SMITH GROUP
DISABILITY & REINSURANCE CONSULTANTS

February 21, 2008

Dear Smith Group Client:

We are pleased to provide the 4th Quarter 2007 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. Rather, this summary is meant to increase our collective understanding of the complicated business and times in which we operate.

As always, we welcome your questions and comments. Please direct inquiries to Kristen deCastro (207) 879-5680, kdecastro@smithgroupre.com.

Prudential Financial

Profit (After FIT and before net unrealized investment Gains/Losses):

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Group Disability	NA	NA	88.9%	85.7%
Group Life	NA	NA	90.4%	90.1%

EP/Sales:

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 sales ($000,000)
Disability	$227	$16.0	$211	$17.0
Life	$773	$35.0	$794	$37.0

Notable Statements

● The Group Insurance results for the year ago quarter included expenses of $14 million from a regulatory settlement. Stripping that out of the comparison, adjustment operating income was down $15 million from a year ago, mainly due to the less favorable Group Life results. In addition, investment results were less favorable in the current quarter as Group Insurance recorded $4 million of the marked-to-market losses on the externally managed investments in the European market.

● Group Insurance sales were $51 million in the current quarter, essentially unchanged from $54 million a year ago, bringing total sales for the year to about $350 million.

Unum

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

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)	4Q07 Benefit Ratio	4Q06 Benefit Ratio
US Brokerage				
LTD/STD	$41.3	$35.1	91.5%	94.0%
Life & AD&D	$60.1	$46.3	69.5%	75.9%
Voluntary/Supp	$65.2	$54.5	62.1%	64.1%
Unum Limited	$85.0	$81.8	60.8%	60.2%
Colonial	$58.8	$50.5	48.0%	52.3%

EP/Sales

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales ($000,000)
US Brokerage	$997.8	$226.9	$1,069.6	$239.8
LTD	$473.3	$75.3	$493.8	$89.1
STD	$115.3	$24.8	$131.3	$33.5

Life	$273.1	$61.3	$311.0	$55.4
AD&D	$33.3	$6.2	$37.8	$6.0
Voluntary	$102.8	$29.1	$95.7	$25.5
Unum Limited	$309.1	$34.6	$282.0	$44.0
LTD	$191.0	$29.3	$171.7	$39.8
Life	$50.4	$3.0	$50.4	$2.8
Other	$10.0	$2.3	$8.9	$1.4
Colonial	$232.0	$114.2	$217.2	$101.9
LTD/STD	$144.7	$71.9	$136.4	$60.0
Life	$37.0	$22.0	$34.8	$22.1
Cancer & CI	$50.3	$20.3	$46.0	$19.8

Notable Statements

U.S. Brokerage

● Group Disability case count grew 7% in 2007, Group Life case count increased 12%

● We continue to remain disciplined in the large case market as we still see fairly aggressive pricing actions in certain segments of the market

● Our traditional U.S. Life insurance company ended the year with a RBC ratio of 344%, substantially higher than our 300% target.

● Group Disability benefit ratio for the quarter was 91.5%, down another 60 basis points from the third quarter and 250 basis points lower than the 4th quarter of 2006. The benefit ratio was within our guidance rate of 90 to 92 percent and we remain confident that reducing the benefit ratio to the 88 to 89 percent range by the end of 2008 or early 2009 timeframe is a realistic objective.

● While sales declined approximately 8% in total for the 4th quarter of 2007, there are a lot of very encouraging trends. Our core market sales (employers less than 2000 lives) were actually very strong, increasing 20% and at this point representing 65% of our total group sales. This is a very important point as we think about the mix of business shift that has happened at this company. Large case sales activity continues to be challenging and we intend to remain disciplined and selective in pursuit of this business.

● Premium persistency in our group lines was lower in 2007 than in 2006 but that was primarily driven by the loss of aggressively priced large case business. Case persistency however, remained generally stable reflecting the stability of our block of core market business.

