

CIGNA CORP  
Form DEFM14A  
October 28, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**Cigna Corporation**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  
  
  - (2) Aggregate number of securities to which transaction applies:
  
  
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  
  
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- .. Fee paid previously with preliminary materials.
  
- .. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:
  
  
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(3) Filing Party:

(4) Date Filed:

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October 28, 2015

**MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT**

**Dear Anthem, Inc. and Cigna Corporation Shareholders:**

Anthem, Inc., referred to as Anthem, and Cigna Corporation, referred to as Cigna, have entered into an Agreement and Plan of Merger, dated as of July 23, 2015, as it may be amended from time to time, referred to as the merger agreement, under which Anthem Merger Sub Corp., a direct wholly owned subsidiary of Anthem, will be merged with and into Cigna, referred to as the merger, and Cigna will continue as the initial surviving corporation, referred to as the initial surviving corporation, in the merger and a wholly owned subsidiary of Anthem. If certain tax opinions are delivered, immediately following the completion of the merger, the initial surviving corporation will be merged with and into Anthem, referred to as the second merger, and, together with the merger, the mergers, and Anthem will continue as the surviving corporation. If the merger is completed, Cigna shareholders will receive, in exchange for each share of Cigna common stock owned immediately prior to the merger, (1) 0.5152 of a share of Anthem common stock, par value \$0.01 per share, and (2) \$103.40 in cash. This exchange ratio is fixed and will not be adjusted to reflect changes in Anthem's or Cigna's stock price. Based on the estimated number of shares of Anthem and Cigna common stock that will be outstanding immediately prior to the completion of the merger, it is expected that, immediately after completion of the merger and the related transactions described in the accompanying joint proxy statement/prospectus, former Cigna shareholders will own approximately 33% of the outstanding shares of Anthem common stock. Shares of Anthem common stock are listed on the New York Stock Exchange, referred to as the NYSE, under the trading symbol ANTM, and shares of Cigna common stock are listed on the NYSE under the trading symbol CI.

Anthem and Cigna will each hold special meetings of their respective shareholders to vote on certain matters in connection with the proposed merger. At the Anthem special meeting, Anthem shareholders will be asked to vote on a proposal to approve the issuance of shares of Anthem common stock pursuant to the merger agreement, referred to as the share issuance. In addition, Anthem shareholders will be asked to vote on a proposal to approve the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting. At the Cigna special meeting, Cigna shareholders will be asked to vote on a proposal to adopt the merger agreement. In addition, Cigna shareholders will be asked to vote on a proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and on a proposal to approve the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.

The merger cannot be completed unless (1) Anthem shareholders approve the share issuance by the affirmative vote of the holders of a majority of the votes cast, in person or by proxy, at the Anthem special meeting in favor of the share issuance and (2) the Cigna shareholders adopt the merger agreement by the affirmative vote, in person or by proxy, of the holders of a majority of the shares of Cigna common stock outstanding and entitled to vote upon adoption of the merger agreement at the Cigna special meeting. **It is important that your shares be represented and voted regardless of the size of your holdings. Whether or not you plan to attend the Anthem special meeting or the Cigna special meeting, as applicable, we urge you to submit a proxy to have your shares voted in advance of the**

**Anthem special meeting or the Cigna special meeting, as applicable, by using one of the methods described in the accompanying joint proxy statement/prospectus.**

**The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement recommends that Anthem shareholders vote FOR the share issuance and FOR the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting. The Cigna board of directors unanimously recommends that Cigna shareholders vote FOR the adoption of the merger agreement, FOR the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and FOR the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.**

The accompanying joint proxy statement/prospectus provides important information regarding the Anthem special meeting and the Cigna special meeting and a detailed description of the merger agreement, the merger and the matters to be presented at the Anthem special meeting and the Cigna special meeting. **We urge you to read the accompanying joint proxy statement/prospectus (and any documents incorporated by reference into the accompanying joint proxy statement/prospectus) carefully and in its entirety. Please pay particular attention to the section entitled Risk Factors beginning on page 67 of the accompanying joint proxy statement/prospectus.**

We hope to see you at the Anthem special meeting or the Cigna special meeting, as applicable, and look forward to the successful completion of the merger.

Sincerely,

/s/ Joseph R. Swedish  
Joseph R. Swedish  
President and Chief Executive  
Officer  
*Anthem, Inc.*

/s/ George A. Schaefer, Jr.  
George A. Schaefer, Jr.  
Chairman of the Board  
*Anthem, Inc.*

/s/ David M. Cordani /s/ Isaiah Harris, Jr.  
David M. Cordani Isaiah Harris, Jr.  
President and Chief Chairman of the  
Executive Officer Board  
*Cigna Corporation Cigna Corporation*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the transactions described in the accompanying joint proxy statement/prospectus or determined that the accompanying joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

The accompanying joint proxy statement/prospectus is dated October 28, 2015, and is first being mailed to Anthem shareholders and Cigna shareholders on or about October 28, 2015.

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**ANTHEM, INC.**

**120 Monument Circle**

**Indianapolis, Indiana 46204**

**Notice of Special Meeting of Shareholders**

**To be Held on Thursday, December 3, 2015**

**October 28, 2015**

To the Shareholders of Anthem, Inc.:

A special meeting of shareholders of Anthem, Inc., an Indiana corporation, referred to as "Anthem", will be held at 8:00 a.m., Eastern Time, on Thursday, December 3, 2015, at the Conrad Hotel at 50 West Washington Street, Indianapolis, Indiana 46204. At the special meeting, Anthem shareholders will be asked to approve the issuance of Anthem common stock, par value \$0.01 per share, to Cigna Corporation shareholders as part of the consideration in the merger, referred to as the "merger", contemplated by the Agreement and Plan of Merger, dated as of July 23, 2015, as it may be amended from time to time, referred to as the "merger agreement", among Anthem, Anthem Merger Sub Corp., a Delaware corporation and a direct wholly owned subsidiary of Anthem, and Cigna Corporation, a copy of which is attached as **Annex A** to this joint proxy statement/prospectus. Such issuance is referred to as the "share issuance". Anthem shareholders will also be asked to approve a proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the special meeting.

Anthem will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof. Please refer to the accompanying joint proxy statement/prospectus for further information with respect to the business to be transacted at the special meeting.

The Anthem board of directors has fixed October 22, 2015, as the Anthem record date for the special meeting. Only holders of record of Anthem common stock as of the close of business on the Anthem record date are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof.

Attendance at the special meeting will be limited to Anthem shareholders as of the close of business on the Anthem record date and to guests of Anthem, as more fully described under the section entitled *Anthem Special Meeting Date, Time and Place* beginning on page 80 of the accompanying joint proxy statement/prospectus. You must have an admission ticket, as well as a form of government-issued photo identification, in order to be admitted to the Anthem special meeting. If you are an Anthem shareholder of record and received a printed copy of Anthem's proxy materials, you must bring the admission ticket portion of your proxy card to be admitted to the Anthem special meeting. If you are a beneficial owner and your shares are held in the name of a broker, bank or other nominee, you must request an admission ticket in advance by mailing a request, along with proof of your ownership of Anthem common stock as of the close of business on the Anthem record date of October 22, 2015, to Anthem Shareholder Services, 120 Monument Circle, Mail No. IN0102-B381, Indianapolis, Indiana 46204. Proof of ownership would be a bank or brokerage account statement in your name showing the number of shares of Anthem common stock held by you on the Anthem record date or a letter from your broker, bank or other nominee certifying the amount of your beneficial ownership interest as of the close of business on the Anthem record date.

Seating is limited, so we suggest that you arrive early. The doors will open at 7:30 a.m., Eastern Time.

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Approval of the share issuance and approval of the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the special meeting requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the special meeting.

**The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement recommends that Anthem shareholders vote FOR the share issuance and FOR the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the Anthem special meeting.**

**Your vote is very important. Whether or not you expect to attend the special meeting in person, we urge you to submit a proxy as promptly as possible by (1) accessing the Internet website specified on your proxy card, (2) calling the toll-free number specified on your proxy card or (3) marking, signing, dating and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the special meeting. If your shares are held in the name of a broker, bank or other nominee, please follow the instructions on the voting instruction card furnished by such broker, bank or other nominee.**

We urge you to read the accompanying joint proxy statement/prospectus, including all documents incorporated by reference into the accompanying joint proxy statement/prospectus, and its annexes carefully and in their entirety. In particular, see the section entitled *Risk Factors* beginning on page 67 of the accompanying joint proxy statement/prospectus. If you have any questions concerning the merger, the merger agreement, the share issuance, the special meeting or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need help submitting a proxy to have your shares of Anthem common stock voted, please contact Anthem's proxy solicitor:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Telephone (Toll-Free): (800) 322-2885

Telephone (Collect): (212) 929-5500

Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)

By Order of the Board of Directors,

/s/ Kathleen S. Kiefer

Kathleen S. Kiefer

Corporate Secretary



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**CIGNA CORPORATION**  
**900 Cottage Grove Road**  
**Bloomfield, Connecticut 06002**

**Notice of Special Meeting of Shareholders**

**To be Held on Thursday, December 3, 2015**

October 28, 2015

**Date and Time:** Thursday, December 3, 2015, at 9:00 a.m. Eastern Time (8:00 a.m. Central Time)

**Place:** Hyatt Regency O Hare at 9300 Bryn Mawr Avenue, Rosemont, Illinois 60018

**Items of Business:**

To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of July 23, 2015 (as it may be amended from time to time, the merger agreement ), among Anthem, Inc., an Indiana corporation ( Anthem ), Anthem Merger Sub Corp., a Delaware corporation ( Merger Sub ), and Cigna Corporation, a Delaware corporation ( Cigna ), a copy of which is attached as **Annex A** to the joint proxy statement/prospectus accompanying this notice;

To consider and vote on a non-binding, advisory proposal to approve the compensation that may be paid or become payable to Cigna s named executive officers in connection with the completion of the merger; and

To consider and vote on a proposal to adjourn the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement.

**Record Date:** October 22, 2015. Only Cigna shareholders of record at the close of business on the record date are entitled to receive this notice and vote at the meeting and any adjournment or postponement of the meeting.

A list of shareholders of record entitled to vote at the Cigna special meeting will be made available for a period of at least ten days prior to the date of the Cigna special meeting at our executive offices and principal place of business at 900 Cottage Grove Road, Bloomfield, Connecticut for examination by Cigna shareholders during ordinary business

hours. A Cigna shareholder desiring to examine the list should contact Cigna's Shareholder Services at Two Liberty Place, 5th Floor, 1601 Chestnut Street, Philadelphia, Pennsylvania 19192-1550 or by phone at (215) 761-3516, to make necessary arrangements. The list will also be available at the Cigna special meeting for examination by Cigna shareholders present at the Cigna special meeting.

**Proxy Voting:** Your vote is very important, regardless of the number of shares you own. We urge you to promptly vote by telephone, by using the Internet, or, if you received a proxy card or instruction form, by completing, dating, signing and returning it by mail.

At a meeting on July 23, 2015, the Cigna board of directors unanimously (1) approved the merger agreement, (2) declared that the merger and the other transactions contemplated by the merger agreement are in the best interests of Cigna and its shareholders, (3) directed that the merger agreement be submitted to Cigna

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shareholders for their adoption, (4) recommended that Cigna shareholders vote **FOR** the adoption of the merger agreement and (5) further resolved that it recommend to the shareholders of Cigna that they approve a non-binding, advisory proposal to approve the compensation that may be paid or become payable to Cigna's named executive officers in connection with the merger and the other transactions contemplated by the merger agreement pursuant to already existing contractual obligations of Cigna (as such obligations may be amended consistent with the terms of the merger agreement).

**The Cigna board of directors unanimously recommends that Cigna shareholders vote FOR the adoption of the merger agreement, FOR the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and FOR the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.**

The joint proxy statement/prospectus, including the annexes, contains further information with respect to the business to be transacted at the Cigna special meeting. We urge you to read the joint proxy statement/prospectus, including any documents incorporated by reference, and the annexes carefully and in their entirety. Cigna will transact no other business at the Cigna special meeting except such business as may properly be brought before the Cigna special meeting or any adjournments or postponements thereof. Please refer to the joint proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the Cigna special meeting.

If you have any questions concerning the merger, the proposal to adopt the merger agreement, the proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger or the proposal to adjourn the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement, or if you would like additional copies of the accompanying joint proxy statement/prospectus or need help submitting a proxy to have your shares of Cigna common stock voted, please contact Cigna's proxy solicitor:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10022

Shareholders May Call Toll-Free: (877) 456-3510

Banks & Brokers May Call Collect: (212) 750-5833

By order of the Board of Directors,

/s/ Neil Boyden Tanner

Neil Boyden Tanner

Corporate Secretary

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**ADDITIONAL INFORMATION**

The accompanying joint proxy statement/prospectus incorporates important business and financial information about Anthem and Cigna from documents that are not included in or delivered with the accompanying joint proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference into the accompanying joint proxy statement/prospectus (other than certain exhibits or schedules to these documents) by requesting them in writing, via email or by telephone from Anthem or Cigna at the following addresses and telephone numbers:

Anthem, Inc.	Cigna Corporation
120 Monument Circle	Two Liberty Place, 5 <sup>th</sup> Floor
Mail No. IN0102-B381	1601 Chestnut Street
Indianapolis, Indiana 46204	Philadelphia, Pennsylvania 19192-1550
Attention: Shareholder Services	Attention: Shareholder Services
Email: <a href="mailto:shareholder.services@anthem.com">shareholder.services@anthem.com</a>	Email: <a href="mailto:shareholderservices@cigna.com">shareholderservices@cigna.com</a>
Telephone: (800) 985-0999	Telephone: (215) 761-3516

In addition, if you have questions about the share issuance, the mergers or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, please contact MacKenzie Partners, Inc., Anthem's proxy solicitor, toll-free at (800) 322-2885 or collect at (212) 929-5500, or Innisfree M&A Incorporated, Cigna's proxy solicitor, toll-free at (877) 456-3510, and which banks, brokers and other nominees may call collect at (212) 750-5833. You will not be charged for any of these documents that you request.

**If you would like to request documents, please do so no later than five business days before the date of the Anthem special meeting of shareholders (which is November 25, 2015) or five business days before the date of the Cigna special meeting of shareholders (which is November 25, 2015), to receive them before the respective special meeting.**

See the section entitled *Where You Can Find More Information* beginning on page 241 of the accompanying joint proxy statement/prospectus for further information.

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**ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS**

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed by Anthem with the U.S. Securities and Exchange Commission, constitutes a prospectus of Anthem under Section 5 of the Securities Act of 1933, as amended, with respect to the shares of Anthem common stock to be issued to Cigna shareholders as consideration in the merger. This joint proxy statement/prospectus also constitutes a joint proxy statement for both Anthem and Cigna under Section 14(a) of the Securities Exchange Act of 1934, as amended. In addition, it constitutes a notice of meeting with respect to the Anthem special meeting and a notice of meeting with respect to the Cigna special meeting.

Anthem and Cigna have not authorized anyone to give you any information other than the information contained in or incorporated by reference into this joint proxy statement/prospectus. Anthem and Cigna take no responsibility for, and can provide no assurances as to the reliability of, any other information that others may give you. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated October 28, 2015. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of such information. Neither our mailing of this joint proxy statement/prospectus to Anthem shareholders or Cigna shareholders nor the issuance by Anthem of shares of Anthem common stock pursuant to the merger agreement will create any implication to the contrary.

**This joint proxy statement/prospectus shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding Anthem has been provided by Anthem and information contained in this joint proxy statement/prospectus regarding Cigna has been provided by Cigna.**

Unless otherwise indicated or as the context otherwise requires, all references in this joint proxy statement/prospectus to:

Anthem refer to Anthem, Inc., an Indiana corporation;

Anthem articles of incorporation refer to the Amended and Restated Articles of Incorporation of Anthem, as amended effective December 2, 2014;

Anthem by-laws refer to the By-laws of Anthem, as amended July 23, 2015;

Anthem common stock refer to Anthem common stock, par value \$0.01 per share;

Anthem financial advisors refer to UBS and Credit Suisse;

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Anthem record date refer, as to the Anthem shareholders entitled to receive notice of, and to vote at, the Anthem special meeting, to the close of business on October 22, 2015;

Anthem stock value refer to the average of the volume weighted average price per share of Anthem common stock on the NYSE on each of the five consecutive trading days ending with the second complete trading day immediately prior to the closing date of the merger;

cash consideration refer to the cash portion of the merger consideration to be received by Cigna shareholders in the merger, equal to \$103.40 in cash per share of Cigna common stock, without interest;

Cigna refer to Cigna Corporation, a Delaware corporation;

Cigna by-laws refer to the By-Laws of Cigna, as last amended and restated December 6, 2012;

Cigna certificate of incorporation refer to the Restated Certificate of Incorporation of Cigna, as last amended October 28, 2011;

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Cigna common stock refer to Cigna common stock, par value \$0.25 per share;

Cigna's financial advisor refer to Morgan Stanley;

Cigna record date refer, as to the Cigna shareholders entitled to receive notice of, and to vote at, the Cigna special meeting, to the close of business on October 22, 2015;

Cigna stock plan refer to the obligations of Cigna under all plans and agreements pursuant to which a Cigna stock option or other stock award has been issued or deferred;

Computershare refer to Computershare Inc.;

Credit Suisse refer to Credit Suisse Securities (USA) LLC;

DGCL refer to the General Corporation Law of the State of Delaware;

DOJ refer to the U.S. Department of Justice;

equity award exchange ratio refer to the sum of (1) the stock consideration plus (2) the quotient of (A) the cash consideration divided by (B) the Anthem stock value;

Exchange Act refer to the Securities Exchange Act of 1934, as amended;

exchange ratio refer to 0.5152 of a share of Anthem common stock per share of Cigna common stock;

Fidelity refer to Fidelity Stock Plan Services, LLC;

FTC refer to the U.S. Federal Trade Commission;

GAAP refer to U.S. Generally Accepted Accounting Principles;

HSR or HSR Act refer to the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;



IBCL refer to the Indiana Business Corporation Law;

initial surviving corporation refer to Cigna as the surviving entity following the merger;

merger refer to the merger of Merger Sub with and into Cigna; as a result of the merger, the separate corporate existence of Merger Sub will cease, and Cigna will continue as the initial surviving corporation in the merger and a wholly owned subsidiary of Anthem;

mergers refer to the merger together with the second merger;

merger agreement refer to the Agreement and Plan of Merger, dated as of July 23, 2015, as it may be amended from time to time, among Anthem, Merger Sub and Cigna, a copy of which is attached as **Annex A** to this joint proxy statement/prospectus;

merger consideration refer to the consideration, per share of Cigna common stock, to be received by Cigna shareholders in the merger, consisting of (1) 0.5152 shares of Anthem common stock and (2) \$103.40 in cash, without interest;

Merger Sub refer to Anthem Merger Sub Corp., a Delaware corporation and a direct wholly owned subsidiary of Anthem;

Morgan Stanley refer to Morgan Stanley & Co. LLC;

NYSE refer to the New York Stock Exchange;

SEC refer to the U.S. Securities and Exchange Commission;

second merger refer to the merger of the initial surviving corporation with and into Anthem, with Anthem continuing as the surviving corporation pursuant to the second merger agreement;

second merger agreement refer to the agreement and plan of merger related to the second merger to be entered into by and between Cigna and Anthem, the form of which is attached as Exhibit A to the merger agreement;

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Securities Act refer to the Securities Act of 1933, as amended;

share issuance refer to the issuance of Anthem common stock to Cigna shareholders as stock consideration in the merger contemplated by the merger agreement;

stock consideration refer to the stock portion of the merger consideration to be received by Cigna shareholders in the merger, equal to 0.5152 shares of Anthem common stock, per share of Cigna common stock;

surviving corporation refer to Anthem as the surviving entity following the second merger;

surviving entity refer to the initial surviving corporation until such time that the second merger occurs, in which case the surviving entity means the surviving corporation; and

UBS refer to UBS Securities LLC.

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<u>Annex B:</u>	Opinion of UBS
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<u>Annex E:</u>	Section 262 of the DGCL

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**QUESTIONS AND ANSWERS**

*The following questions and answers are intended to address briefly some commonly asked questions regarding the merger, share issuance and matters to be addressed at the special meetings. These questions and answers may not address all questions that may be important to Anthem shareholders and Cigna shareholders. To better understand these matters, and for a description of the legal terms governing the merger and share issuance, you should carefully read this entire joint proxy statement/prospectus, including the attached annexes, as well as the documents that have been incorporated by reference into this joint proxy statement/prospectus. See the section entitled *Where You Can Find More Information* beginning on page 241 of this joint proxy statement/prospectus.*

***Q: Why am I receiving this joint proxy statement/prospectus?***

A: Anthem and Cigna have agreed to a merger, pursuant to which Cigna will become a wholly owned subsidiary of Anthem and will no longer be a publicly held corporation. If the merger is completed, each share of Cigna common stock issued and outstanding immediately prior to the effective time of the merger (other than (1) treasury shares held by Cigna, (2) shares of Cigna common stock beneficially owned by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares of Cigna common stock that are owned by Cigna shareholders who have not voted in favor of the merger and who have properly demanded in writing appraisal for such shares pursuant to Section 262 of the DGCL and (4) shares of Cigna common stock subject to Cigna restricted stock awards) will automatically be converted into the right to receive (x) \$103.40 in cash, without interest, and (y) 0.5152 shares of Anthem common stock. In order to complete the merger, among other conditions as described in this joint proxy statement/prospectus, Anthem shareholders must approve the share issuance to Cigna shareholders in the merger, and Cigna shareholders must adopt the merger agreement.

Anthem is holding a special meeting of shareholders to obtain the shareholder approval necessary to approve the share issuance and to approve the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting.

Cigna is holding a special meeting of shareholders to obtain the shareholder approval necessary to adopt the merger agreement. In addition, Cigna shareholders will also be asked to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and to approve the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting. Cigna's named executive officers are identified under the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Interests of Certain Cigna Directors and Executive Officers in the Merger* beginning on page 164 of this joint proxy statement/prospectus.

This joint proxy statement/prospectus serves as both a joint proxy statement of Anthem and Cigna and a prospectus of Anthem in connection with the merger.

Your vote is very important. We encourage you to submit a proxy to have your shares of Anthem common stock or Cigna common stock voted as soon as possible.

***Q: What will Cigna shareholders receive in the merger?***

A: If the merger is completed, each share of Cigna common stock issued and outstanding immediately prior to the effective time of the merger (other than (1) treasury shares held by Cigna, (2) shares of Cigna common stock beneficially owned by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares of Cigna common stock that are owned by Cigna shareholders who have not voted in favor of the merger and who have properly demanded in writing appraisal for such shares pursuant to Section 262 of the DGCL

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and (4) shares of Cigna common stock subject to Cigna restricted stock awards) will automatically be converted into the right to receive (x) \$103.40 in cash, without interest, and (y) 0.5152 shares of Anthem common stock. No fractional shares of Anthem common stock will be issued in the merger, and Cigna shareholders will receive cash in lieu of any fractional shares.

Based on the unaffected closing price per share of Anthem common stock on the NYSE on May 28, 2015, which was the last trading day prior to public rumors that Humana Inc. was exploring a sale, the merger consideration represented approximately \$188.01 in value per share of Cigna common stock. Based on the closing price per share of Anthem common stock on the NYSE on October 22, 2015, the most recent practicable trading day prior to the date of this joint proxy statement/prospectus, the merger consideration represented approximately \$175.22 in value for each share of Cigna common stock. **Because Anthem will issue a fixed number of shares of Anthem common stock in exchange for each share of Cigna common stock, the value of the merger consideration that Cigna shareholders will receive in the merger will depend on the market price of shares of Anthem common stock at the time the merger is completed. As a result, the value of the merger consideration that Cigna shareholders will receive upon completion of the merger could be greater than, less than or the same as the value of the merger consideration on the date of this joint proxy statement/prospectus or at the time of the Anthem or Cigna special meetings.**

***Q: What happens if the merger is not completed?***

A: If the merger is not completed for any reason, Cigna shareholders will not receive any consideration for their shares of Cigna common stock, and Cigna will remain an independent public company with Cigna common stock being traded on the NYSE.

***Q: If I am a Cigna shareholder, how will I receive the merger consideration to which I am entitled?***

A: After receiving the proper documentation from you, following the effective time of the merger, the exchange agent will forward to you the Anthem common stock, the cash portion of the merger consideration and any cash in lieu of fractional shares to which you are entitled. For additional information about the exchange of shares of Cigna common stock for shares of Anthem common stock and cash, see the section entitled *The Merger Agreement Exchange of Certificates* beginning on page 185 of this joint proxy statement/prospectus.

***Q: When and where will the special meetings be held?***

A: The Anthem special meeting will be held at 8:00 a.m., Eastern Time, on Thursday, December 3, 2015, at the Conrad Hotel at 50 West Washington Street, Indianapolis, Indiana 46204. The Cigna special meeting will be held at 9:00 a.m., Eastern Time (8:00 a.m. Central Time), on Thursday, December 3, 2015, at the Hyatt Regency O Hare at 9300 Bryn Mawr Avenue, Rosemont, Illinois 60018.

***Q: Who is entitled to vote at the special meetings?***

A: Only holders of record of Anthem common stock as of the close of business on the Anthem record date, October 22, 2015, are entitled to receive notice of, and to vote at, the Anthem special meeting and any adjournment or postponement thereof. As of the close of business on the Anthem record date, there were 260,983,596 shares of Anthem common stock outstanding. Each outstanding share of Anthem common stock is entitled to one vote.

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Only holders of record of Cigna common stock as of the close of business on the Cigna record date, October 22, 2015, are entitled to receive notice of, and to vote at, the Cigna special meeting and any adjournment or postponement thereof. As of the close of business on the Cigna record date, there were 257,627,908 shares of Cigna common stock outstanding. Each outstanding share of Cigna common stock is entitled to one vote.

***Q: Who may attend the Anthem special meeting?***

A: You must have an admission ticket, as well as a form of government-issued photo identification, in order to be admitted to the Anthem special meeting. If you are an Anthem shareholder of record and received a printed copy of Anthem's proxy materials, you must bring the admission ticket portion of your proxy card to be admitted to the Anthem special meeting. If you are a beneficial owner and your shares are held in the name of a broker, bank or other nominee, you must request an admission ticket in advance by mailing a request, along with proof of your ownership of Anthem common stock as of the close of business on the Anthem record date to Anthem Shareholder Services, 120 Monument Circle, Mail No. IN0102-B381, Indianapolis, Indiana 46204. Proof of ownership would be a bank or brokerage account statement in your name showing the number of shares of Anthem common stock held by you on the Anthem record date or a letter from your broker, bank or other nominee certifying the amount of your beneficial ownership interest as of the close of business on the Anthem record date.

If you wish to appoint a representative to attend the Anthem special meeting in your place, you must provide to Anthem Shareholder Services, 120 Monument Circle, Mail No. IN0102-B381, Indianapolis, Indiana 46204, the name of your representative, in addition to the admission ticket portion of your proxy card if you are an Anthem shareholder of record, or your proof of ownership if you are a beneficial owner, and the address where the admission ticket should be sent. An Anthem shareholder may only appoint one representative. Requests from Anthem shareholders which are legal entities must be signed by an authorized officer or other person legally authorized to act on behalf of the legal entity.

Requests received after November 25, 2015, may not be able to be processed in time to allow you to receive your admission ticket before the date of the Anthem special meeting so you should mail your request early.

