

Second Quarter 2008

Supplementary Financial Information

For the period ended June 30, 2008

Sun Life Financial Inc. (unaudited)

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Life's brighter under the sun



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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

Financial Performance

	Three Months Ended June 30			Six Months Ended June 30			Year Ended 2007
	2008	2007	% Change	2008	2007	% Change	
Common Shareholders' Net Income							
Operating ⁽¹⁾	519	593	(12%)	1,052	1,151	(9%)	2,294
Operating in constant currency ⁽²⁾	536	593	(10%)	1,109	1,151	(4%)	
Reported	519	590	(12%)	1,052	1,087	(3%)	2,219
Basic Earnings Per Share (EPS)							
Reported	0.92	1.03	(11%)	1.87	1.90	(2%)	3.90
Diluted Earnings Per Share (EPS)							
Operating	0.91	1.03	(12%)	1.85	1.99	(7%)	3.98
Operating in constant currency ⁽²⁾	0.94	1.03	(9%)	1.95	1.99	(2%)	
Reported	0.91	1.02	(11%)	1.85	1.88	(2%)	3.85
Return on Common Shareholders' Equity (annualized)							
Operating	12.9%	14.6%	(12%)	13.2%	14.0%	(6%)	14.3%
Operating in constant currency ⁽²⁾	13.0%	14.6%	(11%)	13.5%	14.0%	(4%)	
Reported	12.9%	14.5%	(11%)	13.2%	13.2%	0%	13.8%
Total Premiums and Deposits	17,441	21,344	(18%)	35,101	43,486	(19%)	79,643
Total Revenue	4,411	4,500	(2%)	8,297	10,084	(18%)	21,188
Fee Income	715	824	(13%)	1,420	1,654	(14%)	3,212
Basic Weighted Average Number of Shares (in millions)	561.6	570.1	(1%)	562.7	571.1	(1%)	569.0

Common Shareholders' Net Income (Loss) by Segment

SLF Canada	296	280	6%	543	530	2%	1,050
SLF U.S.	83	156	(47%)	196	254	(23%)	581
MFS	56	68	(18%)	115	140	(18%)	281
SLF Asia	12	17	(29%)	25	55	(55%)	123
Corporate	72	69	4%	173	108	60%	184
Total	<u>519</u>	<u>590</u>	(12%)	<u>1,052</u>	<u>1,087</u>	(3%)	<u>2,219</u>

Financial Strength

MCCSR Ratio ⁽³⁾	209%	217%	(4%)	209%	217%	(4%)	213%
Total Debt-to-Total Capital Ratio ⁽⁴⁾	24.4%	22.0%	11%	24.4%	22.0%	11%	22.0%
Book Value Per Share	28.56	27.78	3%	28.56	27.78	3%	27.70

⁽¹⁾ Amount for the Year Ended December 31, 2007 excludes 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 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 an \$18 million charge with respect to the redemption of the Partnership Capital Securities (PCS) in Q1 2007.

⁽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⁾ Total debt includes subordinated debt, liabilities for Sun Life Exchangeable Capital Securities (SLEECs), 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		
	2008		2007			2006		2007	2006	2005		
Condensed Balance Sheet	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Assets												
Invested Assets	102,144	103,562	103,020	101,254	104,157	110,720	106,199	101,215	98,848	103,020	106,199	98,592
Other Assets	11,431	11,687	11,271	12,020	11,894	11,477	11,632	12,201	11,723	11,271	11,632	12,274
Total General Fund Assets	113,575	115,249	114,291	113,274	116,051	122,197	117,831	113,416	110,571	114,291	117,831	110,866
Liabilities and Capital												
General Fund Liabilities												
Actuarial and Other Policy Liabilities	78,208	79,428	79,830	80,102	83,006	87,609	81,036	78,372	76,900	79,830	81,036	77,489
Other Liabilities ⁽¹⁾	14,048	14,925	14,200	13,090	12,609	13,150	16,227	15,536	14,500	14,200	16,227	14,476
Total General Fund Liabilities	92,256	94,353	94,030	93,192	95,615	100,759	97,263	93,908	91,400	94,030	97,263	91,965
Non-Controlling Interest	41	46	98	81	77	62	79	61	48	98	79	50
Capital												
Subordinated Debt ⁽²⁾	2,546	2,199	1,796	1,823	1,836	1,454	1,456	1,447	1,447	1,796	1,456	1,456
SLEECs and PCS ⁽²⁾	1,150	1,150	1,150	1,150	1,150	1,842	1,849	1,821	1,820	1,150	1,849	1,849
SLA Preferred Shares	-	-	-	-	-	-	-	-	-	-	-	-
Total Equity												
Participating Policyholders' Account	99	97	95	99	99	100	92	86	86	95	92	85
Preferred Shareholders' Equity ⁽³⁾	1,495	1,495	1,495	1,495	1,495	1,494	1,250	957	957	1,495	1,250	712
Common Shareholders' Equity	15,988	15,909	15,627	15,434	15,779	16,486	15,842	15,136	14,813	15,627	15,842	14,749
Total Capital	21,278	20,850	20,163	20,001	20,359	21,376	20,489	19,447	19,123	20,163	20,489	18,851
Total Liabilities and Capital	113,575	115,249	114,291	113,274	116,051	122,197	117,831	113,416	110,571	114,291	117,831	110,866
Assets Under Management												
General Funds	113,575	115,249	114,291	113,274	116,051	122,197	117,831	113,416	110,571	114,291	117,831	110,866
Segregated Funds	73,245	72,071	73,205	72,723	72,764	72,951	70,789	64,204	61,741	73,205	70,789	60,984
MFS and Other ⁽⁴⁾	226,376	227,930	237,768	240,664	251,289	256,176	252,812	227,481	218,793	237,768	252,812	219,039
Total Assets Under Management	413,196	415,250	425,264	426,661	440,104	451,324	441,432	405,101	391,105	425,264	441,432	390,889
CI Financial ⁽⁵⁾	67,845	65,759	67,171	68,692	69,500	64,571	62,737	58,261	56,936	67,171	62,737	54,341
Total	481,041	481,009	492,435	495,353	509,604	515,895	504,169	463,362	448,041	492,435	504,169	445,230
MFS and Other												
Mutual Funds	96,046	97,491	101,858	103,047	108,041	111,223	110,186	100,412	97,968	101,858	110,186	103,753
Managed Funds and Other	145,630	146,211	152,513	154,646	161,125	163,304	161,197	144,672	138,000	152,513	161,197	133,306
Consolidation Adjustments	(15,300)	(15,772)	(16,603)	(17,029)	(17,877)	(18,351)	(18,571)	(17,603)	(17,175)	(16,603)	(18,571)	(18,020)
Total	226,376	227,930	237,768	240,664	251,289	256,176	252,812	227,481	218,793	237,768	252,812	219,039

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

⁽²⁾ These securities are qualified as capital for Canadian regulatory purposes. The PCS were redeemed in May 2007.

⁽³⁾ Represents preferred shares issued by Sun Life Financial Inc. which are qualified as capital for Canadian Regulatory Purposes.

⁽⁴⁾ Periods prior to Q3 2007 have been restated to include other assets under management of Birla Sun Life Asset Management (BSLAMC). Sun Life has a 50% interest in BSLAMC.

⁽⁵⁾ Represents the most recent value as published by CI Financial in their month-end statistics.

COMMON SHAREHOLDERS' VALUE

	At and For the Quarter Ended									At and For the Year Ended		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Market Price Per Share (Toronto Stock Exchange listing)												
High	50.89	55.99	56.50	52.99	54.14	53.30	51.75	47.19	50.12	56.50	51.75	48.44
Low	41.46	43.23	50.85	47.68	47.80	47.45	44.11	41.79	43.10	47.45	41.79	37.18
Close	41.95	47.99	55.71	52.20	50.76	52.52	49.32	45.85	44.35	55.71	49.32	46.73
Common Shareholders' Net Income												
Operating (\$ million) ⁽¹⁾	519	533	560	583	593	558	545	541	512	2,294	2,091	1,906
Reported (\$ million)	519	533	555	577	590	497	545	541	512	2,219	2,089	1,843
Basic Earnings Per Common Share (EPS)												
Operating ⁽¹⁾	0.92	0.95	0.99	1.03	1.04	0.98	0.95	0.94	0.88	4.03	3.62	3.24
Reported	0.92	0.95	0.98	1.02	1.03	0.87	0.95	0.94	0.88	3.90	3.62	3.14
Fully Diluted EPS												
Operating ⁽¹⁾	0.91	0.93	0.98	1.01	1.03	0.96	0.94	0.93	0.88	3.98	3.58	3.23
Reported	0.91	0.93	0.97	1.00	1.02	0.86	0.94	0.93	0.88	3.85	3.58	3.12
Operating EPS Growth - Diluted	-12%	-3%	4%	9%	17%	14%	13%	13%	9%	11%	12%	11%
Price-to-Earnings Ratio (times) ⁽²⁾	10.8	12.0	13.8	13.1	13.0	14.0	13.6	13.1	13.1	13.8	13.6	14.4
Return on Shareholders' Equity (annualized)												
Operating ⁽³⁾	12.9%	13.4%	14.3%	14.8%	14.6%	13.5%	14.0%	14.4%	13.6%	14.3%	13.8%	13.1%
Reported	12.9%	13.4%	14.2%	14.7%	14.5%	12.0%	14.0%	14.4%	13.6%	13.8%	13.8%	12.6%
Return on Assets (annualized) ⁽³⁾	1.81%	1.86%	1.97%	2.03%	1.99%	1.86%	1.89%	1.93%	1.84%	1.98%	1.83%	1.74%
Total Debt-to-Total Capital Ratio ⁽⁴⁾	24.4%	23.2%	22.0%	22.3%	22.0%	22.4%	22.2%	21.7%	22.1%	22.0%	22.2%	21.3%
Book Value Per Common Share	28.56	28.31	27.70	27.25	27.78	28.85	27.71	26.42	25.75	27.70	27.71	25.34
Market-to-Book Value (times)	1.5	1.7	2.0	1.9	1.8	1.8	1.8	1.7	1.7	2.0	1.8	1.8
Total Market Capitalization (\$ billion)	23.5	27.0	31.4	29.6	28.8	30.0	28.2	26.3	25.5	31.4	28.2	27.2
Dividend Per Common Share	0.360	0.360	0.340	0.340	0.320	0.320	0.300	0.300	0.275	1.320	1.150	0.990
Dividend Payout Ratio ⁽³⁾	39%	38%	34%	33%	31%	33%	32%	32%	31%	33%	32%	31%
Value of Common Shares Purchased and Cancelled ⁽⁵⁾	95	110	129	113	179	81	87	91	291	502	575	544