● Unum U.S. Group Life and AD&D line. We saw an exceptionally strong level of profitability in this line this quarter with a benefit ratio of 69.5% compared to 75.9% in the quarter a year ago.

Unum U.K.

● Record year of earnings for Unum U.K. We continue to see strong risk results with the benefit ratio at 60.8% in the quarter and 59.3% for the full year.

● Fourth quarter sales were lower in part to a difficult sales comparison with last year when we benefited from accelerated sales from a legislative change involving employees' retirement age. Excluding the sales from this legislative change, sales for Unum UK increased 12% for the 4th quarter.

● Unum UK, generally favorable claims experience in the UK operation especially within Group Life with a benefit ratio (60.8%) remaining stable compared to results of the past several quarters.

Colonial

● Colonial reported a 16% increase in pre-tax operating earnings. Results continue to reflect positive benefit experience across all of our product lines.

● Our sales for the quarter were actually very positive, increasing 12% compared to the 4th quarter of 2006 with strong results across each market sector. We saw good growth in our core market with sales in the less than 500 life market increasing 14.5%.

Other

● Regarding the claims reassessment process, we're very pleased to report that since the end of the 3rd quarter, we have completed the reviews of the final 256 claims and the final examination under the multi-state regulatory settlement agreement is well underway and we anticipate its completion in the first half of 2008.

● Question regarding the economy and the probability of a recession; how are you feeling about this business going into 2008?

Response -- As you look at the company today, given the balance of our business, we don't feel as though we have any where near as much vulnerability to swings in the economy. By that I mean that you look at the contributions that Colonial now makes to our company, Unum UK now makes to our company, and even within Unum U.S. the fact that we have a more diverse product portfolio in terms of contributions from Voluntary and Group Life and things like that. So, the company is in a very different relative to where it was in the past.

With respect to recession risk and Unum U.S. in Group Disability, a couple of things. First, overall at Unum U.S., we're a different portfolio than we were four or five years ago. Our mix of business is now roughly plus or minus 30% Group Disability, 30% Supplemental and 30% Life. So, we're not nearly as exposed on the disability side as we were in 2000 and 2001. Our mix of business by industry is really solid, we don't have

exposure of any more than 14 or 15% in any one industry sector. Our mix of business by case size has been improving. Our LTD inforce is about 54% core, 46% large and our sales in the fourth quarter actually hit right on our 40/20/40 targets in terms of small, medium and large. So, we're well diversified there. Our claim management results have been extremely consistent over the last seven or eight quarters. Quality indicators are good, satisfaction numbers are still solid, incidence has been pretty stable and our renewal plans continue to operate effectively and have consistently beat plans over each of the last three years. So, overall I think that we're in pretty good shape.

● Analyst question -- Are you readdressing reserves in light of your interest margin? Given the accelerated pace at which the fed is lowering rates.

Response -- No material change to those in the 4th quarter. The benefit that we have despite the low interest rate environment is the fact that we've got about 50% of our cash flows for 2008 already hedged. Obviously there is a little market sensitivity to the other half. However, with the mix of investments that we look at, the winding of corporate spreads on investment grade securities is offsetting a fair amount of the drop that we're seeing in treasury rates.

● Question regarding competitiveness, specifically asked to address the less than 2000 life market where UP saw good growth.

With respect to the core market, the smaller and medium sized part of the business, activity was very strong in the 4th quarter, activity was up 11% and closing ratios improved throughout the year. Packaged sales grew for us, 38% of our fourth quarter sales were three lines of business and 77% of our sales were two lines of business. Case sales were up 13%. So, I think that from the standpoint of our distribution system and its ability to deliver, it was a terrific 4th quarter for us, solid momentum going into 2008. Supplemental sales were up as well, I think the competitive environment in the core market has much more to do with the way we execute than what is happening at other companies. So, I feel good about our core market performance.

● Question about the Group Disability Benefit ratio (88% to 89%). Does this assume stable incidence in terms of overall claims incidence and severity and also, is most of the benefit expected to come from the repricing side? I guess that what I'm trying to ask is if you have any buffer built in case the environment does get worse from an incidence and severity standpoint?

