UNITEDHEALTH GRP. NYSE-UNH

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
523.51	17.8	(Trailing: 18.9 Median: 19.0)	0.98	1.6%	VALUE LINE

TIMELINESS 3 Lowered 3/22/24
SAFETY 1 Raised 6/13/14
TECHNICAL 3 Raised 2/21/25
BETA .95 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$439-$865	$652 (25%)

2028-30 PROJECTIONS

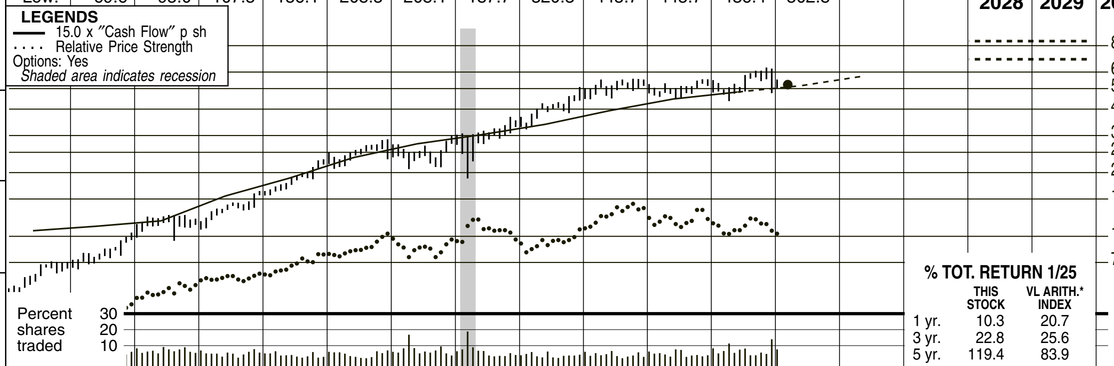
	Price	Gain	Ann'l Total Return
High	840	(+60%)	14%
Low	690	(+30%)	9%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	1670	1688	1625
to Sell	1433	1462	1524
Hld's(000)	799073	818325	885217

High:	104.0	126.2	164.0	231.8	287.9	300.0	368.0	509.2	558.1	554.7	630.7	553.9
Low:	69.6	95.0	107.5	156.1	208.5	208.1	187.7	320.3	445.7	445.7	436.4	502.8

Target Price Range 2028 | 2029 | 2030



% TOT. RETURN 1/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.3	20.7
3 yr.	22.8	25.6
5 yr.	119.4	83.9

