

**UNITEDHEALTH GROUP**  
**Reconciliation of Non-GAAP Financial Measures**  
**Quarter Ended September 30, 2008**

- Operating Results Excluding Special Items
- Adjusted Cash Flows from Operating Activities and 2008 Forecasted Operating Results
- Use of Non-GAAP Financial Measures

**UNITEDHEALTH GROUP**  
**Reconciliation of Non-GAAP Measures**  
**Operating Results Excluding Special Items**  
(in millions, except per share data and percentages)  
(unaudited)

	Three Months Ended September 30, 2008			Three Months Ended June 30, 2008		
	Consolidated GAAP Reporting	Non-GAAP Reconciling Items	Operating Results Excluding Items (a)	Consolidated GAAP Reporting	Non-GAAP Reconciling Items	Operating Results Excluding Items (b)
<b>REVENUES</b>						
Premiums	\$ 18,294	\$ -	\$ 18,294	\$ 18,344	\$ -	\$ 18,344
Services	1,287	-	1,287	1,297	-	1,297
Products	432	-	432	391	-	391
Investment and Other Income	143	-	143	240	-	240
Total Revenues	<u>20,156</u>	<u>-</u>	<u>20,156</u>	<u>20,272</u>	<u>-</u>	<u>20,272</u>
<b>OPERATING COSTS</b>						
Medical Costs	14,943	-	14,943	15,257	-	15,257
Operating Costs	2,974	40	3,014	3,746	(783)	2,963
Cost of Products Sold	387	-	387	353	-	353
Depreciation and Amortization	254	-	254	243	-	243
Total Operating Costs	<u>18,558</u>	<u>40</u>	<u>18,598</u>	<u>19,599</u>	<u>(783)</u>	<u>18,816</u>
<b>EARNINGS FROM OPERATIONS</b>	1,598	(40)	1,558	673	783	1,456
Interest Expense	(166)	-	(166)	(164)	-	(164)
<b>EARNINGS BEFORE INCOME TAXES</b>	1,432	(40)	1,392	509	783	1,292
Provision for Income Taxes	(512)	15	(497)	(172)	(290)	(462)
<b>NET EARNINGS</b>	<u>\$ 920</u>	<u>\$ (25)</u>	<u>\$ 895</u>	<u>\$ 337</u>	<u>\$ 493</u>	<u>\$ 830</u>
<b>DILUTED NET EARNINGS PER COMMON SHARE</b>	<u>\$ 0.75</u>	<u>\$ (0.02)</u>	<u>\$ 0.73</u>	<u>\$ 0.27</u>	<u>\$ 0.40</u>	<u>\$ 0.67</u>
Diluted Weighted-Average Common Shares Outstanding	<u>1,227</u>		<u>1,227</u>	<u>1,245</u>		<u>1,245</u>
<b>Medical Care Ratio</b>	81.7%		81.7%	83.2%		83.2%
<b>Operating Cost Ratio</b>	14.8%		15.0%	18.5%		14.6%
<b>Operating Margin</b>	7.9%		7.7%	3.3%		7.2%
<b>Income Tax Rate</b>	35.8%		35.7%	33.8%		35.8%

(a) Excludes a reduction in pre-tax Operating Costs of \$40 million (\$0.02 per share after tax) from a change in estimated net costs to settle two class action lawsuits related to the Company's historical stock option practices.

(b) Excludes pre-tax Operating Costs of \$922 million (\$0.47 per share after tax) for settlement of the two class action lawsuits described in (a) above and related legal costs, \$46 million (\$0.02 per share after tax) for employee severance related to operating cost reduction initiatives and other items, partially offset by a \$185 million (\$0.09 per share after tax) reduction in Operating Costs for proceeds from the sale of certain assets and membership in the individual Medicare Advantage business in Nevada in May 2008.

Refer to "Use of Non-GAAP Financial Measures" for further discussion.

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(in millions, except per share data)  
(unaudited)

**Adjusted Cash Flows from Operating Activities**

	<b>Three Months Ended September 30, 2008</b>
GAAP Cash Flows From Operating Activities	Approximately \$1,800
Legal Settlement Payments made in Q3 2008, net of tax benefit	Approximately \$600 (a)
Adjusted Cash Flows From Operating Activities (a)	Approximately \$2,400
	<b>Three Months Ended September 30, 2007</b>
GAAP Cash Flows From Operating Activities	Approximately \$500
July CMS Premium Payment Received in June	Approximately \$1,600 (b)
Adjusted Cash Flows From Operating Activities (b)	Approximately \$2,100

(a) Adjusted Cash Flows From Operating Activities for the three months ended September 30, 2008 excludes cash payments to settle two class action lawsuits related to the Company's historical stock option practices.

(b) Adjusted Cash Flows From Operating Activities for the three months ended September 30, 2007 includes the CMS premium payment for July which was received in June 2007.

**Forecasted Operating Results for the Year Ending December 31, 2008**

GAAP Cash Flows from Operations	Approaching \$4,400
Legal Settlement Payments made in Q3 2008, net of tax benefit	Approximately \$600
Cash Flows from Operations, excluding cash payments for litigation settlements	Approaching \$5,000

Refer to "Use of Non-GAAP Financial Measures" for further discussion.

## **UNITEDHEALTH GROUP USE OF NON-GAAP FINANCIAL MEASURES**

Operating results excluding special items and adjusted cash flows from operations as used in the press release are not calculated in accordance with GAAP and should not be considered a substitute for or superior to financial measures calculated in accordance with GAAP. Management believes that the use of each of these non-GAAP financial measures improves the comparability of our results between periods. These financial measures provide investors and our management with useful information to measure and forecast our results of operations, to compare on a consistent basis our results of operations for the current period to that of prior periods, and to compare our results of operations on a more consistent basis against that of other companies in the health care industry.

These non-GAAP financial measures have limitations in that they do not reflect all of the special items or timing of certain cash payments/receipts associated with the operations of our business as determined in accordance with GAAP. As a result, one should not consider these measures in isolation. We compensate for these limitations by analyzing current and future results on a GAAP basis as well as non-GAAP basis, disclosing these GAAP financial measures, and providing a reconciliation from GAAP to non-GAAP financial measures.