SMITH GROUP
DISABILITY & REINSURANCE CONSULTANTS

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Dear Smith Group Client:

We are pleased to provide the 4th Quarter 2008 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 (After FIT and before net unrealized investment Gains/Losses):

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Group Disability	NA	NA	90.0%	88.9%
Group Life	NA	NA	89.9%	90.4%

EP/Sales:

Line of Business	4Q08 EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 sales ($000,000)
Disability	$241	$26	$227	$16
Life	$933	$76	$889	$35

Notable Statements

● Group insurance recorded its best result ever

● The group insurance business reported adjusted operating income of $69 million in the current quarter compared to $66 million a year ago. More favorable group life claims experience in the current quarter was partially offset by a lower contribution from investment results.

● For 2008, strong sales in both disability and life. Disability sales were $204 million versus $155 in 2007. Life sales were $288 million versus $197 in 2007.

UnumProvident

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)	4Q08 Benefit Ratio	4Q07 Benefit Ratio
Unum US	$182.6	$160.9	80.3%	81.6%
LTD/STD	$59.7	$43.2	88.7%	91.5%
Life & AD&D	$50.3	$60.1	70.0%	69.5%
Voluntary/Supp	$72.6	$57.6	57.2%	62.1%
Unum Limited	$54.6	$81.7	63.0%	60.8%
Colonial	$66.3	$58.8	48.3%	48.0%

EP/Sales

Line of Business	4Q08 EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales ($000,000)
Unum US	$1,246.6	$258.6	$1,248.1	$229.5

LTD	$459.2	$77.4	$473.3	$75.3
STD	$110.0	$31.0	$115.3	$24.8
Life	$266.2	$82.6	$273.1	$61.3
AD&D	$30.9	$9.2	$33.3	$6.2
Voluntary	$380.3	$54.7	$353.1	$59.3
Unum Limited	$182.3	$27.0	$251.4	$34.6
LTD	$144.4	$18.5	$191.0	$29.3
Life	$29.5	$6.9	$50.4	$3.0
Other	$8.4	$1.6	$10.0	$2.3
Colonial	$249.1	$115.4	$232.0	$114.2
Acc/Sick/Dis	$154.2	$75.0	$144.7	$71.9
Life	$40.8	$20.4	$37.0	$22.0
Cancer & CI	$54.1	$20.0	$50.3	$20.3

Notable Statements

● We saw a continued positive momentum in our sales results. The focus across all of our operating businesses remains to profitably grow our core market businesses with the sales to the small and mid-size employer marketplace and we saw good success again this quarter.

● We continue to comfortably exceed our targets for capital and liquidity, leverage, and RBC. This financial flexibility positions us well for the continuing challenging environment we find ourselves in.

● We are now projecting operating earnings in 2009 to be slightly below that of 2008, down from our earlier guidance of growth of 4% to 6%. I think it's important to note again that at this time we have not seen any material impact on our operating results from the weak economy. But again, given the general view that things may worsen, we felt that it was appropriate to assume so in our guidance.

Unum US

● Pre-tax operating earnings for Unum US increased 13.5% to $182.6 million in the fourth quarter with favorable performance in the group disability, supplemental and voluntary lines of business, which offset lower earnings in group life.

● Seasonally adjusted submitted incidence trends showed a slight rise in the quarter for our LTD line of business, but remained within the range of incidence levels we have experienced over the past several quarters.

● The STD line, which can be a leading indicator of LTD claim incidence, continues to perform well with a low level of claim incidence in the fourth quarter.

● Strong results from the supplemental and voluntary lines with earnings growth of 26% while group life and AD&D results were down about 16%, driven primarily by lower group life premium income and slightly higher claim experience.

● Unum US sales increased 13% in the fourth quarter with strong results in the core market where sales grew almost 30%. Voluntary benefit sales were flat this quarter, but full year 2008 grew at almost 15% and the pipeline for 2009 sales activity is encouraging.

● The discount rate on new claim incurrals was raised in the fourth quarter, which produced a slight benefit to our fourth quarter results. The beneficial impact of the discount rate adjustment was less than the 60 basis point improvement in the overall benefit ratio from the third to the fourth quarter.

● In Group Life/AD&D, the benefit ratio was fractionally higher than a year ago at 70%, primarily reflecting a higher average claim size. Margins in this line were also impacted by a higher expense ratio, which is due to the mix of business shift to smaller core market cases, and also a 3% decline in premium income.

