

Cigna Corporation

Quarterly Financial Supplement September 30, 2014

This document is dated October 30, 2014. 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
September 30, 2014 Quarterly Financial Supplement
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BASIS OF PRESENTATION:

All dollar amounts are in millions, unless otherwise noted.

Cigna measures the financial results of its segments using "segment earnings (loss)," defined as shareholders' net income (loss) before net realized investment gains (losses).

Adjusted income (loss) from operations is defined as segment earnings excluding special items (identified and quantified on page 2) and results of Cigna's guaranteed minimum income benefits 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 analysis of trends in underlying revenue, expenses and shareholders' net income (loss).

Operating revenues exclude net realized investment results. This measure is used by Cigna's management because it presents the underlying revenue of Cigna's operating businesses.

Adjusted income (loss) from operations and operating revenues are not determined in accordance with accounting principles generally accepted in the United States of America (GAAP) and should not be viewed as substitutes for the most directly comparable GAAP measures, which are shareholders' net income (loss) and segment revenues.

Beginning with the first quarter of 2014, Cigna reports its run-off reinsurance business in Other Operations. In addition, in this Quarterly Financial Supplement, Other Operations and Corporate have been combined under the heading "Corporate and Other." Prior year information has been conformed to the current presentation.

In some of the financial tables in this Quarterly Financial Supplement, we present percentage changes. When those changes are so large as to become not meaningful, we present "N/M" in place of the computed percentage.

Cigna Corporation
Financial Highlights (unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
SEGMENT REVENUES						
Global Health Care	\$ 6,844	\$ 6,316	8 %	\$ 20,273	\$ 18,941	7 %
Global Supplemental Benefits	775	663	17	2,248	1,947	15
Group Disability and Life	990	930	6	2,962	2,791	6
Corporate and Other	125	130	(4)	373	358	4
Total operating revenue	8,734	8,039	9	25,856	24,037	8
Net realized investment gains	23	27	(15)	130	192	(32)
Total Revenues	\$ 8,757	\$ 8,066	9 %	\$ 25,986	\$ 24,229	7 %
ADJUSTED INCOME (LOSS) FROM OPERATIONS						
Global Health Care	\$ 434	\$ 424	2 %	\$ 1,275	\$ 1,254	2 %
Global Supplemental Benefits	83	39	113	197	143	38
Group Disability and Life	55	92	(40)	232	245	(5)
Ongoing operations	572	555	3	1,704	1,642	4
Corporate and Other	(53)	(19)	(179)	(154)	(97)	(59)
Total	\$ 519	\$ 536	(3) %	\$ 1,550	\$ 1,545	- %
Diluted earnings per share - adjusted income from operations	\$ 1.95	\$ 1.89	3 %	\$ 5.74	\$ 5.39	6 %
SHAREHOLDERS' NET INCOME						
Segment Earnings (Loss)						
Global Health Care	\$ 434	\$ 424	2 %	\$ 1,275	\$ 1,230	4 %
Global Supplemental Benefits	83	39	113	197	143	38
Group Disability and Life	55	92	(40)	232	194	20
Ongoing operations	572	555	3	1,704	1,567	9
Corporate and Other	(53)	(19)	(179)	(154)	(579)	73
Total	519	536	(3)	1,550	988	57
Net realized investment gains, net of taxes	15	17	(12)	85	127	(33)
Shareholders' net income	534	553	(3)	1,635	1,115	47
Diluted earnings per share - shareholders' net income	\$ 2.01	\$ 1.95	3 %	\$ 6.05	\$ 3.89	56 %
CUSTOMER RELATIONSHIPS						
<i>(Relationships, lives and policies in thousands)</i>						
	As of September 30,			As of December 31,		
	2014	2013	% Change	2013	% Change	
Global Health Care Medical Customers: (see page 7)	14,346	14,138	1 %	14,078	2 %	
Other Customer Relationships: (see page 7)						
Behavioral care	23,494	22,564	4	22,515	4	
Dental	12,837	12,248	5	12,234	5	
Pharmacy	7,445	7,000	6	7,095	5	
Medicare Part D	1,194	1,195	-	1,190	-	
Global Supplemental Benefit Policies (see page 9)	12,324	11,823	4	11,869	4	
Group Disability and Life covered lives (estimated)	13,600	12,100	12	13,600	-	
Total customer relationships	85,240	81,068	5 %	82,581	3 %	