***Q: Who may attend the Cigna special meeting?***

A: You must have an admission ticket, as well as a valid form of government-issued photo identification, in order to be admitted to the Cigna special meeting. If you are a Cigna shareholder of record and received a printed copy of Cigna's proxy materials, you must bring the admission ticket portion of your proxy card to be admitted to the Cigna special meeting. If you are a beneficial owner and your shares are held in the name of a broker, bank or other nominee, you must request an admission ticket in advance by mailing a request, along with proof of your ownership of Cigna common stock as of the close of business on the Cigna record date of October 22, 2015, to Corporate Secretary, Cigna Corporation, Two Liberty Place, 16th Floor, 1601 Chestnut Street, Philadelphia, Pennsylvania 19192-1550. Proof of ownership would be a bank or brokerage account statement in your name showing the number of shares of Cigna common stock held by you on the Cigna record date or a letter from your broker, bank or other nominee certifying the amount of your beneficial ownership interest as of the close of business on the Cigna record date.

If you wish to appoint a representative to attend the Cigna special meeting in your place, you must provide to Corporate Secretary, Cigna Corporation, Two Liberty Place, 16th Floor, 1601 Chestnut Street, Philadelphia, Pennsylvania 19192-1550, the name of your representative, in addition to the admission ticket portion of your proxy card if you are a Cigna shareholder of record, or your proof of ownership if you are a beneficial owner, and the address where the admission ticket should be sent. A Cigna shareholder may only appoint one representative. Requests from Cigna shareholders which are legal entities must be signed by an authorized officer or other person legally authorized to act on behalf of the legal entity.

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Requests received after November 25, 2015, may not be able to be processed in time to allow you to receive your admission ticket before the date of the Cigna special meeting so you should mail your request early.

***Q: What are Anthem shareholders being asked to vote on?***

A: Anthem shareholders are being asked to vote on the following proposals:

to approve the share issuance; and

to approve the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting.

The approval of the share issuance by Anthem shareholders is a condition to the obligations of Anthem and Cigna to complete the merger. The approval of the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting is not a condition to the obligations of Anthem and Cigna to complete the merger.

***Q: What are Cigna shareholders being asked to vote on?***

A: Cigna shareholders are being asked to vote on the following proposals:

to adopt the merger agreement, pursuant to which Merger Sub will be merged with and into Cigna with Cigna continuing as the initial surviving corporation as a wholly owned subsidiary of Anthem;

to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger; and

to approve the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.

The adoption of the merger agreement by Cigna shareholders is a condition to the obligations of Anthem and Cigna to complete the merger. The approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger is not a condition to the obligations of Anthem or Cigna to complete the merger. The approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting also is not a condition to the obligations of Anthem or Cigna to complete the merger.



***Q: Are there any important risks about the merger or Anthem's business of which I should be aware?***

A: Yes, there are important risks involved. Before making any decision on whether and how to vote, Anthem and Cigna urge you to read carefully and in its entirety the section entitled *Risk Factors* beginning on page 67 of this joint proxy statement/prospectus.

***Q: How does the Anthem board of directors recommend that Anthem shareholders vote?***

A: The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement (1) determined that the share issuance is in the best interests of Anthem and Anthem shareholders, and (2) approved the merger agreement and the transactions contemplated thereby, including the mergers and the share issuance.

The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement recommends that Anthem shareholders vote **FOR** the share issuance and

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**FOR** the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting. See the sections entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Anthem s Reasons for the Merger; Recommendation of the Anthem Board of Directors* and *Anthem Proposal II: Adjournment of Anthem Special Meeting* beginning on pages 116 and 210, respectively, of this joint proxy statement/prospectus.

***Q: How does the Cigna board of directors recommend that Cigna shareholders vote?***

A: The Cigna board of directors unanimously (1) approved the merger agreement, (2) declared that the merger and the other transactions contemplated by the merger agreement are in the best interests of Cigna and its shareholders, (3) directed that the merger agreement be submitted to Cigna shareholders for their adoption, (4) recommended that Cigna shareholders vote **FOR** the adoption of the merger agreement and (5) further resolved that it recommend to the shareholders of Cigna that they approve a non-binding, advisory proposal to approve the compensation that may be paid or become payable to Cigna s named executive officers in connection with the merger and the other transactions contemplated by the merger agreement pursuant to already existing contractual obligations of Cigna (as such obligations may be amended consistent with the terms of the merger agreement).

The Cigna board of directors unanimously recommends that Cigna shareholders vote **FOR** the adoption of the merger agreement, **FOR** the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna s named executive officers in connection with the completion of the merger and **FOR** the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting. See the sections entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Cigna s Reasons for the Merger; Recommendation of the Cigna Board of Directors,* *Cigna Proposal II: Non-Binding, Advisory Vote on Compensation* and *Cigna Proposal III: Adjournment of Cigna Special Meeting* beginning on pages 121, 211 and 212, respectively, of this joint proxy statement/prospectus.

***Q: How do I vote?***

A: You may vote in person at the Anthem special meeting or the Cigna special meeting or you may designate another person your proxy to vote your shares of Anthem common stock or Cigna common stock. The written document used to designate someone as your proxy also is called a proxy or proxy card. We urge you to submit a proxy card to have your shares voted even if you plan to attend the Anthem special meeting or the Cigna special meeting. You can always change your vote at the applicable special meeting.

If you are an Anthem shareholder of record for the Anthem special meeting or a Cigna shareholder of record for the Cigna special meeting, then you can have your shares voted at the applicable special meeting in person or by submitting a proxy over the Internet, by mail or by telephone by following the instructions on your proxy card. The deadline for voting by proxy over the Internet or by telephone for the Anthem special meeting is 11:59 p.m., Eastern Time, on December 2, 2015, and for the Cigna special meeting is 11:59 p.m., Eastern Time, on December 2, 2015.

If your shares are held by a broker, bank or other nominee (commonly referred to as shares held in street name ), you will receive separate instructions from your broker, bank or other nominee describing how to vote your shares. Those instructions will identify which methods of voting are available to you in order to have your shares voted.

***Q: How do I vote shares held in the Anthem 401(k) Retirement Savings Plan?***

**A:** If you participate in the Anthem 401(k) Retirement Savings Plan, referred to as the Anthem 401(k) Plan in this joint proxy statement/prospectus, and you are invested in Anthem's common stock fund in your

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account, you may give voting instructions to the plan trustee as to the number of shares of Anthem common stock equivalent to the interest in the Anthem common stock fund credited to your account as of the most recent valuation date coincident with or preceding the Anthem record date. The trustee will vote your shares in accordance with your instructions received by December 1, 2015, at 11:59 p.m., Eastern Time. You may also revoke previously given voting instructions by December 1, 2015, at 11:59 p.m., Eastern Time, by filing with the trustee either written notice of revocation or a properly completed and signed voting instruction card bearing a later date. Your voting instructions will be kept confidential by the trustee. If you do not send instructions for a proposal, the trustee will vote the number of shares equal to the share equivalents credited to your account in the same proportion that it votes shares for which it did receive timely instructions.

***Q: How do I vote if my shares of Cigna common stock are held by Fidelity in an employee stock account?***

A: Employee stock accounts maintained by Fidelity include unvested restricted stock which is votable if held on the record date. You should follow the rules for voting shares held as a record holder. See the section entitled *Cigna Special Meeting Voting of Cigna Shares Owned as a Record Holder* beginning on page 89 of this joint proxy statement/prospectus for voting shares as a Cigna shareholder of record.

***Q: How do I vote shares held in the Cigna Stock Fund of the Cigna 401(k) Plan?***

A: If you have money invested in the Cigna Stock Fund of the Cigna 401(k) Plan, referred to as the Cigna 401(k) Plan in this joint proxy statement/prospectus, you may provide voting instructions as to the number of shares allocated to your account as of the close of business on the Cigna record date. However, you have an earlier deadline for submitting voting instructions. Your voting instructions must be received by 11:59 p.m., Eastern Time, on November 29, 2015. You may vote over the Internet, by telephone or by mail as described under the section entitled *Cigna Special Meeting Voting of Cigna Shares Owned as a Record Holder* beginning on page 89 of this joint proxy statement/prospectus, but you may not vote shares allocated to your Cigna 401(k) Plan accounts in person at the Cigna special meeting. The plan trustees will vote such shares in accordance with your voting instructions if they are received in a timely manner. If you do not send instructions by the November 29, 2015 deadline, you do not vote or you return your proxy card with unclear voting instructions or no voting instructions, the plan trustees will vote the number of shares allocated to your Cigna 401(k) Plan account as instructed by Cigna's Retirement Plan Committee, or its designee. Your voting instructions will be kept confidential under the terms of the plan.

Shares allocated to your 401(k) account, shares held in an employee stock account with Fidelity and shares held at Computershare may be aggregated on one proxy card. Please note that if voting instructions are submitted after 11:59 p.m., Eastern Time on November 29, 2015, your vote will be counted for any shares held at Computershare or in your employee stock accounts at Fidelity, but not with respect to shares allocated to your 401(k) account.

***Q: What is a broker non-vote ?***

A:

A broker non-vote occurs on an item when a broker, bank or other nominee is not permitted to vote without instructions from the beneficial owner of the shares and the beneficial owner fails to provide the broker, bank or other nominee such instructions.

***Q: What Anthem shareholder vote is required for the approval of the share issuance at the Anthem special meeting and to approve any adjournment of the Anthem special meeting, and what happens if I abstain?***

A: To approve the share issuance, the votes cast **FOR** such proposal at the Anthem special meeting must exceed the votes cast **AGAINST** such proposal. **Anthem cannot complete the merger unless its shareholders approve the share issuance.** Because this proposal requires the affirmative vote of a majority

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of the votes cast, in person or by proxy, at the Anthem special meeting, an abstention will have no effect on the outcome of any vote to approve the share issuance. A broker non-vote or other failure to vote will similarly have no effect on the outcome of any vote to approve the share issuance.

To approve the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting, the votes cast

**FOR** such proposal at the Anthem special meeting must exceed the votes cast **AGAINST** such proposal. Because this proposal requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the Anthem special meeting, an abstention will have no effect on the outcome of any vote on the proposal to adjourn the Anthem special meeting. A broker non-vote or other failure to vote will similarly have no effect on the outcome of any vote to adjourn the Anthem special meeting.

***Q: What Cigna shareholder vote is required for the adoption of the merger agreement, the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting, and what happens if I abstain?***

**A:** Adoption of the merger agreement requires the affirmative vote, in person or by proxy, of the holders of a majority of all outstanding shares of Cigna common stock entitled to vote on such proposal. **Cigna cannot complete the merger unless its shareholders adopt the merger agreement.** Because adoption requires the affirmative vote, in person or by proxy, of the holders of a majority of all outstanding shares of Cigna common stock entitled to vote on such proposal, **a Cigna shareholder's abstention from voting, the failure of a Cigna shareholder who holds his or her shares in street name through a broker, bank or other nominee to give voting instructions to that broker, bank or other nominee or a Cigna shareholder's other failure to vote will have the same effect as a vote AGAINST the adoption of the merger agreement.**

Approval, on a non-binding advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger requires the affirmative vote, in person or by proxy, of holders of a majority of the shares of Cigna common stock present in person or represented by proxy at the Cigna special meeting and entitled to vote on such proposal. Because approval of this proposal requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares present in person or represented by proxy and entitled to vote, an abstention will have the same effect as a vote **AGAINST** the compensation proposal. A broker non-vote or other failure to vote will have no effect on the outcome of any vote to approve the compensation proposal.

Approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting, requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares of Cigna common stock present in person or represented by proxy at the Cigna special meeting and entitled to vote on such proposal. Because approval of this proposal requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares present in person or represented by proxy and entitled to vote, an abstention will have the same effect as a vote **AGAINST** the proposal to adjourn the Cigna special meeting. A broker non-vote or other failure to vote will have no effect on the outcome of any vote to adjourn the Cigna special meeting.

***Q: What constitutes a quorum for the Anthem special meeting?***

A: In order for business to be conducted at the Anthem special meeting, 25% of the votes entitled to be cast on a matter, represented in person or by proxy, must be present. Abstentions are included in determining whether a quorum is present. If your shares are held in street name and you provide your broker, bank or other nominee with voting instructions, then your shares will be included in determining whether a quorum

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is present. If your shares are held in street name and you do not provide your broker, bank or other nominee with voting instructions, then your shares will not be included in determining whether a quorum is present.

***Q: What constitutes a quorum for the Cigna special meeting?***

A: The holders of at least two-fifths of the issued and outstanding Cigna shares entitled to vote at the Cigna special meeting, present in person or represented by proxy at the Cigna special meeting, will constitute a quorum. Shares of Cigna common stock represented at the Cigna special meeting but not voted, including Cigna shares for which a shareholder directs an abstention from voting, will be counted as present for purposes of establishing a quorum. Broker non-votes (Cigna shares held by banks, brokers or other nominees commonly referred to as shares held in street name that are present in person or represented by proxy at the Cigna special meeting but with respect to which the broker or other shareholder of record is not instructed by the beneficial owner of such shares how to vote on a particular proposal and the broker or other shareholder of record does not have discretionary voting power on such proposal), if any, will not be counted as present for purposes of establishing a quorum.

***Q: If my shares are held in street name, will my broker, bank or other nominee automatically vote my shares for me?***

A: No. If your shares of Anthem common stock or Cigna common stock are held in street name, you must instruct your broker, bank or other nominee how to vote your shares. Your broker, bank or other nominee will vote your shares only if you provide instructions on how to vote by filling out the voting instruction form sent to you by your broker, bank or other nominee with this joint proxy statement/prospectus.

***Q: What will happen if I return my proxy card without indicating how to vote?***

A: If you return your signed and dated proxy card without indicating how to vote your shares on any particular proposal, the shares of Anthem common stock or Cigna common stock, as applicable, represented by your proxy will be voted in accordance with the recommendation of the respective board of directors of Anthem or Cigna.

***Q: What if I hold shares in both Anthem and Cigna?***

A: If you are both an Anthem shareholder and a Cigna shareholder, you will receive separate packages of proxy materials from each company and you will need to vote your shares independently for both companies. A vote as an Anthem shareholder to approve the share issuance will not constitute a vote as a Cigna shareholder for the adoption of the merger agreement, or vice versa. **Therefore, please sign, date, mark and return all proxy cards and/or voting instructions that you receive from both Anthem and Cigna, or submit them over the Internet or by telephone.**

***Q: Is my vote important?***



A: Yes, your vote is very important. The merger cannot be completed without the approval of the share issuance by Anthem shareholders and the adoption of the merger agreement by Cigna shareholders. The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement recommends that Anthem shareholders vote **FOR** the share issuance, and the Cigna board of directors unanimously recommends that Cigna shareholders vote **FOR** the adoption of the merger agreement.

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***Q: If I am an Anthem shareholder, can I revoke my proxy or change my voting instructions?***

A: Yes, you may revoke your proxy at any time prior to the Anthem special meeting. If you provide more than one proxy, the proxy having the latest date will revoke any earlier proxy. If you attend the Anthem special meeting and you are an Anthem shareholder of record, you will be given the opportunity to revoke your proxy and vote in person. **If you are a beneficial owner, you must have a legal proxy from your broker, bank or other nominee in order to vote in person.**

***Q: If I am a Cigna shareholder, can I revoke my proxy or change my voting instructions?***

A: Yes, you may revoke your proxy or change your vote at any time before your proxy is voted at the Cigna special meeting.

If you own Cigna shares as the record holder, you may change your vote in one of four ways:

by entering new instructions by telephone or Internet before 11:59 p.m., Eastern Time, on December 2, 2015;

by sending a new proxy card with a later date than the card submitted earlier (Cigna must receive your new proxy card before 9:00 a.m., Eastern Time, on December 3, 2015);

by sending to the corporate secretary of Cigna a letter containing the name in which your shares are registered, the date of the proxy you wish to revoke or change, your new voting instructions, if applicable, and your signature (Cigna must receive your new proxy card before 9:00 a.m., Eastern Time, on December 3, 2015); or

by voting in person at (or sending a personal representative with a valid proxy to) the Cigna special meeting, which automatically will cancel any proxy previously given.

If you hold Cigna shares in street name, you may change your vote in one of two ways:

by submitting new voting instructions in the manner provided by your bank, broker or nominee; or

by contacting your bank, broker or other nominee to request a proxy to vote in person at the Cigna special meeting.

Written notices of revocation and other communications about revoking Cigna proxies should be addressed to Corporate Secretary, Cigna Corporation, Two Liberty Place, 16<sup>th</sup> Floor, 1601 Chestnut Street, Philadelphia, Pennsylvania 19192-1550.

***Q: What happens if I transfer my shares of Anthem or Cigna common stock before the applicable special meeting?***

A: The Anthem record date and the Cigna record date are both earlier than the date of each of the special meetings and the date that the merger is expected to be completed. If you transfer your shares of Anthem common stock or Cigna common stock after the applicable record date but before the applicable special meeting, you will retain your right to vote at the applicable special meeting. However, if you are a Cigna shareholder, you will have transferred the right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares of Cigna common stock through the effective time of the merger.

***Q: What do I do if I receive more than one set of voting materials?***

A: You may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus, the proxy card or the voting instruction form. This can occur if you hold your shares in more than one brokerage account, if you hold shares directly as a holder of record and also in street name, or otherwise through another holder of record, and in certain other circumstances. In addition, if you

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are a holder of record of shares of both Anthem common stock and Cigna common stock, you will receive one or more separate proxy cards or voting instruction cards for each company. If you receive more than one set of voting materials, please vote or return each set separately in order to ensure that all of your shares are voted.

***Q: How do I obtain the voting results from the special meetings?***

A: Preliminary voting results will be announced at the special meetings, and will be set forth in press releases that Anthem and Cigna intend to issue after each respective special meeting. The respective press releases will be available on the Anthem website at [www.antheminc.com](http://www.antheminc.com) and the Cigna website at [www.cigna.com](http://www.cigna.com). Final voting results for each of the Anthem special meeting and the Cigna special meeting are expected to be published in a Current Report on Form 8-K filed with the SEC within four business days after the respective special meetings. A copy of these Current Reports on Form 8-K will be available after filing with the SEC on the Anthem and Cigna websites, respectively.

***Q: What will happen if all of the proposals to be considered at the special meetings are not approved?***

A: As conditions to completion of the merger, Anthem shareholders must approve the share issuance and Cigna shareholders must adopt the merger agreement. Completion of the merger is not conditioned or dependent upon the approval of the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting, or the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger, or the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.

***Q: Are Cigna shareholders entitled to seek appraisal rights if they do not vote in favor of the adoption of the merger agreement?***

A: Yes. If the merger agreement is adopted by Cigna shareholders, Cigna shareholders who do not vote in favor of the adoption of the merger agreement and who properly demand appraisal of their shares will be entitled to appraisal rights in connection with the merger under Section 262 of the DGCL. This means that holders of shares of Cigna common stock are entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment in cash of the fair value of their shares of Cigna common stock, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with interest to be paid upon the amount determined to be fair value, if any, as determined by the court. Cigna shareholders who wish to seek appraisal of their shares are in any case encouraged to seek the advice of legal counsel with respect to the exercise of appraisal rights due to the complexity of the appraisal process.

Cigna shareholders considering seeking appraisal should be aware that the fair value of their shares as determined pursuant to Section 262 of the DGCL could be more than, the same as or less than the value of the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares.

To exercise your appraisal rights, (1) you must submit a written demand for appraisal to Cigna before the shareholder vote is taken on the proposal to adopt the merger agreement, (2) you must not submit a blank proxy or otherwise vote in favor of the proposal to adopt the merger agreement and (3) you must hold the shares of Cigna common stock of record when you submit your written demand for appraisal and continue to hold them through the effective time of the merger. Your failure to follow the procedures specified under the DGCL will result in the loss of your appraisal rights. The DGCL requirements for exercising appraisal rights are described in further detail in this joint proxy statement/prospectus, and the relevant section of the DGCL regarding appraisal rights is reproduced and attached as **Annex E** to this joint proxy statement/

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prospectus. If you hold your shares of Cigna common stock through a broker, bank or other nominee and you wish to exercise appraisal rights, you should consult with your broker, bank or other nominee to determine the appropriate procedures for the making of a demand for appraisal by such broker, bank or other nominee.

Under the IBCL, Anthem shareholders will not be entitled to appraisal or dissenters' rights in connection with the mergers or the share issuance.

***Q: Why are Cigna shareholders being asked to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger?***

A: The SEC has adopted rules that require Cigna to seek a non-binding, advisory vote on the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger.

***Q: What happens if the proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger is not approved?***

A: Approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger is not a condition to completion of the merger. The vote is a non-binding, advisory vote. If the merger is completed, Cigna may be obligated to pay all or a portion of this compensation to its named executive officers in connection with the completion of the merger or certain terminations of employment following the merger, even if Cigna shareholders fail to approve this proposal.

***Q: What are the material U.S. federal income tax consequences of the merger to U.S. holders of Cigna common stock?***

A: The merger and the second merger, taken together, are intended to qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, referred to as the Code in this joint proxy statement/prospectus. Accordingly, for U.S. federal income tax purposes, a U.S. holder of Cigna common stock generally will recognize gain, but not loss, in an amount not to exceed the cash received in the merger and will recognize gain or loss with respect to any cash received in lieu of fractional shares of Anthem common stock. For a more complete summary of the material U.S. federal income tax consequences of the merger to U.S. holders of Cigna common stock, see the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement - Material U.S. Federal Income Tax Consequences of the Merger* beginning on page 172 of this joint proxy statement/prospectus.

***Q: Is the obligation of each of Anthem and Cigna to complete the merger subject to any conditions?***

A: Yes. The obligation of each of Anthem and Cigna to complete the merger is subject to a number of closing conditions, including, among other things, (1) the adoption of the merger agreement by Cigna shareholders; (2) the approval of the share issuance by Anthem shareholders; (3) the expiration or termination of the applicable waiting period under the HSR Act; (4) the approval of the merger by various state regulatory authorities; (5) the absence of legal restraints that prohibit the completion of the mergers; (6) the approval for listing on the NYSE of the Anthem common stock to be issued in the share issuance; and (7) the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part filed by Anthem with the SEC being declared effective. The obligation of each party to complete the merger is also conditioned upon the other party's representations and warranties being true and correct (subject to certain materiality exceptions), the other party having performed in all material respects its obligations under the

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merger agreement and the other party not having suffered a material adverse effect, as defined in the merger agreement. For a more complete summary of the conditions that must be satisfied (or, to the extent permitted by applicable law, waived) prior to completion of the merger, see the section entitled *The Merger Agreement Conditions to the Merger* beginning on page 202 of this joint proxy statement/prospectus.

***Q: When do you expect to complete the merger?***

A: As of the date of this joint proxy statement/prospectus, it is not possible to accurately estimate the closing date of the merger because the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of the conditions to Anthem's and Cigna's obligations to complete the merger; however, Anthem and Cigna expect the merger to close in the second half of 2016. Due to the governmental approvals and other conditions to the merger, no assurance can be given as to when, or if, the merger will be completed. Though an outside date of January 31, 2017, has been set for the closing of the merger, this outside date can be extended by Anthem or Cigna, by written notice to the other party, to a date not later than April 30, 2017, if all conditions to the merger have been satisfied except for the receipt of regulatory approvals and other governmental consents.

***Q: What will happen to outstanding Cigna equity awards in the merger?***

A: Under the terms of the merger agreement:

each Cigna stock option that is unvested as of immediately prior to the effective time of the merger will be converted at the effective time of the merger into an option to purchase, on the same terms and conditions (including applicable vesting requirements), a number of shares of Anthem common stock (rounded down to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such unvested Cigna stock option by the equity award exchange ratio, with a per-share exercise price (rounded up to the nearest whole cent) determined by dividing the per-share exercise price of the Cigna stock option by the equity award exchange ratio;

each Cigna stock option that is vested as of immediately prior to the effective time of the merger will be cancelled at the effective time of the merger in exchange for a cash payment and a number of vested shares of Anthem common stock with an aggregate value equal to the excess, if any, of the value of the per-share merger consideration over the Cigna stock option's per share exercise price. The portions of the foregoing amount that are payable in cash and vested shares of Anthem common stock, respectively, will equal the portions of the per-share merger consideration that are payable in cash and vested shares of Anthem common stock to Cigna shareholders generally;

each Cigna restricted stock award granted prior to July 1, 2015 to an employee who Cigna designates as a career band 4 employee for this purpose will be cancelled at the effective time in exchange for the same cash and stock merger consideration received by Cigna shareholders generally, except that the stock portion of such consideration will remain subject to the same terms and conditions (including applicable vesting requirements) as were applicable to the Cigna restricted stock award prior to the effective time. Each other



Cigna restricted stock award will be converted at the effective time, on the same terms and conditions (including applicable vesting requirements), into a restricted stock award with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such Cigna restricted stock award by the equity award exchange ratio;

each Cigna restricted stock unit award and strategic performance share award will be converted at the effective time of the merger into a service-based restricted stock unit award, on the same terms and conditions (including applicable vesting schedule, but without continuing performance-based vesting conditions), with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to each Cigna restricted stock unit award or strategic performance share award by the equity award exchange

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ratio. For purposes of determining the number of shares of Cigna common stock subject to each Cigna strategic performance share award, the applicable performance goals will be deemed achieved at the greatest of target level, the level achieved for the most recently concluded strategic performance share award cycle ending prior to the effective time of the merger and the average of the levels achieved for the two most recently concluded strategic performance share award cycles ending prior to the effective time of the merger;

each Cigna deferred stock unit or similar award granted or deferred under any Cigna stock plan will be converted at the effective time of the merger into a deferred stock unit award, on the same terms and conditions, with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such Cigna deferred stock unit by the equity award exchange ratio; and

any converted Anthem stock options, restricted stock awards and restricted stock units described in this section will vest in full upon certain types of terminations of employment at or within two years following the effective time of the merger.

See the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Treatment of Cigna Equity Awards* beginning on page 176 of this joint proxy statement/prospectus.

***Q: What do I need to do now?***

A: After carefully reading and considering the information contained in and incorporated by reference into this joint proxy statement/prospectus, including its annexes, please submit your proxy as promptly as possible, so that your shares may be represented and voted at the applicable special meeting. To vote your shares of Anthem common stock or Cigna common stock, as applicable, do so by:

signing, dating, marking and returning the enclosed proxy card in the accompanying postage-paid return envelope;

submitting your proxy over the Internet or by telephone by following the instructions included on your proxy card; or

attending the applicable special meeting and voting by ballot in person.

If you hold shares in street name, please instruct your broker, bank or other nominee to vote your shares by following the instructions that your broker, bank or other nominee provides to you with these proxy materials. Your broker, bank or other nominee will vote your shares of Anthem common stock or Cigna common stock for you only if you provide instructions to it on how to vote. Please refer to the voting instruction card used by your broker, bank or other nominee to see if you may submit voting instructions by telephone or over the Internet.

***Q: Should I send in my Cigna stock certificates now?***

A: No. Cigna shareholders should not send in their stock certificates at this time. After completion of the merger, the exchange agent will send you a letter of transmittal and instructions for exchanging your shares of Cigna common stock for the merger consideration. The shares of Anthem common stock you receive in the merger will be issued in uncertificated book-entry form. See the section entitled *The Merger Agreement Exchange of Certificates* beginning on page 185 of this joint proxy statement/prospectus.

***Q: How will the merger be financed?***

A: Anthem currently intends to finance the cash consideration and related fees and expenses with available cash and the proceeds from any combination of (1) the issuance of senior unsecured notes, (2) the borrowings of senior unsecured term loans and/or (3) the issuance of common or preferred equity or equity-

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linked securities in lieu of any borrowings under the bridge facility (as defined in the section entitled *Summary Financing of the Merger* beginning on page 23 of this joint proxy statement/prospectus). To the extent that Anthem has not received proceeds from such senior unsecured notes, senior unsecured term loans and/or common or preferred equity or equity-linked securities at or prior to completion of the merger that are sufficient to finance the cash consideration and related fees and expenses, Anthem will finance a portion of the cash consideration and related fees and expenses with borrowings under the bridge facility. Anthem's ability to obtain financing in lieu of borrowings under the bridge facility will be subject to various factors, including market conditions and operating performance, and there is no guarantee that such financing will be available to Anthem at all or on acceptable terms.