⁽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 PCS (prior to their May 2007 redemption) and SLEECs, and preferred shares issued by Sun Life Financial Inc. and Sun Life Assurance Company of Canada.

⁽⁵⁾ Q3 2007 includes \$15 million purchased in Q2 2007 and cancelled in Q3 2007.

COMMON SHAREHOLDERS' VALUE (cont'd)

	At and For the Quarter Ended									At and For the Year Ended		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
CHANGES IN COMMON SHAREHOLDERS' EQUITY												
Balance at Beginning of Period	15,909	15,627	15,434	15,779	16,486	15,842	15,136	14,813	15,040	15,842	14,749	14,338
Common Shareholders' Net Income	519	533	555	577	590	497	545	541	512	2,219	2,089	1,843
Adjustment to Equity with respect to Investment Accounting Changes	-	-	-	-	-	545	-	-	-	545	-	-
Dividends - Common Shares	(202)	(203)	(193)	(193)	(183)	(183)	(172)	(172)	(159)	(752)	(663)	(581)
Common Share Issued, Net of Expenses	3	2	6	12	6	31	21	6	6	55	61	78
Common Share Buyback	(99)	(110)	(129)	(113)	(152)	(108)	(87)	(91)	(291)	(502)	(575)	(544)
Stock Based Compensation	1	38	1	(9)	4	5	5	3	4	1	18	17
Effect of Changes in Exchange Rates	-	-	-	-	-	-	394	36	(299)	-	163	(402)
Other Comprehensive Income												
Effect of Exchange Rates	(19)	266	(15)	(651)	(722)	(103)	-	-	-	(1,491)	-	-
Other OCI Movements	(124)	(244)	(32)	32	(250)	(40)	-	-	-	(290)	-	-
Balance at End of Period	<u>15,988</u>	<u>15,909</u>	<u>15,627</u>	<u>15,434</u>	<u>15,779</u>	<u>16,486</u>	<u>15,842</u>	<u>15,136</u>	<u>14,813</u>	<u>15,627</u>	<u>15,842</u>	<u>14,749</u>
Number of Common Shares Outstanding (in millions)												
At Beginning of Period	561.9	564.1	566.4	568.1	571.4	571.8	573.0	575.3	580.9	571.8	582.0	592.0
Common Shares Issued	0.1	0.2	0.2	0.5	0.2	1.2	0.6	0.3	0.3	2.1	2.2	3.1
Common Shares Purchased and Cancelled	(2.1)	(2.4)	(2.5)	(2.2)	(3.5)	(1.6)	(1.8)	(2.6)	(5.9)	(9.8)	(12.4)	(13.1)
At End of Period	<u>559.9</u>	<u>561.9</u>	<u>564.1</u>	<u>566.4</u>	<u>568.1</u>	<u>571.4</u>	<u>571.8</u>	<u>573.0</u>	<u>575.3</u>	<u>564.1</u>	<u>571.8</u>	<u>582.0</u>
Weighted average												
Basic	561.6	563.8	566.2	567.8	570.1	572.0	572.6	574.2	578.8	569.0	576.8	586.5
Fully Diluted	563.4	565.8	568.7	570.3	572.6	574.9	575.5	576.9	581.7	571.6	579.8	589.9
Number of Stock Options Outstanding (in thousands)												
At Beginning of Period	9,517	8,168	8,436	8,958	9,248	9,138	9,833	10,105	10,410	9,138	10,049	12,457
Options Issued	3	1,452	2	-	10	1,249	13	17	9	1,261	1,460	1,339
Options Exercised or Cancelled	(160)	(103)	(270)	(522)	(300)	(1,139)	(708)	(289)	(314)	(2,231)	(2,371)	(3,747)
At End of Period	<u>9,360</u>	<u>9,517</u>	<u>8,168</u>	<u>8,436</u>	<u>8,958</u>	<u>9,248</u>	<u>9,138</u>	<u>9,833</u>	<u>10,105</u>	<u>8,168</u>	<u>9,138</u>	<u>10,049</u>

TOTAL COMPANY
STATEMENT OF OPERATIONS

	For the Quarter Ended									For the Year Ended		
	2008			2007			2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Premiums	3,306	3,185	3,149	3,458	3,204	3,313	3,523	4,162	3,931	13,124	14,609	12,940
Investment Income	390	(4)	1,496	1,443	472	1,441	1,836	1,718	1,541	4,852	6,664	6,079
Fee Income	715	705	760	798	824	830	778	724	759	3,212	3,014	2,899
Total Revenue	4,411	3,886	5,405	5,699	4,500	5,584	6,137	6,604	6,231	21,188	24,287	21,918
Client Disbursements	3,604	3,398	3,694	3,570	4,229	3,703	3,529	3,278	3,341	15,196	13,730	13,506
Increase in Actuarial Liabilities	(1,000)	(1,540)	(379)	(49)	(1,895)	(192)	492	1,277	985	(2,515)	2,525	872
Commissions and Other Expenses	1,253	1,277	1,397	1,422	1,393	1,448	1,456	1,331	1,367	5,660	5,472	5,110
Income Taxes (Benefits)	11	190	116	149	155	102	90	157	7	522	389	531
Non-Controlling Interest	5	9	9	10	8	8	8	7	6	35	27	23
Total Net Income	538	552	568	597	610	515	562	554	525	2,290	2,144	1,876
Less:												
Participating Policyholders' Net Income	2	1	(4)	2	2	2	3	1	2	2	7	9
Preferred Shareholder Dividends	17	18	17	18	18	16	14	12	11	69	48	24
Common Shareholders' Net Income	519	533	555	577	590	497	545	541	512	2,219	2,089	1,843
Less Special Items ⁽¹⁾	-	-	(5)	(6)	(3)	(61)	-	-	-	(75)	(2)	(63)
Common Shareholders' Operating Income	519	533	560	583	593	558	545	541	512	2,294	2,091	1,906

⁽¹⁾ The amounts for Q4 2007, Q3 2007 and Q2 2007 reflect Clarica rebranding costs (\$3 million in Q4 2007, \$5 million in Q3 2007, and \$2 million in Q2 2007), and integration costs with respect to the purchase of Genworth EBG business (\$2 million in Q4 2007, \$1 million in Q3 2007, and \$1 million 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 PCS. The amount for 2006 represents CMG integration costs. The amount for 2005 represents a \$51 million loss on the sale of the Company's investment in Administradora de Fondos de Pensiones Cuprum S.A. in Q3 2005, and \$12 million of CMG integration costs in Q4 2005.

TOTAL COMPANY

	At and For the Quarter Ended									At and For the Year Ended		
	2008			2007			2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
ASSETS UNDER MANAGEMENT												
General Fund Assets	113,575	115,249	114,291	113,274	116,051	122,197	117,831	113,416	110,571	114,291	117,831	110,866
Segregated Fund Assets	73,245	72,071	73,205	72,723	72,764	72,951	70,789	64,204	61,741	73,205	70,789	60,984
MFS and Other ⁽¹⁾	226,376	227,930	237,768	240,664	251,289	256,176	252,812	227,481	218,793	237,768	252,812	219,039
Total Assets Under Management	413,196	415,250	425,264	426,661	440,104	451,324	441,432	405,101	391,105	425,264	441,432	390,889
FEE INCOME												
Mutual Funds and Managed Funds												
Acquisition - MFS	106	106	116	124	132	136	134	125	130	508	527	576
Asset Based	308	303	321	331	347	353	342	311	321	1,352	1,296	1,264
Segregated Funds	228	209	222	218	215	212	206	181	181	867	747	664
Other	73	87	101	125	130	129	96	107	127	485	444	395
Total Fee Income	715	705	760	798	824	830	778	724	759	3,212	3,014	2,899
Period over Period Growth												
Assets Under Management	(6%)	(8%)	(4%)	5%	13%	11%	13%	7%	3%	(4%)	13%	8%
Fee Income	(13%)	(15%)	(2%)	10%	9%	10%	7%	(1%)	5%	7%	4%	0%

⁽¹⁾ Periods prior to Q3 2007 have been restated to include other assets under management of Birla Sun Life Asset Management (BSLAMC). Sun Life has a 50% interest in BSLAMC.