Cigna Corporation
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		Corporate and Other	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Three Months Ended September 30,												
Adjusted income (loss) from operations	\$ 1.95	\$ 1.89	\$ 519	\$ 536	\$ 434	\$ 424	\$ 83	\$ 39	\$ 55	\$ 92	\$ (53)	\$ (19)
Segment earnings (loss)	1.95	1.89	519	536	\$ 434	\$ 424	\$ 83	\$ 39	\$ 55	\$ 92	\$ (53)	\$ (19)
Net realized investment gains, net of taxes	0.06	0.06	15	17								
Shareholders' net income	\$ 2.01	\$ 1.95	\$ 534	\$ 553								
Weighted average shares (in thousands)	265,891	283,563										

	Diluted Earnings Per Share		Consolidated		Global Health Care		Global Supplemental Benefits		Group Disability and Life		Corporate and Other	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Nine Months Ended September 30,												
Adjusted income (loss) from operations	\$ 5.74	\$ 5.39	\$ 1,550	\$ 1,545	\$ 1,275	\$ 1,254	\$ 197	\$ 143	\$ 232	\$ 245	\$ (154)	\$ (97)
Results of guaranteed minimum income benefits business	-	0.09	-	25	-	-	-	-	-	-	-	25
Special items, after-tax:												
Transaction costs associated with PBM services agreement	-	(0.08)	-	(24)	-	(24)	-	-	-	-	-	-
Charge related to reinsurance transaction	-	(1.77)	-	(507)	-	-	-	-	-	-	-	(507)
Charge for disability claims regulatory matter	-	(0.18)	-	(51)	-	-	-	-	-	(51)	-	-
Segment earnings (loss)	5.74	3.45	1,550	988	\$ 1,275	\$ 1,230	\$ 197	\$ 143	\$ 232	\$ 194	\$ (154)	\$ (579)
Net realized investment gains, net of taxes	0.31	0.44	85	127								
Shareholders' net income	\$ 6.05	\$ 3.89	\$ 1,635	\$ 1,115								
Weighted average shares (in thousands)	270,061	286,615										

Special Items, pre-tax:												
Transaction costs associated with PBM services agreement			\$ -	\$ (37)	\$ -	\$ (37)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charge related to reinsurance transaction			-	(781)	-	-	-	-	-	-	-	(781)
Charge for disability claims regulatory matter			-	(77)	-	-	-	-	-	(77)	-	-
Total			\$ -	\$ (895)	\$ -	\$ (37)	\$ -	\$ -	\$ -	\$ (77)	\$ -	\$ (781)

Cigna Corporation
Consolidated Income Statements (unaudited)

(Dollars in millions)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Revenues:						
Premiums and fees	\$ 7,793	\$ 7,206	8 %	\$ 23,167	\$ 21,692	7 %
Net investment income	292	297	(2)	863	873	(1)
Mail order pharmacy revenues	583	471	24	1,625	1,333	22
Other revenues ⁽¹⁾	66	65	2	201	139	45
Total operating revenues	8,734	8,039	9	25,856	24,037	8
Net realized investment gains	23	27	(15)	130	192	(32)
Total revenues	8,757	8,066	9	25,986	24,229	7
Benefits and Expenses:						
Global Health Care medical claims expense	4,153	3,913	6	12,403	11,864	5
Other benefit expenses excluding special items	1,207	1,031	17	3,473	3,088	12
Mail order pharmacy costs	499	390	28	1,382	1,096	26
Guaranteed minimum income benefits fair value (gain) excluding special items	-	-	-	-	(45)	(100)
Operating expenses excluding special items	2,080	1,933	8	6,156	5,691	8
Special items (see details on page 2)	-	-	-	-	895	(100)
Total benefits and expenses	7,939	7,267	9	23,414	22,589	4
Income before income taxes	818	799	2	2,572	1,640	57
Income taxes:						
Current	289	205	41	928	285	226
Deferred	(2)	41	(105)	12	237	(95)
Total taxes	287	246	17	940	522	80
Net income	531	553	(4)	1,632	1,118	46
Less: net income (loss) attributable to noncontrolling interests	(3)	-	N/M	(3)	3	(200)
Shareholders' net income	\$ 534	\$ 553	(3) %	\$ 1,635	\$ 1,115	47 %

(1) Includes non-risk revenues for direct channel specialty products and revenues for management services provided to independent physician associations and health plans. In addition, amounts for 2013 include pre-tax losses prior to February 4, 2013 resulting from dynamic hedge programs in Cigna's run-off reinsurance operations. These hedge programs were terminated after February 4, 2013 as a result of the reinsurance transaction with Berkshire.

