SMITH GROUP
DISABILITY & REINSURANCE CONSULTANTS

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Dear Smith Group Client:

We are pleased to provide the 2nd Quarter 2013 Earnings Conference Call Summary for leading group LTD carriers.

This report is based on insurers' quarterly earnings releases. The data and information upon which this summary is based are readily available in the public domain. Sources include press releases, statistical supplements, SEC filings, and earnings conference calls. As a service to its reinsurance and consulting clients, Smith Group compiles this earnings information, analyzes group LTD statistics, and identifies notable trends.

This summary is not intended to make predictions about insurers or their results.

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Prudential Financial

Profit (not reported by business line):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Loss Ratio	2Q12 Loss Ratio
Group Disability	NA	NA	93.2%	97.4%
Group Life	NA	NA	90.6%	88.6%

EP/Sales:

Line of Business	2Q13 EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
Disability	$220	$7	$232	$19
Life	$1,001	$15	$989	$24

Notable Statements

● Group Insurance business reported adjusted operating income of $22 million in the current quarter compared to $33 million a year ago. The decrease reflected less favorable group underwriting results, which more than offset improved claims experience in Group Disability.

● In Group Disability, we are more than one year into what we expect to be a three year process of bringing the benefits ratio down to an acceptable range. We've re-priced or allowed to lapse about 1/3 of the book. In addition, we've enhanced our claims management capabilities. We are beginning to see some progress with increased claims terminations in the current quarter, contributing to the improvement of more than four percentage points in the benefits ratio from a year ago.

Unum

Profit (Before FIT and net realized investment Gains/Losses):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Benefit Ratio	2Q12 Benefit Ratio
Unum US	$214.0	$212.7	72.0%	72.1%
LTD/STD	$73.0	$70.4	83.9%	84.7%
Life & AD&D	$57.3	$57.3	71.1%	71.9%
US Supp & Vol	$83.7	$85.0	50.3%	49.0%
Unum Limited	$33.5	$30.0	84.2%	85.4%
Colonial	$71.1	$67.6	52.1%	52.5%

EP/Sales

Line of Business	2Q13 EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
Unum US	$1,131.5	$131.4	$1,115.0	$161.6
LTD	$394.8	$32.8	$397.8	$36.0
STD	$129.1	$18.7	$118.2	$23.6
Life	$303.6	$33.6	$294.2	$45.2
AD&D	$30.2	$2.9	$28.7	$4.9
Voluntary/Supp	$273.8	$43.4	$276.1	$51.9
Unum UK	$137.6	$21.7	$173.2	$24.0
LTD	$96.3	$13.8	$101.7	$13.5
Life	$26.5	$6.8	$55.5	$9.1
Other	$14.8	$1.1	$16.0	$1.4
Colonial	$307.9	$84.1	$296.9	$85.8
Acc/Sick/Dis	$184.7	$54.5	$179.8	$56.7
Life	$55.3	$15.8	$52.4	$16.0
Cancer & CI	$67.9	$13.8	$64.7	$13.1

Notable Statements

Unum U.S.

● Operating income in the group disability line was $73 million for the second quarter compared to $70.4 million last year. Premium income increased 1.5% over last year, and the benefit ratio improved 83.9% from the year-ago 84.7%. The underlying experience continues to be favorable with stable to lower overall claim incidence and continued strong claim recovery performance.

● In the group life and AD&D line, operating income was flat at $57.3 million, with premium income increasing by 3.4% and the benefit ratio improving slightly to 71.1% from 71.9% a year ago.

● We saw a challenging quarter on the sales front as market activity slowed. We attribute some of this to the discussion and distraction to our market from health care reform. As a result, we saw a lower numbers of cases coming to market, but we also saw higher persistency in our own book. Therefore, premiums held in rather well. Overall sales in Unum US in the second quarter were lower by 19% compared to the year-ago quarter, group sales were down 20% and the supplemental benefit sales declined by 16%.

● In addition to a lower number of quotes, the competition for those cases that do come to market can be extremely intensive, and our discipline may keep us out of the running in the short term. As I mentioned, a negative impact to sales is offset somewhat in that persistency has remained at very healthy levels, which is 89% for group LTD and group life for the first half of the year. We continued to see little to no benefits to premium income from marketplace growth.