TOTAL COMPANY NEW SALES AND DEPOSITS LIFE AND HEALTH	For the Quarter Ended									For the Year Ended		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Individual Life and Health Insurance												
Annualized Premiums												
Sun Life Financial Advisors	37	25	41	29	37	26	41	30	34	133	129	131
Wholesale channel	12	10	13	13	11	10	11	8	8	47	34	20
Total SLF Canada	49	35	54	42	48	36	52	38	42	180	163	151
SLF U.S.	102	34	48	228	60	140	97	168	109	476	449	216
SLF Asia ⁽¹⁾	73	98	100	77	51	61	60	45	38	289	191	145
Total	224	167	202	347	159	237	209	251	189	945	803	512
Total SLF Asia Sales ⁽²⁾	166	259	202	171	88	135	95	77	62	596	337	261
Group Life Insurance Annualized Premiums												
SLF Canada	3	6	3	6	6	7	4	4	8	22	25	39
SLF U.S.	27	10	72	19	22	21	58	27	21	134	118	124
Total	30	16	75	25	28	28	62	31	29	156	143	163
Group Health Insurance Annualized Premiums and Premium Equivalents												
SLF Canada	38	67	50	58	72	73	34	70	155	253	342	256
SLF U.S.	100	46	222	54	72	35	171	37	73	383	320	253
Total	138	113	272	112	144	108	205	107	228	636	662	509
Segregated Fund Deposits - Life Insurance	857	288	428	1,924	211	836	280	510	358	3,399	1,309	417
Business In-Force - Group Insurance												
SLF Canada	6,390	6,291	6,145	6,040	5,996	5,839	5,735	5,675	5,532	6,145	5,735	5,211
SLF U.S. (in millions of U.S. dollars)	1,962	1,955	2,060	1,962	1,974	1,198	1,237	1,093	1,089	2,060	1,237	1,038

⁽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		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Fixed Annuity - Premiums ⁽¹⁾												
SLF Canada	334	284	246	305	237	325	353	245	204	1,113	1,041	921
SLF U.S.	488	480	426	567	559	581	667	1,472	1,430	2,133	4,060	3,437
SLF U.K. - Annuity vestings	60	53	61	67	78	78	76	95	62	284	279	198
Total	882	817	733	939	874	984	1,096	1,812	1,696	3,530	5,380	4,556
Segregated Fund Deposits - Annuities												
SLF Canada	1,724	1,863	2,084	1,436	1,440	1,798	1,474	1,061	1,222	6,758	5,122	4,888
SLF U.S.	460	633	700	813	866	711	659	488	512	3,090	2,240	1,809
SLF U.K.	1	15	17	15	19	19	20	19	20	70	80	88
Asia	14	1	-	1	1	1	-	-	1	3	2	3
Total	2,199	2,512	2,801	2,265	2,326	2,529	2,153	1,568	1,755	9,921	7,444	6,788
NEW SALES												
ANNUITIES - SLF U.S. (in millions of U.S. dollars)												
Gross Sales												
U.S. Domestic	510	538	718	771	805	523	519	404	411	2,817	1,711	1,320
Other Variable	174	283	183	159	160	205	245	143	151	707	804	736
Fixed	170	90	100	255	186	191	211	143	53	732	465	337
Fixed Indexed	77	85	98	97	127	142	168	155	191	464	731	1,008
Total	931	996	1,099	1,282	1,278	1,061	1,143	845	806	4,720	3,711	3,401
Net Sales												
U.S. Domestic	(171)	(152)	(89)	70	82	(133)	(153)	(236)	(277)	(70)	(1,017)	(1,229)
Other Variable	(70)	164	33	(19)	20	78	128	44	59	112	404	407
Fixed	(235)	(330)	(361)	(248)	(345)	(207)	(243)	(338)	(428)	(1,161)	(1,385)	(1,014)
Fixed Indexed	(90)	(88)	(73)	(77)	(52)	(25)	31	13	55	(227)	173	511
Total	(566)	(406)	(490)	(274)	(295)	(287)	(237)	(517)	(591)	(1,346)	(1,825)	(1,325)
Net Interest Spread	1.49%	1.89%	1.78%	2.11%	2.30%	2.23%	1.64%	2.02%	1.97%	2.11%	1.82%	1.48%

⁽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.

TOTAL COMPANY PREMIUMS AND DEPOSITS	For the Quarter Ended									For the Year Ended		
	2008			2007			2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Premiums	1,608	1,531	1,500	1,538	1,448	1,518	1,548	1,430	1,347	6,004	5,721	5,314
Segregated Fund Deposits	1,724	1,863	2,084	1,436	1,440	1,798	1,474	1,061	1,222	6,758	5,122	4,888
CI Mutual Fund Sales through Sun Life Financial Advisors	268	350	265	249	311	426	260	220	264	1,251	1,146	1,074
ASO Premium Equivalents	796	787	778	760	743	719	708	697	669	3,000	2,718	2,389
Managed Fund Sales	387	487	268	423	411	771	659	278	605	1,873	2,724	3,185
Total SLF Canada	4,783	5,018	4,895	4,406	4,353	5,232	4,649	3,686	4,107	18,886	17,431	16,850
SLF U.S.												
Premiums	1,314	1,285	1,251	1,546	1,354	1,377	1,496	2,314	2,217	5,528	7,261	6,246
Segregated Fund Deposits	1,111	722	860	2,514	908	1,373	780	902	752	5,655	3,078	1,981
Total SLF U.S.	2,425	2,007	2,111	4,060	2,262	2,750	2,276	3,216	2,969	11,183	10,339	8,227
MFS												
Mutual Fund Sales	4,629	4,947	4,042	5,065	5,837	6,132	4,883	4,582	4,503	21,076	19,137	19,193
Managed Fund Sales	4,857	4,949	4,510	5,387	8,071	7,150	6,055	5,082	6,959	25,118	22,800	27,950
Total MFS	9,486	9,896	8,552	10,452	13,908	13,282	10,938	9,664	11,462	46,194	41,937	47,143
SLF Asia												
Premiums	172	151	174	155	146	154	190	158	147	629	640	524
Segregated Fund Deposits	201	195	261	218	163	167	151	89	111	809	442	150
Mutual Funds Sales	10	28	47	65	63	84	58	22	26	259	129	62
Managed Fund Sales	132	127	134	139	167	182	169	146	141	622	592	-
Total SLF Asia	515	501	616	577	539	587	568	415	425	2,319	1,803	736
Corporate												
Premiums	212	218	224	219	256	264	289	260	220	963	987	856
Segregated Fund Deposits	20	20	24	21	26	27	28	26	28	98	111	186
Total Corporate⁽¹⁾	232	238	248	240	282	291	317	286	248	1,061	1,098	1,042
Total Company	17,441	17,660	16,422	19,735	21,344	22,142	18,748	17,267	19,211	79,643	72,608	73,998
Total Premiums	3,306	3,185	3,149	3,458	3,204	3,313	3,523	4,162	3,931	13,124	14,609	12,940
Total Segregated Fund Deposits	3,056	2,800	3,229	4,189	2,537	3,365	2,433	2,078	2,113	13,320	8,753	7,205
Total Mutual Fund Sales	4,639	4,975	4,089	5,130	5,900	6,216	4,941	4,604	4,529	21,335	19,266	19,255
Total Managed Fund Sales	5,376	5,563	4,912	5,949	8,649	8,103	6,883	5,506	7,705	27,613	26,116	31,135
CI Mutual Fund Sales through Sun Life Financial Advisors	268	350	265	249	311	426	260	220	264	1,251	1,146	1,074
ASO Premium Equivalents	796	787	778	760	743	719	708	697	669	3,000	2,718	2,389
Total Company	17,441	17,660	16,422	19,735	21,344	22,142	18,748	17,267	19,211	79,643	72,608	73,998

⁽¹⁾ Includes consolidation adjustments.

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

	For the Quarter Ended									For the Year Ended		
	2008			2007			2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Assets Under Management												
Balance at Beginning of Period	184,414	199,609	204,336	201,956	191,608	186,972	174,953	168,088	169,485	186,972	162,298	146,164
Mutual Funds												
Sales	4,583	4,926	4,126	4,841	5,309	5,236	4,289	4,088	4,011	19,512	16,866	15,813
Redemptions/Transfers	(4,943)	(6,790)	(6,025)	(6,288)	(6,131)	(5,865)	(5,385)	(5,239)	(5,592)	(24,309)	(22,269)	(19,601)
Net Sales	(360)	(1,864)	(1,899)	(1,447)	(822)	(629)	(1,096)	(1,151)	(1,581)	(4,797)	(5,403)	(3,788)
Managed Fund												
Sales	4,809	4,926	4,604	5,148	7,342	6,105	5,319	4,533	6,198	23,199	20,125	23,019
Redemptions/Transfers	(3,442)	(5,800)	(5,928)	(4,615)	(6,641)	(5,253)	(3,244)	(3,454)	(4,958)	(22,437)	(14,496)	(11,722)
Net Sales	1,367	(874)	(1,324)	533	701	852	2,075	1,079	1,240	762	5,629	11,297
Market Movement	(1,989)	(12,457)	(1,504)	3,294	9,465	4,413	11,040	6,937	(1,056)	15,668	24,448	8,625
Acquisition	-	-	-	-	1,004	-	-	-	-	1,004	-	-
Balance at End of Period	183,432	184,414	199,609	204,336	201,956	191,608	186,972	174,953	168,088	199,609	186,972	162,298
S&P Period Average	1,371	1,349	1,495	1,489	1,497	1,425	1,389	1,287	1,282	1,477	1,311	1,207
Average Net Assets	190,885	186,747	202,769	199,053	200,002	188,947	181,977	170,064	168,085	197,702	171,914	151,160
Net Sales	1,007	(2,738)	(3,223)	(914)	(121)	223	979	(72)	(341)	(4,035)	226	7,509
Pre-Tax Operating Profit Margin Ratio	34%	35%	40%	36%	34%	34%	34%	30%	27%	36%	29%	22%

