AETNA INC /PA/
Form 424B3
November 02, 2012
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-178272

This Preliminary Prospectus Supplement and the information contained herein are subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This Preliminary Prospectus Supplement and the accompanying prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

SUBJECT TO COMPLETION, DATED NOVEMBER 2, 2012

PRELIMINARY PROSPECTUS SUPPLEMENT

, 2012

(To Prospectus Dated December 2, 2011)

$

$ % Senior Notes Due

$ % Senior Notes Due

$ % Senior Notes Due

We are offering $ aggregate principal amount of our % senior notes due (the Notes), $ aggregate principal amount of our % senior notes due (the Notes) and $ aggregate principal amount of our % senior notes due (the Notes). The Notes, the Notes and the Notes are collectively referred to in this prospectus supplement as the Notes. The offering and sale of each series of Notes is not conditioned on the sale of any other series of Notes.

The Notes will bear interest at a rate of % per year and will mature on , . The Notes will bear interest at a rate of % per year and will mature on , . The Notes will bear interest at a rate of % per year and will mature on , . Interest on the Notes of each series is payable on and of each year, beginning , 2013. We may redeem the Notes of any series at any time, in whole or in part, at the redemption prices described in this prospectus supplement.

On August 19, 2012, Aetna Inc. (Aetna), Jaguar Merger Subsidiary, Inc. (Merger Sub) and Coventry Health Care, Inc. (Coventry) entered into an agreement and plan of merger (as amended, the merger agreement), pursuant to which, subject to the satisfaction or waiver of certain conditions, Aetna Inc. will acquire Coventry in a transaction valued at approximately $7.3 billion, including the assumption of Coventry debt (the merger), based on the closing price of Aetna common shares on August 17, 2012. We expect to use the net proceeds of this offering to finance, together with cash on hand and approximately $500 million of commercial paper, the cash portion of the purchase price of the merger. See Use of Proceeds. If the merger has not been completed by November 19, 2013 (or such later date to which the end date for the consummation of the merger may be extended by agreement between Aetna and Coventry, as described herein) or if, prior to such date, the merger agreement is terminated, we will be obligated to redeem all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date (as defined herein). See Description of the Notes Special Mandatory Redemption.

The Notes will be unsecured senior obligations of our company and will rank equally with all of our other existing and future unsecured and unsubordinated indebtedness.

The Notes will not be listed on any securities exchange. Currently, there is no public market for the Notes.

Investing in the Notes involves risks. See Risk Factors included or incorporated by reference herein, as described beginning on page S-5 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price(1)	Underwriting Discounts and Commissions	Proceeds to Aetna Inc. (before expenses)
Per Note	%	%	%
Note Total	$	$	$
Per Note	%	%	%
Note Total	$	$	$
Per Note	%	%	%
Note Total	$	$	$
Total	$	$	$

(1) Plus accrued interest, if any, from November , 2012, if settlement occurs after that date.

The underwriters expect to deliver the Notes in registered book-entry form only through the facilities of The Depository Trust Company (DTC) for the benefit of its direct and indirect participants, including Euroclear System (Euroclear) and Clearstream Banking, S.A. (Clearstream), to purchasers on or about November , 2012.

Joint Book-Running Managers

Goldman, Sachs & Co. **UBS Investment Bank**

J.P. Morgan **Morgan Stanley** **RBS**

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We have not, and the underwriters have not, authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement and in the accompanying prospectus or in any free writing prospectus prepared by us or on our behalf or to which we have referred you. Neither we nor the underwriters take any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

This prospectus supplement and the accompanying prospectus may only be used where it is legal to sell these securities. The information in this prospectus supplement and the accompanying prospectus may only be accurate as of the date of this prospectus supplement, the accompanying prospectus or the information incorporated by reference herein or therein, and the information in any free writing prospectus may only be accurate as of the date of such free writing prospectus. Our business, financial condition, results of operations and/or prospects may have changed since those dates.

