

Fourth Quarter 2014 Review and 2015 Outlook

February 5, 2015

Forward-Looking Statements

Statements made in the following presentation that relate to anticipated financial performance or business operations, business services and product prospects and plans, reinvestment opportunities, changes in the amount of cash flow testing reserves, regulatory developments and similar matters may be considered “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of current or historical facts, are forward-looking statements. Forward-looking statements are subject to a number of risks, uncertainties and contingencies that may cause the operations, performance, development and results of our business to differ materially from those suggested by such statements. Consequently, all of the forward-looking statements made in this presentation are qualified by these cautionary statements. The information contained in this presentation speaks as of Feb. 5, 2015. We undertake no obligation to update any such forward-looking statements, whether as a result of new information, future events or otherwise. Historical results are not necessarily indicative of future results. Future results, including our financial performance, business operations and trends in our business and industry, are subject to significant risks and uncertainties, including without limitation the following:

- › the effects of fluctuations in interest rates, including a prolonged low interest rate environment or a rapidly rising interest rate environment, as well as management’s ability to anticipate and timely respond to any such fluctuations;
- › general economic, market or business conditions, including economic downturns or other adverse conditions in the global and domestic capital and credit markets;
- › the effects of significant increases in corporate refinance activity, including bond prepayments;
- › the performance of our investment portfolio;
- › the continued availability of quality commercial mortgage loan investments and our continued capacity to invest in commercial mortgage loans;
- › our ability to successfully execute on our strategies;
- › the accuracy and adequacy of our recorded reserves, including the actuarial and other assumptions upon which those reserves are established, adjusted and maintained;
- › the persistency of our inforce blocks of business;
- › deviations from assumptions used in setting prices for insurance and annuity products or establishing cash flow testing reserves;
- › continued viability of certain products under various economic, regulatory and other conditions;
- › market pricing and competitive trends related to insurance products and services;
- › the effects of implementation of the Patient Protection and Affordable Care Act, including the direct effects upon our business, but also including the effects upon our competitors and our customers;
- › changes in amortization of deferred policy acquisition costs and deferred sales inducements;
- › financial strength or credit ratings changes, particularly ours but also of other companies in our industry sector;
- › retention of our key personnel and distribution partners;
- › the availability and cost of capital and financing;
- › the adequacy and collectibility of reinsurance that we have purchased, as well as the continued availability and cost of reinsurance coverage;
- › the continued availability of tax credit investments, and the continuation of current tax treatment of such investments;
- › changes in laws or regulations, or their interpretation, including those that could increase our business costs, reserve levels and required capital levels, or that could restrict the manner in which we do business;
- › the ability of our subsidiaries to pay dividends to Symetra;
- › our ability to implement effective risk management policies and procedures, including hedging strategies;
- › our ability to maintain adequate telecommunications, information technology, or other operational systems, including our ability to prevent or timely detect and remediate any unauthorized access to or disclosure of our customer information and other sensitive business data;
- › the initiation of regulatory investigations or litigation against us and the results of any regulatory proceedings;
- › the effects of changes in national monetary and fiscal policy;
- › the effects of implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010;
- › the effects of redomestication of our primary life insurance company subsidiary and whether redomestication will convey the intended benefits; and
- › the risks that are described from time to time in our filings with the U.S. Securities and Exchange Commission, including those in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

Non-GAAP Financial Measures (denoted by †)

This presentation contains certain non-GAAP financial measures that differ from the comparable GAAP measures. A reconciliation between each non-GAAP measure found in this presentation and the comparable GAAP measure may be found on the Company’s website at www.symetra.com on the Investor Relations page under SEC filings (Forms 10-K and 10-Q) and under Financial Information, Quarterly Financial Results (quarterly earnings releases and financial supplements) or on the last page of this presentation.

Acronym Glossary

Definitions for acronyms used in this presentation are included on the last page.