Unum UK

● Pre-tax earnings in Unum UK were $54.6 million for the fourth quarter. These results were lower relative to the fourth quarter of 2007 in large part due to the significant decline in the value of the British pound.

● Risk results remained in line with long term expectations, driven primarily by a decline in premium income, but somewhat higher than recently quarterly experience.

● Experienced an uptick in new claim incidence in the fourth quarter, primarily from banking sector exposure. However, this increase was largely offset by strong claims management and higher claim recoveries.

● Fourth quarter sales declined 22% in dollar terms, but in local currency increased 2.4% in the fourth quarter and 3.6% for the full year.

Colonial

● Benefit ratio was fractionally higher than last year, 48.3% versus 48% a year earlier reflecting slightly higher claims activity in the older cancer blocks, but generally stable performance across the other product lines.

● Sales at Colonial Life increased by 1.1% for the fourth quarter and 1.6% for the full year, below long term growth objectives and certainly impacted by the weak economy.

Analyst Questions

● Regarding U.S. group LTD, are you seeing any changes in claims trends across industries, if you look at the spectrum of lower risk to higher risk sectors?

Response: We saw a slight uptick in incidence during the fourth quarter, but most of that was what I'll call normal noise. We didn't see any uptick, for example, in education or finance. We saw a mild uptick in manufacturing, transportation and utilities, which we normally see. But then we look at incidence in STD, IDI and Life waiver and in fact, if anything, we saw slight improvements in incidence there. So, overall, it was kind of a pretty normal and stable quarter in terms of incidence and no particular trend to point to.

● Question about U.S. unemployment and the impact that it may have on Unum's benefit ratio: "Is there any way to think about what sensitivity the benefit ratio guidance will have if we are talking about 9% or 10% unemployment?"

Response: A couple of points there. As the unemployment goes up, we do monitor it quarterly but we also pay attention to the unemployment rate as applied to the mix of business that we actually manage, both in terms of industry and sizing. Unemployment rate in those industries is actually lower than that overall unemployment rate. And we continue to move the mix of business from large to small and that sort of drives the overall average weighted incidence rate down. So, we are cognizant of it (the unemployment rate), but I don't think we'd expect a really significant effect.

● Could you give a little more color, I think a previous analyst asked about just kind of where the business is coming from. Where are you winning the small case business and getting better sales there. If you can give color around where you are winning in the market there, that would be great.

Response:

Concentrating on multiple line sales

Focusing on their Simply Unum strategy although they did state they don't have any specific metrics on Simply Unum yet because it's too early

They're getting 65% of their disability sales in their target markets which are the lower incidence markets and the smaller case marketplace. They mentioned a focus on white collar professional services and healthcare as opposed to manufacturing and retail.

● Question about IBNR. There was a 5% reduction in IBNR this quarter. If anything, given the economy, you'd expect claim incidence to increase so why are you releasing IBNR and not building it?

Response: The term that you used, releasing IBNR, is not accurate. The IBNR reserve did change from the third to fourth quarter for LTD. It's reflective of the fact that the volume of business is slightly lower. It also reflects the fact that we made an upward adjustment in the discount rate assumption, and there is about $3 million of IBNR release due to that.

There are also some changes that we've made in our claims management processing as we move STD claims to an LTD basis; STD claims are actually reported a little sooner and that has the impact probably $3 million or $4 million of movement in IBNR. But what happens on the other side is that $3 million or $4 million is added to other parts of the reserve. So, it's not a reserve release into earnings. There are a lot of moving parts as we've described in the past, but to describe it as a reserve release isn't accurate.

- Question about the dynamics of the business. Analyst asked if Unum expected an increase in subjective claims as the unemployment increases. What is Unum doing differently in the current recession that will sort of blunt the impact that an increase in incidence and subjective claims would have?

Response: I think one would anticipate in a tight economy an uptick in submitted incidence, the softer decisions as to whether person consider themselves to be disabled or not. They are probably making that decision in the light of their own employment environment, whether they are trying to hold on to their job or whether they think they might be going to lose their job. And all of those subjective factors and it turns out that they submit a claim. It's probably not possible for us in a general sense to know what any one person is thinking. In a marketing sense, though, we try to target markets at those industries that have lower overall expected incidence rates. We also, on an underwriting basis, to the extent that we're talking about mid-size companies or larger, we are certainly underwriting the economic environment for that particular industry and that particular company, because to the extent that we look at any underwriting risk and think that there is a potential for downsizing or bankruptcy, that wouldn't be a positive indicator from an underwriting perspective. And so you try to avoid these sorts of risks.