***Q: Is the completion of the merger subject to a financing condition?***

A: No. The receipt of financing by Anthem or Merger Sub is not a condition to completion of the merger and, accordingly, Anthem will be required to complete the merger (assuming that all of the conditions to its obligations to complete the merger under the merger agreement are satisfied) whether or not debt financing or other financing is available at all or on acceptable terms.

***Q: Will the Anthem common stock issued to Cigna shareholders at the time of completion of the merger be traded on an exchange?***

A: Yes. It is a condition to the closing of the merger that the shares of Anthem common stock to be issued to Cigna shareholders in the merger be approved for listing on the NYSE, subject to official notice of issuance.

***Q: Will current Anthem shareholders be affected by the merger?***

A: Upon completion of the merger, each Anthem shareholder will hold the same number of shares of Anthem common stock that such shareholder held immediately prior to completion of the merger. As a result of the merger, Anthem shareholders will own shares in a larger company with more assets. However, because Anthem will be issuing shares of Anthem common stock to Cigna shareholders in exchange for their shares of Cigna common stock in connection with the merger, each outstanding share of Anthem common stock immediately prior to the merger will represent a smaller percentage of the aggregate number of shares of Anthem common stock outstanding after the merger.

***Q: If I am an Anthem shareholder, whom should I call with questions?***

A: If you have any questions about the merger or the Anthem special meeting, or desire additional copies of this joint proxy statement/prospectus, proxy cards or voting instruction forms, you should contact:  
MacKenzie Partners, Inc.

105 Madison Avenue

Edgar Filing: CIGNA CORP - Form DEFM14A

New York, New York 10016

Telephone (Toll-Free): (800) 322-2885

Telephone (Collect): (212) 929-5500

Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)

or

Anthem, Inc.

120 Monument Circle

Mail No. IN0102-B381

Indianapolis, Indiana 46204

Attention: Secretary

Telephone: (800) 985-0999

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***Q: If I am a Cigna shareholder, whom should I call with questions?***

A: If you have any questions about the merger or the Cigna special meeting, or desire additional copies of this joint proxy statement/prospectus, proxy cards or voting instruction forms, you should contact:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10022

Shareholders May Call Toll-Free: (877) 456-3510

Banks & Brokers May Call Collect: (212) 750-5833

or

Cigna Corporation

Two Liberty Place, 5<sup>th</sup> Floor

1601 Chestnut Street

Philadelphia, Pennsylvania 19192-1550

Attention: Shareholder Services

Email: [shareholderservices@cigna.com](mailto:shareholderservices@cigna.com)

Telephone: (215) 761-3516

***Q: Where can I find more information about Anthem and Cigna?***

A: You can find more information about Anthem and Cigna from the various sources described under the section entitled *Where You Can Find More Information* beginning on page 241 of this joint proxy statement/prospectus.

**Table of Contents****SUMMARY**

*This summary highlights selected information from this joint proxy statement/prospectus. It may not contain all of the information that is important to you. You are urged to read this entire joint proxy statement/prospectus and the other documents referred to or incorporated by reference into this joint proxy statement/prospectus in order to fully understand the merger, the merger agreement and the other related transactions and agreements. See the section entitled *Where You Can Find More Information* beginning on page 241 of this joint proxy statement/prospectus. Each item in this summary refers to the beginning page of this joint proxy statement/prospectus on which that subject is discussed in more detail.*

**The Companies (See page 78)*****Anthem, Inc.***

Anthem, Inc. is one of the largest health benefits companies in terms of medical membership in the United States, serving 38.5 million medical members through its affiliated health plans as of June 30, 2015. Anthem is an independent licensee of the Blue Cross and Blue Shield Association, referred to as the BCBSA in this joint proxy statement/prospectus, an association of independent health benefit plans. Anthem serves its members as the Blue Cross licensee for California and as the Blue Cross and Blue Shield, referred to as the BCBS in this joint proxy statement/prospectus, licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as BCBS in 10 New York City metropolitan and surrounding counties, and as Blue Cross or BCBS in selected upstate counties only), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.) and Wisconsin. In a majority of these service areas Anthem does business as Anthem Blue Cross, Anthem Blue Cross and Blue Shield, Blue Cross and Blue Shield of Georgia, and Empire Blue Cross Blue Shield, or Empire Blue Cross (in its New York service areas). Anthem also conducts business through arrangements with other BCBS licensees in the states of South Carolina and Texas. Anthem conducts business through its AMERIGROUP Corporation, or Amerigroup, subsidiary, in Florida, Georgia, Kansas, Louisiana, Maryland, Nevada, New Jersey, New Mexico, New York, Tennessee, Texas and Washington. Anthem conducts business through its recently acquired Simply Healthcare Holdings, Inc. subsidiary in the state of Florida. Anthem also serves customers throughout the country as HealthLink, UniCare (including a non-risk arrangement with the state of Massachusetts), and in certain Arizona, California, Nevada, New York and Virginia markets through its CareMore Health Group, Inc., or CareMore, subsidiary. Anthem is licensed to conduct insurance operations in all 50 states through its subsidiaries.

Anthem's common stock is listed on the NYSE under the symbol ANTM.

The principal executive offices of Anthem are located at 120 Monument Circle, Indianapolis, Indiana 46204 and its telephone number is (317) 488-6000.

***Cigna Corporation***

Cigna, together with its subsidiaries, is a global health services organization dedicated to a mission of helping individuals improve their health, well-being and sense of security. To execute on its mission, Cigna's strategy is to *Go Deep*, *Go Global* and *Go Individual* with a differentiated set of medical, dental, disability, life and accident insurance and related products and services offered by its subsidiaries. They:

GO DEEP by targeting key segments and geographies;

GO GLOBAL with solutions that leverage its capabilities in a borderless environment; and

GO INDIVIDUAL to better understand and satisfy the holistic needs of each person they serve.



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In an increasingly retail oriented marketplace, Cigna delivers affordable and personalized products and services to customers through employer-based, government-sponsored and individual coverage arrangements. Cigna increasingly collaborates with health care providers to transition from volume-based fee for service arrangements toward a more value-based system designed to increase quality of care, lower costs and improve health outcomes. Cigna operates a customer-centric organization enabled by keen insights regarding customer needs, localized decision-making and talented professionals committed to bringing Cigna's Together All the Way brand promise to life.

Cigna's common stock is listed on the NYSE under the symbol **CI**.

The principal executive offices of Cigna are located at 900 Cottage Grove Road, Bloomfield, Connecticut 06002 and its telephone number is (860) 226-6000.

***Anthem Merger Sub Corp.***

Anthem Merger Sub Corp. is a Delaware corporation and a direct wholly owned subsidiary of Anthem. Merger Sub was formed exclusively for the purpose of completing the merger. At the effective time of the merger, Merger Sub will be merged with and into Cigna, with Cigna as the initial surviving corporation. Merger Sub has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement.

The principal executive offices of Merger Sub are located at 120 Monument Circle, Indianapolis, Indiana 46204 and its telephone number is (317) 488-6000.

**The Mergers and the Merger Agreement (See page 180)**

The merger agreement provides that, upon the terms and subject to the conditions in the merger agreement, and in accordance with the DGCL, at the effective time of the merger, Merger Sub will merge with and into Cigna. As a result of the merger, the separate corporate existence of Merger Sub will cease, and Cigna will continue as the initial surviving corporation in the merger and a wholly owned subsidiary of Anthem. Immediately following the completion of the merger, the merger agreement provides that, upon the terms and subject to the conditions in the merger agreement, and in accordance with the DGCL and the IBCL, if certain tax opinions are delivered by the outside counsel of Anthem and Cigna to each of Anthem and Cigna prior to the effective time of the merger to the effect that the merger and the second merger, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code, the initial surviving corporation will merge with and into Anthem (see the section entitled *The Merger Agreement Second Merger Agreement* beginning on page 209 of this joint proxy statement/prospectus for a description of the second merger agreement). As a result of the second merger, the separate corporate existence of the initial surviving corporation will cease, and Anthem will continue as the surviving corporation. The mergers will not be completed without the approval of the share issuance by Anthem shareholders and the adoption of the merger agreement by Cigna shareholders.

A copy of the merger agreement is attached as **Annex A** to this joint proxy statement/prospectus. **You are urged to read the merger agreement in its entirety because it is the legal document that governs the merger.** For more information on the merger and the merger agreement, see the sections entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of The Merger Agreement* and *The Merger Agreement* beginning on pages 94 and 180, respectively, of this joint proxy statement/prospectus.

As of the date of this joint proxy statement/prospectus, it is not possible to accurately estimate the closing date of the merger because the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of the

conditions to Anthem's and Cigna's obligations to complete the merger; however, Anthem and Cigna expect the merger to close in the second half of 2016. Due to the governmental consents and other conditions to the merger, no assurance can be given as to when, or if, the merger will be completed. Though an

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outside date of January 31, 2017, has been set for the closing of the merger, this outside date may be extended by Anthem or Cigna to a date not later than April 30, 2017, if, on January 31, 2017, the only conditions under the merger agreement that have not been satisfied relate to an injunction or restraint that prevents or prohibits completion of the mergers, a governmental entity having instituted an action or proceeding seeking to enjoin, restrain or prohibit completion of the mergers or the receipt of all necessary government consents; provided that such restraint, action or proceeding relates to antitrust laws, healthcare or insurance laws or licenses or rules of the BCBSA.

**What Cigna Shareholders Will Receive in the Merger (See page 181)**

If the merger is completed, each share of Cigna common stock (other than (1) Cigna treasury shares, (2) shares of Cigna common stock beneficially owned by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares of Cigna common stock that are owned by Cigna shareholders who have not voted in favor of the merger and who have properly demanded in writing appraisal for such shares pursuant to Section 262 of the DGCL and (4) shares of Cigna common stock subject to Cigna restricted stock awards) will be automatically converted into the right to receive (x) \$103.40 in cash, without interest, and (y) 0.5152 shares of Anthem common stock. No fractional shares of Anthem common stock will be issued in the merger, and Cigna shareholders will receive cash in lieu of any fractional shares.

**Anthem Special Meeting (See page 80)**

***General***

The Anthem special meeting will be held at 8:00 a.m., Eastern Time, on Thursday, December 3, 2015, at the Conrad Hotel at 50 West Washington Street, Indianapolis, Indiana 46204. At the Anthem special meeting, Anthem shareholders will vote on:

the approval of the share issuance; and

the approval of the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting.

The approval of the share issuance by Anthem shareholders is a condition to the obligations of Anthem and Cigna to complete the merger.

***Record Date***

The Anthem board of directors has fixed the close of business on October 22, 2015, as the Anthem record date, for determination of the Anthem shareholders entitled to vote at the Anthem special meeting and any adjournment or postponement thereof. Only Anthem shareholders of record as of the close of business on the Anthem record date are entitled to receive notice of, and to vote at, the Anthem special meeting or any adjournment or postponement thereof.

As of the close of business on the Anthem record date, there were 260,983,596 shares of Anthem common stock outstanding and entitled to vote at the Anthem special meeting. Each outstanding share of Anthem common stock is entitled to one vote.

*Quorum*

In order for business to be conducted at the Anthem special meeting, 25% of the votes entitled to be cast on a matter, represented in person or by proxy, must be present. Abstentions are included in determining whether a

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quorum is present. If your shares are held in street name and you provide your broker, bank or other nominee with voting instructions, then your shares will be included in determining whether a quorum is present. If your shares are held in street name and you do not provide your broker, bank or other nominee with voting instructions, then your shares will not be included in determining whether a quorum is present.

***Required Vote***

To approve the share issuance, the votes cast **FOR** such proposal at the Anthem special meeting must exceed the votes cast **AGAINST** such proposal. **Anthem cannot complete the merger unless its shareholders approve the share issuance.** Because this proposal requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the Anthem special meeting, an abstention will have no effect on the outcome of any vote to approve the share issuance. A broker non-vote or other failure to vote will similarly have no effect on the outcome of any vote to approve the share issuance.

To approve the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting, the votes cast **FOR** such proposal at the Anthem special meeting must exceed the votes cast **AGAINST** such proposal. Because this proposal requires the affirmative vote of a majority of the votes cast, in person or by proxy, at the Anthem special meeting, an abstention will have no effect on the outcome of any vote on the proposal to adjourn the Anthem special meeting. A broker non-vote or other failure to vote will similarly have no effect on the outcome of any vote to adjourn the Anthem special meeting.

***Share Ownership of and Voting by Anthem Directors and Executive Officers***

As of the close of business on the Anthem record date, Anthem's directors and executive officers and their affiliates beneficially owned and were entitled to vote shares representing less than 1% of the shares of Anthem common stock entitled to vote at the Anthem special meeting. It is expected that Anthem's directors and executive officers and their affiliates will vote their shares **FOR** the share issuance and **FOR** the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting.

**Cigna Special Meeting (See page 86)*****General***

The Cigna special meeting will be held at 9:00 a.m., Eastern Time (8:00 a.m. Central Time), on Thursday, December 3, 2015, at the Hyatt Regency O'Hare at 9300 Bryn Mawr Avenue, Rosemont, Illinois 60018. At the Cigna special meeting, Cigna shareholders will vote on:

the adoption of the merger agreement;

the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger; and

the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.

The adoption of the merger agreement by Cigna shareholders is a condition to the obligations of Anthem and Cigna to complete the merger.

***Record Date***

The Cigna board of directors has fixed the close of business on October 22, 2015, as the Cigna record date, for determination of the Cigna shareholders entitled to vote at the Cigna special meeting or any adjournment or

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postponement thereof. Only Cigna shareholders of record as of the close of business on the Cigna record date are entitled to receive notice of, and to vote at, the Cigna special meeting or any adjournment or postponement thereof.

As of the close of business on the Cigna record date, there were 257,627,908 shares of Cigna common stock outstanding and entitled to vote at the Cigna special meeting. Each outstanding share of Cigna common stock is entitled to one vote.

***Quorum***

The holders of at least two-fifths of the issued and outstanding Cigna shares entitled to vote at the Cigna special meeting, present in person or represented by proxy at the Cigna special meeting, will constitute a quorum. Shares of Cigna common stock represented at the Cigna special meeting but not voted, including Cigna shares for which a shareholder directs an abstention from voting, will be counted as present for purposes of establishing a quorum. Broker non-votes (Cigna shares held by banks, brokers or other nominees commonly referred to as shares held in street name that are present in person or represented by proxy at the Cigna special meeting but with respect to which the broker or other shareholder of record is not instructed by the beneficial owner of such shares how to vote on a particular proposal and the broker does not have discretionary voting power on such proposal), if any, will not be counted as present for purposes of establishing a quorum.

***Required Vote***

Adoption of the merger agreement requires the affirmative vote, in person or by proxy, of the holders of a majority of all outstanding shares of Cigna common stock entitled to vote on such proposal is required. **Cigna cannot complete the merger unless its shareholders adopt the merger agreement.** Because adoption requires the affirmative vote, in person or by proxy, of the holders of a majority of all outstanding shares of Cigna common stock entitled to vote on such proposal, **a Cigna shareholder's abstention from voting, the failure of a Cigna shareholder who holds his or her shares in street name through a broker, bank or other nominee to give voting instructions to that broker, bank or other nominee or a Cigna shareholder's other failure to vote will have the same effect as a vote AGAINST the adoption of the merger agreement.**

Approval, on a non-binding advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger requires the affirmative vote, in person or by proxy, of holders of a majority of the shares of Cigna common stock present in person or represented by proxy at the Cigna special meeting and entitled to vote on such proposal. Because approval of this proposal requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares present in person or represented by proxy and entitled to vote, an abstention will have the same effect as a vote **AGAINST** the compensation proposal. A broker non-vote or other failure to vote will have no effect on the outcome of any vote to approve the compensation proposal.

Approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting, requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares of Cigna common stock present in person or represented by proxy at the Cigna special meeting and entitled to vote on such proposal. Because approval of this proposal requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares present in person or represented by proxy and entitled to vote, an abstention will have the same effect as a vote **AGAINST** the proposal to adjourn the Cigna special meeting. A broker non-vote or other failure to vote will have no effect on the outcome of any vote to adjourn the Cigna special meeting.





**Table of Contents*****Share Ownership of and Voting by Cigna Directors and Executive Officers***

As of the close of business on the Cigna record date, Cigna's directors and executive officers and their affiliates beneficially owned and were entitled to vote shares representing less than 1% of the shares of Cigna common stock entitled to vote at the Cigna special meeting.

It is expected that Cigna's directors and executive officers and their affiliates will vote their shares **FOR** the adoption of the merger agreement, **FOR** the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and **FOR** the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting.

**Recommendation of the Anthem Board of Directors (See page 81)**

After consideration and consultation with its advisors, the Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement (1) determined that the share issuance is in the best interests of Anthem and Anthem shareholders, and (2) approved the merger agreement and the transactions contemplated by the merger agreement, including the mergers and the share issuance.

The Anthem board of directors by unanimous vote of those directors voting with one absent director separately indicating agreement recommends that Anthem shareholders vote **FOR** the share issuance and **FOR** the adjournment of the Anthem special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the share issuance at the time of the Anthem special meeting. For the factors considered by the Anthem board of directors in reaching this decision, see the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Anthem's Reasons for the Merger; Recommendation of the Anthem Board of Directors* beginning on page 116 of this joint proxy statement/prospectus.

**Recommendations of the Cigna Board of Directors (See page 87)**

At a meeting on July 23, 2015, the Cigna board of directors unanimously (1) approved the merger agreement, (2) declared that the merger and the other transactions contemplated by the merger agreement are in the best interests of Cigna and its shareholders, (3) directed that the merger agreement be submitted to Cigna shareholders for their adoption, (4) recommended that Cigna shareholders vote **FOR** the adoption of the merger agreement and (5) further resolved that it recommend to the shareholders of Cigna that they approve a non-binding, advisory proposal to approve the compensation that may be paid or become payable to Cigna's named executive officers in connection with the merger and the other transactions contemplated by the merger agreement pursuant to already existing contractual obligations of Cigna (as such obligations may be amended consistent with the terms of the merger agreement).

The Cigna board of directors unanimously recommends that Cigna shareholders vote **FOR** the adoption of the merger agreement, **FOR** the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Cigna's named executive officers in connection with the completion of the merger and **FOR** the approval of the adjournment of the Cigna special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Cigna special meeting. See the sections entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I:*

*Adoption of the Merger Agreement Cigna's Reasons for the Merger; Recommendation of the Cigna Board of Directors, Cigna Proposal II: Non-Binding, Advisory Vote on Compensation and Cigna Proposal III:*



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*Adjournment of Cigna Special Meeting* beginning on pages 121, 211 and 212, respectively, of this joint proxy statement/prospectus for a more detailed discussion of the recommendation.

**Opinions of Anthem's Financial Advisors (See page 126)**

***Opinion of UBS***

On July 23, 2015, at a meeting of the Anthem board of directors held to evaluate the merger agreement and the transactions contemplated thereby, UBS delivered to the Anthem board of directors an oral opinion, which opinion was subsequently confirmed by delivery of a written opinion, dated July 24, 2015, to the effect that, as of that date and based on and subject to various assumptions made, matters considered and limitations described in its written opinion, the merger consideration was fair, from a financial point of view, to Anthem.

The full text of UBS's opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS. The opinion is attached to this joint proxy statement/prospectus as **Annex B** and is incorporated into this joint proxy statement/prospectus by reference. **The summary of UBS's opinion in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of UBS's written opinion. Holders of Anthem common stock are encouraged to read UBS's opinion carefully in its entirety. UBS's opinion was provided for the benefit of the Anthem board of directors (in its capacity as such) in connection with, and for the purpose of, its evaluation of the merger consideration from a financial point of view, and does not address any other aspect of the mergers or any related transaction. UBS's opinion does not address the relative merits of the mergers as compared to other business strategies or transactions that might be available with respect to Anthem or Anthem's underlying business decision to effect the mergers or any related transaction. UBS's opinion does not constitute a recommendation to any Anthem shareholder as to how such shareholder should vote or act with respect to the share issuance or any related transaction.**

***Opinion of Credit Suisse***

On July 23, 2015, at a meeting of the Anthem board of directors held to evaluate the proposed merger, Credit Suisse delivered to the Anthem board of directors its oral opinion, confirmed by delivery of a written opinion, dated July 23, 2015, to the effect that, as of that date and based on and subject to various assumptions, matters considered and limitations described in such opinion, the merger consideration was fair, from a financial point of view, to Anthem. The full text of Credit Suisse's written opinion is attached to this joint proxy statement/prospectus as **Annex C** and sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken. **Credit Suisse's opinion was provided to the Anthem board of directors (in its capacity as such) for its information in connection with its evaluation of the merger consideration to be paid by Anthem and did not address any other aspect of the merger, including the relative merits of the merger as compared to alternative transactions or strategies that might be available to Anthem or the underlying business decision of Anthem to proceed with the merger. The opinion does not constitute advice or a recommendation to any Anthem shareholder as to how such shareholder should vote or act on any matter relating to the merger or otherwise.**

**Opinion of Cigna's Financial Advisor (See page 145)**

Morgan Stanley & Co. LLC, referred to as *Morgan Stanley*, was retained by the Cigna board of directors to act as its financial advisor in connection with the mergers. On July 23, 2015, Morgan Stanley rendered its oral opinion, which was subsequently confirmed in writing, to the Cigna board of directors to the effect that, as of such date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations

on the scope of review undertaken by Morgan Stanley as set forth in its written

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opinion, the consideration to be received by the holders of shares of Cigna common stock (other than (1) shares that are held directly by Cigna as treasury stock, (2) shares held by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares as to which appraisal has been properly demanded under applicable law or (4) shares subject to restricted stock awards of Cigna) pursuant to the merger agreement was fair from a financial point of view to such holders.

**The full text of Morgan Stanley's written opinion to the Cigna board of directors, dated July 23, 2015, which sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion, is attached to this joint proxy statement/prospectus as Annex D. The foregoing summary of Morgan Stanley's opinion is qualified in its entirety by reference to the full text of the opinion. You are encouraged to read Morgan Stanley's opinion, this section and the summary of Morgan Stanley's opinion below carefully and in their entirety. Morgan Stanley's opinion was for the benefit of the Cigna board of directors, in its capacity as such, and addressed only the fairness from a financial point of view of the consideration to be received by the holders of shares of Cigna common stock (other than (1) shares that are held directly by Cigna as treasury stock, (2) shares held by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares as to which appraisal has been properly demanded under applicable law or (4) shares subject to restricted stock awards of Cigna) pursuant to the merger agreement as of the date of the opinion and did not address any other aspects or implications of the mergers. Morgan Stanley's opinion was not intended to, and does not, constitute advice or a recommendation as to how Cigna's shareholders should vote at any shareholders' meeting to be held in connection with the mergers or take any other action with respect to the mergers.**

**Financing of the Merger (See page 161)**

On July 23, 2015, Anthem entered into a commitment letter, referred to as the "initial commitment letter" in this joint proxy statement/prospectus, with Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse AG, Credit Suisse Securities (USA) LLC, UBS Securities LLC and UBS AG, Stamford Branch pursuant to which Bank of America, N.A., Credit Suisse AG and UBS AG, Stamford Branch, referred to as the "initial bridge lenders" in this joint proxy statement/prospectus, committed to provide up to \$26.5 billion in aggregate principal amount of loans under a 364-day senior unsecured bridge term loan credit facility, referred to as the "bridge facility" in this joint proxy statement/prospectus, to finance a portion of the cash consideration payable by Anthem in connection with the merger to the extent that Anthem had not received up to \$26.5 billion of proceeds from any combination of (1) the issuance of senior unsecured notes, (2) the borrowings of senior unsecured term loans and/or (3) the issuance of common or preferred equity or equity-linked securities at or prior to completion of the merger. On August 25, 2015, Anthem entered into a term loan agreement, referred to as the "term loan agreement" in this joint proxy statement/prospectus, with Bank of America, N.A., as administrative agent, and the lenders party thereto, referred to as the "term lenders" in this joint proxy statement/prospectus, pursuant to which the term lenders committed to provide up to \$4.0 billion in aggregate principal amount of term loans under the term loan agreement, referred to as the "term loan facility" in this joint proxy statement/prospectus, to finance a portion of the cash consideration payable by Anthem in connection with the merger. Pursuant to the terms of the initial commitment letter, the commitments under the term loan facility automatically correspondingly reduced the commitments of the initial bridge lenders under the initial commitment letter. Additionally, on August 25, 2015, Anthem and the initial bridge lenders entered into a joinder agreement to the initial commitment letter, the initial commitment letter, as supplemented by such joinder agreement, referred to as the "commitment letter" in this joint proxy statement/prospectus, with a syndicate of additional financial institutions, referred to, together with the initial bridge lenders, as the "bridge lenders" in this joint proxy statement/prospectus, pursuant to which the bridge lenders have committed to provide the remaining \$22.5 billion in aggregate principal amount of loans under the bridge facility. The bridge lenders' commitment to provide the bridge facility is subject to customary conditions as set forth in the commitment letter, including, among others, the

completion of the merger, non-occurrence of a material

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adverse effect (as defined in the commitment letter) with respect to Cigna, the negotiation, execution and delivery of the credit documentation with respect to the bridge facility, the accuracy of certain representations by Anthem, the accuracy of certain representations made by Cigna in the merger agreement, delivery of certain financial statements of Anthem and Cigna and delivery of certain pro forma financial information of Anthem. For a more complete description of Anthem's financing for the merger, see the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Financing of the Merger* beginning on page 161 of this joint proxy statement/prospectus.

### **Interests of Certain Cigna Directors and Executive Officers in the Merger (See page 164)**

Certain Cigna directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of the Cigna shareholders generally. The Cigna board of directors was aware of these interests and considered them, among other things, in evaluating and negotiating the merger agreement and the merger and in recommending that the Cigna shareholders adopt the merger agreement.

### **Board of Directors and Certain Officers of Anthem Following the Merger (See page 169)**

Pursuant to the merger agreement, as of the effective time of the merger, the Anthem board of directors will be increased so it consists of 14 members comprised of the nine current members of the Anthem board of directors and five current members of the Cigna board of directors designated by Cigna, one of which will be the current President and Chief Executive Officer of Cigna, David Cordani, and four of which must be independent under the rules of the NYSE and the SEC with respect to Anthem. Joseph Swedish will be the chairman of the Anthem board of directors and any executive committee of the Anthem board of directors as of the effective time of the merger.

As of the effective time of the merger, Joseph Swedish will be the Chief Executive Officer of Anthem and David Cordani will be the President and Chief Operating Officer of Anthem.

### **Regulatory Approvals Required for the Merger (See page 170)**

Completion of the merger is conditioned upon expiration or termination of the waiting period (and any extension thereof) applicable to the merger under the HSR Act and certain specified necessary consents having been made or obtained and being in full force and effect, without the imposition of any burdensome terms or conditions as defined in the merger agreement and further described in this joint proxy statement/prospectus.

Under the HSR Act, certain transactions, including the merger, may not be completed unless certain waiting period requirements have expired or been terminated. The HSR Act provides that each party must file a pre-merger notification with the FTC and the Antitrust Division of the DOJ. Anthem and Cigna each filed its required HSR Act notification and report with respect to the merger on August 27, 2015. On September 28, 2015, the parties received a request for additional information and documentary material (referred to as a second request in this joint proxy statement/prospectus) from the DOJ regarding the merger. The effect of the second request was to extend the waiting period imposed by the HSR Act until 30 days after each party has substantially complied with the second request, unless that period is terminated sooner by the DOJ. The parties are working to promptly respond to the second request and continue to work cooperatively with the DOJ in connection with this review.

