

UNITEDHEALTH GROUP
USE OF NON-GAAP FINANCIAL MEASURES

Operating results excluding special items and adjusted 2008 forecasted operating results 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 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.

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

	Three Months Ended June 30, 2008			Six 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 (a)
REVENUES						
Premiums	\$ 18,344	\$ -	\$ 18,344	\$ 36,733	\$ -	\$ 36,733
Services	1,297	-	1,297	2,570	-	2,570
Products	391	-	391	754	-	754
Investment and Other Income	240	-	240	519	-	519
Total Revenues	20,272	-	20,272	40,576	-	40,576
OPERATING COSTS						
Medical Costs	15,257	-	15,257	30,401	-	30,401
Operating Costs	3,746	(783)	2,963	6,643	(783)	5,860
Cost of Products Sold	353	-	353	678	-	678
Depreciation and Amortization	243	-	243	468	-	468
Total Operating Costs	19,599	(783)	18,816	38,190	(783)	37,407
EARNINGS FROM OPERATIONS	673	783	1,456	2,386	783	3,169
Interest Expense	(164)	-	(164)	(318)	-	(318)
EARNINGS BEFORE INCOME TAXES	509	783	1,292	2,068	783	2,851
Provision for Income Taxes	(172)	(290)	(462)	(737)	(290)	(1,027)
NET EARNINGS	\$ 337	\$ 493	\$ 830	\$ 1,331	\$ 493	\$ 1,824
DILUTED NET EARNINGS PER COMMON SHARE	\$ 0.27	\$ 0.40	\$ 0.67	\$ 1.05	\$ 0.40	\$ 1.45
Diluted Weighted-Average Common Shares Outstanding	1,245	-	1,245	1,262	-	1,262
Medical Care Ratio	83.2%		83.2%	82.8%		82.8%
Operating Cost Ratio	18.5%		14.6%	16.4%		14.4%
Operating Margin	3.3%		7.2%	5.9%		7.8%
Income Tax Rate	33.8%		35.8%	35.6%		36.0%

(a) Excludes pre-tax Operating Costs of \$922 million (\$0.47 per share after tax) for settlement of two class action lawsuits related to the Company's historical stock option practices and related legal costs, and \$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.

UNITEDHEALTH GROUP
Reconciliation of Non-GAAP Financial Measures
2008 Forecasted Operating Results for the Year Ending December 31, 2008

GAAP Earnings from Operations	Approximately \$5,750 million
Settlement of two class action lawsuits related to the Company's historical stock option practices and related legal costs	922 million
Employee severance related to operating cost reduction initiatives and other items	46 million
Reduction in operating costs for proceeds from the sale of certain assets and membership in the individual Medicare Advantage business in Nevada	(185) million
Subtotal of Non-GAAP reconciling items	<u>783 million</u>
Earnings from Operations Excluding Special Items	<u>Approximately \$6,500 million</u>
GAAP Diluted Net Earnings per Common Share	\$2.55 to \$2.65
Settlement of two class action lawsuits related to the Company's historical stock option practices and related legal costs	0.47
Employee severance related to operating cost reduction initiatives and other items	0.02
Reduction in operating costs for proceeds from the sale of certain assets and membership in the individual Medicare Advantage business in Nevada	(0.09)
Diluted Net Earnings per Common Share Excluding Special Items	<u>\$2.95 to \$3.05</u>
GAAP Operating Margin	Approximately 7%
Effects of Non-GAAP reconciling items	<u>Approximately 1%</u>
Operating Margin Excluding Special Items	<u>Approximately 8%</u>
GAAP Operating Cost Ratio	15.5% ± 20 bps
Effects of Non-GAAP reconciling items	<u>(Approximately 100 bps)</u>
Operating Cost Ratio Excluding Special Items	<u>14.5% ± 20 bps</u>
GAAP Cash Flows from Operations	Approaching \$4.4 billion
Payments (net of tax) for Settlement of Options Related Class-Action Litigation (assumes payment of 100% of settlement amounts in 2008)	<u>Approximately 0.6 billion</u>
Cash Flows from Operations, excluding cash payments for litigation settlements	<u>Approaching \$5.0 billion</u>
GAAP Income Tax Rate	35.55 - 35.80%
Effects of Non-GAAP reconciling items	<u>Approximately 20 bps</u>
Income Tax Rate Excluding Special Items	<u>35.75 - 36.00%</u>