SEGMENTED RESULTS
REVENUES BY BUSINESS UNIT

	For the Quarter Ended									For the Year Ended		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Individual Insurance and Investments	1,064	987	1,355	1,210	833	1,156	1,307	1,157	1,098	4,554	4,675	4,387
Group Benefits	853	973	952	929	769	875	865	889	856	3,525	3,472	3,134
Group Wealth	359	360	303	361	199	343	348	289	269	1,206	1,186	1,137
Total SLF Canada	2,276	2,320	2,610	2,500	1,801	2,374	2,520	2,335	2,223	9,285	9,333	8,658
SLF U.S.												
Annuities	673	39	472	778	1,073	1,111	1,310	2,063	1,913	3,434	6,321	5,517
Individual Insurance	461	541	670	751	480	734	767	774	715	2,635	2,923	2,524
Employee Benefits Group	490	480	495	523	391	352	315	306	301	1,761	1,221	1,120
Total SLF U.S.	1,624	1,060	1,637	2,052	1,944	2,197	2,392	3,143	2,929	7,830	10,465	9,161
MFS	367	362	390	417	433	447	444	395	407	1,687	1,662	1,648
SLF Asia	71	119	294	286	182	215	297	240	259	977	1,022	759
Corporate												
SLF U.K.	(38)	(128)	298	285	20	184	294	345	273	787	1,170	1,152
SLF Reinsurance	127	128	146	131	129	149	185	134	129	555	583	455
Corporate Support	39	76	83	84	49	76	114	97	93	292	411	388
Total Corporate	128	76	527	500	198	409	593	576	495	1,634	2,164	1,995
Consolidation Adjustments	(55)	(51)	(53)	(56)	(58)	(58)	(109)	(85)	(82)	(225)	(359)	(303)
Total Company	4,411	3,886	5,405	5,699	4,500	5,584	6,137	6,604	6,231	21,188	24,287	21,918

SEGMENTED RESULTS COMMON SHAREHOLDERS' NET INCOME BY BUSINESS UNIT	For the Quarter Ended									For the Year Ended		
	2008		2007			2006			2007	2006	2005	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Individual Insurance and Investments ^{(1) *}	177	149	147	152	177	146	156	123	156	622	585	572
Group Benefits	80	49	76	59	69	51	60	85	65	255	247	246
Group Wealth	39	49	40	46	34	53	41	32	43	173	163	145
Total SLF Canada	296	247	263	257	280	250	257	240	264	1,050	995	963
SLF U.S.												
Annuities	22	75	55	104	88	93	69	99	72	340	338	326
Individual Insurance	36	19	79	43	41	6	10	25	(4)	169	58	118
Employee Benefits Group ⁽²⁾	25	19	23	23	27	(1)	18	12	22	72	52	51
Total SLF U.S.	83	113	157	170	156	98	97	136	90	581	448	495
MFS	56	59	73	68	68	72	71	58	53	281	234	179
SLF Asia ⁽³⁾	12	13	38	30	17	38	33	13	31	123	101	42
Corporate												
SLF U.K.	41	59	23	48	42	100	28	57	48	213	171	192
SLF Reinsurance	(1)	22	25	21	33	18	35	25	24	97	93	5
Corporate Support ⁽⁴⁾⁽⁵⁾	32	20	(24)	(17)	(6)	(79)	24	12	2	(126)	47	(33)
Total Corporate	72	101	24	52	69	39	87	94	74	184	311	164
Total Company	519	533	555	577	590	497	545	541	512	2,219	2,089	1,843
* Includes earnings from ownership position in CI Financial ⁽⁶⁾		43	44	34	35	33	33	27	45	146	127	106

⁽¹⁾ Includes rebranding costs of \$2 million in Q2 2007, \$5 million in Q3 2007 and \$3 million in Q4 2007.

⁽²⁾ Includes Genworth EBG business integration costs of \$1 million in each of Q2 2007 and Q3 2007, and \$2 million in Q4 2007.

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

⁽⁴⁾ 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 Partnership Capital Securities. The amount for 2005 includes \$9 million regarding the CMG Asia acquisition and a \$51 million loss on the sale of the Company's investment in Cuprum.

⁽⁵⁾ Includes run-off reinsurance.

⁽⁶⁾ 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 Ins	Employee Benefits				SLF U.K.	SLF Rein- surance	Corporate Support ⁽³⁾	Total	
							Group	Total							
For the Quarter Ended June 30, 2008															
Premiums	594	781	233	1,608	499	350	475	1,324	-	172	89	120	(7)	202	3,306
Investment Income	418	33	37	488	56	97	12	165	2	(127)	(146)	8	-	(138)	390
Fee Income	52	39	89	180	118	14	3	135	365	26	19	(1)	(9)	9	715
Total Revenue	1,064	853	359	2,276	673	461	490	1,624	367	71	(38)	127	(16)	73	4,411
Client Disbursements and Increase in Actuarial Liabilities	649	592	240	1,481	568	260	320	1,148	-	(39)	(90)	126	(22)	14	2,604
Commissions and Other Expenses	245	150	67	462	124	162	130	416	268	91	16	9	(9)	16	1,253
Income Taxes (Benefits)	(9)	31	9	31	(41)	3	15	(23)	41	7	(5)	(7)	(33)	(45)	11
Non-Controlling Interests in Net Income of Subsidiaries	-	-	4	4	-	-	-	-	2	-	-	-	(1)	(1)	5
	179	80	39	298	22	36	25	83	56	12	41	(1)	49	89	538
Less: Participating Policyholders' Net Income	2	-	-	2	-	-	-	-	-	-	-	-	-	-	2
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	17	17	17
Common Shareholders' Net Income (Loss)	177	80	39	296	22	36	25	83	56	12	41	(1)	32	72	519
For the Quarter Ended March 31, 2008															
Premiums	580	773	178	1,531	480	338	467	1,285	-	151	84	125	9	218	3,185
Investment Income	358	162	91	611	(565)	190	11	(364)	4	(53)	(232)	3	27	(202)	(4)
Fee Income	49	38	91	178	124	13	2	139	358	21	20	-	(11)	9	705
Total Revenue	987	973	360	2,320	39	541	480	1,060	362	119	(128)	128	25	25	3,886
Client Disbursements and Increase in Actuarial Liabilities	502	757	221	1,480	(210)	363	322	475	-	15	(226)	87	27	(112)	1,858
Commissions and Other Expenses	242	153	67	462	149	164	130	443	260	84	19	15	(6)	28	1,277
Income Taxes (Benefits)	94	14	19	127	25	(6)	9	28	39	7	20	4	(35)	(11)	190
Non-Controlling Interests in Net Income of Subsidiaries	-	-	4	4	-	-	-	-	4	-	-	-	1	1	9
	149	49	49	247	75	20	19	114	59	13	59	22	38	119	552
Less: Participating Policyholders' Net Income	-	-	-	-	-	1	-	1	-	-	-	-	-	-	1
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	18	18	18
Common Shareholders' Net Income (Loss)	149	49	49	247	75	19	19	113	59	13	59	22	20	101	533
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	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

⁽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 and Q4 2007 as noted on page 12.

SEGMENTED RESULTS
CONDENSED STATEMENT OF OPERATIONS
ANNUAL BY BUSINESS UNIT

For the Six Months Ended June 30, 2008

	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.	SLF Rein-surance	Corporate Support ⁽³⁾	Total	
Premiums	1,174	1,554	411	3,139	979	688	942	2,609	-	323	173	245	2	420	6,491
Investment Income	776	195	128	1,099	(509)	287	23	(199)	6	(180)	(378)	11	27	(340)	386
Fee Income	101	77	180	358	242	27	5	274	723	47	39	(1)	(20)	18	1,420
Total Revenue	2,051	1,826	719	4,596	712	1,002	970	2,684	729	190	(166)	255	9	98	8,297
Client Disbursements and Increase in Actuarial Liabilities	1,151	1,349	461	2,961	358	623	642	1,623	-	(24)	(316)	213	5	(98)	4,462
Commissions and Other Expenses	487	303	134	924	273	326	260	859	528	175	35	24	(15)	44	2,530
Income Taxes (Benefits)	85	45	28	158	(16)	(3)	24	5	80	14	15	(3)	(68)	(56)	201
Non-Controlling Interests in Net Income of Subsidiaries	-	-	8	8	-	-	-	-	6	-	-	-	-	-	14
	328	129	88	545	97	56	44	197	115	25	100	21	87	208	1,090
Less: Participating Policyholders' Net Income Preferred Shareholder Dividends	2	-	-	2	-	1	-	1	-	-	-	-	-	-	3
	-	-	-	-	-	-	-	-	-	-	-	-	35	35	35
Common Shareholders' Net Income (Loss)	326	129	88	543	97	55	44	196	115	25	100	21	52	173	1,052

For the Six Months Ended June 30, 2007

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' Operating 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

