

Q3

Contact:

Investor Relations

Tel: (416) 204-1863

Fax: (416) 979-4080

Email: investor.relations@sunlife.com

Third Quarter 2009

Supplementary Financial Information
For the period ended September 30, 2009
Sun Life Financial Inc. (unaudited)



**SUPPLEMENTARY FINANCIAL INFORMATION
TABLE OF CONTENTS**

	<u>Page</u>		<u>Page</u>
Financial Highlights	1 - 2	Investments	
		Bonds, Mortgages & Corporate Loans	19
Consolidated Financial Statements		Stocks, Real Estate & Other Information	20
Statement of Operations	3	Derivatives	21
Sources of Earnings	3	Financial Strength and Capital Adequacy	
Balance Sheet	4	MCCSR Ratio – Sun Life Assurance Co.	22
Statement of Equity	5	Financial Strength and Debt Ratings	23
Segmented Results		Expenses	
SLF Canada	6	Commissions and Other Expenses	24
Individual Insurance & Investments	7	Operating Expenses	24
Group Benefits	8	Interest on Borrowings	24
Group Wealth	9	General Information	25
SLF US	10-11		
Annuities	12		
Individual	13		
Employee Benefits Group	14		
MFS	15		
SLF Asia	16		
Corporate	17		
SLF UK, Corporate Support	18		

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 2008 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. The description of these non-GAAP measures to comparable GAAP measures is shown on page 3.

FINANCIAL HIGHLIGHTS

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Common Shareholders' Net Income (Loss) by Segment ⁽¹⁾												
SLF Canada	219	210	194	(55)	157	296	247	263	257	645	1,050	995
SLF U.S.	(413)	364	(407)	(679)	(533)	83	113	157	170	(1,016)	581	448
MFS	43	32	28	30	49	56	59	73	68	194	281	234
SLF Asia	13	19	17	16	(8)	12	13	38	30	33	123	101
Corporate	(2)	(34)	(45)	817	(61)	72	101	24	52	929	184	311
Total	(140)	591	(213)	129	(396)	519	533	555	577	785	2,219	2,089
Common Shareholders' Net Income (Loss)												
Reported	(140)	591	(213)	129	(396)	519	533	555	577	785	2,219	2,089
Operating ⁽²⁾	(140)	591	(186)	(696)	(396)	519	533	560	583	(40)	2,294	2,091
Basic Earnings Per Common Share (EPS) - Reported	(0.25)	1.06	(0.38)	0.23	(0.71)	0.92	0.95	0.98	1.02	1.40	3.90	3.62
Basic EPS - Operating	(0.25)	1.06	(0.33)	(1.24)	(0.71)	0.92	0.95	0.99	1.03	(0.07)	4.03	3.62
Diluted EPS - Reported	(0.25)	1.05	(0.38)	0.23	(0.71)	0.91	0.93	0.97	1.00	1.37	3.85	3.58
Diluted EPS - Operating	(0.25)	1.05	(0.33)	(1.25)	(0.71)	0.91	0.93	0.98	1.01	(0.10)	3.98	3.58
Return on Shareholders' Equity (annualized) - Reported	(3.5%)	14.9%	(5.5%)	3.3%	(10.2%)	12.9%	13.4%	14.2%	14.7%	5.1%	13.8%	13.8%
Return on Shareholders' Equity (annualized) - Operating	(3.5%)	14.9%	(4.7%)	(17.9%)	(10.2%)	12.9%	13.4%	14.3%	14.8%	(0.3%)	14.3%	13.8%
Premiums & Deposits												
Premiums	3,819	4,192	4,019	3,485	3,611	3,306	3,185	3,149	3,458	13,587	13,124	14,609
Segregated Fund Deposits	2,798	2,842	2,656	2,393	2,670	3,056	2,800	3,229	4,189	10,919	13,320	8,753
Mutual Fund Sales	6,687	5,782	5,082	5,018	4,695	4,639	4,975	4,089	5,130	19,327	21,335	19,266
Managed Fund Sales	9,327	8,160	6,664	4,521	5,484	5,376	5,563	4,912	5,949	20,944	27,613	26,116
ASO Premium & Deposit Equivalents	1,112	1,144	1,072	1,043	1,255	1,745	983	1,197	893	5,026	3,913	3,200
Total Company	23,743	22,120	19,493	16,460	17,715	18,122	17,506	16,576	19,619	69,803	79,305	71,944
Sales												
Life & Health ⁽³⁾	475	466	574	805	475	480	453	646	574	2,213	2,027	1,741
Wealth - MFS	15,652	13,163	9,979	8,913	9,750	9,486	9,896	8,552	10,452	38,045	46,194	41,937
Wealth - Non MFS	4,106	3,721	3,713	2,372	3,477	3,491	2,912	3,543	2,762	12,252	12,261	9,561
Value of New Business - Last Twelve Months ⁽⁴⁾	499				709							

⁽¹⁾ Certain results from the second quarter of 2009 have been restated to reflect the re-allocation of previous recorded credit impairments from the Corporate segment to the Company's business groups. The restatement impacts second quarter 2009 income by business group as follows: SLF Canada (\$7) million, SLF U.S. (\$58) million, SLF Asia (\$1) million, SLF U.K. (\$2) million, and Corporate Support \$68 million.

⁽²⁾ Amount for Q1 2009 excludes a \$27 million after tax charge for restructuring costs. Amount for quarter ended and full year December 31, 2008 excludes \$825 million after tax gain on disposal of the company's 37% interest in CI Financial. Amount for the 2007 excludes the Clarica rebranding costs (\$3 million in Q4 2007, \$5 million in Q3 2007, and \$2 million in Q2 2007), integration costs with respect to the purchase of Genworth's EBG business (\$2 million in Q4 2007, \$1 million in Q3 2007, and \$1 million in Q2 2007), \$43 million intangible asset write-down for the retirement of the Clarica brand in Q1 2007, and a \$18 million charge with respect to the redemption of the Partnership Capital Securities (PCS) in Q1 2007. Amount for 2006 excludes \$2 million integration costs with respect to the purchase of CMG Asia Ltd and Commserve Financial Ltd.

⁽³⁾ Includes 100% of sales in Company's China and India joint ventures.

⁽⁴⁾ All amounts are based on 2008 annual average exchange rates and exclude the impact of CI Financial.

FINANCIAL HIGHLIGHTS (Con't)	At and For the Quarter Ended								At and For the Year Ended			
	2009		2008		2007		2008	2007	2006			
Valuation Data	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Book Value Per Common Share	27.54	28.79	27.60	28.24	26.84	28.56	28.31	27.70	27.25	28.24	27.70	27.71
Market-to-Book Value (times)	1.2	1.1	0.8	1.0	1.4	1.5	1.7	2.0	1.9	1.0	2.0	1.8
Total Market Capitalization (\$ billion)	18.9	17.6	12.8	15.9	20.8	23.5	27.0	31.4	29.6	15.9	31.4	28.2
Financial Strength												
MCCSR Ratio ⁽¹⁾	219%	231%	223%	232%	202%	209%	209%	213%	212%	232%	213%	222%
RBC Ratio ⁽²⁾				357%				358%		357%	358%	339%
Total Debt to Total Capital Ratio	27.6%	26.8%	26.9%	24.7%	25.6%	24.4%	23.2%	22.0%	22.3%	24.7%	22.0%	22.2%
Common Share Information (TSX)												
High	38.50	33.70	29.99	39.00	44.99	50.89	55.99	56.50	52.99	55.99	56.50	51.75
Low	27.81	22.01	14.97	19.38	35.23	41.46	43.23	50.85	47.68	19.38	47.45	41.79
Close	33.55	31.40	22.84	28.44	37.20	41.95	47.99	55.71	52.20	28.44	55.71	49.32
Number of Common Shares Outstanding (in millions)												
At Beginning of Period	560.7	559.7	559.7	559.7	559.9	561.9	564.1	566.4	568.1	564.1	571.8	582.0
Common Shares Issued	1.7	1.0	-	-	0.1	0.1	0.2	0.2	0.5	0.4	2.1	2.2
Common Shares Purchased and Cancelled	-	-	-	-	(0.3)	(2.1)	(2.4)	(2.5)	(2.2)	(4.8)	(9.8)	(12.4)
At End of Period	562.4	560.7	559.7	559.7	559.7	559.9	561.9	564.1	566.4	559.7	564.1	571.8
Weighted average shares outstanding - Basic	560.8	559.8	559.7	559.7	559.7	561.6	563.8	566.2	567.8	561.2	569.0	576.8
Weighted average shares outstanding - Fully Diluted	560.8	560.6	559.7	559.7	559.7	563.4	565.8	568.7	570.3	562.4	571.6	579.8
Dividend Per Common Share	0.360	0.360	0.360	0.360	0.360	0.360	0.360	0.340	0.340	1.440	1.320	1.150
Dividend Payout Ratio	nm	34%	nm	nm	nm	39%	38%	34%	33%	nm	33%	32%
Value of Common Shares Purchased and Cancelled	-	-	-	-	12	95	110	129	113	217	502	575
Assets Under Management												
General Funds	119,507	120,647	121,337	119,833	113,211	113,575	115,249	114,291	113,274	119,833	114,291	117,831
Segregated Funds	72,984	70,772	65,448	65,762	69,042	73,245	72,071	73,205	72,723	65,762	73,205	70,789
MFS & Other Assets Under Management	219,412	206,048	188,243	195,497	206,426	226,376	227,930	237,768	240,664	195,497	237,768	252,812
Total Assets Under Management	411,903	397,467	375,028	381,092	388,679	413,196	415,250	425,264	426,661	381,092	425,264	441,432
Other Assets Under Management												
Mutual Funds	91,366	88,824	81,682	83,602	87,722	96,046	97,491	101,858	103,047	83,602	101,858	110,186
Managed Funds & Other	147,018	133,270	120,295	125,035	132,756	145,630	146,211	152,513	154,646	125,035	152,513	161,197
Consolidation Adjustments	(18,972)	(16,046)	(13,734)	(13,140)	(14,052)	(15,300)	(15,772)	(16,603)	(17,029)	(13,140)	(16,603)	(18,571)
Total	219,412	206,048	188,243	195,497	206,426	226,376	227,930	237,768	240,664	195,497	237,768	252,812

⁽¹⁾ Represents the minimum continuing capital and surplus requirements ratio for Sun Life Financial's principal operating subsidiary, Sun Life Assurance Company of Canada.

