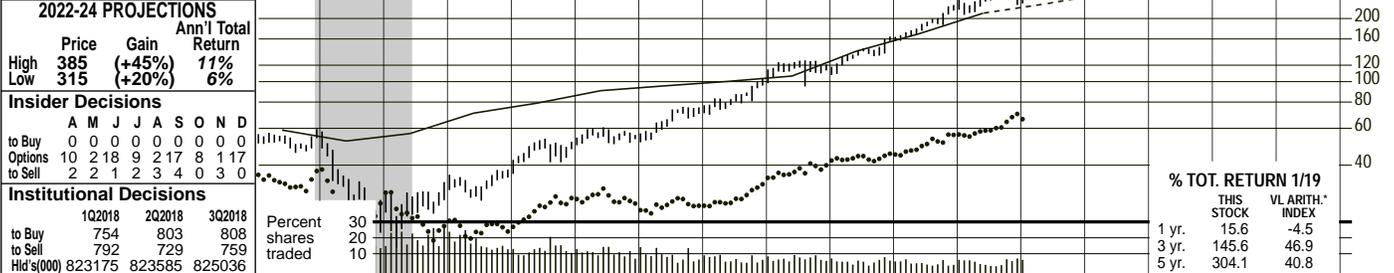


TIMELINESS 3 Lowered 2/8/19	High: 57.9 33.3 38.1 53.5 60.8 75.9 104.0 126.2 164.0 231.8 287.9 272.5	Low: 14.5 16.2 27.1 36.4 49.8 51.4 69.6 95.0 107.5 156.1 208.5 236.1	Target Price Range 2022 2023 2024
SAFETY 1 Raised 6/13/14	LEGENDS — 13.5 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession		400 320 200 160 120 100 80 60 40
TECHNICAL 2 Raised 3/1/19			
BETA 1.00 (1.00 = Market)			



2022-24 PROJECTIONS		© VALUE LINE PUB. LLC															22-24					
Price	Gain	Ann'l Total	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Revenues per sh	352.95
High 385	(+45%)	11%	24.72	28.94	33.41	53.19	60.20	67.60	75.97	86.70	95.20	108.56	123.98	136.77	164.86	194.16	207.59	235.67	255.95	278.40	"Cash Flow" per sh	25.80
Low 315	(+20%)	6%	1.82	2.30	2.76	3.59	4.35	3.86	4.20	5.25	5.86	6.71	7.09	7.44	7.88	10.34	12.55	15.71	17.45	19.70	Earnings per sh ^A	22.00
			1.48	1.97	2.48	2.97	3.42	2.95	3.24	4.10	4.73	5.28	5.50	5.70	6.01	8.05	10.07	12.87	14.65	16.65	Div'ds Decl'd per sh ^B	6.00
			.01	.02	.03	.03	.03	.03	.03	.41	.61	.80	1.05	1.41	1.88	2.38	2.88	3.45	3.90	4.80	Cap'l Spending per sh	2.55
			.30	.27	.37	.54	.70	.66	.64	.81	1.00	1.05	1.32	1.60	1.63	1.79	2.09	2.15	2.20	2.30	Book Value per sh ^C	85.55
			4.40	8.33	13.06	15.47	16.01	17.30	20.58	23.78	26.44	30.60	32.54	34.02	35.39	40.10	49.30	53.85	59.70	66.85	Common Shs Outst'g ^D	935.00
			1166.0	1286.0	1358.0	1345.0	1253.0	1201.0	1147.0	1086.0	1070.0	1019.0	988.00	954.00	953.00	952.00	969.00	960.00	955.00	950.00	Avg Ann'l P/E Ratio	16.0
			16.4	17.1	20.7	17.2	15.3	10.9	8.1	8.0	9.8	10.4	11.9	14.7	19.4	16.8	18.4	19.3	19.3	19.3	Relative P/E Ratio	.90
			.93	.90	1.10	.93	.81	.66	.54	.51	.61	.66	.67	.77	.98	.88	.93	1.04	1.04	1.04	Avg Ann'l Div'd Yield	1.7%
			NMF	NMF	.1%	.1%	.1%	.1%	.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.6%	1.8%	1.5%	1.4%	1.5%	1.4%		

CAPITAL STRUCTURE as of 12/31/18		© VALUE LINE PUB. LLC															22-24	
Total Debt \$36554 mill. Due in 5 Yrs \$15000 mill.																	Revenues (\$mill)	330000
LT Debt \$34581 mill. LT Interest \$1900 mill.																	Operating Margin	14.0%
(39% of Cap'l)																	Depreciation (\$mill)	3550
Leases, Uncapitalized Annual rentals \$669.0 mill.																	Net Profit (\$mill)	20570
No Defined Benefit Pension Plan																	Income Tax Rate	24.0%
Pfd Stock None																	Net Profit Margin	6.2%
Common Stock 959,538,515 shs. as of 1/31/19																	Working Cap'l (\$mill)	49000
MARKET CAP: \$252 billion (Large Cap)																	Long-Term Debt (\$mill)	24000
																	Shr. Equity (\$mill)	80000
																	Return on Total Cap'l	20.5%
																	Return on Shr. Equity	25.5%
																	Retained to Com Eq	18.5%
																	All Div'ds to Net Prof	27%

