Cigna's international health care business, and includes rebates calculated in accordance with the Patient Protection and Affordable Care Act.

(2) Excludes Special Items (see details on page 2).

Cigna Corporation
Global Health Care
Estimated Covered Lives (unaudited)

COVERED LIVES BY FUNDING TYPE:	As of June 30,			As of December 31,		
	2013	2012	% Change	2012	% Change	
<i>(Lives in thousands)</i>						
Medical customers: ⁽¹⁾						
Commercial risk:						
U.S. Guaranteed cost	1,127	1,109	2 %	1,135	(1) %	
U.S. Experience-rated ⁽²⁾	791	775	2	786	1	
International health care - risk	767	724	6	744	3	
Total commercial risk	2,685	2,608	3	2,665	1	
Medicare	458	417	10	426	8	
Medicaid	24	20	20	23	4	
Total risk	3,167	3,045	4	3,114	2	
Total service, including international health care	11,119	10,798	3	10,931	2	

Total medical customers **14,286** **13,843** **3 %** **14,045** **2 %**

Other Customer Relationships:

Behavioral care ⁽³⁾	22,386	21,208	6 %	21,750	3 %
Dental ⁽³⁾	12,058	11,248	7 %	11,392	6 %
Pharmacy ⁽³⁾	6,946	6,634	5 %	6,772	3 %
Medicare Part D ⁽⁴⁾	1,200	1,264	(5) %	1,264	(5) %

Effective December 31, 2012, the Global Health Care segment includes International health care customers. Prior periods have been conformed to the current presentation.

(1) Includes individuals who meet any one of the following criteria: are covered under an insurance policy or service agreement issued by Cigna; have access to Cigna's provider network for covered services under their medical plan; or have medical claims that are administered by Cigna.

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

(3) Reflects customer relationships with Cigna's dental, managed pharmacy, or behavioral care programs. These customers may also be medical customers, or they may have stand-alone dental, managed pharmacy, or behavioral care coverage. Behavioral customer relationships exclude certain wellness programs. Behavioral and dental customer relationships exclude international health care business.

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

COVERED LIVES BY MARKET SEGMENT: ⁽⁵⁾	As of June 30,			As of December 31,		
	2013	2012 ⁽⁶⁾	% Change	2012 ⁽⁶⁾	% Change	
<i>(Lives in thousands)</i>						
Medical customers: ⁽¹⁾						
U.S. Commercial:						
National Accounts	4,026	4,163	(3) %	4,102	(2) %	
Middle Market	7,381	7,055	5	7,193	3	
Select	917	800	15	851	8	
Individual	227	160	42	196	16	
Small	3	4	(25)	4	(25)	
Total U.S. Commercial	12,554	12,182	3	12,346	2	
International	1,250	1,224	2	1,250	-	
Total Commercial	13,804	13,406	3	13,596	2	
Medicare	458	417	10	426	8	
Medicaid	24	20	20	23	4	
Total Government	482	437	10	449	7	

Total medical customers **14,286** **13,843** **3 %** **14,045** **2 %**

(5) Market Segments are defined as follows:

- 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, single-site employers with more than 250 employees, and certain customers from alternative distribution methods and third party administrator solutions;
- the Select market segment includes employers with more than 50 but fewer than 250 employees; and
- the Small market segment includes employers with 2-50 employees. Cigna has made a strategic business decision to exit this Market Segment.
- the International health care segment is focused on health care products and services to meet the needs of local and multinational companies and organizations and their local and globally mobile employees and dependents.

(6) Prior year lives have been reclassified to reflect segment transfers resulting primarily from increased/decreased enrollment at the account level.

Cigna Corporation
Global Supplemental Benefits
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees	\$ 613	\$ 455	35 %	\$ 1,217	\$ 899	35 %
Net investment income	25	22	14	50	43	16
Other revenues	9	3	200	17	11	55
Segment revenues	<u>647</u>	<u>480</u>	35	<u>1,284</u>	<u>953</u>	35
Benefits and Expenses:						
Benefit expenses	318	230	38	629	448	40
Operating expenses ⁽¹⁾	<u>261</u>	<u>212</u>	23	<u>512</u>	<u>421</u>	22
Benefits and expenses	<u>579</u>	<u>442</u>	31	<u>1,141</u>	<u>869</u>	31
Income before income taxes	68	38	79	143	84	70
Income taxes	18	11	64	36	14	157
Income attributable to redeemable noncontrolling interest	1	-	-	3	-	-
Segment earnings, after-tax	49	27	81	104	70	49
Adjusted income from operations	\$ 49	\$ 27	81 %	\$ 104	\$ 70	49 %
Net realized investment gains, net of taxes	\$ 1	\$ -	- %	\$ 6	\$ 3	100 %

Effective December 31, 2012, Cigna's Global Supplemental Benefits segment includes supplemental health, life and accident products previously reported in the former International segment. Prior period amounts have been conformed to the new segment presentation.