The 88 to 89 generally expects stable incidence plus or minus a little bit. We're continuing to execute on our renewal program we continue to move prices up a little bit where we can and of course we continue to experience positive, consistent performance in our claims organization. I think we still have a little bit of an upside there although that organization is performing on all cylinders now. So, there is a little bit of room to absorb incidence and volatility but the 88 to 89% doesn't presume a severe swing in incidence and frankly we haven't seen that over the last four quarters. We did see a little bumpiness in the fourth quarter; manufacturing incidence was actually a little better than

it had been on the other hand the financial sector was a little worse than it had been but pretty much within normal ranges.

● Question about growth in U.S. business, premium has been shrinking and it is clear that it's part of your plan (purging poorly performing large cases). Now that you've said that the large case business is close to being stable, when can we expect premium in Unum U.S. to start growing?

Response, realistically it will be 2009. I would expect core market sales to grow throughout 2008, supplemental sales to grow in 2008, large case sales are still very choppy as it really depends on what is out there for inventory and our discipline there. I do think that persistency is largely stabilizing in large case and growth will start to turn. As we get our Simply Unum platform launched throughout 2008, I think that you'll start to see some acceleration of core market and supplemental sales growth which I think will actually show up in earned premium in 2009.

Reliance Standard Life (RSL)

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

Line of Business	4Q07 ($000)	4Q06 ($000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Group (LTD, STD, Excess WC, Life, Travel Accident, Dental)	$64,179	$60,502	69.1%	71.3%

EP/Sales

Line of Business	4Q07 EP ($000)	4Q07 Sales ($000)	4Q06 EP ($000)	4Q06 Sales ($000)
Disability (mostly LTD)	$135,758	$42,458	$120,011	$52,854
Life	$93,486	$28,947	$81,513	$31,964
Excess WC	$67,010	$2,304	$68,691	$3,838
Travel Accident, Dental, Other	$15,413	$11,939	$13,252	$5,098

Notable Statements

● Core group employee benefit premiums rose 10% to $312 million. Our core premiums at RSL rose 14%, which was driven by a 15% growth in Group Life and a 13% growth in disability premiums. While RSL's core production declined in the fourth quarter, we don't

think this is an indicative of a trend. We did maintain our strong pricing and underwriting discipline, out performing our pricing targets in the fourth quarter quite handily.

● Looking at the full year 2007, core premiums at RSL rose 16%, production rose 15%. Our growth was boosted by strong contributions from our focus on two areas, which we believe offer us competitive advantages, voluntary products and integrated employee benefits. Voluntary products represented 17% of RSL's core production in 2007. That's up from 12% in the prior year.

● RSL also had a strong contribution in 2007 from our integrated employee benefits or IEB program for larger companies. That's the program where we bundle our insurance coverages with Absence Management Services from Matrix. New sales of insurance products to IEB clients were 22% of RSL's production in 2007, that's up from 14% in 2006.

● Premiums from RSL's turnkey disability division, custom disability solutions, or CDS were $11.8 million in the fourth quarter; that compares to $13.3 million in the quarter a year ago. The $50 million of premiums for the full year 2007 for CDS were essentially flat with 2006. This comparison was driven by several factors. The 2006 premiums were boosted by some one-time items related to our purchase of the assets to form CDS. And 2007 premiums were impacted by some customer losses that resulted from our initial purchase of those assets.

● Looking at our combined ratio, our group employee benefit combined ratio in the fourth quarter was 92.3%, down from 93.6% in last year's fourth quarter. For the full year 2007 that ratio improved to 92.4% compared to 93.2% last year. We are continuing to achieve better loss ratios from our disciplined pricing and underwriting and lower expense ratios, as we realize economies of scale.

● Regarding the recessionary environment, we've done a quite a bit of analysis on this over the past few years as part of our overall enterprise risk management work. The analysis has shown that there is really no significant correlation between changes in gross domestic product and our earn premiums or a loss ratios. Couple of reasons for this:

(1) Our product lines are well diversified with no one product making up disproportion of percentage of our premium. The three main product lines disability, group life, and access works comp, have different market cycles in different competitive environments.

