The Cigna Group

Quarterly Financial Supplement
June 30, 2024

This document is dated August 1, 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.



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June 30, 2024 Quarterly Financial Supplement
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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 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. The Company defines adjusted income (loss) from operations as shareholders' net income (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. See the Financial Highlights page for a reconciliation of consolidated adjusted income from operations to shareholders' net income.

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 June 30, 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 June 30, 2024, expected to be filed on August 1, 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 June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Total revenues	$ 60,523	$ 48,586	25 %	$ 117,778	$ 95,103	24 %
Net realized investment results from certain equity method investments	(53)	30	N/M	(61)	(8)	N/M
Adjusted revenues	$ 60,470	$ 48,616	24 %	$ 117,717	$ 95,095	24 %
Shareholders' net income	$ 1,548	$ 1,460	6 %	$ 1,271	$ 2,727	(53) %
Pre-Tax Adjusted Income (Loss) From Operations by Segment						
Evernorth Health Services	$ 1,619	$ 1,516	7 %	$ 2,979	$ 2,836	5 %
Cigna Healthcare	1,204	1,172	3	2,544	2,287	11
Corporate and Other Operations	(451)	(394)	14	(842)	(793)	6
Consolidated pre-tax adjusted income from operations	$ 2,372	$ 2,294	3 %	$ 4,681	$ 4,330	8 %
Adjusted income tax expense	463	474	(2)	897	892	1
Consolidated after-tax adjusted income from operations	$ 1,909	$ 1,820	5 %	$ 3,784	$ 3,438	10 %
Adjusted EBITDA [1]	$ 3,065	$ 2,957	4 %	$ 6,057	$ 5,641	7 %
Operating cash flow (see page 11)	$ 265	$ 2,492	(89) %	$ 5,105	$ 7,520	(32) %
SG&A expense ratio [2]	6.1 %	7.1 %	(100) bps	6.3 %	7.3 %	(100) bps
Adjusted SG&A expense ratio [2]	6.0 %	7.1 %	(110) bps	6.2 %	7.3 %	(110) bps
Weighted average shares (in thousands)	284,052	296,879		286,884	297,936	

	Three Months Ended June 30,					Six Months Ended June 30,				
	2024		2023			2024		2023		
	Pre-tax	After-tax	Pre-tax	After-tax	% Change	Pre-tax	After-tax	Pre-tax	After-tax	% Change
Diluted earnings per share										
Shareholders' net income		$ 5.45		$ 4.92	11 %		$ 4.43		$ 9.15	(52) %
Adjustments to reconcile to adjusted income from operations										
Net realized investment (gains) losses [3]	$ (0.02)	(0.07)	$ 0.01	0.03		$ 6.36	6.30	$ 0.07	0.05	
Amortization of acquired intangible assets	1.48	1.11	1.53	1.17		2.94	2.23	3.07	2.32	
Special items										
Integration and transaction-related costs	0.22	0.17	0.02	0.01		0.34	0.26	0.02	0.02	
Loss (gain) on sale of businesses	—	—	—	—		0.07	(0.15)	—	—	
Deferred tax expenses, net	—	0.06	—	—		—	0.12	—	—	
Total special items	$ 0.22	0.23	$ 0.02	0.01		$ 0.41	0.23	$ 0.02	0.02	
Adjusted income from operations		$ 6.72		$ 6.13	10 %		$ 13.19		$ 11.54	14 %

CUSTOMER RELATIONSHIPS	As of June 30,			As of December 31,	
(Relationships and lives in thousands)	2024	2023	% Change	2023	% Change
Pharmacy	122,470	98,638	24 %	98,570	24 %
Medical (see page 7)	19,043	19,506	(2)	19,780	(4)
Behavioral Care	23,816	26,383	(10)	24,956	(5)
Dental	18,339	18,634	(2)	18,543	(1)
Medicare Part D	2,564	2,542	1	2,550	1
Total customer relationships	186,232	165,703	12 %	164,399	13 %