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
75.97	86.70	95.20	108.56	123.98	136.77	164.86	194.16	207.59	235.67	255.44	271.82	305.63	347.07	402.19	437.46	**496.00**	**533.65**	Revenues per sh	**622.20**
4.20	5.25	5.86	6.71	7.09	7.44	7.88	10.34	12.55	15.71	18.26	20.20	22.62	26.21	29.80	32.15	**34.45**	**38.40**	"Cash Flow" per sh	**50.55**
3.24	4.10	4.73	5.28	5.50	5.70	6.01	8.05	10.07	12.87	15.11	16.88	19.02	22.19	25.12	27.67	**29.80**	**33.55**	Earnings per sh A	**45.00**
.03	.41	.61	.80	1.05	1.41	1.88	2.38	2.88	3.45	4.14	4.83	5.60	6.40	7.29	8.18	**9.15**	**10.20**	Div'ds Decl'd per sh B	**13.50**
.64	.81	1.00	1.05	1.32	1.60	1.63	1.79	2.09	2.15	2.18	2.17	2.61	3.00	3.66	3.82	**3.95**	**4.10**	Cap'l Spending per sh	**4.50**
20.58	23.78	26.44	30.60	32.54	34.02	35.39	40.10	49.30	53.85	60.78	69.23	76.26	83.27	96.06	**101.65**	**108.15**	**114.30**	Book Value per sh	**135.55**
1147.0	1086.0	1070.0	1019.0	988.00	954.00	953.00	952.00	969.00	960.00	948.00	946.00	941.00	934.00	924.00	915.00	**912.00**	**910.00**	Common Shs Outst'g D	**900.00**
8.1	8.0	9.8	10.4	11.9	14.7	19.4	16.8	18.4	19.3	16.6	17.8	21.2	23.0	19.9	19.3	*Bold figures are*		Avg Ann'l P/E Ratio	**17.0**
.54	.51	.61	.66	.67	.77	.98	.88	.93	1.04	.88	.91	1.15	1.33	1.11	1.07	*Value Line*		Relative P/E Ratio	**.95**
.1%	1.2%	1.3%	1.5%	1.6%	1.7%	1.6%	1.8%	1.5%	1.4%	1.7%	1.6%	1.4%	1.3%	1.5%	1.5%	*estimates*		Avg Ann'l Div'd Yield	**1.8%**
						157107	184840	201159	226247	242155	257141	287597	324162	371622	400278	**452350**	**485600**	Revenues ($mill)	**560000**
						8.1%	8.5%	9.0%	9.0%	9.6%	10.2%	9.7%	10.1%	10.1%	**10.2%**	**10.4%**	**11.0%**	Operating Margin	**13.5%**
						1693.0	2055.0	2245.0	2428.0	2720.0	2891.0	3103.0	3400.0	3972.0	4099	**4250**	**4400**	Depreciation ($mill)	**5000**
						5813.0	7792.0	9918.0	12654	14593	16220	18184	21080	23563	25318	**27180**	**30530**	Net Profit ($mill)	**40500**
						42.6%	37.9%	30.2%	21.4%	20.0%	23.1%	19.7%	20.9%	19.7%	**22.0%**	**23.0%**	**23.0%**	Income Tax Rate	**24.0%**
						3.7%	4.2%	4.9%	5.6%	6.0%	6.3%	6.3%	6.5%	6.3%	6.3%	**6.0%**	**6.3%**	Net Profit Margin	**7.2%**
						d11259	d15373	d13379	d14517	d19148	d18702	d16534	d20168	d20617	d17990	**d16000**	**d14000**	Working Cap'l ($mill)	**d8500**
						25460	25777	28835	34581	36808	38648	42383	54513	58263	72359	**71000**	**70000**	Long-Term Debt ($mill)	**66000**
						33725	38177	47776	51696	57616	65491	71760	77772	88756	**93000**	**98625**	**104000**	Shr. Equity ($mill)	**122000**
						10.4%	13.0%	13.7%	15.5%	16.3%	16.3%	16.6%	16.7%	17.1%	**16.5%**	**17.0%**	**18.5%**	Return on Total Cap'l	**22.5%**
						17.2%	20.4%	20.8%	24.5%	25.3%	24.8%	25.3%	27.1%	26.5%	**27.0%**	**27.5%**	**29.5%**	Return on Shr. Equity	**33.0%**
						11.9%	14.5%	15.0%	18.1%	18.5%	17.8%	18.0%	19.4%	18.9%	**19.0%**	**19.0%**	**20.5%**	Retained to Com Eq	**23.0%**
						31%	29%	28%	26%	27%	28%	29%	28%	29%	30%	**31%**	**30%**	All Div'ds to Net Prof	**30%**

CAPITAL STRUCTURE as of 12/31/24
Total Debt $76904 mill. **Due in 5 Yrs** $17500 mill.
LT Debt $72359 mill. **LT Interest** $3980 mill.
(44% of Cap'l)
Leases, Uncapitalized Annual rentals $1038.0 mill.

No Defined Benefit Pension Plan
Pfd Stock None

Common Stock 915,000,000 shs.

