

Q4

Fourth Quarter 2008

Financial and Operating Results
For the period ended December 31, 2008
Sun Life Financial Inc. (unaudited)

February 12, 2009



Q4

Forward-Looking Statements

Certain statements contained in this document, including those relating to the Company's strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include the information concerning possible or assumed future results of operations of the Company. These statements represent the Company's expectations, estimates and projections regarding future events and are not historical facts. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Future results and stockholder value of SLF Inc. may differ materially from those expressed in these forward-looking statements due to, among other factors, the matters set out under "Risk Factors" in the Company's AIF and the factors detailed in its other filings with Canadian and U.S. securities regulators, including its annual and interim MD&A, and annual and interim financial statements, which are available for review at www.sedar.com and www.sec.gov.

Factors that could cause actual results to differ materially from expectations include, but are not limited to, investment losses and defaults and changes to investment valuations; the performance of equity markets; interest rate fluctuations; other market risks including movement in credit spreads; possible sustained economic downturn; risks related to market liquidity; market conditions that adversely affect the company's capital position or its ability to raise capital; downgrades in financial strength or credit ratings; the impact of mergers and acquisitions; the performance of the Company's investments and investment portfolios managed for clients such as segregated and mutual funds; insurance risks including mortality, morbidity, longevity and policyholder behaviour including the occurrence of natural or man-made disasters, pandemic diseases and acts of terrorism; changes in legislation and regulations including tax laws; regulatory investigations and proceedings and private legal proceedings and class actions relating to practices in the mutual fund, insurance, annuity and financial product distribution industries; risks relating to product design and pricing; the availability, cost and effectiveness of reinsurance; the inability to maintain strong distribution channels and risks relating to market conduct by intermediaries and agents; currency exchange rate fluctuations; the cost, effectiveness and availability of risk-mitigating hedging programs; the creditworthiness of guarantors and counterparties to derivatives; risks relating to operations in Asia including risks relating to joint ventures; the impact of competition; risks relating to financial modelling errors; business continuity risks; failure of information systems and Internet-enabled technology; breaches of computer security and privacy; dependence on third party relationships including outsourcing arrangements; the ability to attract and retain employees; the impact of adverse results in the closed block of business; the ineffectiveness of risk management policies and procedures and the potential for financial loss related to changes in the environment. The Company does not undertake any obligation to update or revise these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law.

Non-GAAP Measures

Management evaluates the Company's performance on the basis of financial measures prepared in accordance with GAAP, including earnings, fully diluted EPS and ROE. Management also measures the Company's performance based on certain non-GAAP measures, including operating earnings, and financial measures based on operating earnings, including operating EPS and operating ROE, that exclude certain items that are not operational or ongoing in nature. Management also uses financial performance measures that are prepared on a constant currency basis, which exclude the impact of currency fluctuations. Management measures the performance of the Company's business segments using ROE that is based on an allocation of common equity or risk capital to the business segments, using assumptions, judgments and methodologies that are regularly reviewed and revised by management. The Company also reviews adjusted revenue which excludes the impact of currency, and fair value changes in held-for-trading assets and derivative instruments from total revenue. Management also monitors MFS's pre-tax operating profit margin ratio, the denominator of which excludes certain investment income and includes certain commission expenses, as a means of measuring the underlying profitability of MFS. Value of new business is used to measure overall profitability. Value of new business is based on actuarial amounts for which there are no comparable amounts under GAAP. Management believes that these non-GAAP financial measures provide information useful to investors in understanding the Company's performance and facilitate the comparison of the quarterly and full-year results of the Company's ongoing operations. These non-GAAP financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. They should not be viewed as an alternative to measures of financial performance determined in accordance with GAAP. Additional information concerning these non-GAAP financial measures and reconciliations to GAAP measures are included in Sun Life Financial Inc.'s annual and interim MD&A and the Supplementary Financial Information packages that are available in the Investor Relations – Financial Publications section of Sun Life Financial's website, www.sunlife.com.

Sources of Earnings

Sources of earnings presents an analysis of sources of net income, which is not based on GAAP. It is presented in accordance with the requirements of the Office of the Superintendent of Financial Institutions, Canada. Additional information concerning sources of earnings is included in the Company's Annual Report.

