

The Cigna Group

Quarterly Financial Supplement

March 31, 2024

This document is dated May 2, 2024. The data contained in this document may not be accurate after such date and The Cigna Group does not undertake to update or keep it accurate after such date.



The Cigna Group
March 31, 2024 Quarterly Financial Supplement
Table of Contents

Financial Highlights	1
Consolidated Income Statements	2
Evernorth Health Services Segment Analysis	3
Cigna Healthcare Segment Analysis	6
Corporate and Other Operations Analysis	10
Consolidated Balance Sheets	11
Condensed Consolidated Statements of Cash Flows	12

BASIS OF PRESENTATION:

All dollar amounts are in millions, unless otherwise noted.

The Cigna Group (the “Company” or “our”) measures its financial results on a consolidated basis using adjusted income from operations and adjusted revenues. Adjusted income from operations and adjusted revenues on a consolidated basis are not determined in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and should not be viewed as a substitute for the most directly comparable GAAP measures which are shareholders’ net income (loss) and total revenues. The Company also uses adjusted income (loss) from operations to measure the results of its segments, however the segment metric is determined before income taxes.

Adjusted income (loss) from operations is a principal financial measure of profitability used by The Cigna Group’s management because it presents the underlying results of operations of the Company’s businesses and permits analysis of trends in underlying revenue, expenses and shareholders’ net income (loss). The Company defines adjusted income from operations as shareholders’ net income (loss) (or income (loss) before income taxes less pre-tax income (loss) attributable to noncontrolling interests for the segment metric) excluding net realized investment results, amortization of acquired intangible assets and special items. The Cigna Group’s share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting are also excluded. Special items are matters that management believes are not representative of the underlying results of operations due to their nature or size. Adjusted income (loss) from operations is measured on an after-tax basis for consolidated results and on a pre-tax basis for segment results. Consolidated adjusted income (loss) from operations is not determined in accordance with GAAP and should not be viewed as a substitute for the most directly comparable GAAP measure, shareholders’ net income (loss). See the Financial Highlights page for a reconciliation of consolidated adjusted income from operations to shareholders’ net income (loss).

Adjusted revenues is used by The Cigna Group’s management because it permits analysis of trends in underlying revenue. The Company defines adjusted revenues as total revenues excluding the following adjustments: special items and The Cigna Group’s share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting. Special items are matters that management believes are not representative of the underlying results of operations due to their nature or size. We exclude these items from this measure because management believes they are not indicative of past or future underlying performance of the business. Adjusted revenues is not determined in accordance with GAAP and should not be viewed as a substitute for the most directly comparable GAAP measure, total revenues. See the Financial Highlights page for a reconciliation of consolidated adjusted revenues to total revenues.

In January 2024, the Company entered into a definitive agreement whereby Health Care Service Corporation will acquire the Medicare Advantage, Medicare Stand-Alone Prescription Drug Plans, Medicare and Other Supplemental Benefits and CareAllies businesses (the “HCSC transaction”). Subject to receipt of applicable regulatory approvals and other customary closing conditions, we expect to complete this transaction in the first quarter of 2025. The Company classified the assets and liabilities of these businesses as held for sale as of both March 31, 2024 and December 31, 2023. For additional information, please refer to the Assets and Liabilities of Businesses Held For Sale footnote in the Company’s Form 10-Q for the period ended March 31, 2024, expected to be filed on May 2, 2024.

In some 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.