Global Supplemental Benefits' segment results include the financial results of the following 2012 acquisitions: Great American Supplemental Benefits, acquired on August 31, and the Turkey JV, acquired on November 9.

Excluding the Effect of Foreign Currency Movements:	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012 ⁽²⁾	% Change	2013	2012	% Change
<i>(Dollars in millions)</i>						
Premiums and fees	\$ 613	\$ 460	33 %	\$ 1,217	\$ 914	33 %
Adjusted income from operations	\$ 49	\$ 28	75 %	\$ 104	\$ 72	44 %

(1) Operating expenses include policy acquisition expenses of \$147 million for the three months and \$292 million for the six months ended June 30, 2013 and \$128 million for the three months and \$252 million for the six months ended June 30, 2012.

(2) Movements in foreign currency exchange rates between reporting periods impact the comparability of reported results. In the table above, 2012 amounts are presented using 2013 actual exchange rates.

Cigna Corporation
Global Supplemental Benefits
Key Metrics (unaudited)

(Dollars in millions)

PREMIUMS AND FEES BY GEOGRAPHY:	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Korea	\$ 306	\$ 255	20 %	\$ 611	\$ 505	21 %
U.S. ⁽¹⁾	72	-	-	144	-	-
Taiwan	67	66	2	133	129	3
Europe	63	61	3	127	120	6
Indonesia	24	22	9	48	45	7
Other	81	51	59	154	100	54
Total ⁽²⁾	\$ 613	\$ 455	35 %	\$ 1,217	\$ 899	35 %
China Joint Venture ⁽²⁾	\$ 98	\$ 74	32 %	\$ 197	\$ 153	29 %

NUMBER OF POLICIES:	As of June 30,			As of December 31,	
	2013	2012	% Change	2012	% Change
Global Supplemental Benefits Policies ⁽²⁾	11,798	8,954	32 %	11,436	3 %
China Joint Venture ⁽²⁾	1,035	949	9 %	1,009	3 %

(1) Includes Great American Supplemental Benefits' results since Cigna's August 31, 2012 acquisition.

(2) Cigna owns a 50% noncontrolling interest in its China Joint Venture. Cigna's 50% share of the joint venture's earnings is reported in Other Revenues using the equity method of accounting under GAAP. As such, the premiums and fees and policy counts from the China Joint Venture are not included in Premiums and Fees By Geography or Number of Policies. The China Joint Venture premiums and fees and policy counts are presented above as if Cigna owned 100% of the joint venture for informational purposes only.

Cigna Corporation
Group Disability and Life
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees:						
Life	\$ 390	\$ 354	10 %	\$ 776	\$ 709	9 %
Disability	396	347	14	798	686	16
Other	60	66	(9)	130	135	(4)
Total premiums and fees	846	767	10	1,704	1,530	11
Net investment income	80	73	10	156	149	5
Other revenues	1	-	-	1	-	-
Segment revenues	927	840	10	1,861	1,679	11
Benefits and Expenses:						
Benefit expenses excluding special items	583	529	10	1,264	1,094	16
Operating expenses excluding special items	199	182	9	381	359	6
Special items (See details on page 2)	-	-	-	77	-	-
Benefits and expenses	782	711	10	1,722	1,453	19
Income before income taxes	145	129	12	139	226	(38)
Income tax expense	41	38	8	37	67	(45)
Segment earnings, after-tax	104	91	14	102	159	(36)
Less: Special items, after-tax (See details on page 2)	-	-	-	(51)	-	-
Adjusted income from operations	\$ 104	\$ 91	14 %	\$ 153	\$ 159	(4) %
Net realized investment gains, net of taxes	\$ 16	\$ 3	- %	\$ 30	\$ 5	- %

Effective December 31, 2012, certain disability and life products previously reported in the former Health Care segment are now reported in the Group Disability and Life segment. Prior periods have been conformed to the current presentation.

