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CENTENE CORPORATION ANNOUNCES INCREASED 2022 GUIDANCE AND VALUE CREATION UPDATES

- **2022 Adjusted Diluted EPS of \$5.55 to \$5.70**
- **Reduces Real Estate Footprint, Resulting in Long-Term Savings and One-Time Costs**
- **Board Authorizes \$3 Billion Increase to Stock Repurchase Program and New \$1 Billion Debt Repurchase Program**

ST. LOUIS, June 17, 2022 – Centene Corporation (NYSE: CNC) will host its June investor day today. During the presentation, the Company will discuss its updated 2022

Premium and Service Revenues and Adjusted Diluted Earnings Per Share (EPS) guidance and provide updates on its Value Creation Plan. For 2022, the Company has increased its Premium and Service Revenues guidance range by \$2.0 billion to a new range of \$134.3 billion to \$136.3 billion and has increased its Adjusted Diluted EPS guidance range by \$0.15 to a new range of \$5.55 to \$5.70.



“We are pleased to report Centene’s business continues to perform well, and we are increasing our 2022 full year guidance. Our Value Creation Plan is operating at scale, and we are executing our capital allocation strategy through the increased stock repurchase program and new debt repurchase program. Overall, the work we are doing today not only positions Centene to deliver on our financial objectives but also to better serve our members, providers, and communities, now and in the future,” said Sarah M. London, Chief Executive Officer of Centene.

The Company’s 2022 financial guidance has been updated to reflect the following:

- Increased Medicaid premium revenue reflecting the assumed ongoing suspension of Medicaid eligibility redeterminations to November 1, 2022, and
- Favorable second quarter performance to date, primarily in Marketplace.

Following a strategic review of the Company’s real estate portfolio as part of the Value Creation Plan and the adoption of a more modern, flexible work environment, the Company has initiated a reduction of its real estate footprint. As a result, the Company expects to record estimated pre-tax costs including impairments of approximately \$750 million to \$800

million attributable to leased space (reflecting a 65% decrease in domestic leased space), inclusive of the cost to decommission space and lease termination fees, and \$750 million to \$850 million attributable to owned real estate. The costs are expected to be recorded primarily during the second and third quarters of 2022 and will be recorded outside of Adjusted Diluted EPS. The Company expects to decrease its leased real estate expense by an annualized run rate of \$180 million to \$200 million.

In addition, in preparation for the Magellan Rx and PANTHERx divestitures, as well as planning for the future, the Company also announced today that its Board of Directors has authorized a \$3.0 billion increase to the Company's existing stock repurchase program and a new \$1.0 billion debt repurchase program. The Company repurchased \$200 million of stock in May 2022 and currently has \$3.6 billion of authorization remaining.

The Company's guidance does not reflect the effects of the pending divestitures of Magellan Rx and PANTHERx.

Investor Day

The Company will host a virtual investor meeting on June 17, 2022, including a question-and-answer session. The event will begin promptly at 8:30 AM (Eastern Time). Investors and other interested parties can access the full Centene Investor Day event and presentation online at: <https://investors.centene.com/news-events/events-presentations>.

Non-GAAP Financial Presentation

The Company is providing certain non-GAAP financial measures in this release as the Company believes that these figures are helpful in allowing investors to more accurately assess the ongoing nature of the Company's operations and measure the Company's performance more consistently across periods. The

Company uses the presented non-GAAP financial measures internally to allow management to focus on period-to-period changes in the Company's core business operations. Therefore, the Company believes that this information is meaningful in addition to the information contained in the GAAP presentation of financial information. The presentation of this additional non-GAAP financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

Specifically, the Company believes the presentation of non-GAAP financial information that excludes amortization of acquired intangible assets, acquisition related expenses, as well as other items, allows investors to develop a more meaningful understanding of the Company's performance over time.

The Company is unable to provide a reconciliation of its 2022 Adjusted Diluted EPS guidance range to the corresponding GAAP measure without unreasonable effort. This is due to the uncertainty and inherent difficulty of predicting, within a reasonable range, the amount and/or timing of various items and the periods in which such items may be recognized, including costs related to lease impairments, owned real estate impairments, cost to decommission space, and lease termination fees that have not yet occurred and may be out of the Company's control or cannot be reasonably predicted. The Company currently estimates these lease and real estate costs to be in the range of \$1.50 billion to \$1.65 billion, on a pre-tax basis. However, the Company maintains its estimates of the amortization of acquired intangible assets of approximately \$1.02 to \$1.04 per diluted share (net of an estimated tax benefit of \$0.32 to \$0.33) and acquisition related expenses of approximately \$0.19 to \$0.21 per diluted share (net of an estimated tax benefit of \$0.04 to \$0.05) for the full year 2022.

About Centene Corporation

Centene Corporation, a Fortune 500 company, is a leading healthcare enterprise that is committed to helping people live healthier lives. The Company takes a local approach – with local brands and local teams – to provide fully integrated, high-quality, and cost-effective services to government-sponsored and commercial healthcare programs, focusing on under-insured and uninsured individuals. Centene offers affordable and high-quality products to nearly 1 in 15 individuals across the nation, including Medicaid and Medicare members (including Medicare Prescription Drug Plans) as well as individuals and families served by the Health Insurance Marketplace, the TRICARE program, and individuals in correctional facilities. The Company also serves several international markets, and contracts with other healthcare and commercial organizations to provide a variety of specialty services focused on treating the whole person. Centene focuses on long-term growth and value creation as well as the development of its people, systems, and capabilities so that it can better serve its members, providers, local communities, and government partners.

Centene uses its investor relations website to publish important information about the Company, including information that may be deemed material to investors. Financial and other information about Centene is routinely posted and is accessible on Centene's investor relations website, <https://investors.centene.com/>.

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