Cigna Corporation
Global Health Care
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Revenues:						
Premiums and fees	\$ 6,109	\$ 5,699	7 %	\$ 18,222	\$ 17,210	6 %
Net investment income	87	86	1	244	243	-
Mail order pharmacy revenues	583	471	24	1,625	1,333	22
Other revenues	65	60	8	182	155	17
Segment revenues	<u>6,844</u>	<u>6,316</u>	8	<u>20,273</u>	<u>18,941</u>	7
Benefits and Expenses:						
Global Health Care medical claims expense	4,153	3,913	6	12,403	11,864	5
Mail order pharmacy costs	499	390	28	1,382	1,096	26
Operating expenses excluding special items	1,501	1,375	9	4,411	4,054	9
Special items (see details on page 2)	-	-	-	-	37	(100)
Benefits and expenses	<u>6,153</u>	<u>5,678</u>	8	<u>18,196</u>	<u>17,051</u>	7
Income before income taxes	691	638	8	2,077	1,890	10
Income taxes	258	214	21	804	660	22
Loss attributable to noncontrolling interest	(1)	-	N/M	(2)	-	N/M
Segment earnings, after-tax	434	424	2	1,275	1,230	4
Less: Special items, after-tax (see details on page 2)	-	-	-	-	(24)	100
Adjusted income from operations	\$ 434	\$ 424	2 %	\$ 1,275	\$ 1,254	2 %
Net realized investment gains, net of taxes	\$ 11	\$ 14	(21) %	\$ 40	\$ 65	(38) %

Cigna Corporation
Global Health Care
Revenue Analysis (unaudited)

(Dollars in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Premiums:						
Guaranteed cost	\$ 1,189	\$ 1,123	6 %	\$ 3,422	\$ 3,338	3 %
Experience-rated ⁽¹⁾	567	570	(1)	1,742	1,710	2
Stop loss	592	479	24	1,708	1,410	21
International health care	461	433	6	1,371	1,315	4
Dental	327	285	15	927	850	9
Medicare	1,392	1,404	(1)	4,263	4,255	-
Medicaid	142	81	75	316	235	34
Medicare Part D	304	302	1	1,097	1,089	1
Other	203	185	10	603	549	10
Total Premiums	5,177	4,862	6	15,449	14,751	5
Fees, including international health care	932	837	11	2,773	2,459	13
Premiums and Fees	6,109	5,699	7	18,222	17,210	6
Mail order pharmacy revenues ⁽²⁾	583	471	24	1,625	1,333	22
Other revenues ⁽³⁾	65	60	8	182	155	17
Net investment income	87	86	1	244	243	-
Segment revenues	\$ 6,844	\$ 6,316	8 %	\$ 20,273	\$ 18,941	7 %

(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 September 30,			Change Favorable (Unfavorable)	Nine Months Ended September 30,			Change Favorable (Unfavorable)
	2014	2013			2014	2013		
US Commercial Guaranteed Cost medical care ratio ⁽¹⁾	80.8 %	82.9 %	2.1	80.1 %	79.8 %	(0.3)		
Medicare Advantage medical care ratio ⁽²⁾	84.3 %	85.5 %	1.2	83.9 %	84.2 %	0.3		
Medicare Part D medical care ratio ⁽²⁾	82.8 %	69.9 %	(12.9)	90.6 %	88.2 %	(2.4)		
Operating Expense ratio (including special items)	21.9 %	21.8 %	(0.1)	21.8 %	21.6 %	(0.2)		
Operating Expense ratio (excluding special items)	21.9 %	21.8 %	(0.1)	21.8 %	21.4 %	(0.4)		

(1) Excludes Cigna's international health care business and stop loss products associated with experience-rated and service customers. Includes rebates determined in accordance with the Patient Protection and Affordable Care Act ("PPACA"), as well as the effect of the government risk mitigation programs effective January 1, 2014.

(2) Includes rebates determined in accordance with PPACA, effective January 1, 2014.

PPACA – Related Taxes and Fees (unaudited)⁽³⁾

(Dollars in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013		2014	2013	
Health insurance industry tax	\$ 60	\$ -		\$ 182	\$ -	
Reinsurance fee	24	-		78	-	
Other fees	3	1		9	3	
Total PPACA-related taxes and fees	\$ 87	\$ 1		\$ 269	\$ 3	

(3) These taxes and fees are primarily reported in operating expenses.

