

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **July 27, 2011**

SYMETRA FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-33808

(Commission File Number)

20-0978027

(IRS Employer
Identification Number)

777 108th Avenue NE, Suite 1200

Bellevue, Washington

(Address of principal executive offices)

98004

(zip code)

Registrant's telephone number, including area code: **(425) 256-8000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On July 27, 2011, Symetra Financial Corporation, a Delaware corporation, issued (i) a press release announcing its financial results for the fiscal quarter ended June 30, 2011, a copy of which is attached hereto as Exhibit 99.1, and (ii) a Quarterly Financial Supplement for the fiscal quarter ended June 30, 2011, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The information in this report, including Exhibits 99.1 and 99.2, have been “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. The information in this report shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

- | | |
|------|--|
| 99.1 | Press Release of Symetra Financial Corporation, dated July 27, 2011, announcing second quarter 2011 results. |
| 99.2 | Quarterly Financial Supplement for the quarter ended June 30, 2011. |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SYMETRA FINANCIAL CORPORATION

By: /s/ GEORGE C. PAGOS

Name: George C. Pagos

Title: Senior Vice President,
General Counsel and Secretary

Date: July 27, 2011

EXHIBIT INDEX

| Exhibit Number | Description of Exhibit |
|---------------------------|--|
| 99.1 | Press Release of Symetra Financial Corporation, dated July 27, 2011, announcing second quarter 2011 results. |
| 99.2 | Quarterly Financial Supplement for the quarter ended June 30, 2011. |



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SYMETRA FINANCIAL REPORTS SECOND QUARTER 2011 RESULTS

BELLEVUE, Wash.—(July 27, 2011)—Symetra Financial Corp. (NYSE: SYA) today reported second quarter 2011 net income of \$59.4 million, or \$0.43 per diluted share. This compares with \$35.8 million, or \$0.26 per diluted share, in second quarter 2010.

Adjusted operating income¹ was \$49.8 million, or \$0.36 per diluted share, in second quarter 2011, compared with \$41.5 million, or \$0.30 per diluted share, in the same period a year ago.

| Summary Financial Results (In millions, except per share data) | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|-------------------------------|----------------|-----------------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 |
| Net Income | \$ 59.4 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Per Diluted Share of Common Stock | \$ 0.43 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Adjusted Operating Income | \$ 49.8 | \$ 41.5 | \$ 94.9 | \$ 83.4 |
| Per Diluted Share of Common Stock | \$ 0.36 | \$ 0.30 | \$ 0.69 | \$ 0.62 |

"Symetra's second quarter performance reflected solid operating results, bolstered by net gains in our investment portfolio," said Tom Marra, Symetra president and chief executive officer. "Our Group loss ratio improved to target levels, Deferred Annuities account values hit a new record, and earnings in our Income Annuities segment increased on favorable mortality results. While Life earnings declined from year-ago levels, single premium life (SPL) sales accelerated for the fourth consecutive quarter."

Second Quarter 2011 Summary

- Group loss ratio improved to 62.4% from 67.6% in first quarter 2011 and 63.8% in second quarter 2010.
- Deferred Annuities total account values grew to \$10.9 billion; higher account values drove earnings increase over second quarter 2010.
- Income Annuities results benefitted from mortality gains.
- Life earnings, despite favorable individual claims experience, declined on lower BOLI return on assets and higher administrative expenses versus second quarter 2010.
- Investment portfolio generated net realized investment gains of \$14.1 million, compared with net losses of \$10.0 million in second quarter 2010.

On the product development front, Symetra achieved several milestones during second quarter 2011. The company rolled out an updated SPL product, launched the Symetra Edge Pro fixed indexed annuity, and appointed a new product leader to continue building out its group life business.

On July 1, 2011, Symetra acquired the renewal rights for medical stop-loss policies issued by American United Life Insurance Company (AUL) in a deal valued at \$26 million. "This transaction supports our capital deployment strategy to invest in smart growth opportunities in our core lines of business," said Marra. "As we transition AUL customers to Symetra, we look forward to achieving greater operating efficiencies over time and strengthening our leadership position in the stop-loss industry."

Symetra also recently announced new sales and product leadership to expand individual life distribution with brokerage general agencies and independent life professionals, and to develop new registered investment products, focusing initially on lower-cost variable annuities that do not offer living benefit guarantees.

"With these additional pieces in place, we can build on the momentum of our 'Grow and Diversify' strategy," Marra said.

