ANALYSIS OF OPERATIONS

Since the reorganization, WellPoint's operational and financial statistics have demonstrated considerable improvement.

($ in millions)

	Pre-Conversion (FYE 12/31/95)	Post Conversion (FYE 12/31/99)	Change
Member Enrollment (MM):			
Medical	2.8	7.3	4.5
Specialty	11.1	32.0	20.9
Total	13.9	39.3	25.4
Total Revenues	$3,107.1	$7,485.4	$4,378.3
Medical Loss Ratio	75.6%	80.2%	(4.6%)
S,G&A Expense Ratio	17.9%	19.2%	(1.3%)
EBITDA	394.6	576.3	181.7
EBITDA Margin	12.7%	7.7%	(5.0%)
Net Income(1)	179.9	297.2	117.3
Book Capitalization(2)	675.2	1,660.6	985.4
Market Capitalization(3)(4)	1,197.6	4,834.4	3,636.8

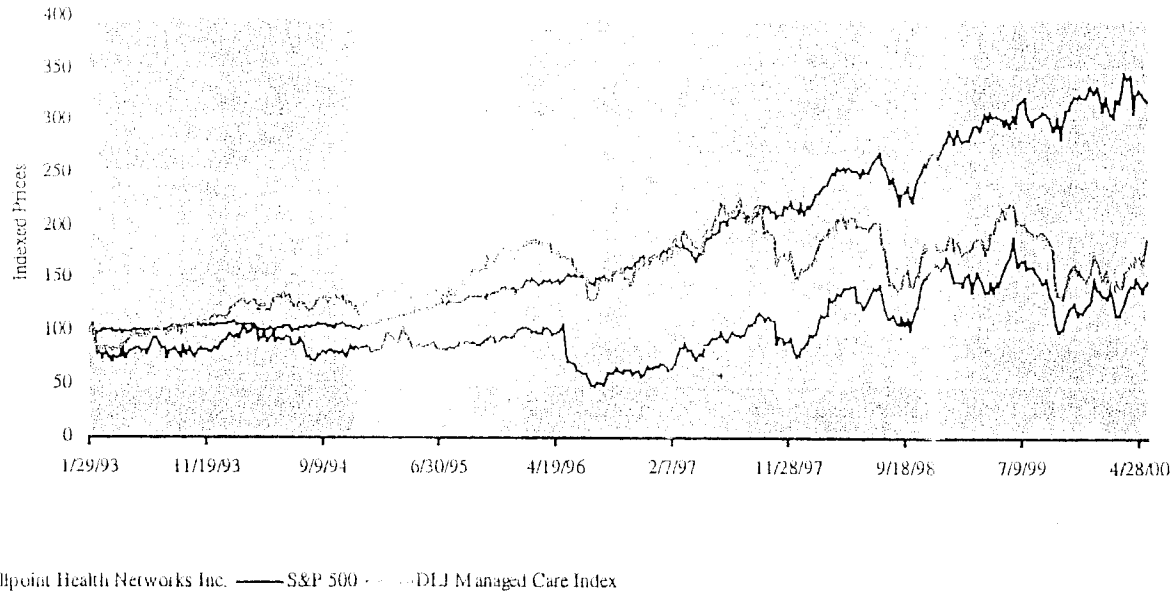
(1) Fiscal year end 1998 reflects income from continuing operations.
(2) Pre conversion number is pro forma for the $995.0 special dividend paid to BCC at conversion. Includes long-term debt.
(3) Pre conversion as of the conversion date: 5/20/96; post conversion as of 5/16/00.
(4) Net of excess cash.

OCC 015033

RELATIVE STOCK PRICE COMPARISON

WellPoint's stock price has lagged the broader market average as well as an index of similar managed care companies.

WEEKLY FROM JANUARY 29, 1993 - MAY 19, 2000



Indexed prices are market cap. weighted.

DLJ Managed Care Index Includes: AET, CI, FHS, HUM, OXHP, PHSYB, UNH and WLP.

OCC 015034

TRIGON HEALTHCARE, INC.