Cigna Corporation
Global Health Care
Estimated Covered Lives (unaudited)

COVERED LIVES BY	As of September 30,			As of December 31,		
	2014	2013	% Change	2013	% Change	
FUNDING TYPE:						
<i>(Lives in thousands)</i>						
Medical customers: ⁽¹⁾						
Commercial risk:						
U.S. Guaranteed cost ⁽²⁾	929	957	(3) %	960	(3) %	
U.S. Experience-rated ⁽³⁾	836	789	6	794	5	
International health care - risk	760	773	(2)	742	2	
Total commercial risk ⁽²⁾	2,525	2,519	-	2,496	1	
Medicare	456	463	(2)	467	(2)	
Medicaid	58	25	132	25	132	
Total risk ⁽²⁾	3,039	3,007	1	2,988	2	
Total service, including international health care	11,307	11,131	2	11,090	2	
Medical customers (ex. Limited Benefits) ⁽²⁾	14,346	14,138	1 %	14,078	2 %	
Limited Benefits	-	162	(100)	139	(100)	
Total medical customers	14,346	14,300	- %	14,217	1 %	
Other Customer Relationships:						
Behavioral care ⁽⁴⁾	23,494	22,564	4 %	22,515	4 %	
Dental ⁽⁴⁾	12,837	12,248	5 %	12,234	5 %	
Pharmacy ⁽⁴⁾	7,445	7,000	6 %	7,095	5 %	
Medicare Part D ⁽⁵⁾	1,194	1,195	- %	1,190	- %	

(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) In connection with U.S. health care reform legislation, Cigna ceased offering limited medical benefits products effective December 31, 2013. Covered lives presented above for 2013 exclude limited medical benefits customers.

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

(4) 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. Prior year dental membership has been revised to conform to current presentation.

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

COVERED LIVES BY	As of September 30,			As of December 31,		
	2014	2013 ⁽⁷⁾	% Change	2013 ⁽⁷⁾	% Change	
MARKET SEGMENT: ⁽⁶⁾						
<i>(Lives in thousands)</i>						
Medical customers: ⁽¹⁾						
U.S. Commercial:						
National Accounts ⁽²⁾	3,788	3,835	(1) %	3,810	(1) %	
Middle Market ⁽²⁾	7,413	7,400	-	7,327	1	
Select ⁽²⁾	1,065	924	15	952	12	
Individual	295	232	27	237	24	
Small	2	3	(33)	3	(33)	
Total U.S. Commercial	12,563	12,394	1	12,329	2	
International	1,269	1,256	1	1,257	1	
Total Commercial	13,832	13,650	1	13,586	2	
Medicare	456	463	(2)	467	(2)	
Medicaid	58	25	132	25	132	
Total Government	514	488	5	492	4	
Medical customers (ex. Limited Benefits) ⁽²⁾	14,346	14,138	1 %	14,078	2 %	
Limited Benefits	-	162	(100)	139	(100)	
Total medical customers	14,346	14,300	- %	14,217	1 %	

(6) Market Segments are defined as follows:

~ the National Accounts market segment includes multi-state employers with more than 5,000 U.S. based, full-time employees in more than one state

~ the Middle Market segment includes employers with more than 250 but fewer than 5,000 U.S. based, full-time employees, single-site employers with more than 5,000 employees, Taft Hartley plans, and other third party payers; ~ the Select market segment includes employers with more than 50 but fewer than 250 eligible employees;

~ the Individual market segment includes individuals in ten states as of December 31, 2013: Arizona, California, Colorado, Connecticut, Florida, Georgia, North Carolina, South Carolina, Tennessee and Texas.

~ 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.

~ the Government market segment offers Medicare Advantage (both to individuals who are post-65 retirees, as well as employer group sponsored pre- and post-65 retirees), Prescription Drug Program, and Medicaid products as managed care alternatives to publicly funded healthcare programs.

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

Cigna Corporation
Global Supplemental Benefits
Segment Earnings (unaudited)

<i>(Dollars in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Revenues:						
Premiums and fees	\$ 743	\$ 634	17 %	\$ 2,145	\$ 1,851	16 %
Net investment income	28	25	12	82	75	9
Other revenues	4	4	-	21	21	-
Segment revenues	<u>775</u>	<u>663</u>	17	<u>2,248</u>	<u>1,947</u>	15
Benefits and Expenses:						
Benefit expenses	404	332	22	1,147	961	19
Operating expenses ⁽¹⁾	<u>294</u>	<u>280</u>	5	<u>874</u>	<u>792</u>	10
Benefits and expenses	<u>698</u>	<u>612</u>	14	<u>2,021</u>	<u>1,753</u>	15
Income before income taxes	77	51	51	227	194	17
Income taxes	(4)	12	(133)	31	48	(35)
Income (loss) attributable to noncontrolling interests	(2)	-	N/M	(1)	3	(133)
Segment earnings, after-tax	83	39	113	197	143	38
Adjusted income from operations	\$ 83	\$ 39	113 %	\$ 197	\$ 143	38 %
Net realized investment gains (losses), net of taxes	\$ -	\$ (1)	100 %	\$ -	\$ 5	(100) %

(1) Operating expenses include policy acquisition expenses of \$156 million for the three months and \$481 million for the nine months ended September 30, 2014 and \$162 million for the three months and \$454 million for the nine months ended September 30, 2013.

