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Excellence**

Second Quarter 2007

Supplementary Financial Information

For the period ended June 30, 2007

Sun Life Financial Inc. (unaudited)



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Basis of Presentation

All amounts in this document are presented on a Canadian GAAP basis in millions of Canadian dollars unless otherwise indicated.

Accounting Changes

Effective January 1, 2007, the Company implemented Canadian Institute of Chartered Accountants (CICA) accounting standards for reporting financial instruments in financial statements, which recognize and measure financial instruments at fair value. Recognition, derecognition and measurement policies followed in prior years' financial results are not reversed, and therefore, prior period financial results will not be restated. Additional information on these changes in accounting standards is detailed in Note 2 to Sun Life Financial's 2007 Consolidated Financial Statements.

Non-GAAP Measures

This presentation refers to non-GAAP measures such as operating earnings, operating EPS, operating ROE and sources of earnings, as well as financial performance measures that are prepared on a "constant currency basis", which exclude the impact of currency fluctuations. The reconciliation of these non-GAAP measures to comparable GAAP measures is shown on page 1.

HIGHLIGHTS	Three Months Ended June 30			Six Months Ended June 30			Year Ended 2006
	2007	2006	% Change	2007	2006	% Change	
Financial Performance							
Common Shareholders' Net Income							
Operating ⁽¹⁾	593	512	16%	1,151	1,005	15%	2,091
Operating in constant currency ⁽²⁾	596	512	16%	1,139	1,005	13%	
Reported	590	512	15%	1,087	1,003	8%	2,089
Basic Earnings Per Share (EPS)							
Operating	1.04	0.88	18%	2.02	1.73	17%	3.62
Operating in constant currency ⁽²⁾	1.05	0.88	19%	1.99	1.73	15%	
Reported	1.03	0.88	17%	1.90	1.73	10%	3.62
Diluted Earnings Per Share (EPS)							
Operating	1.03	0.88	17%	1.99	1.71	16%	3.58
Reported	1.02	0.88	16%	1.88	1.71	10%	3.58
Return on Common Shareholders' Equity (annualized)							
Operating	14.6%	13.6%	7%	14.0%	13.4%	4%	13.8%
Operating in constant currency ⁽²⁾	14.6%	13.6%	7%	14.0%	13.4%	4%	
Reported	14.5%	13.6%	7%	13.2%	13.4%	(1%)	13.8%
Total Premiums and Deposits	21,344	19,211	11%	43,486	36,593	19%	72,608
Total Revenue	4,500	6,231	(28%)	10,084	11,546	(13%)	24,287
Fee Income	824	759	9%	1,654	1,512	9%	3,014
Basic Weighted Average Number of Shares (in millions)	570.1	578.8	(2%)	571.1	580.3	(2%)	576.8
Common Shareholders' Net Income (Loss) by Segment							
SLF Canada	280	264	6%	530	498	6%	995
SLF U.S.	156	90	73%	254	215	18%	448
MFS	68	53	28%	140	105	33%	234
SLF Asia	17	31	(45%)	55	55	0%	101
Corporate	69	74	(7%)	108	130	(17%)	311
Total	590	512	15%	1,087	1,003	8%	2,089
Financial Strength							
MCCSR Ratio ⁽³⁾	217%	221%	(2%)	217%	221%	(2%)	222%
RBC Ratio ⁽⁴⁾							339%
Total Debt-to-Total Capital Ratio ⁽⁵⁾	22.0%	22.1%	0%	22.0%	22.1%	0%	22.2%
Book Value Per Share	27.80	25.75	8%	27.80	25.75	8%	27.71

⁽¹⁾ Amount for the Six Months Ended June 30, 2007 excludes \$2 million of Clarica rebranding costs in Q2 2007, \$1 million of integration costs with respect to the purchase of Genworth in Q2 2007, \$43 million intangible asset write-down for the retirement of the Clarica brand in Q1 2007 and an \$18 million charge with respect to the redemption of the Cumulative Capital Securities (CCS) in Q1 2007. Amount for the Six Months Ended June 30, 2006 and the full year 2006 excludes \$2 million in CMG Asia integration costs.

⁽²⁾ Constant currency measures exclude the impact of the changes in the Canadian dollar relative to foreign currencies in the comparative periods. Currency exchange rates for the U.S. dollar and U.K. pound are shown on page 27.

⁽³⁾ Represents the minimum continuing capital and surplus requirements ratio for Sun Life Financial's principal operating subsidiary, Sun Life Assurance Company of Canada.

⁽⁴⁾ Represents the risk-based capital ratio for Sun Life Financial's principal insurance operating subsidiary in the U.S., Sun Life Assurance Company of Canada (U.S.). The ratio is calculated on an annual basis for U.S. regulatory purposes.

⁽⁵⁾ Total debt includes subordinated debt, liabilities for CCS and Sun Life Exchangeable Capital Securities (SLECS), and preferred shares issued by Sun Life Financial Inc. and Sun Life Assurance Company of Canada.

HIGHLIGHTS (cont'd)

	At the Quarter Ended									At the Year Ended		
	2007		2006			2005			2006	2005	2004	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Condensed Balance Sheet												
Assets												
Invested Assets	104,215	110,778	106,199	101,215	98,848	100,615	98,592	96,174	99,359	106,199	98,592	96,911
Other Assets	11,911	11,496	11,632	12,201	11,723	11,810	12,274	11,643	11,935	11,632	12,274	10,892
Total General Fund Assets	116,126	122,274	117,831	113,416	110,571	112,425	110,866	107,817	111,294	117,831	110,866	107,803
Liabilities and Capital												
General Fund Liabilities												
Actuarial and Other Policy Liabilities	83,064	87,667	81,036	78,372	76,900	77,411	77,489	76,053	77,286	81,036	77,489	76,056
Other Liabilities ⁽¹⁾	12,609	13,150	16,227	15,536	14,500	15,590	14,476	13,130	15,471	16,227	14,476	13,812
Total General Fund Liabilities	95,673	100,817	97,263	93,908	91,400	93,001	91,965	89,183	92,757	97,263	91,965	89,868
Non-Controlling Interest ⁽²⁾	77	62	79	61	48	35	50	31	24	79	50	36
Capital												
Subordinated Debt ⁽³⁾	1,836	1,454	1,456	1,447	1,447	1,456	1,456	1,455	1,467	1,456	1,456	1,462
SLEECs and CCS ⁽³⁾	1,150	1,842	1,849	1,821	1,820	1,850	1,849	1,847	1,888	1,849	1,849	1,870
SLA Preferred Shares ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-	-	152
Total Equity												
Participating Policyholders' Account	99	100	92	86	86	86	85	82	82	92	85	77
Preferred Shareholders' Equity	1,495	1,494	1,250	957	957	957	712	713	394	1,250	712	-
Common Shareholders' Equity	15,796	16,505	15,842	15,136	14,813	15,040	14,749	14,506	14,682	15,842	14,749	14,338
Total Capital	20,376	21,395	20,489	19,447	19,123	19,389	18,851	18,603	18,513	20,489	18,851	17,899
Total Liabilities and Capital	116,126	122,274	117,831	113,416	110,571	112,425	110,866	107,817	111,294	117,831	110,866	107,803
Assets Under Management												
General Funds	116,126	122,274	117,831	113,416	110,571	112,425	110,866	107,817	111,294	117,831	110,866	107,803
Segregated Funds	72,764	72,951	70,789	64,204	61,741	63,981	60,984	59,257	58,975	70,789	60,984	56,564
Other Assets Under Management	245,611	250,598	247,865	223,547	214,893	225,970	215,539	206,680	206,827	247,865	215,539	195,283
Total Assets Under Management	434,501	445,823	436,485	401,167	387,205	402,376	387,389	373,754	377,096	436,485	387,389	359,650
Other Assets Under Management												
Mutual Funds	102,263	105,633	105,226	96,478	94,068	102,222	100,253	100,046	103,301	105,226	100,253	103,061
Managed Funds	159,423	161,304	159,135	142,602	135,876	139,842	130,958	121,336	118,555	159,135	130,958	107,037
Other	1,802	2,012	2,075	2,070	2,124	2,274	2,348	2,447	2,666	2,075	2,348	2,740
Consolidation Adjustments	(17,877)	(18,351)	(18,571)	(17,603)	(17,175)	(18,368)	(18,020)	(17,149)	(17,695)	(18,571)	(18,020)	(17,555)
Total	245,611	250,598	247,865	223,547	214,893	225,970	215,539	206,680	206,827	247,865	215,539	195,283

⁽¹⁾ Excludes liabilities for CCS and SLEECs, which are qualified as capital for Canadian regulatory purposes.

⁽²⁾ Excludes preferred shares issued by Sun Life Assurance Company of Canada.

⁽³⁾ These securities are qualified as capital for Canadian regulatory purposes. The CCS were redeemed in May 2007.

⁽⁴⁾ Represents preferred shares issued by Sun Life Assurance Company of Canada, which qualified as capital for Canadian regulatory purposes.

COMMON SHAREHOLDERS' VALUE

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006				2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Market Price Per Share (Toronto Stock Exchange listing)												
High	54.14	53.30	51.75	47.19	50.12	50.65	48.44	45.70	43.18	51.75	48.44	41.15
Low	47.80	47.45	44.11	41.79	43.10	46.13	41.75	41.05	37.18	41.79	37.18	32.08
Close	50.76	52.52	49.32	45.85	44.35	49.65	46.73	43.65	41.27	49.32	46.73	40.15
Common Shareholders' Net Income												
Operating (\$ million) ⁽¹⁾	593	558	545	541	512	493	490	481	477	2,091	1,906	1,739
Reported (\$ million)	590	497	545	541	512	491	478	430	477	2,089	1,843	1,680
Basic Earnings Per Common Share (EPS)												
Operating ⁽¹⁾	1.04	0.98	0.95	0.94	0.88	0.85	0.84	0.82	0.81	3.62	3.24	2.91
Reported	1.03	0.87	0.95	0.94	0.88	0.84	0.82	0.74	0.81	3.62	3.14	2.81
Operating EPS Growth - Basic	18%	15%	13%	15%	9%	10%	14%	12%	11%	12%	11%	16%
Fully Diluted EPS												
Operating ⁽¹⁾	1.03	0.96	0.94	0.93	0.88	0.84	0.83	0.82	0.81	3.58	3.23	2.88
Reported	1.02	0.86	0.94	0.93	0.88	0.84	0.81	0.73	0.81	3.58	3.12	2.79
Price-to-Earnings Ratio (times) ⁽²⁾	13.0	14.0	13.6	13.1	13.1	15.0	14.4	13.9	13.5	13.6	14.4	13.8
Return on Shareholders' Equity (annualized)												
Operating ⁽³⁾	14.6%	13.5%	14.0%	14.4%	13.6%	13.2%	13.3%	13.1%	13.0%	13.8%	13.1%	12.0%
Reported	14.5%	12.0%	14.0%	14.4%	13.6%	13.1%	13.0%	11.7%	13.0%	13.8%	12.6%	11.6%
Return on Assets (annualized) ⁽³⁾	1.99%	1.86%	1.89%	1.93%	1.84%	1.77%	1.79%	1.76%	1.72%	1.83%	1.74%	1.60%
Total Debt-to-Total Capital Ratio ⁽⁴⁾	22.0%	22.4%	22.2%	21.7%	22.1%	22.0%	21.3%	21.6%	20.3%	22.2%	21.3%	19.5%
Book Value Per Common Share	27.80	28.89	27.71	26.42	25.75	25.89	25.34	24.89	25.14	27.71	25.34	24.22
Market-to-Book Value (times)	1.8	1.8	1.8	1.7	1.7	1.9	1.8	1.7	1.6	1.8	1.8	1.7
Total Market Capitalization (\$ billion)	28.8	30.0	28.2	26.3	25.5	28.8	27.2	25.4	24.1	28.2	27.2	23.8
Common Dividend Per Share	0.320	0.320	0.300	0.300	0.275	0.275	0.255	0.255	0.240	1.150	0.990	0.860
Dividend Payout Ratio ⁽³⁾	31%	33%	32%	32%	31%	32%	30%	31%	30%	32%	31%	30%
Value of Common Shares Purchased and Cancelled ⁽⁵⁾	179	81	87	91	291	106	80	85	218	575	544	388

⁽¹⁾ Excludes special items as detailed in Note 1 on page 1.