Unum UK

● Moving to Unum UK Operating income in this segment improved to GBP 21.8 million from GBP 19.1 million in the year-ago quarter. Margins in this business continued their improving trend over the past few quarters, as risk experienced in both the group disability and group life lines of business improved.

● Our group disability results in the second quarter were favorable due to both favorable claim incidents and claim recovery rates. For the group life block, results were favorable due to lower claims in the business that we have retained.

● We continued to take aggressive rate action in our group life pricing and expect to continue to do so over the next few quarters. As a result, persistency for our group life declined for the first 6 months of 2013 to 74% compared to 83.5% for the first quarter of the year.

● In the UK, sales results again this quarter reflect the actions we are taking to improve the profitability in this business. We were happy to see sales in the group disability line increasing by 5%, while as expected, sales in group life declined by 22%.

Colonial

● Colonial Life's results were solid again this quarter at $71.1 million, an increase of just over 5%. The benefit ratio of 52% was slightly better than both the year-ago quarter and previous quarter, but a decreased level of claims in our accident, sickness and disability line and favorable mortality in the life line of business.

● Colonial Life sales declined by 2% in the second quarter. While we saw an encouraging trend with higher sales from existing accounts, we continue to see slower sales and activities with new accounts. And specifically, we're seeing very slow activity in the under-50 life market, a trend consistent with our Unum US segment, driven again, we believe, by disruption from health care reform.

Analyst Questions

● In your opening remarks, you discussed competition, and you said it was in certain pockets. Hopefully you can fill that out for us?

Response: I think the environment, in general competitively has softened a bit over the last six to nine months. I think as both Tom and Rick mentioned, cases coming to market are fewer, activity levels are down, incumbents are defending in-force case as well. That's reflected as well in our own high levels of persistency. And I think a lot of employers, particularly the smaller end of the market are dealing with health care reform and maybe putting off some benefit decision into 2014 perhaps. That said, I think that companies have a couple of choices. They can defend their margins and defend their in-force business, and back off on the aggressive pricing on the new sales side, so they can decide that they want to take share. In our case, our margins, as Tom mentioned, are considerably higher than the industry averages, and we're just unwilling to sacrifice the pricing discipline in margins in pursuit of market share. We'll just let the market settle down.

● If I could follow up on the small end, the less than 50, my understanding is that these firms are not going to have to provide insurance. So I guess, I don't quite -- and maybe I'm wrong on that, but I guess I don't quite understand what the decision process is for these guys. If I'm an employer, everything is pretty much status quo. What am I so concerned about?

Response: Yes. Great question. I'd day, first and foremost, many, if not most, from Unum US standpoint the employers we're doing business with are offering health care benefits today, right? So one of the key positions they have is that public exchanges come online, they've got to decide are they going to continue to provide health insurance or they're going to take advantage of public option. They're going to think about their contribution strategy, whether they're going to stay on DB or go to a more DC strategy under 50 level. It's kind of a great deal to sort through. I think compounding that is, is the brokers and consultants that are serving the market have clients that run up and down the spectrum. And so where their top energy is going to be focused maybe pulled up-market and where they might have been spending more time helping on our lines of business down market, they've got less time to do that.

● That's great. And then just my last question is just on the Unum US business. The sales, as you noted, were down about double digits, but given your renewals and the price increases, I think your premiums are kind of holding flattish. So based on kind of where you are with those price increases, do you think that if 2014 is another year of pretty challenging sales, we'd still be looking at sort of a flattish premium line or are we going to start to see that premium line come in?

Response: Well, trying to be optimistic here, I think as health care reform goes into implementation in the beginning of 2014, we should start to see some dampening of that negative effect on sales. So that should help us. I think cautiously, we might start to see

some of the improvement in employment. We start to see some of that improvement in the U.S. economy this year although most of the employment improvement has been concentrated in sectors that aren't necessarily target markets for us in sectors like construction and retail and recreation and things like that, whereas industry sectors that are more in our wheelhouse like health care haven't seen growth in employment. So when we look into 2014, hopefully, the economy continues to improve. Sales environment starts to improve. I think if the interest rate environment improves, we won't be having to move prices up as much as we've had to in the last couple of years. So all in all, I would say 2014 ought to be a better year than 2013, but that sort of the best I can do at the moment.