⁽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 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	Group Benefits	Group Wealth	Total	Annuities	Ind Ins	Employee Benefits Group	Total			SLF U.K.	SLF Rein-surance	Corporate Support	Total	
For the Year Ended December 31, 2007															
Premiums	2,480	2,963	561	6,004	2,133	1,754	1,641	5,528	-	629	427	510	26	963	13,124
Investment Income	1,881	419	286	2,586	617	831	112	1,560	30	255	263	45	113	421	4,852
Fee Income	193	143	359	695	684	50	8	742	1,657	93	97	-	(72)	25	3,212
Total Revenue	4,554	3,525	1,206	9,285	3,434	2,635	1,761	7,830	1,687	977	787	555	67	1,409	21,188
Client Disbursements and Increase in Actuarial Liabilities	2,892	2,559	698	6,149	2,137	1,731	1,189	5,057	-	501	456	390	128	974	12,681
Commissions and Other Expenses	1,006	602	260	1,868	918	668	461	2,047	1,206	330	84	41	84	209	5,660
Income Taxes (Benefits)	35	109	56	200	39	64	39	142	185	23	34	27	(89)	(28)	522
Non-Controlling Interests in Net Income of Subsidiaries	-	-	19	19	-	-	-	-	15	-	-	-	1	1	35
Less: Participating Policyholders' Net Income	(1)	-	-	(1)	-	3	-	3	-	-	-	-	-	-	2
Preferred Shareholder Dividends	-	-	-	-	-	-	-	-	-	-	-	-	69	69	69
Common Shareholders' Net Income (Loss)	622	255	173	1,050	340	169	72	581	281	123	213	97	(126)	184	2,219
Less: Special Items ⁽¹⁾	(10)	-	-	(10)	-	-	(4)	(4)	-	-	-	-	(61)	(61)	(75)
Common Shareholders' Operating Income (Loss)	632	255	173	1,060	340	169	76	585	281	123	213	97	(65)	245	2,294
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

⁽¹⁾ Includes special items as noted on page 12.

SEGMENTED RESULTS ASSETS UNDER MANAGEMENT QUARTERLY BY BUSINESS UNIT	SLF Canada				SLF U.S.				MFS	SLF Asia ⁽¹⁾	Corporate				Total
	Ind Ins	Group Benefits	Group Wealth	Total	Annuities	Ind Ins	Employee Benefits Group				SLF U.K.	SLF Rein- surance	Other	Total	
							Total	Total							
<u>June 30, 2008</u>															
General Funds	37,670	10,381	7,584	55,635	19,545	16,627	2,682	38,854	782	5,263	8,843	1,380	2,818	13,041	113,575
Segregated Funds	9,072	-	28,695	37,767	18,870	8,634	-	27,504	-	1,912	6,062	-	-	6,062	73,245
Other Assets Under Management	159	-	34,388	34,547	1,329	-	-	1,329	187,266	11,814	-	-	(8,580)	(8,580)	226,376
Total Assets Under Management	<u>46,901</u>	<u>10,381</u>	<u>70,667</u>	<u>127,949</u>	<u>39,744</u>	<u>25,261</u>	<u>2,682</u>	<u>67,687</u>	<u>188,048</u>	<u>18,989</u>	<u>14,905</u>	<u>1,380</u>	<u>(5,762)</u>	<u>10,523</u>	<u>413,196</u>
Actuarial and Other Policy Liabilities	<u>26,476</u>	<u>6,998</u>	<u>6,094</u>	<u>39,568</u>	<u>14,640</u>	<u>11,339</u>	<u>1,408</u>	<u>27,387</u>	<u>-</u>	<u>3,099</u>	<u>6,886</u>	<u>514</u>	<u>754</u>	<u>8,154</u>	<u>78,208</u>
<u>March 31, 2008</u>															
General Funds	38,112	10,481	7,691	56,284	20,389	16,549	2,847	39,785	875	5,527	9,005	1,363	2,410	12,778	115,249
Segregated Funds	8,468	-	28,012	36,480	19,395	7,953	-	27,348	-	1,884	6,359	-	-	6,359	72,071
Other Assets Under Management	170	-	34,176	34,346	1,366	-	-	1,366	189,172	12,051	-	-	(9,005)	(9,005)	227,930
Total Assets Under Management	<u>46,750</u>	<u>10,481</u>	<u>69,879</u>	<u>127,110</u>	<u>41,150</u>	<u>24,502</u>	<u>2,847</u>	<u>68,499</u>	<u>190,047</u>	<u>19,462</u>	<u>15,364</u>	<u>1,363</u>	<u>(6,595)</u>	<u>10,132</u>	<u>415,250</u>
Actuarial and Other Policy Liabilities	<u>26,463</u>	<u>7,076</u>	<u>6,056</u>	<u>39,595</u>	<u>15,277</u>	<u>11,365</u>	<u>1,424</u>	<u>28,066</u>	<u>-</u>	<u>3,304</u>	<u>7,195</u>	<u>482</u>	<u>786</u>	<u>8,463</u>	<u>79,428</u>
<u>December 31, 2007</u>															
General Funds	37,658	10,414	7,425	55,497	20,549	16,344	2,740	39,633	945	5,497	9,257	1,319	2,143	12,719	114,291
Segregated Funds	8,355	-	28,331	36,686	20,124	7,617	-	27,741	-	1,936	6,842	-	-	6,842	73,205
Other Assets Under Management	187	-	35,491	35,678	1,426	-	-	1,426	198,891	11,450	-	-	(9,677)	(9,677)	237,768
Total Assets Under Management	<u>46,200</u>	<u>10,414</u>	<u>71,247</u>	<u>127,861</u>	<u>42,099</u>	<u>23,961</u>	<u>2,740</u>	<u>68,800</u>	<u>199,836</u>	<u>18,883</u>	<u>16,099</u>	<u>1,319</u>	<u>(7,534)</u>	<u>9,884</u>	<u>425,264</u>
Actuarial and Other Policy Liabilities	<u>26,601</u>	<u>7,004</u>	<u>5,965</u>	<u>39,570</u>	<u>16,015</u>	<u>10,893</u>	<u>1,386</u>	<u>28,294</u>	<u>-</u>	<u>3,283</u>	<u>7,453</u>	<u>470</u>	<u>760</u>	<u>8,683</u>	<u>79,830</u>
<u>September 30, 2007</u>															
General Funds	37,514	10,217	7,389	55,120	21,033	14,980	2,703	38,716	891	5,251	9,278	1,288	2,730	13,296	113,274
Segregated Funds	8,311	-	27,913	36,224	20,303	7,354	-	27,657	-	1,662	7,180	-	-	7,180	72,723
Other Assets Under Management	195	-	36,347	36,542	1,462	-	-	1,462	202,558	10,130	-	-	(10,028)	(10,028)	240,664
Total Assets Under Management	<u>46,020</u>	<u>10,217</u>	<u>71,649</u>	<u>127,886</u>	<u>42,798</u>	<u>22,334</u>	<u>2,703</u>	<u>67,835</u>	<u>203,449</u>	<u>17,043</u>	<u>16,458</u>	<u>1,288</u>	<u>(7,298)</u>	<u>10,448</u>	<u>426,661</u>
Actuarial and Other Policy Liabilities	<u>26,300</u>	<u>6,938</u>	<u>5,952</u>	<u>39,190</u>	<u>16,819</u>	<u>10,745</u>	<u>1,378</u>	<u>28,942</u>	<u>-</u>	<u>3,190</u>	<u>7,620</u>	<u>450</u>	<u>710</u>	<u>8,780</u>	<u>80,102</u>
<u>June 30, 2007</u>															
General Funds	37,153	10,140	7,234	54,527	23,001	15,527	2,859	41,387	904	5,502	9,706	1,425	2,600	13,731	116,051
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	8,153	-	-	(10,876)	(10,876)	251,289
Total Assets Under Management	<u>45,567</u>	<u>10,140</u>	<u>72,233</u>	<u>127,940</u>	<u>45,939</u>	<u>21,555</u>	<u>2,859</u>	<u>70,353</u>	<u>216,007</u>	<u>15,134</u>	<u>17,521</u>	<u>1,425</u>	<u>(8,276)</u>	<u>10,670</u>	<u>440,104</u>
Actuarial and Other Policy Liabilities	<u>26,127</u>	<u>6,837</u>	<u>5,877</u>	<u>38,841</u>	<u>18,833</u>	<u>11,272</u>	<u>1,453</u>	<u>31,558</u>	<u>-</u>	<u>3,353</u>	<u>8,030</u>	<u>467</u>	<u>757</u>	<u>9,254</u>	<u>83,006</u>

⁽¹⁾ Periods prior to Q3 2007 have been restated to include other assets under management of Birla Sun Life Asset Management (BSLAM). Sun Life has a 50% interest in BSLAM.

SEGMENTED RESULTS
ASSETS UNDER MANAGEMENT
ANNUAL BY BUSINESS UNIT

	SLF Canada				SLF U.S.				MFS	SLF Asia ⁽¹⁾	Corporate				Total
	Ind Ins	Group Benefits	Group Wealth	Total	Annuities	Ind Ins	Group Life & Health	Total			SLF U.K.	SLF Reinsurance	Other	Total	
<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	7,302	-	-	(11,732)	(11,732)	252,812
Total Assets Under Management	<u>43,330</u>	<u>9,944</u>	<u>70,829</u>	<u>124,103</u>	<u>50,720</u>	<u>21,210</u>	<u>1,589</u>	<u>73,519</u>	<u>218,803</u>	<u>13,868</u>	<u>18,151</u>	<u>1,504</u>	<u>(8,516)</u>	<u>11,139</u>	<u>441,432</u>
Actuarial and Other Policy Liabilities	23,426	6,308	5,537	35,271	21,729	11,491	823	34,043	-	3,263	7,169	450	840	8,459	81,036
<u>December 31, 2005</u>															
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	5,326	-	-	(11,903)	(11,903)	219,039
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>10,826</u>	<u>15,603</u>	<u>1,222</u>	<u>(9,130)</u>	<u>7,695</u>	<u>390,889</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

⁽¹⁾ Periods prior to Q3 2007 have been restated to include other assets under management of Birla Sun Life Asset Management (BSLAM). Sun Life has a 50% interest in BSLAM.