Donald A. Stewart

**Chief Executive Officer,
Sun Life Financial**



Q4 Q4 2008

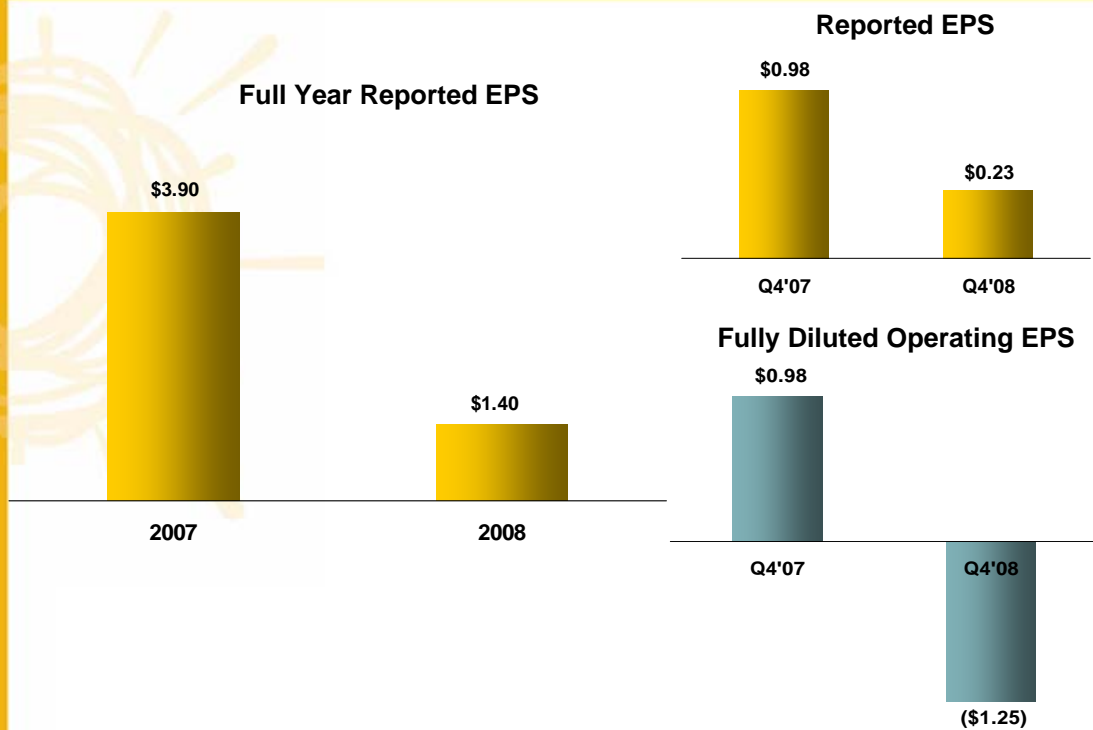
- Earnings impacted by continued deterioration in global capital markets
- Sun Life Financial well-capitalized
- Company positioning for continuation of difficult environment
 - Strong risk management
 - Prioritizing expenses and reducing costs
 - Adjusting product pricing and design

Rick McKenney

Executive Vice-President
& Chief Financial Officer,
Sun Life Financial



Q4 EPS



Q4 Earnings After Adjustments

	Income (C\$millions)	EPS
Q4 Reported	129	0.23
Gain on sale of CI	825	1.47
Asset Impairments and Credit Related Losses	(529)	(0.95)
Equity Market Impact	(682)	(1.22)
Earnings After Adjustments	515	0.92

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Q4 Capital Market Impact

Asset Impairments and Credit Related Losses		Equity Market Impact	
(C\$millions)			
Write-downs and Realized Losses	(155)	Impact of current period fees and present value of future fees due to lower account values (unhedged)	(249)
Downgrades	(55)	Increase in reserves for segregated fund guarantee benefits and other reserve changes (net of hedging)	(349)
Spread Widening	(155)	Increase in reserves for universal life benefits (unhedged)	(84)
Changes to Asset Default Assumptions	(164)		
Total	(529)	Total	(682)

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Q4

Source of Earnings – Common Shareholders *

(C\$ millions)	Q4'08	Q4'07	Change
Expected profit on in-force business	430	534	(104)
Impact of new business	(85)	(8)	(77)
Experience gains or losses	(1,384)	(28)	(1,356)
Assumption changes and management actions	(402)	122	(524)
Earnings on operations	(1,441)	620	(2,061)
Earnings on surplus	65	137	(72)
Earnings before income taxes	(1,376)	757	(2,133)
Income taxes	700	(176)	876
Non-controlling interest and preferred share dividends	(20)	(26)	6
Gain from sale of CI interest	825	-	825
Common shareholders' net income	129	555	(426)