Standard Financial Group

Profit (Operating income, pre-tax, excluding after-tax realized investment gains or losses):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Ben Ratio	2Q12 Ben Ratio
Insurance Services	$61.4	$23.3	68.2%	74.4%

EP/Sales

Line of Business	2Q13EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
LTD	$198.0	$10	$200.2	$6.5
STD	$59.6	$6.6	$54.0	$2.5
Life & AD&D	$214.5	$6.0	223.8	$9.3
Other	$19.2	$2.6	$19.6	$4.0
ERR	($4.3)	---	$7.1	---
Total EB	$487.0	$25.2	$504.7	$22.3

Notable Statements

● In the Insurance Services segment, pre-tax income for the second quarter was $61.4 million compared to $23.3 million for the second quarter of 2012. This growth is largely due to very favorable claims experience in our group long-term disability insurance business. Our group insurance benefit ratio was 80.4% for the second quarter of 2013, compared to 88.5% for the second quarter of 2012.

● We are seeing the benefits of our pricing actions within our group insurance businesses, now that we are more than three quarters of the way through our re-pricing efforts. We also see positive trends continuing in long-term disability claims incidents.

● To put these results in perspective, on a constant discount rate basis, the group benefit ratio has shown year-over-year improvement for four consecutive quarters. Quarterly claims experience can be volatile, but when measured on a year-to-date basis, the group benefit ratio of 82.1% is well within our annual guidance range of 81% to 84%. While this quarter's results are clear evidence of our profitability and expense initiatives, please remember that claims experience can fluctuate widely from quarter-to-quarter and experience tends to be more stabled when measured over a longer period of time.

● Contributing to the slight decline in premiums during the quarter was a declining workforce among our current customers. Employment levels among our customers declined 0.2% from the second quarter of last year. While still negative, this is a significant improvement from the 1.5% decline that we saw on the second quarter of last year. We are cautiously optimistic that organic growth will return as we head into 2014.

● Persistency remains high overall, reflecting the efforts of our sales force in working with customers to accept our rate increases, coupled with our consistent focus on high-quality customer service. Group insurance sales reported as annualized new premiums were $25 million in the second quarter, and that compares to $22 million in the second quarter of 2012. Historically, the second quarter typically one of our lower sales quarters, and we're very pleased with this result.

● There continues to be significant disruption in our industry, fueled by the changes in the U.S. economy and the Affordable Care Act. The low-interest rate environment, sluggish employment growth and the trend for more consumerism in employee benefits all present differing challenges for companies in our niche.

● The second quarter discount rate used for newly established long-term disability claim reserves was 3.75%, 25 basis points lower than the 4% discount rate used for the second quarter of 2012. The 25 basis points lower discount rate used for this quarter resulted in a corresponding decrease in quarterly pretax income of approximately $2 million. When normalized for the change in the discount rate, our group insurance benefit ratio improved 850 basis points, compared to the second quarter of last year.

Analyst Questions

● I wanted to start with incidence trends that you're seeing. Can you just elaborate on the comment that you are seeing some improvement, how much are you seeing and how does it compare to what you would consider to be a normalized level?

Response: The claims behind the benefit ratio I would say we -- I think, we said slow steady progress in instance in the first quarter for long-term stability, which in the competitive quarter last year was what really drove the higher benefits ratio. We saw that continue in the current quarter and we're pleased with the progress there. I think we would be hesitant to say that we have arrived or anything like that. We'd like to see some continued improvement and sustainability at those levels.

● Question on the sales environment. I know 2Q is a lower sales quarter, but the number was year-over-year at least strong. Any comments on what you're seeing in terms of the competitive landscape if the market is perhaps still behaving more rationally than maybe you would thought at the beginning of the year when thinking about the single digit or low-single-digit premium declines?