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In this prospectus supplement and the accompanying prospectus, all references to Aetna, the Company, we, us and our refer to Aetna Inc. an consolidated subsidiaries, unless otherwise indicated or the context otherwise requires. The underwriters refers to the financial institutions named on the front cover of this prospectus supplement.

Unless specifically indicated, the information presented in this prospectus supplement does not give effect to our proposed acquisition of Coventry Health Care, Inc. (Coventry), which we currently expect to complete in mid-2013.

We are offering the Notes globally for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See Underwriting.

SUMMARY

This summary highlights selected information about Aetna and this offering. It does not contain all of the information that may be important to you in deciding whether to purchase the Notes. We encourage you to read the entire prospectus supplement, the accompanying prospectus and the documents that we have filed with the Securities and Exchange Commission (the SEC) that are incorporated by reference herein prior to deciding whether to purchase the Notes.

THE COMPANY

We are a diversified health care benefits company. We offer a broad range of traditional and consumer-directed health insurance products and related services, including medical, pharmacy, dental, behavioral health, group life and disability plans, medical management capabilities, Medicaid health care management services and health information technology services. These products are offered on both an insured and employer-funded basis. Our subsidiaries offer products in all 50 states, and our customers include employer groups, individuals, college students, part-time and hourly workers, health plans, health care providers, governmental units, government-sponsored plans, labor groups and expatriates. We also have a large case pensions business that manages a variety of retirement products primarily for tax qualified pension plans.

Our principal executive offices are located at 151 Farmington Avenue, Hartford, Connecticut 06156, and our telephone number is (860) 273-0123. Internet users can obtain information about Aetna and its services at http://www.aetna.com. This text is not an active link, and our website and the information contained on that site, or connected to that site, are not incorporated into this prospectus supplement.

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THE OFFERING

The offering terms of the Notes are summarized below solely for your convenience. This summary is not a complete description of the Notes. You should read the full text and more specific details contained elsewhere in this prospectus supplement and the accompanying prospectus. For a more detailed description of the Notes, see the discussion under the caption Description of the Notes beginning on page S-23 of this prospectus supplement.

Issuer	Aetna Inc.
Notes Offered	$ aggregate principal amount of % senior notes due (the Notes); $ aggregate principal amount of % senior notes due (the Notes); and $ aggregate principal amount of % senior notes due (the Notes). The Notes, the Notes and the Notes are collectively referred to in this prospectus supplement as the Notes. The offering and sale of each series of Notes is not conditioned on the sale of any other series of Notes.
Maturity	The Notes will mature on , . The Notes will mature on , . The Notes will mature on , .
Interest Payment Dates	and , beginning , 2013.
Optional Redemption	At any time prior to , (month prior to the maturity date of the Notes), we may redeem the Notes, in whole or in part, at the redemption price described in this prospectus supplement, plus any interest accrued but not paid to the date of redemption. At any time on or after , (month prior to the maturity date of the Notes), we may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus any interest accrued but not paid to the date of redemption.
	At any time prior to , (months prior to the maturity date of the Notes), we may redeem the Notes, in whole or in part, at the redemption price described in this prospectus supplement, plus any interest accrued but not paid to the date of redemption. At any time on or after , (months prior to the maturity date of the Notes), we may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus any interest accrued but not paid to the date of redemption.
	At any time prior to , (months prior to the maturity date of the Notes), we may redeem the Notes, in whole or in part, at the redemption price described in this prospectus supplement, plus any interest accrued but not paid to the date of redemption. At any time on or after , (months prior to

