

Cigna selling its retirement unit to Prudential

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PHILADELPHIA — Cigna Corp. has agreed to sell its retirement and investment services business to Prudential Financial Inc. for \$2.1 billion in cash.

The deal will increase Prudential Retirement's assets to almost \$120 billion, based on account values, said Newark, N.J.-based Prudential.

Philadelphia-based Cigna will focus on providing programs for employers and their employees with a "heightened sense of urgency," Cigna chairman and chief executive H. Edward Hanway said in a statement.

Cigna said in July that it was considering selling its retirement and investment services business or forming a separate company to run it. The provider of employee benefits programs is in the midst of attempting to revive earnings and weather a major restructuring of its health insurance business.

John Y. Kim, currently the president of Cigna Retirement & Investment Services, will serve as president of the combined retirement business. Scott Sleyster, who currently heads Prudential Retirement, will report to Kim. Sleyster will lead the combined full-service defined contribution business, defined benefit administration, and total retirement outsourcing.

The transaction does not include Cigna Investment Management, its third-party asset management unit, Times Square Capital Management Inc., or its corporate life insurance operations. □