(1) Adjusted income from operations excluding interest, taxes, depreciation and amortization ("Adjusted EBITDA") is a non-GAAP measure, defined as shareholders' net income 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) Includes Net realized investment losses/gains 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)

(Dollars in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues						
Pharmacy revenues	$ 45,101	$ 33,964	33 %	$ 87,137	$ 66,108	32 %
Premiums	11,454	11,039	4	23,057	22,064	5
Fees and other revenues	3,647	3,305	10	6,973	6,376	9
Net investment income	321	278	15	611	555	10
Total revenues	60,523	48,586	25	117,778	95,103	24
Benefits and expenses						
Pharmacy and other service costs	44,492	33,442	33	85,923	64,901	32
Medical costs and other benefit expenses	9,515	9,034	5	18,955	18,080	5
Selling, general and administrative expenses excluding special items	3,621	3,428	6	7,289	6,965	5
Amortization of acquired intangible assets	420	455	(8)	843	914	(8)
Special items	63	6	N/M	100	7	N/M
Total benefits and expenses	58,111	46,365	25	113,110	90,867	24
Income from operations	2,412	2,221	9	4,668	4,236	10
Interest expense and other	(375)	(363)	3	(697)	(721)	(3)
Loss on sale of businesses	—	—	N/M	(19)	—	N/M
Net realized investment (losses) gains	(48)	26	N/M	(1,884)	(30)	N/M
Income before income taxes	1,989	1,884	6	2,068	3,485	(41)
Total income tax	360	374	(4)	651	669	(3)
Net income	1,629	1,510	8	1,417	2,816	(50)
Less: Net income attributable to noncontrolling interests	81	50	62	146	89	64
Shareholders' net income	$ 1,548	$ 1,460	6 %	$ 1,271	$ 2,727	(53) %

	Three Months Ended June 30,					Six Months Ended June 30,				
	2024		2023			2024		2023		
	Pre-tax	After-tax	Pre-tax	After-tax	% Change	Pre-tax	After-tax	Pre-tax	After-tax	% Change
Shareholders' net income		$ 1,548		$ 1,460	6 %		$ 1,271		$ 2,727	(53) %
Adjustments to reconcile adjusted income from operations										
Net realized investment (gains) losses [1]	$ (5)	(20)	$ 4	9		$ 1,823	1,807	$ 22	15	
Amortization of acquired intangible assets	420	317	455	346		843	639	914	690	
Special items										
Integration and transaction-related costs	63	47	6	5		100	76	7	6	
Loss (gain) on sale of businesses	—	—	—	—		19	(43)	—	—	
Deferred tax expenses, net	—	17	—	—		—	34	—	—	
Adjusted income from operations		$ 1,909		$ 1,820	5 %		$ 3,784		$ 3,438	10 %