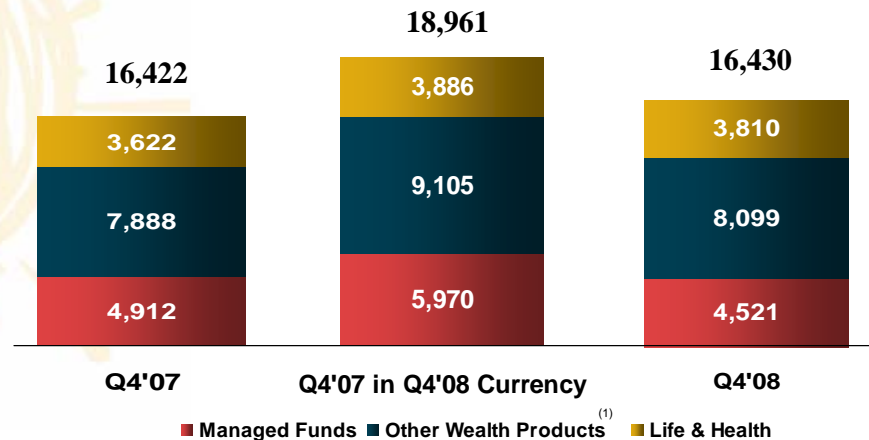
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* Attributable to common shareholders (excludes par accounts) and adjusted for proposed Canadian tax rules that are in effect but not yet substantively enacted.

Q4

Premiums and Deposits

(C\$ millions)

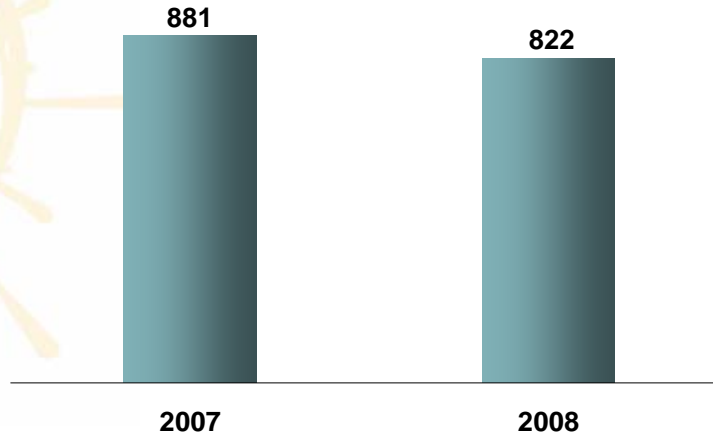


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(1) Includes mutual funds, segregated funds and annuities

Q4 Value of New Business

(C\$ millions)

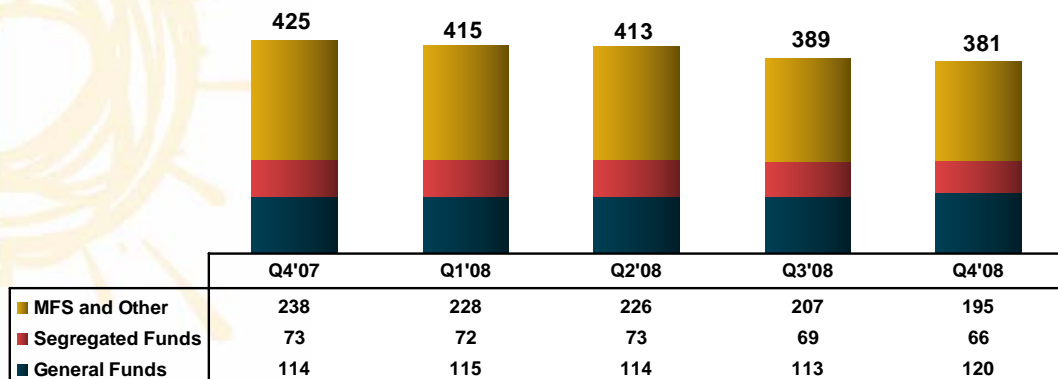


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Note: All amounts are based on 2007 annual average exchange rates.