(2) Our customer basis also well diversified by industry and the significant percentage of our customers on industries that are less economically sensitive, for example, almost two thirds of Safety National's customer basis and government entities, healthcare, and education, which are clearly not economically sensitive parts of the economy.

(3) Finally, our focus is on smaller companies, which is, where the vast majority of job growth is better in the past decade and which is expected to perform better in a recession.

Almost half of our sales premiums come from customers with less than 500 employees. On a case count basis, 90% of the cases have less than 500 employees. So we feel very good about our ability to continue to grow premiums and earnings in a recessionary environment.

● Analyst question regarding competition in Group Disability; now that interest rates are starting to come down, mechanically, theoretically, the prices should start going up in the market. Have you seen any evidence of this? Do you anticipate that your peers might start raising their prices?

Response -- We hadn't seen a lot of price movement. This continues to be a competitive market place, where we do well in the under 500 life segment. But not a lot of movement and the whole market seems to move together. So if anything moves, we tend to see the overall move with all the competition.

● Analyst question about the discount rate for new LTD business, can you give us some color what you are doing there going into '08 versus '07?

Response -- We are looking at keeping on discount rate about the same -- at about 5.5% for '08 at this point in time.

Standard Financial Group

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

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)
Insurance Services	$89.8	$93.0

EP/Sales

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales ($000,000)
LTD	$222.0	$39.9	$205.7	$33.6
STD	$58.4	$12.7	$54.9	$8.7
Life & AD&D	$212.8	$45.7	$189.6	$38.0
Other	$15.6	$7.2	$18.2	$5.5
ERR	$(4.5)		$(3.1)	
Total EB	$504.3	$105.5	$465.3	$85.8

Notable Statements

● In the fourth quarter, results of our insurance services segment were driven by premium growth and favorable claims experience, which generated income before income taxes of $89.8 million. Premiums for the insurance services segment increased 8.3% to $540.3 million for the fourth quarter of 2007. Sales were strong and persistency was excellent. Our people across the nation continued to provide the positively different service that

sells new cases, retains current customers, and makes the difference to those who depend on us to fulfill our promises

● Sales in our group business were $105.5 million in the fourth quarter, a 23% increase compared to the $85.8 million for the fourth quarter of 2006. This reflected double-digit growth in all of our key product lines.

● Our results this quarter capped off an outstanding year in which sales grew 28.6% year-over-year and exceeded $400 million of annualized premium for the first time in our history. Fourth quarter sales included a good mix of business in all case sizes and products. I'm especially pleased with the growth in the number of new cases sold. This fact underscores our efforts to continue to further broaden and diversify our block of business and thus our risk.

● For 2008, we expect our premiums to grow in the range of 6% to 8%, which we anticipate will likely be greater than the marketplace growth. The claims experience in our group and individual businesses, although slightly less favorable than the excellent fourth quarter of 2006, was still very good. Despite normal quarterly fluctuations, the benefit ratio for the full year in our Group Insurance business was 77.4%, just below the bottom of our annual guidance range of 77.5% to 79.5%.

● During the fourth quarter, we lowered the discount rate used to establish new reserves by 15 basis points, to 5.35%.

● As we consider the possibilities of a recession we have included additional information with this quarter's release to demonstrate how we diversify our business against economic changes. If you look at slide number 3, you'll notice that 45% of our Group business premium comes from Life, AD&D, and Dental coverage's all relatively immune to economic changes. On slide 4, you'll see that over half of our long-term disability premiums come from industries that are resistant to the effects a recession may have on employment. These industries include the public sector, education, healthcare, and the utilities. Compared to other industries during the last recession of 2001, most of these businesses showed either slight increases in employment or only fractional decreases. Our diversification is one of the reasons why we have not seen the same pattern of increased incidents rates during economic downturns, let's say social security has experienced. Historically, social security incidence has increased during and following the recession. Our significant historical data would demonstrate no increase in incidence rates during the exact same timeframe.