⁽²⁾ Based on operating earnings in prior four quarters.

⁽³⁾ Based on operating earnings.

⁽⁴⁾ Total debt includes subordinated debt, liabilities for CCS and SLEECs, and preferred shares issued by Sun Life Financial Inc. and Sun Life Assurance Company of Canada.

⁽⁵⁾ Q2 2007 includes \$27 million purchased in Q1 07 and cancelled in Q2 07.

COMMON SHAREHOLDERS' VALUE (cont'd)

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
CHANGES IN COMMON SHAREHOLDERS' EQUITY												
Balance at Beginning of Period	16,505	15,842	15,136	14,813	15,040	14,749	14,506	14,682	14,550	14,749	14,338	13,913
Common Shareholders' Net Income	590	497	545	541	512	491	478	430	477	2,089	1,843	1,680
Adjustment to Equity with respect to Investment Accounting Changes	-	564	-	-	-	-	-	-	-	-	-	-
Dividends - Common Shares	(183)	(183)	(172)	(172)	(159)	(160)	(149)	(149)	(141)	(663)	(581)	(515)
Common Share Issued, Net of Expenses	6	31	21	6	6	28	20	22	15	61	78	58
Common Share Buyback	(152)	(108)	(87)	(91)	(291)	(106)	(80)	(85)	(218)	(575)	(544)	(388)
Stock Option Compensation	4	5	5	3	4	6	(5)	16	4	18	17	11
Effect of Changes in Exchange Rates	-	-	394	36	(299)	32	(21)	(410)	(5)	163	(402)	(421)
Other Comprehensive Income												
Effect of Exchange Rates	(724)	(103)	-	-	-	-	-	-	-	-	-	-
Other OCI Movements	(250)	(40)	-	-	-	-	-	-	-	-	-	-
Balance at End of Period	<u>15,796</u>	<u>16,505</u>	<u>15,842</u>	<u>15,136</u>	<u>14,813</u>	<u>15,040</u>	<u>14,749</u>	<u>14,506</u>	<u>14,682</u>	<u>15,842</u>	<u>14,749</u>	<u>14,338</u>
Number of Common Shares Outstanding (in millions)												
At Beginning of Period	571.4	571.8	573.0	575.3	580.9	582.0	582.9	583.9	589.0	582.0	592.0	600.0
Common Shares Issued	0.2	1.2	0.6	0.3	0.3	1.0	0.8	0.9	0.5	2.2	3.1	2.4
Common Shares Purchased and Cancelled	(3.5)	(1.6)	(1.8)	(2.6)	(5.9)	(2.1)	(1.7)	(1.9)	(5.6)	(12.4)	(13.1)	(10.4)
At End of Period	<u>568.1</u>	<u>571.4</u>	<u>571.8</u>	<u>573.0</u>	<u>575.3</u>	<u>580.9</u>	<u>582.0</u>	<u>582.9</u>	<u>583.9</u>	<u>571.8</u>	<u>582.0</u>	<u>592.0</u>
Weighted average												
Basic	570.1	572.0	572.6	574.2	578.8	581.8	582.8	584.2	587.4	576.8	586.5	598.6
Fully Diluted	572.6	574.9	575.5	576.9	581.7	585.4	586.4	587.8	590.4	579.8	589.9	601.6
Number of Stock Options Outstanding (in thousands)												
At Beginning of Period	9,248	9,138	9,833	10,105	10,410	10,049	10,819	11,925	12,566	10,049	12,457	15,239
Options Issued	10	1,249	13	17	9	1,421	4	10	45	1,460	1,339	174
Options Exercised or Cancelled	(300)	(1,139)	(708)	(289)	(314)	(1,060)	(774)	(1,116)	(686)	(2,371)	(3,747)	(2,956)
At End of Period	<u>8,958</u>	<u>9,248</u>	<u>9,138</u>	<u>9,833</u>	<u>10,105</u>	<u>10,410</u>	<u>10,049</u>	<u>10,819</u>	<u>11,925</u>	<u>9,138</u>	<u>10,049</u>	<u>12,457</u>

TOTAL COMPANY
STATEMENT OF OPERATIONS

	For the Quarter Ended									For the Year Ended		
	2007			2006			2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Premiums	3,204	3,313	3,523	4,162	3,931	2,993	3,036	3,291	3,703	14,609	12,940	12,903
Investment Income	472	1,441	1,836	1,718	1,541	1,569	1,573	1,483	1,559	6,664	6,079	5,924
Fee Income	824	830	778	724	759	753	729	730	726	3,014	2,899	2,903
Total Revenue	4,500	5,584	6,137	6,604	6,231	5,315	5,338	5,504	5,988	24,287	21,918	21,730
Client Disbursements	4,229	3,703	3,529	3,278	3,341	3,582	3,357	3,524	3,462	13,730	13,506	13,114
Increase in Actuarial Liabilities	(1,895)	(192)	492	1,277	985	(229)	8	151	634	2,525	872	1,425
Commissions and Other Expenses	1,393	1,448	1,456	1,331	1,367	1,318	1,391	1,206	1,254	5,472	5,110	5,207
Income Taxes (Benefits)	155	102	90	157	7	135	87	179	148	389	531	263
Non-Controlling Interest	8	8	8	7	6	6	5	5	7	27	23	28
Total Net Income	610	515	562	554	525	503	490	439	483	2,144	1,876	1,693
Less:												
Participating Policyholders' Net Income	2	2	3	1	2	1	3	1	1	7	9	13
Preferred Shareholder Dividends	18	16	14	12	11	11	9	8	5	48	24	-
Common Shareholders' Net Income	590	497	545	541	512	491	478	430	477	2,089	1,843	1,680
Less Special Items ⁽¹⁾	(3)	(61)	-	-	-	(2)	(12)	(51)	-	(2)	(63)	(59)
Common Shareholders' Operating Income	593	558	545	541	512	493	490	481	477	2,091	1,906	1,739

⁽¹⁾ The amount for Q2 2007 reflects \$2 million of Clarica rebranding costs in Q2 2007, and \$1 million of integration costs with respect to the purchase of Genworth in Q2 2007. The amount for Q1 2007 reflects \$43 million in an intangible asset write-down for the retirement of the Clarica brand and an \$18 million charge with respect to the redemption of the Cumulative Capital Securities. The amounts for Q1 2006 and Q4 2005 represent CMG integration costs. The amount for Q3 2005 represents a \$51 million loss on the sale of the Company's investment in Cuprum. Also reflected is the MFS settlement in the after-tax amount of \$59 million for Q1 2004.

TOTAL COMPANY

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
ASSETS UNDER MANAGEMENT												
General Fund Assets	116,126	122,274	117,831	113,416	110,571	112,425	110,866	107,817	111,294	117,831	110,866	107,803
Segregated Fund Assets	72,764	72,951	70,789	64,204	61,741	63,981	60,984	59,257	58,975	70,789	60,984	56,564
Other Assets Under Management	245,611	250,598	247,865	223,547	214,893	225,970	215,539	206,680	206,827	247,865	215,539	195,283
Total Assets Under Management	434,501	445,823	436,485	401,167	387,205	402,376	387,389	373,754	377,096	436,485	387,389	359,650
FEE INCOME												
Mutual Funds and Managed Funds												
Acquisition - MFS	132	136	134	125	130	138	140	145	145	527	576	624
Asset Based	347	353	342	311	321	322	325	315	316	1,296	1,264	1,229
Segregated Funds	199	212	206	181	181	179	166	164	173	747	664	622
Other	146	129	96	107	127	114	98	106	92	444	395	428
Total Fee Income	824	830	778	724	759	753	729	730	726	3,014	2,899	2,903
Period over Period Growth												
Total Assets Under Management	12%	11%	13%	7%	3%	10%	8%	5%	1%	13%	8%	0%
Fee Income	9%	10%	7%	(1%)	5%	5%	7%	4%	(2%)	4%	0%	3%

TOTAL COMPANY NEW SALES AND DEPOSITS LIFE AND HEALTH	For the Quarter Ended									For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Individual Life and Health Insurance												
Annualized Premiums												
Sun Life Financial Advisors	37	26	41	30	34	24	39	30	36	129	131	128
Wholesale channel	11	10	11	8	8	7	6	6	4	34	20	8
Total SLF Canada	48	36	52	38	42	31	45	36	40	163	151	136
SLF U.S.	60	140	97	168	109	75	72	43	40	449	216	345
SLF Asia ⁽¹⁾	51	61	60	45	38	48	54	28	26	191	145	129
Total	159	237	209	251	189	154	171	107	106	803	512	610
Total SLF Asia Sales ⁽²⁾	88	135	95	77	62	103	84	54	43	337	261	239
Group Life Insurance Annualized Premiums												
SLF Canada	6	7	4	4	8	9	22	6	5	25	39	17
SLF U.S.	22	21	58	27	21	12	57	29	26	118	124	110
Total	28	28	62	31	29	21	79	35	31	143	163	127
Group Health Insurance Annualized Premiums and Premium Equivalents												
SLF Canada	72	73	34	70	155	83	66	69	44	342	256	195
SLF U.S.	72	35	171	37	73	39	121	50	61	320	253	210
Total	144	108	205	107	228	122	187	119	105	662	509	405
Segregated Fund Deposits - Life Insurance	211	836	280	510	358	161	91	89	76	1,309	417	1,217
Business In-Force - Group Insurance												
SLF Canada	5,996	5,839	5,735	5,675	5,532	5,377	5,211	5,098	5,011	5,735	5,211	4,765
SLF U.S. (in millions of U.S. dollars)	1,974	1,198	1,237	1,093	1,089	1,016	1,038	928	912	1,237	1,038	874

⁽¹⁾ Sales for India and China are included at 26% and 50%, respectively of the total sales of the respective joint ventures.

⁽²⁾ Represents total individual life insurance sales in Asia, including the Company's joint ventures in India and China on a 100% basis.