Q4 Assets Under Management

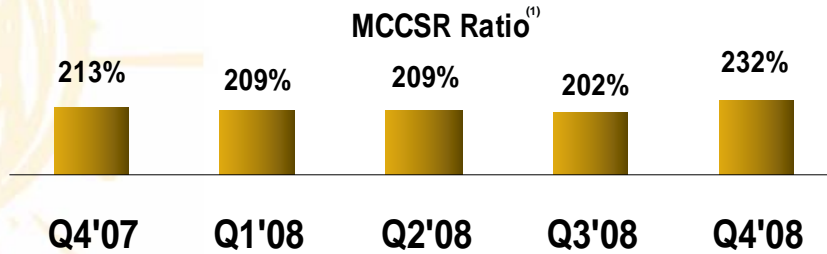
(C\$ billions)



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Q4 Capital Management

Total excess capital of \$2.5 billion including CI proceeds



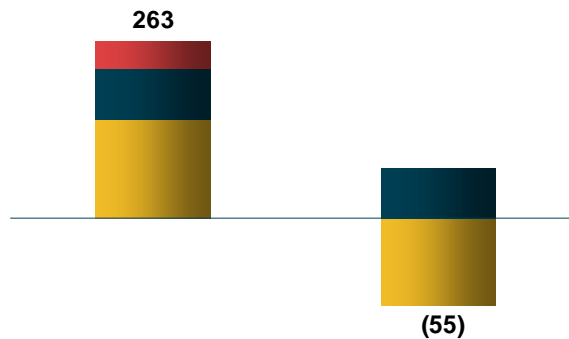
2008 RBC ratio within target range of 300-350%⁽²⁾

(1) MCCSR of Sun Life Assurance Company of Canada
 (2) RBC ratio of Sun Life Assurance Company of Canada U.S.

Q4 SLF Canada

(C\$ millions)

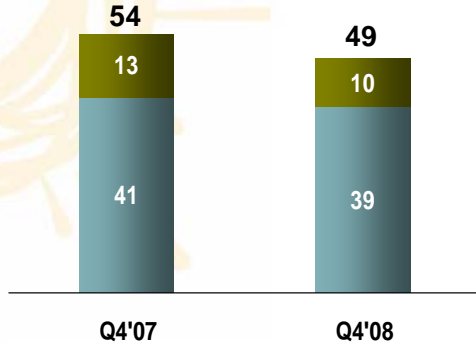
Net Income



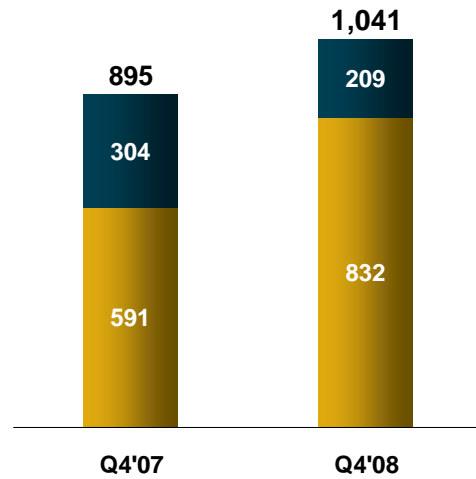
	Q4'07	Q4'08
■ Group Wealth	40	1
■ Group Benefits	76	74
■ Individual Insurance & Investments	147	(130)

Q4 SLF Canada

Individual Insurance Sales (C\$ millions)



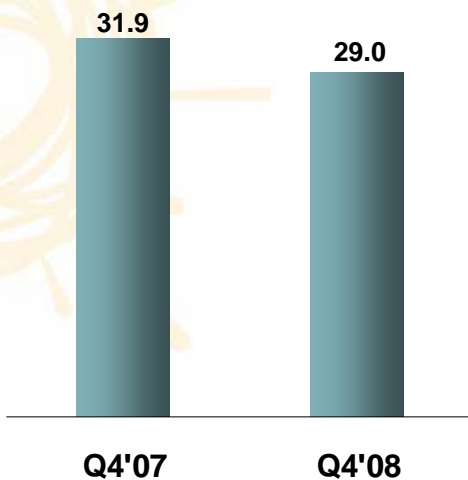
Individual Wealth Sales (C\$ millions)



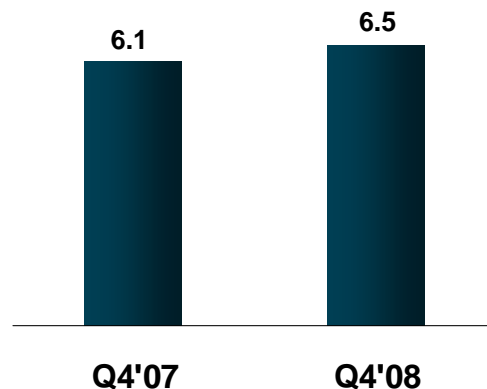
■ Sun Life Financial Advisors ■ Wholesale ■ Seg Funds & Other ■ Mutual Funds