Cigna Corporation
Run-off Reinsurance
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees	\$ (1)	\$ 6	- %	\$ 1	\$ 11	(91) %
Net investment income	2	26	(92)	15	52	(71)
Segment operating revenues	1	32	(97)	16	63	(75)
Run-off reinsurance hedge gain (loss) ⁽¹⁾	-	31	-	(39)	(64)	39
Segment total revenues	1	63	(98)	(23)	(1)	-
Benefits and Expenses:						
Benefit expenses excluding special items	(1)	63	-	(24)	12	-
Guaranteed minimum income benefits fair value (gain) loss excluding special items	-	87	-	(45)	20	-
Operating expenses excluding special items	7	8	(13)	13	16	(19)
Special items (See details on page 2)	-	-	-	781	-	-
Benefits and expenses	6	158	(96)	725	48	-
Loss before income tax benefits	(5)	(95)	95	(748)	(49)	-
Income tax benefits	(2)	(33)	94	(262)	(17)	-
Segment Loss, after-tax	(3)	(62)	95	(486)	(32)	-
Less: Results of guaranteed minimum income benefits business, after-tax ⁽²⁾	-	(51)	-	25	(10)	-
Less: Special items, after-tax (See details on page 2)	-	-	-	(507)	-	-
Adjusted loss from operations	\$ (3)	\$ (11)	73 %	\$ (4)	\$ (22)	82 %
Net realized investment gains (losses), net of taxes	\$ 3	\$ (1)	- %	\$ 17	\$ (1)	- %

(1) See the Dynamic Hedge Program discussion on page 4 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, income taxes associated with this business, and beginning in 2011 through to the February 4, 2013 transaction with Berkshire, the results of futures and interest rate swaps entered into to hedge equity and growth interest rate risk.

Cigna Corporation
Other Operations
Segment Earnings (unaudited)

<i>(Dollars in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Premiums and fees	\$ 27	\$ 25	8 %	\$ 53	\$ 51	4 %
Net investment income	99	99	-	195	197	(1)
Other revenues	<u>11</u>	<u>14</u>	(21)	<u>23</u>	<u>27</u>	(15)
Segment revenues	<u>137</u>	<u>138</u>	(1)	<u>271</u>	<u>275</u>	(1)
Benefits and Expenses:						
Benefit expenses	97	90	8	188	183	3
Operating expenses	<u>13</u>	<u>17</u>	(24)	<u>25</u>	<u>30</u>	(17)
Benefits and expenses	<u>110</u>	<u>107</u>	3	<u>213</u>	<u>213</u>	-
Income before income taxes	27	31	(13)	58	62	(6)
Income taxes	9	10	(10)	19	21	(10)
Segment earnings, after-tax	18	21	(14)	39	41	(5)
Adjusted income from operations	\$ 18	\$ 21	(14) %	\$ 39	\$ 41	(5) %
Net realized investment gains (losses), net of taxes	\$ 1	\$ (2)	- %	\$ 6	\$ (2)	- %

Cigna Corporation
Corporate (unaudited)

(Dollars in millions)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2013	2012	% Change	2013	2012	% Change
Revenues:						
Net investment income	\$ 1	\$ 2	(50) %	\$ 3	\$ 3	- %
Other revenues ⁽¹⁾	<u>(12)</u>	<u>(17)</u>	29	<u>(23)</u>	<u>(34)</u>	32
Segment revenues	<u>(11)</u>	<u>(15)</u>	27	<u>(20)</u>	<u>(31)</u>	35
Benefits and Expenses:						
Operating expenses excluding special items ⁽¹⁾	73	77	(5)	148	145	2
Special items (See details on page 2)	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>30</u>	-
Benefits and expenses	<u>73</u>	<u>77</u>	(5)	<u>148</u>	<u>175</u>	(15)
Loss before income tax benefits	(84)	(92)	9	(168)	(206)	18
Income tax benefits (See details on page 2)	<u>(25)</u>	<u>(30)</u>	17	<u>(55)</u>	<u>(66)</u>	17
Segment loss, after-tax	(59)	(62)	5	(113)	(140)	19
Less: Special items, after-tax (See details on page 2)	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>(21)</u>	-
Adjusted loss from operations	\$ (59)	\$ (62)	5 %	\$ (113)	\$ (119)	5 %

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

Cigna Corporation
Consolidated Balance Sheets

(Dollars in millions)