Response: In the quarter we saw sales up just a little bit. We saw some stronger success in the small case marketplace, but I would counsel you to look at the year-to-date sales numbers, it's more informative. I think that's a better place to look. I would tell you that the marketplace remains competitive in the new sales environment. We've seen a little bit more price firming in the renewal space. There also seems to be some pressure out there, particularly in the larger case market. Folks are still distracted with the Affordable Care Act and some of the disruption over health insurance. So I would expect it to remain competitive, our guidance counsel is towards that for the full year.

● And then to follow-up on the line of questioning around incidence trends. I'd be curious if you could provide perspective potentially on how the macro is helping that? What I mean is, a lot of your business is in California, and California has a volatile economy, which seems to be doing quite a bit better now. So do you have any view on how a better California economy, particularly maybe in the public sector area, might be helping that incidence trend from the macro perspective while you're on the ground you're also doing your re-pricing initiative?

Response: It would be difficult to attribute any particular piece of this to California, and we don't have a significant concentration there. We have about 1/3 of our premium in each of the thirds of the United States, if we were to cut that vertically, and it's spread nationally fairly evenly. We do have, as you know, expertise in the public sector. We are pleased with what I would call the slow rebound of job growth or stabilization in that market. Greg mentioned the job levels at negative 0.2% for the quarter, which is quite a bit of an improvement over the last year. And we think that, that overall economic environment provides for a back drop that should see incidence levels continue to improve, and that's what we're watching very closely.

● Yes. I guess my follow-up there is, in the past, you've provided a slide that shows kind of how a job growth is changing and all the different kind of SIC codes that you write, would public sector and education, would those be kind of more on the improvement side now from where they were before?

Response: Yes. They both have improved, education more than public. I think they'd both still be in the bottom 2 quartile zone overall growth for the U.S. economy.

● Regarding claim recovery and return to work efforts, are those within your targeted parameters at this point or are there still some work there too?

Response: I would say that they have remained strong. We reported strong recoveries even late last year, and in the first quarter we saw those. That continued into the current quarter and we consider ourselves one of the top carriers in the industry helping people get back to work. We'll continue to invest there and make sure that we are doing everything we can to assist claimants, and we really like the results we're seeing so far.

Aetna

Profit (Operating income, pre-tax, excluding after-tax realized investment gains or losses):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)
Group Insurance (Life, Disability, LTC)	$29.9	$46.0

EP

Line of Business	2Q13 Earned Premium ($000,000)	2Q12 Earned Premium ($000,000)
Group Insurance	$582.4	$525.9

Principal Financial Group

Profit (Operating income, post-tax, excluding after-tax realized investment gains or losses):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Loss Ratio	2Q12 Loss Ratio
Specialty Benefits	$25.7	$22.6	66.7%	68.3%
Group Disability	---	---	68.3%	69.3%
Group Life	---	---	65.0%	68.4%

*Life & Health Division includes Individual Life, Health Insurance and Specialty Benefits

Line of Business	2Q13EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
Disability	$77.6	$15.9	$74.3	$10.6
Life	$83.0	$11.1	$82.9	$9.6

Notable Statements

● Specialty Benefits operating earnings of $26 million were up 14% over the same quarter a year ago, reflecting improved claims experience and growth in the business. The loss ratio continues to perform well at 67% for the quarter.

Cigna

Profit (Income from continuing operations, excluding realized investment gains/losses, after taxes):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)
Group Disability & Life	$41	$38

EP

Line of Business	2Q13 EP ($000,000)	2Q12 EP ($000,000)
Disability	$396	$347
Life	$390	$354

Notable Statements

● The quarter also benefited from favorable development in medical costs and disability reserves. Overall, this quarter is another example of the effective execution of our focus strategy and demonstrates the strong fundamentals of each of our operating businesses. The strength of these results provides us with good momentum and confidence to increase our full year financial outlook in 2013.

● For Group Disability and Life, second quarter results were very strong. Group premium and fees increased 10% over the second quarter of 2012 to $846 million, and second quarter earnings in our Group business were $104 million. The quarter's earnings included favorable claims experienced in the disability book, partially offset by unfavorable life claims.