Movements in foreign currency exchange rates between reporting periods impact the comparability of reported results. In the table below, 2013 amounts are presented using 2014 actual exchange rates:

<i>(Dollars in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Excluding the Effect of Foreign Currency Movements:						
Premiums and fees	\$ 743	\$ 660	13 %	\$ 2,145	\$ 1,898	13 %
Adjusted income from operations	\$ 83	\$ 42	98 %	\$ 197	\$ 150	31 %

Cigna Corporation
Global Supplemental Benefits
Key Metrics (unaudited)

(Dollars in millions)

PREMIUMS AND FEES BY GEOGRAPHY:	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Korea	\$ 388	\$ 321	21 %	\$ 1,120	\$ 932	20 %
U.S.	99	75	32	279	219	27
Taiwan	70	67	4	206	200	3
Europe	74	64	16	209	191	9
Indonesia	22	22	-	64	70	(9)
Other	90	85	6	267	239	12
Total ⁽¹⁾	\$ 743	\$ 634	17 %	\$ 2,145	\$ 1,851	16 %
China Joint Venture ⁽¹⁾	\$ 125	\$ 106	18 %	\$ 357	\$ 303	18 %

NUMBER OF POLICIES:	As of September 30,			As of December 31,	
	2014	2013	% Change	2013	% Change
Global Supplemental Benefits Policies	12,324	11,823	4 %	11,869	4 %
China Joint Venture ⁽¹⁾	1,180	1,066	11 %	1,090	8 %

(1) 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. For informational purposes, the China Joint Venture premiums and fees and policy counts are presented above as if Cigna consolidated the joint venture.

Cigna Corporation
Group Disability and Life
Segment Earnings (unaudited)

(Dollars in millions)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Revenues:						
Premiums and fees:						
Life	\$ 409	\$ 383	7 %	\$ 1,222	\$ 1,159	5 %
Disability	440	402	9	1,312	1,200	9
Other	60	63	(5)	181	193	(6)
Total premiums and fees	909	848	7	2,715	2,552	6
Net investment income	80	82	(2)	246	238	3
Other revenues	1	-	N/M	1	1	-
Segment revenues	990	930	6	2,962	2,791	6
Benefits and Expenses:						
Benefit expenses excluding special items	709	614	15	2,036	1,878	8
Operating expenses excluding special items	201	187	7	590	568	4
Special items (see details on page 2)	-	-	-	-	77	(100)
Benefits and expenses	910	801	14	2,626	2,523	4
Income before income taxes	80	129	(38)	336	268	25
Income tax expense	25	37	(32)	104	74	41
Segment earnings, after-tax	55	92	(40)	232	194	20
Less: Special items, after-tax (see details on page 2)	-	-	-	-	(51)	100
Adjusted income from operations	\$ 55	\$ 92	(40) %	\$ 232	\$ 245	(5) %
Net realized investment gains, net of taxes	\$ 2	\$ 6	(67) %	\$ 15	\$ 36	(58) %

Cigna Corporation
Corporate and Other ⁽¹⁾
Segment Earnings (unaudited)

<i>(Dollars in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2014	2013	% Change	2014	2013	% Change
Revenues:						
Premiums and fees	\$ 32	\$ 25	28 %	\$ 85	\$ 79	8 %
Net investment income	97	104	(7)	291	317	(8)
Other revenues ⁽²⁾	(4)	1	N/M	(3)	(38)	92
Segment revenues	<u>125</u>	<u>130</u>	(4)	<u>373</u>	<u>358</u>	4
Benefits and Expenses:						
Benefit expenses excluding special items	94	85	11	290	249	16
Guaranteed minimum income benefits income	-	-	-	-	(45)	(100)
Operating expenses excluding special items ⁽²⁾	84	91	(8)	281	277	1
Special items (see details on page 2)	-	-	-	-	781	(100)
Benefits and expenses	<u>178</u>	<u>176</u>	1	<u>571</u>	<u>1,262</u>	(55)
Loss before income taxes	(53)	(46)	(15)	(198)	(904)	78
Income taxes	-	(27)	(100)	(44)	(325)	(86)
Segment loss, after-tax	(53)	(19)	(179)	(154)	(579)	73
Less: Results of guaranteed minimum income benefits business, after-tax	-	-	-	-	25	100
Less: Special items, after-tax (see details on page 2)	-	-	-	-	(507)	100
Adjusted loss from operations	\$ (53)	\$ (19)	(179) %	\$ (154)	\$ (97)	(59) %
Net realized investment gains (losses), net of taxes	\$ 2	\$ (2)	200 %	\$ 30	\$ 21	43 %