It's probably worth reiterating, but our experience has been the small and mid-size employer incidence level in softer economic conditions is nowhere near as volatile as the incidence rate amongst large employers. And as I think everyone on the call knows, we made a fairly substantial change in strategic direction three or four years ago. And so our book of business entering this period of time is very different today than it was, for example, back in 2001-2002.

For 2008, only 36% of our business was large case business, 64% was small and medium size market business.

Reliance Standard Life (RSL)

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

Line of Business	4Q08 ($000)	4Q07 ($000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Group (LTD, STD, Excess WC, Life,	$35,302	$64,179	70.1%	69.1%

Travel Accident, Dental)				

EP/Sales

Line of Business	4Q08 EP ($000)	4Q08 Sales ($000)	4Q07 EP ($000)	4Q07 Sales ($000)
Disability (mostly LTD)	$147,131	$42,921	$135,758	$42,458
Life	$101,210	$35,288	$93,486	$28,947
Excess WC	$67,343	$6,423	$67,010	$2,304
Travel Accident, Dental, Other	$18,896	$16,329	$15,413	$11,939

Notable Statements

● The excellent year for our insurance businesses was capped off by a strong performance in the fourth quarter. Our full year group employee benefits combined ratio improved to 92.2% from 92.4% in 2007.

● In the fourth quarter, Delphi achieved 7% growth in core group employee benefit premiums, driven by 9% growth in premium at RSL. Core premiums also rose 7% for the full year 2008, with premiums at RSL growing 10% for the year. RSL passed the $1 billion milestone in premium for the first time in 2008.

● Production at RSL rose 13% in the fourth quarter, driven by a 22% increase in group life production. Sales growth was boosted by a continued increase in the number of new cases sold in our small case niche and good success in our integrated, or integrated employee benefit, or IEB program that is targeted at larger cases.

● Premium at RSL's turnkey disability division, CDS, increased 15% to 13.6 million, up from $11.8 million in last year's fourth quarter. For the full year, premium at CDS were flat with 2007, at about $50 million. CDS continues to focus on growing, adding new turnkey partners, which tends to have a long sales cycle. We continue to be optimistic about the long-term growth opportunity at CDS and we're pleased to see the good results in the fourth quarter.

● We believe that the strong underwriting results of our insurance businesses that we've achieved this year are sustainable for the foreseeable future.

Analyst Questions

● Any changes to discount rates for the DI or the excess business?

Response: Not yet. We have not yet decided and won't for another couple of weeks on discount rates for either for disability or excess Workers' Comp, but we're working on that now. They might be lower than they were last year.

● Have you seen any incidence or severity increases due to the soft economy in the disability book?

Response: We have not seen any changes in incidence and severity in our book of business and pretty much looking at where we have been for the last couple of quarters.

Standard Financial Group

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)
Insurance Services	$94.8	$89.8

EP/Sales

Line of Business	4Q08EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales ($000,000)
LTD	$212.9	$34.1	$222.0	$39.9
STD	$53.5	$11.2	$58.4	$12.7
Life & AD&D	$207.1	$39.7	$212.8	$45.7
Other	$19.0	$9.5	$15.6	$7.2
ERR	($12.3)	---	($4.5)	---
Total EB	$480.2	$94.5	$504.3	$105.5

Notable Statements

● While the conventional wisdom is the claims will increase in this environment we have not seen such a result and our block of business continues to generate favorable underwriting results.

● Results were driven mainly by favorable claims experienced in the group insurance business partially offset by lower premiums in insurance services segment and comparatively less favorable earnings in the asset management segment.

● Given the continuing economic uncertainty, we are not providing earnings per share guidance for 2009. Depending on one’s view of the macroeconomic environment, one can easily contemplate scenarios of increasing or decreasing earnings per share in the short-term. Our intent is to be as flexible and as nimble as changing circumstances may require and to be opportunistic in this volatile environment.

● Premiums for the insurance services segment for the fourth quarter of 2008 were down slightly from the fourth quarter of last year. The deteriorating economy and competitive pressures have led to lower persistency and slower top line growth.