	the maturity date of the Notes), we may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus any interest accrued but not paid to the date of redemption.
	We are not required to establish a sinking fund to retire or repay the Notes of any series.
Special Mandatory Redemption	If the merger has not been completed by November 19, 2013 (or such later date to which the end date for the consummation of the merger may be extended by agreement between Aetna and Coventry, as described herein) or if, prior to such date, the merger agreement is terminated, we will be obligated to redeem all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date. The special mandatory redemption date means the 30th day (or if such day is not a business day, the first business day thereafter) following the transmission of a notice of special mandatory redemption, which shall be transmitted no later than 60 days after the occurrence of the event triggering redemption. See Description of the Notes Special Mandatory Redemption.
Repurchase upon Change of Control	Upon the occurrence of both (1) a Change of Control (as defined in Description of the Notes) and (2) a downgrade of the Notes of a series below an investment grade rating by each of the Rating Agencies (as defined in Description of the Notes) within a specified period, we will be required to make an offer to purchase all of the Notes of such series at a price equal to 101% of the principal amount of the Notes of such series, plus any accrued and unpaid interest to the date of repurchase. See Description of the Notes Repurchase Upon a Change of Control.
Ranking	The Notes will be our senior unsecured and unsubordinated obligations and will rank equally with all of our other existing and future unsecured and unsubordinated indebtedness. See Description of the Notes.
Additional Issuances	In the future we may, without the consent of the holders of the Notes of a series, increase the aggregate principal amount of Notes of such series offered on the same terms and conditions (except that the public offering price, issue date and first interest payment date may vary).
Use of Proceeds	We expect to use the estimated $ in net proceeds after deducting underwriting discounts and commissions and estimated offering expenses from this offering to finance a portion of the cash portion of the purchase price of the merger. See Use of Proceeds.
Covenants	The indenture for the Notes limits our ability to consolidate with or merge with or into any other person (other than in a merger or

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	consolidation in which we are the surviving person) or sell our property or assets as, or substantially as, an entirety to any person. This covenant is subject to important qualifications and limitations. See Description of Debt Securities Consolidation, Merger and Sale of Assets in the accompanying prospectus.
	The indenture for the Notes does not restrict our ability to incur additional indebtedness. Under the terms of the Notes, the holders of the Notes will not have the benefit of the covenant in the indenture for the Notes described under Description of Debt Securities Limitations on Liens on Common Stock of Principal Subsidiaries in the accompanying prospectus.
No Cross-Default	Under the terms of the Notes, the holders of the Notes will not have the benefit of the cross-acceleration event of default in the indenture for the Notes described in the fourth bullet under Description of Debt Securities Events of Default and Notice Thereof in the accompanying prospectus.
Minimum Denominations	The Notes will be issued and may be transferred only in minimum denominations of $2,000 and multiples of $1,000 in excess thereof.
Risk Factors	For a discussion of factors you should carefully consider before deciding to purchase the Notes, see Risk Factors included or incorporated by reference herein, as described beginning on page S-5 of this prospectus supplement.

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RISK FACTORS

In deciding whether to purchase the Notes, you should carefully consider the risks described below, which could cause our operating results and financial condition to be materially adversely affected, as well as other information and data included in or incorporated by reference into this prospectus supplement, including Forward-Looking Information/Risk Factors beginning on page 41 of our 2011 Aetna Annual Report, Financial Report to Shareholders incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2011, as updated by our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2012, June 30, 2012 and September 30, 2012. Following completion of the merger, Aetna will also be subject to the risks described in Coventry s reports filed with the SEC, which we have filed as an exhibit to our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012 and incorporated by reference herein.

We may be unable to redeem any or all of the Notes in the event of a special mandatory redemption.

If the merger has not been completed by November 19, 2013 (or such later date to which the end date for the consummation of the merger may be extended by agreement between Aetna and Coventry, as described herein) or if, prior to such date, the merger agreement is terminated, we will be obligated to redeem all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date (as defined herein). See Description of the Notes Special Mandatory Redemption. We are not obligated to place the proceeds of the offering of any Notes in escrow prior to the completion of the merger or to provide a security interest in those proceeds, and there are no other restrictions on our use of these proceeds during such time. Accordingly, we will need to fund any special mandatory redemption using proceeds that we have voluntarily retained or from other sources of liquidity. In the event of a special mandatory redemption, we may not have sufficient funds to purchase any or all of the Notes.

In the event of a special mandatory redemption, holders of the Notes may not obtain their expected return on such Notes.