⁽²⁾ RBC ratio is calculated on an annual basis for U.S. regulatory purposes and is for Sun Life Assurance Company of Canada (U.S.).

SUN LIFE FINANCIAL (C\$ millions)

	For the Quarter Ended									For the Year Ended		
	2009			2008			2007			2008	2007	2006
STATEMENT OF OPERATIONS	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	3,819	4,192	4,019	3,485	3,611	3,306	3,185	3,149	3,458	13,587	13,124	14,609
Net Investment Income	4,343	3,900	407	591	(1,744)	390	(4)	1,496	1,443	(767)	4,852	6,664
Fee Income	669	628	602	630	693	715	705	760	798	2,743	3,212	3,014
Total Revenue	8,831	8,720	5,028	4,706	2,560	4,411	3,886	5,405	5,699	15,563	21,188	24,287
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	7,833	6,522	4,339	3,589	1,834	2,604	1,858	3,315	3,521	9,885	12,681	16,255
Commissions and Other Expenses	1,345	1,355	1,326	1,374	1,237	1,253	1,277	1,397	1,422	5,141	5,660	5,472
Total Policy Benefits and Expenses	9,178	7,877	5,665	4,963	3,071	3,857	3,135	4,712	4,943	15,026	18,341	21,727
Income before Income Taxes and Non-controlling Interests	(347)	843	(637)	(257)	(511)	554	751	693	756	537	2,847	2,560
Income tax expense (benefit)	(238)	228	(445)	(406)	(138)	11	190	116	149	(343)	522	389
Non-controlling interests	4	3	3	3	6	5	9	9	10	23	35	27
Participating Policyholders' Net Income (Loss)	4	4	-	-	(1)	2	1	(4)	2	2	2	7
Preferred shareholder dividends	23	17	18	17	18	17	18	17	18	70	69	48
Common Shareholders' Net Income (Loss)	(140)	591	(213)	129	(396)	519	533	555	577	785	2,219	2,089
Less: Special Items ⁽¹⁾	-	-	(27)	825	-	-	-	(5)	(6)	825	(75)	(2)
Common Shareholders' Operating Income (Loss)	(140)	591	(186)	(696)	(396)	519	533	560	583	(40)	2,294	2,091
Effective Tax Rate - Total	nm	27.1%	nm	nm	(26.7%)	1.8%	25.3%	17.3%	19.6%	nm	18.6%	15.2%
SOURCES OF EARNINGS												
Expected Profit on In-Force Business	543	536	426	403	470	488	467	475	479	1,828	1,863	1,657
Impact of New Business	(90)	(76)	(99)	(85)	(87)	(70)	(79)	(8)	(51)	(321)	(258)	(313)
Experience Gains (Losses)	(183)	673	(904)	(1,283)	(793)	(159)	(36)	(36)	95	(2,271)	233	311
Management Actions and Changes in Assumptions ⁽²⁾	(726)	(362)	(88)	(399)	(177)	114	174	111	14	(288)	215	189
Earnings (Loss) on Operations (Pre-tax)	(456)	771	(665)	(1,364)	(587)	373	526	542	537	(1,052)	2,053	1,844
Earnings on Surplus	109	72	28	68	29	138	167	142	167	402	630	626
Earnings (Loss) Before Income Taxes	(347)	843	(637)	(1,296)	(558)	511	693	684	704	(650)	2,683	2,470
Income Taxes	238	(228)	445	603	154	6	(175)	(151)	(131)	588	(504)	(426)
Earnings (Loss) Before Non-Controlling Interests and Participating Policyholders' Net Income	(109)	615	(192)	(693)	(404)	517	518	533	573	(62)	2,179	2,044
Less: Non-Controlling Interest, Participating Policyholders' Net Income (Loss) and Preferred Share Dividends	31	24	21	20	23	24	28	22	30	95	106	82
CI related income	-	-	-	842	31	26	43	44	34	942	146	127
Common Shareholders' Net Income (Loss)	(140)	591	(213)	129	(396)	519	533	555	577	785	2,219	2,089
EXCHANGE RATES												
Average for the Period												
U.S. Dollar	1.099	1.168	1.243	1.210	1.040	1.010	1.004	0.980	1.046	1.066	1.074	1.134
U.K. Pound	1.802	1.806	1.787	1.898	1.967	1.992	1.986	2.003	2.114	1.961	2.150	2.086

⁽¹⁾ Please see page 1 for list of special items.⁽²⁾ Includes Par adjustment of \$45 million in Q4 2007 and \$58 million in 2006 due to Canadian Tax changes.

CONSOLIDATED BALANCE SHEET (C\$ millions)

	At the Quarter Ended									At the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Assets												
Bonds - held-for-trading ⁽¹⁾	49,965	49,876	48,963	48,458	47,116	48,689	50,348	50,608	51,016	48,458	50,608	-
Bonds - available-for-sale	10,164	10,512	10,205	10,616	9,523	9,905	9,949	9,148	8,308	10,616	9,148	69,230
Mortgages and Corporate Loans	20,059	21,177	22,311	22,302	21,366	21,106	21,181	20,742	20,212	22,302	20,742	15,993
Stocks - held-for-trading ⁽¹⁾	4,062	3,771	3,256	3,440	3,876	4,518	4,262	4,438	4,533	3,440	4,438	-
Stocks - available-for-sale	648	841	913	1,018	629	719	729	788	765	1,018	788	4,899
Real Estate	4,826	4,941	5,027	4,908	4,638	4,490	4,412	4,303	4,009	4,908	4,303	3,825
Cash, cash equivalents and short-terms	11,831	11,200	10,427	8,879	6,614	5,382	5,273	5,500	4,905	8,879	5,500	6,239
Derivative assets	1,535	1,306	2,077	2,669	1,468	1,715	1,825	1,947	2,083	2,669	1,947	-
Policy loans and other invested assets	3,486	3,594	3,686	3,585	4,505	4,418	4,421	4,349	4,298	3,585	4,349	6,013
Other invested assets - held-for-trading	365	380	400	380	351	464	451	440	381	380	440	-
Other invested assets - available-for-sale	493	524	538	623	660	738	711	757	744	623	757	-
Invested Assets	107,434	108,122	107,803	106,878	100,746	102,144	103,562	103,020	101,254	106,878	103,020	106,199
Goodwill	6,281	6,496	6,724	6,598	6,235	6,121	6,098	6,018	6,084	6,598	6,018	5,981
Intangible Assets	937	968	1,001	878	827	812	797	775	712	878	775	777
Other Assets	4,855	5,061	5,809	5,479	5,403	4,498	4,792	4,478	5,224	5,479	4,478	4,874
Total General Fund Assets	119,507	120,647	121,337	119,833	113,211	113,575	115,249	114,291	113,274	119,833	114,291	117,831
Segregated Fund Assets	72,984	70,772	65,448	65,762	69,042	73,245	72,071	73,205	72,723	65,762	73,205	70,789
Liabilities and Equity												
Actuarial and other policy liabilities	84,139	83,601	83,376	81,411	77,556	78,208	79,428	79,830	80,102	81,411	79,830	81,036
Amounts on deposit	4,125	4,114	4,111	4,079	3,758	3,702	3,749	3,747	3,604	4,079	3,747	3,599
Deferred net realized gains	232	253	248	251	258	272	272	276	264	251	276	4,152
Senior debentures	3,312	3,312	3,013	3,013	3,013	3,014	3,014	3,014	3,014	3,013	3,014	3,491
Derivative liabilities	1,432	1,898	3,253	3,219	964	739	1,141	638	409	3,219	638	-
Other liabilities ⁽²⁾	5,843	6,382	7,178	7,831	8,448	7,471	7,899	7,675	6,949	7,831	7,675	6,834
Total general fund liabilities	99,083	99,560	101,179	99,804	93,997	93,406	95,503	95,180	94,342	99,804	95,180	99,112
Subordinated debt ⁽³⁾	3,050	3,064	3,079	2,576	2,553	2,546	2,199	1,796	1,823	2,576	1,796	1,456
Non-controlling interest in subsidiaries	36	33	27	44	42	41	46	98	81	44	98	79
Total equity	17,338	17,990	17,052	17,409	16,619	17,582	17,501	17,217	17,028	17,409	17,217	17,184
Total general fund liabilities and equity	119,507	120,647	121,337	119,833	113,211	113,575	115,249	114,291	113,274	119,833	114,291	117,831
EXCHANGE RATES												
Period End Rates												
U.S. Dollar	1.069	1.163	1.261	1.217	1.063	1.021	1.026	0.996	0.991	1.217	0.996	1.165
U.K. Pound	1.711	1.914	1.806	1.779	1.896	2.034	2.034	1.978	2.029	1.779	1.978	2.282

⁽¹⁾ Prior to 2007, there was no distinction of assets between Held for Trading and Available for Sale. 2006 data has not been restated to conform with CICA section 3855, Financial Instruments - Recognition and Measurement.

⁽²⁾ Includes liabilities for PCS and SLEECs, which are qualified as capital for Canadian regulatory purposes. The PCS were redeemed in May, 2007.

⁽³⁾ These securities are qualified as capital for Canadian regulatory purposes.