Pursuant to the insurance, healthcare and pharmacy laws and regulations of certain states, the federal government and certain non-U.S. jurisdictions, and pursuant to certain licenses and contracts of Cigna and certain of its subsidiaries, applicable regulatory authorities must approve, or be notified of, Anthem's acquisition of control of Cigna's health maintenance organizations, insurance companies and other regulated entities. To obtain





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these approvals and provide such notices, Anthem, or the applicable Anthem subsidiary, and in some instances Cigna, or the applicable Cigna regulated entity, as the case may be, has filed or will file acquisition of control and material modification or similar statements, notices or applications, as required by the insurance, healthcare and pharmacy laws and regulations of each applicable jurisdiction or the Cigna regulated entities' licenses and contracts.

Neither Anthem nor Cigna is aware of any material governmental approvals or actions that are required for completion of the merger other than those described above.

Anthem and Cigna have agreed to use their reasonable best efforts to take, or cause to be taken, all actions, to do, or cause to be done, all things reasonably necessary to satisfy the conditions to closing the merger as set forth in the merger agreement and to consummate the mergers and the other transactions contemplated by the merger agreement, which reasonable best efforts include Anthem and its affiliates and Cigna and its affiliates taking any and all action necessary to avoid each and every impediment under the HSR Act, any healthcare law, antitrust law, insurance law or other applicable law that may be asserted by or on behalf of any governmental entity with respect to the merger agreement, the mergers and the other transactions contemplated by the merger agreement or that arise under or relate to any contracts between either Cigna or Anthem and any governmental entity, so as to enable the closing of the merger to occur as promptly as practicable so long as these actions do not have, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on Anthem, Cigna and their respective subsidiaries, taken as a whole, after giving effect to the mergers.

### **Material U.S. Federal Income Tax Consequences of the Merger (See page 172)**

The merger and the second merger, taken together, are intended to qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. Accordingly, for U.S. federal income tax purposes, a U.S. holder of Cigna common stock generally will recognize gain, but not loss, in an amount not to exceed the cash received in the merger and will recognize gain or loss with respect to any cash received in lieu of fractional shares of Anthem common stock.

### **Accounting Treatment (See page 176)**

The merger will be accounted for using the acquisition method of accounting with Anthem considered the acquirer of Cigna. Anthem will record assets acquired, including identifiable intangible assets, and liabilities assumed from Cigna at their respective fair values at the date of completion of the merger. Any excess of the purchase price over the net fair value of such assets and liabilities will be recorded as goodwill.

### **Treatment of Cigna Equity Awards (See page 176)**

Under the terms of the merger agreement:

each Cigna stock option that is unvested as of immediately prior to the effective time of the merger will be converted at the effective time of the merger into an option to purchase, on the same terms and conditions (including applicable vesting requirements), a number of shares of Anthem common stock (rounded down to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such unvested Cigna stock option by the equity award exchange ratio, with a per-share exercise price (rounded up to the nearest whole cent) determined by dividing the per-share exercise price of the Cigna stock option by the equity award exchange ratio;

each Cigna stock option that is vested as of immediately prior to the effective time of the merger will be cancelled at the effective time of the merger in exchange for a cash payment and a number of vested shares of Anthem common stock with an aggregate value equal to the excess, if any, of the value of the

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per-share merger consideration over the Cigna stock option's per share exercise price. The portions of the foregoing amount that are payable in cash and vested shares of Anthem common stock, respectively, will equal the portions of the per-share merger consideration that are payable in cash and vested shares of Anthem common stock to Cigna shareholders generally;

each Cigna restricted stock award granted prior to July 1, 2015 to an employee who Cigna designates as a career band 4 employee for this purpose will be cancelled at the effective time in exchange for the same cash and stock merger consideration received by Cigna shareholders generally, except that the stock portion of such consideration will remain subject to the same terms and conditions (including applicable vesting requirements) as were applicable to the Cigna restricted stock award prior to the effective time. Each other Cigna restricted stock award will be converted at the effective time, on the same terms and conditions (including applicable vesting requirements), into a restricted stock award with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such Cigna restricted stock award by the equity award exchange ratio;

each Cigna restricted stock unit award and strategic performance share award will be converted at the effective time of the merger into a service-based restricted stock unit award, on the same terms and conditions (including applicable vesting schedule, but without continuing performance-based vesting conditions), with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to each Cigna restricted stock unit award or strategic performance share award by the equity award exchange ratio. For purposes of determining the number of shares of Cigna common stock subject to each Cigna strategic performance share award, the applicable performance goals will be deemed achieved at the greatest of target level, the level achieved for the most recently concluded strategic performance share award cycle ending prior to the effective time of the merger and the average of the levels achieved for the two most recently concluded strategic performance share award cycles ending prior to the effective time of the merger;

each Cigna deferred stock unit or similar award granted or deferred under any Cigna stock plan will be converted at the effective time of the merger into a deferred stock unit award, on the same terms and conditions, with respect to a number of shares of Anthem common stock (rounded up to the nearest whole share) determined by multiplying the number of shares of Cigna common stock subject to such Cigna deferred stock unit by the equity award exchange ratio; and

any converted Anthem stock options, restricted stock awards and restricted stock units described in this section will vest in full upon certain types of terminations of employment at or within two years following the effective time of the merger.

**Listing of Shares of Anthem Common Stock and Delisting and Deregistration of Cigna Common Stock (See page 178)**

Under the terms of the merger agreement, Anthem is required to use its reasonable best efforts to cause the shares of Anthem common stock to be issued in the share issuance to be approved for listing on the NYSE, subject to official notice of issuance, prior to the closing of the merger. It is a condition to both parties' obligations to complete the merger that such approval is obtained, subject to official notice of issuance. Accordingly, application will be made to

have the shares of Anthem common stock to be issued in the share issuance approved for listing on the NYSE, where shares of Anthem common stock are currently traded.

If the merger is completed, there will no longer be any publicly held shares of Cigna common stock. Accordingly, Cigna common stock will no longer be listed on the NYSE and will be deregistered under the Exchange Act.

**Table of Contents****Litigation Relating to the Merger (See page 179)**

Following announcement of the merger, six putative class action complaints, which we collectively refer to as the complaints in this joint proxy statement/prospectus, were filed by purported Cigna shareholders on behalf of a purported class of Cigna shareholders. Five of the complaints, *Leach v. Cigna Corp., et al.*, Civil Action No. 11354-CB, *Copelli v. Cordani, et al.*, Civil Action No. 11373-CB, *Patel v. Cigna Corp., et al.*, Civil Action No. 11377-CB, *Messenger v. Cigna Corp., et al.*, Civil Action No. 11383-CB and *Litwin v. Cigna Corp., et al.*, Civil Action No. 11396-CB were filed in the Court of Chancery of the State of Delaware. The sixth complaint, *Solak v. Cordani, et al.*, Civil Action No. HHD-CV-15-6061337-S, was filed in the Connecticut Superior Court, Judicial District of Hartford.

The complaints name as defendants various combinations of Cigna, members of the Cigna board of directors, Anthem and Merger Sub. The complaints generally assert that the members of the Cigna board of directors breached their fiduciary duties to the Cigna shareholders during merger negotiations and by entering into the merger agreement and approving the merger, and that Cigna, Anthem and Merger Sub aided and abetted such breaches of fiduciary duties. The complaints further allege that, among other things, (1) the merger consideration undervalues Cigna, (2) the sales process leading up to the merger was flawed due to purported conflicts of interest of members of the Cigna board of directors and (3) certain provisions of the merger agreement inappropriately favor Anthem and inhibit competing bids. The complaints seek, among other things, (1) injunctive relief enjoining the merger, (2) rescission of the merger agreement to the extent already implemented and (3) costs and damages.

The defendants believe that the claims asserted against them in the complaints are without merit and intend to defend the litigation vigorously. Additional lawsuits arising out of or relating to the merger agreement or the merger may be filed in the future.

**No Solicitation of Alternative Transactions (See page 194)**

Subject to the exceptions described below, each of Anthem and Cigna has agreed that, during the term of the merger agreement, it will not, and it will cause its subsidiaries and its and their respective directors, officers, employees, agents and representatives not to, directly or indirectly:

solicit, initiate, knowingly encourage or knowingly facilitate, or furnish or disclose non-public information in furtherance of, any inquiries that would reasonably be expected to lead to, or the making of any proposal or offer to implement, any alternative transaction, as such term is defined under the section entitled *The Merger Agreement No Solicitation of Alternative Transactions* beginning on page 194 of this joint proxy statement/prospectus;

negotiate or otherwise engage in discussions with any person (other than each other) with respect to any alternative transaction;

approve, recommend or authorize any alternative transaction; or

enter into any agreement, arrangement or understanding with respect to any alternative transaction or requiring it to abandon, terminate or fail to consummate the mergers or any other transactions contemplated by the merger agreement.

However, at any time prior to, in the case of Anthem, the approval of the share issuance by the Anthem shareholders, or, in the case of Cigna, the adoption of the merger agreement by the Cigna shareholders, Anthem or Cigna, as applicable, may furnish information to, and negotiate or otherwise engage in discussions with, any party who delivers a bona fide written proposal for an alternative transaction that was not solicited after the date of the merger agreement, if and so long as the Anthem board of directors or the Cigna board of directors, as applicable, determines in good faith after consultation with its outside legal counsel that providing such

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information or engaging in such negotiations or discussions is reasonably likely to be required in order for the directors to comply with their fiduciary duties under Indiana law or Delaware law, as applicable, and determines in good faith that such proposal is, or would reasonably be expected to lead to, a superior proposal, as such term is defined under the section entitled *The Merger Agreement No Solicitation of Alternative Transactions* beginning on page 194 of this joint proxy statement/prospectus.

**Completion of the Merger is Subject to Certain Conditions (See page 202)**

The respective obligations of Anthem, Merger Sub and Cigna to effect the merger are subject to the satisfaction or waiver (if permissible under applicable law) on or prior to the closing date of the merger of the following conditions:

no governmental entity or federal or state court of competent jurisdiction having enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that is in effect and that prevents or prohibits the completion of the mergers and no governmental entity having instituted any action or proceeding (which remains pending at what would otherwise be the closing date of the merger) before any United States court or other governmental entity of competent jurisdiction seeking to enjoin, restrain or otherwise prohibit the completion of the mergers;

the waiting period (and any extension thereof) applicable to the merger under the HSR Act having been terminated or expired, certain specified necessary consents having been obtained and are in full force and effect, no burdensome term or condition (as defined in *Efforts to Complete the Merger* on page 198 of this joint proxy statement/prospectus) having been imposed or required as a condition to the receipt of any of the necessary consents and none of the necessary consents containing any burdensome term or condition;

the shares of Anthem common stock to be issued in the merger having been approved for listing on the NYSE, subject to official notice of issuance;

the registration statement of which this joint proxy statement/prospectus forms a part having been declared effective by the SEC and no stop order suspending the effectiveness of the registration statement having been issued by the SEC and no proceedings for that purpose having been initiated or threatened by the SEC;

the Cigna shareholders having adopted the merger agreement; and

the Anthem shareholders having approved the share issuance.

The obligations of Anthem and Merger Sub to effect the merger are subject to the satisfaction or waiver (if permissible under applicable law) by Anthem on or prior to the closing date of the merger of the following additional conditions:

the representations and warranties of Cigna relating to capital structure, authority, no conflicts with respect to the organizational documents of Cigna and its material subsidiaries, board approval and vote required being true and correct in all material respects as of the date of the merger agreement and as of the closing date of the merger as though made on and as of the closing date of the merger (except to the extent such representations or warranties speak of another date, in which case, as of such date);

the representations and warranties of Cigna relating to absence of certain changes being true and correct as of the date of the merger agreement;

all other representations and warranties of Cigna set forth in the merger agreement (in each case, except for representations and warranties with respect to material contracts, read without any materiality, material or material adverse effect qualifications) being true and correct as of the date of



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the merger agreement and as of the closing date of the merger as though made on and as of the closing date of the merger (except to the extent such representations or warranties speak of another date, in which case, as of such date), other than such failures to be true and correct that would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Cigna;

Cigna having performed or complied in all material respects with all agreements and covenants required to be performed by it under the merger agreement at or prior to closing date of the merger;

no material adverse effect (as defined in *Material Adverse Effect* on page 188 of this joint proxy statement/prospectus) on Cigna having occurred at any time on or after the date of the merger agreement; and

the receipt of a certificate of the chief executive officer and the chief financial officer of Cigna certifying that the five preceding conditions have been satisfied.

The obligations of Cigna to effect the merger are subject to the satisfaction or waiver (if permissible under applicable law) by Cigna on or prior to the closing date of the merger of the following additional conditions:

the representations and warranties of Anthem relating to capital structure, authority, no conflicts with respect to the organizational documents of Anthem and its material subsidiaries, board approval and vote required, and the representations of Anthem and Merger Sub relating to capitalization, corporate authorization and non-contravention being true and correct in all material respects as of the date of the merger agreement and as of the closing date of the merger as though made on and as of the closing date of the merger (except to the extent such representations or warranties speak of another date, in which case, as of such date);

the representations and warranties of Anthem relating to absence of certain changes being true and correct as of the date of the merger agreement;

all other representations and warranties of Anthem and Merger Sub set forth in the merger agreement (in each case, except for representations and warranties with respect to material contracts, read without any materiality, material or material adverse effect qualifications) being true and correct as of the date of the merger agreement and as of the closing date of the merger as though made on and as of the closing date of the merger (except to the extent such representations or warranties speak of another date, in which case, as of such date), other than such failures to be true and correct that would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Anthem;

Anthem and Merger Sub having performed or having complied in all material respects with all agreements and covenants required to be performed by them under the merger agreement at or prior to closing date of the merger;

no material adverse effect (as defined in *Material Adverse Effect* on page 188 of this joint proxy statement/prospectus) on Anthem has occurred at any time on or after the date of the merger agreement; and

the receipt of a certificate of the chief executive officer and the chief financial officer of Anthem certifying that the five preceding conditions have been satisfied.

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**Termination of the Merger Agreement (See page 204)**

The merger agreement may be terminated and the mergers may be abandoned at any time prior to the effective time of the merger, whether before or after adoption of the merger agreement by the Cigna shareholders and the approval of the Anthem shareholders of the share issuance, respectively, under certain circumstances, including:

by either Anthem or Cigna:

if the merger has not been consummated on or before January 31, 2017, referred to as the outside date in this joint proxy statement/prospectus; provided that a party will not have the right to terminate the merger agreement in this circumstance if that party has failed to perform fully its obligations under the merger agreement in any manner that has proximately caused or resulted in the failure of the merger to be consummated by such date; provided, further, that such date may be extended by Anthem or Cigna by written notice to the other party, to a date not later than April 30, 2017, if all the closing conditions to the merger are satisfied or capable of being satisfied other than with respect to legal restraints (but only if such legal restraint relates to the HSR Act or other antitrust laws, any healthcare or insurance laws or any licenses or rules of the BCBSA) or government consents;

if Cigna shareholders vote on and fail to adopt the merger agreement at the Cigna special meeting or at any adjournment or postponement thereof;

if Anthem shareholders vote on and fail to approve the share issuance at the Anthem special meeting or at any adjournment or postponement thereof;

if a governmental entity or federal or state court of competent jurisdiction has enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that is in effect and that prevents or prohibits the completion of the mergers or a governmental entity has instituted any action or proceeding (which remains pending at what would otherwise be the closing date of the merger) before any United States court or other governmental entity of competent jurisdiction seeking to enjoin, restrain or otherwise prohibit the completion of the mergers and such legal restraint has become final and non-appealable; provided that a party may not terminate the merger agreement in this circumstance if that party has failed to perform fully its obligations under the merger agreement in any manner that has proximately caused or resulted in the imposition of such legal restraint or the failure of such legal restraint to be resisted, resolved or lifted;

subject to cure rights, if there shall have been a breach of any representation, warranty, covenant or agreement of the other party or any representation or warranty of the other party has become untrue after the date of the merger agreement, which breach or untrue representation or warranty gives rise to the failure of any condition to the other party's obligation to effect the merger;

by Anthem:

if the Cigna board of directors makes an adverse recommendation change;

if Cigna has materially breached the shareholder recommendation or non-solicitation provisions of the merger agreement;

so long as Anthem has complied with its shareholder recommendation and non-solicitation obligations under the merger agreement, at any time prior to obtaining the approval of the share issuance by the Anthem shareholders at the Anthem special meeting or any adjournment or

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postponement thereof, in order to concurrently enter into a binding agreement for an alternative transaction that constitutes a superior proposal with respect to Anthem, if prior to or concurrently with such termination, Anthem pays the Anthem termination fee (as defined below);

by Cigna:

if the Anthem board of directors makes an adverse recommendation change;

if Anthem has materially breached the shareholder recommendation or non-solicitation provisions of the merger agreement;

so long as Cigna has complied with its shareholder recommendation and non-solicitation obligations under the merger agreement, at any time prior to obtaining the adoption of the merger agreement by the Cigna shareholders at the Cigna special meeting or any adjournment or postponement thereof, in order to concurrently enter into a binding agreement for an alternative transaction with respect to Cigna that constitutes a superior proposal with respect to Cigna, if prior to or concurrently with such termination, Cigna pays the Cigna termination fee (as defined below).

If the merger agreement is terminated, the obligations of the parties under the merger agreement will terminate, except for certain provisions in the merger agreement, including those relating to confidentiality, fees and expenses, and there will be no liability on the part of any party, except in the case of fraud or willful breach of a representation, warranty, covenant or agreement set forth in the merger agreement.

**Termination Fees (See page 206)**

If the merger agreement is terminated, Cigna will be obligated to pay a termination fee of \$1,850,000,000, referred to as the Cigna termination fee in this joint proxy statement/prospectus, to Anthem if:

the merger agreement (1) is terminated by Anthem because the Cigna board of directors (a) failed to recommend adoption of the merger agreement by the Cigna shareholders or failed to include such recommendation in this joint proxy statement/prospectus, (b) made an adverse recommendation change, (c) authorized, approved or recommended to the Cigna shareholders or otherwise authorized, approved or publicly recommended an alternative transaction with respect to Cigna or (d) failed to publicly confirm its recommendation to adopt the merger agreement within ten business days after a written request (which request was reasonable under the circumstances) by Anthem that it do so following Cigna's receipt of an alternative transaction, (2) could have been terminated by Anthem for any of the immediately preceding reasons and is terminated by either Anthem or Cigna because of the occurrence of the outside date or because the Cigna shareholders voted on and failed to adopt the merger agreement at the Cigna special meeting or at any adjournment or postponement thereof or (3) is terminated by Anthem because Cigna materially breached its shareholder recommendation or non-solicitation obligations under the merger agreement; in which case, Cigna will pay to Anthem the Cigna termination fee within two business days following termination of the merger agreement;

the merger agreement is terminated by either Anthem or Cigna due to the occurrence of the outside date and (1) a vote of the Cigna shareholders at the Cigna special meeting to adopt the merger agreement has not occurred and (2) a proposal with respect to an alternative transaction with respect to Cigna has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement and prior to the date of termination of the merger agreement; in which case, if Cigna within 12 months after such termination either consummates an alternative transaction or enters into a definitive agreement to implement an alternative transaction, Cigna will pay to Anthem the Cigna termination fee simultaneously with such consummation or entering into such definitive agreement (provided that references to 15% in the definition of an alternative transaction will be deemed to be 50% for this purpose);

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the merger agreement is terminated by either Anthem or Cigna because the Cigna shareholders voted on and failed to adopt the merger agreement at the Cigna special meeting or at any adjournment or postponement thereof, if a proposal with respect to an alternative transaction with respect to Cigna has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement and prior to the date of the Cigna special meeting; in which case, if Cigna within 12 months after such termination either consummates an alternative transaction or enters into a definitive agreement to implement an alternative transaction, Cigna will pay to Anthem the Cigna termination fee simultaneously with such consummation or entering into such definitive agreement (provided that references to 15% in the definition of an alternative transaction will be deemed to be 50% for this purpose); or

the merger agreement is terminated by Cigna in order to concurrently enter into a binding agreement for an alternative transaction with respect to Cigna that constitutes a superior proposal; in which case, Cigna will pay to Anthem the Cigna termination fee on the date of the termination of the merger agreement.

If the merger agreement is terminated, Anthem will be obligated to pay a termination fee of \$1,850,000,000, referred to as the Anthem termination fee in this joint proxy statement/prospectus, to Cigna if:

the merger agreement (1) is terminated by Cigna because the Anthem board of directors (a) failed to recommend approval of the share issuance by the Anthem shareholders or failed to include such recommendation in this joint proxy statement/prospectus, (b) made an adverse recommendation change, (c) authorized, approved or recommended to the Anthem shareholders or otherwise authorized, approved or publicly recommended an alternative transaction with respect to Anthem or (d) failed to publicly confirm its recommendation to adopt the merger agreement within ten business days after a written request (which request was reasonable under the circumstances) by Cigna that it do so following Anthem's receipt of an alternative transaction, (2) could have been terminated by Cigna for any of the immediately preceding reasons and is terminated by either Anthem or Cigna because of the occurrence of the outside date or because the Anthem shareholders voted on and failed to approve the share issuance at the Anthem special meeting or at any adjournment or postponement thereof or (3) is terminated by Cigna because Anthem materially breached its shareholder recommendation or non-solicitation obligations under the merger agreement; in which case, Anthem will pay to Cigna the Anthem termination fee within two business days following termination of the merger agreement;

the merger agreement is terminated by either Anthem or Cigna due to the occurrence of the outside date and (1) a vote of the Anthem shareholders at the Anthem special meeting to approve the share issuance has not occurred and (2) a proposal with respect to an alternative transaction with respect to Anthem has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement and prior to the date of termination of the merger agreement; in which case, if Anthem within 12 months after such termination either consummates an alternative transaction or enters into a definitive agreement to implement an alternative transaction, Anthem will pay to Cigna the Anthem termination fee simultaneously with such consummation or entering into such definitive agreement (provided that references to 15% in the definition of an alternative transaction will be deemed to be 50% for this purpose);

the merger agreement is terminated by either Anthem or Cigna because the Anthem shareholders voted on and failed to adopt the merger agreement at the Anthem special meeting or at any adjournment or postponement thereof, if a proposal with respect to an alternative transaction with respect to Anthem has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement and prior to the date of the Anthem special meeting; in which case, if Anthem within 12 months after such termination either consummates an alternative transaction or enters into a definitive agreement to implement an alternative transaction, Anthem will pay to Cigna



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the Anthem termination fee simultaneously with such consummation or entering into such definitive agreement (provided that references to 15% in the definition of an alternative transaction will be deemed to be 50% for this purpose); or

the merger agreement is terminated by Anthem in order to concurrently enter into a binding agreement for an alternative transaction with respect to Anthem that constitutes a superior proposal; in which case, Anthem will pay to Cigna the Anthem termination fee on the date of the termination of the merger agreement.

If the merger agreement is terminated by either Anthem or Cigna (1) because of the occurrence of the outside date and a vote of the Cigna shareholders at the Cigna special meeting to adopt the merger agreement has not occurred and a proposal with respect to an alternative transaction with respect to Cigna has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement or (2) because the Cigna shareholders voted on and failed to adopt the merger agreement at the Cigna special meeting or at any adjournment or postponement thereof, then Cigna will pay to Anthem a fee of \$600,000,000, referred to as the Cigna expense fee in this joint proxy statement/prospectus, on the second business day immediately following the date of termination of the merger agreement. If the Cigna termination fee is payable by Cigna after the time Cigna pays the Cigna expense fee, the amount of the Cigna termination fee will be reduced by the Cigna expense fee.

If the merger agreement is terminated by either Anthem or Cigna (1) because of the occurrence of the outside date and a vote of the Anthem shareholders at the Anthem special meeting to approve the share issuance has not occurred and a proposal with respect to an alternative transaction with respect to Anthem has been publicly proposed or announced or otherwise publicly disclosed and not withdrawn after the date of the merger agreement or (2) because the Anthem shareholders voted on and failed to approve the share issuance at the Anthem special meeting or at any adjournment or postponement thereof, then Anthem will pay to Cigna a fee of \$600,000,000, referred to as the Anthem expense fee in this joint proxy statement/prospectus, on the second business day immediately following the date of termination of the merger agreement. If the Anthem termination fee is payable by Anthem after the time Anthem pays the Anthem expense fee, the amount of the Anthem termination fee will be reduced by the Anthem expense fee.

If the merger agreement is terminated by either Anthem or Cigna (1) because a governmental entity or federal or state court of competent jurisdiction has enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that is in effect and that prevents or prohibits the completion of the mergers or because a governmental entity has instituted any action or proceeding (which remains pending at what would otherwise be the closing date of the merger) before any United States court or other governmental entity of competent jurisdiction seeking to enjoin, restrain or otherwise prohibit the completion of the mergers and such legal restraint has become final and non-appealable, but only if such legal restraint relates to the HSR Act or other antitrust laws, any healthcare or insurance laws or any licenses or rules of the BCBSA or (2) due to the occurrence of the outside date and at the time of such termination all conditions to Anthem's obligation to effect the merger have been satisfied (other than (x) the legal restraint condition (but only if such legal restraint relates to the HSR Act or other antitrust laws, any healthcare or insurance laws or any licenses or rules of the BCBSA) or the government consent condition and (y) conditions that by their nature are to be satisfied at the closing of the merger, but that are capable of being satisfied if the closing of the merger were to occur on the date of such termination), then Anthem will pay to Cigna a fee in the amount of \$1,850,000,000, referred to as the reverse termination fee in this joint proxy statement/prospectus; provided that the reverse termination fee will not be payable in the event that the failure of the legal restraint condition (but only if such legal restraint relates to the HSR Act or other antitrust laws, any healthcare or insurance laws or any licenses or rules of the BCBSA) or the government consent condition to be satisfied is caused by Cigna's willful breach of its obligations to complete



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the mergers or Cigna refuses to effect the merger on the basis of a burdensome term or condition. The reverse termination fee will be paid on the second business day immediately following the date of termination of the merger agreement. Notwithstanding anything to the contrary, if Cigna receives the reverse termination fee and Anthem has not willfully breached any of its obligations under the merger agreement, such payment will be the sole and exclusive remedy of Cigna against Anthem. If Cigna receives any payments from Anthem or Merger Sub in respect of a breach of the merger agreement, and later receives the reverse termination fee, the amount of the reverse termination fee will be reduced by the aggregate amount of such payments made by Anthem or Merger Sub with respect to such breaches.

### **Comparison of Shareholders Rights (See page 218)**

Cigna shareholders will have different rights once they become Anthem shareholders due to differences between the organizational documents of Anthem and Cigna and differences between Indiana law, where Anthem is incorporated, and Delaware law, where Cigna is incorporated. See the section entitled *Comparison of Shareholders Rights* beginning on page 218 of this joint proxy statement/prospectus.

### **Appraisal Rights (Page 233)**

If the merger agreement is adopted by Cigna shareholders, Cigna shareholders who do not vote in favor of the adoption of the merger agreement and who properly demand appraisal of their shares will be entitled to appraisal rights in connection with the merger under Section 262 of the DGCL. This means that holders of shares of Cigna common stock are entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment in cash of the fair value of their shares of Cigna common stock, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with interest to be paid upon the amount determined to be fair value, if any, as determined by the court. Cigna shareholders who wish to seek appraisal of their shares are in any case encouraged to seek the advice of legal counsel with respect to the exercise of appraisal rights due to the complexity of the appraisal process.

Cigna shareholders considering seeking appraisal should be aware that the fair value of their shares as determined pursuant to Section 262 of the DGCL could be more than, the same as or less than the value of the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares.