The Cigna Group

Financial Highlights (unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended March 31,		% Change
	2024	2023	
Total revenues	\$ 57,255	\$ 46,517	23 %
Net realized investment results from certain equity method investments	(8)	(38)	(79)
Adjusted revenues	\$ 57,247	\$ 46,479	23 %
Shareholders' net (loss) income	\$ (277)	\$ 1,267	N/M %
Pre-Tax Adjusted Income (Loss) From Operations by Segment			
Evernorth Health Services	\$ 1,360	\$ 1,320	3 %
Cigna Healthcare	1,340	1,115	20
Corporate and Other Operations	(391)	(399)	(2)
Consolidated pre-tax adjusted income from operations	\$ 2,309	\$ 2,036	13 %
Adjusted income tax expense	434	418	4
Consolidated after-tax adjusted income from operations	\$ 1,875	\$ 1,618	16 %
Adjusted EBITDA⁽¹⁾	\$ 2,992	\$ 2,684	11 %
Operating cash flow (see page 12)	\$ 4,840	\$ 5,028	(4) %
SG&A expense ratio⁽²⁾	6.5 %	7.6 %	(110) bps
Adjusted SG&A expense ratio⁽²⁾	6.4 %	7.6 %	(120) bps
Weighted average shares (in thousands)⁽³⁾	289,717	298,999	

	Three Months Ended March 31,				% Change
	2024		2023		
	Pre-tax	After-tax	Pre-tax	After-tax	
Diluted earnings per share					
Shareholders' net (loss) income ⁽⁴⁾		<u>\$ (0.97)</u>		\$ 4.24	N/M %
Adjustments to reconcile to adjusted income from operations					
Net realized investment losses ⁽⁵⁾	\$ 6.31	6.31	\$ 0.06	0.02	
Amortization of acquired intangible assets	1.46	1.10	1.54	1.15	
Special items					
Integration and transaction-related costs	0.12	0.10	—	—	
Loss (gain) on sale of businesses	0.07	(0.15)	—	—	
Deferred tax expenses, net	—	0.06	—	—	
Total special items	\$ 0.19	0.01	\$ —	—	
Adjusted income from operations ⁽³⁾		\$ 6.47		\$ 5.41	20 %

CUSTOMER RELATIONSHIPS

(Relationships and lives in thousands)

	As of March 31,			As of December 31,	
	2024	2023	% Change	2023	% Change
Pharmacy	122,767	98,749	24 %	98,570	25 %
Medical (see page 8)	19,184	19,473	(1)	19,780	(3)
Behavioral Care	23,801	26,890	(11)	24,956	(5)
Dental	18,443	18,731	(2)	18,543	(1)
Medicare Part D	2,558	2,541	1	2,550	—
Total customer relationships	186,753	166,384	12 %	164,399	14 %

(1) Adjusted income from operations excluding interest, taxes, depreciation and amortization ("Adjusted EBITDA") is a non-GAAP measure, defined as shareholders' net income (loss) excluding income taxes and the pre-tax impact of special items, interest expense, total depreciation and amortization, and net realized investment results.

(2) SG&A expense ratio is calculated as selling, general and administrative expenses including special items divided by total revenues. Adjusted SG&A expense ratio is calculated as selling, general and administrative expenses excluding special items divided by adjusted revenues.

(3) The calculation of weighted average shares includes the impact of potentially dilutive securities for the calculation of Adjusted income from operations per share.

(4) For the three months ended March 31, 2024, due to the anti-dilutive effect resulting from the Shareholders' net loss for the period, the impact of potentially dilutive securities has been excluded from the calculation of weighted average shares for the calculation of diluted Shareholders' net loss per share. Weighted average shares used to calculate diluted Shareholders' net loss per share for the three months ended March 31, 2024 were 286,465 thousand. For the three months ended March 31, 2023, the calculation of weighted average shares includes the impact of potentially dilutive securities for the calculation of Shareholders' net income.

(5) Includes Net realized investment losses as presented in our Consolidated Statements of Income, as well as the Company's share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting, which are presented within Fees and other revenues in our Consolidated Statements of Income.

