

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

WellPoint Health Networks Inc.
Consolidated Balance Sheets

(In thousands, except share data)

	March 31, 2003 <u>(Unaudited)</u>	December 31, 2002 <u></u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,679,447	\$ 1,355,616
Investment securities, at market value	5,445,015	5,282,887
Receivables, net	1,294,028	1,223,232
Deferred tax assets, net	316,020	310,245
Other current assets	<u>234,615</u>	<u>208,711</u>
Total Current Assets	8,969,125	8,380,691
Property and equipment, net	348,264	346,351
Intangible assets, net	728,397	737,461
Goodwill, net	1,693,242	1,691,771
Long-term investments, at market value	136,890	134,274
Other non-current assets	<u>177,592</u>	<u>180,083</u>
Total Assets	<u>\$ 12,053,510</u>	<u>\$ 11,470,631</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Medical claims payable	\$ 2,508,672	\$ 2,422,331
Reserves for future policy benefits	73,057	68,907
Unearned premiums	503,413	495,508
Accounts payable and accrued expenses	1,103,588	1,144,662
Experience rated and other refunds	247,665	251,743
Income taxes payable	263,860	140,881
Security trades pending payable	503,869	428,851
Other current liabilities	<u>925,264</u>	<u>798,966</u>
Total Current Liabilities	6,129,388	5,751,849
Accrued postretirement benefits	125,260	123,042
Reserves for future policy benefits, non-current	222,169	214,328
Long-term debt	1,163,565	1,011,578
Deferred tax liabilities	188,618	187,020
Other non-current liabilities	<u>205,944</u>	<u>206,117</u>
Total Liabilities	8,034,944	7,493,934
Stockholders' Equity:		
Preferred Stock - \$0.01 par value, 50,000,000 shares authorized, none issued and outstanding	-	-
Common Stock - \$0.01 par value, 300,000,000 shares authorized, 149,748,101 issued at March 31, 2003 and December 31, 2002	1,497	1,497
Treasury stock, at cost, 4,653,709 and 2,697,958 shares at March 31, 2003 and December 31, 2002, respectively	(304,366)	(173,842)
Additional paid-in capital	1,798,242	1,812,004
Retained earnings	2,508,307	2,315,254
Accumulated other comprehensive income	<u>14,886</u>	<u>21,784</u>
Total Stockholders' Equity	4,018,566	3,976,697
Total Liabilities and Stockholders' Equity	<u>\$ 12,053,510</u>	<u>\$ 11,470,631</u>

See the accompanying notes to the consolidated financial statements.