



Aetna Inc.

The following is a summary of certain 2005 projected financial information and metrics provided on Aetna's investor conference call on April 28, 2005. This information is provided for reference only, and has not been updated. You should consider the information to speak only as of its date of original publication. Aetna does not assume any responsibility to update the information to reflect subsequent events. Please also refer to the Cautionary Statement below for additional information regarding important risk factors that may affect the forward looking and other information.

You should read this information in conjunction with Aetna's earnings press release issued April 28, 2005 and should review the replay of the related investor call in full, since the press release provides further discussion of the Company's results, and the investor call provides important context for the forward looking information.

	Aetna Inc. 2005 Guidance as of 4/28/2005 <small>(Full year unless otherwise noted)</small>
Aetna Inc.	
Operating Earnings ⁽¹⁾	\$4.52 - \$4.57 per share \$1,375 - \$1,390 million 2Q05 - \$1.05 per share
Revenue (excluding net realized capital gains or losses) ⁽²⁾	13% – 15% growth
Total Operating Expense Ratio ⁽³⁾	≈ 19.0%
Operating Cash Flow	> Operating Earnings
Pretax Operating Margin ⁽⁴⁾	≈ 10%
Effective Tax Rate	≈ 36%
Corporate Interest Expense	≈ \$75 million
Information by Segment:	
Health Care	
Operating Earnings ⁽¹⁾	\$1,300 - \$1,315 million
Medical Membership ⁽⁵⁾	Growth 1,000k – 1,075k members
Commercial Risk Cost Trend ⁽⁶⁾	8.0% - 8.5%
Commercial Risk MCR ^{(6) (7)}	< 80%
Commercial Risk Premium Yield ⁽⁶⁾	In line with cost trend
Group Insurance	
Operating Earnings ⁽¹⁾	≈ \$130 million
LCP	
Operating Earnings ⁽¹⁾	≈ \$20 million

Note: The symbol “≈” means “approximately”.



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Footnotes

(1) Projected 2005 operating earnings and projected 2005 operating earnings per share exclude the following after tax net realized capital gains reported by the Company for the three months ended March 31, 2005: Aetna Inc. \$2.9 million; Health Care \$1.3 million; Group Insurance \$1.4 million and Large Case Pensions \$0.2 million and also exclude any future net realized capital gains or losses from income from continuing operations. The Company is not able to project the amount of future net realized capital gains or losses and cannot therefore reconcile projected 2005 operating earnings to projected income from continuing operations or reconcile to a projected change in income from continuing operations. Although the excluded items may recur, management believes that operating earnings and operating earnings per share provide a useful comparison of its underlying business performance from period to period. Realized capital gains and losses arise from various types of transactions in the course of managing a portfolio of assets that support the payment of liabilities, but these transactions do not directly relate to the underwriting or servicing of products for customers and are not directly related to the core performance of Aetna's business operations. In addition, management uses operating earnings to assess business performance and to make decisions regarding its operations and allocation of resources among its businesses. Projected full year 2005 operating earnings and projected full year 2005 operating earnings per share for Aetna Inc. and the Health Care segment exclude favorable development of prior period health care costs estimates of approximately \$133 million pretax (approximately \$84 million after tax), which were included in the results reported for first quarter 2005. Projected operating earnings per share reflect the effect of the March 11, 2005 two-for-one stock split. Projected operating earnings per share for 2005 assume approximately 304 million weighted average diluted shares.

(2) Revenue excludes net realized capital gains or losses (pretax), which are included in reported GAAP revenue. Full year 2004 revenue of \$19.8 billion excludes net realized capital gains of \$70.8 million; GAAP revenue was \$19.9 billion. The projected full year 2005 revenue excludes net realized capital gains (pretax) of \$4.4 million reported by the Company for the three months ending March 31, 2005. The Company cannot reconcile the projected 2005 revenue to GAAP revenue as it cannot project net realized capital gains or losses. The Company may from time to time project revenue for the segments which cannot be reconciled for the same reasons.

(3) The operating expense ratio is calculated by dividing operating expenses by total revenue excluding net realized capital gains or losses. The Company cannot reconcile the projected operating expense ratio to a comparable GAAP measure, as it cannot project net realized capital gains or losses.

(4) Pretax operating margins are calculated by dividing pretax operating earnings, excluding net realized capital gains or losses, interest expense and amortization of other acquired intangible assets by total revenue excluding net realized capital gains or losses. The projected 2005 pretax operating margin also excludes the favorable development of prior period health care cost estimates reported for first quarter 2005 (refer to Footnote 1). The Company cannot reconcile the projected pretax operating margins to a comparable GAAP measure, as it cannot project net realized capital gains or losses.

(5) Full year 2005 projected medical membership growth includes the incremental 170,000 medical risk members acquired with Strategic Resource Company.

(6) Commercial Risk includes all medical and dental risk products except Medicare and Medicaid. Risk includes all medical members for which the Company assumes all or a majority of health care cost, utilization, or other risk.

(7) The projected 2005 MCR excludes the 2005 favorable development of prior period health care cost estimates reported for first quarter 2005 (refer to Footnote 1) and any further prior period reserve development, which the Company cannot project.

ADDITIONAL INFORMATION; CAUTIONARY STATEMENT - The 2005 information in this document is forward looking. Forward-looking information is based on management's estimates, assumptions and projections, and is subject to significant uncertainties and other factors, many of which are beyond Aetna's control. Important risk factors could cause actual future results and other future events to differ materially from those currently estimated by management. Those risk factors include, but are not limited to: unanticipated increases in medical costs (including increased medical utilization, increased pharmacy costs, increases resulting from unfavorable changes in contracting or re-contracting with providers, changes in membership mix to lower-premium or higher-cost products or membership-adverse selection; as well as changes in medical cost estimates due to the necessary extensive judgment that is used in the medical cost estimation process, the considerable variability inherent in such estimates, and the sensitivity of such estimates to changes in medical claims payment patterns and changes in medical cost trends); decreases in membership or failure to achieve desired membership growth due to significant competition or other factors; increases in medical costs or Group Insurance claims resulting from any acts of terrorism or otherwise; the ability to reduce administrative expenses while maintaining targeted levels of service and operating performance, and to improve relations with providers while taking actions to reduce medical costs; the ability to successfully implement Aetna's operating model to a projected growing membership base and to successfully implement multiple strategic and operational initiatives simultaneously; lower levels of investment income from continued low interest rates; adverse government regulation (including legislative proposals eliminating or reducing ERISA pre-emption of state laws that would increase potential litigation exposure, and other proposals, such as patients' rights legislation, that would increase potential litigation exposure or mandate coverage of certain health benefits); adverse pricing actions by government payors; changes in size, product mix and



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medical cost experience of membership in key markets; our ability to integrate, simplify, and enhance our existing information technology system and platform to keep pace with changing customer and regulatory needs; and the outcome of various litigation and regulatory matters, including litigation and ongoing reviews of business practices by various regulatory authorities (including the current industry wide investigation into insurance brokerage practices concerning broker compensation arrangements, bid quoting practices and potential antitrust violations being conducted by the New York Attorney General, the Connecticut Attorney General and others, and for which the Company has received and may receive subpoenas, and may be subject to related litigation). For more discussion of important risk factors that may materially affect Aetna, please see the risk factors contained in Aetna's 2004 Annual Report on Form 10-K, on file with the Securities and Exchange Commission. You also should read Aetna's 2004 Annual Report on Form 10-K and 2005 First Quarter Report on Form 10-Q, when filed with the Securities and Exchange Commission, for a discussion of Aetna's historical results of operations and financial condition.

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