Fundamentals Remain Strong

\$ in millions

Results Drivers for 4Q14 and FY 2014

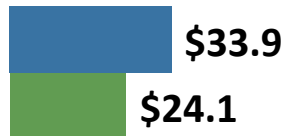
- › Continued strong sales for all divisions
- › Strong underwriting results in medical stop-loss
- › Solid interest margins for deferred fixed annuities driven by --
 - › Modest growth in non-FIA account values and stable base interest spreads
 - › Meaningful contribution from growth in FIA account values
- › Higher operating expenses in support of growth initiatives and higher interest expense on debt
- › Less favorable mortality experience
- › Investment strategies: alternative and tax credit investments
- › Prepayment income

Strong Sales Production

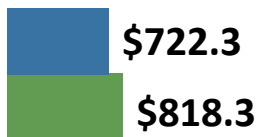
\$ in millions

4Q14 vs. 4Q13

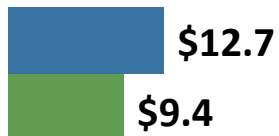
Benefits Division



Retirement Division¹



Individual Life Division²



4Q14 4Q13

2014 vs. 2013

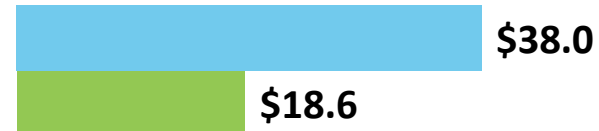
Benefits Division



Retirement Division¹



Individual Life Division²



FY 2014 FY 2013

¹ Includes the Deferred Annuities and Income Annuities segments.

² Excludes BOLI/COLI.

Another Quarter (and Year) of Solid Financial Results

\$ in millions

	4Q14	4Q13	2014	2013
Net Income	\$ 67.6	\$ 64.4	\$ 254.4	\$ 220.7
Adjusted Operating Income[†]	\$ 60.7	\$ 50.0	\$ 227.2	\$ 200.9

	2014	2013
Return on Equity (ROE)	7.8%	6.8%
Operating Return on Average Equity (ROAE)[†]	9.5%	8.8%

Executing on Strategy in Tough Interest Rate Environment

\$ in millions

1. Maintaining our core strengths

- › Strong balance sheet and financial management
- › Established leadership positions in **medical stop-loss** and **bank-sold fixed deferred annuities**

Strengthening the Core	2010	2014
Medical stop-loss premiums	\$387.1	\$495.0
Non-FIA deferred annuity account values	\$9,243.7	\$11,064.9

2. Leveraging this foundation to expand growth

- › Group life & DI and bank-sold FIA
- › Expand product offering and build out distribution for successful entry into BGA-sold UL

Expanding Growth	2010	2014
FIA account values	\$36.6	\$3,313.8
Group Life & DI premiums ¹	\$9.5	\$49.0
UL sales (AFYP)	\$2.1	\$32.7