● The quarter also included a $27 million after-tax favorable impact from a reserve study on our Group Disability business, which compares with a $35 million favorable impact from a similar study in second quarter 2012 and a $14 million after-tax favorable impact related to a higher discount rate for reserves as a result of the transfer into the Group Disability portfolio of higher-yielding assets previously supporting our Run-off Reinsurance business.

● Regarding the Group Disability and Life business, we now expect full year 2013 earnings in the range of $280 million to $300 million, an increase of $10 million over our previous expectations.

Analyst Questions

● And then very specifically maybe on the Disability and Life segment. I know last quarter, you called out that you had some unfavorable experience on the Disability claim side. This quarter you're calling out that you had some favorable, maybe a little commentary around that. And should on the reserve study benefit and also the discount

rate assumption, will that -- are you assuming that there's benefit from either one of those on the back half of the year as well?

Response: As you point out, the Disability business has had a few ups and downs this year. This is a segment where we're really happy with the core capabilities we have. We've got great productivity and return to work tools and a great team. Over the last few years, we've had the constraints of a difficult economy. In the first quarter of this year, you might recall, we made some model changes that we thought would have some negative impact to Disability results. And in fact, we reflected that in the first quarter results and the reserve change -- special item reserve change in that quarter. This quarter, we're really going through the more normal process of assessing what the outlook for the business is in the reserve studies. And also, I've seeing a little better metrics on the bread-and-butter claims indicators in Disability that may be tied to some stability in the economy. We tend to continue to have a model where we look for continued improvement and outcomes in this business. And we do think about that when we set our outlook for the year, for example, for the balance of the year and as we were coming into this year. Sometimes as improvements show up in better operating results, current period operating results sometimes those improvements show up through a reserve study impact looking back on claims you've already had in inventory. So that's a little bit of the mischief in the timing of the Group Disability results. But what the current outlook for Group does kind of net all those impacts out, both the claim model changes in the first quarter, the somewhat improved dynamics in Disability results evident in the second quarter plus some pressure from life claims that we're seeing right now dampening some of the improvement in the last half of the year. So all in, all those factors are considered in our outlook for Group.

Assurant

Profit (Net operating income after tax, before net realized gains and losses and the after tax effect of one time events.):

Line of Business	2Q13 Profit ($000)	2Q12 Profit ($0000)	2Q13 Loss Ratio	2Q12 Loss Ratio
Employee Benefits* (includes DRMS)	$11,474	$18,621	68.8%	66.7%

* Employee benefits includes dental, disability & life

EP/Sales

Line of Business	2Q13 EP ($000)	2Q13 Sales ($000)	2Q12 EP ($000)	2Q12 Sales ($000)
LTD & STD	$101,289	$6,905	$101,152	$6,907
Life	$48,465	$6,344	$46,462	$5,966

Notable Statements

● Assurant Employee Benefits posted another strong sales quarter. Year-to-date sales are up 18%. Earnings reflected pressure on our disability products, but dental experience was again excellent.

● At Employee Benefits, net earned premiums and fees were flat year-over-year, but up slightly from the first quarter, evidence that our enrollment and administrative services are gaining traction with voluntary customers. Earnings declined on a year-over-year basis, primarily due to less favorable disability results and the previously disclosed reduction in the discount rate for new claim reserves. Disability experience primarily reflected lower recoveries in the quarter.

● We've maintained strict pricing discipline in our disability business during the past year and will take additional action as needed.

MetLife

Profit (Operating Earnings after tax, before after-tax investment gains/losses):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Loss Ratio	2Q12 Loss Ratio
Group/Voluntary/Worksite	$26	$611	89.5%	87.4%
Group Life	---	---	86.5%	87.3%

EP

Line of Business	2Q13 EP ($000,000)	2Q12 EP ($000,000)
Non-Medical	$1,605	$1,497
Group Life	$1,406	$1,392

Beginning with 4Q09, Met started reporting disability results lumped in with other non-medical coverages (Dental, LTC, AD&D, CI, Vision)

Notable Statements

● We are seeing an improvement in disability underwriting results as the overall claims incidence trend continues to be favorable.