● Persistency for the year for our group business was 82.9%. Most terminated premiums were in industries experiencing significant job losses. Persistency in sectors that are experiencing job growth continues to be around 88%. These industries represent about 47% of the U.S. workforce however they represent about 72% of our block of business. We continue to write business in these sectors. Persistency in areas that are experiencing job losses is around 68%. These industries represent about 53% of the US workforce but are only about 28% of our book of business, think retail, manufacturing, real estate, construction.

● We are retaining customers in industries where job growth is occurring. This will position us well as we emerge from the current economic climate. Sales of small and medium sized cases were relatively stable for 2008 as compared to 2007. During 2007, we wrote a few large cases with premiums of about $85 million in addition to a single premium case of over $19 million.

● During 2008, we did not write the same magnitude of large cases and as we have previously mentioned, we had three large case terminations of about $53 million of combined premium. The combination of these results contributed to the comparable decline in total premiums. The sales environment in all segments continues to be extremely competitive with some competitors clearly pricing irrationally to achieve growth.

● Group insurance segment experienced another very favorable benefit ratio at 72.3%. Although experience in 2008 was more favorable then our expectation, we consider these results to be a normal fluctuation when measured over a very short timeframe. Current economic conditions are not having an adverse effect on our claims incidence rates. In fact, in the fourth quarter we experienced a slight decrease in incidence in both LTD and STD.

● In addition, we continue to monitor claims having subjective features such as back, musculo-skeletal and M&N type claims, and note that overall incidence rates have decreased. This is continuing evidence of our strategy to get the right rate on the right risk and provide expert claim services. Our premiums are well diversified for economic pressures and importantly business that is priced right will continue to produce profitable results even through difficult economic scenarios.

● During the fourth quarter we increased the discount rate used to establish new long-term disability reserves from 5.25% to 5.75%.

Analyst Questions

● Question about capital: "With respect to your guidance statement about not needing capital for the foreseeable future, is that last part of it just in there just in case this economy gets even a lot worse then what we're seeing now?

Response: I think we've been saying that for quite a while, that we are confident of the conservatism of our investment base and so you haven't seen the kinds of pressure on our realized or unrealized losses that you've seen with others within our peer group. So, I think that statement is entirely in line with us. For example, if we look back a quarter at combined realized and unrealized losses for StanCorp (3rd quarter), as a percentage of investments, losses were about 2.4%.

If we look at our peer group you can see that number ranging anywhere from 7%, 15%, 16%. So our statement about not anticipating a need for capital really speaks to the conservatism of our investments and our confidence in that conservatism.

● Question in investments in operational efficiency: "Can you give us more color on exactly the nature of the investments in your operating platform that you're going to be making and why should we treat them as one time as opposed to normal investment in the business."

Response: "We talked to you last year about investments that we've been making in our businesses, in our operations so we've talked to you about the systems that we've been developing on the asset management side, that was implemented in the fourth quarter here. And also on the insurance services side we've also been investing in our business there.

We've had long-term plans for improving our efficiency and we'll continue to do so. The one-time cost that we've talked about as anticipated for 2009 would reflect some very specific things related to for example severance, lease payments, closing out leases, facilities closures, some relocation costs, so very much a one-time cost related to those activities.

I think we've already started down that path of improving operational efficiencies.

Let me give you an example maybe this will put it in perspective, as you know we have field offices, sales offices all the way across the country. Late last year we made a change in the way those field offices operate. Formally they each had underwriting staff in each office that underwrote a certain subset of the kinds of cases that we look at. What we did was made a decision to bring those field underwriting positions into the home office and so thus we don't do field underwriting in our field offices anymore, all underwriting is done out of our corporate office here.

That allows us to gain some specific efficiencies but it also allows us to gain some deeper expertise and experience here as well as more consistency in the underwriting that we do as a whole.

● Question about the benefit ratio, is there any particular factor, segment, that contributed to the very good results last year?

Response: When we look at our benefit ratio results we monitor it about every which way we possibly can and we are not seeing any trends, any specific industries, anything like that occurring or impacting the benefit ratio.

● Question about discount rate, the increase was quite significant, what would the benefit ratio have been if you hadn't changed that and can you review with us what drives that benefit ratio, is it the new money rate, is it the overall portfolio rate, how does that work?