The Cigna Group
Consolidated Income Statements (unaudited)

	Three Months Ended March 31,		
	2024	2023	% Change
Revenues			
Pharmacy revenues	\$ 42,036	\$ 32,144	31 %
Premiums	11,603	11,025	5
Fees and other revenues	3,326	3,071	8
Net investment income	290	277	5
Total revenues	57,255	46,517	23
Benefits and expenses			
Pharmacy and other service costs	41,431	31,459	32
Medical costs and other benefit expenses	9,440	9,046	4
Selling, general and administrative expenses excluding special items	3,668	3,537	4
Amortization of acquired intangible assets	423	459	(8)
Special items	37	1	N/M
Total benefits and expenses	54,999	44,502	24
Income from operations	2,256	2,015	12
Interest expense and other	(322)	(358)	(10)
Loss on sale of businesses	(19)	—	N/M
Net realized investment losses	(1,836)	(56)	N/M
Income before income taxes	79	1,601	(95)
Total income tax expense	291	295	(1)
Net (loss) income	(212)	1,306	N/M
Less: Net income attributable to noncontrolling interests	65	39	67
Shareholders' net (loss) income	\$ (277)	\$ 1,267	N/M %

	Three Months Ended March 31,				
	2024		2023		
	Pre-tax	After-tax	Pre-tax	After-tax	% Change
Shareholders' net (loss) income		\$ (277)		\$ 1,267	N/M %
Adjustments to reconcile adjusted income from operations					
Net realized investment losses ⁽¹⁾	\$ 1,828	1,827	\$ 18	6	
Amortization of acquired intangible assets	423	322	459	344	
Special items					
Integration and transaction-related costs	37	29	1	1	
Loss (gain) on sale of businesses	19	(43)	—	—	
Deferred tax expenses, net	—	17	—	—	
Adjusted income from operations	\$ 1,875		\$ 1,618		16 %

(1) Includes Net realized investment losses as presented in our Consolidated Statements of Income, as well as the Company's share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting, which are presented within Fees and other revenues in our Consolidated Statements of Income.

The Cigna Group
Evernorth Health Services
Segment Results (unaudited)

(Dollars in millions)

	Three Months Ended March 31,		% Change
	2024	2023	
Revenues			
Pharmacy revenues	\$ 43,170	\$ 33,640	28 %
Fees and other revenues	2,997	2,489	20
Net investment income	59	50	18
Total revenues ⁽¹⁾	46,226	36,179	28
Benefits and expenses			
Pharmacy and other service costs	43,838	33,973	29
Gross profit	2,388	2,206	8
Selling, general and administrative expenses excluding special items	951	844	13
Amortization of acquired intangible assets	417	444	(6)
Income from operations	1,020	918	11
Net realized investment (losses)	(1,456)	—	N/M
(Loss) income before income taxes	(436)	918	N/M
Pre-tax adjustments required to reconcile to adjusted income from operations			
Pre-tax (income) attributable to noncontrolling interests	(77)	(42)	
Net realized investment losses	1,456	—	
Amortization of acquired intangible assets	417	444	
Pre-tax adjusted income from operations	\$ 1,360	\$ 1,320	3 %
Pre-tax adjusted margin	2.9 %	3.6 %	(70) bps

(1) Total revenues equal adjusted revenues as there were no special items in the periods presented.

The Cigna Group
Evernorth Health Services
Selected Financial Information (unaudited)

(Dollars and pharmacy scripts in millions)

	Three Months Ended March 31,		% Change
	2024	2023	
Total adjusted revenues			
Pharmacy Benefit Services	\$ 26,095	\$ 18,209	43 %
Specialty and Care Services	20,072	17,920	12
Net investment income	59	50	18
Total adjusted revenues	<u>\$ 46,226</u>	<u>\$ 36,179</u>	28 %
Pre-tax adjusted income from operations			
Pharmacy Benefit Services	513	512	— %
Specialty and Care Services	788	758	4
Net investment income	59	50	18
Total pre-tax adjusted income from operations	<u>1,360</u>	<u>1,320</u>	3 %
Pharmacy claim volume ⁽¹⁾	513	381	35 %

(1) Non-specialty network prescriptions filled through 90-day programs and home delivery prescriptions are counted as three claims. All other network and specialty prescriptions are counted as one claim.