TOTAL COMPANY PREMIUMS AND DEPOSITS ANNUITIES	For the Quarter Ended									For the Year Ended		
	2007			2006			2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Fixed Annuity - Premiums ⁽¹⁾												
SLF Canada	237	325	353	245	204	239	244	160	224	1,041	921	888
SLF U.S.	559	581	667	1,472	1,430	491	505	976	1,388	4,060	3,437	3,483
SLF U.K. - Annuity vestings	78	78	76	95	62	46	40	62	49	279	198	217
Total	874	984	1,096	1,812	1,696	776	789	1,198	1,661	5,380	4,556	4,588
Segregated Fund Deposits - Annuities												
SLF Canada	1,440	1,798	1,474	1,061	1,222	1,365	1,095	983	1,114	5,122	4,888	3,845
SLF U.S.	866	711	659	488	512	581	404	403	521	2,240	1,809	1,945
SLF U.K.	19	19	20	19	20	21	22	31	24	80	88	138
Asia	1	1	-	-	1	1	1	-	1	2	3	-
Total	2,326	2,529	2,153	1,568	1,755	1,968	1,522	1,417	1,660	7,444	6,788	5,928
NEW SALES ANNUITIES - SLF U.S. (in millions of U.S. dollars)												
Gross Sales												
U.S. Domestic	805	523	519	404	411	377	341	349	334	1,711	1,320	1,406
Other Variable	160	205	245	143	151	265	124	196	196	804	736	595
Fixed	186	191	211	143	53	58	55	68	149	465	337	471
Fixed Indexed	127	142	168	155	191	217	210	236	256	731	1,008	1,638
Total	1,278	1,061	1,143	845	806	917	730	849	935	3,711	3,401	4,110
Net Sales												
U.S. Domestic	82	(133)	(153)	(236)	(277)	(351)	(320)	(291)	(309)	(1,017)	(1,229)	(953)
Other Variable	20	78	128	44	59	173	21	118	117	404	407	382
Fixed	(345)	(207)	(243)	(338)	(428)	(376)	(331)	(321)	(179)	(1,385)	(1,014)	(529)
Fixed Indexed	(52)	(25)	31	13	55	74	88	104	121	173	511	1,277
Total	(295)	(287)	(237)	(517)	(591)	(480)	(542)	(390)	(250)	(1,825)	(1,325)	177
Net Interest Spread	2.30%	2.23%	1.64%	2.02%	1.97%	1.63%	1.53%	1.72%	1.51%	1.82%	1.48%	1.29%

⁽¹⁾ Includes both new sales and renewals of individual fixed and fixed indexed annuities, investment products and variable annuities with a dollar cost averaging (DCA) feature. Prior period amounts have been restated to conform with current period's presentation.

TOTAL COMPANY PREMIUMS AND DEPOSITS	For the Quarter Ended									For the Year Ended		
	2007			2006			2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Premiums	1,448	1,518	1,548	1,430	1,347	1,396	1,412	1,305	1,267	5,721	5,314	4,970
Segregated Fund Deposits	1,440	1,798	1,474	1,061	1,222	1,365	1,095	983	1,114	5,122	4,888	3,845
CI Mutual Fund Sales through Sun Life Financial Advisors	311	426	260	220	264	402	237	232	233	1,146	1,074	823
ASO Premium Equivalents	743	719	708	697	669	644	618	605	589	2,718	2,389	2,197
Managed Fund Sales	411	771	659	278	605	1,182	775	376	597	2,724	3,185	4,921
Total SLF Canada	4,353	5,232	4,649	3,686	4,107	4,989	4,137	3,501	3,800	17,431	16,850	16,756
SLF U.S.												
Premiums	1,354	1,377	1,496	2,314	2,217	1,234	1,250	1,666	2,103	7,261	6,246	6,465
Segregated Fund Deposits	908	1,373	780	902	752	644	424	457	554	3,078	1,981	3,081
Total SLF U.S.	2,262	2,750	2,276	3,216	2,969	1,878	1,674	2,123	2,657	10,339	8,227	9,546
MFS												
Mutual Fund Sales	5,746	6,132	4,883	4,582	4,503	5,169	4,345	4,587	4,939	19,137	19,193	19,026
Managed Fund Sales	8,162	7,150	6,055	5,082	6,959	4,704	6,794	6,593	9,377	22,800	27,950	19,060
Total MFS	13,908	13,282	10,938	9,664	11,462	9,873	11,139	11,180	14,316	41,937	47,143	38,086
SLF Asia												
Premiums	146	154	190	158	147	145	184	97	107	640	524	506
Segregated Fund Deposits	163	167	151	89	111	91	64	23	34	442	150	18
Mutual Funds Sales	63	84	58	22	26	23	15	16	19	129	62	35
Managed Fund Sales	167	182	169	146	141	136	-	-	-	592	-	-
Total SLF Asia	539	587	568	415	425	395	263	136	160	1,803	736	559
Corporate												
Premiums	256	264	289	260	220	218	190	223	226	987	856	962
Segregated Fund Deposits	26	27	28	26	28	29	30	43	34	111	186	201
Total Corporate⁽¹⁾	282	291	317	286	248	247	220	266	260	1,098	1,042	1,163
Total Company	21,344	22,142	18,748	17,267	19,211	17,382	17,433	17,206	21,193	72,608	73,998	66,110
Total Premiums	3,204	3,313	3,523	4,162	3,931	2,993	3,036	3,291	3,703	14,609	12,940	12,903
Total Segregated Fund Deposits	2,537	3,365	2,433	2,078	2,113	2,129	1,613	1,506	1,736	8,753	7,205	7,145
Total Mutual Fund Sales	5,809	6,216	4,941	4,604	4,529	5,192	4,360	4,603	4,958	19,266	19,255	19,061
Total Managed Fund Sales	8,740	8,103	6,883	5,506	7,705	6,022	7,569	6,969	9,974	26,116	31,135	23,981
CI Mutual Fund Sales through Sun Life Financial Advisors	311	426	260	220	264	402	237	232	233	1,146	1,074	823
ASO Premium Equivalents	743	719	708	697	669	644	618	605	589	2,718	2,389	2,197
Total Company	21,344	22,142	18,748	17,267	19,211	17,382	17,433	17,206	21,193	72,608	73,998	66,110

⁽¹⁾ Includes consolidation adjustments.

MFS INVESTMENT MANAGEMENT
(in millions of U.S. dollars)

	For the Quarter Ended									For the Year Ended		
	2007			2006			2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Assets Under Management												
Balance at Beginning of Period	191,608	186,972	174,953	168,088	169,485	162,298	157,437	149,772	144,502	162,298	146,164	140,231
Mutual Funds												
Sales	5,227	5,235	4,289	4,088	4,011	4,478	3,702	3,803	3,969	16,866	15,813	14,667
Redemptions/Transfers	(6,131)	(5,864)	(5,395)	(5,239)	(5,592)	(6,053)	(5,209)	(4,535)	(4,678)	(22,279)	(19,601)	(23,032)
Net Sales	(904)	(629)	(1,106)	(1,151)	(1,581)	(1,575)	(1,507)	(732)	(709)	(5,413)	(3,788)	(8,365)
Managed Fund												
Sales	7,424	6,105	5,319	4,533	6,198	4,075	5,789	5,468	7,534	20,125	23,019	14,797
Redemptions/Transfers	(6,641)	(5,253)	(3,234)	(3,454)	(4,958)	(2,840)	(2,388)	(3,304)	(3,371)	(14,486)	(11,722)	(15,311)
Net Sales	783	852	2,085	1,079	1,240	1,235	3,401	2,164	4,163	5,639	11,297	(514)
Market Movement	9,465	4,413	11,040	6,937	(1,056)	7,527	2,967	6,233	1,816	24,448	8,625	14,812
Acquisition	1,004	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Period	201,956	191,608	186,972	174,953	168,088	169,485	162,298	157,437	149,772	186,972	162,298	146,164
S&P Period Average	1,497	1,425	1,389	1,287	1,282	1,283	1,232	1,223	1,181	1,311	1,207	1,130
Average Net Assets	200,002	188,947	181,977	170,064	168,085	167,334	158,158	154,692	146,753	171,914	151,160	138,368
Net Sales	(121)	223	979	(72)	(341)	(340)	1,894	1,432	3,454	226	7,509	(8,879)
Pre-Tax Operating Profit Margin Ratio	34%	34%	34%	30%	27%	26%	23%	22%	21%	29%	22%	21%

SEGMENTED RESULTS
REVENUES BY BUSINESS UNIT

	For the Quarter Ended									For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Individual Insurance and Investments	833	1,156	1,307	1,157	1,098	1,113	1,169	1,031	1,110	4,675	4,387	4,252
Group Benefits	769	875	865	889	856	862	846	841	729	3,472	3,134	2,807
Group Wealth	199	343	348	289	269	280	273	248	265	1,186	1,137	1,103
Total SLF Canada	1,801	2,374	2,520	2,335	2,223	2,255	2,288	2,120	2,104	9,333	8,658	8,162
SLF U.S.												
Annuities	1,073	1,111	1,310	2,063	1,913	1,035	1,044	1,544	1,898	6,321	5,517	5,660
Individual Life	480	734	767	774	715	667	669	618	655	2,923	2,524	2,744
Employee Benefits Group	391	352	315	306	301	299	281	281	282	1,221	1,120	1,025
Total SLF U.S.	1,944	2,197	2,392	3,143	2,929	2,001	1,994	2,443	2,835	10,465	9,161	9,429
MFS	433	447	444	395	407	416	416	412	413	1,662	1,648	1,700
SLF Asia	182	215	297	240	259	226	257	152	167	1,022	759	694
Corporate												
SLF U.K.	20	184	294	345	273	258	265	299	296	1,170	1,152	1,258
Reinsurance	129	149	185	134	129	135	120	119	106	583	455	452
Corporate Support	49	76	114	97	93	107	88	36	136	411	388	427
Total Corporate	198	409	593	576	495	500	473	454	538	2,164	1,995	2,137
Consolidation Adjustments	(58)	(58)	(109)	(85)	(82)	(83)	(90)	(77)	(69)	(359)	(303)	(392)
Total Company	4,500	5,584	6,137	6,604	6,231	5,315	5,338	5,504	5,988	24,287	21,918	21,730

SEGMENTED RESULTS COMMON SHAREHOLDERS' NET INCOME BY BUSINESS UNIT	For the Quarter Ended									For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Individual Insurance and Investments ^{(1) *}	177	146	156	123	156	150	131	128	145	585	572	511
Group Benefits	69	51	60	85	65	37	85	69	54	247	246	252
Group Wealth	34	53	41	32	43	47	38	31	37	163	145	132
Total SLF Canada	280	250	257	240	264	234	254	228	236	995	963	895
SLF U.S.												
Annuities	88	93	69	99	72	98	96	96	89	338	326	239
Individual Life	41	6	10	25	(4)	27	39	25	24	58	118	107
Employee Benefits Group ⁽²⁾	27	(1)	18	12	22	-	14	12	19	52	51	45
Total SLF U.S.	156	98	97	136	90	125	149	133	132	448	495	391
MFS ⁽³⁾	68	72	71	58	53	52	45	46	42	234	179	114
SLF Asia ⁽⁴⁾	17	38	33	13	31	24	7	10	19	101	42	45
Corporate												
SLF U.K.	42	100	28	57	48	38	58	48	39	171	192	173
Reinsurance	33	18	35	25	24	9	(18)	(6)	15	93	5	72
Corporate Support ^{(5) (6)}	(6)	(79)	24	12	2	9	(17)	(29)	(6)	47	(33)	(10)
Total Corporate	69	39	87	94	74	56	23	13	48	311	164	235
Total Company	590	497	545	541	512	491	478	430	477	2,089	1,843	1,680
* Includes earnings from ownership position in CI Financial ⁽⁷⁾		33	33	27	45	22	26	29	26	127	106	85

⁽¹⁾ The amount for Q2 2007 includes \$2 million with respect to rebranding costs.