(1) Beginning with the first quarter of 2014, Cigna reports its run-off reinsurance business in Other Operations. In addition, in this Quarterly Financial Supplement, Other Operations and Corporate have been combined under the heading "Corporate and Other." Prior year information has been conformed to the current presentation.

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

Cigna Corporation
Consolidated Balance Sheets

(Dollars in millions)

	As of September 30, 2014 (Unaudited)	As of December 31, 2013		As of September 30, 2014 (Unaudited)	As of December 31, 2013
Assets					
Investments:					
Fixed maturities, at fair value (see pages 13 and 14) (amortized cost, \$17,171 and \$15,273)	\$ 18,797	\$ 16,486	Contractholder deposit funds	\$ 8,438	\$ 8,470
Equity securities, at fair value (cost, \$196 and \$146)	190	141	Future policy benefits	9,573	9,306
Commercial mortgage loans (see pages 15 and 16)	2,058	2,252	Unpaid claims and claim expenses	4,400	4,298
Policy loans	1,436	1,485	Global Health Care medical claims payable	2,230	2,050
Real estate	62	97	Unearned premiums and fees	<u>602</u>	<u>580</u>
Other long-term investments	1,365	1,273	Total insurance and contractholder liabilities	25,243	24,704
Short-term investments	<u>153</u>	<u>631</u>	Accounts payable, accrued expenses and other liabilities	5,415	5,456
Total investments	24,061	22,365	Short-term debt	121	233
Cash and cash equivalents	1,621	2,795	Long-term debt	5,024	5,014
Accrued investment income	272	247	Separate account liabilities	<u>8,582</u>	<u>8,252</u>
Premiums, accounts and notes receivable, net	2,574	1,991	Total liabilities	<u>44,385</u>	<u>43,659</u>
Reinsurance recoverables ⁽¹⁾	7,086	7,299	Redeemable noncontrolling interest	93	96
Deferred policy acquisition costs	1,501	1,395	Shareholders' Equity		
Property and equipment	1,494	1,464	Common stock	92	92
Deferred tax assets, net	19	92	Additional paid-in capital	3,409	3,356
Goodwill	6,003	6,029	Net unrealized appreciation, fixed maturities	\$ 614	\$ 473
Other assets, including other intangibles ⁽²⁾	2,440	2,407	Net unrealized appreciation, equity securities	3	4
Separate account assets	8,582	8,252	Net unrealized depreciation, derivatives	(13)	(19)
			Net translation of foreign currencies	4	82
			Postretirement benefits liability adjustment	<u>(1,027)</u>	<u>(1,060)</u>
			Accumulated other comprehensive loss	(419)	(520)
			Retained earnings	15,196	13,676
			Less treasury stock, at cost	<u>(7,121)</u>	<u>(6,037)</u>
			Total shareholders' equity	11,157	10,567
			Noncontrolling interest	<u>18</u>	<u>14</u>
			Total equity	11,175	10,581
Total assets	\$ 55,653	\$ 54,336	Total liabilities and equity	\$ 55,653	\$ 54,336

(1) Includes \$6.1 billion as of September 30, 2014 and \$6.4 billion as of December 31, 2013 related to: 1) 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; and 2) the reinsurance transaction with Berkshire in 2013. Corresponding liabilities are primarily reported in Contractholder deposit funds and Future policy benefits.

(2) Includes recoverables of \$0.9 billion as of September 30, 2014 and \$0.8 billion as of December 31, 2013 related to the GMIB liability.