Response: The actual benefit ratio in the fourth quarter was 72.3% without the change in discount rate it would have been 73.1%. So we saw very significant increases in our new money rate in the fourth quarter. The fourth quarter was an interesting time where we did have between 9/30 and 12/30 you did see rates come down but during the quarter rates were quite high on fixed income securities.

In fact, so much so that from an investment point of view they were competing with yields we would normally get on the mortgage side. For example bonds in the fourth quarter of 2008; the bond spreads over 10 year treasuries were in excess of 400 basis points. So, in implementing our discount rate change we followed our normal formula by looking at the margin over the last 12 months and seeing what would be the appropriate discount rate for claims that we experienced in the fourth quarter. .

Now, since then we've seen those spreads come down, rates come down and we will appropriately adjust as we go forward. In terms of what effects the benefit ratio, remember when we, whether it's a portfolio rate or the new money rate, remember every quarter we look at the discount rate on new claims so the change that you're likely to see in terms of the interest rate impact on the benefit ratio is coming from that, whatever changes we make with respect to the new claims, which would be influenced by the new money rate.

● Question about claim incidence, SFG had noted that they are not seeing any increase and to some degree, some decrease. The analyst asked if they are seeing any changes in claim duration (across any of the different categories of business).

Response: No, we're not seeing any change in duration. The incidence decreases were both in the long-term and short-term disability lines and not confined to a specific industry or geography or anything like that. This all comes back down to underwriting discipline, the right price, the right contract, the right plan design, all of those issues.

Aetna

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)
Group Insurance (Life, Disability, LTC)	$18.6	$37

EP

Line of Business	4Q08 Earned Premium ($000,000)	4Q07 Earned Premium ($000,000)
Group Insurance	$494.4	$543.8

Notable Statements

● Group insurance underwriting margin increased 39% in 2008. This resulted in a group insurance benefit ratio improvement of 410 basis points to 87.2% due primarily to favorable experience in our long-term disability business and continued pricing discipline. This favorable underwriting result was offset by lower year-over-year investment income.

● We expected continued challenges to emerge during the year including increase in group membership attrition consistent with a 9.5% to 10% unemployment rate, upward pressure on provider unit cost, the potential for higher inter-year volatility and medical cost trend, upward pressure on disability incidence rates, and continued pressure on short-term investment yields.

Principal Financial Group

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Specialty Benefits	$23.8	$21.5	--	--
Group Disability	---	---	71.1%	82.5%
Group Life	---	---	67.9%	64.7%

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

Line of Business	4Q08EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales ($000,000)
Disability	$76.2	$7.3	$78.1	$8.9
Life	$86.0	$6.9	$88.8	$7.5

● We continue to benefit from diversification provided by the Life and Health segment as well. Segment earning were up 22% for the year, with stable earnings from individual life and strong improvement from a year ago for the specialty benefits and health divisions.

● Specialty benefit division earnings were $27 million for fourth quarter 2008 compared to $26 million for the same period in 2007. Favorable claims experience in the disability lines of business was partially offset by lower investment income and the return of a more normal loss ratios for dental and Group Life lines.

● Sales were lagging in both disability and life, disability sales were down 18% and life sales were down 8%. Their sales have declined significantly over the past few years. They had some very strong sales in 2005 and 2006 but saw a little blip in their loss ratios so it seems as though they reigned in sales somewhat. For 2008, disability sales were down 22% over 2007 and 2007 sales were 18% lower than 2006 sales. Life sales were 20% lower in 2008 versus 2007 and 2007 sales were 17% lower than 2006 numbers.

Cigna

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)
Group Disability & Group Life	$62	$57

EP

Line of Business	4Q08 EP ($000,000)	4Q07 EP ($000,000)
Disability	$255	$240
Life	$338	$294

Notable Statements

● Group Disability and Life business grew earnings by 11% in 2008 and International Operations had double-digit earnings growth on a local currency basis. These results reflect another year of competitively strong top line growth and profit margin in these businesses.

● Our Disability Management value proposition, which focuses on helping people return to work quicker, continues to be well received in the market. We help people recover from disability and get back to work 10% more quickly than the competition.

● Turning to Group Insurance, we expect to deliver good growth in 2009, largely through strong middle market sales and retention results. In addition, we will continue to build

capabilities, and capitalize on opportunities in the small business and voluntary benefits market.

● We are also investing in additional clinical resources to address the potential impact of the economy on our disability results, and in new technology to improve self service capabilities, which are increasingly required for small and middle market employers.