CHANGES IN COMMON SHAREHOLDERS' EQUITY (C\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Balance at Beginning of Period	16,142	15,450	15,808	15,024	15,988	15,909	15,627	15,434	15,779	15,627	15,842	14,749
Common Shareholders' Net Income (Loss)	(140)	591	(213)	129	(396)	519	533	555	577	785	2,219	2,089
Adjustment to Equity with respect to Investment Accounting Changes	-	-	-	-	-	-	-	-	-	-	545	-
Dividends - Common Shares	(191)	(202)	(201)	(202)	(202)	(202)	(203)	(193)	(193)	(809)	(752)	(663)
Common Share Issued, Net of Expenses	50	29	-	-	3	3	2	6	12	8	55	61
Common Share Buyback	-	-	-	-	(8)	(99)	(110)	(129)	(113)	(217)	(502)	(575)
Stock Based Compensation	13	(2)	2	10	9	1	38	1	(9)	58	1	18
Effect of Changes in Exchange Rates	-	-	-	-	-	-	-	-	-	-	-	163
Other Comprehensive Income												
Effect of Exchange Rates	(988)	(806)	354	1,227	289	(19)	266	(15)	(651)	1,763	(1,491)	-
Other OCI Movements	604	1,082	(300)	(380)	(659)	(124)	(244)	(32)	32	(1,407)	(290)	-
Balance at End of Period	15,490	16,142	15,450	15,808	15,024	15,988	15,909	15,627	15,434	15,808	15,627	15,842

CAPITAL (C\$ millions)

Subordinated Debt	3,050	3,064	3,079	2,576	2,553	2,546	2,199	1,796	1,823	2,576	1,796	1,456
SLEECs and PCS	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,849
Total Equity												
Participating Policyholders' Account	107	107	107	106	100	99	97	95	99	106	95	92
Preferred Shareholders' Equity	1,741	1,741	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,495	1,250
Common Shareholders' Equity	15,490	16,142	15,450	15,808	15,024	15,988	15,909	15,627	15,434	15,808	15,627	15,842
Total Capital	21,538	22,204	21,281	21,135	20,322	21,278	20,850	20,163	20,001	21,135	20,163	20,489

SLF CANADA (C\$ millions)

STATEMENT OF OPERATIONS	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	1,693	1,841	1,743	1,545	1,589	1,608	1,531	1,500	1,538	6,273	6,004	5,721
Net Investment Income	1,516	1,476	360	347	(480)	488	611	934	792	966	2,586	2,993
Fee Income	179	162	146	160	170	180	178	176	170	688	695	619
Total Revenue	3,388	3,479	2,249	2,052	1,279	2,276	2,320	2,610	2,500	7,927	9,285	9,333
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	2,705	2,754	1,748	1,536	489	1,481	1,480	1,869	1,707	4,986	6,149	6,277
Commissions and Other Expenses	441	444	427	474	448	462	462	485	461	1,846	1,868	1,774
Total Policy Benefits and Expenses	3,146	3,198	2,175	2,010	937	1,943	1,942	2,354	2,168	6,832	8,017	8,051
Income before Income Taxes and Non-controlling Interests	242	281	74	42	342	333	378	256	332	1,095	1,268	1,282
Income tax expense (benefit)	19	67	(122)	95	182	31	127	(5)	68	435	200	262
Non-controlling interests	2	3	2	2	3	4	4	5	5	13	19	19
Participating Policyholders' Net Income	2	1	-	-	-	2	-	(7)	2	2	(1)	6
Preferred shareholder dividends	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Net Income (Loss)	219	210	194	(55)	157	296	247	263	257	645	1,050	995
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	(3)	(5)	-	(10)	-
Common Shareholders' Operating Income (Loss)	219	210	194	(55)	157	296	247	266	262	645	1,060	995
PREMIUMS & DEPOSITS												
Premiums	1,693	1,841	1,743	1,545	1,589	1,608	1,531	1,500	1,538	6,273	6,004	5,721
Segregated Fund Deposits	1,692	1,965	1,902	1,716	1,941	1,724	1,863	2,084	1,436	7,244	6,758	5,122
Managed Fund Sales	198	623	1,538	450	274	387	487	268	423	1,598	1,873	2,724
ASO Premium & Deposit Equivalents	1,112	1,144	1,072	1,043	1,255	1,745	983	1,197	893	5,026	3,913	3,200
Total	4,695	5,573	6,255	4,754	5,059	5,464	4,864	5,049	4,290	20,141	18,548	16,767
SALES												
Individual Insurance ⁽²⁾	38	42	30	47	38	44	31	49	38	160	163	150
Individual Wealth	840	973	1,218	1,041	975	1,075	1,110	895	889	4,201	3,874	3,281
Group Benefits	70	69	144	87	55	41	73	53	64	256	275	367
Group Retirement Services	1,413	983	1,059	416	1,214	1,476	802	1,571	532	3,908	3,324	2,070
ASSETS UNDER MANAGEMENT												
General Funds	55,514	54,000	53,959	53,935	54,920	55,635	56,284	55,497	55,120	53,935	55,497	52,702
Segregated Funds	39,821	36,549	32,338	32,333	35,123	37,767	36,480	36,686	36,224	32,333	36,686	33,806
Other AUM	28,345	27,378	25,998	26,058	29,847	34,547	34,346	35,678	36,542	26,058	35,678	37,595
Total	123,680	117,927	112,295	112,326	119,890	127,949	127,110	127,861	127,886	112,326	127,861	124,103

⁽¹⁾ The amounts for Q4 2007, Q3 2007 and Q2 2007 reflect Clarica rebranding costs.

⁽²⁾ Individual insurance sales have been determined based on guidelines provided by LIMRA International effective Q2 2009, and include 100% of recurring premiums and 10% of excess premiums. Prior period amounts have been restated in accordance with the new definition.

SLF CANADA - INDIVIDUAL INSURANCE & INVESTMENTS

(C\$ millions)

STATEMENT OF OPERATIONS

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	675	729	765	638	619	594	580	648	612	2,431	2,480	2,428
Net Investment Income	1,122	948	153	225	(493)	418	358	659	553	508	1,882	2,085
Fee Income	53	42	31	48	45	52	49	48	45	194	192	162
Total Revenue	1,850	1,719	949	911	171	1,064	987	1,355	1,210	3,133	4,554	4,675
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	1,484	1,316	830	729	(205)	649	502	988	781	1,675	2,892	3,065
Commissions and Other Expenses	227	232	223	262	239	245	242	264	250	988	1,006	944
Total Policy Benefits and Expenses	1,711	1,548	1,053	991	34	894	744	1,252	1,031	2,663	3,898	4,009
Income before Income Taxes and Non-controlling Interests	139	171	(104)	(80)	137	170	243	103	179	470	656	666
Income tax expense (benefit)	3	39	(181)	50	109	(9)	94	(37)	25	245	35	75
Non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	-	-
Participating Policyholders' Net Income	2	1	-	-	-	2	-	(7)	2	2	(1)	6
Common Shareholders' Net Income (Loss)	134	131	77	(130)	28	177	149	147	152	224	622	585
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	(3)	(5)	-	(10)	-
Common Shareholders' Operating Income (Loss)	134	131	77	(130)	28	177	149	150	157	224	632	585
PREMIUMS & DEPOSITS												
Premiums	675	729	765	638	619	594	580	648	612	2,431	2,480	2,428
Segregated Fund Deposits	442	541	684	671	599	657	587	427	446	2,514	1,752	1,326
Total	1,117	1,270	1,449	1,309	1,218	1,251	1,167	1,075	1,058	4,945	4,232	3,754
SALES												
Individual Insurance - SLF Advisors	32	35	25	40	32	37	24	41	29	133	133	128
Individual Insurance - Wholesale ⁽²⁾	6	7	5	7	6	7	7	8	9	27	30	22
Total Insurance Sales	38	42	30	47	38	44	31	49	38	160	163	150
Individual Wealth - Segregated Funds & Other	638	788	989	832	739	770	721	591	601	3,062	2,440	2,028
Individual Wealth - Mutual Funds	202	185	229	209	236	305	389	304	288	1,139	1,434	1,253
Total Wealth Sales	840	973	1,218	1,041	975	1,075	1,110	895	889	4,201	3,874	3,281
ASSETS UNDER MANAGEMENT												
General Funds	37,163	35,967	35,960	35,967	37,026	37,670	38,112	37,658	37,514	35,967	37,658	35,566
Segregated Funds	10,503	9,533	8,260	7,944	8,544	9,072	8,468	8,355	8,311	7,944	8,355	7,514
Other AUM	103	115	129	136	155	159	170	187	195	136	187	250
Total	47,769	45,615	44,349	44,047	45,725	46,901	46,750	46,200	46,020	44,047	46,200	43,330

⁽¹⁾ Please see page 6 for list of special items.

⁽²⁾ Individual insurance sales have been determined based on guidelines provided by LIMRA International effective Q2 2009, and include 100% of recurring premiums and 10% of excess premiums. Prior period amounts have been restated in accordance with the new definition.