BUSINESS SEGMENT RESULTS

| Segment Pretax Adjusted Operating Income (Loss) (In millions) | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|-------------------------------|----------------|-----------------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 |
| Group | \$ 19.0 | \$ 18.2 | \$ 32.8 | \$ 33.9 |
| Deferred Annuities | 23.0 | 20.6 | 46.2 | 37.9 |
| Income Annuities | 12.6 | 6.4 | 21.5 | 12.8 |
| Life | 17.4 | 19.0 | 34.3 | 42.3 |
| Other | (2.4) | (5.0) | (3.8) | (8.9) |
| Subtotal | \$ 69.6 | \$ 59.2 | \$ 131.0 | \$ 118.0 |
| Less: Income Taxes* | 19.8 | 17.7 | 36.1 | 34.6 |
| Adjusted Operating Income | <u>\$ 49.8</u> | <u>\$ 41.5</u> | <u>\$ 94.9</u> | <u>\$ 83.4</u> |

* Represents the total provision for income taxes adjusted for the tax effect on net realized investment gains (losses) and on net realized and unrealized investment gains (losses) on fixed indexed annuity (FIA) options at the U.S. federal income tax rate of 35%.

Group Division

The **Group segment**, which consists of medical stop-loss insurance, limited benefit medical, and group life and disability income insurance, reported second quarter 2011 pretax adjusted operating income of \$19.0 million, compared with \$18.2 million in second quarter 2010. Operating income increased over year-ago levels as a result of premium growth and an improved loss ratio, partially offset by higher administrative expenses, including those related to the expansion of Symetra's group life and disability income insurance business.

Group's loss ratio was 62.4% for second quarter 2011, compared with 63.8% in second quarter 2010. This result brought the year-to-date Group loss ratio back within the company's long-term target range of 63%—65%.

Group sales in second quarter 2011 were \$23.4 million, up from \$20.6 million in second quarter 2010. Driving the improvement were medical stop-loss sales, which were \$4.2 million higher in second quarter 2010.

Retirement Division

The **Deferred Annuities segment**, which includes fixed and variable deferred annuities, generated \$23.0 million in pretax adjusted operating income in second quarter 2011, compared with \$20.6 million in second quarter 2010. Solid interest spreads on significantly higher account values contributed to the increase in earnings. Total account values were a record \$10.9 billion at June 30, 2011, up from \$9.3 billion at the end of the same quarter in 2010. Fixed account values topped the \$10 billion mark in second quarter 2011, another company record.

Sales of deferred annuities (predominately fixed annuities) were \$446.5 million in second quarter 2011, compared with particularly strong sales of \$623.9 million in second quarter 2010. Continued low interest rates affected fixed annuity sales.

The **Income Annuities segment**, which includes single premium immediate annuities (SPIAs) and structured settlements, produced pretax adjusted operating income of \$12.6 million in second quarter 2011, compared with \$6.4 million in second quarter 2010. Second quarter results were driven by mortality gains of \$4.9 million, compared with mortality losses of \$1.8 million in second quarter 2010.

Income Annuities sales were \$38.7 million in second quarter 2011, compared with sales of \$67.8 million in second quarter 2010. Lower sales were expected given the low interest rate environment and the company's corresponding shift in focus to shorter-duration products.

Life Division

The **Life segment**, which includes term life, universal life and bank-owned life insurance (BOLI), reported pretax adjusted operating income of \$17.4 million in second quarter 2011, compared with \$19.0 million in the same quarter of 2010. Lower BOLI return on assets (ROA) and higher administrative expenses led to the earnings decline. However, individual life claims experience was more favorable than expected and better than second quarter 2010 results.

Life sales were \$2.9 million in second quarter 2011, up from \$2.4 million in second quarter 2010. SPL sales increased \$1.4 million over year-ago levels, marking the fourth quarter of sequential SPL sales improvement and a 31% increase over first quarter 2011 results. The SPL sales growth was driven by accelerated production by new bank partners. There were no BOLI sales in the second quarter of 2011 or 2010.

Other

The **Other segment**, which includes unallocated corporate income and expenses, interest expense on debt and other income outside of Symetra's four business segments, had a pretax adjusted operating loss of \$2.4 million in second quarter 2011, compared with a pretax adjusted operating loss of \$5.0 million in the same quarter a year ago. Second quarter 2011 results improved largely due to an overall increase in investment income.