The Cigna Group
Evernorth Health Services
Supplemental 2023 Information - Restated for Operating Segment Change (unaudited)

(Dollars in millions)

	Three Months Ended				Year Ended
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	December 31, 2023
Total adjusted revenues					
Pharmacy Benefit Services	\$ 18,209	\$ 18,819	\$ 19,158	\$ 20,531	\$ 76,717
Specialty and Care Services	17,920	19,324	19,375	19,922	76,541
Net investment income	50	62	63	66	241
Total adjusted revenues ⁽¹⁾	\$ 36,179	\$ 38,205	\$ 38,596	\$ 40,519	\$ 153,499
Pre-tax adjusted income from operations					
Pharmacy Benefit Services	\$ 512	\$ 777	\$ 981	\$ 1,124	\$ 3,394
Specialty and Care Services	758	677	672	700	2,807
Net investment income	50	62	63	66	241
Total pre-tax adjusted income from operations	\$ 1,320	\$ 1,516	\$ 1,716	\$ 1,890	\$ 6,442

(1) Total revenues equal adjusted revenues as there were no special items in the periods presented.

Supplemental 2023 Information - Reconciliation of Total pre-tax adjusted income from operations to Income before income taxes (unaudited)

(Dollars in millions)

	Three Months Ended				Year Ended
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	December 31, 2023
Reconciliation of total pre-tax adjusted income from operations to income before income taxes					
Total pre-tax adjusted income from operations	1,320	1,516	1,716	1,890	6,442
Pre-tax income attributable to noncontrolling interests	42	54	44	4	144
Net realized investment gains (losses)	—	1	(1)	—	—
Amortization of acquired intangible assets	(444)	(443)	(443)	(444)	(1,774)
Special items	—	—	(44)	—	(44)
Income before income taxes	\$ 918	\$ 1,128	\$ 1,272	\$ 1,450	\$ 4,768

The Cigna Group
Cigna Healthcare
Segment Results (unaudited)

(Dollars in millions)

(Dollars in millions)	Three Months Ended March 31,		
	2024	2023	% Change
Revenues			
Premiums	\$ 11,531	\$ 10,930	5 %
Fees and other revenues	1,605	1,683	(5)
Net investment income	149	143	4
Total revenues	13,285	12,756	4
Benefits and expenses			
Medical costs	9,219	8,883	4
Selling, general and administrative expenses excluding special items	2,720	2,720	—
Amortization of acquired intangible assets	6	15	(60)
Total benefits and expenses	11,945	11,618	3
Income from operations	1,340	1,138	18
Interest expense and other	2	1	100
Loss on sale of businesses	(19)	—	N/M
Net realized investment losses	(380)	(62)	N/M
Income before income taxes	943	1,077	(12)
Pre-tax adjustments required to reconcile to adjusted income from operations			
Pre-tax (income) attributable to noncontrolling interests	—	(1)	
Net realized investment losses ⁽¹⁾	372	24	
Amortization of acquired intangible assets	6	15	
Special items	19	—	
Pre-tax adjusted income from operations	\$ 1,340	\$ 1,115	20 %
Pre-tax adjusted margin	10.1 %	8.8 %	130 bps
Reconciliation of total revenues to adjusted revenues			
Total revenues	\$ 13,285	\$ 12,756	4 %
Net realized investment results from certain equity method investments	(8)	(38)	(79)
Adjusted revenues	\$ 13,277	\$ 12,718	4 %

(1) Includes Net realized investment losses as presented in our Consolidated Statements of Income, as well as the Company's share of certain realized investment results of its joint ventures reported in the Cigna Healthcare segment using the equity method of accounting, which are presented within Fees and other revenues in our Consolidated Statements of Income.

The Cigna Group
Cigna Healthcare ⁽¹⁾

Premium Revenue and Medical Care Ratio (unaudited)

(Dollars in millions)

	Three Months Ended March 31,		
	2024	2023 ⁽²⁾	% Change
Premiums:			
U.S. Healthcare			
Employer insured	\$ 4,393	\$ 4,080	8 %
Medicare Advantage	2,287	2,236	2
Stop loss	1,668	1,503	11
Individual and Family Plans	1,040	1,208	(14)
Other	1,258	1,117	13
Total U.S. Healthcare	10,646	10,144	5
International Health	885	786	13
Total premiums	\$ 11,531	\$ 10,930	5 %
Medical Care Ratio	79.9 %	81.3 %	(140) bps

(1) Cigna Healthcare includes the U.S. Healthcare and International Health operating segments, which provide comprehensive medical and coordinated solutions to clients and customers. During the fourth quarter of 2023, the U.S. Commercial and U.S. Government operating segments merged to form the U.S. Healthcare operating segment. Information presented for the three months ended March 31, 2023 has been restated to conform to the new operating segment presentation.