SLF CANADA - GROUP BENEFITS (C\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Premiums	824	795	805	801	795	781	773	743	754	3,150	2,963	2,826
Net Investment Income	211	269	133	105	28	33	162	173	140	327	419	515
Fee Income	41	43	42	40	37	39	38	36	35	155	143	131
Total Revenue	1,076	1,107	980	946	860	853	973	952	929	3,632	3,525	3,472
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	863	868	752	683	600	592	757	691	698	2,632	2,559	2,546
Commissions and Other Expenses	153	152	142	151	146	150	153	153	149	600	602	577
Total Policy Benefits and Expenses	1,016	1,020	894	834	746	742	910	844	847	3,232	3,161	3,123
Income before Income Taxes and Non-controlling Interests	60	87	86	112	114	111	63	108	82	400	364	349
Income tax expense (benefit)	16	35	21	38	33	31	14	32	23	116	109	102
Common Shareholders' Net Income (Loss)	44	52	65	74	81	80	49	76	59	284	255	247
Less: Special Items	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Operating Income (Loss)	44	52	65	74	81	80	49	76	59	284	255	247
PREMIUMS & DEPOSITS												
Premiums	824	795	805	801	795	781	773	743	754	3,150	2,963	2,826
ASO Premium Equivalents	899	879	856	822	807	796	787	778	760	3,212	3,000	2,718
Total	1,723	1,674	1,661	1,623	1,602	1,577	1,560	1,521	1,514	6,362	5,963	5,544
SALES	70	69	144	87	55	41	73	53	64	256	275	367
ASSETS UNDER MANAGEMENT												
General Funds	10,458	10,301	10,372	10,273	10,301	10,381	10,481	10,414	10,217	10,273	10,414	9,944
SUPPLEMENTAL INFORMATION												
Business In-Force	6,913	6,809	6,705	6,520	6,451	6,390	6,291	6,145	6,040	6,520	6,145	5,735

SLF CANADA - GROUP WEALTH (C\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
STATEMENT OF OPERATIONS	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	194	317	173	106	175	233	178	109	172	692	561	467
Net Investment Income	183	259	74	17	(15)	37	91	102	99	131	285	393
Fee Income	85	77	73	72	88	89	91	92	90	339	360	326
Total Revenue	462	653	320	195	248	359	360	303	361	1,162	1,206	1,186
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	358	570	166	124	94	240	221	190	229	679	698	666
Commissions and Other Expenses	61	60	62	61	63	67	67	68	61	258	260	253
Total Policy Benefits and Expenses	419	630	228	185	157	307	288	258	290	937	958	919
Income before Income Taxes and Non-controlling Interests	43	23	92	10	91	52	72	45	71	225	248	267
Income tax expense (benefit)	-	(7)	38	7	40	9	19	-	20	74	56	85
Non-controlling interests	2	3	2	2	3	4	4	5	5	14	19	19
Common Shareholders' Net Income (Loss)	41	27	52	1	48	39	49	40	46	137	173	163
Less: Special Items	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Operating Income (Loss)	41	27	52	1	48	39	49	40	46	137	173	163
PREMIUMS & DEPOSITS												
Premiums	194	317	173	106	175	233	178	109	172	692	561	467
Segregated Fund Deposits	1,250	1,424	1,218	1,045	1,343	1,067	1,276	1,657	990	4,731	5,006	3,796
Managed Fund Sales	198	623	1,538	450	274	387	487	268	423	1,598	1,873	2,724
ASO Deposit Equivalents	213	265	216	221	448	949	196	419	133	1,814	913	482
Total	1,855	2,629	3,145	1,822	2,240	2,636	2,137	2,453	1,718	8,835	8,353	7,469
SALES												
Group Retirement Sales	1,170	790	899	221	1,040	1,290	621	1,378	340	3,172	2,599	1,525
Group Retirement Retained Assets (Rollovers)	243	193	160	195	174	186	181	193	192	736	725	545
	1,413	983	1,059	416	1,214	1,476	802	1,571	532	3,908	3,324	2,070
ASSETS UNDER MANAGEMENT												
General Funds	7,893	7,732	7,627	7,695	7,593	7,584	7,691	7,425	7,389	7,695	7,425	7,192
Segregated Fund Deposits	29,318	27,016	24,078	24,389	26,579	28,695	28,012	28,331	27,913	24,389	28,331	26,292
Other	28,242	27,263	25,869	25,922	29,692	34,388	34,176	35,491	36,347	25,922	35,491	37,345
Total Assets Under Management	65,453	62,011	57,574	58,006	63,864	70,667	69,879	71,247	71,649	58,006	71,247	70,829
ASSETS UNDER ADMINISTRATION	71,077	67,200	61,964	62,405	69,003	75,754	74,220	75,780	75,994	62,405	75,780	74,983

SLF U.S. (CAD\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Premiums	1,693	1,934	1,867	1,507	1,621	1,324	1,285	1,251	1,546	5,737	5,528	7,261
Net Investment Income	1,807	1,826	354	(1,053)	(1,220)	165	(364)	221	314	(2,472)	1,560	2,512
Fee Income	143	133	139	133	145	135	139	165	192	552	742	692
Total Revenue	3,643	3,893	2,360	587	546	1,624	1,060	1,637	2,052	3,817	7,830	10,465
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	3,861	2,877	2,565	1,244	830	1,148	475	901	1,294	3,697	5,057	8,054
Commissions and Other Expenses	507	513	482	479	446	416	443	481	558	1,784	2,047	1,941
Total Policy Benefits and Expenses	4,368	3,390	3,047	1,723	1,276	1,564	918	1,382	1,852	5,481	7,104	9,995
Income before Income Taxes and Non-controlling Interests	(725)	503	(687)	(1,136)	(730)	60	142	255	200	(1,664)	726	470
Income tax expense (benefit)	(314)	136	(280)	(457)	(196)	(23)	28	95	30	(648)	142	21
Participating Policyholders' Net Income	2	3	-	-	(1)	-	1	3	-	-	3	1
Common Shareholders' Net Income (Loss)	(413)	364	(407)	(679)	(533)	83	113	157	170	(1,016)	581	448
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	(2)	(1)	-	(4)	-
Common Shareholders' Operating Income (Loss)	(413)	364	(407)	(679)	(533)	83	113	159	171	(1,016)	585	448
PREMIUMS & DEPOSITS												
Premiums	1,693	1,934	1,867	1,507	1,621	1,314	1,285	1,251	1,546	5,727	5,528	7,261
Segregated Fund Deposits	931	690	570	515	553	1,111	722	860	2,514	2,901	5,655	3,078
Total	2,624	2,624	2,437	2,022	2,174	2,425	2,007	2,111	4,060	8,628	11,183	10,339
SALES												
Individual Insurance	72	70	41	93	103	102	34	48	228	332	476	449
Annuities	1,853	1,765	1,436	915	1,288	940	1,000	1,077	1,341	4,143	5,063	4,210
Employee Benefits Group	98	147	78	391	90	127	56	294	73	664	517	438
ASSETS UNDER MANAGEMENT												
General Funds	44,143	46,410	47,541	45,746	40,638	38,854	39,785	39,633	38,716	45,746	39,633	44,172
Segregated Funds	26,358	27,657	27,382	27,443	26,864	27,504	27,348	27,741	27,657	27,443	27,741	27,522
Other AUM	1,034	1,186	1,328	1,354	1,280	1,329	1,366	1,426	1,462	1,354	1,426	1,825
Total	71,535	75,253	76,251	74,543	68,782	67,687	68,499	68,800	67,835	74,543	68,800	73,519

⁽¹⁾ The amounts reflect integration costs with respect to the purchase of Genworth EBG business.

SLF U.S. (US\$ millions)

STATEMENT OF OPERATIONS	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	1,537	1,658	1,501	1,245	1,559	1,311	1,280	1,277	1,478	5,395	5,163	6,422
Net Investment Income	1,642	1,570	289	(917)	(1,162)	163	(363)	225	300	(2,279)	1,422	2,215
Fee Income	130	113	112	110	139	134	139	168	184	522	691	611
Total Revenue	3,309	3,341	1,902	438	536	1,608	1,056	1,670	1,962	3,638	7,276	9,248
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	3,524	2,490	2,069	996	798	1,137	473	914	1,237	3,404	4,664	7,120
Commissions and Other Expenses	462	441	387	396	429	412	441	491	534	1,678	1,914	1,713
Total Policy Benefits and Expenses	3,986	2,931	2,456	1,392	1,227	1,549	914	1,405	1,771	5,082	6,578	8,833
Income before Income Taxes and Non-controlling Interests	(677)	410	(554)	(954)	(691)	59	142	265	191	(1,444)	698	415
Income tax expense (benefit)	(293)	121	(221)	(378)	(188)	(23)	28	97	29	(561)	142	19
Participating Policyholders' Net Income	2	2	-	-	(1)	-	1	3	-	-	3	1
Common Shareholders' Net Income (Loss)	(386)	287	(333)	(576)	(502)	82	113	165	162	(883)	553	395
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	(2)	(1)	-	(4)	-
Common Shareholders' Operating Income (Loss)	(386)	287	(333)	(576)	(502)	82	113	167	163	(883)	557	395
PREMIUMS & DEPOSITS												
Premiums	1,537	1,658	1,501	1,245	1,559	1,301	1,280	1,277	1,478	5,385	5,163	6,422
Segregated Fund Deposits	847	591	459	426	532	1,100	719	878	2,403	2,777	5,280	2,718
Total	2,384	2,249	1,960	1,671	2,091	2,401	1,999	2,155	3,881	8,162	10,443	9,140
SALES												
Individual Insurance	64	60	33	76	101	99	34	49	218	310	440	397
Annuities	1,687	1,512	1,155	756	1,238	931	996	1,099	1,282	3,921	4,720	3,711
Employee Benefits Group	90	126	63	323	87	123	55	300	69	588	502	387
ASSETS UNDER MANAGEMENT												
General Funds	41,294	39,923	37,759	37,609	38,229	38,055	38,790	39,793	39,068	37,609	39,793	37,916
Segregated Funds	24,656	23,791	21,719	22,550	25,272	26,938	26,655	27,853	27,908	22,550	27,853	23,624
Other AUM	967	1,018	1,053	1,113	1,204	1,302	1,331	1,432	1,475	1,113	1,432	1,567
Total	66,917	64,732	60,531	61,272	64,705	66,295	66,776	69,078	68,451	61,272	69,078	63,107

⁽¹⁾ The amounts reflect integration costs with respect to the purchase of Genworth EBG business.