● Analyst question about growth and competitiveness. You have said that it’s a very competitive environment out there, but I'm looking at the third straight quarter of very, very strong sales growth and it looks like premium growth is picking up as well, just trying to reconcile those comments?

Response -- You are right, our sales people today will say that the environment is frankly as competitive as it has ever been and across a number of different sizes been. We have

been very selective about the targets that we choose, the cases that we want to go after in the industries, in the geography that we think will provide our profit returns. Having said that, I think there are lot carriers out there this year that have had some difficulty growing their sales. If we look at third quarter statistics, we see a pretty wide variation in sales growth across the top 10 or 15 carriers or so. Our numbers happen to be quite good. You know, we'll put on a fair amount of business in the second half of the year and we have got folks out there today that are continuing to target the right kinds of cases and get the right rates on them where they make sense to us.

Aetna

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

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)
Group Insurance (Life, Disability, LTC)	$37.0	$29.9

EP

Line of Business	407 Earned Premium ($000,000)	4Q06 Earned Premium ($000,000)
Group Insurance	$543.8	$529.7

Notable Statements

● An analyst asked about the slowing economy and the potential impact on the disability business.

Response was that if you look at our benefit ratios year-over-year and quarter-over-quarter it had significant improvement in our group lines due to better pricing and underwriting selection. We are really happy with that progress and it is absolutely irrefutable that disability incidence is correlated, highly correlated with consumer confidence. We follow the Michigan study very closely and our view of the consumer confidence index for the balance of the year is fully reflected in our benefit ratio outlook for the group business for 2008.

Principal Financial Group

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

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Specialty Benefits	$25.5	$21.4	N/A	N/A
Group	N/A	N/A	82.5%	71.5%

Disability				
Group Life	N/A	N/A	64.7%	70.7%

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

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales ($000,000)
Disability	$78.1	$7.5	$67.4	$9.5
Life	$88.8	$8.9	$78.1	$11.9

● Specialty Benefits delivered earnings of $25.5 million during the fourth quarter, a 19% improvement from a year ago with the division growing premiums and fees by 12% while holding growth in operating expenses to 2%.

Cigna

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

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)
Group Disability & Group Life	$57	$46

EP

Line of Business	4Q07 EP ($000,000)	4Q06 EP ($000,000)
Disability	$240	$210
Life	$294	$272

Notable Statements

● Our Group Disability and Life business reported full year earnings of $248 million with premiums and fees growing year over year at an attractive rate of 13%. We are growing in group based on our solid product and service capabilities as well as our ability to provide value through integrated disability management.

● We have industry leading claims management and return to work outcomes in disability. This line of business generated strong premiums and fee growth of 18% in 2007.

● We expect our Group Disability and Life and International businesses to continue to grow revenue while maintaining strong margins. Specifically, we expect mid single digit earnings growth in group and double digit earnings growth in international.

● Analyst question – Given the weakening economy and the potential for higher unemployment, how does that factor into your disability expectations for 08?

Response – We've increased the amount of resources that we allocated to the disability management offices and we've literally taken the debt loads down in those operations to focus with more capacity on disability management. We've also strengthened the underwriting detail that we do on the book of business to look at trends by industry and by geography. This will leave us well positioned to possibly take pricing and underwriting actions if we're seeing deterioration in a particular area. At this point, we really remain confident in our group insurance results for full year 08 and I would expect that the softer economy would not be a barrier to achieving those results.

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	4Q07 Profit ($000)	4Q06 Profit ($0000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Employee Benefits* (includes DRMS)	$16,197	$19,428	68.8%	68.6%

* Employee benefits includes dental, disability & life

EP/Sales

Line of Business	4Q07 EP ($000)	4Q07 Sales ($000)	4Q06 EP ($000)	4Q06 Sales ($000)
LTD & STD	$118,858	$10,984	$119,812	$11,126
Life	$53,453	$6,069	$55,718	$5,859

Notable Statements

● Assurant Employee Benefits' net operating income decreased 17% during the fourth quarter to $16.2 million. Results declined primarily due to a slight increase in the loss experience as a result of a $2.1 million after tax adjustment to reflect New York State's clarification of certain disability contract provisions, and a decline in investment income. Group disability experience continued to be favorable.