⁽²⁾ The amount for Q2 2007 includes \$1 million of Genworth integration costs.

⁽³⁾ The amount for 2004 includes an after-tax charge of \$59 million for the cost of the MFS regulatory settlement related to disclosure of brokerage allocations.

⁽⁴⁾ CMG Asia integration costs are included for Q1 2006 in the amount of \$2 million. The amount for Q4 2005 includes an amount of \$3 million for CMG Asia integration costs.

⁽⁵⁾ The amount for Q1 2007 includes \$43 million in an intangible asset write-down for the retirement of the Clarica brand and an \$18 million charge with respect to the redemption of the Cumulative Capital Securities. The amount for Q4 2005 includes \$9 million regarding the CMG Asia acquisition. The amount for Q3 2005 includes a \$51 million loss on the sale of the Company's investment in Cuprum.

⁽⁶⁾ Includes run-off reinsurance.

⁽⁷⁾ CI Financial results are disclosed one quarter in arrears.

SEGMENTED RESULTS
**CONDENSED STATEMENT OF OPERATIONS
QUARTERLY BY BUSINESS UNIT**

	SLF Canada				SLF U.S.				MFS	SLF Asia	Corporate				Total	
	Ind Ins ⁽¹⁾	Group Benefits	Group ⁽²⁾ Wealth	Total	Annuities	Ind Life	Employee Benefits				SLF U.K.	Rein- surance	Corporate Support ⁽³⁾			Total
							Group	Total					Support	Total		
For the Quarter Ended June 30, 2007																
Premiums	601	734	113	1,448	559	416	379	1,354	-	146	116	131	9	256	3,204	
Investment Income	184	-	(3)	181	331	54	11	396	4	14	(123)	(2)	2	(123)	472	
Fee Income	48	35	89	172	183	10	1	194	429	22	27	-	(20)	7	824	
Total Revenue	833	769	199	1,801	1,073	480	391	1,944	433	182	20	129	(9)	140	4,500	
Client Disbursements and Increase in Actuarial Liabilities	392	510	87	989	721	286	247	1,254	-	84	(50)	75	(18)	7	2,334	
Commissions and Other Expenses	252	155	67	474	245	154	102	501	316	76	19	11	(4)	26	1,393	
Income Taxes (Benefits)	10	35	7	52	19	(1)	15	33	46	5	9	10	-	19	155	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	4	4	-	-	-	-	3	-	-	-	1	1	8	
	179	69	34	282	88	41	27	156	68	17	42	33	12	87	610	
Less: Participating Policyholders' Net Income	2	-	-	2	-	-	-	-	-	-	-	-	-	-	2	
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	18	18	
Common Shareholders' Net Income (Loss)	177	69	34	280	88	41	27	156	68	17	42	33	(6)	69	590	
Less: Special Items ⁽⁴⁾	(2)	-	-	(2)	-	-	(1)	(1)	-	-	-	-	-	-	(3)	
Common Shareholders' Operating Income (Loss)	179	69	34	282	88	41	28	157	68	17	42	33	(6)	69	593	
For the Quarter Ended March 31, 2007																
Premiums	619	732	167	1,518	581	470	326	1,377	-	154	118	137	9	264	3,313	
Investment Income	486	107	86	679	351	254	24	629	13	40	40	12	28	80	1,441	
Fee Income	51	36	90	177	179	10	2	191	434	21	26	-	(19)	7	830	
Total Revenue	1,156	875	343	2,374	1,111	734	352	2,197	447	215	184	149	18	351	5,584	
Client Disbursements and Increase in Actuarial Liabilities	732	660	192	1,584	759	587	262	1,608	-	98	78	111	32	221	3,511	
Commissions and Other Expenses	240	144	64	448	238	177	92	507	326	77	20	15	55	90	1,448	
Income Taxes (Benefits)	36	20	29	85	21	(36)	(1)	(16)	46	2	(14)	5	(6)	(15)	102	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	5	5	-	-	-	-	3	-	-	-	-	-	8	
	148	51	53	252	93	6	(1)	98	72	38	100	18	(63)	55	515	
Less: Participating Policyholders' Net Income	2	-	-	2	-	-	-	-	-	-	-	-	-	-	2	
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	16	16	
Common Shareholders' Net Income (Loss)	146	51	53	250	93	6	(1)	98	72	38	100	18	(79)	39	497	
Less: Special Items ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-	-	-	(61)	(61)	(61)	
Common Shareholders' Operating Income (Loss)	146	51	53	250	93	6	(1)	98	72	38	100	18	(18)	100	558	
For the Quarter Ended June 30, 2006																
Premiums	563	695	89	1,347	1,429	507	281	2,217	-	147	101	115	4	220	3,931	
Investment Income	496	130	98	724	320	201	19	540	6	89	148	14	20	182	1,541	
Fee Income	39	31	82	152	164	7	1	172	401	23	24	-	(13)	11	759	
Total Revenue	1,098	856	269	2,223	1,913	715	301	2,929	407	259	273	129	11	413	6,231	
Client Disbursements and Increase in Actuarial Liabilities	758	617	134	1,509	1,597	577	195	2,369	-	150	199	84	15	298	4,326	
Commissions and Other Expenses	234	144	63	441	237	175	73	485	319	75	28	19	-	47	1,367	
Income Taxes (Benefits)	(51)	30	25	4	7	(34)	11	(16)	33	3	(2)	2	(17)	(17)	7	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	4	4	-	-	-	-	2	-	-	-	-	-	6	
	157	65	43	265	72	(3)	22	91	53	31	48	24	13	85	525	
Less: Participating Policyholders' Net Income	1	-	-	1	-	1	-	1	-	-	-	-	-	-	2	
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	11	11	11	
Common Shareholders' Net Income (Loss)	156	65	43	264	72	(4)	22	90	53	31	48	24	2	74	512	

⁽¹⁾ Includes Individual Life and Health Insurance, Individual Wealth Products and earnings from CI.

⁽²⁾ Includes Group Retirement Services and McLean Budden.

⁽³⁾ Includes inter-segment consolidation adjustments.

⁽⁴⁾ Includes special items for Q2 2007 as noted on page 12.

SEGMENTED RESULTS
CONDENSED STATEMENT OF OPERATIONS
ANNUAL BY BUSINESS UNIT

For the Six Months Ended June 30, 2007

	SLF Canada				SLF U.S.				MFS	SLF Asia	Corporate				Total
	Ind Ins ⁽¹⁾	Group Benefits	Group Wealth ⁽²⁾	Total	Annuities	Ind Life	Employee Benefits Group	Total			SLF U.K.	Rein-surance	Corporate Support ⁽³⁾	Total	
Premiums	1,220	1,466	280	2,966	1,140	886	705	2,731	-	300	234	268	18	520	6,517
Investment Income	670	107	83	860	682	308	35	1,025	17	54	(83)	10	30	(43)	1,913
Fee Income	99	71	179	349	362	20	3	385	863	43	53	-	(39)	14	1,654
Total Revenue	1,989	1,644	542	4,175	2,184	1,214	743	4,141	880	397	204	278	9	491	10,084
Client Disbursements and Increase in Actuarial Liabilities	1,124	1,170	279	2,573	1,480	873	509	2,862	-	182	28	186	14	228	5,845
Commissions and Other Expenses	492	299	131	922	483	331	194	1,008	642	153	39	26	51	116	2,841
Income Taxes (Benefits)	46	55	36	137	40	(37)	14	17	92	7	(5)	15	(6)	4	257
Non-Controlling Interests in Net Income of Subsidiaries	-	-	9	9	-	-	-	-	6	-	-	-	1	1	16
	327	120	87	534	181	47	26	254	140	55	142	51	(51)	142	1,125
Less: Participating Policyholders' Net Income Preferred Shareholder Dividends	4	-	-	4	-	-	-	-	-	-	-	-	-	-	4
	-	-	-	-	-	-	-	-	-	-	-	-	34	34	34
Common Shareholders' Net Income (Loss)	323	120	87	530	181	47	26	254	140	55	142	51	(85)	108	1,087
Less: Special Items ⁽⁴⁾	(2)	-	-	(2)	-	-	(1)	(1)	-	-	-	-	(61)	(61)	(64)
Common Shareholders' Operating Income (Loss)	325	120	87	532	181	47	27	255	140	55	142	51	(24)	169	1,151

For the Six Months Ended June 30, 2006

Premiums	1,150	1,400	193	2,743	1,920	971	560	3,451	-	292	188	234	16	438	6,924
Investment Income	977	253	195	1,425	705	396	38	1,139	14	160	296	30	46	372	3,110
Fee Income	84	65	161	310	323	15	2	340	809	33	47	-	(27)	20	1,512
Total Revenue	2,211	1,718	549	4,478	2,948	1,382	600	4,930	823	485	531	264	35	830	11,546
Client Disbursements and Increase in Actuarial Liabilities	1,447	1,287	276	3,010	2,285	1,064	420	3,769	-	284	390	189	37	616	7,679
Commissions and Other Expenses	459	284	125	868	461	321	147	929	647	138	49	37	17	103	2,685
Income Taxes (Benefits)	(4)	45	49	90	32	(26)	11	17	68	8	6	5	(52)	(41)	142
Non-Controlling Interests in Net Income of Subsidiaries	-	-	9	9	-	-	-	-	3	-	-	-	-	-	12
	309	102	90	501	170	23	22	215	105	55	86	33	33	152	1,028
Less: Par Policyholders' Net Income Preferred Shareholder Dividends	3	-	-	3	-	-	-	-	-	-	-	-	-	-	3
	-	-	-	-	-	-	-	-	-	-	-	-	22	22	22
Common Shareholders' Operating Income (Loss)	306	102	90	498	170	23	22	215	105	55	86	33	11	130	1,003
Less: CMG Asia Integration Costs	-	-	-	-	-	-	-	-	-	(2)	-	-	-	-	(2)
Common Shareholders' Operating Income (Loss)	306	102	90	498	170	23	22	215	105	57	86	33	11	130	1,005

⁽¹⁾ Includes Individual Life and Health Insurance, Individual Wealth Products and earnings from CI