SLF U.S. - ANNUITIES (US\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Premiums	657	826	695	409	772	494	478	435	542	2,153	1,982	3,597
Net Investment Income	811	1,021	174	(1,225)	(1,014)	55	(563)	(102)	33	(2,747)	531	1,419
Fee Income	111	97	91	94	112	117	124	148	169	447	636	576
Total Revenue	1,579	1,944	960	(722)	(130)	666	39	481	744	(147)	3,149	5,592
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	1,861	1,524	1,373	219	372	562	(209)	246	396	944	1,945	4,433
Commissions and Other Expenses	172	170	128	94	144	123	148	197	232	509	855	814
Total Policy Benefits and Expenses	2,033	1,694	1,501	313	516	685	(61)	443	628	1,453	2,800	5,247
Income before Income Taxes and Non-controlling Interests	(454)	250	(541)	(1,035)	(646)	(19)	100	38	116	(1,600)	349	345
Income tax expense (benefit)	(268)	63	(217)	(363)	(190)	(41)	25	(19)	17	(569)	33	47
Common Shareholders' Net Income (Loss)	(186)	187	(324)	(672)	(456)	22	75	57	99	(1,031)	316	298
Less: Special Items	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Operating Income (Loss)	(186)	187	(324)	(672)	(456)	22	75	57	99	(1,031)	316	298
PREMIUMS & DEPOSITS												
Premiums	657	826	695	409	762	494	478	435	542	2,153	1,982	3,597
Segregated Fund Deposits	809	568	413	339	390	453	614	702	764	1,796	2,799	1,948
Total	1,466	1,394	1,108	748	1,152	947	1,092	1,137	1,306	3,949	4,781	5,545
GROSS SALES												
U.S. Domestic	1,083	833	581	478	474	510	538	718	771	2,000	2,817	1,711
Other Variable	274	179	108	80	167	174	283	183	159	704	707	804
Fixed	233	416	407	126	523	170	90	100	255	909	732	465
Fixed Indexed	97	84	59	72	74	77	85	98	97	308	464	731
Total	1,687	1,512	1,155	756	1,238	931	996	1,099	1,282	3,921	4,720	3,711
NET SALES												
U.S. Domestic	712	460	149	(26)	(129)	(171)	(152)	(89)	70	(478)	(70)	(1,017)
Other Variable	143	63	(36)	(102)	31	(70)	164	33	(19)	23	112	404
Fixed	79	212	137	(207)	221	(235)	(330)	(361)	(248)	(551)	(1,161)	(1,385)
Fixed Indexed	(54)	(87)	(145)	(138)	(72)	(90)	(88)	(73)	(77)	(388)	(227)	173
Total	880	648	105	(473)	51	(566)	(406)	(490)	(274)	(1,394)	(1,346)	(1,825)
ASSETS UNDER MANAGEMENT												
General Funds	19,770	20,216	19,031	18,715	19,298	19,143	19,872	20,632	21,224	18,715	20,632	23,221
Segregated Funds	17,546	15,163	13,188	14,027	16,682	18,482	18,904	20,205	20,487	14,027	20,205	18,749
Other AUM	967	1,018	1,053	1,113	1,204	1,302	1,331	1,432	1,475	1,113	1,432	1,567
Total	38,283	36,397	33,272	33,855	37,184	38,927	40,107	42,269	43,186	33,855	42,269	43,537
SUPPLEMENTAL INFORMATION												
Net Interest Spread on Fixed Annuities	(2.63%)	(1.90%)	(0.41%)	(0.75%)	(2.24%)	1.49%	1.89%	1.78%	2.11%	0.05%	2.11%	1.82%

SLF U.S. - INDIVIDUAL (US\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Premiums	403	360	320	371	322	347	337	379	475	1,377	1,634	1,820
Net Investment Income	734	462	79	333	(134)	96	189	288	230	484	784	729
Fee Income	17	14	19	13	25	14	13	17	13	65	47	30
Total Revenue	1,154	836	418	717	213	457	539	684	718	1,926	2,465	2,579
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	1,261	581	378	465	151	258	361	333	506	1,235	1,600	1,951
Commissions and Other Expenses	150	141	127	171	154	161	164	162	170	650	624	630
Total Policy Benefits and Expenses	1,411	722	505	636	305	419	525	495	676	1,885	2,224	2,581
Income before Income Taxes and Non-controlling Interests	(257)	114	(87)	81	(92)	38	14	189	42	41	241	(2)
Income tax expense (benefit)	(37)	42	(30)	(14)	(15)	3	(6)	102	1	(32)	71	(53)
Participating Policyholders' Net Income	2	2	-	-	(1)	-	1	3	-	-	3	1
Common Shareholders' Net Income (Loss)	(222)	70	(57)	95	(76)	35	19	84	41	73	167	50
Less: Special Items	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Operating Income (Loss)	(222)	70	(57)	95	(76)	35	19	84	41	73	167	50
PREMIUMS & DEPOSITS												
Premiums	403	360	320	371	322	347	337	379	475	1,377	1,634	1,820
Segregated Fund Deposits	38	23	46	87	142	647	105	176	1,639	981	2,481	770
Total	441	383	366	458	464	994	442	555	2,114	2,358	4,115	2,590
SALES												
Individual Insurance - Core	37	36	22	60	30	27	19	28	37	136	146	258
Individual Insurance - COLI/BOLI/HNW ⁽¹⁾	27	24	11	16	71	72	15	21	181	174	294	139
Total Insurance Sales	64	60	33	76	101	99	34	49	218	310	440	397
ASSETS UNDER MANAGEMENT												
General Funds	18,655	16,904	15,947	16,137	16,201	16,285	16,130	16,410	15,116	16,137	16,410	13,331
Segregated Funds	7,110	8,628	8,531	8,523	8,590	8,456	7,751	7,648	7,421	8,523	7,648	4,875

⁽¹⁾ Includes annualized premiums and 10% of single (lump sum) premiums.

SLF U.S. - EMPLOYEE BENEFITS GROUP (US\$ millions)

	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Premiums	477	472	487	465	465	470	465	463	461	1,865	1,547	1,005
Net Investment Income	98	87	35	(25)	(14)	12	11	39	37	(16)	107	67
Fee Income	2	2	2	3	2	3	2	3	2	10	8	5
Total Revenue	577	561	524	443	453	485	478	505	500	1,859	1,662	1,077
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	403	385	318	312	275	317	321	335	335	1,225	1,119	736
Commissions and Other Expenses	140	130	132	131	131	128	129	132	132	519	435	269
Total Policy Benefits and Expenses	543	515	450	443	406	445	450	467	467	1,744	1,554	1,005
Income before Income Taxes and Non-controlling Interests	34	46	74	-	47	40	28	38	33	115	108	72
Income tax expense (benefit)	12	16	26	(1)	17	15	9	14	11	40	38	25
Common Shareholders' Net Income (Loss)	22	30	48	1	30	25	19	24	22	75	70	47
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	(2)	(1)	-	(4)	-
Common Shareholders' Operating Income (Loss)	22	30	48	1	30	25	19	26	23	75	74	47
PREMIUMS & DEPOSITS												
Premiums	477	472	487	465	465	470	465	463	461	1,865	1,547	1,005
SALES	90	126	63	323	87	123	55	300	69	588	502	387
ASSETS UNDER MANAGEMENT												
General Funds	2,869	2,803	2,781	2,757	2,730	2,627	2,788	2,751	2,728	2,757	2,751	1,364
SUPPLEMENTAL INFORMATION												
Business In-Force	1,955	1,978	2,056	2,105	1,954	1,962	1,955	2,060	1,962	2,105	2,060	1,237

⁽¹⁾ The amounts reflect integration costs with respect to the purchase of Genworth EBG business.

MFS (CAD\$ millions)	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
FINANCIAL SUMMARY												
Revenue	322	299	288	310	342	367	362	390	417	1,381	1,687	1,662
Common Shareholders' Net Income (Loss)	43	32	28	30	49	56	59	73	68	194	281	234
Assets Under Management												
Mutual Funds	79,411	76,073	71,286	73,813	78,802	86,337	87,571	92,605	95,064	73,813	92,605	104,993
Managed Funds	107,093	94,570	85,049	89,748	93,449	100,929	101,601	106,286	107,494	89,748	106,286	112,829
Total AUM	186,504	170,643	156,335	163,561	172,251	187,266	189,172	198,891	202,558	163,561	198,891	217,822

MFS (USD\$ millions)	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS												
Revenue												
Net Investment Income	2	1	2	2	(8)	2	4	2	11	-	28	34
Fee Income	292	255	230	254	337	361	356	396	388	1,308	1,545	1,430
Total Revenue	294	256	232	256	329	363	360	398	399	1,308	1,573	1,464
Expenses	227	209	193	213	249	265	258	271	286	985	1,123	1,122
Income before Income Taxes & Non-controlling interest	67	47	39	43	80	98	102	127	113	323	450	342
Income tax expense (benefit)	25	20	15	17	31	41	39	49	43	128	173	131
Non-controlling interests	3	-	1	1	2	2	4	4	5	9	15	5
Common Shareholders' Net Income (Loss)	39	27	23	25	47	55	59	74	65	186	262	206

MUTUAL FUNDS - CHANGES IN ASSETS UNDER MANAGEMENT												
Opening AUM	65,437	56,544	60,675	74,103	84,569	85,368	92,939	95,899	95,768	92,939	90,123	85,875
Sales	6,074	4,945	4,088	4,143	4,507	4,583	4,926	4,126	4,841	18,159	19,512	16,866
Redemptions/Transfers	(4,147)	(3,721)	(4,699)	(5,971)	(6,359)	(4,943)	(6,790)	(6,025)	(6,288)	(24,063)	(24,309)	(22,269)
Acquisition	-	-	-	-	-	-	-	-	-	-	1,004	-
Market Movement	6,921	7,669	(3,520)	(11,600)	(8,614)	(439)	(5,707)	(1,061)	1,578	(26,360)	6,609	9,651
Closing AUM	74,285	65,437	56,544	60,675	74,103	84,569	85,368	92,939	95,899	60,675	92,939	90,123

