



STATE OF CONNECTICUT  
**NEWS RELEASE**

STATE TREASURER DENISE NAPIER  
ATTORNEY GENERAL RICHARD BLUMENTHAL

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THURSDAY, December 6, 2007

**Record-Breaking Financial Recovery Made In UnitedHealth  
Backdating Case**

*Over \$887 Million To Be Recovered On Backdating Claims; Connecticut  
Retirement Plans And Trust Funds Serves As Lead Plaintiffs*

Hartford, CT, December 6, 2007: Treasurer Denise L. Nappier and Attorney General Richard Blumenthal today announced agreements that will return over \$887 million to UnitedHealth Group, Inc. (NYSE: UNH) in connection with an investigation into widespread backdating of stock options at the company.

The agreements – by far, the largest recovery in any backdating case to date – were negotiated as a partial response to a lawsuit pending in Minnesota brought on behalf of UnitedHealth by its shareholders. The Connecticut Retirement Plans and Trust Funds are a lead plaintiff in the case.

A Special Litigation Committee (SLC) that has been investigating claims relating to the widespread backdating of stock options at UnitedHealth has entered into today's agreements.

Under today's agreements, Dr. William McGuire – UnitedHealth's former Chairman and CEO -- will return approximately \$420 million to the company; David Lubben, the company's former Secretary and General Counsel, agreed to repay over \$25 million; and former director William Spears (who chaired the company's Compensation Committee) agreed to submit to binding arbitration, which may provide an additional award to the company. The company's current CEO, James Hemsley, also agreed to return an additional \$50 million to the company. With previously announced option repricings from various employees and officers (including Messrs. McGuire, Lubben and Hemsley), which totaled over \$388 million, these agreements will return more than \$887.9 million in value to UnitedHealth.

"The financial recovery here is truly groundbreaking," commented Denise L. Nappier, the Treasurer of the State of Connecticut, who noted that the recovery translates to approximately 70% of the damages suffered by the Company through the issuance of backdated options. "No doubt the company is to be commended for owning up big time and negotiating a milestone outcome that is in the best interest of the company and its

shareholders. We remain cautiously optimistic while this settlement is not an end to itself, it is a forerunner for final resolution of all issues with UnitedHealth.”

Blumenthal said, “Corporate executives must realize that public corporations are not their private piggy banks. This landmark agreement is a powerful step toward enforcing real accountability. Executives work for their companies and shareholders, not solely for their personal enrichment.”

In addition to derivative claims, the Connecticut Retirement Plans and Trust Funds also have asserted class action claims in the litigation. While an extraordinary development, the agreements with the former officers and directors do not end all shareholder action against UnitedHealth.

“Significant corporate governance reforms are still needed to ensure that the kinds of abuses that gave rise to this backdating scandal in the first place do not occur again,” explained Nappier. She continued, “Although the Company already has adopted reforms since we commenced this litigation, we remain steadfast in our resolve to achieve the highest standards of ethical conduct, transparency and accountability for the benefit of all stakeholders.”

Executive compensation is a priority corporate governance issue for Treasurer Nappier. The Treasurer’s concerns stem from her belief that executive compensation is a “window” into board accountability.

In its report announcing the financial terms of the agreements, the Special Litigation Committee specifically credited numerous corporate governance reforms proposed by the derivative plaintiffs and “commends them to the Company for careful consideration by its management and the Board of Directors.”

Contact:

Office of the Attorney General  
Tara Stapleton  
860-808-5324

Office of the Treasurer  
Christine Palm  
860-702-3000