Q4 SLF Canada

Group Retirement Services DC Plan Assets (C\$ billions)



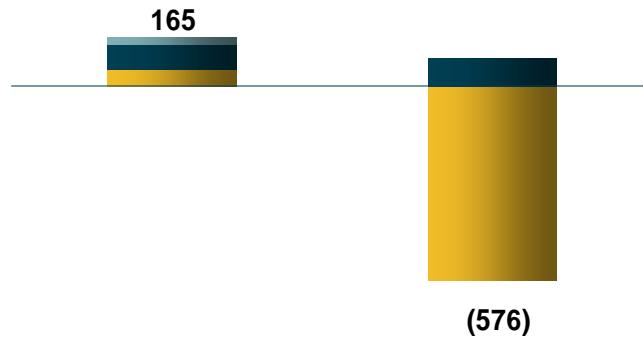
Group Benefits Business In-Force (C\$ billions)



Q4 SLF U.S.

(US\$ millions)

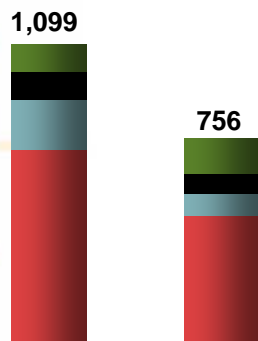
Net Income



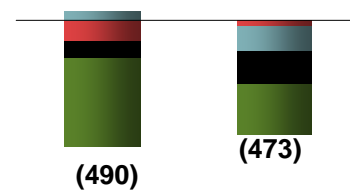
	Q4'07	Q4'08
Employee Benefits Group	24	1
Individual Insurance	84	95
Annuities	57	(672)

Q4 SLF U.S.

Annuity Gross Sales (US\$ millions)



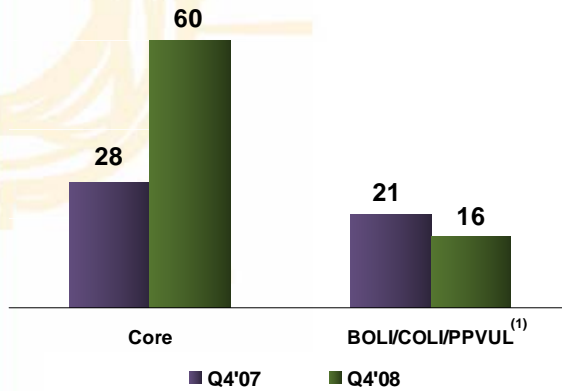
Annuity Net Sales (Redemptions) (US\$ millions)



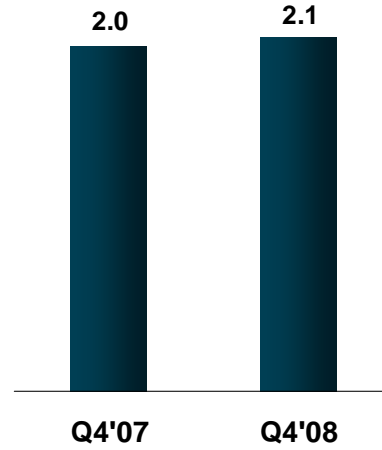
	Q4'07	Q4'08		Q4'07	Q4'08
Fixed	100	126	Fixed	(361)	(207)
Fixed Index	98	72	Fixed Index	(73)	(138)
Other Variable	183	80	Other Variable	33	(102)
Variable	718	478	Variable	(89)	(26)

Q4 SLF U.S.

Individual Insurance Sales (US\$ millions)



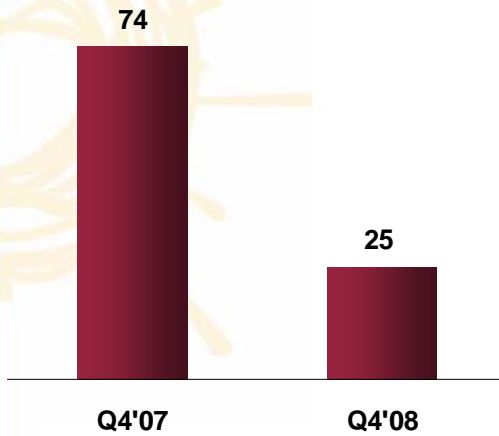
Employee Benefits Group Business In-Force (US\$ billions)