Executing on Strategy (cont.) – Looking Ahead

3. Driving for continued strong sales in all three divisions – even in low interest rate environment

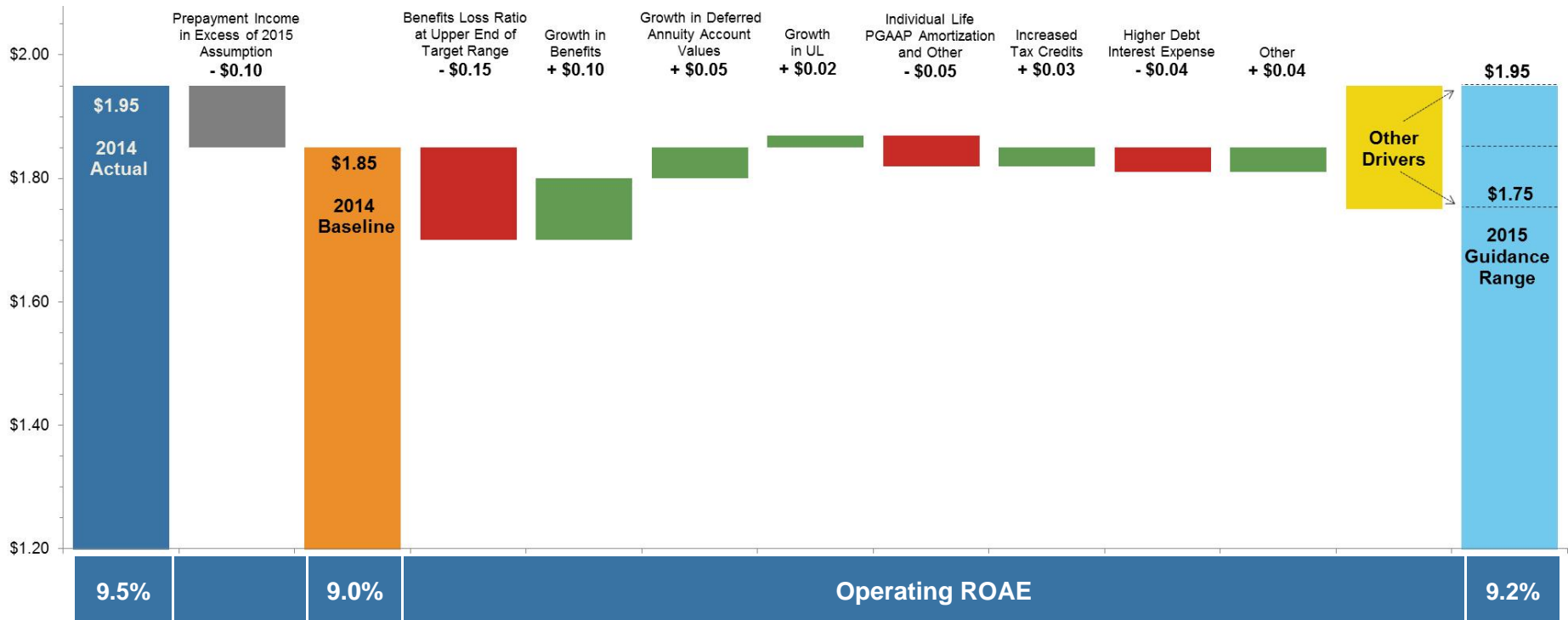
4. Managing the business with a long-term perspective

- › Striving toward gradual ROE expansion
 - › Challenged by persistently low interest rates
 - › Committed to pricing discipline
 - › Building scale in group life and DI and individual life operations
- › Prudent capital management will continue to be a focus

Strong Top-Line	2014 Actual	2015 Target
Benefits (premiums)	\$595.3M	> \$650M
Retirement (sales)	\$3.0B	> \$3B
Individual Life (sales)	\$38.0M	> \$50M

Capital Management	
2013 – 2014 Share Repurchases	\$134.6M
2014 Special Dividend	\$150.7M
2010 - 2014 Growth in Adj. BV/share [†] (CAGR) ¹	9.1%

Guidance Range for 2015 Operating EPS[†]: \$1.75 - \$1.95



2015 Operating EPS Guidance: Key Assumptions

Factors	2015 Plan Assumptions
<ul style="list-style-type: none"> › Further movements in market interest rates 	<ul style="list-style-type: none"> › 10-Yr U.S. Treasury yield at 2% for full year › Impact of further movement (-50 bps to +100 bps) in 2015 has negligible impact on 2015 results › Swapping base interest margin and prepayment income
<ul style="list-style-type: none"> › Benefits loss ratio relative to 65%-67% target range¹ 	<ul style="list-style-type: none"> › Loss ratio at the upper end of target range
<ul style="list-style-type: none"> › Mortality experience relative to expectations 	<ul style="list-style-type: none"> › Neutral
<ul style="list-style-type: none"> › Timing and levels of sales 	<ul style="list-style-type: none"> › Benefits premiums of over \$650 million › Annuity sales of over \$3 billion › Individual life sales of over \$50 million
<ul style="list-style-type: none"> › Amount of prepayments in the investment portfolio and related fee income (net of DAC/DSI amortization) 	<ul style="list-style-type: none"> › \$15-20 million pretax from prepayment fees, net of amortization (versus \$35 million in 2014)
<ul style="list-style-type: none"> › Amount of issuance and yields on commercial mortgage loan originations 	<ul style="list-style-type: none"> › Production consistent with 2014 actual level; 200 bps average spread to U.S. Treasury yields
<ul style="list-style-type: none"> › Income from alternative investments 	<ul style="list-style-type: none"> › In line with 2014 actual level of \$4 million pretax
<ul style="list-style-type: none"> › Tax credit investments 	<ul style="list-style-type: none"> › Increased investments in tax credits; effective tax rate of around 10% (versus 15% in 2014)
<ul style="list-style-type: none"> › Capital management actions 	<ul style="list-style-type: none"> › Remaining focused on capital deployment priorities: 1) organic growth, 2) targeted M&A, 3) capital actions › Any potential return of capital may take the form of dividends or share buybacks