⁽²⁾ Includes Group Retirement Services and Institutional Investments

⁽³⁾ Includes inter-segment consolidation adjustments

⁽⁴⁾ Includes special items for Q1 2007 as noted on Page 12

SEGMENTED RESULTS CONDENSED STATEMENT OF OPERATIONS ANNUAL BY BUSINESS UNIT	SLF Canada			SLF U.S.				MFS	SLF Asia	Corporate				Total		
	Ind Ins ⁽¹⁾	Group Benefits	Group ⁽²⁾ Wealth	Total	Annuities	Ind Life	Employee Benefits			SLF U.K.	Rein- surance	Corporate Support ⁽³⁾			Total	
							Group					Total	Support			Total
For the Year Ended December 31, 2006																
Premiums	2,428	2,826	467	5,721	4,060	2,062	1,139	7,261	-	640	438	524	25	987	14,609	
Investment Income	2,085	515	393	2,993	1,608	827	77	2,512	39	318	638	59	105	802	6,664	
Fee Income	162	131	326	619	653	34	5	692	1,623	64	94	-	(78)	16	3,014	
Total Revenue	4,675	3,472	1,186	9,333	6,321	2,923	1,221	10,465	1,662	1,022	1,170	583	52	1,805	24,287	
Client Disbursements and Increase in Actuarial Liabilities	3,065	2,546	666	6,277	5,007	2,212	835	8,054	-	621	899	386	18	1,303	16,255	
Commissions and Other Expenses	944	577	253	1,774	923	712	306	1,941	1,271	283	95	79	29	203	5,472	
Income Taxes (Benefits)	75	102	85	262	53	(60)	28	21	150	17	5	25	(91)	(61)	389	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	19	19	-	-	-	-	7	-	-	-	1	1	27	
Less: Participating Policyholders' Net Income	6	-	-	6	-	1	-	1	-	-	-	-	-	-	7	
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	48	48	48	
Common Shareholders' Net Income (Loss)	585	247	163	995	338	58	52	448	234	101	171	93	47	311	2,089	
Less: CMG Asia Integration Costs	-	-	-	-	-	-	-	-	-	(2)	-	-	-	-	(2)	
Common Shareholders' Operating Income (Loss)	585	247	163	995	338	58	52	448	234	103	171	93	47	311	2,091	
For the Year Ended December 31, 2005																
Premiums	2,317	2,567	430	5,314	3,436	1,768	1,042	6,246	-	524	396	412	48	856	12,940	
Investment Income	1,925	446	409	2,780	1,497	727	74	2,298	(13)	223	656	42	93	791	6,079	
Fee Income	145	121	298	564	584	29	4	617	1,661	12	100	1	(56)	45	2,899	
Total Revenue	4,387	3,134	1,137	8,658	5,517	2,524	1,120	9,161	1,648	759	1,152	455	85	1,692	21,918	
Client Disbursements and Increase in Actuarial Liabilities	2,710	2,255	660	5,625	4,274	1,956	763	6,993	-	499	882	341	38	1,261	14,378	
Commissions and Other Expenses	907	519	234	1,660	861	420	279	1,560	1,355	201	106	66	162	334	5,110	
Income Taxes (Benefits)	190	114	81	385	57	29	27	113	110	17	(28)	43	(109)	(94)	531	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	17	17	(1)	-	-	(1)	4	-	-	-	3	3	23	
Less: Participating Policyholders' Net Income	8	-	-	8	-	1	-	1	-	-	-	-	-	-	9	
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	24	24	24	
Common Shareholders' Net Income (Loss)	572	246	145	963	326	118	51	495	179	42	192	5	(33)	164	1,843	
Less: Loss on sale of investment in Cuprum	-	-	-	-	-	-	-	-	-	-	-	-	(51)	(51)	(51)	
Less: CMG Asia Integration Costs	-	-	-	-	-	-	-	-	-	(3)	-	-	(9)	(9)	(12)	
Common Shareholders' Operating Income (Loss)	572	246	145	963	326	118	51	495	179	45	192	5	27	224	1,906	
For the Year Ended December 31, 2004																
Premiums	2,267	2,284	419	4,970	3,482	2,033	950	6,465	-	506	530	402	30	962	12,903	
Investment Income	1,834	399	427	2,660	1,601	683	71	2,355	(1)	185	630	46	49	725	5,924	
Fee Income	151	124	257	532	577	28	4	609	1,701	3	98	4	(44)	58	2,903	
Total Revenue	4,252	2,807	1,103	8,162	5,660	2,744	1,025	9,429	1,700	694	1,258	452	35	1,745	21,730	
Client Disbursements and Increase in Actuarial Liabilities	2,695	1,968	682	5,345	4,435	2,200	695	7,330	-	470	958	304	132	1,394	14,539	
Commissions and Other Expenses	890	499	214	1,603	975	417	260	1,652	1,471	165	131	80	105	316	5,207	
Income Taxes (Benefits)	144	88	61	293	11	19	25	55	108	14	(4)	(4)	(199)	(207)	263	
Non-Controlling Interests in Net Income of Subsidiaries	-	-	14	14	-	-	-	-	7	-	-	-	7	7	28	
Less: Par Policyholders' Net Income (Loss)	12	-	-	12	-	1	-	1	-	-	-	-	-	-	13	
Common Shareholders' Net Income (Loss)	511	252	132	895	239	107	45	391	114	45	173	72	(10)	235	1,680	
Less: After-tax Charge for MFS Regulatory Settlements	-	-	-	-	-	-	-	-	(59)	-	-	-	-	-	(59)	
Common Shareholders' Operating Income (Loss)	511	252	132	895	239	107	45	391	173	45	173	72	(10)	235	1,739	

⁽¹⁾ Includes Individual Life and Health Insurance, Individual Wealth Products and earnings from CI.

⁽²⁾ Includes Group Retirement Services and Institutional Investments.

⁽³⁾ Includes inter-segment consolidation adjustments.

SEGMENTED RESULTS ASSETS UNDER MANAGEMENT QUARTERLY BY BUSINESS UNIT	SLF Canada				SLF U.S.				MFS	SLF Asia	Corporate				Total
	Ind Ins ⁽¹⁾	Group Benefits	Group ⁽²⁾ Wealth	Total	Annuities	Ind Life	Employee Benefits Group	Total			SLF U.K.	Rein- surance	Other ⁽³⁾	Total	
<u>June 30, 2007</u>															
General Funds	37,180	10,159	7,246	54,585	23,018	15,527	2,859	41,404	904	5,502	9,706	1,425	2,600	13,731	116,126
Segregated Funds	8,185	-	27,892	36,077	21,365	6,028	-	27,393	-	1,479	7,815	-	-	7,815	72,764
Other Assets Under Management	229	-	37,107	37,336	1,573	-	-	1,573	215,103	2,475	-	-	(10,876)	(10,876)	245,611
Total Assets Under Management	45,594	10,159	72,245	127,998	45,956	21,555	2,859	70,370	216,007	9,456	17,521	1,425	(8,276)	10,670	434,501
Actuarial and Other Policy Liabilities	26,154	6,856	5,889	38,899	18,833	11,272	1,453	31,558	-	3,353	8,030	467	757	9,254	83,064
<u>March 31, 2007</u>															
General Funds	37,766	10,386	7,435	55,587	26,449	16,653	1,652	44,754	894	5,942	10,510	1,518	3,069	15,097	122,274
Segregated Funds	7,857	-	27,154	35,011	22,023	6,384	-	28,407	-	1,354	8,179	-	-	8,179	72,951
Other Assets Under Management	237	-	36,738	36,975	1,775	-	-	1,775	220,924	2,462	-	-	(11,538)	(11,538)	250,598
Total Assets Under Management	45,860	10,386	71,327	127,573	50,247	23,037	1,652	74,936	221,818	9,758	18,689	1,518	(8,469)	11,738	445,823
Actuarial and Other Policy Liabilities	26,445	6,941	6,016	39,402	21,456	12,143	874	34,473	-	3,615	8,791	501	885	10,177	87,667
<u>December 31, 2006</u>															
General Funds	35,566	9,944	7,192	52,702	27,052	15,531	1,589	44,172	981	5,334	9,922	1,504	3,216	14,642	117,831
Segregated Funds	7,514	-	26,292	33,806	21,843	5,679	-	27,522	-	1,232	8,229	-	-	8,229	70,789
Other Assets Under Management	250	-	37,345	37,595	1,825	-	-	1,825	217,822	2,355	-	-	(11,732)	(11,732)	247,865
Total Assets Under Management	43,330	9,944	70,829	124,103	50,720	21,210	1,589	73,519	218,803	8,921	18,151	1,504	(8,516)	11,139	436,485
Actuarial and Other Policy Liabilities	23,427	6,307	5,536	35,270	21,729	11,491	823	34,043	-	3,263	7,169	450	841	8,460	81,036
<u>September 30, 2006</u>															
General Funds	34,770	9,950	7,181	51,901	26,692	14,582	1,480	42,754	878	4,953	8,943	1,432	2,555	12,930	113,416
Segregated Funds	6,866	-	23,937	30,803	19,904	5,223	-	25,127	-	967	7,307	-	-	7,307	64,204
Other Assets Under Management	255	-	34,870	35,125	1,815	-	-	1,815	195,597	2,010	-	-	(11,000)	(11,000)	223,547
Total Assets Under Management	41,891	9,950	65,988	117,829	48,411	19,805	1,480	69,696	196,475	7,930	16,250	1,432	(8,445)	9,237	401,167
Actuarial and Other Policy Liabilities	23,268	6,288	5,520	35,076	21,000	10,699	782	32,481	-	3,039	6,539	400	837	7,776	78,372
<u>June 30, 2006</u>															
General Funds	34,381	9,873	7,133	51,387	25,650	13,690	1,441	40,781	821	4,812	8,898	1,418	2,454	12,770	110,571
Segregated Funds	6,621	-	22,954	29,575	19,378	4,770	-	24,148	-	856	7,162	-	-	7,162	61,741
Other Assets Under Management	258	-	33,967	34,225	1,866	-	-	1,866	187,738	1,915	-	-	(10,851)	(10,851)	214,893
Total Assets Under Management	41,260	9,873	64,054	115,187	46,894	18,460	1,441	66,795	188,559	7,583	16,060	1,418	(8,397)	9,081	387,205
Actuarial and Other Policy Liabilities	23,090	6,230	5,513	34,833	20,338	10,344	757	31,439	-	2,944	6,430	416	838	7,684	76,900

⁽¹⁾ Includes Individual Life and Health Insurance, and Individual Wealth Products assets.

⁽²⁾ Includes Group Retirement Services and McLean Budden.

⁽³⁾ Includes inter-segment consolidation adjustments.