● For the year, net operating income rose 4% to $87 million, driven by continued favorable overall loss experience, particularly in group disability. Fourth quarter net earned premiums increased 4% to $291.6 million. This increase was driven primarily by a single premium of $14.3 million from a closed block of group disability business.

● For the year, net earned premiums decreased 3% to $1.14 billion, due mainly to the continued implementation of our small case strategy and adherence to our pricing discipline. We continue to solidify and build upon the gains we have made over the past

few years with our focus on the small employer market. We've seen an increase in sales for the year as we gain momentum in this market and have seen favorable loss experience due to pricing discipline and our focus on the small case market. We believe the small businesses we have chosen to focus on have more favorable risk characteristics relative to larger employers in these times of economic uncertainty.

MetLife

Profit (Operating Earnings after tax and before after-tax investment gains):

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Group Disability	N/A	N/A	90.6%	95.2%
Group Life	$93	$95	93.2%	92.1%

EP

Line of Business	4Q07 EP ($000,000)	4Q06 EP ($000,000)
Disability	$410	$357
Life	$1,525	$1,478

MetLife does not disclose sales numbers in these lines.

Notable Statements

● On the Life side, we increased total Life first year premiums and deposits by an impressive 19% over the prior-year period. This is our best result in nine quarters. We have remained disciplined in our pricing and our underwriting and now the market is coming back to MetLife.

● Group Life mortality of 93.2% for the quarter reflect an expected seasonal uptick, but was well within our guidance range of 91% to 95%. Disability's morbidity ratio for the quarter at 90.6% is a significant decline from the prior-year period and is reflective of our continued underwriting discipline.

Hartford

Profit (Pre-Tax and before after)

Line of Business	4Q07 ($000,000)	4Q06 ($000,000)
Group Benefits (Disability, Life, Other)	$92	$88

EP/Sales

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales $(000,000)

Group Disability	$466	$54	$457	$39
Group Life	$488	$75	$458	$55

Notable Statements

● Analyst question on Group Benefits, sales fell 16% in the first nine months but up 26% in the fourth quarter. Does the momentum carry it to the next year and what are the competitive dynamics?

Response -- I would say that sales tend to be lumpy over the quarters. We are in all markets, small all the way to national accounts and so, I would not read so much into the fourth quarter run up. Having said that we do feel good about our core lines, life and disability for the first quarter, but there is less competition out there, I think that small case market will be little bit more challenging and that is reflected in our guidance.

Jefferson Pilot

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)	4Q07 Loss Ratio	4Q06 Loss Ratio
Group Protection	$28.2	$33.2	70.7%	69.1%
Group Disability	$13.7	$15.5	69.1%	69.3%
Group Life	$11.2	$13.6	72.1%	69%

EP/Sales

Line of Business	4Q07 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales ($000,000)
Group Protection	$349.7	$142.6	$315.9	$113.1
Group Disability	$155.2	$72.1	$138.5	$56.9
Group Life	$126.5	$53.9	$112.5	$43.1

* includes life, disability & dental

Notable Statements

● In group protection, the fourth quarter capped one of its stronger years. Annualized sales and earned premiums on our key businesses for the quarter were up over 25% and 10% respectively. Annualized sales for 2007 were a record $326 million, up 20%. We encouraged by the fact that this sales strength occurred in our core small case market and that loss ratios were favorable throughout 2007. All in all, a very good year for Group Protection. In 2008, we will focus on voluntary product development and targeted wholesaler expansion.