SEGMENTED RESULTS
CAPITAL BY BUSINESS UNIT

	At the Quarter Ended								
	Q2 2008			Q1 2008			Q2 2007		
	Debt/ Preferred	Common Shareholders' Equity	Total	Debt/ Preferred	Common Shareholders' Equity	Total	Debt/ Preferred	Common Shareholders' Equity	Total
SLF Canada									
Individual Insurance and Investments	1,618	4,863	6,481	1,631	4,776	6,407	1,617	4,737	6,354
Group Benefits	518	1,577	2,095	500	1,506	2,006	508	1,534	2,042
Group Wealth	244	722	966	242	743	985	237	725	962
Total SLF Canada	<u>2,380</u>	<u>7,162</u>	<u>9,542</u>	<u>2,373</u>	<u>7,025</u>	<u>9,398</u>	<u>2,362</u>	<u>6,996</u>	<u>9,358</u>
SLF U.S.									
Annuities	1,018	2,288	3,306	1,067	2,261	3,328	227	2,660	2,887
Individual Insurance	616	1,131	1,747	617	1,088	1,705	815	1,141	1,956
Employee Benefits Group	298	902	1,200	293	885	1,178	298	909	1,207
Total SLF U.S.	<u>1,932</u>	<u>4,321</u>	<u>6,253</u>	<u>1,977</u>	<u>4,234</u>	<u>6,211</u>	<u>1,340</u>	<u>4,710</u>	<u>6,050</u>
MFS	20	385	405	41	422	463	96	336	432
SLF Asia	-	1,159	1,159	-	1,195	1,195	-	1,108	1,108
Corporate									
SLF U.K.	-	1,092	1,092	-	1,131	1,131	-	1,037	1,037
SLF Reinsurance	197	613	810	248	570	818	137	642	779
Corporate Support	662	1,256	1,918	205	1,332	1,537	546	950	1,496
Total Corporate	<u>859</u>	<u>2,961</u>	<u>3,820</u>	<u>453</u>	<u>3,033</u>	<u>3,486</u>	<u>683</u>	<u>2,629</u>	<u>3,312</u>
Total	<u>5,191</u>	<u>15,988</u>	<u>21,179</u>	<u>4,844</u>	<u>15,909</u>	<u>20,753</u>	<u>4,481</u>	<u>15,779</u>	<u>20,260</u>
Participating Policyholders' Accounts			99			97			99
Total Capital			<u>21,278</u>			<u>20,850</u>			<u>20,359</u>

SEGMENTED RESULTS
ADDITIONAL RESULTS BY SEGMENT

	At and For the Quarter Ended									At and For the Year Ended		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
SLF Canada												
Total Premiums and Deposits	4,783	5,018	4,895	4,406	4,353	5,232	4,649	3,686	4,107	18,886	17,431	16,850
Total Assets Under Management	127,949	127,110	127,861	127,886	127,940	127,515	124,103	117,829	115,187	127,861	124,103	114,339
Actuarial and Other Policy Liabilities	39,568	39,595	39,570	39,190	38,841	39,344	35,271	35,076	34,833	39,570	35,271	34,853
Common Shareholders' Equity	7,162	7,025	7,009	6,969	6,996	6,900	7,104	7,232	7,138	7,009	7,104	6,694
ROE ⁽¹⁾	16.7%	14.1%	15.0%	14.7%	16.1%	14.3%	14.3%	13.3%	15.0%	15.0%	14.1%	14.5%
SLF U.S.												
Total Premiums and Deposits	2,425	2,007	2,111	4,060	2,262	2,750	2,276	3,216	2,969	11,183	10,339	8,227
Total Assets Under Management	67,687	68,499	68,800	67,835	70,353	74,917	73,519	69,696	66,795	68,800	73,519	67,956
Actuarial and Other Policy Liabilities	27,387	28,066	28,294	28,942	31,558	34,473	34,043	32,481	31,439	28,294	34,043	32,162
Common Shareholders' Equity	4,321	4,234	4,248	4,334	4,710	4,206	4,073	3,965	3,815	4,248	4,073	3,846
ROE ⁽¹⁾	7.8%	10.7%	15.3%	14.7%	14.0%	9.4%	9.7%	13.9%	9.4%	13.5%	11.5%	12.9%
MFS												
Total Premiums and Deposits	9,486	9,896	8,552	10,452	13,908	13,282	10,938	9,664	11,462	46,194	41,937	47,143
Total Assets Under Management ⁽²⁾	188,048	190,047	199,836	203,449	216,007	221,818	218,803	196,475	188,559	199,836	218,803	190,073
Common Shareholders' Equity	385	422	365	332	336	323	321	271	239	365	321	155
SLF Asia												
Total Premiums and Deposits	515	501	616	577	539	587	568	415	425	2,319	1,803	736
Total Assets Under Management ⁽³⁾	18,989	19,462	18,883	17,043	15,134	15,336	13,868	11,864	11,483	18,883	13,868	10,826
Actuarial and Other Policy Liabilities	3,099	3,304	3,283	3,190	3,353	3,615	3,263	3,039	2,944	3,283	3,263	2,949
Common Shareholders' Equity	1,159	1,195	1,144	1,086	1,108	1,152	1,097	1,002	992	1,144	1,097	934
ROE ⁽¹⁾	4.1%	4.4%	13.6%	10.9%	6.0%	13.5%	12.6%	5.2%	12.6%	11.0%	10.2%	8.6%
Corporate												
Total Premiums and Deposits	232	238	248	240	282	291	317	286	248	1,061	1,098	1,042
Total Assets Under Management ⁽⁴⁾	20,316	20,398	20,809	21,662	22,828	25,088	24,745	22,080	21,773	20,809	24,745	21,485
Actuarial and Other Policy Liabilities	8,154	8,463	8,683	8,780	9,254	10,177	8,459	7,776	7,684	8,683	8,459	7,525
Common Shareholders' Equity	2,961	3,033	2,861	2,713	2,629	3,905	3,247	2,666	2,629	2,861	3,247	3,120
Total Company												
Total Premiums and Deposits	17,441	17,660	16,422	19,735	21,344	22,142	18,748	17,267	19,211	79,643	72,608	73,998
Total Assets Under Management ⁽³⁾⁽⁴⁾	422,989	425,516	436,189	437,875	452,262	464,674	455,038	417,944	403,797	436,189	455,038	404,679
Consolidation Adjustments	(9,793)	(10,266)	(10,925)	(11,214)	(12,158)	(13,350)	(13,606)	(12,843)	(12,692)	(10,925)	(13,606)	(13,790)
Total Assets Under Management	413,196	415,250	425,264	426,661	440,104	451,324	441,432	405,101	391,105	425,264	441,432	390,889
Actuarial and Other Policy Liabilities	78,208	79,428	79,830	80,102	83,006	87,609	81,036	78,372	76,900	79,830	81,036	77,489
Common Shareholders' Equity	15,988	15,909	15,627	15,434	15,779	16,486	15,842	15,136	14,813	15,627	15,842	14,749
ROE ⁽⁵⁾	12.9%	13.4%	14.3%	14.8%	14.6%	13.5%	14.0%	14.4%	13.6%	14.3%	13.8%	13.1%

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

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

⁽³⁾ Periods prior to Q3 2007 have been restated to include other assets under management of Birla Sun Life Asset Management (BSLAM). Sun Life has a 50% interest in BSLAM.

⁽⁴⁾ Before consolidation adjustments.

⁽⁵⁾ Based on operating earnings.

SOURCES OF EARNINGS

	For the Quarter Ended									For the Year Ended		
	2008		2007				2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Expected Profit on In-Force Business	536	530	534	535	517	505	499	469	430	2,091	1,824	1,540
Impact of New Business	(70)	(79)	(8)	(51)	(47)	(152)	(108)	(68)	(77)	(258)	(313)	(160)
Experience Gains (Losses)	(159)	(36)	(36)	95	129	45	116	116	36	233	311	367
Management Actions and Changes in Assumptions ⁽¹⁾	114	174	111	14	9	81	(11)	53	60	215	189	131
Earnings on Operations (Pre-tax)	421	589	601	593	608	479	496	570	449	2,281	2,011	1,878
Earnings on Surplus	133	162	137	163	165	146	164	148	147	611	607	552
Earnings Before Income Taxes	554	751	738	756	773	625	660	718	596	2,892	2,618	2,430
Income Taxes ⁽²⁾	(11)	(190)	(161)	(149)	(155)	(102)	(90)	(157)	(65)	(567)	(447)	(531)
Earnings Before Non-Controlling Interests and Participating Policyholders' Net Income	543	561	577	607	618	523	570	561	531	2,325	2,171	1,899
Less: Non-Controlling Interest, Participating Policyholders' Net Income and Preferred Share Dividends	24	28	22	30	28	26	25	20	19	106	82	56
Common Shareholders' Net Income	519	533	555	577	590	497	545	541	512	2,219	2,089	1,843

⁽¹⁾ Q1 2007 includes non-recurring pre-tax charges of \$82 million related to the retirement of the Clarica brand and redemption of Partnership Securities.