If we redeem the Notes pursuant to the special mandatory redemption provisions, you may not obtain your expected return on the Notes and may not be able to reinvest the proceeds from such special mandatory redemption in an investment that results in a comparable return. In addition, as a result of the special mandatory redemption provisions of the Notes, the trading prices of the Notes may not reflect the financial results of our business or macroeconomic factors. You will have no rights under the special mandatory redemption provisions if the merger closes, nor will you have any right to require us to repurchase your Notes if, between the closing of this offering and the completion of the merger, we experience any changes (including any material adverse changes) in our business or financial condition, or if the terms of the merger agreement change, including in material respects.

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USE OF PROCEEDS

Our net proceeds from this offering are estimated to be approximately $ after deducting underwriting discounts and commissions and estimated offering expenses. We expect to use the net proceeds of this offering to finance, together with cash on hand and approximately $500 million of commercial paper, the cash portion of the purchase price of the merger. The completion of the merger is subject to approval by Coventry s stockholders, customary regulatory approvals and other customary closing conditions.

Pending completion of the merger, we may invest the proceeds temporarily in investment-grade securities or similar assets. If the merger has not been completed by November 19, 2013 (or such later date to which the end date for the consummation of the merger may be extended by agreement between Aetna and Coventry, as described herein) or if, prior to such date, the merger agreement is terminated, we will be obligated to redeem all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date (as defined herein). See Description of the Notes Special Mandatory Redemption.

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SELECTED FINANCIAL INFORMATION

The following table sets forth our selected consolidated financial data as of, and for each of the years ended December 31, 2007 through 2011, and as of, and for the nine-month periods ended September 30, 2012 and September 30, 2011. The financial data as of, and for the nine-month periods ended September 30, 2012 and September 30, 2011 is derived from our unaudited financial statements. The unaudited financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of our financial position and results of operations during that period and as of that date. Operating results for the nine months ended September 30, 2012 are not necessarily indicative of those to be expected for the full fiscal year.

The following information should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012 and our 2011 Annual Report, each filed with the SEC and incorporated by reference in this prospectus supplement. For additional information, see Where You Can Find More Information in this prospectus supplement.

The selected financial information presented below does not reflect our proposed acquisition of Coventry. See Aetna and Coventry Unaudited Pro Forma Condensed Combined Financial Statements included in this prospectus supplement.

	Nine Months Ended September 30,		Years Ended December 31,				
	2012	2011	2011	2010 (Millions)	2009	2008	2007
INCOME STATEMENT DATA:							
Total revenue	$ 26,667.4	$ 25,207.5	$ 33,779.8	$ 34,246.0	$ 34,764.1	$ 30,950.7	$ 27,599.6
Health care costs	17,613.5	16,060.3	21,653.5	22,719.6	24,061.2	20,785.5	17,294.8
Current and future benefits	1,511.1	1,433.9	1,876.5	2,013.4	2,078.1	1,938.7	2,248.1
Operating expenses	4,952.0	4,971.5	6,804.4	6,519.0	6,383.0	5,751.5	5,046.4
Interest expense	192.2	187.3	246.9	254.6	243.4	236.4	180.6
Amortization of other acquired intangible assets	108.9	83.6	120.7	95.2	97.2	108.2	97.6
Loss on early extinguishment of long-term debt	35.4						
Reduction of reserve for anticipated future losses on discontinued products						(43.8)	(64.3)
Total benefits and expenses	24,413.1	22,736.6	30,702.0	31,601.8	32,862.9	28,776.5	24,803.2
Income from continuing operations before income taxes	2,254.3	2,470.9	3,077.8	2,644.2	1,901.2	2,174.2	2,796.4
Income taxes	786.5	857.8	1,092.1	877.4	624.7	790.1	965.4
Income from continuing operations	$ 1,467.8	$ 1,613.1	$ 1,985.7	$ 1,766.8	$ 1,276.5	$ 1,384.1	$ 1,831.0
BALANCE SHEET DATA (AT PERIOD END):							
Total assets	$ 39,838.4	$ 38,694.2	$ 38,593.1	$ 37,739.4	$ 38,550.4	$ 35,852.5	$ 50,724.7
Debt:							
Short-term	$ 70.0	$ 449.9	$ 425.9	$	$ 480.8	$ 215.7	$ 130.7
Current portion of long-term				899.9			
Long-term, less current portion	4,615.6	3,977.1	3,977.7	3,482.6	3,639.5	3,638.3	3,138.5
Total debt	$ 4,685.6	$ 4,427.0	$ 4,403.6	$ 4,382.5	$ 4,120.3	$ 3,854.0	$ 3,269.2
Shareholders equity	$ 10,896.8	$ 10,528.7	$ 10,120.2	$ 9,890.8	$ 9,503.8	$ 8,186.4	$ 10,038.4