We're Focused on Driving Profitable Growth

- › Maintaining our core strengths
- › Leveraging this foundation to expand growth
- › Driving continued strong sales across business lines
- › Managing the business with a long-term perspective

Appendix

Benefits Segment

32%¹ of 2014 Pretax Adjusted Operating Income[†]

\$ in millions

	4Q14	4Q13	2014	2013
Operating Revenues	\$ 162.2	\$ 156.5	\$ 631.9	\$ 626.4
Pretax Adjusted Operating Income	\$ 21.6	\$ 19.2	\$ 89.9	\$ 64.2
Loss Ratio	63.2%	64.0%	61.5%	66.5%
Total Sales	\$ 33.9	\$ 24.1	\$ 166.7	\$ 130.9

Priorities

- › Maintain loss ratio in line with target range
- › Maintain position as a market leader in medical stop-loss
- › Accelerate growth in group life and disability income premiums
- › Continue to build out private exchange strategy

Deferred Annuities Segment

46%¹ of 2014 Pretax Adjusted Operating Income

\$ in millions

	4Q14	4Q13	2014	2013
Operating Revenues	\$ 178.0	\$ 149.0	\$ 643.3	\$ 592.6
Pretax Adjusted Operating Income	\$ 40.8	\$ 27.0	\$ 129.1	\$ 107.3
Base Interest Spread ²	1.71%	1.74%	1.74%	1.77%
Total Sales	\$ 642.3	\$ 732.9	\$ 2,679.4	\$ 2,243.5
Total Account Values (end of period)			\$15,173.6	\$13,422.9

Priorities

- › Maintain solid interest spread on fixed annuities
- › Maintain strong position in sales of fixed annuities through banks and broker-dealers
- › Continue to drive strong FIA sales through banks and broker-dealers

¹ Excludes Other segment pretax operating loss of \$(22.5)M.

² Excludes FIA. Base interest spread excludes asset prepayment-related income, net of related deferred sales inducement amortization, and mortgage-backed securities prepayment speed adjustment.

Income Annuities Segment

6%¹ of 2014 Pretax Adjusted Operating Income

\$ in millions

	4Q14	4Q13	2014	2013
Operating Revenues	\$ 96.0	\$ 99.2	\$ 383.0	\$ 400.5
Pretax Adjusted Operating Income	\$ 0.9	\$ 6.4	\$ 15.9	\$ 32.3
Base Interest Spread ²	0.56%	0.52%	0.49%	0.52%
Total Sales	\$ 80.0	\$ 85.4	\$ 318.8	\$ 210.5
Reserves (end of period)			\$ 6,487.7	\$ 6,489.9

Priorities

- › Continue efforts to stabilize interest spread with commercial mortgage loan origination strategy
- › Expand SPIA sales through banks, broker-dealers and BGAs

¹ Excludes Other segment pretax operating loss of \$(22.5)M.

² Excludes asset prepayment-related income, alternative investment income and mortgage-backed securities prepayment speed adjustment.

Individual Life Segment

16%¹ of 2014 Pretax Adjusted Operating Income

\$ in millions

	4Q14	4Q13	2014	2013
Operating Revenues	\$ 120.4	\$ 113.5	\$ 465.8	\$ 452.5
Pretax Adjusted Operating Income	\$ 9.1	\$ 13.8	\$ 45.7	\$ 55.3
BOLI Base ROA ²	0.62%	0.87%	0.81%	0.80%
Individual Sales	\$ 12.7	\$ 9.4	\$ 38.0	\$ 18.6