(1) Includes Net realized investment losses/gains 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 June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues						
Pharmacy revenues	$ 46,190	$ 35,249	31 %	$ 89,360	$ 68,889	30 %
Fees and other revenues	3,293	2,894	14	6,290	5,383	17
Net investment income	65	62	5	124	112	11
Total revenues [(1)]	49,548	38,205	30	95,774	74,384	29
Benefits and expenses						
Pharmacy and other service costs	46,852	35,846	31	90,690	69,819	30
Gross profit	2,696	2,359	14	5,084	4,565	11
Selling, general and administrative expenses	980	787	25	1,931	1,631	18
Amortization of acquired intangible assets	416	443	(6)	833	887	(6)
Income from operations	1,300	1,129	15	2,320	2,047	13
Interest expense and other	(2)	(2)	—	(2)	(2)	—
Net realized investment gains (losses)	1	1	—	(1,455)	1	N/M
Income before income taxes	1,299	1,128	15	863	2,046	(58)
Pre-tax adjustments required to reconcile to adjusted income from operations						
Pre-tax (income) attributable to noncontrolling interests	(95)	(54)		(172)	(96)	
Net realized investment (gains) losses	(1)	(1)		1,455	(1)	
Amortization of acquired intangible assets	416	443		833	887	
Pre-tax adjusted income from operations	$ 1,619	$ 1,516	7 %	$ 2,979	$ 2,836	5 %
Pre-tax adjusted margin	3.3 %	4.0 %	(70) bps	3.1 %	3.8 %	(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 June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Total adjusted revenues						
Pharmacy Benefit Services	$ 26,612	$ 18,819	41 %	$ 52,707	$ 37,028	42 %
Specialty and Care Services	22,871	19,324	18	42,943	37,244	15
Net investment income	65	62	5	124	112	11
Total adjusted revenues	$ 49,548	$ 38,205	30 %	$ 95,774	$ 74,384	29 %
Pre-tax adjusted income from operations						
Pharmacy Benefit Services	$ 798	$ 777	3 %	$ 1,311	$ 1,289	2 %
Specialty and Care Services	756	677	12	1,544	1,435	8
Net investment income	65	62	5	124	112	11
Total pre-tax adjusted income from operations	$ 1,619	$ 1,516	7 %	$ 2,979	$ 2,836	5 %
Pharmacy claim volume [(1)]	533	396	35 %	1,046	777	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
Cigna Healthcare
Segment Results (unaudited)

(Dollars in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues						
Premiums	$ 11,308	$ 10,945	3 %	$ 22,839	$ 21,875	4 %
Fees and other revenues	1,716	1,604	7	3,321	3,287	1
Net investment income	172	135	27	321	278	15
Total revenues	13,196	12,684	4	26,481	25,440	4
Benefits and expenses						
Medical costs	9,312	8,885	5	18,531	17,768	4
Selling, general and administrative expenses	2,629	2,658	(1)	5,349	5,378	(1)
Amortization of acquired intangible assets	4	12	(67)	10	27	(63)
Total benefits and expenses	11,945	11,555	3	23,890	23,173	3
Income from operations	1,251	1,129	11	2,591	2,267	14
Interest expense and other	2	2	—	4	3	33
Loss on sale of businesses	—	—	N/M	(19)	—	N/M
Net realized investment (losses) gains	(48)	25	N/M	(428)	(37)	N/M
Income before income taxes	1,205	1,156	4	2,148	2,233	(4)
Pre-tax adjustments required to reconcile to adjusted income from operations						
Pre-tax (income) attributable to noncontrolling interests	—	(1)		—	(2)	
Net realized investment (gains) losses [(1)]	(5)	5		367	29	
Amortization of acquired intangible assets	4	12		10	27	
Special items	—	—		19	—	
Pre-tax adjusted income from operations	$ 1,204	$ 1,172	3 %	$ 2,544	$ 2,287	11 %
Pre-tax adjusted margin	9.2 %	9.2 %	— bps	9.6 %	9.0 %	60 bps
Reconciliation of total revenues to adjusted revenues						
Total revenues	$ 13,196	$ 12,684	4 %	$ 26,481	$ 25,440	4 %
Net realized investment results from certain equity method investments	(53)	30	N/M	(61)	(8)	N/M
Adjusted revenues	$ 13,143	$ 12,714	3 %	$ 26,420	$ 25,432	4 %