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AETNA AND COVENTRY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The unaudited pro forma condensed combined statements of income for the fiscal year ended December 31, 2011, and for the six months ended June 30, 2012, combine the historical consolidated statements of income of Aetna Inc. (Aetna) and Coventry Health Care, Inc. (Coventry), giving effect to the merger of a wholly owned subsidiary of Aetna (Merger Sub) with and into Coventry (which is referred to as the merger) as if it had occurred on the first day of each period presented. The unaudited pro forma condensed combined balance sheet as of June 30, 2012, combines the historical consolidated balance sheets of Aetna and Coventry, giving effect to the merger as if it had occurred on June 30, 2012. The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the statements of income, expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial information was based on and should be read in conjunction with the following historical consolidated financial statements and accompanying notes:

- separate historical financial statements of Aetna as of, and for the year ended, December 31, 2011, and the related notes included in Aetna s Annual Report on Form 10-K for the year ended December 31, 2011;

- separate historical financial statements of Coventry as of, and for the year ended, December 31, 2011, and the related notes included in Coventry s Annual Report on Form 10-K for the year ended December 31, 2011;

- separate historical financial statements of Aetna as of, and for the six months ended, June 30, 2012, and the related notes included in Aetna s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012; and

- separate historical financial statements of Coventry as of, and for the six months ended, June 30, 2012, and the related notes included in Coventry s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012.

The unaudited pro forma condensed combined financial information has been prepared by Aetna using the acquisition method of accounting in accordance with U.S. generally accepted accounting principles. Aetna has been treated as the acquirer in the merger for accounting purposes. The acquisition accounting is dependent upon certain valuation and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. The proposed merger has not yet received the necessary approvals from governmental authorities, and under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder (which is referred to in this prospectus supplement as the HSR Act) and other relevant laws and regulations, before completion of the merger, there are significant limitations regarding what Aetna can learn about Coventry. The assets and liabilities of Coventry have been measured based on various preliminary estimates using assumptions that Aetna believes are reasonable based on information that is currently available. Differences between these preliminary estimates and the final acquisition accounting will occur, and those differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company s future results of operations and financial position. The pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the SEC.

Aetna intends to commence the necessary valuation and other studies required to complete the acquisition accounting promptly upon completion of the merger and will finalize the acquisition accounting as soon as practicable within the required measurement period in accordance with Financial Accounting Standards Board,

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Accounting Standards Codification (which is referred to in this prospectus supplement as ASC) 805, but in no event later than one year following completion of the merger.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The unaudited pro forma condensed combined financial information does not purport to represent the actual results of operations that Aetna and Coventry would have achieved had the companies been combined during these periods and is not intended to project the future results of operations that the combined company may achieve after the merger. The unaudited pro forma condensed combined financial information does not reflect the realization of any cost savings following completion of the merger and also does not reflect any related restructuring and integration charges to achieve those cost savings. Material intercompany transactions between Aetna and Coventry during the periods presented in the unaudited pro forma condensed combined financial statements have been eliminated (refer to *Note 7. Income Statement Pro Forma Adjustments* and *Note 8. Balance Sheet Pro Forma Adjustments*).