To exercise your appraisal rights, (1) you must submit a written demand for appraisal to Cigna before the shareholder vote is taken on the proposal to adopt the merger agreement, (2) you must not submit a blank proxy or otherwise vote in favor of the proposal to adopt the merger agreement and (3) you must hold the shares of Cigna common stock of record when you submit your written demand for appraisal and continue to hold them through the effective time of the merger. Your failure to follow the procedures specified under the DGCL will result in the loss of your appraisal rights. The DGCL requirements for exercising appraisal rights are described in further detail in this joint proxy statement/prospectus, and the relevant section of the DGCL regarding appraisal rights is reproduced and attached as **Annex E** to this joint proxy statement/prospectus. If you hold your shares of Cigna common stock through a broker, bank or other nominee and you wish to exercise appraisal rights, you should consult with your broker, bank or other nominee to determine the appropriate procedures for the making of a demand for appraisal by such broker, bank or other nominee.

Under the IBCL, Anthem shareholders will not be entitled to appraisal or dissenters rights in connection with the mergers or the share issuance.



**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ANTHEM**

The following table presents selected historical consolidated financial data of Anthem. The selected historical consolidated financial data as of and for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 are derived from Anthem's audited consolidated financial statements and accompanying notes. Anthem's audited consolidated financial statements for the years ended December 31, 2014, 2013 and 2012, and as of December 31, 2014 and 2013, are contained in Anthem's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference into this joint proxy statement/prospectus. Anthem's audited consolidated financial statements for the years ended December 31, 2011 and 2010, and as of December 31, 2012, 2011 and 2010, are not incorporated by reference into this joint proxy statement/prospectus.

The selected historical consolidated financial data as of and for the six months ended June 30, 2015, are derived from Anthem's unaudited consolidated financial statements and accompanying notes, which are contained in Anthem's Form 10-Q for the quarter ended June 30, 2015, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data as of and for the six months ended June 30, 2014, are derived from Anthem's unaudited consolidated financial statements and accompanying notes, which are contained in Anthem's Form 10-Q for the quarter ended June 30, 2014, which is incorporated by reference into this joint proxy statement/prospectus. In the opinion of Anthem's management, such unaudited financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The information set forth below is only a summary and is not necessarily indicative of the results of Anthem or the combined company following completion of the merger and related transactions, and you should read the following information together with Anthem's audited consolidated financial statements and accompanying notes and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Anthem's Annual Report on Form 10-K for the year ended December 31, 2014, in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, and in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, and in Anthem's other reports filed with the SEC. For more information, see the section entitled "Where You Can Find More Information" beginning on page 241 of this joint proxy statement/prospectus.

	As of and for the Six Months		As of and for the Years Ended December 31,				
	Ended June 30, 2015	2014 <sup>(1)</sup>	2014 <sup>(1)</sup>	2013 <sup>(1)</sup>	2012 <sup>(1)(2)</sup>	2011 <sup>(2)</sup>	2010
<i>(in millions, except where indicated</i>							
<i>and except per share data)</i>							
<b>Income Statement Data</b>							
Total operating revenue <sup>(3)</sup>	\$ 38,609.7	\$ 35,874.8	\$ 73,021.7	\$ 70,191.4	\$ 60,514.0	\$ 59,865.2	\$ 57,740.5
Total revenues	39,067.0	36,332.8	73,874.1	71,023.5	61,497.2	60,710.7	58,698.5
	1,724.3	1,422.5	2,560.1	2,634.3	2,651.0	2,646.7	2,887.1

Income from continuing operations							
Net income	1,724.3	1,432.1	2,569.7	2,489.7	2,655.5	2,646.7	2,887.1
<b>Per Share Data</b>							
Basic net income per share continuing operations	\$ 6.51	\$ 5.07	\$ 9.28	\$ 8.83	\$ 8.25	\$ 7.35	\$ 7.03
Diluted net income per share continuing operations	6.22	4.92	8.96	8.67	8.17	7.25	6.94
Dividends per share	1.2500	0.8750	1.7500	1.5000	1.1500	1.0000	
<b>Other Data (unaudited)</b>							
Benefit expense ratio <sup>(4)</sup>	81.2%	82.7%	83.1%	85.1%	85.3%	85.1%	83.2%
Selling, general and administrative expense ratio <sup>(5)</sup>	16.0%	16.0%	16.1%	14.2%	14.3%	14.1%	15.1%
Income from continuing operations before income taxes as a percentage of total revenues	8.0%	6.6%	5.9%	5.4%	6.3%	6.5%	7.4%
Net income as a percentage of total revenues	4.4%	3.9%	3.5%	3.5%	4.3%	4.4%	4.9%
Medical membership (in thousands)	38,527	37,272	37,499	35,653	36,130	34,251	33,323
<b>Balance Sheet Data</b>							
Cash and investments	\$ 23,967.0	\$ 24,240.9	\$ 23,777.7	\$ 22,395.9	\$ 22,464.6	\$ 20,696.5	\$ 20,311.8
Total assets <sup>(6)</sup>	64,263.8	62,212.8	61,956.7	59,478.3	58,853.9	52,118.4	50,242.5
Long-term debt, less current portion <sup>(6)</sup>	15,468.4	13,947.2	14,019.6	13,477.4	14,069.3	8,420.9	8,147.8
Total liabilities <sup>(6)</sup>	41,201.2	37,835.9	37,705.4	34,713.1	35,051.2	28,830.2	26,429.9
Total shareholders equity	23,062.6	24,376.9	24,251.3	24,765.2	23,802.7	23,288.2	23,812.6

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- (1) The operating results of 1-800 CONTACTS, Inc. are reported as discontinued operations at December 31, 2014, 2013 and 2012 as a result of the divestiture completed on January 31, 2014. Included in net income for the six months ended June 30, 2014, and for the year ended December 31, 2014, is income from discontinued operations, net of tax, of \$9.6. Included in net income for the year ended December 31, 2013, is a loss from discontinued operations, net of tax, of \$144.6. Included in net income for the year ended December 31, 2012, is income from discontinued operations, net of tax, of \$4.5.
- (2) The net assets of and results of operations for AMERIGROUP Corporation are included from its acquisition date of December 24, 2012. The net assets of and results of operations for CareMore are included from its acquisition date of August 22, 2011.
- (3) Operating revenue is obtained by adding premiums, administrative fees and other revenue.
- (4) The benefit expense ratio represents benefit expenses as a percentage of premium revenue.
- (5) The selling, general and administrative expense ratio represents selling, general and administrative expenses as a percentage of total operating revenue.
- (6) Amounts as of June 30, 2014, and December 31, 2014, 2013, 2012 and 2011 have been retroactively restated to reflect the reclassification of unamortized debt issuance costs from an asset to a contra-liability as a result of the adoption of Accounting Standards Update No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, during the six months ended June 30, 2015.

**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CIGNA**

The following table presents selected historical consolidated financial data of Cigna. The selected historical consolidated financial data as of and for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 are derived from Cigna's audited consolidated financial statements and accompanying notes. Cigna's audited consolidated financial statements for the years ended December 31, 2014, 2013 and 2012, and as of December 31, 2014 and 2013, are contained in Cigna's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference into this joint proxy statement/prospectus. Cigna's audited consolidated financial statements for the years ended December 31, 2011 and 2010, and as of December 31, 2012, 2011 and 2010, are not incorporated by reference into this joint proxy statement/prospectus.

The selected historical consolidated financial data as of and for the six months ended June 30, 2015, are derived from Cigna's unaudited consolidated financial statements and accompanying notes, which are contained in Cigna's Form 10-Q for the quarter ended June 30, 2015, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data as of and for the six months ended June 30, 2014, are derived from Cigna's unaudited consolidated financial statements and accompanying notes, which are contained in Cigna's Form 10-Q for the quarter ended June 30, 2014, which is incorporated by reference into this joint proxy statement/prospectus. In the opinion of Cigna's management, such unaudited financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The information set forth below is only a summary and is not necessarily indicative of the results of Cigna or the combined company following completion of the merger and related transactions, and you should read the following information together with Cigna's audited consolidated financial statements and accompanying notes and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Cigna's Annual Report on Form 10-K for the year ended December 31, 2014, in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, and in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, and in Cigna's other reports filed with the SEC. For more information, see the section entitled "Where You Can Find More Information" beginning on page 241 of this joint proxy statement/prospectus.

	<b>As of and for the Six Months</b>		<b>As of and for the Years Ended December 31,</b>				
	<b>Ended June 30,</b>	<b>2014</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<i>(in millions, except where indicated)</i>							
<i>and except per share data)</i>							
<b>Income Statement Data</b>							
Total revenues	\$ 18,959	\$ 17,229	\$ 34,914	\$ 32,380	\$ 29,119	\$ 21,865	\$ 21,128
Total benefits and expenses	17,169	15,475	31,610	30,204	26,642	19,989	19,326
Income taxes	675	653	1,210	698	853	615	519
Shareholders' net income	1,121	1,101	2,102	1,476	1,623	1,260	1,279
<b>Per Share Data</b>							
Shareholders' net income per share basic	\$ 4.38	\$ 4.11	\$ 7.97	\$ 5.28	\$ 5.70	\$ 4.65	\$ 4.69



Shareholders' net income per share diluted	4.30	4.05	7.83	5.18	5.61	4.59	4.65
Dividends declared per share	0.04	0.04	0.04	0.04	0.04	0.04	0.04
<b>Other Data (unaudited)</b>							
Global medical customers ( <i>in thousands</i> )	14,771	14,247	14,456	14,217	14,045	12,680	12,473
<b>Balance Sheet Data</b>							
Total investments	\$ 23,819	\$ 23,752	\$ 24,342	\$ 22,365	\$ 23,660	\$ 22,490	\$ 20,948
Total assets	57,132	55,929	55,896	54,336	53,734	50,697	45,393
Long-term debt	5,046	5,022	5,005	5,014	4,986	4,990	2,288
Total liabilities	45,753	44,878	45,017	43,659	43,851	42,703	39,019
Total shareholders' equity	11,290	10,937	10,774	10,567	9,769	7,994	6,356

(1) Includes adjustments for noncontrolling interests

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**Table of Contents****ANTHEM UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

The unaudited pro forma condensed combined financial statements presented below give effect to the merger, in which Cigna will become a wholly owned subsidiary of Anthem, as if it had occurred on June 30, 2015, for purposes of the unaudited pro forma condensed combined balance sheet, and as of January 1, 2014, for purposes of the unaudited pro forma condensed combined statements of income for the six months ended June 30, 2015, and the year ended December 31, 2014. The unaudited pro forma condensed combined balance sheet and statements of income include the historical consolidated financial amounts of Anthem and Cigna, adjusted to reclassify Cigna's information to a consistent presentation format and to reflect the effects of the merger. The preparation of the unaudited pro forma condensed combined financial statements and related adjustments required Anthem's management to make certain assumptions and estimates. The pro forma adjustments give effect to events that are (1) directly attributable to the merger, (2) factually supportable and (3) with respect to the statements of income, expected to have a continuing impact on the combined company's results. The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements.

In addition, the unaudited pro forma condensed combined financial information should be read in conjunction with the following information, which is incorporated by reference herein:

Anthem's historical audited consolidated financial statements and accompanying notes included in Anthem's Annual Report on Form 10-K for the year ended December 31, 2014;

Cigna's historical audited consolidated financial statements and accompanying notes included in Cigna's Annual Report on Form 10-K for the year ended December 31, 2014;

Anthem's historical unaudited consolidated financial statements and accompanying notes included in Anthem's Quarterly Report on Form 10-Q for the period ended June 30, 2015; and

Cigna's historical unaudited consolidated financial statements and accompanying notes included in Cigna's Quarterly Report on Form 10-Q for the period ended June 30, 2015.

Anthem has prepared the unaudited pro forma condensed combined financial statements using the acquisition method of accounting for business combinations pursuant to the provisions of Accounting Standards Codification, or ASC, Topic 805, *Business Combinations*, referred to as "ASC 805" in this joint proxy statement/prospectus, with Anthem identified as the acquirer. Anthem will record the assets (including identifiable intangible assets) and liabilities of Cigna at their estimated fair value. The difference between the purchase price and the estimated fair value of Cigna's net assets and liabilities will result in goodwill. The final determination of the acquisition consideration and fair values of Cigna's assets and liabilities will be based on valuations that will exist as of the date of completion of the merger. The merger has not yet received the necessary consents from governmental authorities. Under the HSR Act and other relevant laws, before completion of the merger, there are significant limitations regarding what Anthem can learn about Cigna. The fair values of the assets and liabilities of Cigna included in the unaudited pro forma condensed combined balance sheet have been measured based on various preliminary estimates and assumptions that Anthem believes are reasonable based on information currently available. Consequently, the actual amounts allocated to goodwill and intangible assets could change significantly from those allocations used in the unaudited pro forma

condensed combined financial statements presented herein and could result in material differences from those presented in the unaudited pro forma condensed combined financial statements.

Anthem intends to commence the necessary valuation and other studies required to complete the acquisition accounting promptly upon completion of the mergers and will finalize the acquisition accounting as soon as practicable within the required measurement period prescribed by ASC 805, but in no event later than one year following completion of the mergers.

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The unaudited pro forma condensed combined financial statements have been prepared by Anthem's management in accordance with Article 11 of Regulation S-X promulgated by the SEC and are not necessarily indicative of the combined financial position or results of operations that might have been achieved had the transaction been completed as of the dates indicated, nor are they meant to be indicative of any anticipated combined financial position or future results of operations that the combined company will experience after the transaction. In addition, the accompanying unaudited pro forma condensed combined statements of income do not include any pro forma adjustments to reflect expected revenue synergies, expected cost savings or restructuring actions that may be achievable or the impact of any non-recurring activity and one-time transaction related costs.

The selected unaudited pro forma financial information is provided for illustrative purposes only and is based on available information and assumptions that Anthem and Cigna believe are reasonable. It does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Anthem would have been had the merger occurred on the dates indicated, nor is it necessarily indicative of future consolidated results of operations or consolidated financial position. The actual financial position and results of operations will differ, perhaps significantly, from the pro forma condensed amounts reflected herein due to a variety of factors, including those discussed in the section entitled *Risk Factors* beginning on page 67 of this joint proxy statement/prospectus, and including access to additional information, changes in value not currently identified and changes in operating results following the date of the pro forma financial information.

The following unaudited pro forma condensed combined financial data have been developed from and should be read in conjunction with the consolidated financial statements and related notes of both Anthem and Cigna, incorporated by reference into this joint proxy statement/prospectus, and the more detailed unaudited pro forma condensed combined financial statements, including the notes thereto, appearing elsewhere in this joint proxy statement/prospectus. See the section entitled *Where You Can Find More Information* beginning on page 241 of this joint proxy statement/prospectus.

**Table of Contents****Unaudited Pro Forma Condensed Combined Balance Sheet**

As of June 30, 2015

<i>(In millions)</i>	<b>Anthem Historical</b>	<b>Note 4 Cigna Historical</b>	<b>Acquisition Adjustments</b>	<b>Note 6 Ref. Adjustments</b>	<b>Ref.</b>	<b>Pro Forma Combined</b>
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 1,553.0	\$ 1,968.5	\$ (26,982.6)	<b>a</b>	\$ 26,955.1	\$ 3,494.0
Marketable investments	19,941.9	1,169.1			(4,982.6)	16,128.4
Other investments	23.4	594.4				617.8
Premium and self-funded receivables	4,940.8	2,083.9				7,024.7
Other receivables	2,368.0	2,057.4				4,425.4
Deferred tax assets, net	295.6	277.9	129.8	<b>b</b>		703.3
Other current assets	4,079.5	920.7				5,000.2
<b>Total current assets</b>	<b>33,202.2</b>	<b>9,071.9</b>	<b>(26,852.8)</b>		<b>21,972.5</b>	<b>37,393.8</b>
Long-term marketable investments	645.4	17,588.9				18,234.3
Other long-term investments	1,803.3	4,466.6	74.0	<b>c</b>		6,343.9
Property and equipment	1,931.4	1,502.0	179.0	<b>d</b>		3,612.4
Goodwill	17,541.7	6,041.3	22,496.5	<b>e</b>		46,079.5
Other intangible assets	8,275.5	768.1	21,981.9	<b>f</b>		31,025.5
Other noncurrent assets	413.2	1,432.8				1,846.0
Reinsurance receivables	421.3	6,485.1				6,906.4
Deferred policy acquisition costs	29.8	1,464.4	(1,464.4)	<b>g</b>		29.8
Separate account assets		8,310.6				8,310.6
<b>Total assets</b>	<b>\$ 64,263.8</b>	<b>\$ 57,131.7</b>	<b>\$ 16,414.2</b>		<b>\$ 21,972.5</b>	<b>\$ 159,782.2</b>
<b>Liabilities and shareholders equity</b>						
<b>Liabilities</b>						
Current Liabilities:						
Medical claims payable	\$ 7,177.9	\$ 2,372.5	\$		\$	\$ 9,550.4
Reserve for future policy benefits	67.7	516.9				584.6
Non-medical claims payable		1,546.6				1,546.6
Other policyholder liabilities	2,741.4	1,526.9				4,268.3
Unearned income	950.5	262.0				1,212.5
Accounts payable and accrued expenses	4,433.8	2,511.0	495.0	<b>h</b>		7,439.8
Short-term borrowings and current portion long-term debt	1,164.9	150.4				1,315.3
Other current liabilities	4,137.0	1,018.9				5,155.9

Total current liabilities	20,673.2	9,905.2	495.0			31,073.4
Long term debt, less current portion	15,468.4	5,046.0	488.0	<b>i</b>	21,972.5	<b>u</b> 42,974.9
Reserve for future policy benefits, noncurrent	607.6	8,978.2	100.0	<b>j</b>		9,685.8
Non-medical claims payable, noncurrent		3,085.6	250.0	<b>k</b>		3,335.6
Contractholder deposit funds		7,225.2	12.0	<b>l</b>		7,237.2
Deferred tax liabilities, net	3,226.2		7,214.2	<b>m</b>		10,440.4
Other noncurrent liabilities	1,225.8	3,291.3				4,517.1
Separate account liabilities		8,310.6				8,310.6
<b>Total liabilities</b>	<b>41,201.2</b>	<b>45,842.1</b>	<b>8,559.2</b>		<b>21,972.5</b>	<b>117,575.0</b>
<b>Shareholders equity</b>						
Common stock	2.6	74.0	(72.7)	<b>n</b>		3.9
Treasury stock		(1,672.0)	1,672.0	<b>o</b>		
Additional paid-in capital	8,707.4	2,835.0	16,673.5	<b>p</b>		28,215.9
Retained earnings	14,352.2	11,177.8	(11,543.0)	<b>q</b>		13,987.0
Accumulated other comprehensive income (loss)	0.4	(1,125.2)	1,125.2	<b>r</b>		0.4
<b>Total shareholders equity</b>	<b>23,062.6</b>	<b>11,289.6</b>	<b>7,855.0</b>			<b>42,207.2</b>
<b>Total liabilities and shareholders equity</b>	<b>\$ 64,263.8</b>	<b>\$ 57,131.7</b>	<b>\$ 16,414.2</b>		<b>\$ 21,972.5</b>	<b>\$ 159,782.2</b>

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements.

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## Unaudited Pro Forma Condensed Combined Statements of Income

Six Months Ended June 30, 2015

<i>(In millions, except per share data)</i>	Note 4		Note 7			Pro Forma Combined	
	Anthem Historical	Cigna Historical	Acquisition Adjustments	Financing Ref. Adjustments	Ref.		
<b>Revenues</b>							
Premiums	\$ 36,126.8	\$ 14,912.0	\$	\$		\$ 51,038.8	
Administrative fees	2,456.6	2,346.5				4,803.1	
Mail order pharmacy revenue		1,203.2				1,203.2	
Other revenue	26.3					26.3	
<b>Total operating revenue</b>	38,609.7	18,461.7				57,071.4	
Net investment income	354.3	572.6	(87.6)	v	(49.8)	aa	789.5
Net realized gains on investments	103.0	93.7					196.7
<b>Total revenues</b>	39,067.0	19,128.0	(87.6)		(49.8)		58,057.6
<b>Expenses</b>							
Benefit expense	29,332.3	11,649.0					40,981.3
Administrative expense	6,186.0	4,349.7	15.0	w			10,550.7
Mail order pharmacy costs		1,021.3					1,021.3
Interest expense	308.5	128.5	(28.9)	x	429.0	bb	837.1
Amortization of other intangible assets	112.6	83.5	999.1	y			1,195.2
Loss on extinguishment of debt	0.5	100.0					100.5
<b>Total expenses</b>	35,939.9	17,332.0	985.2		429.0		54,686.1
<b>Income before income tax expense</b>	3,127.1	1,796.0	(1,072.8)		(478.8)		3,371.5
Income tax expense	1,402.8	675.0	(375.5)	z	(167.6)	cc	1,534.7
<b>Net income</b>	\$ 1,724.3	\$ 1,121.0	\$ (697.3)		\$ (311.2)		\$ 1,836.8
<b>Net income per share:</b>							
Basic	\$ 6.51	\$ 4.38					\$ 4.60
Diluted	\$ 6.22	\$ 4.30					\$ 4.44
<b>Weighted average shares outstanding (see Note 8):</b>							
Basic	264.8	256.2	(122.1)				398.9
Diluted	277.3	260.7	(123.9)				414.1

See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements.





**Table of Contents****Unaudited Pro Forma Condensed Combined Statements of Income****Year Ended December 31, 2014**

<i>(In millions, except per share data)</i>	<b>Anthem Historical</b>	<b>Note 4 Cigna Historical</b>	<b>Acquisition Adjustments</b>	<b>Note 7 Financing Ref. Adjustments</b>	<b>Ref.</b>	<b>Pro Forma Combined</b>	
<b>Revenues</b>							
Premiums	\$ 68,389.8	\$ 27,364.2	\$	\$		\$ 95,754.0	
Administrative fees	4,590.6	4,243.4				8,834.0	
Mail order pharmacy revenue		2,239.0				2,239.0	
Other revenue	41.3					41.3	
<b>Total operating revenue</b>	<b>73,021.7</b>	<b>33,846.6</b>				<b>106,868.3</b>	
Net investment income	724.4	1,166.0	(175.3)	<b>v</b>	(99.7)	<b>aa</b>	1,615.4
Net realized gains on investments	128.0	153.8					281.8
<b>Total revenues</b>	<b>73,874.1</b>	<b>35,166.4</b>	<b>(175.3)</b>		<b>(99.7)</b>		<b>108,765.5</b>
<b>Expenses</b>							
Benefit expense	56,854.9	21,334.2					78,189.1
Administrative expense	11,748.4	8,153.3	149.3	<b>w</b>			20,051.0
Mail order pharmacy costs		1,907.1					1,907.1
Interest expense	600.7	265.5	(57.8)	<b>x</b>	858.0	<b>bb</b>	1,666.4
Amortization of other intangible assets	220.9	195.0	2,136.1	<b>y</b>			2,552.0
Loss on extinguishment of debt	81.1						81.1
<b>Total expenses</b>	<b>69,506.0</b>	<b>31,855.1</b>	<b>2,227.6</b>		<b>858.0</b>		<b>104,446.7</b>
<b>Income from continuing operations before income tax expense</b>							
	4,368.1	3,311.3	(2,402.9)		(957.7)		4,318.8
Income tax expense	1,808.0	1,209.8	(841.0)	<b>z</b>	(335.2)	<b>cc</b>	1,841.6
<b>Income from continuing operations<sup>(1)</sup></b>	<b>\$ 2,560.1</b>	<b>\$ 2,101.5</b>	<b>\$ (1,561.9)</b>		<b>\$ (622.5)</b>		<b>\$ 2,477.2</b>
<b>Income from continuing operations per share:</b>							
Basic	\$ 9.28	\$ 7.97					\$ 6.04
Diluted	\$ 8.96	\$ 7.83					\$ 5.86
<b>Weighted average shares outstanding (see Note 8):</b>							
Basic	275.9	263.9	(129.8)				410.0
Diluted	285.9	268.6	(131.8)				422.7

- (1) Per Article 11 of Regulation S-X, results from discontinued operations should not be presented. Anthem recognized \$9.6 of income from discontinued operations, net of tax during the year ended December 31, 2014. This amount is not shown in the Anthem historical information presented above. See the section entitled *Selected Historical Consolidated Financial Data of Anthem* beginning on page 35 of this joint proxy statement/prospectus. See the accompanying notes to the unaudited pro forma condensed combined financial statements, which are an integral part of these statements.

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**Table of Contents****NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS****1. Description of the Transaction**

On July 23, 2015, Anthem, Merger Sub and Cigna entered into the merger agreement, pursuant to which, subject to the terms set forth in the merger agreement, Merger Sub will merge with and into Cigna, or the merger, with Cigna surviving as the initial surviving corporation. If certain tax opinions relating to the qualifications of the merger are delivered, immediately following the consummation of the merger, the initial surviving corporation will then merge with and into Anthem whereupon the separate corporate existence of the initial surviving corporation will cease and Anthem will continue as the surviving corporation. At the effective time of the merger, Cigna shareholders, subject to certain exclusions, will receive \$103.40 in cash and 0.5152 of a share of Anthem common stock for each share of Cigna common stock issued and outstanding immediately prior to the merger.

At the merger, each vested, outstanding and unexercised Cigna stock option or appreciation right will be canceled and converted automatically into the right to receive the merger consideration with an aggregate value equal to the intrinsic value of such award. Each option or appreciation right that is unvested, outstanding and unexercised at the merger shall be converted into equivalent awards with respect to Anthem common stock. Generally, all other Cigna equity awards (including strategic performance share awards, restricted stock awards, restricted stock unit awards and deferred stock unit awards) will be converted into equivalent equity awards with respect to Anthem common stock.

The merger is expected to close in the second half of 2016 and is subject to certain state regulatory approvals, standard closing conditions, customary approvals required under the HSR Act and the approval of both the Anthem shareholders and the Cigna shareholders.

**2. Basis of Presentation**

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting in accordance with ASC 805, which uses the fair value concepts defined in ASC Topic 820, *Fair Value Measurements*, referred to as ASC 820 in this joint proxy statement/prospectus.

ASC 805 requires, among other things, that assets acquired, liabilities assumed and non-controlling interests be recognized at their fair values as of the date of the merger. In addition, ASC 805 requires that the consideration transferred be measured at the date the merger is completed, at the then-current market price.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the most advantageous market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. Many of these fair value measurements can be highly subjective and it is possible the application of reasonable judgment to the same facts and circumstances could develop different assumptions resulting in a range of alternative estimates.

For purposes of preparing the unaudited pro forma condensed combined financial statements, the market price of Anthem common stock was estimated using the closing price of \$141.91 on September 25, 2015. Since ASC 805 requires fair value measurements at the date of the merger, amounts assumed in these unaudited pro forma condensed combined financial statements will likely be different than the final amounts recorded at the completion of the merger.

Under the acquisition method of accounting, the fair value of the assets acquired and liabilities assumed will be added to those of Anthem. Financial statements and reported results of operations of Anthem issued after

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completion of the merger will reflect these values, but will not be retroactively restated to reflect the historical financial position or results of operations of Cigna.

ASC 805 requires that acquisition-related transaction costs, such as advisory, legal, valuation and other professional fees, not be included as a component of consideration transferred but should be accounted for as expenses in the periods in which such costs are incurred. Total acquisition-related transaction costs expected to be incurred by Anthem and Cigna are estimated to be \$345.0 million and \$150.0 million, respectively, none of which had been incurred as of June 30, 2015. Acquisition-related transaction costs expected to be incurred by Anthem include estimated fees related to the bridge facility and estimated costs associated with the issuance of long-term transaction related debt expected to be issued prior to completion of the mergers. Preparation of the pro forma condensed combined balance sheet requires the inclusion of adjustments that are both recurring and nonrecurring, while preparation of the pro forma condensed combined statements of income should only include adjustments that have a continuing impact and therefore, not include material nonrecurring adjustments that result from the transaction, such as the expected acquisition-related transaction costs. As a result, the expected acquisition-related transaction costs have been included in the unaudited pro forma condensed combined balance sheet as of June 30, 2015, as an increase to accounts payable and accrued expenses, with the related tax benefits recognized as an increase in deferred tax assets and the after tax amount included as a decrease to retained earnings.