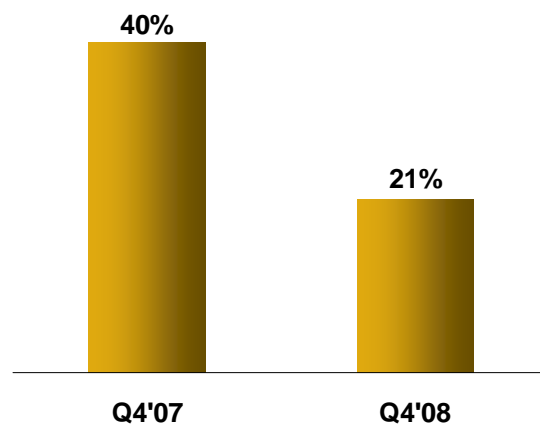
(1) Bank-owned life insurance (BOLI), Corporate-owned life insurance (COLI), Private placement variable universal life (PPVUL). Single premiums reported at 10%

Q4 MFS

Net Income (US\$ millions)



Pre-Tax Operating Margin



Q4 MFS

**Net Sales
(US\$ billions)**

(3.2) (2.1)

Q4'07

Q4'08

**Assets Under Management
(US\$ billions)**

200

134

Q4'07

Q4'08

	Q4'07	Q4'08
Retail Mutual Funds		
Gross New Sales	4.1	4.1
Redemptions	(6.0)	(6.0)
Net New Sales	(1.9)	(1.8)
Managed Funds		
Net New Sales	(1.3)	(0.3)
Total Net New Sales	(3.2)	(2.1)

Q4 SLF Asia

**Net Income
(C\$ millions)**

38

16

Q4'07

Q4'08

**Sales ⁽¹⁾
(C\$ millions)**

202

187

Q4'07

Q4'08

⁽¹⁾ Includes 100% of the sales of the Company's joint ventures in China and India.

Q4 Outlook

Scenario	Equity	Credit
Recovery to Pre-crisis Levels	<ul style="list-style-type: none">• Release reserves for fees and guarantees• Asset management fees improve	<ul style="list-style-type: none">• Lower levels of defaults• Release reserves on narrower credit spreads
Reset Growth from Current Levels	<ul style="list-style-type: none">• Stable reserve levels• Lower fee income on smaller asset base	<ul style="list-style-type: none">• Defaults in line with historical averages• Credit spreads narrowing to historical levels
Further Deterioration of Macro-environment	<ul style="list-style-type: none">• Increased reserves for guarantee benefits, net of hedging and lower fees• Lower fee income	<ul style="list-style-type: none">• More defaults / impairments• Increased reserves for defaults• Impact of wider credit spreads continues

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Q4 Medium-Term Financial Objectives

- Volatile economic conditions persist
 - Expect to reset earnings growth from current levels
- Updated medium term objectives:
 - Operating ROE target of 13% - 15% over medium term
 - Effective capital management:
 - Maintain strong capital position
 - Invest in growth
 - Maintain current dividend level

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See 2008 Management's Discussion & Analysis for a description of the medium-term financial objectives, including applicable assumptions and conditions.

Q4 Looking Ahead

- Well positioned
 - Financially disciplined
 - Solid capital position
 - Strong risk management
 - Diversified balance sheet

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Questions & Answers

Q4

Appendix



Q4 Updated Sensitivities

Income

Equity Market	
An immediate 10% increase across all equity markets is projected to result in: An estimated increase in net income of \$250-\$300 million	An immediate 10% decrease across all equity markets is projected to result in: An estimated decrease in net income of \$275-\$350 million
Interest Rates	
An immediate 1% parallel increase is projected to result in: An estimated increase in net income of \$100 - \$150 million	An immediate 1% parallel decrease is projected to result in: An estimated decrease in net income of \$150 - \$200 million

MCCSR of Sun Life Assurance Company of Canada

Equity Market	
An immediate 10% increase across all equity markets is projected to result in: An estimated increase of 2%-4% in MCCSR	An immediate 10% decrease across all equity markets is project to result in: An estimated decrease of 3%-5% in MCCSR

The sensitivities measure the estimated impact on net income and capital based on a starting point of December 31, 2008 and the above noted immediate changes in equity market prices and interest rates as well as the companies business mix on that date. Changes to the starting point equity market prices and interest rates or business mix will result in different estimated sensitivities. Further, changes in equity market prices or interest rates in excess of the ranges illustrated will generally result in greater than proportional impacts.