Hartford

Profit (Pre-Tax and DAC)

Line of Business	2Q13 ($000,000)	2Q12 ($000,000)
Group Benefits (Disability, Life, Other)	$84	$45

EP/Sales

Line of Business	2Q13 EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales $(000,000)
Group Disability	$355	$46	$423	$27
Group Life	$427	$55	$478	$37

● In Group Benefits, profitability continued to improve in the second quarter as a result of our disciplined approach to pricing and our management of the book. We also benefited from improving disability incidence rates, a positive change from the company's experience over the past few years.

● Our disability loss ratio of 82.7% in the quarter was favorable to last year by over 10 points, driven by earned pricing and improvements in our claim trends.

● Pricing in the quarter remains favorable with long-term disability rate increases of 6%.

● Year-to-date, our long-term disability rate increases nearly 13% due to a much larger first quarter renewal premium base versus the second quarter. And new sales in the quarter were $103 million, up 56% from 2012, as pricing in certain sectors of the new business marketplace improved.

● In previous quarters, we've commented that our claim recoveries were improving. That improvement continued this quarter across our long-term and short-term disability books. We're also encouraged by the early signs of declining incidence rates in our 2012 book. As you recall, incidence rates have been stable for several quarters, but at historically elevated levels.

● As our 2012 data has matured, we have observed a modest but consistent decrease in incidence rates, approaching levels we've not seen in several years. We'll be watching our data very closely in the quarters ahead to determine the sustainability of this improvement. We have nearly completed a full cycle of pricing and underwriting actions on our multiyear contracts. Our January 2014 renewal block will complete much of that effort and this disciplined execution is delivering results. We're committed to staying in front of loss trends with deeper claim and pricing analytics.

Analyst Questions

● Some of my questions were answered. But on the Group Benefits business, can you talk about how far along you are in your re-pricing of the disability block? And what the environment is like in terms of what competitors are doing? And then secondly, on commercial auto, you've had several quarters of adverse development. Maybe if you could just give us some insight on what's going on there?

Response: We started re-pricing the disability book in the early part of 2011. But I would say probably more the second quarter into the third quarter did it pick up quite a bit of steam, which is why I made the comment today that the January 2014 block really does largely complete that cycle. So we're working in the midst of that as we speak. And hopeful that we'll see a continued rational environment, which is how I described kind of the marketplace we're competing in today in group. Obviously, I've talked a lot about the program space, and those reiterating actions are well underway. But it's an area that has caught our attention, and I would say for the last year or so, we've really spent a lot of time focused there. And I feel like our behavior is clearly in line with improving trends that we're starting to see. And also the fact that we are, state-by-state, looking at our rate adequacy in certain places taking rate, we're moving our rate to the extent we need to move.

Lincoln Financial

Profit (Post tax)

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)	2Q13 Loss Ratio	2Q12 Loss Ratio
Group Protection	$22	$27	73.5%	72.7%
Group Disability	---	---	70.1%	69.6%
Group Life	---	---	77.1%	75.0%

EP/Sales

Line of Business	2Q13 EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
Group Protection	$531	$95	$495	$89
Group Disability	---	$42	---	$38
Group Life	---	$33	---	$33

Notable Statements

● Group Protection earned $22 million in the second quarter, which marks a nice turnaround from recent quarters. The non-medical loss ratio returned to the targeted range, coming in at 73.5% for the quarter. I'd attribute the improving loss ratio to strong performance from the disability book as key metrics, such as incidents, continued to perform nicely and an improvement in life mortality from last quarter's elevated levels. The group business is also benefiting from strong premium increases, with renewal pricing up in the mid-single digits during the second quarter.

Analyst questions

● And then secondly, on your disability business, the margins had steadily improved the last few quarters. This quarter, the loss ratio went up about 1%, still decent overall but was wondering whether that's -- you're seeing any deterioration in losses or is that just normal loss in claims trends?

Response: On the DI loss ratios, we didn't see any trend of deterioration in the quarter. It was a very strong quarter in the DI business. I think broader picture in the group business, there is some seasonality in the different businesses that moves in opposite ways, actually. You'll see DI incidents trend up a little bit over the course of the year. On the other hand, you'll see dental incidents trend down, and you'll see mortality typically improve in the last half of the year. So you've got these things that work against each other. But all in, very happy with the group results in the quarter and feel good about us moving forward.