	As of June 30, 2013 (Unaudited)	As of December 31, 2012		As of June 30, 2013 (Unaudited)	As of December 31, 2012
Assets			Liabilities		
Investments:					
Fixed maturities, at fair value (see pages 16 and 17) (amortized cost, \$14,315 and \$15,481)	\$ 15,767	\$ 17,705	Contractholder deposit funds	\$ 8,531	\$ 8,508
Equity securities, at fair value (cost, \$130 and \$121)	122	111	Future policy benefits	9,306	9,265
Commercial mortgage loans (see pages 18 and 19)	2,570	2,851	Unpaid claims and claim expenses	4,161	4,062
Policy loans	1,522	1,501	Global Health Care medical claims payable	2,003	1,856
Real estate	85	83	Unearned premiums and fees	<u>587</u>	<u>549</u>
Other long-term investments	1,269	1,255	Total insurance and contractholder liabilities	24,588	24,240
Short-term investments	<u>296</u>	<u>154</u>	Accounts payable, accrued expenses and other liabilities	6,217	6,667
Total investments	21,631	23,660	Short-term debt	153	201
Cash and cash equivalents	3,209	2,978	Long-term debt	5,030	4,986
Accrued investment income	233	258	Separate account liabilities	<u>7,965</u>	<u>7,757</u>
Premiums, accounts and notes receivable, net	1,977	1,777	Total liabilities	<u>43,953</u>	<u>43,851</u>
Reinsurance recoverables ⁽¹⁾	7,407	6,256	Redeemable noncontrolling interest	101	114
Deferred policy acquisition costs	1,262	1,198	Shareholders' Equity		
Property and equipment	1,191	1,120	Common stock	92	92
Deferred income taxes, net	335	374	Additional paid-in capital	3,326	3,295
Goodwill	5,986	6,001	Net unrealized appreciation- fixed maturities	\$ 542	\$ 883
Other assets, including other intangibles ⁽²⁾	2,633	2,355	Net unrealized appreciation- equity securities	6	4
Separate account assets	7,965	7,757	Net unrealized depreciation- derivatives	(19)	(28)
			Net translation of foreign currencies	(5)	69
			Postretirement benefits liability adjustment	<u>(1,538)</u>	<u>(1,599)</u>
			Accumulated other comprehensive loss	(1,014)	(671)
			Retained earnings	12,806	12,330
			Less treasury stock, at cost	<u>(5,435)</u>	<u>(5,277)</u>
			Total shareholders' equity	9,775	9,769
Total assets	\$ 53,829	\$ 53,734	Total liabilities and equity	\$ 53,829	\$ 53,734

(1) Includes \$5.2 billion as of June 30, 2013 and \$5.3 billion December 31, 2012 related to the sale of Cigna's Individual Life & Annuity business in 1998 and Cigna's Retirement Benefits business in 2004, which were primarily in the form of reinsurance arrangements. Corresponding liabilities are primarily reported in Contractholder deposit funds and Future policy benefits. In addition, as of June 30, 2013, Reinsurance recoverables also include \$1.3 billion related to the transaction with Berkshire.

(2) Includes recoverables of \$0.9 billion as of June 30, 2013 and \$0.6 billion as of December 31, 2012 related to the GMIB liability. On February 4, 2013, the remaining 45% of GMIB exposures were reinsured to Berkshire.

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

(Dollars in millions)

Sector	As of June 30, 2013				As of December 31, 2012			
	Public	Private	Total ⁽¹⁾	% of Fixed Maturities	Public	Private	Total ⁽¹⁾	% of Fixed Maturities
United States Government	\$ 750	\$ -	\$ 750	5%	\$ 902	\$ -	\$ 902	5%
States and Local Government	2,276	-	2,276	14%	2,437	-	2,437	14%
Foreign Government	1,157	38	1,195	8%	1,281	41	1,322	7%
Government	4,183	38	4,221	27%	4,620	41	4,661	26%
Basic Industry	921	842	1,763	11%	984	937	1,921	11%
Capital Goods	434	972	1,406	9%	490	1,146	1,636	9%
Communications	539	57	596	4%	574	98	672	4%
Consumer	1,190	1,075	2,265	14%	1,335	1,258	2,593	15%
Electric and Utility	582	720	1,302	8%	667	762	1,429	8%
Energy and Natural Gas	637	652	1,289	8%	689	689	1,378	8%
Financial	1,324	366	1,690	11%	1,618	376	1,994	11%
Other	146	63	209	1%	182	91	273	1%
Corporate	5,773	4,747	10,520	67%	6,539	5,357	11,896	67%
Collateralized Debt Obligations	22	-	22	0%	18	-	18	0%
Credit Card	9	5	14	0%	10	6	16	0%
Home Equity	1	-	1	0%	1	-	1	0%
Foreign Bank Obligations	-	474	474	3%	-	508	508	3%
Other	7	352	359	3%	14	380	394	2%
Asset-Backed Securities	39	831	870	6%	43	894	937	5%
Commercial Mortgage-Backed Securities	63	-	63	0%	88	-	88	1%
Collateralized Mortgage Obligations	92	1	93	0%	122	1	123	1%
Total Fixed Maturities ⁽²⁾	\$ 10,150	\$ 5,617	\$ 15,767	100%	\$ 11,412	\$ 6,293	\$ 17,705	100%
% of Fixed Maturities	64%	36%	100%		64%	36%	100%	