CURRENT POSITION		© VALUE LINE PUB. LLC															22-24			
(\$MILL)																	Revenues (\$mill)	330000		
Cash Assets	13275	15490	14324																Operating Margin	14.0%
Receivables	8152	9568	11388																Depreciation (\$mill)	3550
Other	12452	12026	12980																Net Profit (\$mill)	20570
Current Assets	33879	37084	38692																Income Tax Rate	24.0%
Accts Payable	13361	15180	16705																Net Profit Margin	6.2%
Debt Due	7193	2857	1973																Working Cap'l (\$mill)	49000
Other	28698	32426	34531																Long-Term Debt (\$mill)	24000
Current Liab.	49252	50463	53209																Shr. Equity (\$mill)	80000

ANNUAL RATES		© VALUE LINE PUB. LLC															22-24					
of change (per sh)																	Revenues	13.5%				
Past 10 Yrs	13.5%	Past 5 Yrs	14.0%	Est'd '16-'18	9.0%																"Cash Flow"	12.5%
	12.5%		14.5%		13.0%																Earnings	12.5%
	12.5%		15.0%		14.0%																Dividends	58.0%
	11.5%		10.0%		10.0%																Book Value	11.5%

QUARTERLY REVENUES (\$mill.)		© VALUE LINE PUB. LLC															22-24				
Full Year																	2016	184840			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31																2017	201159
2016	44527	46485	46293	47535																2018	226247
2017	48723	50053	50322	52061																2019	244450
2018	55188	56086	56556	58417																2020	264840
2019	59690	60760	61500	62500																	
2020	64700	65800	66340	68000																	

EARNINGS PER SHARE ^A		© VALUE LINE PUB. LLC															22-24				
Full Year																	2016	8.05			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31																2017	10.07
2016	1.81	1.96	2.17	2.11																2018	12.87
2017	2.37	2.46	2.66	2.58																2019	14.65
2018	3.04	3.14	3.41	3.28																2020	16.65
2019	3.60	3.45	3.85	3.75																	
2020	4.10	3.95	4.35	4.25																	

QUARTERLY DIVIDENDS PAID ^B		© VALUE LINE PUB. LLC															22-24				
Full Year																	2015	1.88			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31																2016 <td>2.38</td>	2.38
2015	.375	.50	.50	.50																2017 <td>2.88</td>	2.88
2016	.50	.625	.625	.625																2018 <td>2.88</td>	2.88
2017	.625	.75	.75	.75																2019 <td>3.45</td>	3.45
2018	.75	.90	.90	.90																	
2019																					

(A) Diluted earnings. Excludes nonrecurring gains/(losses): '07, (8¢); '08, (55¢); '16, 80¢; '17, 65¢; '18, 68¢. May not sum due to rounding or change in share count. Next earnings report due mid-April.

(B) Quarterly dividend initiated 6/10. Dividends historically paid in late March, June, September, and December.

(C) Includes intangibles. In '18, \$68.2 billion, \$71.07/share.

(D) In millions, adjusted for stock split.

© 2019 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

UnitedHealth Group is apt to post annual earnings growth in the vicinity of 15% in 2019. The company bested expectations to close out 2018 and struck a positive tone with its guidance for this year. The legacy healthcare business is chugging along at a handsome growth rate, and its Optum branches remain at the cutting edge of all the areas where medical services have now expanded to. There is a reason UNH is the bellwether for the sector as a whole, and its scope is part of that. Acquisitions and international expansion have paid off in the recent past, and the business is growing at solid paces on a number of vital fronts.

We are introducing a share-net target for 2020 of \$16.65. Membership growth has been on an upward trajectory for some time, and when that figure does show a drop in a certain segment it is usually by UNH's choice. The company is quick to exit operating segments that management views as not profitable enough or too risky for future gains. On the Optum side of the coin, its pharmacy benefits piece is the gold standard for the sector, and shines in the hottest subdivision of the medical field

at this time. We do not expect any of this to change in the next couple of years. **While business is booming, we think external risks are the ones that need to be monitored.** A consolidation trend in this space shows that rivals are coming for UNH's crown, particularly with the CVS Health/Aetna merger. Too, the Trump Administration's plan to end drug rebates is not a good thing for PBMs like the Optum one, and a huge company like UnitedHealth can look like the bad guy when arguing its case in these matters. **This blue chip equity looks to be fairly valued in the current market.** There is a lot to like here, we just do not think the entry point at this time is ideal. The stock is neutrally ranked for year-ahead relative price performance, and 3- to 5-year capital appreciation potential is sub-par versus the Value Line median, even with our now significantly higher Target Price Range out to 2022-2024. Also, we have ratcheted up our dividend projections in each of the coming years. However, the yield is still not large enough to merit investment consideration on its own.

Erik M. Manning
March 8, 2019

Company's Financial Strength	A++
Stock's Price Stability	90
Price Growth Persistence	95
Earnings Predictability	90

To subscribe call 1-800-VALUELINE