Sun

Profit (Net income after tax):

Line of Business	4Q07 Profit ($000,000)	4Q06 Profit ($000,000)
Employee Benefits Group (U.S.)	$23	$18

EP/Sales

Line of Business	407 EP ($000,000)	4Q07 Sales ($000,000)	4Q06 EP ($000,000)	4Q06 Sales ($000,000)
Employee Benefits Group (U.S.)	$454	N/A	$293	N/A

Notable Statements

● The Employee Benefits Group continued to successfully integrate the acquisition made in the second quarter of 2007.

Summary

Company	Earnings	Sales	EP
Prudential	**Not reported by line of business**	**Dis: $16.0M(↓6%) Life: $35M (↓5.4%)**	**Dis: $227M (↑7.6%) Life: $773M (↓2.7%)**
Unum	**LTD/STD: $41.3M (↑17.7%) Life/AD&D: $60.1M (↑29.8%) Vol WB: $65.2M(↑19.6%) Limited: $85M (↑3.9%) Colonial: $58.8M (↑16.4%)**	**U.S Brokerage LTD: $75.3M(↓15.5%) STD: $24.8M(↓26%) Life: $61.3M(↑10.6%) ADD: $6.2M(↑3.3%) Vol: $29.1M(↑14.1%) Unum Limited LTD: $29.3M(↓26%) Life: $3.0M(↑7.1%) Other: $2.3M(↑64%) Colonial LTD: $71.9M(↑19.8%) Life: $22.0M (↓.5%) Other:$20.3M(↑2.5%)**	**U.S. Brokerage LTD: $473.3M (↓4.2%) STD: $115.3M (↓12.2%) Life: $273.1M (↓12.2%) AD&D: $33.3M (↓12) Vol: $102.8M(↑7.4%) Unum Limited LTD: $191M (↑11.2%) Life: $50.4M (--) Other: $10.0M (↑12.4%) Colonial LTD: $144.7M (↑6.1%) Life: $37.0M (↑6.3%) Other: $50.3M (↑9.3%)**
RSL	**Group: $64.2M(↑6.1%)**	**Dis: $42.5M (↓19.6%) Life: $28.9M (↓9.5%)**	**Dis: $135.8M (↑13.2%) Life: $93.5 (↑14.7%)**
Standard	**Group: $89.8M (↓3.4%)**	**LTD: $39.9M (↑18.8%) STD: $12.7M (↑46%) Life/AD&D: $45.7M (↑20.3%)**	**LTD: $222.0M (↑7.9%) STD: $58.4M (↑6.4%) Life/AD&D: $212.8M (↑12.2%)**
Aetna	**Group: $37.0M (↑23.7%)**	**Group:N/A**	**Group: $543.8M (↑2.7 %)**
Principal	**Specialty Benefits: $25.5M (↑19.2%)**	**Dis: $7.5M (↓21%) Life:$8.9M (↓25%)**	**Dis: $78.1M (↑15.9%) Life: $88.8M (↑13.7%)**
Cigna	**Group Dis & Life: $57M(↑23.9%)**	**N/A**	**Dis: $240M (↑14.3%) Life: $294M (↑8.1%)**
Assurant	**Employee Benefit: $16.2M(↓16.7%)**	**LTD/STD: $11.0M (↓1.3%) Life: $6.1M (↑ 3.4%)**	**LTD/STD: $118.9(↓1%) Life: $53.5M (↓4%)**
Met	**Not reported by line of business**	**Not reported by line of business**	**Dis: $410M (↑14.8) Life: $1,525M (↑3.2%)**
Hartford	**Group: $92M (↑4.5%)**	**Dis: $54M (↑38.5%) Life: $75M (↑36.4%)**	**Dis: $466M (↑2%) Life: $488M (↑6.6%)**
JP	**Dis: $13.7M (↓12%) Life: $11.2M (↓18%)**	**Dis: $72.1M(↑26.7%) Life: $53.9M (↑25.1%)**	**Dis: $155.2M (↑12.1%) Life: $126.5M (↑12.4%)**
Sun	**U.S. Employee Benefits Group: $23M (↑27.7%)**	**U.S. Group: N/A**	**U.S. Group: $454M (↑55%)**