Sun

Profit (Net income after tax):

Line of Business	2Q13 Profit ($000,000)	2Q12 Profit ($000,000)
Employee Benefits Group (U.S.)	$17	($8)

EP/Sales

Line of Business	2Q13 EP ($000,000)	2Q13 Sales ($000,000)	2Q12 EP ($000,000)	2Q12 Sales ($000,000)
Employee Benefits Group (U.S.)	$552	$108	$530	$92

● Sales in Group Benefits were up 53%, with particularly strong sales in the large case market. Long-term disability claims experience continued to improve, with the incidence rate at its lowest levels since 2008.

Summary

Company	Earnings	Sales	EP
Prudential	**Not reported by line of business**	**Dis: $7M (↓63.16%)** **Life: $15M (↓37.5%)**	**Dis: $220M (↓5.17%)** **Life: $1,001M (↑1.21)**
Unum	**LTD/STD: $73.0(↑3.7%)** **Life/AD&D: $57.3M (flat)** **Limited: $33.5M (↑11.7%)** **Colonial: $71.1M (↑5.2%)**	**U.S Brokerage** **LTD:$32.8M(↓8.9%)** **STD: $18.7M(↓20.8%)** **Life: $33.6M(↓25.7%)** **AD&D: $2.9M(↓40.8%)** **Vol:$43.4M(↓16.4%)** **Unum Limited** **LTD: $13.8M(↑2.2%)** **Life: $6.8M(↓25.3%)** **Colonial** **Acc/Dis: $54.5M(↓3.9%)** **Life: $15.8M (↓1.3%)** **Can/CI: $13.8M(↑5.3%)**	**U.S. Brokerage** **LTD: $394.8M (flat)** **STD: $129.1M (↑9.2%)** **Life: $303.6M (↑3.2%)** **AD&D: $30.2M (↑5.2%)** **Vol: $273.8M(flat)** **Unum Limited** **LTD: $96.3M (↓5.3%)** **Life: $26.5(↓52.3%)** **Colonial** **Acc/Dis: $184.7M (↑2.7%)** **Life: $55.3M (↑5.5%)** **Can/CI: $67.9M(↑4.9%)**
Standard	**Group: $61.4M (↑163.5%)**	**LTD: $10M (↑53.8%)** **STD: $6.6M (↑164%)** **Life/AD&D: $6M (↓35.5%)**	**LTD: $198M (↓1.1%)** **STD: $59.6M (↑10.4%)** **Life/AD&D: $214.5M (↓4.2%)**
Aetna	**Group: $29.9M (↓35%)**	**Group:N/A**	**Group: $582.4M (↑10.7%)**
Principal	**Specialty Benefits: $25.7M (↑13.7%)**	**Dis: $15.9M (↑50%)** **Life: $11.1M (↑15.6%)**	**Dis: $77.6M (↑4.4%)** **Life: $83.0M (flat)**
Cigna	**Group Dis & Life: $41M(↑7.9%)**	**N/A**	**Dis: $396M (↑14.1%)** **Life: $390M (↑10.2%)**
Assurant	**Employee Benefit: $11.5M(↓38.4%)**	**LTD/STD: $6.9M(flat)** **Life: $6.3M (↑6.3%)**	**LTD/STD: $101.3M (flat)** **Life: $48.5M (↑4.3%)**
Met	**Non Medical: Group: $26M (↓95.7%)**	**Not reported by line of business**	**Non-Med: $1,605M (↑7.2%)** **Life: $1,406M(flat)**
Hartford	**Group: $84M (↑86.7%)**	**Dis: $46M (↑70.4%)** **Life: $55M (↑48.6%)**	**Dis: $355M (↓16.1%)** **Life: $427M (↓10.7%)**
Lincoln	**Group Protection: $22M (↓18.5%)**	**Dis: $42M(↑10.5%)** **Life: $33M (flat)**	**Group Protection: $531M (↑7.3%)**
Sun	**U.S. Employee Benefits Group: $17M (negative $8M a year ago)**	**U.S. Employee Benefits Group: $108M (↑17.4%)**	**U.S. Employee Benefits Group: $552M (↑4.2%)**