(2) Prior year premium revenue for U.S. Healthcare has been reclassified to reflect current operating segment presentation discussed in note 1.

The Cigna Group
Cigna Healthcare ⁽¹⁾
Total Medical Customers (unaudited)

MEDICAL CUSTOMERS ⁽²⁾ BY			As of March 31,			As of December 31,			MEDICAL CUSTOMERS ⁽²⁾ BY			As of March 31,			As of December 31,		
FUNDING TYPE:			2024		2023 ⁽⁶⁾	% Change	2023	% Change	MARKET SEGMENT: ⁽⁵⁾			2024		2023 ⁽⁶⁾	% Change	2023 ⁽⁶⁾	% Change
<i>(Lives in thousands)</i>									<i>(Lives in thousands)</i>								
U.S. Healthcare insured									U.S. Healthcare								
Employer insured	2,237	2,218	1	%	2,233	—	%		National Accounts	5,605	5,847	(4)	%	5,786	(3)	%	
Medicare Advantage	595	584	2		601	(1)			Middle Market	7,218	7,340	(2)		7,377	(2)		
Individual and Family Plans ⁽³⁾	649	786	(17)		976	(34)			Select	2,962	2,771	7		2,887	3		
Other insured	466	467	—		470	(1)			Small	62	68	(9)		68	(9)		
Total U.S. Healthcare insured	3,947	4,055	(3)		4,280	(8)			Medicare Advantage	595	584	2		601	(1)		
International Health insured ⁽⁴⁾	1,189	1,150	3		1,184	—			Individual and Family Plans ⁽³⁾	649	786	(17)		976	(34)		
									Other	471	473	—		475	(1)		
U.S. Healthcare administrative services only	13,615	13,814	(1)		13,890	(2)			Total U.S. Healthcare	17,562	17,869	(2)		18,170	(3)		
International Health administrative services only ⁽⁴⁾	433	454	(5)		426	2			International Health	1,622	1,604	1		1,610	1		
Total medical customers	19,184	19,473	(1) %		19,780	(3) %			Total medical customers	19,184	19,473	(1) %		19,780	(3) %		

- (1) Cigna Healthcare includes the U.S. Healthcare and International Health operating segments, which provide comprehensive medical and coordinated solutions to clients and customers. During the fourth quarter of 2023, the U.S. Commercial and U.S. Government operating segments merged to form the U.S. Healthcare operating segment. Information presented as of March 31, 2023 has been restated to conform to the new operating segment presentation.
- (2) Includes individuals who meet any one of the following criteria: are covered under a medical insurance policy, managed care arrangement, or administrative services agreement issued by Cigna Healthcare; have access to Cigna Healthcare's provider network for covered services under their medical plan; or have medical claims that are administered by Cigna Healthcare.
- (3) As of March 31, 2024, Individual and Family Plans include on-exchange Patient Protection and Affordable Care and Education Reconciliation Act ("ACA") business (635 thousand customers) and off-exchange ACA business (14 thousand customers).
- (4) International Health excludes medical customers served by less than 100% owned subsidiaries, as well as certain customers served by our third-party administrator.
- (5) Market Segments are defined as follows:
~ the National Accounts market segment includes employers with 3,000 or more eligible employees;
~ the Middle Market segment includes employers with 500 to 2,999 eligible employees, solutions for third party payers, Taft Hartley plans, and other groups;
~ the Select market segment includes employers with 51 to 499 eligible employees;
~ the Small market segment includes employers with 2 to 50 eligible employees;
~ the Medicare Advantage market segment includes individuals who are Medicare-eligible customers, as well as employer group sponsored post-65 retirees;
~ the Individual and Family Plans market segment offers individual health insurance coverage both on and off the public exchanges;
~ Other largely comprises Medicare Supplement;
~ the International Health market segment is focused on health care coverage in our international markets, as well as health care benefits for globally mobile individuals and employees of multinational organizations.
- (6) Prior year lives have been reclassified to reflect current operating segment presentation discussed in note 1 and to reflect current market segment presentation according to the definitions discussed in note 5.