Blue Cross & Blue Shield of Virginia initiated its conversion in 1987 by first becoming a mutual insurance company and then, in 1994, becoming a stock company, re-named Trigon.

Description	Trigon Healthcare, Inc. ("Trigon") is the largest managed health care company in Virginia, serving approximately 1.8 million members and providing a comprehensive array of managed health care products.
Background	Blue Cross and Blue Shield of Virginia ("BCV") was converted into a non-profit, policyholder-owned mutual insurance company in 1987. BCV was then converted in 1994 from a mutual insurance company into a stock company re-named Trigon Insurance, which was wholly owned by a new holding company named Trigon Healthcare, Inc. All rights or interests of members in BCV were cancelled in return for Trigon common stock. $87.5 million of offering proceeds and a like amount of cash from a bank loan were utilized to fund Trigon's obligations to the Commonwealth of Virginia.
Reasons for Conversion	To access the capital markets in order to finance plans for expansion and to finance payment to a charitable endowment for the Commonwealth of Virginia.
Initial Public Offering Date	January 31, 1997
Description of Offering	Trigon offered 15,500,000 shares of common stock to the public at $13.00 per share, while issuing an additional 24,475,022 shares to eligible members in connection with its demutualization.
Size of Offering	$201.5 Million

OCC 015035

TRIGON HEALTHCARE, INC. (CONT'D)

Rather than create a separate charitable foundation, Trigon donated cash proceeds from its IPO to the Commonwealth of Virginia general fund.

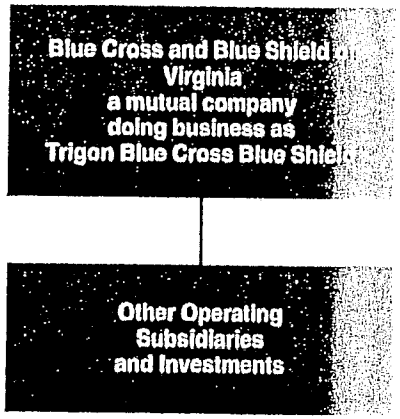
Charitable Endowment	$175.0 million in cash was given directly to the Commonwealth of Virginia general fund. Prior to the initial public offering, it was determined that the payment to the Commonwealth could come in the form of cash or Class C Common Stock of Trigon.
Size of Endowment	$175.0 Million
Typical Grants	N/A (Payment to the Commonwealth of Virginia general fund).
Other Significant Events / Transactions	In May 1999, Trigon announced a stock repurchase program for up to 10% of its common stock. The Company is also continuing to pursue claims against the IRS regarding the tax deductibility of its $175.0 million payment to the commonwealth of Virginia made at conversion.
Subsequent Capital Market Transactions	None
Acquisition Activities	ς In January 2000, Trigon has agreed to sell Mid-South Insurance Co., a Trigon subsidiary to World Insurance Co. of Omaha, Nebraska. ς In March 2000, Trigon and Mid-Atlantic Medical Services, Inc. (MAMSI) have agreed to transfer MAMSI's Virginia Medicaid business to its three affiliated HMOs. The Transfer was approved by the Virginia Department of Medical Assistance Services on March 13, 2000.

OCC 015036

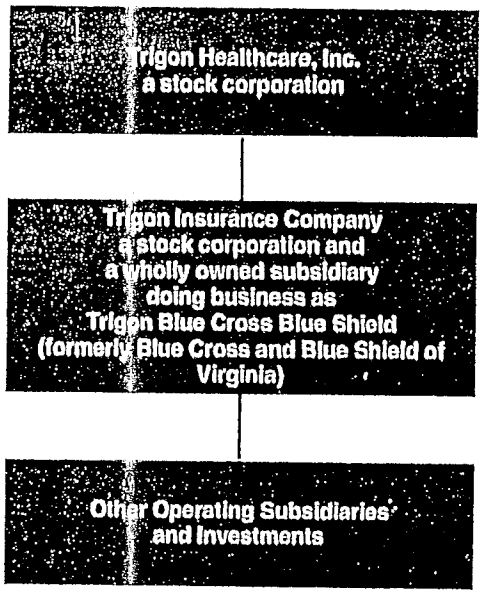
TRIGON HEALTHCARE, INC. (CONT'D)

The following diagram highlights Trigon's corporate structure pre- and post-conversion.