⁽²⁾ Includes Par adjustments of \$45 million for Q4 2007 and \$58 million for Q2 2006, due to Canadian Tax changes.

EXPENSES	For the Quarter Ended									For the Year Ended		
	2008		2007			2006			2007	2006	2005	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
COMMISSIONS AND OTHER EXPENSES												
Commissions	377	375	420	457	472	462	514	479	475	1,811	1,916	1,726
Operating Expenses	712	752	833	799	788	840	806	712	758	3,260	3,028	2,921
Premium Taxes	63	52	53	75	50	62	50	56	52	240	205	190
Interest on Borrowings	101	98	91	91	83	84	86	84	82	349	323	273
Total Commissions and Other Expenses	<u>1,253</u>	<u>1,277</u>	<u>1,397</u>	<u>1,422</u>	<u>1,393</u>	<u>1,448</u>	<u>1,456</u>	<u>1,331</u>	<u>1,367</u>	<u>5,660</u>	<u>5,472</u>	<u>5,110</u>
OPERATING EXPENSES												
Compensation:												
Operations	360	380	388	376	367	361	374	351	360	1,492	1,459	1,422
Distribution	85	82	102	92	99	103	95	93	96	396	378	338
Stock Options	2	4	2	2	2	4	6	2	3	10	14	9
Premises and Equipment	71	78	81	78	78	90	90	76	78	327	326	350
Other Expenses	200	190	264	233	238	223	235	183	216	958	826	780
Operating Expenses	<u>718</u>	<u>734</u>	<u>837</u>	<u>781</u>	<u>784</u>	<u>781</u>	<u>800</u>	<u>705</u>	<u>753</u>	<u>3,183</u>	<u>3,003</u>	<u>2,899</u>
Amortization of Intangibles	(6)	18	(4)	18	4	59	6	7	5	77	25	22
Total Operating Expenses	<u>712</u>	<u>752</u>	<u>833</u>	<u>799</u>	<u>788</u>	<u>840</u>	<u>806</u>	<u>712</u>	<u>758</u>	<u>3,260</u>	<u>3,028</u>	<u>2,921</u>
INTEREST ON BORROWINGS												
Subordinated Debt	33	32	28	28	25	24	24	23	24	105	94	96
Liabilities for PCS and SLEECs	20	20	21	20	27	35	35	34	36	103	140	144
Interest on Senior Unsecured Debentures/Financing	32	36	31	23	23	20	20	21	15	97	68	11
Other ⁽¹⁾	16	10	11	20	8	5	7	6	7	44	21	22
Total Interest on Borrowings	<u>101</u>	<u>98</u>	<u>91</u>	<u>91</u>	<u>83</u>	<u>84</u>	<u>86</u>	<u>84</u>	<u>82</u>	<u>349</u>	<u>323</u>	<u>273</u>

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

INVESTMENTS BOND PORTFOLIO	As at June 30, 2008				As at March 31, 2008				As at June 30, 2007			
	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												
<u>Bonds Issued or Guaranteed By:</u>												
Canadian Federal Government	2,185	608	2,793	100%	2,083	625	2,708	100%	2,685	526	3,211	100%
Canadian Provincial and Municipal Governments	5,329	256	5,585	100%	5,719	301	6,020	100%	6,039	363	6,402	100%
U.S. Treasury and Other US Agencies	952	342	1,294	100%	1,022	357	1,379	100%	1,044	274	1,318	100%
Other Governments ⁽¹⁾	3,202	424	3,626	95%	3,392	528	3,920	95%	2,809	558	3,367	93%
Total Government Issues or Guaranteed Bonds	11,668	1,630	13,298	99%	12,216	1,811	14,027	98%	12,577	1,721	14,298	98%
<u>Corporate Bonds by Industry Sector:</u>												
Financials	12,886	3,723	16,609	98%	13,264	3,722	16,986	98%	14,031	3,328	17,359	98%
Utilities	5,169	509	5,678	98%	5,215	437	5,652	98%	5,491	508	5,999	98%
Consumer Discretionary	3,089	696	3,785	85%	3,045	683	3,728	90%	3,288	614	3,902	96%
Industrials	2,574	490	3,064	98%	2,654	466	3,120	98%	2,703	322	3,025	98%
Consumer Staples	2,066	513	2,579	100%	2,150	479	2,629	100%	2,294	337	2,631	99%
Telecommunication Services	2,150	779	2,929	81%	2,109	770	2,879	81%	2,105	654	2,759	88%
Energy	2,238	378	2,616	100%	2,359	400	2,759	99%	2,168	316	2,484	98%
Materials	937	231	1,168	97%	992	262	1,254	96%	1,140	308	1,448	96%
Other	683	228	911	100%	725	232	957	100%	643	163	806	99%
Total Corporate Bonds	31,792	7,547	39,339	96%	32,513	7,451	39,964	96%	33,863	6,550	40,413	97%
<u>Asset Backed Securities</u>												
Government and Agency	988	406	1,394	100%	1,063	359	1,422	100%	1,199	348	1,547	100%
Other	4,241	322	4,563	99%	4,556	328	4,884	99%	5,454	383	5,837	100%
Total Bonds	48,689	9,905	58,594	97%	50,348	9,949	60,297	97%	53,093	9,002	62,095	98%
<u>Bonds</u>												
	As at June 30, 2008				As at March 31, 2008				As at June 30, 2007			
	Held-for- Trading	Available-for- Sale	Total		Held-for- Trading	Available-for- Sale	Total		Held-for- Trading	Available-for- Sale	Total	
Supporting Actuarial and Other Policy Liabilities	48,685	462	49,147		50,344	449	50,793		53,062	263	53,325	
Supporting Equity and Other	4	9,443	9,447		4	9,500	9,504		31	8,739	8,770	
Total	48,689	9,905	58,594		50,348	9,949	60,297		53,093	9,002	62,095	
<u>Bonds by Investment Rating ⁽¹⁾</u>												
AAA	8,948	2,227	11,175		9,573	2,331	11,904		10,520	2,182	12,702	
AA	9,436	1,620	11,056		9,630	1,597	11,227		9,894	1,397	11,291	
A	14,867	2,904	17,771		15,338	2,862	18,200		16,863	2,598	19,461	
BBB	13,847	2,879	16,726		14,304	2,943	17,247		14,520	2,724	17,244	
BB and Lower	1,591	275	1,866		1,503	216	1,719		1,296	101	1,397	
Total Bonds	48,689	9,905	58,594		50,348	9,949	60,297		53,093	9,002	62,095	

⁽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.

OTHER PORTFOLIOS

Mortgages & Corporate Loans

	As at June 30, 2008			As at March 31, 2008			As at June 30, 2007		
	Insured	Non-Insured	Total	Insured	Non-Insured	Total	Insured	Non-Insured	Total
Non-residential	-	12,411	12,411	-	12,608	12,608	-	12,567	12,567
Residential	1,816	1,244	3,060	1,743	1,325	3,068	1,596	1,402	2,998
Total Mortgages	1,816	13,655	15,471	1,743	13,933	15,676	1,596	13,969	15,565
Corporate Loans			5,635			5,505			5,145
Total			21,106			21,181			20,710

Percentage of Net Impaired Mortgages and Corporate Loans

Net of Total Allowances

Mortgages

Corporate Loans

0.17%	0.21%	0.15%
0.99%	0.67%	0.68%

	As at June 30, 2008			As at March 31, 2008			As at June 30, 2007		
	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total	Held-for-Trading	Available-for-Sale	Total
<u>Stocks</u>									
Canada	2,253	186	2,439	2,052	175	2,227	1,992	254	2,246
United States	1,135	481	1,616	1,087	498	1,585	1,208	449	1,657
United Kingdom	661	-	661	769	-	769	1,037	-	1,037
Other	469	52	521	354	56	410	372	84	456
Total Stocks	4,518	719	5,237	4,262	729	4,991	4,609	787	5,396
Supporting Actuarial and Other Policy Liabilities	4,518	22	4,540	4,262	21	4,283	4,609	19	4,628
Supporting Equity and Other	-	697	697	-	708	708	-	768	768
Total	4,518	719	5,237	4,262	729	4,991	4,609	787	5,396

Real Estate

Canada		2,941			2,881		2,526
United States		1,235			1,215		1,063
United Kingdom		313			315		369
Other		1			1		1
Total Real Estate		4,490			4,412		3,959
Supporting Liabilities		3,537			3,456		3,056
Supporting Equity and Other		953			956		903
Total		4,490			4,412		3,959