MANAGED FUNDS - CHANGES IN ASSETS UNDER MANAGEMENT												
Opening AUM	81,352	67,463	73,776	87,878	98,863	99,046	106,670	108,437	106,188	106,670	96,849	76,423
Sales	8,173	6,328	3,942	3,220	4,865	4,809	4,926	4,604	5,148	17,820	23,199	20,125
Redemptions/Transfers	(2,417)	(2,640)	(3,150)	(3,535)	(4,936)	(3,442)	(5,800)	(5,928)	(4,615)	(17,713)	(22,437)	(14,496)
Market Movement	13,073	10,201	(7,105)	(13,787)	(10,914)	(1,550)	(6,750)	(443)	1,716	(33,001)	9,059	14,797
Closing AUM	100,181	81,352	67,463	73,776	87,878	98,863	99,046	106,670	108,437	73,776	106,670	96,849

SUPPLEMENTAL INFORMATION												
Pre-tax Operating Profit Margin Ratio	28%	23%	21%	21%	29%	34%	35%	40%	36%	30%	36%	29%
Average Net Assets	162,300	140,000	125,400	133,246	176,221	190,885	186,747	202,769	199,053	171,682	197,702	171,914
Total Gross Sales	14,247	11,273	8,030	7,363	9,372	9,392	9,852	8,730	9,989	35,979	42,711	36,991
Total Net Sales	7,683	4,912	181	(2,143)	(1,923)	1,007	(2,738)	(3,223)	(914)	(5,797)	(4,035)	226

SLF ASIA (C\$ millions)

STATEMENT OF OPERATIONS	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	218	211	200	226	177	172	151	174	155	726	629	640
Net Investment Income	345	390	11	(122)	(16)	(127)	(53)	95	106	(318)	255	318
Fee Income	25	33	27	24	19	26	21	25	25	90	93	64
Total Revenue	588	634	238	128	180	71	119	294	286	498	977	1,022
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	472	511	120	1	87	(39)	15	147	172	64	501	621
Commissions and Other Expenses	98	96	95	110	94	91	84	100	77	379	330	283
Total Policy Benefits and Expenses	570	607	215	111	181	52	99	247	249	443	831	904
Income before Income Taxes and Non-controlling Interest	18	27	23	17	(1)	19	20	47	37	55	146	118
Income tax expense (benefit)	5	8	6	1	7	7	7	9	7	22	23	17
Common Shareholders' Net Income (Loss)	13	19	17	16	(8)	12	13	38	30	33	123	101
Less: Special Items ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	-	(2)
Common Shareholders' Operating Income (Loss)	13	19	17	16	(8)	12	13	38	30	33	123	103
PREMIUMS & DEPOSITS												
Premiums	218	211	200	226	177	172	151	174	155	726	629	640
Segregated Fund Deposits	160	172	169	145	156	201	195	261	218	697	809	442
Mutual Fund Sales	14	7	3	3	7	10	28	47	65	48	259	129
Managed Fund Sales	150	149	226	173	148	132	127	134	139	580	622	592
Total	542	539	598	547	488	515	501	616	577	2,051	2,319	1,803
LIFE INSURANCE SALES ⁽²⁾	197	138	281	187	189	166	259	202	171	801	596	337
Sales adjusted for proportionate JV ownership ⁽³⁾	79	58	94	73	77	73	98	100	77	321	289	191
ASSETS UNDER MANAGEMENT												
General Funds	6,397	6,484	6,497	6,274	5,355	5,263	5,527	5,497	5,251	6,274	5,497	5,334
Segregated Funds	2,386	2,275	1,863	1,696	1,741	1,912	1,884	1,936	1,662	1,696	1,936	1,232
Other AUM	14,416	15,184	12,677	11,960	10,913	11,814	12,051	11,450	10,130	11,960	11,450	7,302
Total	23,199	23,943	21,037	19,930	18,009	18,989	19,462	18,883	17,043	19,930	18,883	13,868

⁽¹⁾ Includes CMG Asia integration costs.⁽²⁾ Represents total individual life insurance sales in Asia, including the Company's joint ventures in India and China on a 100% basis.⁽³⁾ Sales for India and China are included at 26% and 50% respectively of the total sales of the respective joint ventures.

Corporate (C\$ millions)

STATEMENT OF OPERATIONS	At and For the Quarter Ended									At and For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Revenue												
Premiums	215	206	209	207	224	202	218	224	219	851	963	987
Net Investment Income	674	206	(320)	1,416	(20)	(138)	(202)	244	220	1,056	421	802
Fee Income	1	3	4	6	9	9	9	6	5	33	25	16
Total Revenue	890	415	(107)	1,629	213	73	25	474	444	1,940	1,409	1,805
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	795	380	(94)	808	428	14	(112)	398	348	1,138	974	1,303
Commissions and Other Expenses	50	58	82	53	(10)	16	28	66	27	87	209	203
Total Policy Benefits and Expenses	845	438	(12)	861	418	30	(84)	464	375	1,225	1,183	1,506
Income before Income Taxes and Non-controlling Interests	45	(23)	(95)	768	(205)	43	109	10	69	715	226	299
Income tax expense (benefit)	24	(6)	(68)	(66)	(163)	(45)	(11)	(31)	(17)	(285)	(28)	(61)
Non-controlling interests	-	-	-	-	1	(1)	1	-	-	1	1	1
Preferred shareholder dividends	23	17	18	17	18	17	18	17	18	70	69	48
Common Shareholders' Net Income (Loss)	(2)	(34)	(45)	817	(61)	72	101	24	68	929	184	311
Less: Special Items ⁽¹⁾	-	-	(27)	825	-	-	-	-	-	825	(61)	-
Common Shareholders' Operating Income (Loss)	(2)	(34)	(18)	(8)	(61)	72	101	24	68	104	245	311
PREMIUMS & DEPOSITS												
Premiums	215	206	209	207	224	212	218	224	219	851	963	987
Segregated Fund Deposits	15	15	15	17	20	20	20	24	21	77	98	111
Total	230	221	224	224	244	232	238	248	240	928	1,061	1,098
ASSETS UNDER MANAGEMENT												
General Funds	12,690	13,042	12,598	13,031	11,496	13,041	12,778	12,719	13,296	13,031	12,719	14,642
Segregated Funds	4,419	4,291	3,865	4,290	5,314	6,062	6,359	6,842	7,180	4,290	6,842	8,229
Other AUM ⁽²⁾	(10,887)	(8,342)	(8,095)	(7,435)	(7,865)	(8,580)	(9,005)	(9,677)	(10,028)	(7,435)	(9,677)	(11,732)
Total	6,222	8,991	8,368	9,886	8,945	10,523	10,132	9,884	10,448	9,886	9,884	11,139

⁽¹⁾ The amount for the quarter ended Q1 2009 includes a \$27 million after tax charge for restructuring costs. The amount for the quarter ended and full year December 31, 2008 includes an \$825 million after tax gain on disposal of the company's 37% interest in CI Financial. The amount for 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 PCS.

⁽²⁾ Includes consolidation adjustments for assets managed by one area of the Company on behalf of another.

CORPORATE (C\$ millions)

	For the Quarter Ended								For the Year Ended			
	2009		2008			2007			2008	2007	2006	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
STATEMENT OF OPERATIONS - SLF United Kingdom (U.K.)												
Revenue												
Premiums	66	60	56	63	83	89	84	93	100	319	427	438
Net Investment Income	552	217	(312)	198	24	(146)	(232)	183	163	(156)	263	638
Fee Income	14	13	13	15	19	19	20	22	22	73	97	94
Total Revenue	632	290	(243)	276	126	(38)	(128)	298	285	236	787	1,170
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	564	310	(222)	185	115	(90)	(226)	229	199	(16)	456	899
Commissions and Other Expenses	20	17	16	22	18	16	19	24	21	75	84	95
Total Policy Benefits and Expenses	584	327	(206)	207	133	(74)	(207)	253	220	59	540	994
Income before Income Taxes and Non-controlling Interests	48	(37)	(37)	69	(7)	36	79	45	65	177	247	176
Income tax expense (benefit)	38	13	(37)	29	(76)	(5)	20	22	17	(32)	34	5
Common Shareholders' Net Income (Loss)	10	(50)	-	40	69	41	59	23	48	209	213	171
Less: Special Items	-	-	-	-	-	-	-	-	-	-	-	-
Common Shareholders' Operating Income (Loss)	10	(50)	-	40	69	41	59	23	48	209	213	171
STATEMENT OF OPERATIONS - Corporate Support												
Revenue												
Premiums	149	146	153	144	141	113	134	131	119	532	536	549
Net Investment Income	122	(11)	(8)	1,218	(44)	8	30	61	57	1,212	158	164
Fee Income	(13)	(10)	(9)	(9)	(10)	(10)	(11)	(16)	(17)	(40)	(72)	(78)
Total Revenue	258	125	136	1,353	87	111	153	176	159	1,704	622	635
Policy Benefits and Expenses												
Increase in Actuarial Liabilities and Client Disbursements	231	70	128	623	313	104	114	169	149	1,154	518	404
Commissions and Other Expenses	30	41	66	31	(28)	-	9	42	6	12	125	108
Total Policy Benefits and Expenses	261	111	194	654	285	104	123	211	155	1,166	643	512
Income before Income Taxes and Non-controlling Interests	(3)	14	(58)	699	(198)	7	30	(35)	4	538	(21)	123
Income tax expense (benefit)	(14)	(19)	(31)	(95)	(87)	(40)	(31)	(53)	(18)	(253)	(62)	(66)
Non-Controlling Interests in Net Income of Subsidiaries	-	-	-	-	1	(1)	1	-	-	1	1	1
Less: Participating Policyholders' Net Income	-	-	-	-	-	-	-	-	-	-	-	-
Less: Preferred Shareholder Dividends	23	17	18	17	18	17	18	17	18	70	69	48
Common Shareholders' Net Income (Loss)	(12)	16	(45)	777	(130)	31	42	1	4	720	(29)	140
Less: Special Items ⁽¹⁾	-	-	(27)	825	-	-	-	-	-	825	(61)	-
Common Shareholders' Operating Income (Loss)	(12)	16	(18)	(48)	(130)	31	42	1	4	(105)	32	140

⁽¹⁾ Please see page 17 for list of special items.