(1) 88% and 90% of fixed maturities were investment grade as of June 30, 2013 and December 31, 2012, respectively. 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 \$33 million and \$39 million as of June 30, 2013 and December 31, 2012, respectively. For more information, please refer to Cigna's Form 10-Q for the period ended June 30, 2013 which is expected to be filed on August 1, 2013.

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

(Dollars in millions)

Sector	As of June 30, 2013			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 454	\$ 297	\$ 1	\$ 750
State and Local Government	2,089	191	4	2,276
Foreign Government	1,120	82	7	1,195
Government	3,663	570	12	4,221
Basic Industry	1,633	143	13	1,763
Capital Goods	1,280	130	4	1,406
Communications	553	45	2	596
Consumer	2,099	176	10	2,265
Electric and Utility	1,188	122	8	1,302
Energy and Natural Gas	1,176	117	4	1,289
Financial	1,587	114	11	1,690
Other	206	5	2	209
Corporate	9,722	852	54	10,520
Collateralized Debt Obligations	20	3	1	22
Credit Card	14			14
Home Equity	1			1
Foreign Bank Obligations	397	77		474
Other	342	18	1	359
Asset-Backed Securities	774	98	2	870
Commercial Mortgage-Backed Securities	63	4	4	63
Collateralized Mortgage Obligations	93	1	1	93
Total Fixed Maturities	\$ 14,315	\$ 1,525	\$ 73	\$ 15,767

Sector	As of December 31, 2012			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 509	\$ 393	\$ -	\$ 902
State and Local Government	2,169	270	2	2,437
Foreign Government	1,197	126	1	1,322
Government	3,875	789	3	4,661
Basic Industry	1,711	214	4	1,921
Capital Goods	1,450	186	-	1,636
Communications	594	78	-	672
Consumer	2,316	281	4	2,593
Electric and Utility	1,244	187	2	1,429
Energy and Natural Gas	1,202	177	1	1,378
Financial	1,824	176	6	1,994
Other	264	9	-	273
Corporate	10,605	1,308	17	11,896
Collateralized Debt Obligations	20	-	2	18
Credit Card	16	-	-	16
Home Equity	1	-	-	1
Foreign Bank Obligations	396	116	4	508
Other	365	29	-	394
Asset-Backed Securities	798	145	6	937
Commercial Mortgage-Backed Securities	81	11	4	88
Collateralized Mortgage Obligations	122	1	-	123
Total Fixed Maturities	\$ 15,481	\$ 2,254	\$ 30	\$ 17,705

Cigna Corporation
Summary of Commercial Mortgage Loans (unaudited)
As of June 30, 2013

(Dollars in millions)

Geographic Region	Property Type						Total ⁽¹⁾	% of Mortgage Loans
	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other		
Massachusetts	\$ 228	\$ 57	\$ 9	\$ 29	\$ -	\$ -	323	13%
Other ⁽²⁾	-	-	8	-	18	-	26	1%
New England	228	57	17	29	18	-	349	14%
New York	154	-	-	-	-	50	204	8%
Other ⁽²⁾	42	-	-	31	-	-	73	3%
Middle Atlantic	196	-	-	31	-	50	277	11%
Virginia	108	-	-	58	21	-	187	7%
Florida	-	-	112	-	46	-	158	6%
Georgia	-	34	67	-	16	-	117	5%
Maryland	54	-	-	21	-	6	81	3%
Other ⁽²⁾	-	35	32	-	15	-	82	3%
South Atlantic	162	69	211	79	98	6	625	24%
Texas	-	48	2	10	43	-	103	4%
Other ⁽²⁾	38	10	103	-	19	-	170	7%
Central	38	58	105	10	62	-	273	11%
Colorado	-	41	26	41	-	-	108	4%
Other ⁽²⁾	-	-	3	1	-	-	4	0%
Mountain	-	41	29	42	-	-	112	4%
California	92	211	59	208	135	23	728	28%
Oregon	35	-	59	28	18	-	140	5%
Washington	14	41	-	-	11	-	66	3%
Pacific	141	252	118	236	164	23	934	36%
Totals	\$ 765	\$ 477	\$ 480	\$ 427	\$ 342	\$ 79	2,570	100%
% of Mortgage Loans	30%	18%	19%	17%	13%	3%	100%	