SEGMENTED RESULTS
ASSETS UNDER MANAGEMENT
ANNUAL BY BUSINESS UNIT

	SLF Canada				SLF U.S.				MFS	SLF Asia	Corporate				Total
	Ind Ins ⁽¹⁾	Group Benefits	Group ⁽²⁾ Wealth	Total	Annuities	Ind Life	Group Life & Health	Total			SLF U.K.	Rein-surance	Other ⁽³⁾	Total	
December 31, 2005															
General Funds	34,214	9,744	7,492	51,450	27,313	12,544	1,313	41,170	866	4,750	8,635	1,222	2,773	12,630	110,866
Segregated Funds	6,122	-	22,432	28,554	20,147	4,565	-	24,712	-	750	6,968	-	-	6,968	60,984
Other Assets Under Management	274	-	34,061	34,335	2,074	-	-	2,074	189,207	1,826	-	-	(11,903)	(11,903)	215,539
Total Assets Under Management	<u>40,610</u>	<u>9,744</u>	<u>63,985</u>	<u>114,339</u>	<u>49,534</u>	<u>17,109</u>	<u>1,313</u>	<u>67,956</u>	<u>190,073</u>	<u>7,326</u>	<u>15,603</u>	<u>1,222</u>	<u>(9,130)</u>	<u>7,695</u>	<u>387,389</u>
Actuarial and Other Policy Liabilities	22,930	6,169	5,754	34,853	21,276	10,155	731	32,162	-	2,949	6,268	402	855	7,525	77,489
December 31, 2004															
General Funds	33,600	9,390	7,610	50,600	27,498	10,952	1,191	39,641	824	2,302	10,214	1,152	3,070	14,436	107,803
Segregated Funds	4,846	-	19,324	24,170	20,836	4,310	-	25,146	-	88	7,216	-	(56)	7,160	56,564
Other Assets Under Management	292	-	30,088	30,380	2,448	-	-	2,448	175,397	102	-	-	(13,044)	(13,044)	195,283
Total Assets Under Management	<u>38,738</u>	<u>9,390</u>	<u>57,022</u>	<u>105,150</u>	<u>50,782</u>	<u>15,262</u>	<u>1,191</u>	<u>67,235</u>	<u>176,221</u>	<u>2,492</u>	<u>17,430</u>	<u>1,152</u>	<u>(10,030)</u>	<u>8,552</u>	<u>359,650</u>
Actuarial and Other Policy Liabilities	23,073	4,805	6,002	33,880	22,201	9,457	691	32,349	-	1,336	7,285	337	869	8,491	76,056

⁽¹⁾ Includes Individual Life and Health Insurance, and Individual Wealth Products assets.

⁽²⁾ Includes Group Retirement Services and McLean Budden

⁽³⁾ Includes inter-segment consolidation adjustments.

SEGMENTED RESULTS
CAPITAL BY BUSINESS UNIT

	At the Quarter Ended								
	Q2 2007			Q1 2007			Q2 2006		
	Debt/ Preferred ⁽¹⁾	Common Shareholders' Equity	Total	Debt/ Preferred ⁽¹⁾	Common Shareholders' Equity	Total	Debt/ Preferred ⁽¹⁾	Common Shareholders' Equity	Total
SLF Canada									
Individual Insurance and Investments	1,617	4,737	6,354	1,562	4,693	6,255	1,177	4,596	5,773
Group Benefits	508	1,534	2,042	486	1,506	1,992	378	1,711	2,089
Group Wealth	237	725	962	233	701	934	183	831	1,014
Total SLF Canada	2,362	6,996	9,358	2,281	6,900	9,181	1,738	7,138	8,876
SLF U.S.									
Annuities	227	2,677	2,904	523	2,549	3,072	820	2,506	3,326
Individual Life	815	1,141	1,956	865	1,228	2,093	343	914	1,257
Employee Benefits Group	298	909	1,207	156	448	604	124	395	519
Total SLF U.S.	1,340	4,727	6,067	1,544	4,225	5,769	1,287	3,815	5,102
MFS	96	336	432	104	323	427	157	239	396
SLF Asia	-	1,108	1,108	-	1,152	1,152	-	992	992
Corporate									
SLF U.K.	-	1,037	1,037	-	1,098	1,098	186	593	779
Reinsurance	137	642	779	158	638	796	170	670	840
Corporate Support	546	950	1,496	703	2,169	2,872	686	1,366	2,052
Total Corporate	683	2,629	3,312	861	3,905	4,766	1,042	2,629	3,671
Total	4,481	15,796	20,277	4,790	16,505	21,295	4,224	14,813	19,037
Participating Policyholders' Accounts			99			100			86
Total Capital			20,376			21,395			19,123

⁽¹⁾ Includes liabilities for CCS and SLEECs. CCS was redeemed in May 2007.

SEGMENTED RESULTS
ADDITIONAL RESULTS BY SEGMENT

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006			2005			2006	2005	2004	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Total Premiums and Deposits	4,353	5,232	4,649	3,686	4,107	4,989	4,137	3,501	3,800	17,431	16,850	16,756
Total Assets Under Management	127,998	127,573	124,103	117,829	115,187	118,373	114,339	112,547	110,285	124,103	114,339	105,150
Actuarial and Other Policy Liabilities	38,899	39,402	35,270	35,076	34,833	34,715	34,853	34,907	33,609	35,270	34,853	33,880
Common Shareholders' Equity	6,996	6,900	7,104	7,232	7,138	6,987	6,694	6,817	6,668	7,104	6,694	6,597
ROE ⁽¹⁾	16.1%	14.3%	14.3%	13.3%	15.0%	13.7%	15.1%	13.5%	14.2%	14.1%	14.5%	13.5%
SLF U.S.												
Total Premiums and Deposits	2,262	2,750	2,276	3,216	2,969	1,878	1,674	2,123	2,657	10,339	8,227	9,546
Total Assets Under Management	70,370	74,936	73,519	69,696	66,795	69,529	67,956	66,925	71,082	73,519	67,956	67,235
Actuarial and Other Policy Liabilities	31,558	34,473	34,043	32,481	31,439	32,036	32,162	32,112	34,012	34,043	32,162	32,349
Common Shareholders' Equity	4,727	4,225	4,073	3,965	3,815	4,008	3,846	3,766	3,937	4,073	3,846	3,599
ROE ⁽¹⁾	14.0%	9.4%	9.7%	13.9%	9.4%	12.9%	15.6%	13.6%	13.8%	11.5%	12.9%	10.4%
MFS												
Total Premiums and Deposits	13,908	13,282	10,938	9,664	11,462	9,873	11,139	11,180	14,316	41,937	47,143	38,086
Total Assets Under Management ⁽²⁾	216,007	221,818	218,803	196,475	188,559	198,677	190,073	183,524	185,033	218,803	190,073	176,221
Common Shareholders' Equity	336	323	321	271	239	215	155	136	108	321	155	112
SLF Asia												
Total Premiums and Deposits	539	587	568	415	425	395	263	136	160	1,803	736	559
Total Assets Under Management	9,456	9,758	8,921	7,930	7,583	7,758	7,326	2,675	2,801	8,921	7,326	2,492
Actuarial and Other Policy Liabilities	3,353	3,615	3,263	3,039	2,944	3,034	2,949	1,402	1,454	3,263	2,949	1,336
Common Shareholders' Equity	1,108	1,152	1,097	1,002	992	970	934	409	416	1,097	934	448
ROE ⁽¹⁾	6.0%	13.5%	12.6%	5.2%	12.6%	10.2%	4.3%	9.8%	17.6%	10.2%	8.6%	10.3%
Corporate												
Total Premiums and Deposits	282	291	317	286	248	247	220	266	260	1,098	1,042	1,163
Total Assets Under Management ⁽³⁾	22,828	25,088	24,745	22,080	21,773	21,915	21,485	22,018	22,344	24,745	21,485	22,505
Actuarial and Other Policy Liabilities	9,254	10,177	8,460	7,776	7,684	7,626	7,525	7,632	8,211	8,460	7,525	8,491
Common Shareholders' Equity	2,629	3,905	3,247	2,666	2,629	2,860	3,120	3,378	3,553	3,247	3,120	3,582
Total Company												
Total Premiums and Deposits	21,344	22,142	18,748	17,267	19,211	17,382	17,433	17,206	21,193	72,608	73,998	66,110
Total Assets Under Management ⁽²⁾	446,659	459,173	450,091	414,010	399,897	416,252	401,179	387,689	391,545	450,091	401,179	373,603
Consolidation Adjustments	(12,158)	(13,350)	(13,606)	(12,843)	(12,692)	(13,876)	(13,790)	(13,935)	(14,449)	(13,606)	(13,790)	(13,953)
Total Assets Under Management	434,501	445,823	436,485	401,167	387,205	402,376	387,389	373,754	377,096	436,485	387,389	359,650
Actuarial and Other Policy Liabilities	83,064	87,667	81,036	78,372	76,900	77,411	77,489	76,053	77,286	81,036	77,489	76,056
Common Shareholders' Equity	15,796	16,505	15,842	15,136	14,813	15,040	14,749	14,506	14,682	15,842	14,749	14,338
ROE ⁽⁴⁾	14.6%	13.5%	14.0%	14.4%	13.6%	13.2%	13.3%	13.1%	13.0%	13.8%	13.1%	12.0%

⁽¹⁾ Represents annualized return on Common Shareholders' Equity.

⁽²⁾ Includes assets managed for other areas of the Company.

⁽³⁾ Before consolidation adjustments.

⁽⁴⁾ Based on operating earnings.

SOURCES OF EARNINGS

	For the Quarter Ended									For the Year Ended		
	2007		2006			2005			2006	2005	2004	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Expected Profit on In-Force Business	517	505	499	469	430	426	405	389	366	1,824	1,540	1,433
Impact of New Business	(47)	(152)	(108)	(68)	(77)	(60)	(58)	(13)	(23)	(313)	(160)	(117)
Experience Gains (Losses)	129	45	116	116	36	43	68	117	111	311	367	286
Management Actions and Changes in Assumptions	9	81	(11)	53	60	87	17	7	38	189	131	(7)
Regulatory Settlement Provisions Related to MFS	-	-	-	-	-	-	-	-	-	-	-	(62)
Other - Par Adjustment	-	-	-	-	(58)	-	-	-	-	(58)	-	-
Earnings on Operations (Pre-tax)	608	479	496	570	391	496	432	500	492	1,953	1,878	1,533
Earnings on Surplus	165	146	164	148	147	148	150	123	146	607	552	451
Earnings Before Income Taxes	773	625	660	718	538	644	582	623	638	2,560	2,430	1,984
Income Taxes	(155)	(102)	(90)	(157)	(7)	(135)	(87)	(179)	(148)	(389)	(531)	(263)
Earnings Before Non-Controlling Interests and Participating Policyholders' Net Income	618	523	570	561	531	509	495	444	490	2,171	1,899	1,721
Less: Non-Controlling Interest, Participating Policyholders' Net Income and Preferred Share Dividends	28	26	25	20	19	18	17	14	13	82	56	41
Common Shareholders' Net Income	590	497	545	541	512	491	478	430	477	2,089	1,843	1,680

EXPENSES	For the Quarter Ended									For the Year Ended		
	2007		2006				2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
COMMISSIONS AND OTHER EXPENSES												
Commissions	472	462	514	479	475	448	445	427	429	1,916	1,726	1,916
Operating Expenses	788	840	806	712	758	752	822	664	710	3,028	2,921	2,831
Premium Taxes	50	62	50	56	52	47	51	50	45	205	190	182
Interest on Borrowings	83	84	86	84	82	71	73	65	70	323	273	278
Total Commissions and Other Expenses	1,393	1,448	1,456	1,331	1,367	1,318	1,391	1,206	1,254	5,472	5,110	5,207
OPERATING EXPENSES												
Compensation:												
Operations	375	372	384	360	369	380	374	351	352	1,493	1,422	1,320
Distribution	83	83	85	84	87	88	94	82	84	344	338	305
Stock Options	2	4	6	2	3	3	1	2	4	14	9	11
Premises and Equipment	78	90	90	76	78	82	101	81	84	326	350	355
Other Expenses	246	232	235	183	216	192	246	143	180	826	780	756
Operating Expenses	784	781	800	705	753	745	816	659	704	3,003	2,899	2,747
Pre-tax Charge for MFS Regulatory Settlements	-	-	-	-	-	-	-	-	-	-	-	62
Amortization of Intangibles ⁽¹⁾	4	59	6	7	5	7	6	5	6	25	22	22
Total Operating Expenses	788	840	806	712	758	752	822	664	710	3,028	2,921	2,831
INTEREST ON BORROWINGS												
Subordinated Debt	25	24	24	23	24	23	24	24	24	94	96	108
Liabilities for CCS and SLEECs	27	35	35	34	36	35	36	35	37	140	144	150
Other Borrowings ⁽²⁾	31	25	27	27	22	13	13	6	9	89	33	20
Total Interest on Borrowings	83	84	86	84	82	71	73	65	70	323	273	278

⁽¹⁾ Q1 2007 includes a write-off of \$52 million before tax related to an intangible asset write-down for the retirement of the Clarica brand.