The unaudited pro forma condensed combined financial statements do not reflect any potential divestitures that may occur prior to, or subsequent to, the completion of the merger, or the projected realization of cost reductions from synergies following completion of the merger. These cost reductions are anticipated to result from elimination of certain administrative expenses, as well as network and medical management savings. Although Anthem projects that cost reductions will result from the merger, there can be no assurance that these cost reductions will be achieved. The unaudited pro forma condensed combined financial statements do not reflect any projected restructuring and integration-related costs associated with the cost reductions and no estimates for these potential synergies have been included in the estimate of expected acquisition-related transaction costs discussed above. Such restructuring and integration-related costs will be expensed in the accounting periods when incurred after completion of the merger. In addition, the unaudited pro forma condensed combined financial statements do not reflect any potential debt repayments to reduce Anthem's debt-to-capital ratio to the low 40% range over the 24 months following the completion of the merger.

**3. Accounting Policies**

As part of preparing the unaudited pro forma condensed combined financial statements, Anthem conducted an initial review of the accounting policies of Cigna to determine if differences in accounting policies require restatement or reclassification of results of operations or reclassification of assets or liabilities to conform to Anthem's accounting policies and classifications. During the preparation of these unaudited pro forma condensed combined financial statements, Anthem did not become aware of any material differences between accounting policies of Anthem and Cigna except for certain reclassifications necessary to conform to Anthem's financial statement presentation. The reclassifications made in the preparation of the unaudited pro forma condensed combined financial statements are presented in Note 4.

Upon consummation of the merger, a more comprehensive review of the accounting policies of Cigna will be performed, which may identify other differences among the accounting policies of Anthem and Cigna that, when conformed, could have a material impact on the unaudited pro forma condensed combined financial statements.

**4. Historical Cigna Conforming Adjustments**

Financial information of Cigna in the Cigna Historical column of the unaudited pro forma condensed combined financial statements represents the historical reported balances of Cigna reclassified to conform to the

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presentation in Anthem's financial statements. Reclassifications were made to report Cigna's unclassified balance sheet using a classified format as well as to conform Cigna's reported amounts to the financial statement line item groupings reported by Anthem.

**Balance Sheet Reclassifications**

Presented below is the asset section of Cigna's balance sheet at June 30, 2015, conformed to a classified format, including reclassifications made for consistent application of Anthem's accounting policies (amounts in millions):

	Cigna Historical	Adjustments to Classify Assets	Ref.
<b>Assets</b>			
Investments	\$ 23,819.0	\$ (23,819.0)	1
Cash and equivalents	1,968.5	(1,968.5)	
Premiums, accounts and notes receivable, net	3,790.1	(3,790.1)	2
Reinsurance recoverables	7,021.3	(7,021.3)	3
Deferred policy acquisition costs	1,588.4	(1,588.4)	
Property and equipment	1,502.0	(1,502.0)	
Deferred tax assets, net	368.8	(368.8)	4
Goodwill	6,041.3	(6,041.3)	
Other assets, including other intangibles	2,721.7	(2,721.7)	5
Separate account assets	8,310.6	(8,310.6)	
<b>Total assets</b>	<b>\$ 57,131.7</b>	<b>\$ (57,131.7)</b>	

			Cigna Historical in Classified Format	Financial Statement Presentation Reclassifications	Ref.	Cigna Historical in Anthem Presentation
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 1,968.5		\$ 1,968.5	\$		\$ 1,968.5
Marketable investments	1,169.1	1	1,169.1			1,169.1
Other investments	594.4	1	594.4			594.4
Premium and self-funded receivables	3,605.1	2	3,605.1	(1,521.2)	6	2,083.9
Other receivables	536.2	3	536.2	1,521.2	6	2,057.4
Deferred tax assets, net	277.9	4	277.9			277.9
Other current assets	920.7	5	920.7			920.7
<b>Total current assets</b>	<b>9,071.9</b>		<b>9,071.9</b>			<b>9,071.9</b>

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Long-term marketable investments	17,588.9	1	17,588.9			17,588.9
Other long-term investments	4,466.6	1	4,466.6			4,466.6
Property and equipment	1,502.0		1,502.0			1,502.0
Goodwill	6,041.3		6,041.3			6,041.3
Other intangible assets				768.1	7	768.1
Other noncurrent assets	2,076.9	2, 4, 5	2,076.9	(644.1)	7	1,432.8
Reinsurance receivables	6,485.1	3	6,485.1			6,485.1
Deferred policy acquisition costs	1,588.4		1,588.4	(124.0)	7	1,464.4
Separate account assets	8,310.6		8,310.6			8,310.6
<b>Total assets</b>	<b>\$ 57,131.7</b>		<b>\$ 57,131.7</b>	<b>\$</b>		<b>\$ 57,131.7</b>



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- 1 Reclassify Total investments \$23,819.0 to Marketable investments \$1,169.1, Other investments \$594.4, Long marketable investments \$17,588.9 and Other long-term investments \$4,466.6.
- 2 Reclassify Premiums, accounts and notes receivable, net \$3,790.1 to Premium and self-funded receivables \$3,605.1 and Other noncurrent assets \$185.0.
- 3 Reclassify Reinsurance recoverable \$7,021.3 to Other receivables \$536.2 and Reinsurance receivables \$6,485.
- 4 Reclassify Deferred tax assets, net \$368.8 to Deferred tax assets, net \$277.9 and Other noncurrent assets \$90.9.
- 5 Reclassify Other assets, including other intangibles \$2,721.7 to Other current assets \$920.7 and Other noncurrent assets \$1,801.0.
- 6 Reclassify non-customer receivables of \$1,521.2 from Premium and self-funded receivables to Other receivables .
- 7 Reclassify other intangible assets of \$644.1 from Other noncurrent assets and \$124.0 of value of businesses acquired, or VOBA, from Deferred policy acquisition costs to Other intangible assets .

Presented below is the liability section of Cigna's balance sheet at June 30, 2015, conformed to a classified format, including reclassifications made for consistent application of Anthem's accounting policies (amounts in millions):

	Cigna Historical	Adjustments to Classify Liabilities	Ref.
<b>Liabilities</b>			
Contractholder deposit funds	\$ 8,433.1	\$ (8,433.1)	8
Future policy benefits	9,495.1	(9,495.1)	9
Unpaid claims and claims expense	4,572.8	(4,572.8)	10
Global Health Care medical costs payable	2,431.9	(2,431.9)	11
Unearned premiums	627.2	(627.2)	12
Accounts payable, accrued expenses and other liabilities	6,685.7	(6,685.7)	13
Short-term debt	150.4	(150.4)	
Long-term debt	5,046.0	(5,046.0)	
Separate account liabilities	8,310.6	(8,310.6)	
<b>Total liabilities</b>	<b>\$ 45,752.8</b>	<b>\$ (45,752.8)</b>	

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			Cigna Historical in Classified Format	Financial Statement Presentation Reclassifications	Ref.	Cigna Historical in Anthem Presentation
<b>Liabilities</b>						
Current Liabilities:						
Medical claims payable	\$ 2,372.5	11	\$ 2,372.5	\$		\$ 2,372.5
Reserve for future policy benefits	516.9	9	516.9			516.9
Non-medical claims payable	1,546.6	10	1,546.6			1,546.6
Other policyholder liabilities	1,207.9	8	1,207.9	319.0	14	1,526.9
Unearned income	262.0	12	262.0			262.0
Accounts payable and accrued expenses				2,511.0	15	2,511.0
Short-term borrowings and current portion long-term debt	150.4		150.4			150.4
Other current liabilities	3,848.9	13	3,848.9	(2,830.0)	14, 15	1,018.9
<b>Total current liabilities</b>	<b>9,905.2</b>		<b>9,905.2</b>			<b>9,905.2</b>
Long term debt, less current portion	5,046.0		5,046.0			5,046.0
Reserve for future policy benefits, noncurrent	8,978.2	9	8,978.2			8,978.2
Non-medical claims payable, noncurrent	3,085.6	10, 11	3,085.6			3,085.6
Contractholder deposit funds	7,225.2	8	7,225.2			7,225.2
Deferred tax liabilities, net						
Other noncurrent liabilities	3,202.0	12, 13	3,202.0	89.3	16, 17	3,291.3
Separate account liabilities	8,310.6		8,310.6			8,310.6
<b>Total liabilities</b>	<b>\$ 45,752.8</b>		<b>\$ 45,752.8</b>	<b>\$ 89.3</b>		<b>\$ 45,842.1</b>

<sup>8</sup> Reclassify Contractholder deposit funds \$8,433.1 to Other policyholder liabilities \$1,207.9 and Contractholder deposit funds \$7,225.2.

<sup>9</sup> Reclassify Future policy benefits \$9,495.1 to Reserve for future policy benefits \$516.9 and Reserve for future policy benefits, noncurrent \$8,978.2.

<sup>10</sup> Reclassify Unpaid claims and claim expenses \$4,572.8 to Non-medical claims payable \$1,546.6 and Non-medical claims payable, noncurrent \$3,026.2.

<sup>11</sup> Reclassify Global Health Care medical claims payable \$2,431.9 to Medical claims payable \$2,372.5 and Non-medical claims payable, noncurrent \$59.4.

<sup>12</sup> Reclassify Unearned premiums \$627.2 to Unearned Income \$262.0 and Other noncurrent liabilities \$365.2.

<sup>13</sup> Reclassify Accounts payable, accrued expenses and other liabilities \$6,685.7 to Other current liabilities \$3,848.9 and Other noncurrent liabilities \$2,836.8.

<sup>14</sup> Reclassify experience-rated refund balances of \$319.0 from Other current liabilities to Other policyholder liabilities .

15

Reclassify accounts payable and accrued expenses of \$2,511.0 from Other current liabilities to Accounts payable and accrued expenses .

<sup>16</sup> Reclassify redeemable noncontrolling interests of \$75.8 from Redeemable noncontrolling interests presented in the table below to Other noncurrent liabilities .

<sup>17</sup> Reclassify noncontrolling interest of \$13.5 from Noncontrolling interest to Other noncurrent liabilities .

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Presented below are the redeemable noncontrolling interests and the equity section of Cigna's balance sheet at June 30, 2015, with reclassifications made for consistent application of Anthem's accounting policies (amounts in millions):

	Cigna Historical	Financial Statement Reclassifications	Ref.	Cigna Historical in Anthem Presentation
Redeemable noncontrolling interests	\$ 75.8	\$ (75.8)	16	\$
<b>Shareholders' equity</b>				
Common stock	74.0			74.0
Treasury stock	(1,672.0)			(1,672.0)
Additional paid-in capital	2,835.0			2,835.0
Retained earnings	11,177.8			11,177.8
Accumulated other comprehensive loss	(1,125.2)			(1,125.2)
<b>Total shareholders' equity</b>	11,289.6			11,289.6
Noncontrolling interests	13.5	(13.5)	17	
<b>Total equity</b>	\$ 11,303.1	\$ (13.5)		\$ 11,289.6

<sup>16</sup> Reclassify redeemable noncontrolling interests of \$75.8 from Redeemable noncontrolling interests to Other noncurrent liabilities.

<sup>17</sup> Reclassify noncontrolling interest of \$13.5 from Noncontrolling interest to Other noncurrent liabilities.

**Income Statement Reclassifications**

Presented below are certain line items from Cigna's income statement for the six months ended June 30, 2015, adjusted to reflect reclassifications made for consistent application of Anthem's accounting policies (amounts in millions):

	Before Reclassification	Reclassification Amount	Ref.	Cigna Historical in Anthem Presentation
Premiums	\$ 14,834.0	\$ 78.0	18	\$ 14,912.0
Administrative fees	2,255.9	90.6	18, 19	2,346.5
Interest expense		128.5	20	128.5
Loss on extinguishment of debt		100.0	21	100.0
Administrative expenses	4,415.6	(65.9)	19, 20, 21, 22	4,349.7
Loss attributable to noncontrolling interests	(6.0)	6.0	22	

- 18 Reclassify \$78.0 of certain amounts recognized related to minimum premium contracts from Administrative fees to Premiums .
- 19 Reclassify \$168.6 of certain pharmacy considerations historically presented as a reduction of expenses from Administrative expenses to Administrative fees .
- 20 Reclassify interest expense of \$128.5 from Administrative expenses to Interest expense .
- 21 Reclassify loss on extinguishment of debt of \$100.0 from Administrative expenses to Loss on extinguishment of debt .
- 22 Reclassify loss attributable to noncontrolling interests of \$6.0 from Loss attributable to noncontrolling interests to Administrative expenses .

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Presented below are certain line items from Cigna's income statement for the year ended December 31, 2014 to include reclassifications made for consistent application of Anthem's accounting policies (amounts in millions):

	<b>Before Reclassification</b>	<b>Reclassification Amount</b>	<b>Ref.</b>	<b>Cigna Historical in Anthem Presentation</b>
Premiums	\$ 27,213.2	\$ 151.0	23	\$ 27,364.2
Administrative fees	4,141.8	101.6	23, 24	4,243.4
Interest expense		265.5	25	265.5
Amortization of other intangible assets		195.0	26	195.0
Administrative expenses	8,368.8	(215.5)	24, 25, 26, 27	8,153.3
Loss attributable to noncontrolling interests	(7.6)	7.6	27	

- <sup>23</sup> Reclassify \$151.0 of certain amounts recognized related to minimum premium contracts from Administrative fees to Premiums .
- <sup>24</sup> Reclassify \$252.6 of certain pharmacy considerations historically presented as a reduction of expenses from Administrative expenses to Administrative fees .
- <sup>25</sup> Reclassify interest expense of \$265.5 from Administrative expenses to Interest expense .
- <sup>26</sup> Reclassify amortization expense of other intangible assets of \$195.0 from Administrative expenses to Amortization of other intangible assets .
- <sup>27</sup> Reclassify loss attributable to noncontrolling interests of \$7.6 from Loss attributable to noncontrolling interests to Administrative expenses .

**5. Preliminary Merger Consideration**

Upon completion of the merger, each share of Cigna common stock (other than the exceptions defined in the merger agreement) shall be canceled and converted into the right to receive \$103.40 in cash and 0.5152 of a share of Anthem common stock. In addition, in accordance with the merger agreement, replacement stock-based awards will be issued by Anthem to the holders of Cigna's outstanding stock-based awards (including stock options, restricted stock awards, restricted stock unit awards, performance share awards and deferred stock unit awards). The estimated fair value of the replacement equity awards attributable to service periods prior to the merger is included in the merger consideration.

The preliminary estimate of the merger consideration shown in the following tables has been calculated using the number of Cigna common shares and stock-based awards outstanding as of June 30, 2015, and the closing price of Anthem common stock as of September 25, 2015.

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The following table presents a preliminary estimate of total cash consideration (amounts in millions, except for per share data):

**Cash consideration:**Shareholders:

Cigna common shares outstanding	257.5
(x) merger agreement cash consideration per share paid to Cigna shareholders	\$ 103.4

Preliminary estimate of cash consideration paid to Cigna shareholders	\$ 26,625.5
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Vested stock option holders:

Cigna vested options outstanding	3.7
(x) merger consideration value less exercise price	\$ 131.36
(x) cash percentage of merger consideration value	58.58%

Preliminary estimate of cash consideration paid to Cigna vested stock option holders	\$ 284.7
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Band 4 restricted stock:

Cigna Band 4 restricted stock outstanding	0.7
(x) merger agreement cash consideration per share paid to Cigna shareholders	\$ 103.4

Preliminary estimate of cash consideration paid to Cigna Band 4 restricted stock holders	\$ 72.4
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Preliminary fair value estimate of total cash consideration	\$ 26,982.6
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The following table presents a preliminary estimate of total stock consideration (amounts in millions, except for per share data):

**Stock consideration:**Shareholders:

Cigna common shares outstanding	257.5
(x) merger agreement per share exchange ratio	0.5152

Preliminary shares issued by Anthem to Cigna shareholders	132.7
(x) per share price of Anthem common stock as of September 25, 2015	\$ 141.91

Preliminary estimate of fair value of common stock issued to Cigna shareholders	\$ 18,831.5
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Vested stock option holders:

Cigna vested options outstanding	3.7
(x) merger consideration value less exercise price	\$ 131.36
(x) stock percentage of merger consideration value	41.42%
(/) per share price of Anthem common stock as of September 25, 2015	\$ 141.91

Preliminary shares issued by Anthem to Cigna stock option holders	1.4
(x) per share price of Anthem common stock as of September 25, 2015	\$ 141.91
Preliminary estimate of fair value of common stock issued to Cigna stock options holders	\$ 198.7
Preliminary fair value estimate of total stock consideration (includes \$1.3 million common stock par value)	\$ 19,030.2



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The following table presents a preliminary estimate of the total consideration (amounts in millions):

<b>Total consideration:</b>	
Cash consideration from above	\$ 26,982.6
Common stock consideration from above	19,030.2
Unvested stock-based award consideration preliminary estimate of fair value of unvested stock-based awards issued portion assigned to service period prior to the merger	479.6
<b>Preliminary estimated merger consideration</b>	<b>\$ 46,492.4</b>

The estimated merger consideration expected to be transferred, which is reflected in these unaudited pro forma condensed combined financial statements, does not purport to represent the actual merger consideration that will be transferred when the merger is completed. In accordance with ASC 805, the fair value of equity securities issued as part of the merger consideration transferred will be measured on the date the merger is completed at the then-current market price. This requirement will likely result in a different value for the stock consideration and a per share equity component different from the \$73.11 (the per share price of Anthem common stock as of September 25, 2015 of \$141.91 multiplied by the merger agreement per share exchange ratio of 0.5152) assumed in these unaudited pro forma condensed combined financial statements, and that difference may be material. For example, if the price of shares of Anthem common stock on the date the merger is completed, increased or decreased by 10% from the price assumed in these unaudited pro forma condensed combined financial statements, the merger consideration would increase or decrease by approximately \$1.9 billion, which would be reflected in these unaudited pro forma condensed combined financial statements as an increase or a decrease to goodwill.

The preliminary estimate of assets acquired and liabilities to be assumed by Anthem in the merger, reconciled to the estimate of the merger consideration expected to be transferred, are as follows (amounts in millions):

	<b>June 30, 2015</b>
Net book value of net assets acquired	\$ 11,289.6
Less historical:	
Goodwill	(6,041.3)
Intangible assets, including value of business acquired ( VOBA )	(768.1)
Deferred policy acquisition costs	(1,464.4)
Deferred tax liabilities, net	371.5
<b>Adjusted book value of net assets acquired</b>	<b>3,387.3</b>
Identified intangible assets <sup>(1)</sup>	20,550.0
VOBA <sup>(1)</sup>	2,200.0
Fair value adjustments <sup>(2)</sup>	(597.0)
Net deferred tax liabilities <sup>(3)</sup>	(7,585.7)
<b>Total identifiable net assets acquired</b>	<b>\$ 17,954.6</b>

Estimated merger consideration	\$ 46,492.4
Goodwill <sup>(4)</sup>	\$ 28,537.8

- (1) As of completion of the merger, identifiable intangible assets and VOBA are required to be measured at fair value, and these acquired assets could include assets that are not intended to be used or sold or that are intended to be used in a manner other than their highest and best use. For purposes of these unaudited pro forma condensed combined financial statements and consistent with the ASC 820 requirements for fair value, it is assumed that all assets will be used, and that all assets will be used in a manner that represents the highest and best use of those assets.

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The fair value of identifiable intangible assets and VOBA is determined primarily using variations of the income approach, which is based on the present value of the future after tax cash flows attributable to each identified intangible asset. Other valuation methods, including the market approach and cost approach, were also considered in estimating the fair value. Under the HSR Act and other relevant laws and regulations, there are significant limitations on Anthem's ability to obtain specific information about Cigna's intangible assets prior to completion of the merger.

At this time, Anthem does not have sufficient information as to the amount, timing and risk of cash flows of all of Cigna's identifiable intangible assets and VOBA to determine their fair value. Some of the more significant assumptions inherent in the development of intangible asset values, from the perspective of a market participant, include the amount and timing of projected future cash flows (including revenue and profitability); the discount rate selected to measure the risks inherent in the future cash flows; and the assessment of the asset's life cycle and the competitive trends impacting the asset.

However, for purposes of these unaudited pro forma condensed combined financial statements and using publicly available information, such as historical revenues, Cigna's cost structure, industry information for comparable intangible assets and certain other high-level assumptions, the fair value of Cigna's identifiable intangible assets and VOBA, as well as their weighted-average useful lives have been estimated as follows (amounts in millions):

	<b>Estimated Fair Value</b>	<b>Estimated Useful Life (Years)</b>	<b>Amortization Method</b>
Customer relationships	\$ 14,000.0	14	Sum of Years
Provider network	900.0	20	Straight-line
Tradename HealthSpring	900.0	10	Sum of Years
 Total identifiable intangible assets with finite lives	 15,800.0		
 VOBA life, accident and specialty	 1,700.0	 13	 Expected premiums
VOBA corporate owned life insurance ( COLI )	500.0	30	Expected profits
 Total VOBA	 2,200.0		
 Life insurance licenses	 50.0	 Indefinite	
State Medicaid licenses	100.0	Indefinite	
Tradename Cigna	4,600.0	Indefinite	
 Total identifiable intangible assets with indefinite lives	 4,750.0		
 Total identifiable intangible assets and VOBA	 \$ 22,750.0		

The estimated pro forma amortization expense related to the identifiable intangible assets with finite lives and VOBA for the five years following the merger is as follows (amounts in millions):

Year 1	\$ 2,331.1
Year 2	2,165.1
Year 3	1,993.5
Year 4	1,823.3
Year 5	1,654.0

These preliminary estimates of fair value and weighted-average useful life will likely be different from the final acquisition accounting and the difference could have a material impact on the accompanying unaudited pro forma condensed combined financial statements. Once Anthem has full access to information about Cigna's intangible assets and VOBA, additional insight will be gained that could impact (a) the estimated total value assigned to intangible assets and VOBA, (b) the estimated allocation of value between finite-lived and indefinite-lived intangible assets and/or (c) the estimated useful lives of intangible assets and

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VOBA. The estimated intangible asset and VOBA values and their useful lives could be impacted by a variety of factors that may become known to Anthem only upon access to additional information and/or by changes in such factors that may occur prior to completion of the merger. These factors include, but are not limited to, changes in the regulatory, legislative, legal, technological and competitive environments. Increased knowledge about these and/or other elements could result in a change to the estimated fair value of the identifiable Cigna intangible assets and VOBA and/or to the estimated weighted-average useful lives from what Anthem has assumed in these unaudited pro forma condensed combined financial statements. The combined effect of any such changes could then also result in a significant increase or decrease to Anthem's estimate of associated amortization expense.

- (2) As of the completion of the merger, various other assets and liabilities are required to be measured at fair value. Anthem has estimated fair value adjustments for (a) internally developed software, (b) commercial mortgage loans, (c) long-term debt, (d) insurance reserves and (e) contract deposit funds. The fair value adjustment for internally developed software was estimated using an income approach, similar to the identifiable intangible assets. The fair value adjustment of the insurance reserves were estimated based on a review of Cigna's historical reserves and a preliminary estimate of the impact of updating certain assumptions to current expectations. The fair value adjustments for commercial mortgage loans, long-term debt and contract deposit funds were estimated using publicly available information. As of the date of this joint proxy statement/prospectus, Anthem does not have sufficient information to make a reasonable preliminary estimate of the remaining other assets and liabilities. Accordingly, for purposes of these unaudited pro forma condensed combined financial statements, Anthem has assumed that the historical Cigna book values approximate the best estimate of fair value for all other assets and liabilities not separately discussed in these unaudited pro forma condensed combined financial statements.
- (3) As of the completion of the merger, Anthem will establish net deferred tax liabilities and make other tax adjustments as part of the accounting for the merger, primarily related to estimated fair value adjustments for identifiable intangible assets, VOBA, debt, certain marketable investments and insurance reserves (see (1) and (2) above). Anthem will also establish deferred tax assets related to the estimated fair value of stock-based compensation included as merger consideration (represents the portion assigned to service periods prior to the merger).

The pro forma adjustment to record the effect of deferred taxes was computed as follows (amounts in millions):

**Deferred taxes fair value adjustments of assets to be acquired and liabilities to be assumed**

Estimated fair value of identified intangible assets acquired	\$ 20,550.0
Estimated fair value of value of business acquired	2,200.0
Estimated fair value adjustment of internally developed software acquired	179.0
Estimated fair value adjustment of debt to be assumed	(488.0)
Estimated fair value adjustment of reserves assumed	(350.0)
Estimated fair value adjustment of commercial mortgage loans	74.0
Estimated fair value adjustment of contract holder deposit funds	(12.0)
<b>Total estimated fair value adjustments of assets to be acquired and liabilities to be assumed</b>	<b>22,153.0</b>
Tax rate at 35% <sup>(a)</sup>	35.0%

Deferred tax liabilities for fair value adjustments of assets to be acquired and liabilities to be assumed	\$ (7,753.6)
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**Deferred taxes fair value of stock-based compensation included in merger consideration**

Estimated fair value of stock based compensation included in merger consideration	\$ 479.6
Tax rate at 35% <sup>(a)</sup>	35.0%

Estimated deferred tax asset for fair value of stock-based compensation included in merger consideration	\$ 167.9
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Net deferred tax liabilities	\$ (7,585.7)
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<sup>(a)</sup> Anthem assumed a 35% tax rate when estimating the deferred tax impacts of the acquisition.

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- (4) Goodwill is calculated as the difference between the acquisition date fair value of the merger consideration expected to be transferred and the aggregate values assigned to the assets acquired and liabilities assumed. Goodwill is not amortized.