● Good results in group were driven by competitively strong Disability Management results and strong top line growth. Premiums and fees increased by 8% year-over-year and reflect an increase in our share. While we experienced an uptick in the disability cost ratio in the fourth quarter, I would note that full year disability results were stronger than our expectations, and better than our 2007 results.

● We currently expect our 2009 Group Disability and Life earnings to be flat with the 2008 reported result. We expect this to be driven by revenue growth with some expected downward pressure on margins.

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	4Q08 Profit ($000)	4Q07 Profit ($0000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Employee Benefits* (includes DRMS)	$14,138	$16,197	70.0%	68.8%

* Employee benefits includes dental, disability & life

EP/Sales

Line of Business	4Q08 EP ($000)	4Q08 Sales ($000)	4Q07 EP ($000)	4Q07 Sales ($000)
LTD & STD	$113,832	$9,310	$118,858	$10,984
Life	$51,107	$5,738	$53,453	$6,069

Notable Statements

● While Assurant Employee Benefits did not grow overall revenue in 2008, we continue to pursue opportunities to expand the small employer market, while maintaining good results.

● We expect to use our capabilities in the voluntary marketplace to help our small employer customers' control their overall benefit costs.

● Assurant Employee Benefits net operating income decreased 13% during the fourth quarter and 19% for the year. The decrease in the fourth quarter was primarily driven by $2 million after tax decrease in investment income and less favorable overall loss experience. This is offset by a lower expense ratio and $3.5 million after tax benefit from our annual reserve adequacy study.

● Fourth quarter earned premiums excluding single premiums declined by 1%. For the year, they were up less than 1%. We were pleased that sales in our core small employer market grew for the year. We have taken steps in the last few years to focus on the small case market and are positioned for future growth amid challenging economic times. We will continue to maintain our pricing discipline and look to leverage growth opportunities in voluntary and our alternate distributions through our Disability RMS division.

MetLife

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

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Group Disability	N/A	N/A	92.9%	90.6%
Group Life	$33	$34	93.3%	93.2%

EP

Line of Business	4Q08 EP ($000,000)	4Q07 EP ($000,000)
Disability	$418	$410
Life	$1,645	$1,525

MetLife does not disclose sales numbers in these lines.

Notable Statements

● Growth in Group Life resulted in an increase of revenues of 8.7% over the year ago period.

● The Group Life mortality ratio for the quarter was 93.3%, bringing the full-year ratio to 92.3%, consistent with our estimated range of 91% to 93%. Disabilities morbidity ratio for the quarter was 92.9%, bringing the full-year ratio to 89.7%, also consistent with our estimated range of 88% to 90%. The morbidity ratio is being driven by lower recoveries and a modest increase in incidence rates.

Hartford

Profit (Pre-Tax and DAC)

Line of Business	4Q08 ($000,000)	4Q07 ($000,000)
Group Benefits (Disability,	$90	$92

Life, Other)		

EP/Sales

Line of Business	4Q08 EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales $(000,000)
Group Disability	$517	$65	$466	$54
Group Life	$516	$75	$488	$75

Notable Statements

● In Group Benefits, we continue to generate positive results in a very competitive market. Fully insured premiums were up 4% over the 4th quarter of 2007. Strong sales and persistency in both group life and disability contributed to the steady premium growth.

Jefferson Pilot

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)	4Q08 Loss Ratio	4Q07 Loss Ratio
Group Protection	$18.4	$28.2	72.8%	70.7%
Group Disability	$13.1	$13.7	68.7%	69.1%
Group Life	$3.8	$11.2	77.3%	72.1%

EP/Sales

Line of Business	4Q08 EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales ($000,000)
Group Protection	$382.9	$129.0	$349.7	$142.6
Group Disability	$173.1	$63.6	$155.2	$72.1
Group Life	$138.8	$49.9	$126.5	$53.9

* includes life, disability & dental

Notable Statements

● The Group Protection business continues to turn in very solid performance. Fourth quarter sales of $129 million posted the second highest fourth quarter in our history, driven by our strongest December on record. We're well positioned with our Group businesses, and expect continued good results driven by our strong sales force of 140 plus reps

● Our Group Protection business earnings came in weaker this quarter, attributed to a tick up in Group life loss ratios. Overall, loss ratio in Group Protection is still within our expected range at roughly 73%. The quarter also included about $3 million of negative impact related to miscellaneous expense items.