(1) Problem and potential problem commercial mortgage loans carried at amortized cost, net of impairments, were \$160 million and \$215 million as of June 30, 2013 and December 31, 2012, 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, 2013, which is expected to be filed on August 1, 2013.

(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, 2013

(Dollars in millions)

Loan to Value Ratio ⁽¹⁾	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other	Total	% of Mortgage Loans
	61%	58%	76%	61%	71%	44%	64%	
Origination Years								
Pre-2009	\$ 397	\$ 264	\$ 304	\$ 210	\$ 203	\$ 38	\$ 1,416	55%
2009	74	-	-	-	-	-	74	3%
2010	52	37	73	10	-	-	172	7%
2011	178	72	101	104	41	35	531	20%
2012	48	104	2	103	98	-	355	14%
2013	16	-	-	-	-	6	22	1%
Totals	\$ 765	\$ 477	\$ 480	\$ 427	\$ 342	\$ 79	\$ 2,570	100%

Loan to Value Distribution ⁽¹⁾				
Loan to Value Ratios	Amortized Cost			% of Mortgage Loans
	Senior	Subordinated	Total	
Below 50%	\$ 318	\$ 61	\$ 379	15%
50% to 59%	728	-	728	28%
60% to 69%	599	24	623	24%
70% to 79%	267	-	267	10%
80% to 89%	349	31	380	15%
90% to 99%	170	6	176	7%
100% or above	16	1	17	1%
Totals	\$ 2,447	\$ 123	\$ 2,570	100%

(1) The Loan to Value Ratios on the commercial mortgage loans that Cigna holds in its 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 primarily determined as part of an annual review process, which was completed in the second quarter of 2013. For more information, please refer to Cigna's Form 10-Q for the period ended June 30, 2013, which is expected to be filed on August 1, 2013.

Cigna Corporation
Condensed Consolidated Statements of Cash Flows (unaudited)

(Dollars in millions)

	Six Months Ended June 30,	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 565	\$ 751
Adjustments to reconcile net income to net cash (used in) / provided by operating activities:		
Depreciation and amortization	299	270
Realized investment gains	(165)	(9)
Deferred income taxes	196	43
Gains on sales of businesses (excluding discontinued operations)	(8)	(9)
Net changes in assets and liabilities, net of non-operating effects:		
Premiums, accounts and notes receivable	(192)	(96)
Reinsurance recoverables	356	37
Deferred policy acquisition costs	(140)	(72)
Other assets	251	(69)
Insurance liabilities ⁽¹⁾	779	731
Accounts payable, accrued expenses and other liabilities ⁽²⁾	(359)	143
Current income taxes	(89)	129
Other, net	(20)	28
Subtotal	1,473	1,877
Cash used to effectively exit run-off reinsurance business	(2,196)	-
Net cash (used in) / provided by operating activities	(723)	1,877
Net cash provided by / (used in) investing activities:		
Acquisitions and dispositions, net of cash acquired	(40)	(3,197)
Other, net	1,187	(226)
Net cash provided by / (used in) investing activities	1,147	(3,423)
Net cash used in financing activities		
	(154)	(92)
Effect of foreign currency rate changes on cash and cash equivalents		
	(39)	(7)
Net increase (decrease) in cash and cash equivalents	231	(1,645)
Cash and cash equivalents, beginning of year	2,978	4,690
Cash and cash equivalents, end of period	\$ 3,209	\$ 3,045

(1) Includes pre-tax cash outflows of \$28 million for the six months ended June 30, 2013 and \$64 million for the six months ended June 30, 2012 from futures contracts entered into as part of a dynamic hedge program to manage equity risks in Cigna's Run-off Reinsurance operations. This hedge program was terminated after February 4, 2013 as a result of the transaction with Berkshire in which Cigna effectively exited the Run-off Reinsurance business.

(2) Includes pre-tax domestic qualified pension plan contributions of \$28 million for the six months ended June 30, 2013 and \$112 million for the six months ended June 30, 2012.