Pre-Conversion



Post-Conversion



OCC 015037

ANALYSIS OF OPERATIONS

Since the conversion, Trigon's operational and financial statistics have demonstrated considerable improvement.

($ in millions)

	Pre-Conversion (FYE 12/31/96)	Post Conversion (FYE 12/31/99)	Change
Member Enrollment (MM)	1.86	1.87	0.01
Total Revenues	$1,922.5	$2,346.4	$422.9
Medical Loss Ratio	84.9%	81.4%(1)	3.5%
S,G&A Expense Ratio(2)	21.3%	13.2%	8.1%
EBITDA	140.6	138.4(3)	(2.2)
EBITDA Margin	7.5%	5.9%	1.6%
Net Income	(190.8)	72.4(11)	263.2
Book Capitalization(4)	744.7	1,185.0	440.3
Market Capitalization(5)(6)	N/A	1,659.5	1,659.5

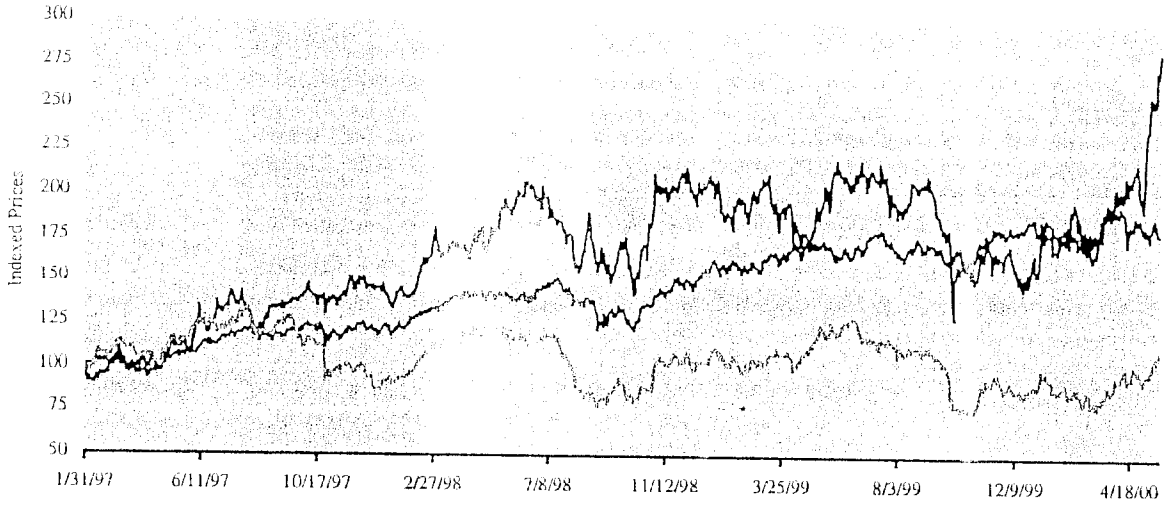
(1) Medical Loss Ratio for the commercial segment only. Excludes non-recurring charge of $79.9 million, or $51.9 million net of tax.
(2) Calculated as total S,G&A expenses as a percentage of total revenues, excluding net revenues attributable to self-funded arrangements.
(3) Excludes non-recurring charge of $79.9 million, or $51.9 million net of tax due to Mid-South exit.
(4) Includes long-term debt.
(5) As of 5/16/00.
(6) Net of excess cash.

OCC 015038

STOCK PRICE COMPARISON

Since the IPO, Trigon's stock price has outperformed the broader market average significantly.

DAILY FROM JANUARY 31, 1997 - MAY 22, 2000



—— Trigon Healthcare, Inc. —— S&P 500 ------ DLJ Managed Care Index

Indexed prices are market cap. weighted.
DLJ Managed Care Index Includes: AET, CI, FHS, HUM, OXHP, PHSYB, UNH and WLP.

OCC 015039

RIGHTCHOICE MANAGED CARE, INC.