Sun

Profit (Net income after tax):

Line of Business	4Q08 Profit ($000,000)	4Q07 Profit ($000,000)
Employee Benefits Group (U.S.)	$0	$23

EP/Sales

Line of Business	4Q08 EP ($000,000)	4Q08 Sales ($000,000)	4Q07 EP ($000,000)	4Q07 Sales ($000,000)
Employee Benefits Group (U.S.)	$536	---	$495	---

Summary

Company	Earnings	Sales	EP
Prudential	**Not reported by line of business**	**Dis: $26M (↑62.5%)** **Life: $76M (↑117%)**	**Dis: $241M (↑6.2%)** **Life: $933M (↑4.9)**
Unum	**LTD/STD: $59.7M (↑38.2%)** **Life/AD&D: $50.3M (↓16%)** **Vol WB: $72.6M(↑26%)** **Limited: $54.6M (↓33%)** **Colonial: $66.3M (↑12.8%)**	**U.S Brokerage** **LTD: $77.4M(↑2.8%)** **STD: $31M(↑25%)** **Life: $82.6M(↑34.7%)** **ADD: $9.2M(↑48.4%)** **Vol: $54.7M(↓7.8%)** **Unum Limited** **LTD: $18.5M(↓37%)** **Life: $6.9M(↑130%)** **Other: $1.6M(↓30.4%)** **Colonial** **Acc/Dis: $75M(↑4.3%)** **Life: $20.4M (↓7.3%)** **Other:$20M(↓1.5%)**	**U.S. Brokerage** **LTD: $459.2M (↓3%)** **STD: $110M (↓4.5)** **Life: $266.2 (↓2.5%)** **AD&D: $30.9M (↓7.2%)** **Vol: $380.3M(↑7.7%)** **Unum Limited** **LTD: $144.4M (↓24.4%)** **Life: $29.5M (↓41%)** **Other: $8.4M (↓16%)** **Colonial** **Acc/Dis: $154.2M (↑6.6%)** **Life: $40.8M (↑10.3%)** **Other: $54.1M (↑7.6%)**
RSL	**Group: $35.3(↓35%)**	**Dis: $42.9(↑1.1%)** **Life: $35.3M (↑21.9%)**	**Dis: $147.1M (↑8.4%)** **Life: $101.2M (↑8.3%)**
Standard	**Group: $94.8M (↑5.6%)**	**LTD: $34.1M (↓15.5%)** **STD: $11.2M (↓12%)** **Life/AD&D: $39.7M (↓13.1%)**	**LTD: $212.9M (↓4.1%)** **STD: $53.5M (↓8.4%)** **Life/AD&D: $207.1M (↓2.7%)**
Aetna	**Group: $18.6M (↓50%)**	**Group:N/A**	**Group: $494.4M (↓9%)**
Principal	**Specialty Benefits: $23.8M (↑10.7%)**	**Dis: $7.3M (↓18%)** **Life:$6.9M (↓8%)**	**Dis: $76.2M (↓2.4%)** **Life: $86M (↓3.1%)**
Cigna	**Group Dis & Life: $62M(↑8.8%)**	**N/A**	**Dis: $255M (↑6.3%)** **Life: $338M (↑15%)**
Assurant	**Employee Benefit: $14.1M(↓13%)**	**LTD/STD: $9.31M (↓14.3%)** **Life: $5.74M (↓5.5%)**	**LTD/STD: $113.8 (↓4.3%)** **Life: $51.1M (↓4.4%)**
Met	**Not reported by line of business**	**Not reported by line of business**	**Dis: $418M (↑2%)** **Life: $1,645M (↑7.9%)**
Hartford	**Group: $90M (↓2.2%)**	**Dis: $65M (↑20.4%)** **Life: $75M (flat)**	**Dis: $517M (↑10.9%)** **Life: $516M (↑5.7%)**
JP	**Dis: $13.1M (↓4.4%)** **Life: $3.8M (↓66%)**	**Dis: $63.6M(↓12%)** **Life: $49.9M (↓7.4%)**	**Dis: $173.1 (↑11.5%)** **Life: $138.8M (↑9.7%)**
Sun	**U.S. Employee Benefits Group: $ 0 ($23 million a year earlier)**	**U.S. Group: N/A**	**U.S. Group: $536M (↑8.3%)**

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