The Cigna Group
Cigna Healthcare
Unpaid Claims Liability (unaudited)

(Dollars in millions)

	Three Months Ended March 31,		Year Ended
	2024 ⁽¹⁾	2023	December 31, 2023 ⁽¹⁾
Beginning balance	\$ 5,092	\$ 4,176	\$ 4,176
Less: Reinsurance and other amounts recoverable	236	221	221
Beginning balance, net	4,856	3,955	3,955
Incurred costs related to:			
Current year	9,452	9,041	35,953
Prior years	(226)	(144)	(279)
Total incurred	9,226	8,897	35,674
Paid costs related to:			
Current year	5,072	5,316	31,322
Prior years	3,352	2,795	3,451
Total paid	8,424	8,111	34,773
Ending balance, net	5,658	4,741	4,856
Add: Reinsurance and other amounts recoverable	205	218	236
Ending balance ⁽¹⁾	\$ 5,863	\$ 4,959	\$ 5,092

(1) Unpaid claims liability is included in the Insurance and contractholder liabilities balance on the Consolidated Balance Sheets, except \$1,378 million and \$823 million classified as liabilities of businesses held for sale as of March 31, 2024 and December 31, 2023, respectively. For additional information regarding this liability, see the Insurance and Contractholder Liabilities footnote in the Company's Form 10-Q for the period ended March 31, 2024, expected to be filed on May 2, 2024.

The Cigna Group
Corporate and Other Operations
Results (unaudited)

	Three Months Ended March 31,		
	2024	2023	% Change
Revenues			
Total revenues and eliminations ⁽¹⁾	\$ (2,256)	\$ (2,418)	(7) %
Expenses			
Total expenses and eliminations excluding special items ⁽¹⁾	(2,189)	(2,378)	(8)
Special items	37	1	N/M
Total expenses and eliminations ⁽¹⁾	(2,152)	(2,377)	(9)
(Loss) income from operations	(104)	(41)	154
Interest expense and other	(324)	(359)	(10)
Net realized investment gains	—	6	N/M
(Loss) income before income taxes	(428)	(394)	9
Pre-tax adjustments required to reconcile adjusted income (loss) from operations			
Net realized investment gains	—	(6)	
Special items	37	1	
Pre-tax adjusted loss from operations	\$ (391)	\$ (399)	(2) %

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

The Cigna Group
Consolidated Balance Sheets (unaudited)

<i>(Dollars in millions)</i>	As of March 31, 2024	As of December 31, 2023		As of March 31, 2024	As of December 31, 2023
Assets			Liabilities		
Current Assets			Current Liabilities		
Cash and cash equivalents	\$ 8,439	\$ 7,822	Current insurance and contractholder liabilities	\$ 5,788	\$ 5,514
Investments	1,108	925	Pharmacy and other service costs payable	24,284	19,815
Accounts receivable, net	20,563	17,722	Accounts payable	8,118	8,553
Inventories	4,630	5,645	Accrued expenses and other liabilities	8,857	9,955
Other current assets	2,263	2,169	Short-term debt	1,715	2,775
Assets of businesses held for sale ⁽¹⁾	6,354	3,068	Liabilities of businesses held for sale ⁽¹⁾	3,215	2,104
Total current assets	43,357	37,351	Total current liabilities	51,977	48,716
Long-term investments	16,025	17,985	Non-current insurance and contractholder liabilities	10,641	10,904
Reinsurance recoverables ⁽²⁾	4,672	4,835	Deferred tax liabilities, net	7,029	7,173
Property and equipment	3,607	3,695	Other non-current liabilities	3,653	3,441
Goodwill	44,258	44,259	Long-term debt	31,053	28,155
Other intangible assets	30,491	30,863	Separate account liabilities	7,416	7,430
Other assets	3,293	3,421	Liabilities of businesses held for sale, non-current ⁽¹⁾	—	591
Separate account assets	7,416	7,430	Total liabilities	111,769	106,410
Assets of businesses held for sale, non-current ⁽¹⁾	—	2,922	Redeemable noncontrolling interests	—	107
			Shareholders' Equity		
			Common stock	4	4
			Additional paid-in capital	30,292	30,669
			Accumulated other comprehensive loss	(2,324)	(1,864)
			Retained earnings	40,978	41,652
			Less: treasury stock, at cost	(27,769)	(24,238)
			Total shareholders' equity	41,181	46,223
			Other noncontrolling interests	169	21
			Total equity	41,350	46,244
Total assets	\$ 153,119	\$ 152,761	Total liabilities and equity	\$ 153,119	\$ 152,761