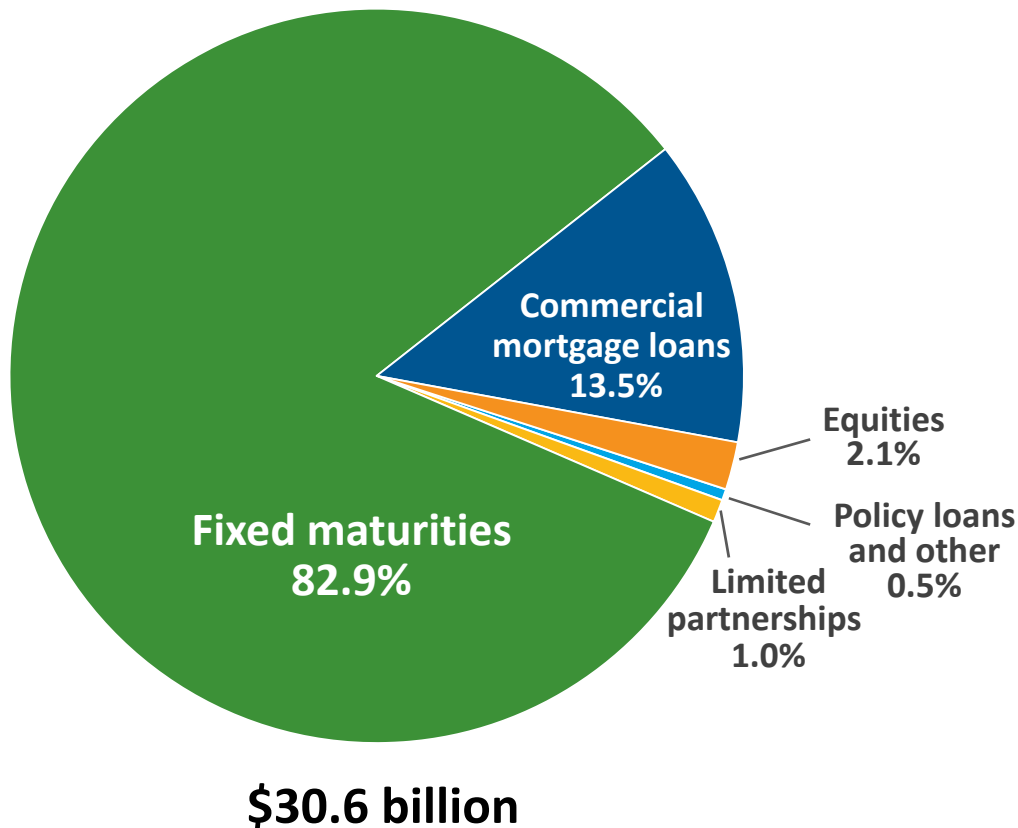
Priorities

- › Drive higher penetration rates in BGA distribution network
- › Continue to broaden UL product portfolio

High-Quality Investment Portfolio

As of 12/31/14

Portfolio Composition



- › Pretax impairments of \$10.0M in 4Q14 vs. \$2.9M in 4Q13
- › 96% of fixed maturities portfolio is investment grade
- › Commercial mortgage loan portfolio:
 - › Attractive yields: 4Q14 originations funded above 220 bps spread over Treasury securities
 - › Excellent credit performance: at 12/31/14, one loan for \$1.5M was considered non-performing

Acronym Glossary and Non-GAAP Reconciliation

AFYP	Annualized first-year premium
ALM	Asset-liability management
BGA	Brokerage general agency
BOLI	Bank-owned life insurance
BV	Book value
CAGR	Compound annual growth rate
CML	Commercial mortgage loans
COLI	Corporate-owned life insurance
DI	Disability income
FIA	Fixed indexed annuity
PGAAP	GAAP purchase accounting
ROA	Return on assets
ROAE	Operating return on average equity
ROE	Return on equity
SPIA	Single-premium immediate annuity
SPL	Single-premium life
UL	Universal life

Adjusted Book Value per Share

(in millions, except per-share data)	As of December 31,	
	<u>2014</u>	<u>2010</u>
Book value per share	\$ 29.02	\$ 17.18
Non-GAAP Financial Measure:		
Adjusted book value per share	\$ 20.47	\$ 16.23
Total Stockholders' Equity	\$ 3,360.6	\$ 2,356.6
Less: AOCI	<u>990.6</u>	<u>437.6</u>
Adjusted Book Value	\$ 2,370.0	\$ 1,919.0
Common shares outstanding	115.797	118.216
Common shares outstanding, including warrants	115.797	137.192

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