**6. Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments**

Adjustments included in the Acquisition Adjustments column in the accompanying unaudited pro forma condensed combined balance sheet as of June 30, 2015 are as follows (amounts in millions):

	Ref.	Increase (Decrease) at June 30, 2015
<b>Acquisition Adjustments</b>		
<b>Assets:</b>		
<b>Cash and cash equivalents</b> to reflect cash consideration paid by Anthem to Cigna shareholders	<b>a</b>	\$ (26,982.6)
<b>Deferred tax assets, net</b> to record tax impact of the estimated transaction costs to be incurred	<b>b</b>	\$ 129.8
<b>Other long-term investments</b> to reflect fair value adjustment for commercial mortgage loans	<b>c</b>	\$ 74.0
<b>Property and equipment</b> to reflect fair value of software	<b>d</b>	\$ 179.0
<b>Goodwill</b>		
Eliminate Cigna's historical goodwill		\$ (6,041.3)
Estimated transaction goodwill		28,537.8
<b>Total adjustment to goodwill</b>	<b>e</b>	\$ 22,496.5
<b>Other intangible assets</b>		
Eliminate Cigna's historical other intangible assets and VOBA		\$ (768.1)
Estimated transaction other intangible assets and VOBA		22,750.0
<b>Total adjustment to other intangible assets</b>	<b>f</b>	\$ 21,981.9
<b>Deferred policy acquisition costs</b> eliminate Cigna's historical deferred policy acquisition costs	<b>g</b>	\$ (1,464.4)
<b>Liabilities:</b>		
<b>Accounts payable and accrued expenses</b> adjustment to record estimated transaction costs to be incurred	<b>h</b>	\$ 495.0
<b>Long-term debt, less current portion</b> to reflect fair value of Cigna's outstanding debt assumed by Anthem	<b>i</b>	\$ 488.0
<b>Reserve for future policy benefits, noncurrent</b> to reflect fair value of annuity contracts	<b>j</b>	\$ 100.0
<b>Non-medical claims payable, noncurrent</b> to reflect fair value of disability reserves	<b>k</b>	\$ 250.0
<b>Contractholder deposit funds</b> to reflect fair value of funds	<b>l</b>	\$ 12.0

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	Ref.	Increase (Decrease) at June 30, 2015
<b>Acquisition Adjustments (Continued)</b>		
<b>Deferred tax liabilities, net</b>		
To record deferred tax liability for fair value adjustment to marketable investments		\$ 25.9
To record deferred tax liability for fair value adjustment of internally developed software acquired		62.7
To record deferred tax liability for acquired intangible assets		7,962.5
To record deferred tax asset for fair value adjustment to long-term debt		(170.8)
To record deferred tax asset for fair value adjustment to reserves assumed		(122.5)
To record deferred tax asset for fair value adjustment to contract holder deposit funds		(4.2)
To eliminate net deferred tax liability on book value of net assets acquired and eliminated		(371.5)
To record deferred tax asset for stock-based compensation included in merger consideration		(167.9)
Total adjustment to deferred tax liabilities, net	<b>m</b>	\$ 7,214.2
<b>Shareholders Equity:</b>		
<b>Common stock</b>		
To eliminate Cigna's historical common stock		\$ (74.0)
To record the par value of Anthem's common shares issued as part of the merger consideration		1.3
Total adjustment to common stock	<b>n</b>	\$ (72.7)
<b>Treasury stock</b> to eliminate Cigna's historical treasury stock	<b>o</b>	\$ 1,672.0
<b>Additional paid-in capital</b>		
To eliminate Cigna's historical additional paid-in capital		\$ (2,835.0)
To record additional paid-in capital from the issuance of Anthem common shares to fund a portion of the merger consideration		19,028.9
To record additional paid-in capital from the issuance of replacement stock-based awards		479.6
Total adjustment to additional paid-in capital	<b>p</b>	\$ 16,673.5
<b>Retained earnings</b>		
To eliminate Cigna's historical retained earnings		\$ (11,177.8)
To record estimated transaction costs to be incurred, net of tax		(365.2)
Total adjustment to retained earnings	<b>q</b>	\$ (11,543.0)
<b>Accumulated other comprehensive income (loss)</b> to eliminate Cigna's historical accumulated other comprehensive loss	<b>r</b>	\$ 1,125.2



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Adjustments included in the Financing Adjustments column in the accompanying unaudited pro forma condensed combined balance sheet as of June 30, 2015, are as follows (in millions):

	Ref.	Increase (Decrease) at June 30, 2015
<b>Financing Adjustments</b>		
<b>Assets:</b>		
<b>Cash</b>		
Adjustment to reflect sale of marketable investments to fund the cash consideration		\$ 4,982.6
Adjustment to reflect issuance of debt to fund the cash consideration		22,000.0
Adjustment to reflect cost of debt issuance		(27.5)
Total adjustment to cash	<b>s</b>	\$ 26,955.1
<b>Marketable investments</b>		
Adjustment to reflect sale of marketable investments to fund the cash consideration	<b>t</b>	\$ (4,982.6)
<b>Liabilities:</b>		
<b>Long-term debt, less current portion</b>		
Adjustment to reflect issuance of debt to fund the cash consideration		\$ 22,000.0
Adjustment to reflect cost of debt issuance		(27.5)
Total adjustment to long-term debt, less current portion	<b>u</b>	\$ 21,972.5

**Table of Contents****7. Unaudited Pro Forma Condensed Combined Statements of Income Adjustments**

Adjustments included in the Acquisition Adjustments column in the accompanying unaudited pro forma condensed combined statements of income are as follows (amounts in millions):

	Ref.	Increase (Decrease) for the Six Months Ended June 30, 2015	Increase (Decrease) for the Year Ended December 31, 2014
<b>Acquisition Adjustments</b>			
<b>Revenues:</b>			
<b>Net investment income</b>			
Adjustment to amortize the fair value adjustment to Cigna's investments	v	\$ (87.6)	\$ (175.3)
<b>Expenses:</b>			
<b>Administrative expense</b>			
Adjustment to amortize the fair value adjustment to Cigna's property and equipment		\$ 14.9	\$ 29.8
Adjustment to recognize estimated additional stock compensation expense related to the amortization of the fair value increase to Cigna's stock-based awards converted to Anthem stock-based awards		34.0	179.6
Adjustment to eliminate Cigna's historical amortization of net actuarial loss and prior service cost related to the pension and other postretirement obligation that will be assumed by Anthem in the transaction		(33.9)	(60.1)
Total administrative expense	w	\$ 15.0	\$ 149.3
<b>Interest expense</b>			
Adjustment to reflect interest expense as a result of the fair value adjustment to Cigna's long-term debt	x	\$ (28.9)	\$ (57.8)
<b>Amortization of other intangible assets</b>			
Eliminate Cigna's historical other intangible asset amortization expense		\$ (83.5)	\$ (195.0)
Estimated transaction-related other intangible asset amortization		1,082.6	2,331.1
Total amortization of other intangible assets	y	\$ 999.1	\$ 2,136.1
<b>Income Tax Expense</b>			
Adjustment to reflect the income tax impact using a 35% tax rate, representing the federal statutory tax rate and exclusion of any state impacts, which are unknown at the date of this joint proxy statement/prospectus but are expected to be immaterial. The	z	\$ (375.5)	\$ (841.0)

effective tax rate of the combined companies will be significantly different following the merger.

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Adjustments included in the Financing Adjustments column in the accompanying unaudited pro forma condensed combined statements of income are as follows (amounts in millions):

	Ref.	Increase (Decrease) for the Six Months Ended June 30, 2015	Increase (Decrease) for the Year Ended December 31, 2014
<b>Financing Adjustments</b>			
<b>Revenues:</b>			
<b>Net investment income</b>			
Adjustment to reflect the estimated impact on net investment income based on the average yield of the investments to be sold to fund the cash consideration	aa	\$ (49.8)	\$ (99.7)
<b>Expenses:</b>			
<b>Interest expense</b>			
Adjustment to record estimated interest expense on the new debt issued to fund the cash consideration	bb	\$ 429.0	\$ 858.0
<b>Income Tax Expense</b>			
Adjustment to reflect the income tax impact using a 35% tax rate, representing the federal statutory tax rate and exclusion of any state impacts, which are unknown at the date of this joint proxy statement/prospectus but are expected to be immaterial. The effective tax rate of the combined companies will be significantly different following the merger.	cc	\$ (167.6)	\$ (335.2)
If interest rates were to increase or decrease by 0.125% from the rates assumed for the new debt, pro forma interest expense would increase or decrease by approximately \$14.0 for the six months ended June 30, 2015, and \$28.0 for the year ended December 31, 2014.			

**8. Earnings Per Share**

The unaudited pro forma combined basic and diluted earnings per share calculations are based on the combined weighted-average basic and diluted shares of Anthem and Cigna. The historical weighted-average basic and diluted shares of Cigna were assumed to be replaced by the shares and converted stock-based awards expected to be issued by Anthem to effect the merger.

The following table summarizes the computation of the unaudited pro forma combined weighted-average basic and diluted shares outstanding (amounts in millions):

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
Anthem's weighted-average shares to compute basic EPS	264.8	275.9
	132.7	132.7

Cigna's outstanding shares at June 30, 2015, converted at the exchange ratio  
(Anthem shares to be issued to replace Cigna shares)

Combined weighted-average basic shares outstanding	397.5	408.6
Cigna's outstanding vested stock options at June 30, 2015, converted at the stock percentage of the merger consideration value less the exercise price (Anthem shares to be issued to replace Cigna vested stock options)	1.4	1.4
Pro forma weighted-average basic shares outstanding	398.9	410.0
Diluted effect of Anthem's outstanding stock-based awards	12.5	10.0
Dilutive effect of Cigna's outstanding stock-based awards, converted at the exchange ratio (Anthem awards to be issued to replace Cigna awards)	2.7	2.7
Pro forma weighted-average diluted shares	414.1	422.7

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**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA**

The table set forth below contains selected historical and unaudited pro forma combined per share information for Anthem and Cigna.

**Historical per Share Data for Anthem Common Stock and Cigna Common Stock**

The historical per share data for Anthem and Cigna common stock below is derived from the audited consolidated financial statements of each of Anthem and Cigna as of and for the year ended December 31, 2014, and the unaudited condensed consolidated financial statements of each of Anthem and Cigna as of and for the six months ended June 30, 2015.

**Unaudited Pro Forma Combined per Share Data for Anthem Common Stock**

The unaudited pro forma combined per share data for Anthem common stock set forth below gives effect to the merger under the acquisition method of accounting, as if the merger had occurred on January 1, 2014, the first day of Anthem's fiscal year ended December 31, 2014, in the case of net income per share data, and on June 30, 2015, in the case of book value per share data, and assuming that each outstanding share of Cigna common stock had been converted into shares of Anthem common stock based on the exchange ratio of 0.5152. The exchange ratio does not include the \$103.40 cash portion of the merger consideration.

The unaudited pro forma combined per share data for Anthem common stock is derived from the unaudited condensed consolidated financial statements of each of Anthem and Cigna as of and for the six months ended June 30, 2015, and the audited consolidated financial statements for each of Anthem and Cigna as of and for the year ended December 31, 2014.

The acquisition method of accounting is based on Financial Accounting Standards Board, referred to as FASB, Accounting Standards Codification, referred to as ASC, 805, *Business Combinations*, and uses the fair value concepts defined in ASC 820, *Fair Value Measurements and Disclosures*, which Anthem has adopted as required. Acquisition accounting requires, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. Fair value measurements recorded in acquisition accounting are dependent upon detailed valuation studies of Cigna's assets and liabilities and other studies that have yet to commence. Accordingly, the pro forma adjustments reflect the assets and liabilities of Cigna at their preliminary estimated fair values. Differences between these preliminary estimates and the final values in acquisition accounting will occur and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

The unaudited pro forma combined per share data for Anthem common stock does not purport to represent the actual results of operations that Anthem would have achieved had the companies been combined during these periods or to project the future results of operations that Anthem may achieve after the merger.

**Unaudited Pro Forma Combined per Cigna Equivalent Share Data**

The unaudited pro forma combined per Cigna equivalent share data set forth below shows the effect of the merger from the perspective of an owner of Cigna common stock. The information was calculated by multiplying the unaudited pro forma combined per share data for Anthem common stock by the exchange ratio of 0.5152. The exchange ratio does not include the \$103.40 cash portion of the merger consideration.

**Generally**

You should read the below information in conjunction with the selected historical consolidated financial information included elsewhere in this joint proxy statement/prospectus and the historical consolidated financial

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statements of Anthem and Cigna and related notes that have been filed with the SEC, certain of which are incorporated by reference into this joint proxy statement/prospectus. See the sections entitled *Selected Historical Consolidated Financial Data of Anthem*, *Selected Historical Consolidated Financial Data of Cigna* and *Where You Can Find More Information* beginning on pages 35, 37 and 241, respectively, of this joint proxy statement/prospectus. The unaudited pro forma combined per share data for Anthem common stock and the unaudited pro forma combined per Cigna equivalent share data is derived from, and should be read in conjunction with, the unaudited pro forma condensed combined financial information and related notes included in this joint proxy statement/prospectus. See the section entitled *Anthem Unaudited Pro Forma Condensed Combined Financial Data* beginning on page 38 of this joint proxy statement/prospectus.

	<b>As of/ For the Six Months Ended June 30, 2015</b>	<b>As of/For the Year Ended December 31, 2014</b>
<b>Anthem Historical per Common Share Data:</b>		
Net income basic	\$ 6.51	\$ 9.28
Net income diluted	6.22	8.96
Cash dividends declared	1.25	1.75
Book value <sup>(1)</sup>	88.16	90.46
<b>Cigna Historical per Common Share Data:</b>		
Shareholders net income basic	\$ 4.38	\$ 7.97
Shareholders net income diluted	4.30	7.83
Cash dividends declared	0.04	0.04
Book value <sup>(1)</sup>	43.85	41.55
<b>Unaudited Pro Forma Combined per Anthem Common Share Data<sup>(2)</sup>:</b>		
Net income basic	\$ 4.60	\$ 6.04
Net income diluted	4.44	5.86
Cash dividends declared <sup>(2)</sup>	N/A	N/A
Book value <sup>(1)</sup>	106.66	N/A
<b>Unaudited Pro Forma Combined per Cigna Equivalent Share Data<sup>(2)</sup>:</b>		
Net income basic <sup>(3)</sup>	\$ 2.37	\$ 3.11
Net income diluted <sup>(3)</sup>	2.29	3.02
Cash dividends declared <sup>(2)</sup>	N/A	N/A
Book value <sup>(1)(3)</sup>	54.95	N/A

- (1) Amount is calculated by dividing shareholders' equity by shares of Anthem or Cigna common stock, as applicable, outstanding at the end of the period. Pro forma book value per share as of December 31, 2014 is not applicable as the estimated pro forma adjustments were calculated as of June 30, 2015.
- (2) Pro forma combined dividends per share data is not provided due to the fact that the dividend policy for the combined company will be determined by the Anthem board of directors after completion of the mergers.
- (3) Amounts calculated by multiplying unaudited pro forma combined per share amounts by the exchange ratio of 0.5152.





**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION****Market Prices**

Anthem common stock is listed on the NYSE under the trading symbol ANTM. Cigna common stock is listed on the NYSE under the trading symbol CI.

The cash dividends declared, and intra-day high and low sales prices per share for Anthem common stock on the NYSE Composite Tape, as reported by the NYSE, were as follows:

	<b>Anthem Common Stock</b>		
	<b>High</b>	<b>Low</b>	<b>Dividend</b>
<b>2013:</b>			
First Calendar Quarter	\$ 66.62	\$ 58.75	\$ 0.3750
Second Calendar Quarter	82.33	65.82	0.3750
Third Calendar Quarter	90.00	80.75	0.3750
Fourth Calendar Quarter	94.36	83.13	0.3750
<b>2014:</b>			
First Calendar Quarter	\$ 102.56	\$ 81.84	\$ 0.4375
Second Calendar Quarter	110.03	90.75	0.4375
Third Calendar Quarter	124.58	106.52	0.4375
Fourth Calendar Quarter	129.96	108.92	0.4375
<b>2015:</b>			
First Calendar Quarter	\$ 160.64	\$ 122.86	\$ 0.6250
Second Calendar Quarter	173.59	148.29	0.6250
Third Calendar Quarter	165.93	134.62	0.6250
Fourth Calendar Quarter (through October 22, 2015)	149.87	135.24	

The cash dividends declared, and intra-day high and low sales prices per share for Cigna common stock on the NYSE Composite Tape, as reported by the NYSE, were as follows:

	<b>Cigna Common Stock</b>		
	<b>High</b>	<b>Low</b>	<b>Dividend</b>
<b>2013:</b>			
First Calendar Quarter	\$ 63.19	\$ 53.91	\$ 0.04
Second Calendar Quarter	73.13	61.88	
Third Calendar Quarter	84.68	71.12	
Fourth Calendar Quarter	88.57	72.64	
<b>2014:</b>			
First Calendar Quarter	\$ 90.63	\$ 75.37	\$ 0.04
Second Calendar Quarter	93.20	73.47	
Third Calendar Quarter	97.28	87.33	
Fourth Calendar Quarter	105.73	85.75	
<b>2015:</b>			
First Calendar Quarter	\$ 131.13	\$ 100.67	\$ 0.04

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Second Calendar Quarter	170.68	124.28
Third Calendar Quarter	168.36	124.17
Fourth Calendar Quarter (through October 22, 2015)	143.14	127.70

The following table sets forth the closing price per share of Anthem common stock and of Cigna common stock as of May 28, 2015, the last trading day prior to healthcare industry consolidation rumors; June 12, 2015, the last trading day prior to initial media speculation regarding a possible transaction involving Anthem and Cigna; June 19, 2015, the last trading day prior to Anthem's press release regarding its prior proposal to Cigna; July 1, 2015, the last trading day prior to media speculation that Anthem and Cigna were engaging in discussions

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for a potential merger; July 22, 2015, the last trading day prior to the public announcement of the merger; and October 22, 2015, the most recent practicable trading day prior to the date of this joint proxy statement/prospectus. The table also shows the implied value of the merger consideration proposed for each share of Cigna common stock as of the same six dates. This implied value was calculated by multiplying the closing price of a share of Anthem common stock on the relevant date by the exchange ratio of 0.5152, representing the stock consideration, and adding \$103.40, the cash consideration.

	<b>Anthem Common Stock</b>	<b>Cigna Common Stock</b>	<b>Implied Per Share Value of Merger Consideration</b>
May 28, 2015	\$ 164.22	\$ 135.87	\$ 188.01
June 12, 2015	\$ 160.71	\$ 137.31	\$ 186.20
June 19, 2015	\$ 165.06	\$ 155.26	\$ 188.44
July 1, 2015	\$ 165.22	\$ 162.04	\$ 188.52
July 22, 2015	\$ 155.10	\$ 151.07	\$ 183.31
October 22, 2015	\$ 139.41	\$ 129.49	\$ 175.22

The market prices of shares of Anthem common stock and Cigna common stock have fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this joint proxy statement/prospectus to the dates of the Anthem special meeting and of the Cigna special meeting and the date the merger is completed, and the market price of shares of Anthem common stock will continue to fluctuate after the date the merger is completed. No assurance can be given concerning the market prices of Anthem common stock and Cigna common stock before completion of the merger or Anthem common stock after completion of the merger. The exchange ratio is fixed in the merger agreement, but the market price of Anthem common stock (and therefore the value of the stock consideration and the merger consideration) when received by Cigna shareholders after the merger is completed could be greater than, less than or the same as shown in the table above. Accordingly, Cigna shareholders are advised to obtain current market quotations for Anthem common stock and Cigna common stock when considering whether to vote for adoption of the merger agreement.

**Dividends**

Anthem currently pays a quarterly dividend on Anthem common stock, and last paid a quarterly dividend on June 25, 2015, of \$0.625 per share. Under the terms of the merger agreement, during the period before completion of the merger, Anthem will not, and will cause its subsidiaries not to, declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock, other than (1) regular quarterly cash dividends payable by Anthem in respect of shares of Anthem common stock not exceeding, with respect to any quarter, \$0.625 per share of Anthem common stock, (as such amount may be increased in the ordinary course of business as set forth in the confidential disclosure letter that Anthem delivered to Cigna concurrently with the execution of the merger agreement), with declaration, record and payment dates consistent with past practice and in accordance with Anthem's dividend policy as of the date of the merger agreement and (2) dividends payable by a directly or indirectly wholly owned subsidiary of Anthem to Anthem or to another directly or indirectly wholly owned subsidiary of Anthem.

Cigna currently pays an annual dividend on Cigna common stock, and last paid an annual dividend on April 10, 2015, of \$0.04 per share. Under the terms of the merger agreement, during the period before completion of the merger, Cigna will not, and will cause its subsidiaries not to, declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock, other than (1) regular annual cash dividends payable by Cigna in respect of shares of Cigna common stock not exceeding, with respect to any year,

\$0.04 per share of Cigna common stock, with declaration, record and payment dates consistent with past practice and in accordance with Cigna's dividend policy as of the date of the merger agreement, (2) (a) (i) during each of the quarters ending March 31, 2016 and June 30, 2016, a quarterly

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cash dividend payable by Cigna in respect of shares of Cigna common stock not exceeding, with respect to such quarter, per share of Cigna common stock, the result of (x) the per share amount of any dividend declared with respect to Anthem common stock during such quarter in excess of \$0.625 (but, for the avoidance of doubt, only such excess) multiplied by (y) 0.5152, with customary declaration, record and payment dates and (ii) during each of the quarters ending September 30, 2016, December 31, 2016, and March 31, 2017, a quarterly cash dividend payable by Cigna in respect of shares of Cigna common stock not exceeding, with respect to such quarter, per share of Cigna common stock, the result of (x) the per share amount of any dividend declared with respect to Anthem common stock during such quarter multiplied by (y) 0.5152, with customary declaration, record and payment dates; provided that the first such quarterly dividend declared and paid in each of calendar year 2016 and calendar year 2017 shall be reduced by the Cigna annual dividend (if and to the extent such dividend has been declared) or (b) at Cigna's election, one or more special dividends (in an aggregate amount not to exceed the cumulative amount of any such permitted dividends minus the cumulative amount of any such declared dividends) and (3) dividends payable by a directly or indirectly wholly owned subsidiary of Cigna to Cigna or another directly or indirectly wholly owned subsidiary of Cigna.

Any former Cigna shareholder who holds the Anthem common stock into which Cigna common stock has been converted in connection with the merger will receive whatever dividends are declared and paid on Anthem common stock after completion of the merger. However, no dividend or other distribution having a record date after completion of the merger will actually be paid with respect to any Anthem common stock into which Cigna common stock has been converted in connection with the merger until the certificates formerly representing shares of Cigna common stock have been surrendered (or the book-entry shares formerly representing shares of Cigna common stock have been transferred) at which time (unless the payment date has yet to occur, in which case at the appropriate time) any accrued dividends and other distributions on those shares of Anthem common stock will be paid, without interest. Subject to the limitations set forth in the merger agreement, any future dividends by Anthem will be declared and paid at the discretion of the Anthem board of directors. Subject to the limitations set forth in the merger agreement, any future dividends by Cigna will be declared and paid at the discretion of the Cigna board of directors. There can be no assurance that any future dividends will be declared or paid by Anthem or Cigna or as to the amount or timing of those dividends, if any.

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**CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS**

Statements included in this joint proxy statement/prospectus that are not historical in nature are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When used in this joint proxy statement/prospectus and in documents incorporated by reference into this joint proxy statement/prospectus, forward-looking statements include statements regarding financial estimates, regulatory approvals and the expected timing, completion and effects of the merger, future financial and operating results, the combined company's plans, expectations, beliefs, intentions and future strategies, and other statements that are not historical facts that are signified by the words anticipate, believe, estimate, expect, intend, may, objective, plan, project, possible, potential, should and similar expressions.

These statements regarding future events or the future performance or results of the combined company inherently are subject to a variety of risks, contingencies and other uncertainties that could cause actual results, performance or achievements to differ materially from those described in or implied by the forward-looking statements. The risks, contingencies and other uncertainties that could result in the failure of the merger to be completed or, if completed, that could have an adverse effect on the results of operations, cash flows and financial position of the combined company and any anticipated benefits of the merger to Anthem shareholders and Cigna shareholders, include:

the failure to obtain necessary regulatory or other approvals for the merger, or if obtained, the possibility of being subjected to conditions that could reduce the expected synergies and other benefits of the merger, result in a material delay in, or the abandonment of, the merger or otherwise have an adverse effect on Cigna, Anthem or the combined company;

the obligation to complete the merger even if financing is not available or is available on terms other than those currently anticipated, including financing less favorable to Anthem than its current commitments, due to the absence of a financing condition in connection with the merger;

the failure to satisfy required closing conditions or complete the merger in a timely manner;

the failure to obtain necessary Anthem shareholder approval for the share issuance and Cigna shareholder approval for the adoption of the merger agreement;

the effect of the announcement of the merger on the ability to retain and hire key personnel, maintain business relationships, and on operating results and businesses generally;

disruption from the proposed merger making it more difficult to maintain business and operational relationships;

the effect of restrictions placed on Anthem's, Cigna's or their respective subsidiaries' business activities and the limitations put on Anthem's and Cigna's ability to pursue alternatives to the merger pursuant to the merger

agreement;

the possibility of delay or prevention of the merger by lawsuits challenging the merger filed against Anthem, the members of the Anthem board of directors, Cigna or the members of the Cigna board of directors;

the uncertainty of the value of the merger consideration that Cigna shareholders will receive in the merger due to a fixed exchange ratio and a potential fluctuation in the market price of Anthem common stock;

the possibility of Cigna's directors and officers having interests in the merger that are different from, or in addition to, the interests of Cigna shareholders generally;

the possibility of changes in circumstances between the date of the signing of the merger agreement and the closing of the merger that will not be reflected in the fairness opinions obtained by the Anthem board of directors and the Cigna board of directors from their respective financial advisors;



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the effect of the substantial additional indebtedness that Anthem will incur in connection with the merger;

the possibility of actual results of operations, cash flows and financial position after the merger materially differing from the Anthem unaudited pro forma condensed combined financial statements;

the difference in rights provided to Cigna shareholders under Delaware law, the Cigna certificate of incorporation and the Cigna by-laws, as compared to the rights Cigna shareholders will obtain as Anthem shareholders under Indiana law, the Anthem articles of incorporation and the Anthem by-laws;

the possibility that the proposed merger does not close, including due to the failure to satisfy the closing conditions;

the failure to realize projected synergies and other benefits from the merger;

the incurrence of significant pre- and post-transaction related costs in connection with the merger;

the occurrence of any event giving rise to the right of a party to terminate the merger;

the occurrence of increased government participation in, or regulation or taxation of health benefits and managed care operations, including, but not limited to, the impact of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010;

trends in health care costs and utilization rates;

participation in the federal and state health insurance exchanges under the Health Care and Education Reconciliation Act of 2010, which have experienced and continue to experience challenges due to implementation of initial and phased-in provisions, and which entail uncertainties associated with the mix and volume of business, particularly in Individual and Small Group markets, that could negatively impact the adequacy of premium rates and which may not be sufficiently offset by the risk apportionment provisions of the Health Care and Education Reconciliation Act of 2010;

the inability to contract with providers consistent with past practice;

competitor pricing below market trends of increasing costs;

reduced enrollment, as well as a negative change in Anthem's health care product mix;

the risks and uncertainties regarding Medicare and Medicaid programs, including those related to non-compliance with the complex regulations imposed thereon and funding risks with respect to revenue received from participation therein;

a downgrade in Anthem's or Cigna's financial strength ratings;

litigation and investigations targeted at Anthem's industry and Anthem's and Cigna's ability to resolve litigation and investigations within estimates;

the non-compliance by either Anthem, Cigna or the respective counterparty to Anthem's or Cigna's pharmacy benefit management services agreements, which could result in financial penalties;

the inability to meet customer demands, and sanctions imposed by governmental entities, including the Centers for Medicare and Medicaid Services;

events that result in negative publicity for Anthem, Cigna or the health benefits industry;

failure to effectively maintain and modernize Anthem's and Cigna's information systems and e-business organization and to maintain good relationships with third party vendors for information system resources;

events that may negatively affect Anthem's licenses with the BCBSA;

the unauthorized disclosure of member or employee sensitive or confidential information, including the impact and outcome of investigations, inquiries, claims and litigation related to the cyber-attack Anthem reported in February 2015;

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changes in the economic and market conditions, as well as regulations that may negatively affect Anthem's or Cigna's investment portfolios and liquidity;

general risks associated with mergers and acquisitions;

various laws and provisions in the Anthem articles of incorporation, the Anthem by-laws and Anthem's licenses with the BCBSA that may prevent or discourage takeovers and business combinations;

future public health epidemics and catastrophes; and

general economic downturns.

For a further discussion of these and other risks, contingencies and uncertainties applicable to Anthem and Cigna, see the section entitled *Risk Factors* beginning on page 67 of this joint proxy statement/prospectus and in Anthem's and Cigna's other filings with the SEC incorporated by reference into this joint proxy statement/prospectus.

Due to these risks, contingencies and other uncertainties, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this joint proxy statement/prospectus. Except as provided by federal securities laws, neither Anthem nor Cigna is required to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to Anthem or Cigna or any person acting on its or their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Anthem and Cigna do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this joint proxy statement/prospectus or to reflect the occurrence of unanticipated events, except as may be required under applicable federal securities law.

