

Financials

Louisiana Health Service & Indemnity Company and Subsidiaries Five-Year Comparative Statement *(in thousands)*

Assets	2002	2003	2004	2005	2006
Cash and Investments	\$396,623	\$473,361	\$572,134	\$667,088	\$775,849
Premium Receivable	5,271	5,612	6,358	17,137	8,269
Other Assets, Including Real Estate	110,142	120,476	128,473	130,791	137,473
TOTAL ASSETS	\$512,036	\$599,449	\$706,965	\$815,016	\$921,591

Liabilities and Surplus

Policyholder Liabilities	\$158,484	\$167,322	\$188,327	\$189,690	\$230,311
Unearned Premium	29,769	32,826	37,318	23,561	32,809
Deposits and Other Liabilities	116,035	128,231	128,580	149,178	114,846
Total Liabilities	\$304,288	\$328,379	\$354,225	\$362,429	\$377,966
Surplus	207,748	271,070	352,740	452,587	543,625
TOTAL LIABILITIES AND SURPLUS	\$512,036	\$599,449	\$706,965	\$815,016	\$921,591

*Presented in accordance with Generally Accepted Accounting Principles.
2002 - 2003 restated to conform to the 2004 presentation.

Louisiana Health Service & Indemnity Company and Subsidiaries Members Served *2002-2006*

NUMBER OF MEDICAL MEMBERS AS OF DECEMBER 31 OF CORRESPONDING YEAR:

2002	2003	2004	2005	2006
899,755	910,530	986,947	1,018,150	1,070,453

Consolidated member total includes Blue Cross and Blue Shield of Louisiana, HMO Louisiana, Inc., Southern National Life Insurance Company, Inc. and BlueCard® members.
Independent licensees of the Blue Cross and Blue Shield Association

**Louisiana Health Service &
Indemnity Company** and Subsidiaries
Consolidated Income Statements *(in millions)*

	2002	2003	2004	2005	2006
Premium Income	\$1,174	\$1,351	\$1,497	\$1,626	\$1,764
Claims Expense	939	1,072	1,218	1,302	1,483
GROSS MARGIN	\$235	\$279	\$279	\$324	\$281
Service Revenue and Other Income	44	54	65	68	69
Commissions	68	79	82	85	96
Administrative Expenses	151	165	183	171	176
Operating Income w/o Strategic Projects	60	89	79	136	78
Strategic Projects Expense	22	41	15	17	25
NET OPERATING INCOME	\$38	\$48	\$64	\$119	\$53
Investment Income	19	19	22	30	34
PRE-TAX INCOME	\$57	\$67	\$86	\$149	\$87
Income Taxes	14	9	5	38	9
NET INCOME	\$43	\$58	\$81	\$111	\$78

**Presented in accordance with Generally Accepted Accounting Principles.
Prior years have been restated for comparative purposes.*