INVESTMENTS	As at September 30, 2009				As at June 30, 2009				As at September 30, 2008			
	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, MORTGAGES & CORPORATE LOANS												
BONDS												
Bonds by Sector												
Bonds Issued or Guaranteed By:												
Canadian Federal Government	2,392	417	2,809	100%	2,524	463	2,987	100%	2,113	635	2,748	100%
Canadian Provincial and Municipal Governments	6,627	100	6,727	100%	6,305	78	6,383	100%	5,242	258	5,500	100%
U.S. Treasury and Other US Agencies	1,614	444	2,058	100%	1,253	662	1,915	100%	1,015	334	1,349	100%
Other Governments ⁽¹⁾	3,464	510	3,974	95%	3,493	535	4,028	95%	3,275	439	3,714	95%
Total Government Issues or Guaranteed Bonds	14,097	1,471	15,568	99%	13,575	1,738	15,313	99%	11,645	1,666	13,311	98%
Corporate Bonds by Industry Sector:												
Financials	11,211	3,602	14,813	93%	11,672	3,726	15,398	93%	11,702	3,290	14,992	98%
Utilities	5,413	508	5,921	98%	5,035	474	5,509	98%	5,102	485	5,587	98%
Consumer Discretionary	3,115	791	3,906	86%	3,317	793	4,110	84%	3,085	685	3,770	85%
Industrials	2,566	576	3,142	98%	2,562	522	3,084	98%	2,510	528	3,038	98%
Consumer Staples	2,372	647	3,019	100%	2,389	626	3,015	100%	2,108	523	2,631	100%
Telecommunication Services	2,481	878	3,359	89%	2,526	909	3,435	89%	2,154	773	2,927	82%
Energy	2,856	519	3,375	99%	2,886	522	3,408	99%	2,204	385	2,589	100%
Materials	1,056	265	1,321	92%	1,025	241	1,266	93%	971	230	1,201	97%
Other	1,050	273	1,323	100%	952	288	1,240	100%	705	227	932	100%
Total Corporate Bonds	32,120	8,059	40,179	94%	32,364	8,101	40,465	94%	30,541	7,126	37,667	96%
Asset Backed Securities												
Government and Agency	717	348	1,065	100%	803	400	1,203	100%	991	423	1,414	100%
Other	3,031	286	3,317	87%	3,134	273	3,407	93%	3,939	308	4,247	99%
Total Bonds	49,965	10,164	60,129	95%	49,876	10,512	60,388	95%	47,116	9,523	56,639	97%
Supporting Actuarial and Other Policy Liabilities	49,958	733	50,691		49,869	781	50,650		47,112	333	47,445	
Supporting Equity and Other	7	9,431	9,438		7	9,731	9,738		4	9,190	9,194	
Total	49,965	10,164	60,129		49,876	10,512	60,388		47,116	9,523	56,639	
Bonds by Investment Rating (1)												
AAA	8,294	1,817	10,111		8,315	2,141	10,456		8,766	2,258	11,024	
AA	8,940	1,098	10,038		8,884	1,160	10,044		9,056	1,508	10,564	
A	15,910	3,613	19,523		15,501	3,520	19,021		13,993	2,721	16,714	
BBB	14,506	3,088	17,594		14,881	3,168	18,049		13,671	2,783	16,454	
BB and Lower	2,315	548	2,863		2,295	523	2,818		1,630	253	1,883	
Total Bonds	49,965	10,164	60,129		49,876	10,512	60,388		47,116	9,523	56,639	
MORTGAGES & CORPORATE LOANS												
	As at September 30, 2009				As at June 30, 2009				As at September 30, 2008			
	Insured	Non-Insured	Total		Insured	Non-Insured	Total		Insured	Non-Insured	Total	
Non-residential	-	11,536	11,536		-	12,447	12,447		-	12,498	12,498	
Residential	1,740	1,027	2,767		1,750	1,102	2,852		1,801	1,190	2,991	
Total Mortgages	1,740	12,563	14,303		1,750	13,549	15,299		1,801	13,688	15,489	
Corporate Loans			5,756				5,878				5,877	
Total			20,059				21,177				21,366	
Percentage of Net Impaired Assets												
Net of Total Allowances												
Mortgages			1.33%				1.04%				0.22%	
Corporate Loans			0.41%				0.77%				0.89%	

⁽¹⁾ 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.

INVESTMENTS	As at September 30, 2009			As at June 30, 2009			As at September 30, 2008		
	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total
STOCKS & REAL ESTATE									
Stocks									
Canada	2,171	150	2,321	2,016	379	2,395	1,901	146	2,047
United States	1,026	449	1,475	954	403	1,357	1,072	435	1,507
United Kingdom	505	7	512	462	6	468	501	6	507
Other	360	42	402	339	53	392	402	42	444
Total Stocks	4,062	648	4,710	3,771	841	4,612	3,876	629	4,505
Supporting Actuarial and Other Policy Liabilities	4,062	22	4,084	3,771	20	3,791	3,876	17	3,893
Supporting Equity and Other	-	626	626	-	821	821	-	612	612
Total	4,062	648	4,710	3,771	841	4,612	3,876	629	4,505
Real Estate									
Canada			3,187			3,161			3,039
United States			1,389			1,499			1,307
United Kingdom			249			280			291
Other			1			1			1
Total Real Estate			4,826			4,941			4,638
Supporting Liabilities			3,757			3,871			3,615
Supporting Equity and Other			1,069			1,070			1,023
Total			4,826			4,941			4,638

ADDITIONAL INFORMATION	At and For the Quarter Ended						At and For the Year Ended		
	2009		2008		2008		2007	2006	
	Q3	Q2	Q1	Q4	Q3	Q2			
Deferred Net Realized Gains	232	253	248	251	258	272	251	276	4,152
Portion Supporting Equity & Other	72	84	88	109	87	100	109	104	607
Net Gains (Losses) on Available for Sale Assets	(53)	(15)	(50)	(66)	(227)	24	(241)	101	-
Portion Supporting Equity and Other	(53)	(4)	(40)	(64)	(215)	23	(228)	99	-
Unrealized Gains (Losses)									
Portion Supporting Equity & Other ⁽¹⁾	(17)	(648)	(1,974)	(1,662)	(1,141)	(384)	(1,662)	73	443
Included in Other Comprehensive Income									
CHANGES IN PROVISION FOR LOSSES									
Provision for Losses on Invested Assets									
By Account									
Shareholders	19	11	13	2	(4)	5	1	1	(7)
Policyholders	5	2	1	1	-	2	3	-	(3)
Total	24	13	14	3	(4)	7	4	1	(10)
Asset Allowances	2,802	2,975	2,810	2,320	3,121	2,985	2,320	2,947	2,578
Included in Actuarial Liabilities ⁽²⁾									

⁽¹⁾ Includes unrealized gains, net of any losses, in respect of financial instruments supporting capital, including bonds, common stocks and certain other invested assets. Excludes unrealized gains, net of any losses, on certain limited partnerships accounted for at cost.

⁽²⁾ In Q4 2008, the presentation was changed to exclude the portion of the provision that can be passed through to participating policyholders and projected reductions in the value of equity real estate assets supporting actuarial liabilities. The Q4 2008 amount on a comparable basis to previous periods was approximately \$3,500

INVESTMENTS
DERIVATIVES

As at September 30, 2009

As at December 31, 2008

	Term to Maturity			Total Notional Amount	Net Fair Value Amount	Total Notional Amount	Net Fair Value Amount
	Under 1 Year	1 to 5 Years	Over 5 Years				
Interest Rate Contracts							
Forward Rate Agreements	-	-	-	-	-	-	-
Futures Contracts	914	101	-	1,015	(3)	1,742	(15)
Swap Contracts	2,174	6,472	12,006	20,652	(490)	27,137	(396)
Options Purchased	480	954	2,666	4,100	127	3,601	77
Options Written	425	-	-	425	(3)	-	-
Sub-Total	<u>3,993</u>	<u>7,527</u>	<u>14,672</u>	<u>26,192</u>	<u>(369)</u>	<u>32,480</u>	<u>(334)</u>
Foreign Exchange Contracts							
Foreign Exchange Contracts	2,299	68	170	2,537	2	2,186	7
Swap Contracts	405	3,221	4,713	8,339	523	9,135	(437)
Sub-Total	<u>2,704</u>	<u>3,289</u>	<u>4,883</u>	<u>10,876</u>	<u>525</u>	<u>11,321</u>	<u>(430)</u>
Equity and Other Contracts							
Forward Contracts	32	64	-	96	3	138	(37)
Futures Contracts	3,063	-	-	3,063	13	2,280	(13)
Swap Contracts	187	106	-	293	2	251	(22)
Options Purchased	2,756	584	-	3,340	105	3,048	388
Options Written	1,260	-	-	1,260	(99)	1,132	(76)
Other Equity Contracts	-	-	-	-	-	-	-
Sub-Total Equity Related	<u>7,298</u>	<u>754</u>	<u>-</u>	<u>8,052</u>	<u>24</u>	<u>6,849</u>	<u>240</u>
Other Contracts	-	37	91	128	(77)	146	(26)
Total	<u><u>13,995</u></u>	<u><u>11,607</u></u>	<u><u>19,646</u></u>	<u><u>45,248</u></u>	<u><u>103</u></u>	<u><u>50,796</u></u>	<u><u>(550)</u></u>