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**Table of Contents****RISK FACTORS**

*In addition to the other information contained or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled **Cautionary Information Regarding Forward-Looking Statements** beginning on page 64 of this joint proxy statement/prospectus, you should carefully consider the following risk factors in determining whether to vote for the adoption of the merger agreement or approval of the share issuance. You should also read and consider the risk factors associated with each of the businesses of Anthem and Cigna because these risk factors may affect the operations and financial results of the combined company. These risk factors may be found under Part I, Item 1A, **Risk Factors** in each company's Annual Report on Form 10-K for the year ended December 31, 2014, and under Part II, Item 1A, **Risk Factors** in each company's Quarterly Report on Form 10-Q for the quarterly periods ended June 30, 2015 and March 31, 2015, each of which is on file with the SEC and all of which are incorporated by reference into this joint proxy statement/prospectus.*

**Because the exchange ratio is fixed and the market price of Anthem common stock has fluctuated and will continue to fluctuate, you cannot be sure of the value of the merger consideration you will receive.**

Upon completion of the merger, each share of Cigna common stock outstanding immediately prior to the merger (other than (1) Cigna treasury shares, (2) shares of Cigna common stock beneficially owned by Anthem or a subsidiary of Cigna or Anthem (including Merger Sub), (3) shares of Cigna common stock that are owned by shareholders who have not voted in favor of the merger and who have properly demanded in writing appraisal for such shares pursuant to Section 262 of the DGCL and (4) shares of Cigna common stock subject to Cigna restricted stock awards) will be automatically converted into the right to receive (x) \$103.40 in cash, without interest, and (y) 0.5152 shares of Anthem common stock. Because the exchange ratio of 0.5152 of a share of Anthem common stock is fixed, the value of the stock portion of the merger consideration will depend on the market price of Anthem common stock at the time the merger is completed. The value of the stock portion of the merger consideration has fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this joint proxy statement/prospectus to the dates of the Anthem special meeting and of the Cigna special meeting and the date the merger is completed and thereafter. Accordingly, at the time of the Cigna special meeting, Cigna shareholders will not know or be able to determine the market value of the merger consideration they would receive upon completion of the merger. Stock price changes may result from a variety of factors, including, among others, general market and economic conditions, changes in Anthem's and Cigna's respective businesses, operations and prospects, market assessments of the likelihood that the merger will be completed, the timing of the merger and regulatory considerations. Many of these factors are beyond Anthem's and Cigna's control. You are urged to obtain current market quotations for Anthem common stock in deciding whether to vote for the adoption of the merger agreement.

**The market price of shares of Anthem common stock after the merger may be affected by factors different from those affecting shares of Cigna common stock currently or that have historically affected shares of Cigna common stock.**

Upon completion of the merger, holders of Cigna common stock will become holders of Anthem common stock. The businesses of Anthem differ from those of Cigna in important respects and, accordingly, the results of operations of Anthem after the merger, as well as the market price of the Anthem common stock, may be affected by factors different from those currently affecting or that have historically affected the independent results of operations of Cigna. For further information on the businesses of Anthem and Cigna and certain factors to consider in connection with those businesses, see the documents incorporated by reference into this joint proxy statement/prospectus and referred to under the section entitled *Where You Can Find More Information* beginning on page 241 of this joint proxy statement/prospectus.



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**After completion of the merger, Anthem may fail to realize the anticipated benefits and cost savings of the merger, which could adversely affect the value of Anthem common stock.**

The success of the merger will depend, in part, on Anthem's ability to realize the anticipated benefits and cost savings from combining the businesses of Anthem and Cigna. The ability of Anthem to realize these anticipated benefits and cost savings is subject to certain risks including:

Anthem's ability to successfully combine the businesses of Anthem and Cigna;

whether the combined businesses will perform as expected;

the possibility that Anthem paid more for Cigna than the value it will derive from the acquisition;

the reduction of Anthem's cash available for operations and other uses and the incurrence of indebtedness to finance the acquisition; and

the assumption of known and unknown liabilities of Cigna.

If Anthem is not able to successfully combine the businesses of Anthem and Cigna within the anticipated time frame, or at all, the anticipated cost savings and other benefits of the merger may not be realized fully or at all or may take longer to realize than expected, the combined businesses may not perform as expected and the value of the Anthem common stock (including the stock portion of the merger consideration) may be adversely affected.

Anthem and Cigna have operated and, until completion of the merger, will continue to operate, independently, and there can be no assurances that their businesses can be integrated successfully. It is possible that the integration process could result in the loss of key Anthem or Cigna employees, the disruption of either or both companies' ongoing businesses or in unexpected integration issues, higher than expected integration costs and an overall post-completion integration process that takes longer than originally anticipated. Specifically, issues that must be addressed in integrating the operations of Cigna and Anthem in order to realize the anticipated benefits of the merger so the combined business performs as expected include, among other things:

combining the companies' corporate functions;

integrating the companies' technologies and services;

identifying and eliminating redundant and underperforming operations and assets;

harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;

addressing possible differences in business backgrounds, corporate cultures and management philosophies;

consolidating the companies' corporate, administrative and information technology infrastructure;

coordinating sales, distribution and marketing efforts;

managing the movement of certain positions to different locations;

maintaining existing agreements with customers, providers and vendors and avoiding delays in entering into new agreements with prospective customers, providers and vendors;

coordinating geographically dispersed organizations; and

consolidating offices of Cigna and Anthem that are currently in or near the same location.

In addition, at times, the attention of certain members of either or both companies' management and resources may be focused on completion of the merger and the integration of the businesses of the two companies and diverted from day-to-day business operations, which may disrupt each company's ongoing business and the business of the combined company.

**Table of Contents****Anthem and Cigna may have difficulty attracting, motivating and retaining executives and other key employees in light of the merger.**

Uncertainty about the effect of the merger on Anthem and Cigna employees may have an adverse effect on Anthem and Cigna and consequently the combined business. This uncertainty may impair Anthem's and Cigna's ability to attract, retain and motivate key personnel until the merger is completed. Employee retention may be particularly challenging during the pendency of the merger, as employees of Anthem and Cigna may experience uncertainty about their future roles with the combined business. Additionally, Cigna's officers and employees may hold shares of Cigna common stock or certain equity awards and, if the merger is completed, may therefore be entitled to the merger consideration in respect of such shares of Cigna common stock and cashed-out equity awards, the receipt of which could lead certain officers and employees to no longer pursue employment with the combined business. Additionally, pursuant to the Cigna Executive Severance Benefits Plan and the Cigna Long-Term Incentive Plan, key employees of Cigna are entitled to receive payments upon a qualifying termination of employment within the two-year period following completion of the merger. A key Cigna employee potentially could terminate his or her employment following specified circumstances set forth in the Cigna Executive Severance Benefits Plan and the Cigna Long-Term Incentive Plan, including material changes in a key employee's authority, duties or responsibility, any reduction in compensation or any changes in primary office location of more than 35 miles from such location on the date of the merger. Severance payments could lead those key employees to terminate employment with the combined business if there is a basis for them to claim that their employment was constructively terminated. Furthermore, if key employees of Anthem or Cigna depart, including because of issues relating to the uncertainty and difficulty of integration, financial security or a desire not to become employees of the combined business, Anthem may have to incur significant costs in identifying, hiring and retaining replacements for departing employees, and Anthem's ability to realize the anticipated benefits of the merger may be adversely affected. See the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Interests of Certain Cigna Directors and Executive Officers in the Merger* beginning on page 164 of this joint proxy statement/prospectus.

**In order to complete the merger, among other considerations described in this joint proxy statement/prospectus, Anthem and Cigna must make certain governmental filings and obtain certain governmental authorizations, and if such filings and authorizations are not made or granted or are granted with conditions that become applicable to the parties, completion of the merger may be jeopardized, may result in additional expenditures of money and resources or the anticipated benefits of the merger could be reduced.**

Completion of the merger is conditioned upon the expiration or early termination of the waiting period relating to the merger under the HSR Act and certain other applicable laws or regulations and certain specified necessary consents having been made or obtained and being in full force and effect, without the imposition of a burdensome term or condition as defined in the merger agreement and as further described in this joint proxy statement/prospectus. Although Anthem and Cigna have agreed in the merger agreement to use their reasonable best efforts, subject to certain limitations, to make certain governmental filings or obtain the necessary consents, as the case may be, there can be no assurance that the relevant waiting periods will expire or consents will be obtained. In addition, the governmental authorities with or from which these consents are required have broad discretion in administering the governing regulations and may take into account various facts and circumstances in their consideration of the merger, including other pending consolidation in the healthcare industry. As a condition to authorization of the merger or related transactions, these governmental authorities may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of Anthem's business after completion of the merger. These requirements, limitations, costs, divestitures and restrictions could jeopardize the completion of the merger.

Anthem's and Cigna's obligations to obtain the necessary consents (as such term is defined in the section entitled *The Merger Agreement Efforts to Complete the Mergers*) are subject to certain exceptions and limitations, including that



neither Anthem nor Cigna is obligated to agree to a burdensome term or condition

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which, is a term or condition that would have, or would reasonably be expected to have, individually or in the aggregate with all other such terms and conditions, a material adverse effect on Anthem, Cigna and their respective subsidiaries, taken as a whole, after giving effect to the mergers, including the synergies expected to be realized from the mergers. See the sections entitled *The Merger Agreement Conditions to the Merger* and *The Merger Agreement Efforts to Complete the Mergers* beginning on pages 202 and 198, respectively, of this joint proxy statement/prospectus.

**In addition to receipt of certain governmental authorizations and specified necessary consents, completion of the merger is subject to a number of other conditions, and if these conditions are not satisfied or waived (if permissible under applicable law), the merger will not be completed.**

The obligations of Anthem and Cigna to complete the merger are subject to the satisfaction or waiver (if permissible under applicable law) of a number of conditions in addition to receipt of specified necessary consents, including, among other conditions: (1) the adoption of the merger agreement by Cigna shareholders; (2) the approval of the share issuance by Anthem shareholders; and (3) the absence of a material adverse effect on either party (see the section entitled *The Merger Agreement Material Adverse Effect* beginning on page 188 of this joint proxy statement/prospectus for the definition of material adverse effect). For a more complete summary of the conditions that must be satisfied or waived (if permissible under applicable law), see the section entitled *The Merger Agreement Conditions to the Merger* beginning on page 202 of this joint proxy statement/prospectus. There can be no assurance that the conditions to the completion of the merger will be satisfied or waived (if permissible under applicable law) or that the merger will be completed.

In addition, the Anthem special meeting and the Cigna special meeting may take place before specified necessary consents have been obtained and, therefore, before the terms on which such necessary consents may be obtained, or the conditions to obtaining such necessary consents that may be imposed, are known. As a result, if Anthem shareholders approve the share issuance at the Anthem special meeting, or Cigna shareholders adopt the merger agreement at the Cigna special meeting, Anthem and Cigna may make decisions after the respective special meetings to waive a condition as to the receipt of specified necessary consents or take certain actions required to obtain such necessary consents without seeking further shareholder approval, and such actions could have an adverse effect on the combined company.

**Anthem's and Cigna's business relationships may be subject to disruption due to uncertainty associated with the merger.**

Parties with which Anthem or Cigna does business may experience uncertainty associated with the transaction, including with respect to current or future business relationships with Anthem, Cigna or the combined business. Anthem's and Cigna's business relationships may be subject to disruption as customers, providers, vendors and others may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than Anthem, Cigna or the combined business. These disruptions could have a material adverse effect on the businesses, financial condition, results of operations or prospects of the combined business, including a material adverse effect on Anthem's ability to realize the anticipated benefits of the merger. The effect of these disruptions could be exacerbated by a delay in completion of the merger or termination of the merger agreement.

**Certain Cigna directors and executive officers have interests in the merger that may be different from your interests as a shareholder of Cigna.**

When considering the recommendation of the Cigna board of directors that the Cigna shareholders vote in favor of the adoption of the merger agreement, you should be aware that certain Cigna directors and executive officers have

interests in the merger that may be different from, or in addition to, the interests of the Cigna shareholders generally. These include continued employment of certain executive officers of Cigna, rights to continuing indemnification and directors and officers liability insurance and payment pursuant to certain equity

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awards. See the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Interests of Certain Cigna Directors and Executive Officers in the Merger* beginning on page 164 of this joint proxy statement/prospectus for a more detailed description of these interests. The Cigna board of directors was aware of these interests and considered them, among other things, in evaluating and negotiating the merger agreement and the merger and in recommending that the Cigna shareholders adopt the merger agreement.

**The merger agreement limits Cigna's and Anthem's ability to pursue alternatives to the merger.**

The merger agreement contains provisions that make it more difficult both for Cigna to sell its business to a party other than Anthem and for Anthem to sell its business to a third party. These provisions include a general prohibition on Cigna and Anthem soliciting any acquisition proposal or offer for a competing transaction. Further, there are only limited exceptions to Cigna's agreement that the Cigna board of directors will not withdraw or modify in a manner adverse to Anthem the recommendation of the Cigna board of directors in favor of the adoption of the merger agreement and to Anthem's agreement that the Anthem board of directors will not withdraw or modify in a manner adverse to Cigna the recommendation of the Anthem board of directors in favor of the approval of the share issuance, and each of Anthem and Cigna generally has a right to match any competing acquisition proposals that may be made. However, at any time prior to the adoption of the merger agreement by the Cigna shareholders or the approval of the share issuance by the Anthem shareholders, as the case may be, the Cigna board of directors and the Anthem board of directors, as applicable, are permitted to take certain of these actions and, in certain circumstances, terminate the merger agreement if either board determines in good faith that the failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties to its respective shareholders, under applicable law, in order to concurrently enter into an agreement that constitutes a superior proposal; however, doing so could entitle the non-terminating party to a termination fee of \$1,850,000,000. See the sections entitled *The Merger Agreement No Solicitation of Alternative Transactions*, *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Fees and Expenses* beginning on pages 194, 204 and 206, respectively, of this joint proxy statement/prospectus.

While Cigna and Anthem believe these provisions are reasonable, customary and not preclusive of other offers, the provisions might discourage a third party that has an interest in acquiring all or a significant part of Cigna or Anthem from considering or proposing that acquisition, even if that party were prepared to pay consideration with a higher per-share value than the currently proposed merger consideration, in the case of Cigna, or if that party were prepared to enter into an agreement that may be more favorable to Anthem or Anthem shareholders, in the case of Anthem. Furthermore, such termination fee may result in a potential competing acquiror proposing to pay a lower per-share price to acquire Cigna or Anthem, as applicable, than it might otherwise have proposed to pay because of the added expense of the \$1,850,000,000 termination fee that may become payable by either Cigna or Anthem, as applicable, in certain circumstances.

**Failure to complete the merger could negatively impact the stock price and the future business and financial results of Anthem and Cigna.**

If the merger is not completed, the ongoing businesses of Anthem and Cigna may be adversely affected and, without realizing any of the benefits of having completed the merger, Anthem and Cigna would be subject to a number of risks, including the following:

Anthem and Cigna may experience negative reactions from the financial markets, including negative impacts on their respective stock and bond prices, and from their respective customers, providers, vendors, regulators

and employees;

either Anthem or Cigna may be required to pay a termination fee of \$1,850,000,000 if the merger is terminated under certain circumstances (see the section entitled *The Merger Agreement Fees and Expenses* beginning on page 206 of this joint proxy statement/prospectus);

Anthem and Cigna will be required to pay certain costs relating to the merger, whether or not the merger is completed;

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the merger agreement places certain restrictions on the conduct of Cigna's and Anthem's businesses prior to completion of the merger or the termination of the merger agreement. Such restrictions, the waiver of which is subject to the consent of the other party (in most cases, not to be unreasonably withheld, conditioned or delayed), may prevent Cigna or Anthem from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the merger (see the section entitled *The Merger Agreement Conduct of Business* beginning on page 190 of this joint proxy statement/prospectus for a description of the restrictive covenants applicable to Cigna); and

matters relating to the merger (including integration planning) will require substantial commitments of time and resources by Anthem and Cigna management, which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to either Anthem or Cigna as an independent company.

There can be no assurance that the risks described above will not materialize. If any of those risks materialize, they may adversely affect Anthem's and Cigna's businesses, financial condition, financial results and stock or bond prices.

In addition, Anthem and Cigna could be subject to litigation related to any failure to complete the merger or related to any enforcement proceeding commenced against Anthem or Cigna to perform their respective obligations under the merger agreement. If the merger is not completed, these risks may materialize and may adversely affect Anthem's and Cigna's business, financial condition, financial results and stock or bond prices.

**The shares of Anthem common stock to be received by Cigna shareholders upon completion of the merger will have different rights from shares of Cigna common stock.**

Upon completion of the merger, Cigna shareholders will no longer be shareholders of Cigna, a Delaware corporation, but will instead become shareholders of Anthem, an Indiana corporation, and their rights as Anthem shareholders will be governed by Indiana law and the terms of the Anthem articles of incorporation and the Anthem by-laws. Indiana law and the terms of the Anthem articles of incorporation and the Anthem by-laws are in some respects materially different than Delaware law and the terms of the Cigna certificate of incorporation and the Cigna by-laws, which currently govern the rights of Cigna shareholders. See the section entitled *Comparison of Shareholders' Rights* beginning on page 218 of this joint proxy statement/prospectus for a discussion of the different rights associated with Anthem common stock.

**After the merger, current Anthem shareholders and Cigna shareholders will have a significantly lower ownership and voting interest in the combined company and will exercise less influence over management of the combined company than each have with respect to their respective companies currently.**

Based on the number of shares of Cigna common stock outstanding as of October 22, 2015, the Cigna record date, and the number of shares of Anthem common stock outstanding as of October 22, 2015, the Anthem record date, it is expected that, immediately after completion of the merger, former Cigna shareholders will own approximately 33% of the outstanding shares of Anthem common stock. Consequently, current Anthem shareholders in the aggregate will have less influence over the management and policies of Anthem than they currently have over the management and policies of Anthem, and Cigna shareholders in the aggregate will have less influence over the management and policies of Anthem than they currently have over the management and policies of Cigna.

**Lawsuits have been filed and other lawsuits may be filed against Cigna, the Cigna board of directors and Anthem challenging the merger. An adverse ruling in any such lawsuit may prevent the merger from being completed.**

Following announcement of the merger, six putative class action complaints, which we collectively refer to as the complaints in this joint proxy statement/prospectus, were filed by purported Cigna shareholders on

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behalf of a purported class of Cigna shareholders. Five of the complaints, *Leach v. Cigna Corp., et al.*, Civil Action No. 11354-CB, *Copelli v. Cordani, et al.*, Civil Action No. 11373-CB, *Patel v. Cigna Corp., et al.*, Civil Action No. 11377-CB, *Messenger v. Cigna Corp., et al.*, Civil Action No. 11383-CB and *Litwin v. Cigna Corp., et al.*, Civil Action No. 11396-CB were filed in the Court of Chancery of the State of Delaware. The sixth complaint, *Solak v. Cordani, et al.*, Civil Action No. HHD-CV-15-6061337-S, was filed in the Connecticut Superior Court, Judicial District of Hartford.

The complaints name as defendants various combinations of Cigna, members of the Cigna board of directors, Anthem, and Merger Sub. The complaints generally assert that the members of the Cigna board of directors breached their fiduciary duties to the Cigna shareholders during merger negotiations and by entering into the merger agreement and approving the merger, and that Cigna, Anthem and Merger Sub aided and abetted such breaches of fiduciary duties. The complaints further allege that, among other things, (1) the merger consideration undervalues Cigna, (2) the sales process leading up to the merger was flawed due to purported conflicts of interest of members of the Cigna board of directors and (3) certain provisions of the merger agreement inappropriately favor Anthem and inhibit competing bids. The complaints seek, among other things, (1) injunctive relief enjoining the merger, (2) rescission of the merger agreement to the extent already implemented and (3) costs and damages.

The defendants believe that the claims asserted against them in the complaints are without merit and intend to defend the litigation vigorously. Additional lawsuits arising out of or relating to the merger agreement or the merger may be filed in the future.

See the section entitled *Anthem Proposal I: Approval of the Share Issuance and Cigna Proposal I: Adoption of the Merger Agreement Litigation Relating to the Merger* beginning on page 179 of this joint proxy statement/prospectus for more information about the lawsuits related to the merger that have been filed prior to the date of this joint proxy statement/prospectus. Lawsuits challenging the merger could prevent the merger from being completed, or could result in a material delay in, or the abandonment of, the merger.

One of the conditions to completion of the merger is the absence of any applicable law (including any order) being in effect that prohibits completion of the mergers. Accordingly, if a plaintiff is successful in obtaining an order prohibiting completion of the merger, then such order may prevent the merger from being completed, or from being completed within the expected timeframe.

**The indebtedness of Anthem following completion of the merger will be substantially greater than Anthem's indebtedness on a stand-alone basis and greater than the combined indebtedness of Anthem and Cigna existing prior to the transaction. This increased level of indebtedness could adversely affect Anthem, including by decreasing Anthem's business flexibility, and will increase its borrowing costs. Downgrades in Anthem's ratings could adversely affect Anthem's businesses, cash flows, financial condition and operating results.**

Upon completion of the merger, Anthem expects to have incurred acquisition-related debt financing of approximately \$26.5 billion and to have assumed approximately \$5.1 billion of Cigna's outstanding debt. Anthem's substantially increased indebtedness and higher debt-to-equity ratio following completion of the merger in comparison to that of Anthem on a recent historical basis will have the effect, among other things, of reducing Anthem's flexibility to respond to changing business and economic conditions and will increase Anthem's borrowing costs. In addition, the amount of cash required to service Anthem's increased indebtedness levels and thus the demands on Anthem's cash resources may be greater than the percentages of cash flows required to service the indebtedness of Anthem or Cigna individually prior to the transaction. The increased levels of indebtedness could also reduce funds available for Anthem's investments in product development as well as capital expenditures, share repurchases and other activities and may create competitive disadvantages for Anthem relative to other companies with lower debt levels.





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In addition, Anthem's credit ratings could impact the cost and availability of future borrowings, and, as a result, Anthem's cost of capital. Anthem's ratings reflect each organization's opinion of Anthem's financial strength, operating performance and ability to meet Anthem's debt obligations or obligations to Anthem's insureds. Each of the ratings organizations reviews Anthem's ratings periodically, and there can be no assurance that Anthem's current ratings will be maintained in the future. Following the announcement of the merger, each of Standard & Poor's, A.M. Best, Fitch and Moody's placed certain of Anthem's debt, financial strength and other credit ratings under review for a possible downgrade. Downgrades in Anthem's ratings could adversely affect Anthem's businesses, cash flows, financial condition and operating results.

**Anthem will incur significant transaction and merger-related costs in connection with the merger.**

Anthem expects to incur a number of non-recurring costs associated with the merger and combining the operations of the two companies. The substantial majority of non-recurring expenses resulting from the merger will be comprised of transaction costs related to the merger. Anthem also will incur transaction fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. Anthem continues to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the merger and the integration of the two companies' businesses. Although Anthem expects that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow Anthem to offset incremental integration-related costs over time, this net benefit may not be achieved in the near term, or at all.

**The merger may not be accretive, and may be dilutive, to Anthem's operating earnings per share, which may negatively affect the market price of Anthem common stock.**

Anthem currently projects that the merger will be modestly accretive to operating earnings per share in the year the merger is completed, excluding transaction and integration costs. This projection is based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay the accretion that is currently projected or could result in dilution, including adverse changes in market conditions, additional transaction and integration related costs and other factors such as the failure to realize some or all of the benefits anticipated in the merger. Any dilution of, or decrease or delay of any accretion to, Anthem's earnings per share could cause the price of Anthem common stock to decline or grow at a reduced rate.

**The Anthem unaudited pro forma condensed combined financial statements included in this joint proxy statement/prospectus are preliminary and the actual results of operations, cash flows and financial position after the merger may differ materially.**

The Anthem unaudited pro forma condensed combined financial statements in this joint proxy statement/prospectus are presented for illustrative purposes only and are not necessarily indicative of what Anthem's actual results of operations, cash flows and financial position would have been had the merger been completed on the dates indicated. The Anthem unaudited pro forma condensed combined financial statements reflect adjustments, which are based upon preliminary estimates, to record the Cigna identifiable assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The merger purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Cigna that are acquired in the merger as of the date of the completion of the merger. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document. For more information, see the section entitled *Anthem Unaudited Pro Forma Condensed Combined Financial Data* beginning on page 38 of this joint proxy statement/prospectus.



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**Anthem's license agreements with the BCBSA contain certain requirements which will be impacted by the merger. Upon completion of the merger, Anthem may not initially be in compliance with the BCBSA's national best efforts standards.**

Anthem's license agreements with the BCBSA include certain requirements, including a requirement that at least 66-2/3% of its annual combined national net revenue, as defined by the BCBSA, attributable to health care plans and related services must be sold, marketed, administered or underwritten under the Blue Cross and Blue Shield names and marks, referred to as the National Best Efforts Requirements in this joint proxy statement/prospectus. Due to the size of Cigna's business, Anthem may not be in compliance with the National Best Efforts Requirements immediately after completion of the merger.

Anthem will be required to submit to the BCBSA within 120 days of completion of the merger, an action plan for coming back into compliance with the National Best Efforts Requirements if it is in non-compliance as a result of the merger. Under current BCBSA standards, Anthem would have to come back into compliance with the National Best Efforts Requirements no later than 24 months from when the relevant BCBSA committee makes a determination on Anthem's action plan for coming back into compliance. Anthem believes there are multiple options at its disposal to re-establish compliance with the National Best Efforts Requirements well within the allotted timeframe, if necessary, including rebranding Cigna health care plans and related services so they are sold, marketed, administered or underwritten under the Blue Cross and Blue Shield names and marks, ceding national Cigna accounts from other Blue Cross and Blue Shield member plans to Anthem or divesting certain business. Although Anthem strongly believes there would be numerous ways in which it could come back into compliance with the National Best Efforts Requirements within the required 24 month period, there can be no guarantee such efforts will be successful and failure to comply with the National Best Efforts Requirements can ultimately result in a termination of Anthem's license agreements with the BCBSA under certain circumstances. In addition, the standards under Anthem's license agreements may be modified in certain instances by the BCBSA. To the extent any such modifications are adopted in the future, they could have a material adverse effect on Anthem's ability to come back into compliance with the National Best Efforts Requirements.

In the event that Anthem's license agreements with the BCBSA were terminated, Anthem would no longer have the right to use the Blue Cross and Blue Shield names and marks or to sell Blue Cross and Blue Shield health insurance products and services in one or more of its service areas, which would have a material adverse effect on Anthem's business. Furthermore, the BCBSA would be free to issue a license to use the Blue Cross and Blue Shield names and marks in these service areas to another entity. Anthem's existing Blue Cross and Blue Shield members would be provided with instructions for obtaining alternative products and services licensed by the BCBSA. Upon termination of a license agreement, the BCBSA would have the right to impose a Re-Establishment Fee upon Anthem, which would be used in part to fund the establishment of a replacement Blue Cross and/or Blue Shield licensee in the vacated service areas. The fee is set at \$98.33 per licensed enrollee. As of December 31, 2014, Anthem reported 28.6 million Blue Cross and/or Blue Shield enrollees. If the Re-Establishment Fee was applied to Anthem's total Blue Cross and/or Blue Shield enrollees, Anthem would be assessed a fee of approximately \$2.8 billion by the BCBSA. Accordingly, termination of the license agreements would have a material adverse effect on Anthem's business, financial condition and results of operations.

**The pending merger could potentially inhibit Anthem's ability to successfully defend against the *In re Blue Cross Blue Shield Antitrust Litigation*.**

Anthem is a defendant in multiple lawsuits that were initially filed in 2012 against the BCBSA as well as Blue Cross and/or Blue Shield licensees across the country. The cases were consolidated into a single multi-district lawsuit called *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the United States District Court for the Northern

District of Alabama. Generally, the suits allege that the BCBSA and the Blue Cross and Blue Shield plans have engaged in a conspiracy to horizontally allocate geographic markets through license agreements, best efforts rules (which limit the percentage of non- Blue Cross and Blue Shield revenue of

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each plan), restrictions on acquisitions and other arrangements in violation of the Sherman Antitrust Act and