(1) Includes Net realized investment losses/gains 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 June 30,			Six Months Ended June 30,		
	2024	2023 [2]	% Change	2024	2023 [2]	% Change
Premiums:						
U.S. Healthcare						
Employer insured	$ 4,350	$ 4,091	6 %	$ 8,743	$ 8,171	7 %
Medicare Advantage	2,207	2,180	1	4,494	4,416	2
Stop loss	1,665	1,514	10	3,333	3,017	10
Individual and Family Plans	975	1,293	(25)	2,015	2,501	(19)
Other	1,220	1,047	17	2,478	2,164	15
Total U.S. Healthcare	10,417	10,125	3	21,063	20,269	4
International Health	891	820	9	1,776	1,606	11
Total premiums	$ 11,308	$ 10,945	3 %	$ 22,839	$ 21,875	4 %
Medical Care Ratio	82.3 %	81.2 %	110 bps	81.1 %	81.2 %	(10) 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 and six months ended June 30, 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 FUNDING TYPE:**	As of June 30, 2024	As of June 30, 2023 [6]	% Change	As of December 31, 2023	% Change
(Lives in thousands)					
U.S. Healthcare insured					
Employer insured	2,230	2,215	1 %	2,233	— %
Medicare Advantage	592	592	—	601	(1)
Individual and Family Plans [3]	550	821	(33)	976	(44)
Other insured	473	465	2	470	1
Total U.S. Healthcare insured	3,845	4,093	(6)	4,280	(10)
International Health insured [4]	1,206	1,180	2	1,184	2
U.S. Healthcare administrative services only	13,559	13,789	(2)	13,890	(2)
International Health administrative services only [4]	433	444	(2)	426	2
Total medical customers	19,043	19,506	(2) %	19,780	(4) %

MEDICAL CUSTOMERS [2] **BY MARKET SEGMENT:** [5]	As of June 30, 2024	As of June 30, 2023 [6]	% Change	As of December 31, 2023 [6]	% Change
(Lives in thousands)					
U.S. Healthcare					
National Accounts	5,578	5,812	(4) %	5,782	(4) %
Middle Market	7,170	7,322	(2)	7,381	(3)
Select	2,978	2,796	7	2,887	3
Small	59	69	(14)	68	(13)
Medicare Advantage	592	592	—	601	(1)
Individual and Family Plans [3]	550	821	(33)	976	(44)
Other	477	470	1	475	—
Total U.S. Healthcare	17,404	17,882	(3)	18,170	(4)
International Health	1,639	1,624	1	1,610	2
Total medical customers	19,043	19,506	(2) %	19,780	(4) %

(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 June 30, 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 June 30, 2024, Individual and Family Plans include on-exchange Patient Protection and Affordable Care and Education Reconciliation Act ("ACA") business (536 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)	Six Months Ended June 30,		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	18,821	17,974	35,953
Prior years	(284)	(202)	(279)
Total incurred	18,537	17,772	35,674
Paid costs related to:			
Current year	14,397	13,408	31,322
Prior years	3,960	3,199	3,451
Total paid	18,357	16,607	34,773
Ending balance, net	5,036	5,120	4,856
Add: Reinsurance and other amounts recoverable	166	216	236
Ending balance [1]	$ 5,202	$ 5,336	$ 5,092

(1) Unpaid claims liability is included in the Insurance and contractholder liabilities balance on the Consolidated Balance Sheets, except $900 million and $823 million classified as liabilities of businesses held for sale as of June 30, 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 June 30, 2024, expected to be filed on August 1, 2024.

The Cigna Group
Corporate and Other Operations
Results (unaudited)

(Dollars in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues						
Total revenues and eliminations [1]	$ (2,221)	$ (2,303)	(4) %	$ (4,477)	$ (4,721)	(5) %
Expenses						
Total expenses and eliminations excluding special items [1]	(2,145)	(2,272)	(6)	(4,334)	(4,650)	(7)
Special items	63	6	N/M	100	7	N/M
Total expenses and eliminations [1]	(2,082)	(2,266)	(8)	(4,234)	(4,643)	(9)
Loss from operations	(139)	(37)	276	(243)	(78)	212
Interest expense and other	(375)	(363)	3	(699)	(722)	(3)
Net realized investment (losses) gains	(1)	—	N/M	(1)	6	N/M
Loss before income taxes	(515)	(400)	29	(943)	(794)	19
Pre-tax adjustments required to reconcile adjusted income (loss) from operations						
Net realized investment losses (gains)	1	—		1	(6)	
Special items	63	6		100	7	
Pre-tax adjusted loss from operations	$ (451)	$ (394)	14 %	$ (842)	$ (793)	6 %