(1) The assets and liabilities in the Medicare Advantage, Medicare Stand-Alone Prescription Drug Plans, Medicare and Other Supplemental Benefits and CareAllies businesses to be sold pursuant to the HCSC transaction have been classified as held for sale as of March 31, 2024 and December 31, 2023. For additional information regarding the sale of these businesses, see the Assets and Liabilities of Businesses Held For Sale footnote in the Company's Form 10-Q for the period ended March 31, 2024, expected to be filed on May 2, 2024.

(2) Includes \$4.18 billion as of March 31, 2024 and \$4.33 billion as of December 31, 2023 related to: 1) the sale of our Individual Life & Annuity business in 1998 and our Retirement Benefits business in 2004, which were primarily in the form of reinsurance arrangements; 2) the reinsurance transaction with Berkshire in 2013; and 3) the sale of our Group Disability and Life business to New York Life in 2020. Corresponding liabilities are primarily reported in Insurance and contractholder liabilities.

The Cigna Group
Condensed Consolidated Statements of Cash Flows (unaudited)

(Dollars in millions)

	Three Months Ended March 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	\$ (212)	\$ 1,306
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	741	749
Realized investment losses, net	1,836	56
Deferred income tax benefit	(102)	(108)
Loss on sale of businesses	19	—
Net changes in assets and liabilities, net of non-operating effects:		
Accounts receivable, net	(2,687)	(479)
Inventories	1,015	566
Reinsurance recoverable and Other assets	68	72
Insurance liabilities	532	1,533
Pharmacy and other service costs payable	4,637	539
Accounts payable and accrued expenses and other liabilities	(1,068)	690
Other, net	61	104
Net cash provided by operating activities	4,840	5,028
Net cash used in investing activities	(495)	(2,983)
Net cash used in financing activities ⁽¹⁾	(2,529)	(37)
Effect of foreign currency rate changes on cash, cash equivalents and restricted cash	(9)	5
Net increase in cash, cash equivalents and restricted cash	1,807	2,013
Cash, cash equivalents and restricted cash January 1, ⁽²⁾	8,337	5,976
Cash, cash equivalents and restricted cash March 31, ⁽³⁾	\$ 10,144	\$ 7,989
Cash and cash equivalents reclassified to assets of businesses held for sale	(1,660)	—
Cash, cash equivalents and restricted cash March 31, per Consolidated Balance Sheets ⁽³⁾	\$ 8,484	\$ 7,989

(1) Includes \$3.4 billion for stock repurchases in the three months ended March 31, 2024, and an additional \$0.6 billion for final settlement of the accelerated share repurchase agreements which is expected to occur in second quarter 2024. This also includes \$1.9 billion net debt inflow in the three months ended March 31, 2024.

(2) Includes restricted cash of \$48 million reported in other long-term investments, and cash and cash equivalents of \$467 million reported in assets of businesses held for sale as of January 1, 2024.

(3) Includes restricted cash of \$45 million reported in other long-term investments as of March 31, 2024.