MARKET CAP: $485 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	27911	29628	29113
Receivables	17681	21276	22365
Other	23477	27533	34301
Current Assets	69069	78437	85779
Accts Payable	27715	31958	34224
Debt Due	3110	4274	4545
Other	58412	62822	65000
Current Liab.	89237	99054	103769

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	12.5%	10.5%	*8.5%*
"Cash Flow"	15.0%	15.5%	*10.0%*
Earnings	15.5%	16.5%	*11.0%*
Dividends	23.0%	17.5%	*11.0%*
Book Value	11.0%	12.5%	*7.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	80149	80332	80894	82787	324162
2023	91931	92903	92361	94427	371622
2024	99796	98855	100820	100807	400278
2025	*111640*	*112460*	*113375*	*114875*	*452350*
2026	*120000*	*120750*	*121700*	*123150*	*485600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	5.49	5.57	5.79	5.34	22.19
2023	6.26	6.14	6.56	6.16	25.12
2024	6.91	6.80	7.15	6.81	27.67
2025	*7.30*	*7.50*	*7.75*	*7.25*	*29.80*
2026	*8.30*	*8.40*	*8.65*	*8.20*	*33.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	1.25	1.45	1.45	1.45	5.60
2022	1.45	1.65	1.65	1.65	6.40
2023	1.65	1.88	1.88	1.88	7.29
2024	1.88	2.10	2.10	2.10	8.18
2025					

BUSINESS: UnitedHealth Group is a diversified health and well-being company. It offers products and services to individuals through four operating segments: UnitedHealthcare (network-based health care benefits), OptumHealth, OptumInsight, and OptumRx (information and technology based health services, consulting, and Pharmacy Benefits Management). Acquired Amil Participacoes (Brazil) 4/13; Change Healthcare 10/22; LHC Group 2/23. Medical cost ratio: 85.5% in 2024. Has 440,000 employees. Vanguard owns 9.1% of common; BlackRock; officers & directors own 0.33% (4/24 Proxy). CEO: Andrew P. Witty. Incorporated: Minnesota. Address: 9900 Bren Road East, Minnetonka, Minnesota 55343. Telephone: 952-936-1300. Internet: www.unitedhealthgroup.com.

After a tumultuous 2024, UnitedHealth Group stock sits right about where it did this time last year. Yes, there was a bit of a Trump bump in November, but December-period financials stalled that rally. This closed out a 12-month window that started with a cyber attack and ended with the assassination of a top executive and the media frenzy that ensued. All the while, the company's medical cost ratio rose on heightened usage. Too, the general public is souring on what many are calling a broken healthcare system. Leadership has said the right things, and promised changes at the pharmacy benefits arm (an obvious target), but only time will tell if this will move the needle in terms of public opinion.

Jittery investors were looking for any bad signs in the 2024 fourth-quarter report, and they got some. The medical cost ratio spiked to 85.5%, after finishing 2023 at 83.2%. Patients are still opting in on surgeries/procedures put off during the COVID era. Government-backed Medicare plans for older adults have been very active. Separately, revenues from premiums at the UnitedHealth arm clocked in at $76.48 billion for the quarter, whereas the consensus was above $78.0 billion. This led to an overall top-line miss in the vicinity of $1 billion. We are viewing this as a short-term hiccup, though, and think revenues for 2025 will surpass the $450 billion line, translating to earnings per share of around $30.00.

The Amedisys deal window has been extended. The $3.3 billion pact is being blocked by the Justice Department, as that entity argues UNH would have too much control in the home health and hospice space. The new agreement goes until the 10th day after a court decision or December 31, 2025, whichever is earlier. The Trump Administration is expected to be friendlier to consolidation, but regulators have been tough on this behemoth in the past, so time will tell. A failed merger would cost UNH as much as $325 million in breakup fees.

This top-quality selection (Safety: 1) looks to be about fairly valued in the current market. We recommend our subscribers await a better entry point before jumping in here.

Erik M. Manning *February 28, 2025*

(A) Diluted earnings. Excludes nonrecurring gains/(losses): '16, 80¢; '17, 65¢; '18, 68¢; '19, 78¢; '20, (85¢); '21, (94¢); '22, ($1.01); '23, ($1.26). 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 '24, $118.9 billion, $128.67/share.
(D) In millions.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	95