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

The Cigna Group
Consolidated Balance Sheets (unaudited)

(Dollars in millions)	As of June 30, 2024	As of December 31, 2023		As of June 30, 2024	As of December 31, 2023
Assets			**Liabilities**		
Current Assets			**Current Liabilities**		
Cash and cash equivalents	$ 6,788	$ 7,822	Current insurance and contractholder liabilities	$ 5,616	$ 5,514
Investments	1,068	925	Pharmacy and other service costs payable	27,503	19,815
Accounts receivable, net	25,111	17,722	Accounts payable	9,275	8,553
Inventories	5,173	5,645	Accrued expenses and other liabilities	9,003	9,955
Other current assets	2,664	2,169	Short-term debt	1,717	2,775
Assets of businesses held for sale [1]	5,411	3,068	Liabilities of businesses held for sale [1]	2,259	2,104
Total current assets	46,215	37,351	Total current liabilities	55,373	48,716
Long-term investments	15,944	17,985	Non-current insurance and contractholder liabilities	10,449	10,904
Reinsurance recoverables [2]	4,595	4,835	Deferred tax liabilities, net	6,953	7,173
Property and equipment	3,551	3,695	Other non-current liabilities	3,538	3,441
Goodwill	44,258	44,259	Long-term debt	30,175	28,155
Other intangible assets	30,176	30,863	Separate account liabilities	7,431	7,430
Other assets	3,276	3,421	Liabilities of businesses held for sale, non-current [1]	—	591
Separate account assets	7,431	7,430	Total liabilities	113,919	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	31,048	30,669
			Accumulated other comprehensive loss	(2,442)	(1,864)
			Retained earnings	42,132	41,652
			Less: treasury stock, at cost	(29,410)	(24,238)
			Total shareholders' equity	41,332	46,223
			Other noncontrolling interests	195	21
			Total equity	41,527	46,244
Total assets	$ 155,446	$ 152,761	Total liabilities and equity	$ 155,446	$ 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 June 30, 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 June 30, 2024, expected to be filed on August 1, 2024.

(2) Includes $4.08 billion as of June 30, 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)	Six Months Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 1,417	$ 2,816
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,479	1,504
Realized investment losses, net	1,884	30
Deferred income tax benefit	(199)	(207)
Loss on sale of businesses	19	—
Net changes in assets and liabilities, net of non-operating effects:		
Accounts receivable, net	(7,313)	(1,144)
Inventories	472	263
Reinsurance recoverable and Other assets	(559)	109
Insurance liabilities	(125)	1,727
Pharmacy and other service costs payable	7,820	1,547
Accounts payable and accrued expenses and other liabilities	(15)	638
Other, net	225	237
Net cash provided by operating activities	5,105	7,520
Net cash used in investing activities	(1,135)	(3,397)
Net cash used in financing activities [(1)]	(4,838)	(472)
Effect of foreign currency rate changes on cash, cash equivalents and restricted cash	(12)	9
Net (decrease) increase in cash, cash equivalents and restricted cash	(880)	3,660
Cash, cash equivalents and restricted cash January 1, [(2)]	8,337	5,976
Cash, cash equivalents and restricted cash June 30, [(3)]	$ 7,457	$ 9,636
Cash and cash equivalents reclassified to assets of businesses held for sale	(625)	—
Cash, cash equivalents and restricted cash June 30, per Consolidated Balance Sheets [(3)]	$ 6,832	$ 9,636

(1) Includes $5.0 billion for stock repurchases in the six months ended June 30, 2024.

(2) Includes restricted cash of $48 million reported in other long-term investments as well as 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 $44 million reported in other long-term investments as of June 30, 2024.