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

	At the Quarter Ended									At the Year Ended		
	2009		2008			2007				2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Capital Available												
Tier 1												
Common Shares	1,545	1,245	1,245	945	745	745	745	745	745	945	745	745
Retained Earnings	8,825	8,990	8,988	9,382	9,245	9,483	9,341	9,317	9,287	9,382	9,317	8,652
Qualifying non-controlling interests	42	45	48	45	29	27	27	26	25	45	26	-
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	96	621	836	882	222	125	118	(40)	(137)	882	(40)	1,809
Gross Tier 1 Capital	11,658	12,051	12,267	12,404	11,391	11,530	11,381	11,198	11,070	12,404	11,198	12,356
Less:												
Goodwill and Intangibles in Excess of Limit	1,703	1,823	1,950	1,893	1,694	1,638	1,645	1,607	1,706	1,893	1,607	1,501
Other ⁽¹⁾	2,142	2,189	2,209	1,559	1,665	1,466	1,348	1,161	1,354	1,559	1,161	1,951
Total Net Tier 1 Capital	7,813	8,039	8,108	8,952	8,032	8,426	8,388	8,430	8,010	8,952	8,430	8,904
Tier 2												
Tier 2A	55	26	-	-	-	72	85	157	190	-	157	-
Tier 2B	1,800	1,800	1,799	1,799	1,799	1,450	1,450	1,250	1,249	1,799	1,250	1,249
Tier 2C	1,420	1,461	1,479	1,447	1,271	1,443	1,421	1,369	1,579	1,447	1,369	1,597
Gross Tier 2 Capital	3,275	3,287	3,278	3,246	3,070	2,965	2,956	2,776	3,018	3,246	2,776	2,846
Less:												
Other ⁽¹⁾	814	802	780	-	-	-	-	-	-	-	-	-
Total Net Tier 2 Capital	2,461	2,485	2,498	3,246	3,070	2,965	2,956	2,776	3,018	3,246	2,776	2,846
Total Tier 1 and Tier 2	10,274	10,524	10,606	12,198	11,102	11,391	11,344	11,206	11,028	12,198	11,206	11,750
Less:												
Non-Life Investments and Other	-	-	-	1,585	1,563	1,553	1,551	1,555	1,662	1,585	1,555	1,686
Total Capital Available	10,274	10,524	10,606	10,613	9,539	9,838	9,793	9,651	9,366	10,613	9,651	10,064
Capital Required												
Asset Default and Market Risks	2,697	2,542	2,764	2,620	2,633	2,588	2,596	2,497	2,406	2,620	2,497	2,532
Insurance Risks	1,277	1,302	1,314	1,279	1,260	1,311	1,299	1,276	1,296	1,279	1,276	1,198
Interest Rate Risks	714	705	687	683	845	856	868	861	856	683	861	812
Phase-in of Changes related to FIAC	-	-	-	-	(27)	(55)	(82)	(110)	(137)	-	(110)	-
Total Capital Required	4,688	4,549	4,765	4,582	4,711	4,700	4,681	4,524	4,421	4,582	4,524	4,542
MCCSR Ratio	219%	231%	223%	232%	202%	209%	209%	213%	212%	232%	213%	222%

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

Capital Available	1,349	1,438	1,679
Capital Required	378	402	496
RBC Ratio ⁽²⁾	357%	358%	339%

⁽¹⁾ Under 2009 MCCSR OSFI Guidelines, substantial investments, investments in non-life companies and miscellaneous deductions previously subtracted from total available capital are deducted 50% from Tier 1 Capital and 50% from Tier 2 Capital. Periods prior to Q1 2009 have not been restated to reflect this change.

⁽²⁾ RBC ratio is calculated on an annual basis for U.S. regulatory purposes.

FINANCIAL STRENGTH AND CAPITAL ADEQUACY

As at September 30, 2009

	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard & Poor's</u>
SUN LIFE ASSURANCE COMPANY OF CANADA FINANCIAL STRENGTH RATINGS	A+	Aa3	AA
DEBT RATINGS			
Subordinated Debt			
US\$ denominated (US\$178 million)	a+	A2	A+
C\$ denominated (C\$450 million)	a+	A2	AA-
C\$ denominated deferrable (C\$800 million)	a+	A2	A+
Sun Life Exchangeable Capital Securities (Series A & B)	a-	A3	A+
	<u>DBRS</u>		<u>Standard & Poor's</u>
SUN LIFE FINANCIAL INC.			
SECURITY RATINGS			
Class A Preferred Shares (Series 1-5, 6R)	Pfd-1 (low)		P-1 (low)/A-
Senior Unsecured Debentures (Series A-D)	AA (low)		A+
Subordinated Debt (C\$1,650 million) (Series 2007 - 1, 2008 - 1, 2008 - 2 and 2009 - 1)	A (high)		A

EXPENSES	For the Quarter Ended									For the Year Ended		
	2009			2008			2007			2008	2007	2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
COMMISSIONS AND OTHER EXPENSES												
Commissions	423	424	397	396	397	377	375	420	457	1,545	1,811	1,916
Operating Expenses	763	767	777	835	704	712	752	833	799	3,003	3,260	3,028
Premium Taxes	56	55	55	56	56	63	52	53	75	227	240	205
Interest on Borrowings	103	109	97	87	80	101	98	91	91	366	349	323
Total Commissions and Other Expenses	1,345	1,355	1,326	1,374	1,237	1,253	1,277	1,397	1,422	5,141	5,660	5,472
OPERATING EXPENSES												
Compensation:												
Operations	347	378	347	353	332	360	380	388	376	1,425	1,492	1,459
Distribution	114	95	96	90	81	76	74	92	82	321	359	378
Stock Options	3	4	6	2	2	2	4	2	2	10	10	14
Premises and Equipment	76	75	82	87	74	71	78	81	78	310	327	326
Other Expenses	214	208	237	297	209	209	198	274	243	913	995	826
Operating Expenses	754	760	768	829	698	718	734	837	781	2,979	3,183	3,003
Amortization of Intangibles	9	7	9	6	6	(6)	18	(4)	18	24	77	25
Total Operating Expenses	763	767	777	835	704	712	752	833	799	3,003	3,260	3,028
INTEREST ON BORROWINGS												
Subordinated Debt	48	48	39	39	38	33	32	28	28	142	105	94
Liabilities for PCS and SLEECs	20	20	20	20	20	20	20	21	20	80	103	140
Interest on Senior Unsecured Debentures/Financing	31	30	30	37	32	32	36	31	23	137	97	68
Other ⁽¹⁾	4	11	8	(9)	(10)	16	10	11	20	7	44	21
Total Interest on Borrowings	103	109	97	87	80	101	98	91	91	366	349	323

⁽¹⁾ Primarily includes interest on income taxes and real estate encumbrances

GENERAL INFORMATION

SLF Canada	SLF U.S.	MFS	SLF Asia	Corporate
<p>SLF Canada is a market leader with a customer base exceeding 8 million people. SLF Canada offers a full range of protection and wealth management products and services to individuals and corporate clients through its three business units – Individual Insurance & Investments, Group Benefits and Group Wealth (which includes the Company's 66.9% interest in McLean Budden Limited).</p>	<p>SLF U.S. delivers innovative protection and wealth accumulation products to individuals and businesses through its three business units – Annuities, Individual Insurance and the Employee Benefits Group.</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 life and health insurance in the Philippines, Hong Kong, India, China and Indonesia; group life insurance in the Philippines, India, and savings, retirement and pension products in India, and Hong Kong. Mutual funds are provided in the Philippines and in India.</p>	<p>Corporate includes SLF U.K., and Corporate Support which includes the Company's reinsurance businesses, 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></p> <ul style="list-style-type: none"> Individual life and health insurance Individual savings products Mutual Funds <p><u>Group Benefits</u></p> <ul style="list-style-type: none"> Group life and health insurance <p><u>Group Wealth</u></p> <ul style="list-style-type: none"> Group pensions and investment products Investment management services (McLean Budden) 	<p><u>Annuities</u></p> <ul style="list-style-type: none"> Individual retirement products and services: <ul style="list-style-type: none"> ▪ Variable annuities ▪ Fixed annuities ▪ Fixed index annuities ▪ PPVA Investment products <p><u>Individual Insurance</u></p> <ul style="list-style-type: none"> Individual life insurance: <ul style="list-style-type: none"> ▪ Fixed and variable universal life ▪ COLI ▪ BOLI ▪ PPVUL <p><u>Employee Benefits Group</u></p> <ul style="list-style-type: none"> ▪ Group life and health insurance 	<p><u>Mutual Funds</u></p> <p><u>Investment Management Services</u></p> <ul style="list-style-type: none"> Institutional accounts 401(k) Variable annuities 	<p><u>Philippines</u></p> <ul style="list-style-type: none"> ▪ Individual life and health ▪ Mutual Funds <p><u>Hong Kong</u></p> <ul style="list-style-type: none"> ▪ Individual life and health ▪ Group pensions <p><u>India</u></p> <ul style="list-style-type: none"> ▪ Individual life and health ▪ Asset Management ▪ Mutual Funds ▪ Group life & pensions <p><u>China</u></p> <ul style="list-style-type: none"> ▪ Individual life and health <p><u>Indonesia</u></p> <ul style="list-style-type: none"> ▪ Individual life and health 	<p><u>SLF U.K.</u></p> <ul style="list-style-type: none"> Individual annuities and pensions (in-force block only) Individual life (in-force block only) <p><u>Corporate Support</u></p> <ul style="list-style-type: none"> Life retrocession Run-off reinsurance (closed block of business)