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

(Dollars in millions)

Sector	As of September 30, 2014				As of December 31, 2013			
	Public	Private	Total ⁽¹⁾	% of Fixed Maturities	Public	Private	Total ⁽¹⁾	% of Fixed Maturities
United States Government	\$ 1,242	\$ -	\$ 1,242	7%	\$ 880	\$ -	\$ 880	5%
States and Local Government	1,948	-	1,948	10%	2,144	-	2,144	13%
Foreign Government	1,789	68	1,857	10%	1,391	53	1,444	9%
Government	4,979	68	5,047	27%	4,415	53	4,468	27%
Basic Industry	1,401	880	2,281	12%	1,057	798	1,855	12%
Capital Goods	539	929	1,468	8%	444	890	1,334	8%
Communications	693	26	719	4%	575	57	632	4%
Consumer	1,671	1,096	2,767	15%	1,353	999	2,352	15%
Electric and Utility	779	760	1,539	8%	583	732	1,315	8%
Energy and Natural Gas	828	700	1,528	8%	695	615	1,310	8%
Financial	1,870	517	2,387	13%	1,568	382	1,950	12%
Other	183	77	260	1%	169	64	233	1%
Corporate	7,964	4,985	12,949	69%	6,444	4,537	10,981	68%
Collateralized Debt Obligations	10	-	10	0%	21	-	21	0%
Credit Card	30	-	30	0%	48	1	49	0%
Home Equity	1	-	1	0%	1	-	1	0%
Foreign Bank Obligations	-	405	405	2%	-	463	463	3%
Other	24	245	269	2%	4	346	350	2%
Asset-Backed Securities	65	650	715	4%	74	810	884	5%
Commercial Mortgage-Backed Securities	74	-	74	0%	76	-	76	0%
Collateralized Mortgage Obligations	11	1	12	0%	76	1	77	0%
Total Fixed Maturities ⁽²⁾	\$ 13,093	\$ 5,704	\$ 18,797	100%	\$ 11,085	\$ 5,401	\$ 16,486	100%
% of Fixed Maturities	70%	30%	100%		67%	33%	100%	

(1) 90% and 88% of fixed maturities were investment grade as of September 30, 2014 and December 31, 2013, 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 \$13 million and \$21 million as of September 30, 2014 and December 31, 2013, respectively. For more information, please refer to Cigna's Form 10-Q for the period ended September 30, 2014 expected to be filed on October 30, 2014.

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

(Dollars in millions)

Sector	As of September 30, 2014			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 911	\$ 331	\$ -	\$ 1,242
State and Local Government	1,768	182	2	1,948
Foreign Government	1,759	106	8	1,857
Government	4,438	619	10	5,047
Basic Industry	2,132	159	10	2,281
Capital Goods	1,337	133	2	1,468
Communications	670	50	1	719
Consumer	2,587	184	4	2,767
Electric and Utility	1,393	148	2	1,539
Energy and Natural Gas	1,408	122	2	1,528
Financial	2,249	141	3	2,387
Other	253	8	1	260
Corporate	12,029	945	25	12,949
Collateralized Debt Obligations	6	4	-	10
Credit Card	30	-	-	30
Home Equity	1	-	-	1
Foreign Bank Obligations	330	75	-	405
Other	253	16	-	269
Asset-Backed Securities	620	95	-	715
Commercial Mortgage-Backed Securities	72	3	1	74
Collateralized Mortgage Obligations	12	-	-	12
Total Fixed Maturities	\$ 17,171	\$ 1,662	\$ 36	\$ 18,797

Sector	As of December 31, 2013			
	Amortized Cost	Unrealized Appreciation	Unrealized Depreciation	Fair Value
United States Government	\$ 640	\$ 242	\$ 2	\$ 880
State and Local Government	1,983	167	6	2,144
Foreign Government	1,392	64	12	1,444
Government	4,015	473	20	4,468
Basic Industry	1,755	119	19	1,855
Capital Goods	1,232	107	5	1,334
Communications	591	43	2	632
Consumer	2,211	154	13	2,352
Electric and Utility	1,226	102	13	1,315
Energy and Natural Gas	1,212	105	7	1,310
Financial	1,848	115	13	1,950
Other	231	4	2	233
Corporate	10,306	749	74	10,981
Collateralized Debt Obligations	17	4	-	21
Credit Card	49	-	-	49
Home Equity	1	-	-	1
Foreign Bank Obligations	396	68	1	463
Other	336	15	1	350
Asset-Backed Securities	799	87	2	884
Commercial Mortgage-Backed Securities	75	3	2	76
Collateralized Mortgage Obligations	78	-	1	77
Total Fixed Maturities	\$ 15,273	\$ 1,312	\$ 99	\$ 16,486

Cigna Corporation
Summary of Commercial Mortgage Loans (unaudited)
As of September 30, 2014

(Dollars in millions)