INVESTMENTS
DERIVATIVES

	As at June 30, 2008					As at December 31, 2007	
	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							
Futures Contracts	499	51	-	550	4	1,267	-
Swap Contracts	703	8,879	15,030	24,612	(324)	20,194	(287)
Options Purchased	686	270	2,918	3,874	43	2,184	18
Sub-Total	<u>1,888</u>	<u>9,200</u>	<u>17,948</u>	<u>29,036</u>	<u>(277)</u>	<u>23,645</u>	<u>(269)</u>
Foreign Exchange Contracts							
Foreign Exchange Contracts	2,327	96	-	2,423	3	1,988	9
Swap Contracts	209	3,293	5,292	8,794	1,064	8,730	1,230
Sub-Total	<u>2,536</u>	<u>3,389</u>	<u>5,292</u>	<u>11,217</u>	<u>1,067</u>	<u>10,718</u>	<u>1,239</u>
Equity and Other Contracts							
Forward Contracts	361	59	-	420	(6)	701	(3)
Futures Contracts	1,262	-	-	1,262	8	1,042	7
Swap Contracts	182	104	-	286	(11)	338	-
Options Purchased	2,026	2,507	35	4,568	203	6,108	345
Options Written	57	-	-	57	-	-	-
Sub-Total Equity Related	<u>3,888</u>	<u>2,670</u>	<u>35</u>	<u>6,593</u>	<u>195</u>	<u>8,189</u>	<u>349</u>
Other Contracts	-	10	112	122	(9)	90	(10)
Total	<u><u>8,312</u></u>	<u><u>15,269</u></u>	<u><u>23,387</u></u>	<u><u>46,968</u></u>	<u><u>976</u></u>	<u><u>42,642</u></u>	<u><u>1,309</u></u>

FINANCIAL STRENGTH AND CAPITAL ADEQUACY

As at June 30, 2008

SUN LIFE ASSURANCE COMPANY OF CANADA
FINANCIAL STRENGTH RATINGS

	<u>A.M. Best</u>	<u>Moody's</u>	<u>Standard & Poor's</u>
	A++	Aa2	AA+

DEBT RATINGS

Subordinated Debt

US\$ denominated (US\$178 million)

C\$ denominated (C\$450 million)

C\$ denominated deferrable (C\$800 million)

Sun Life Exchangeable Capital Securities
(Series A & B)

aa-	A1	AA
aa-	A1	AA
aa-	A1	AA-
a+	A2	AA-

DBRS

Standard & Poor's

SUN LIFE FINANCIAL INC.

SECURITY RATINGS

Class A Preferred Shares (Series 1-5)

Senior Unsecured Debentures (Series A-C)

Subordinated Debt (C\$1,150 million) (Series 2007 - 1, 2008 - 1 and 2008 - 2)

Pfd-1 (low)	P-1 (low)/A
AA (low)	AA-
A (high)	A+

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

	At the Quarter Ended									At the Year Ended		
	2008			2007			2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
Capital Available												
Tier 1												
Common Shares	745	745	745	745	745	745	745	745	745	745	745	745
Retained Earnings	9,483	9,341	9,317	9,287	9,321	9,110	8,652	8,572	8,371	9,317	8,652	8,038
Qualifying non-controlling interests	27	27	26	25	-	-	-	-	-	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	125	118	(40)	(137)	214	556	1,809	1,415	1,420	(40)	1,809	1,535
Gross Tier 1 Capital	11,530	11,381	11,198	11,070	11,430	11,561	12,356	11,882	11,686	11,198	12,356	11,468
Less:												
Goodwill and Intangibles in Excess of Limit	1,638	1,645	1,607	1,706	1,806	1,487	1,501	1,436	1,436	1,607	1,501	1,486
Other	1,466	1,348	1,161	1,354	1,416	1,418	1,951	1,751	1,712	1,161	1,951	1,700
Net Tier 1 Capital	8,426	8,388	8,430	8,010	8,208	8,656	8,904	8,695	8,538	8,430	8,904	8,282
Tier 2												
Tier 2A	72	85	157	190	194	291	-	-	-	157	-	-
Tier 2B	1,450	1,450	1,250	1,249	1,249	1,249	1,249	1,249	1,249	1,250	1,249	1,249
Tier 2C	1,443	1,421	1,369	1,579	1,678	1,779	1,597	1,398	1,203	1,369	1,597	1,279
Total Tier 2	2,965	2,956	2,776	3,018	3,121	3,319	2,846	2,647	2,452	2,776	2,846	2,528
Total Tier 1 and Tier 2	11,391	11,344	11,206	11,028	11,329	11,975	11,750	11,342	10,990	11,206	11,750	10,810
Less:												
Non-Life Investments and Other	1,553	1,551	1,555	1,662	1,678	1,685	1,686	1,676	1,670	1,555	1,686	1,674
Total Capital Available	9,838	9,793	9,651	9,366	9,651	10,290	10,064	9,666	9,320	9,651	10,064	9,136
Capital Required												
Asset Default and Market Risks	2,588	2,596	2,497	2,406	2,417	2,596	2,532	2,377	2,292	2,497	2,532	2,267
Insurance Risks	1,311	1,299	1,276	1,296	1,322	1,304	1,198	1,140	1,179	1,276	1,198	1,174
Interest Rate Risks	856	868	861	856	871	909	812	776	755	861	812	783
Phase-in of Changes related to FIAC	(55)	(82)	(110)	(137)	(165)	(192)	-	-	-	(110)	-	-
Total Capital Required	4,700	4,681	4,524	4,421	4,445	4,617	4,542	4,293	4,226	4,524	4,542	4,224
MCCSR Ratio	209%	209%	213%	212%	217%	223%	222%	225%	221%	213%	222%	216%

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

Capital Available										1,438	1,679	1,757
Capital Required										402	496	431
RBC Ratio ⁽¹⁾										358%	339%	407%

⁽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		
	2008		2007			2006				2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
GOODWILL												
Goodwill	6,121	6,098	6,018	6,084	6,250	5,964	5,981	5,874	5,869	6,018	5,981	5,962
Equity Holdings ⁽¹⁾	404	404	404	404	390	346	346	311	311	404	346	311
INTANGIBLES												
Indefinite Life Intangible Assets	974	953	940	936	957	911	907	885	882	940	907	890
Finite Life Intangible Assets	603	610	601	542	563	570	629	634	641	601	629	655
Total	<u>1,577</u>	<u>1,563</u>	<u>1,541</u>	<u>1,478</u>	<u>1,520</u>	<u>1,481</u>	<u>1,536</u>	<u>1,519</u>	<u>1,523</u>	<u>1,541</u>	<u>1,536</u>	<u>1,545</u>
Intangible Asset Amortization	(6)	18	(4)	18	4	59	6	7	5	77	25	22
DEFERRED ACQUISITION COSTS												
MFS	91	96	99	107	124	141	148	156	183	99	148	239
Other	45	42	40	36	37	39	37	35	34	40	37	32
Total	<u>136</u>	<u>138</u>	<u>139</u>	<u>143</u>	<u>161</u>	<u>180</u>	<u>185</u>	<u>191</u>	<u>217</u>	<u>139</u>	<u>185</u>	<u>271</u>
EXCHANGE RATES ⁽²⁾												
Period End Rates												
U.S. Dollar	1.021	1.026	0.996	0.991	1.065	1.153	1.165	1.118	1.117	0.996	1.165	1.166
U.K. Pound	2.034	2.034	1.978	2.029	2.140	2.269	2.282	2.093	2.063	1.978	2.282	2.003
Average for the Period												
U.S. Dollar	1.010	1.004	0.980	1.046	1.099	1.171	1.138	1.121	1.123	1.074	1.134	1.213
U.K. Pound	1.992	1.986	2.003	2.114	2.182	2.289	2.180	2.101	2.049	2.150	2.086	2.208

⁽¹⁾ Equity holdings include CI Financial and Birla Sun Life.

⁽²⁾ 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		
	2008		2007				2006			2007	2006	2005
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2			
REALIZED GAINS (LOSSES)												
Deferred Net Realized Gains	272	272	276	264	275	247	4,152	3,762	3,826	276	4,152	3,859
Portion Supporting Equity & Other	100	100	104	71	69	39	607	634	651	104	607	699
Net Gains on Available for Sale Assets	24	28	30	10	29	32				101		
Portion Supporting Equity and Other	23	28	23	10	29	37				99		
UNREALIZED GAINS (LOSSES)												
Portion Supporting Equity & Other ⁽²⁾	(384)	(254)	73	125	111	381	443	na	na	73	na	na
Included in Other Comprehensive Income												
CHANGES IN PROVISION FOR LOSSES												
<u>Provision for Losses on Invested Assets</u>												
By Account												
Shareholders	5	(2)	1	3	(1)	(2)	4	3	(8)	1	(7)	(38)
Policyholders	2	-	-	-	-	-	-	1	(3)	-	(3)	(9)
Total	<u>7</u>	<u>(2)</u>	<u>1</u>	<u>3</u>	<u>(1)</u>	<u>(2)</u>	<u>4</u>	<u>4</u>	<u>(11)</u>	<u>1</u>	<u>(10)</u>	<u>(47)</u>
Asset Allowances												
Included in Actuarial Liabilities	2,985	2,987	2,947	2,831	2,849	2,904	2,578	2,441	2,422	2,947	2,578	2,413

⁽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, including bonds, common stocks and certain other invested assets. Excludes unrealized gains, net of any losses, on certain limited partnerships accounted for at cost.

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 operating units – Individual Insurance & Investments (which includes the Company's 37.2% interest in CI Financial), Group Benefits and Group Wealth (which includes the Company's 66.3% interest in McLean Budden Limited).</p>	<p>SLF U.S. concentrates on three core businesses 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 life insurance in the Philippines, Hong Kong, India, China and Indonesia; individual health insurance in Hong Kong and China; 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 index annuities ▪ PPVA Investment products</p> <p><u>Individual Insurance</u> Individual life insurance: <ul style="list-style-type: none"> ▪ Fixed and variable universal life ▪ COLI ▪ BOLI ▪ PPVUL <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 and Health ▪ 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 and Health ▪ 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>