⁽²⁾ Primarily includes interest on senior notes as of Q4 2005. The amount for Q4 2004 includes interest charges of \$8 million on tax reassessments.

INVESTMENTS BOND PORTFOLIO	As at June 30, 2007				As at March 31, 2007				As at December 31, 2006 ⁽¹⁾			
	Held-for- Trading	Available-for- Sale	Total	Investment Grade	Held-for- Trading	Available-for- Sale	Total	Investment Grade	Held-for- Trading	Available-for- Sale	Total	Investment Grade
Bonds by Sector												
Financials	14,047	3,328	17,375	98%	14,998	3,600	18,598	99%	15,214	3,537	18,751	99%
Government & Agency	11,947	1,695	13,642	98%	11,849	1,996	13,845	98%	12,068	1,963	14,031	98%
Securitization	6,652	731	7,383	100%	7,063	944	8,007	99%	7,353	949	8,302	99%
Utilities	5,501	508	6,009	98%	5,858	641	6,499	97%	6,123	657	6,780	97%
Consumer Discretionary	3,289	614	3,903	96%	3,767	748	4,515	96%	3,850	765	4,615	94%
Industrials	2,709	322	3,031	98%	2,911	436	3,347	98%	2,942	360	3,302	98%
Consumer Staples	2,301	337	2,638	99%	2,501	345	2,846	98%	2,591	358	2,949	98%
Telecommunication Services	2,109	654	2,763	88%	2,327	780	3,107	93%	2,408	797	3,205	93%
Energy	2,172	316	2,488	98%	2,196	365	2,561	98%	2,232	349	2,581	98%
Materials	1,141	308	1,449	96%	1,269	347	1,616	98%	1,211	265	1,476	97%
Other	1,283	189	1,472	100%	1,379	211	1,590	99%	1,280	188	1,468	100%
Total	53,151	9,002	62,153	98%	56,118	10,413	66,531	98%	57,272	10,188	67,460	98%

Bonds	As at June 30, 2007			As at March 31, 2007			As at December 31, 2006 ⁽¹⁾		
	Held-for- Trading	Available-for- Sale	Total	Held-for- Trading	Available-for- Sale	Total	Held-for- Trading	Available-for- Sale	Total
Supporting Liabilities	53,120	263	53,383	56,084	278	56,362	57,238	189	57,427
Supporting Equity and Other	31	8,739	8,770	34	10,135	10,169	34	9,999	10,033
Total	53,151	9,002	62,153	56,118	10,413	66,531	57,272	10,188	67,460

Bonds by Investment Rating ⁽²⁾	As at June 30, 2007			As at March 31, 2007			As at December 31, 2006 ⁽¹⁾		
	Held-for- Trading	Available-for- Sale	Total	Held-for- Trading	Available-for- Sale	Total	Held-for- Trading	Available-for- Sale	Total
AAA	10,521	2,182	12,703	10,567	2,655	13,222	11,080	2,536	13,616
AA	9,899	1,397	11,296	10,280	1,384	11,664	10,277	1,345	11,622
A	16,897	2,598	19,495	18,557	3,049	21,606	18,766	3,076	21,842
BBB	14,538	2,724	17,262	15,550	3,202	18,752	15,800	3,085	18,885
BB and Lower	1,296	101	1,397	1,164	123	1,287	1,349	146	1,495
Total Bonds	53,151	9,002	62,153	56,118	10,413	66,531	57,272	10,188	67,460

⁽¹⁾ Comparative figures have been reclassified and restated to conform with the presentation adopted in 2007.

⁽²⁾ The local currency denominated debt of certain foreign governments, used in backing the liabilities of the foreign operation, have been classified as investment grade in the table above.

OTHER PORTFOLIOS	As at June 30, 2007			As at March 31, 2007			As at December 31, 2006 ⁽¹⁾		
	Insured	Non-Insured	Total	Insured	Non-Insured	Total	Insured	Non-Insured	Total
<u>Mortgages & Corporate Loans</u>									
Non-residential	-	12,567	12,567	-	12,476	12,476	-	12,515	12,515
Residential	1,596	1,402	2,998	1,641	1,744	3,385	1,709	1,769	3,478
Total Mortgages	<u>1,596</u>	<u>13,969</u>	15,565	<u>1,641</u>	<u>14,220</u>	15,861	<u>1,709</u>	<u>12,284</u>	15,993
Corporate Loans			5,145			5,037			4,931
Total			<u>20,710</u>			<u>20,898</u>			<u>20,924</u>
<u>Impaired Assets</u>									
<u>Net of Total Allowances</u>									
Mortgages			23			23			36
Corporate Loans			35			34			34
Total			<u>58</u>			<u>57</u>			<u>70</u>
<u>Allowances for Losses</u>									
Mortgages			20			22			27
Corporate Loans			14			14			14
Total			<u>34</u>			<u>36</u>			<u>41</u>
<u>Percentage of Net Impaired Assets</u>									
Net of Total Allowances									
Mortgages			0.15%			0.15%			0.23%
Corporate Loans			0.68%			0.67%			0.69%

	As at June 30, 2007			As at March 31, 2007			As at December 31, 2006 ⁽¹⁾		
	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total
<u>Stocks</u>									
Supporting Liabilities	4,609	19	4,628	4,621	18	4,639	4,605	18	4,623
Supporting Equity and Other	-	768	768	-	767	767	-	907	907
Total	<u>4,609</u>	<u>787</u>	5,396	<u>4,621</u>	<u>785</u>	5,406	<u>4,605</u>	<u>925</u>	5,530
<u>Real Estate</u>									
Supporting Actuarial and Other Policy Liabilities			3,056			3,046			2,916
Supporting Equity and Other			903			946			909
Total			<u>3,959</u>			<u>3,992</u>			<u>3,825</u>

⁽¹⁾ Comparative figures have been reclassified and restated to conform with the presentation adopted in 2007.

INVESTMENTS DERIVATIVES	Term to Maturity			Total Notional Amount	Credit Equivalent Amount	Net Fair Value Amount
	Under 1 Year	1 to 5 Years	Over 5 Years			
As at June 30, 2007						
Interest Rate Contracts						
Futures Contracts	760	415	-	1,175	-	(1)
Swap Contracts	582	6,047	12,519	19,148	395	43
Options Purchased	51	297	2,055	2,403	36	19
Sub-Total	<u>1,393</u>	<u>6,759</u>	<u>14,574</u>	<u>22,726</u>	<u>431</u>	<u>61</u>
Foreign Exchange Contracts						
Foreign Exchange Contracts	2,261	113	-	2,374	44	14
Swap Contracts	337	2,584	4,226	7,147	1,108	988
Sub-Total	<u>2,598</u>	<u>2,697</u>	<u>4,226</u>	<u>9,521</u>	<u>1,152</u>	<u>1,002</u>
Equity and Other Contracts						
Forward Contracts	747	46	-	793	56	26
Futures Contracts	1,068	-	-	1,068	-	4
Swap Contracts	223	86	13	322	41	19
Options Purchased	2,030	4,254	171	6,455	747	409
Sub-Total Equity Related	<u>4,068</u>	<u>4,386</u>	<u>184</u>	<u>8,638</u>	<u>844</u>	<u>458</u>
Other Contracts	-	-	21	21	1	(29)
Total	<u>8,059</u>	<u>13,842</u>	<u>19,005</u>	<u>40,906</u>	<u>2,428</u>	<u>1,492</u>
As at December 31, 2006						
Interest Rate Contracts						
Futures Contracts	373	37	-	410	-	(5)
Swap Contracts	876	6,616	11,976	19,468	319	(67)
Options Purchased	1,384	898	1,629	3,911	46	21
Options Written	-	-	-	-	-	-
Sub-Total	<u>2,633</u>	<u>7,551</u>	<u>13,605</u>	<u>23,789</u>	<u>365</u>	<u>(51)</u>
Foreign Exchange Contracts						
Foreign Exchange Contracts	2,529	98	-	2,627	31	(28)
Swap Contracts	333	1,681	4,667	6,681	836	627
Sub-Total	<u>2,862</u>	<u>1,779</u>	<u>4,667</u>	<u>9,308</u>	<u>867</u>	<u>599</u>
Equity and Other Contracts						
Forward Contracts	556	42	-	598	43	12
Futures Contracts	867	-	-	867	-	6
Swap Contracts	261	147	14	422	102	76
Options Purchased	3,313	5,550	270	9,133	983	480
Sub-Total Equity Related	<u>4,997</u>	<u>5,739</u>	<u>284</u>	<u>11,020</u>	<u>1,128</u>	<u>574</u>
Other Contracts	-	-	23	23	1	-
Total	<u>10,492</u>	<u>15,069</u>	<u>18,579</u>	<u>44,140</u>	<u>2,361</u>	<u>1,122</u>

FINANCIAL STRENGTH AND CAPITAL ADEQUACY

As at June 30, 2007

	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard & Poor's</u>
SUN LIFE ASSURANCE COMPANY OF CANADA			
FINANCIAL STRENGTH RATINGS	A++	Aa2	AA+
DEBT RATINGS			
Subordinated Debt			
US\$ denominated (US\$178 million)	aa-	A1	AA
C\$ denominated (C\$450 million)	aa-	A1	AA
C\$ denominated deferrable (C\$800 million)	aa-	A1	AA-
Sun Life Exchangeable Capital Securities (Series A & B)	a+	A2	AA-
	<u>DBRS</u>		<u>Standard & Poor's</u>
SUN LIFE FINANCIAL INC.			
SECURITY RATINGS			
Class A Preferred Shares (Series 1-5)	Pfd-1 (low)		P-1 (low)/A
Senior Unsecured Debentures (Series A-C)	AA (low)		AA-
Subordinated Debt (C\$400 million)	A (high)		A+