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Unaudited Pro Forma Condensed Combined

Statement of Income

For the Year Ended December 31, 2011

	Aetna	Coventry	Disposition (Note 6)	Pro Forma Adjustments (Note 7)	Pro Forma Combined
		(Millions, except per common share data)			
Revenue:					
Health care and other premiums	$ 28,965.0	$ 11,015.0	$ (138.4)	$	$ 39,841.6
Fees and other revenue	3,884.0	1,191.3		(21.7)(a)	5,053.6
Net investment income	930.8	69.4	(.8)	(35.8)(b)(c)	963.6
Total revenue	33,779.8	12,275.7	(139.2)	(57.5)	45,858.8
Benefits and expenses:					
Health care costs and benefits	23,530.0	9,324.9	(125.2)		32,729.7
Selling, general and administrative expenses	6,925.1	1,993.6	(14.5)	23.3(a)(d)(e)	8,927.5
Interest expense	246.9	99.1		30.5(f)	376.5
Total benefits and expenses	30,702.0	11,417.6	(139.7)	53.8	42,033.7
Income before income taxes	3,077.8	858.1	.5	(111.3)	3,825.1
Income tax expense	1,092.1	315.0	.2	(39.0)(g)	1,368.3
Net income	$ 1,985.7	$ 543.1	$ .3	$ (72.3)	$ 2,456.8
Earnings per common share:					
Basic	$ 5.33	$ 3.75			$ 5.78
Diluted	$ 5.22	$ 3.70			$ 5.68
Weighted-average shares:					
Basic	372.5	144.8		(92.6)(h)	424.7
Diluted	380.2	146.7		(94.5)(h)	432.4

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements. The pro forma adjustments are explained in *Note 7. Income Statement Pro Forma Adjustments*.

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Unaudited Pro Forma Condensed Combined

Statement of Income

For the Six Months Ended June 30, 2012

	Aetna	Coventry	Disposition (Note 6)	Pro Forma Adjustments (Note 7)	Pro Forma Combined
	(Millions, except per common share data)				
Revenue:					
Health care and other premiums	$ 15,300.4	$ 6,595.9	$ (76.4)	$	$ 21,819.9
Fees and other revenue	1,987.1	632.4		(9.1)(a)	2,610.4
Net investment income	463.4	36.4	(.5)	(13.6)(b)(c)	485.7
Total revenue	$ 17,750.9	$ 7,264.7	$ (76.9)	$ (22.7)	$ 24,916.0
Benefits and expenses:					
Health care costs and benefits	$ 12,760.0	$ 5,700.6	$ (67.2)	$	$ 18,393.4
Selling, general and administrative expenses	3,387.2	1,087.5	(8.0)	4.5(a)(d)(e)	4,471.2
Interest expense	123.7	50.2		15.7(f)	189.6
Total benefits and expenses	16,270.9	6,838.3	(75.2)	20.2	23,054.2
Income before income taxes	1,480.0	426.4	(1.7)	(42.9)	1,861.8
Income tax expense	511.4	163.9	(.6)	(15.0)(g)	659.7
Net income	$ 968.6	$ 262.5	$ (1.1)	$ (27.9)	$ 1,202.1
Earnings per common share:					
Basic	$ 2.80	$ 1.86			$ 3.02
Diluted	$ 2.76	$ 1.85			$ 2.98
Weighted-average shares:					
Basic	346.0	139.2		(87.0)(h)	398.2
Diluted	351.5	139.9		(87.7)(h)	403.7

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements. The pro forma adjustments are explained in *Note 7. Income Statement Pro Forma Adjustments.*

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Unaudited Pro Forma Condensed Combined

Balance Sheet

As of June 30, 2012

	Aetna	Coventry	Disposition (Note 6) (Millions)	Pro Forma Adjustments (Note 8)	Pro Forma Combined
Assets:					
Current assets:					
Cash and cash equivalents	$ 922.1	$ 1,516.0	$ (9.1)	$ (946.8)(a)	$ 1,482.2
Investments	2,347.0	177.9			2,524.9
Premiums and other receivables, net	1,625.9	1,207.3	(20.4)	(2.4)(b)	2,810.4
Other current assets	1,579.7				