Geographic Region	Property Type						Total ⁽¹⁾	% of Mortgage Loans
	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other		
Massachusetts	\$ 124	\$ 57	\$ 12	\$ 61	\$ -	\$ -	\$ 254	12%
Other ⁽²⁾	-	-	7	-	17	-	24	1%
New England	124	57	19	61	17	-	278	13%
New York	135	55	-	-	-	-	190	9%
New Jersey	41	-	56	-	-	-	97	5%
Middle Atlantic	176	55	56	-	-	-	287	14%
Virginia	161	-	-	55	21	-	237	12%
Florida	-	-	106	-	-	-	106	5%
Georgia	-	21	65	-	-	-	86	4%
North Carolina	-	34	31	-	-	-	65	3%
Maryland	37	-	-	21	-	6	64	3%
Other ⁽²⁾	-	-	-	-	15	-	15	1%
South Atlantic	198	55	202	76	36	6	573	28%
Texas	-	19	2	10	33	-	64	3%
Other ⁽²⁾	37	7	100	-	18	-	162	8%
Central	37	26	102	10	51	-	226	11%
Other ⁽²⁾	-	-	4	39	-	-	43	2%
Mountain	-	-	4	39	-	-	43	2%
California	90	50	73	181	132	22	548	27%
Oregon	34	-	12	-	18	-	64	3%
Other ⁽²⁾	14	14	-	-	11	-	39	2%
Pacific	138	64	85	181	161	22	651	32%
Totals	\$ 673	\$ 257	\$ 468	\$ 367	\$ 265	\$ 28	\$ 2,058	100%
% of Mortgage Loans	33%	12%	23%	18%	13%	1%	100%	

(1) Problem and potential problem commercial mortgage loans carried at amortized cost, net of impairments, were \$208 million and \$158 million as of September 30, 2014 and December 31, 2013, respectively. For more information, please refer to the Investment Assets section in Management's Discussion and Analysis within Cigna's Form 10-Q for the period ended September 30, 2014, expected to be filed on October 30, 2014.

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

Cigna Corporation
Summary of Commercial Mortgage Loans (unaudited)
As of September 30, 2014

(Dollars in millions)

	Office Buildings	Apartment Buildings	Industrial	Hotels	Retail	Other	Total	% of Mortgage Loans
Loan to Value Ratio ⁽¹⁾	57%	58%	73%	59%	66%	60%	62%	
Origination Years								
Pre-2010	\$ 402	\$ 76	\$ 225	\$ 148	\$ 129	\$ 22	\$ 1,002	49%
2010	51	-	71	10	-	-	132	6%
2011	118	21	99	75	40	-	353	17%
2012	32	103	2	102	96	-	335	16%
2013	16	-	-	32	-	6	54	3%
2014	54	57	71	-	-	-	182	9%
Totals	\$ 673	\$ 257	\$ 468	\$ 367	\$ 265	\$ 28	\$ 2,058	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 2014. For more information, please refer to Cigna's Form 10-Q for the period ended September 30, 2014, expected to be filed on October 30, 2014.

Cigna Corporation
Condensed Consolidated Statements of Cash Flows (unaudited)

(Dollars in millions)

Nine Months Ended September 30,
2014 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$	1,632	\$	1,118
Adjustments to reconcile net income to net cash provided by / (used in) operating activities:				
Depreciation and amortization		435		445
Realized investment gains		(130)		(192)
Deferred income taxes		12		237
Gains on sales of businesses (excluding discontinued operations)		(11)		(11)
Net changes in assets and liabilities, net of non-operating effects:				
Premiums, accounts and notes receivable		(574)		(64)
Reinsurance recoverables		49		348
Deferred policy acquisition costs		(138)		(183)
Other assets		(186)		368
Insurance liabilities ⁽¹⁾		433		870
Accounts payable, accrued expenses and other liabilities ⁽²⁾		(39)		(524)
Current income taxes		53		(33)
Other, net		(64)		(76)
Subtotal		1,472		2,303
Cash used to effectively exit run-off reinsurance business		-		(2,196)
Net cash provided by operating activities		1,472		107
Net cash (used in) / provided by investing activities		(1,405)		740
Net cash used in financing activities		(1,224)		(771)
Effect of foreign currency rate changes on cash and cash equivalents		(17)		1
Net (decrease) increase in cash and cash equivalents		(1,174)		77
Cash and cash equivalents, beginning of year		2,795		2,978
Cash and cash equivalents, end of period	\$	1,621	\$	3,055

(1) Includes pre-tax cash outflows of \$28 million for the period ended September 30, 2013 from the 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 reinsurance transaction with Berkshire.

(2) Includes pre-tax domestic qualified pension plan contributions of \$113 million for the period ended September 30, 2014 and \$174 million for the period ended September 30, 2013.