Blue Cross & Blue Shield of Missouri's for-profit conversion strategy has resulted in a lengthy, high profile process and extensive litigation.

Description	RightCHOICE Managed Care, Inc. ("RIT") is the largest provider of managed health care benefits in Missouri, covering approximately 2 million members. The company offers an array of HMO PPO and POS products and services.
Background	RIT was organized in 1994 to own and operate all of the managed health care business of Blue Cross and Blue Shield of Missouri ("BCBSMO").
Reasons for Conversion	To access the capital markets in order to finance plans for expansion.
Initial Public Offering Date	August 1, 1994
Description of Offering	RIT offered 3,250,000 Class A Common Shares to the public at $11.00 per share. Following the offering, BCM owned all of the outstanding shares of Class B Common Stock of RIT, representing approximately 82% of the eligible voting power.
Size of Offering	$35.8 million
Status of Conversion	In September 1998, after a five year legal battle, BCBSMO finally received approval from the state Attorney General to complete its conversion to a for-profit entity. In March 1999, the Company, the Attorney General, the Missouri Department of Insurance and nearly 100 consumer organizations announced that they had successfully reached a consensus on the Company's conversion settlement agreement. The settlement agreement (amended from the original settlement agreement proposed in September 1998) allows for BCBSMO to contribute its 80.1% stake in RightCHOICE plus an additional $12.78 million in cash to the Missouri Foundation for Health. On January 6, 2000, BCBSMO announced with the Missouri Attorney General and the Missouri Department of Insurance that they have amended their settlement and mutually dismissed the underlying primary case in the Cole County Circuit Court.
Other Significant Transactions / Events	In December 1998, Blue Cross & Blue Shield of Kansas City offered to acquire RIT and BCBSMO for $278.3 million ($13.50 for each RIT share and $15.25 for each RIT share held by BCBSMO). RIT's Chairman and CEO, John O'Rourke, rejected the offer.

OCC 015040

RIGHTCHOICE MANAGED CARE, INC. (CONT'D)

BCBSMO has agreed to endow a charitable foundation with 80% of the shares of RIT, its publicly traded subsidiary.

Charitable Endowment	Missouri Foundation for Health ("MFH") has been created as part of BCBSMO's conversion agreement.
Size of Endowment	According to the amended settlement agreement, MFH is to receive 15 million shares of RightCHOICE plus an additional $12.78 million cash upon final approval of the conversion . Based upon the current price of RIT stock ($11.63), the shares are worth approximately $174.4 million.
Typical Grants	Proceeds are to be used to meet the health care needs of under- and un-insured Missourians.
Subsequent Capital Market Transactions	None.
Acquisition activities	ς In August 1995, RIT acquired Healthlink, Inc., a regional HMO for $92 million. ς In January 1997, the company and BCBSMO announced that they would pursue an acquisition of, or a strategic alliance with BJC Health System, the largest health care provider in the St. Louis region. Following an extensive review of the transaction with the BCBS Association, the company determined that BCBSA rules were not sufficiently flexible to allow for the creation of a vertically integrated structure that would achieve the desired benefits for members and shareholders.

OCC 015041

ANALYSIS OF OPERATIONS

Since the conversion, RightCHOICE has experienced strong growth in membership and revenues; however, profitability has declined due to the increasingly competitive managed care environment.

($ in Millions)

	Post-Conversion (FYE 12/31/95)	Post-Conversion (FYE 12/31/99)	Change
Member Enrollment (MM)	1.6	2.3	0.7
Total Revenues	$591.9	$816.9	$225.0
Medical Loss Ratio	76.1%	82.2%	(6.1%)
S,G&A Expense Ratio	23.7%	20.0%	3.7%
EBITDA	52.1	49.9	2.2
EBITDA Margin	8.8%	6.1%	(2.7%)
Net Income	25.7	17.2	(8.5)
Book Capitalization(1)	243.7	157.5	(86.2)
Market Capitalization(2)(3)	155.6	228.8	73.2

(1) Includes long term debt.
(2) For FYE 12/31/98, market capitalization is as of 5/16/00.
(3) Net of excess cash.

OCC 015042