FINANCIAL STRENGTH AND CAPITAL ADEQUACY
MCCSR RATIO - SUN LIFE ASSURANCE COMPANY
OF CANADA

	At the Quarter Ended									At the Year Ended		
	2007			2006			2005			2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Capital Available												
Tier 1												
Common Shares	745	745	745	745	745	745	745	746	745	745	745	1,084
Retained Earnings	9,321	9,110	8,652	8,572	8,371	8,217	8,038	8,041	7,990	8,652	8,038	9,827
Innovative Instruments	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Other	214	556	1,809	1,415	1,420	1,609	1,535	755	1,157	1,809	1,535	917
Gross Tier 1 Capital	11,430	11,561	12,356	11,882	11,686	11,721	11,468	10,692	11,042	12,356	11,468	12,978
Less:												
Goodwill and Intangibles in Excess of Limit	1,806	1,487	1,501	1,436	1,436	1,487	1,486	991	1,028	1,501	1,486	1,818
Other	1,416	1,418	1,951	1,751	1,712	1,777	1,700	1,610	1,631	1,951	1,700	1,710
Net Tier 1 Capital	8,208	8,656	8,904	8,695	8,538	8,457	8,282	8,091	8,383	8,904	8,282	9,450
Tier 2												
Tier 2A	194	291	-	-	-	-	-	-	-	-	-	-
Tier 2B	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249	2,287
Tier 2C	1,678	1,779	1,597	1,398	1,203	1,371	1,279	1,275	1,421	1,597	1,279	1,356
Total Tier 2	3,121	3,319	2,846	2,647	2,452	2,620	2,528	2,524	2,670	2,846	2,528	3,643
Total Tier 1 and Tier 2	11,329	11,975	11,750	11,342	10,990	11,077	10,810	10,615	11,053	11,750	10,810	13,093
Less:												
Non-Life Investments and Other	1,678	1,685	1,686	1,676	1,670	1,685	1,674	1,685	1,695	1,686	1,674	1,929
Total Capital Available	9,651	10,290	10,064	9,666	9,320	9,392	9,136	8,930	9,358	10,064	9,136	11,164
Capital Required												
Asset Default and Market Risks	2,417	2,596	2,532	2,377	2,292	2,266	2,267	1,986	2,057	2,532	2,267	2,633
Insurance Risks	1,322	1,304	1,198	1,140	1,179	1,191	1,174	1,072	999	1,198	1,174	962
Interest Rate Risks	871	909	812	776	755	761	783	723	720	812	783	1,095
Phase-in of Changes related to FIAC	(165)	(192)	-	-	-	-	-	-	-	-	-	-
Total Capital Required	4,445	4,617	4,542	4,293	4,226	4,218	4,224	3,781	3,776	4,542	4,224	4,690
MCCSR Ratio	217%	223%	222%	225%	221%	223%	216%	236%	248%	222%	216%	238%

RBC Ratio - Sun Life Assurance Company of Canada (U.S.)

Capital Available	1,679	1,757	1,789
Capital Required	496	431	443
RBC Ratio ⁽¹⁾	339%	407%	404%

⁽¹⁾ RBC ratio is calculated on an annual basis for U.S. regulatory purposes.

ADDITIONAL INFORMATION

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006						2005			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2006	2005	2004
GOODWILL AND INTANGIBLES												
Goodwill												
Subsidiaries												
Keypoint/IFMG	1,327	1,436	1,451	1,393	1,391	1,454	1,452	1,445	1,532	1,451	1,452	1,495
Clarica	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721
CMG Asia	465	503	511	472	473	495	495	-	-	511	495	-
Genworth	438	-	-	-	-	-	-	-	-	-	-	-
Other ⁽¹⁾	299	304	298	288	284	298	294	293	303	298	294	255
Total	6,250	5,964	5,981	5,874	5,869	5,968	5,962	5,459	5,556	5,981	5,962	5,471
Equity Holdings ⁽²⁾	390	346	346	311	311	311	311	311	391	346	311	395
Intangible Assets												
Indefinite Life Intangible Assets	957	911	907	885	882	890	890	941	947	907	890	916
Finite Life Intangible Assets	563	570	629	634	641	650	655	561	568	629	655	579
Total	1,520	1,481	1,536	1,519	1,523	1,540	1,545	1,502	1,515	1,536	1,545	1,495
Intangible Asset Amortization ⁽³⁾	4	59	6	7	5	7	6	5	6	25	22	22
DEFERRED ACQUISITION COSTS												
MFS	124	141	148	156	183	216	239	265	309	148	239	350
Other	37	39	37	35	34	34	32	22	21	37	32	12
Total	161	180	185	191	217	250	271	287	330	185	271	362
EXCHANGE RATES ⁽⁴⁾												
Period End Rates												
U.S. Dollar	1.065	1.153	1.165	1.118	1.117	1.167	1.166	1.161	1.230	1.165	1.166	1.200
U.K. Pound	2.140	2.269	2.282	2.093	2.063	2.034	2.003	2.053	2.220	2.282	2.003	2.320
Average for the Period												
U.S. Dollar	1.099	1.171	1.138	1.121	1.123	1.154	1.174	1.206	1.245	1.134	1.213	1.302
U.K. Pound	2.182	2.289	2.180	2.101	2.049	2.021	2.055	2.155	2.314	2.086	2.208	2.384

⁽¹⁾ Other includes McLean Budden, MFS and other subsidiaries.

⁽²⁾ Equity holdings include CI Financial and Birla Sun Life. Prior to Q3 2005 Cuprum was also included.

⁽³⁾ Q1 2007 includes a \$52 million before tax charge related to the intangible asset write-down for the retirement of the Clarica brand.

⁽⁴⁾ Period-end rates are used for conversion of balance sheet amounts and average exchange rates for the period are used for conversion of statement of operations amounts.

Rates shown above are the Canadian dollar price per unit of U.S. Dollar and U.K. Pound and are based upon closing bid rates published by Reuters.

ADDITIONAL INFORMATION ⁽¹⁾

	At and For the Quarter Ended									At and For the Year Ended		
	2007		2006			2005				2006	2005	2004
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
REALIZED GAINS (LOSSES)												
Deferred Net Realized Gains	275	247	4,152	3,762	3,826	3,947	3,859	3,658	3,650	4,152	3,859	3,466
Portion Supporting Equity & Other	69	39	607	634	651	702	699	707	716	607	699	700
Realized Gains on Portion Supporting Equity & Other	29	31										
UNREALIZED GAINS (LOSSES)												
Portion Supporting Equity & Other ⁽²⁾	111	381	443	na	na	na	na	na	na	na	na	na
Included in Other Comprehensive Income												
AMORTIZATION OF REALIZED AND UNREALIZED GAINS (PRE-TAX)												
Amortization of Deferred Net Realized Gains ⁽³⁾												
Real Estate	9	8	8	7	7	6	7	6	6	28	25	23
Portion Supporting Equity & Other	2	2	2	1	1	1	1	1	1	5	3	2
Other	-	-	139	133	140	137	136	133	137	549	530	519
Portion Supporting Equity & Other	-	-	24	24	26	28	29	29	30	102	119	120
Amortization of Unrealized Gains (Losses) ⁽³⁾												
Real Estate	20	19	25	33	23	13	18	7	17	94	48	14
Portion Supporting Equity & Other	6	3	4	5	5	4	2	2	2	18	8	5
Other	-	-	25	21	13	21	11	16	(7)	80	18	(58)
Portion Supporting Equity & Other	-	-	10	6	4	5	5	5	4	25	18	4
CHANGES IN PROVISION FOR LOSSES												
<u>Provision for Losses on Invested Assets</u>												
By Account												
Shareholders	(1)	(2)	4	3	(8)	(6)	6	(5)	(21)	(7)	(38)	11
Policyholders	-	-	-	1	(3)	(1)	(1)	2	(8)	(3)	(9)	10
Total	<u>(1)</u>	<u>(2)</u>	<u>4</u>	<u>4</u>	<u>(11)</u>	<u>(7)</u>	<u>5</u>	<u>(3)</u>	<u>(29)</u>	<u>(10)</u>	<u>(47)</u>	<u>21</u>
Asset Allowances												
Included in Actuarial Liabilities	2,849	2,904	2,578	2,441	2,422	2,407	2,413	2,166	2,181	2,578	2,413	2,167

⁽¹⁾ Results prior to Q1 2007 have not been restated with respect to the new accounting standards for financial instruments adopted January 1, 2007.

⁽²⁾ Includes unrealized gains, net of any losses, in respect of financial instruments supporting capital, includes bonds, common stocks and certain other invested assets. Excludes unrealized gains, net of any losses, on certain limited partnerships accounted for at cost.

⁽³⁾ The amounts are included in net investment income and exclude unrealized gains on derivatives.

GENERAL INFORMATION

SLF Canada	SLF U.S.	MFS	SLF Asia	Corporate
<p>SLF Canada is a market leader with a customer base exceeding 6 million people. SLF Canada offers a full range of protection and wealth management products and services to individuals and corporate clients through its three operating units – Individual Insurance & Investments (which includes the Company's 36.5% interest in CI Financial), Group Benefits and Group Wealth (which includes the Company's 56% interest in McLean Budden Limited).</p>	<p>SLF U.S. concentrates on three core business in the U.S. marketplace.</p>	<p>MFS is a significant U.S.-based asset management company, offering investment products and services to both retail and institutional investors. MFS offers mutual funds and manages variable annuities, retirement plans and other institutional separate accounts. It also provides distribution and transfer agent services for mutual funds and retirement plans.</p>	<p>SLF Asia provides individual insurance in the Philippines, Hong Kong, India, China and Indonesia; group insurance in the Philippines, Hong Kong, China and India, and savings, retirement and pension products in India, the Philippines and Hong Kong.</p>	<p>Corporate includes SLF U.K., SLF Reinsurance and run-off Reinsurance, as well as investment income, expenses, capital and other items not allocated to the Company's operating units. SLF U.K. manages a large block of in-force annuity and insurance policies. SLF U.K. no longer offers annuity or insurance products to new customers. The Reinsurance business unit is a leading North American life retrocessionaire</p>
<p><u>Individual Insurance and Investments</u> Individual life and health insurance Individual savings products Mutual Funds (CI Financial)</p> <p><u>Group Benefits</u> Group life and health insurance</p> <p><u>Group Wealth</u> Group pensions and investment products Investment management services (McLean Budden)</p>	<p><u>Annuities</u> Individual retirement products and services: <ul style="list-style-type: none"> ▪ Variable annuities ▪ Fixed annuities ▪ Fixed indexed annuities ▪ PPVA Investment products 401(k)</p> <p><u>Individual Life</u> Individual life insurance: <ul style="list-style-type: none"> ▪ Fixed and variable universal life ▪ COLI ▪ BOLI ▪ PPVUL </p> <p><u>Employee Benefits Group</u> <ul style="list-style-type: none"> ▪ Group Life and Health Insurance </p>	<p><u>Mutual Funds</u> <u>Investment Management Services</u> Institutional accounts 401(k) Variable annuities</p>	<p><u>Philippines</u> <ul style="list-style-type: none"> ▪ Individual Life ▪ Group Life ▪ Mutual Funds ▪ Pre-Need <u>Hong Kong</u> <ul style="list-style-type: none"> ▪ Individual Life ▪ Group Pensions <u>India</u> <ul style="list-style-type: none"> ▪ Individual Life ▪ Asset Management ▪ Mutual Funds ▪ Group Pensions <u>China</u> <ul style="list-style-type: none"> ▪ Individual Life ▪ Group Life <u>Indonesia</u> <ul style="list-style-type: none"> ▪ Individual Life </p>	<p><u>SLF U.K.</u> Individual annuities and pensions (in-force block only) Individual Life (in-force block only)</p> <p><u>SLF Reinsurance</u> Life retrocession</p> <p><u>Other</u> Run-off reinsurance (closed block of business)</p>