Investment Portfolio

Net realized investment gains were \$14.1 million in second quarter 2011, up from net losses of \$10.0 million in second quarter 2010. The improvement primarily stemmed from portfolio gains from the sale of mortgage-backed securities. Impairment losses were \$2.8 million in second quarter 2011, compared with impairment losses of \$1.5 million in second quarter 2010.

Symetra's equity portfolio posted net investment losses of \$6.9 million in second quarter 2011, compared with net losses of \$8.8 million in second quarter 2010. The company's equity portfolio had negative returns of -2.4% in second quarter 2011, compared with the S&P 500 Total Return Index result of 0.1%.

Stockholders' Equity

Total stockholders' equity, or book value, as of June 30, 2011 was \$2,647.3 million, or \$19.25 per share, compared with \$2,431.0 million, or \$17.68 per share, as of March 31, 2011.

Adjusted book value per share, as converted,¹ was \$16.49 per share as of June 30, 2011, up from \$16.11 per share as of March 31, 2011.

Symetra Life Insurance Company ended second quarter 2011 with an estimated risk-based capital (RBC) ratio of 466% and statutory capital and surplus, including asset valuation reserve (AVR), of \$2,040.7 million.

2011 Earnings Guidance

Symetra affirmed its previous guidance for full-year 2011 adjusted operating income per share of \$1.30 to \$1.50. Some of the factors that could drive actual results toward the lower end, middle or upper end of the guidance range include: changes in the interest rate environment; Group loss ratio relative to long-term target; timing and success of product launches; amount of issuance and yields on commercial mortgage loans; returns on alternative investment portfolio; and achievement of target cash balances.

Additional Financial Information

This press release and the second quarter 2011 financial supplement are posted on the company's website at <http://investors.symetra.com>. Investors are encouraged to review all of these materials.

Management to Review Results on Conference Call and Webcast

Symetra's senior management team will discuss the company's second quarter 2011 performance with investors and analysts on Thursday, July 28, 2011 at 10 a.m., Eastern Time (7 a.m., Pacific Time). To listen by phone, dial 1-888-713-4213. For international callers, dial 617-213-4865. The access code is 51460140. Participants may pre-register for the call at www.symetra.com/earnings. Pre-registrants will be issued a PIN to use when dialing into the live call, which will provide quick access to the conference by bypassing the operator.

The conference call will be broadcast live on the Internet at <http://investors.symetra.com> and archived later in the day for replay. Those who wish to listen to the call by phone or via the Internet should dial in or go to Symetra's website at least 15 minutes before the call to register and/or test the compatibility of their computer.

A replay of the call can be accessed by phone at approximately 1 p.m., Eastern Time (10 a.m., Pacific Time) on July 28, 2011 by dialing 1-888-286-8010. For international callers, dial 617-801-6888. The access code is 37018275. The replay will be available by phone until Aug. 4, 2011. To access a replay of the conference call over the Internet, visit <http://investors.symetra.com>.

Use of Non-GAAP Measures

¹ Symetra uses both U.S. generally accepted accounting principles (GAAP) and non-GAAP financial measures to track the performance of its operations and financial condition. Definitions of each non-GAAP measure are provided below, and reconciliations to the most directly comparable GAAP measures are included in the tables at the end of this press release. These measures are not substitutes for GAAP financial measures. For more information about these non-GAAP measures, please see Symetra's 2010 Annual Report on Form 10-K.

This press release may include non-GAAP financial measures entitled "adjusted operating income," "adjusted operating income per diluted share," "adjusted book value," "adjusted book value, as converted" and "adjusted book value per share, as converted." The company defines adjusted operating income as net income, excluding after-tax net investment gains (losses) and including after-tax net investment gains (losses) on fixed indexed annuity (FIA) options. Adjusted operating income per diluted share is defined as adjusted operating income divided by diluted common shares outstanding. Adjusted book value is defined as stockholders' equity, less accumulated other comprehensive income (loss), or AOCI. Adjusted book value, as converted, is defined as stockholders' equity, less AOCI plus the assumed proceeds from exercising the outstanding warrants. Adjusted book value per share, as converted, is calculated as adjusted book value, as converted, divided by the sum of outstanding common shares and shares subject to outstanding warrants.

Definition of Selected Operating Performance Measures

The company reports selected operating performance measures, which are commonly used in the insurance industry. These measures are described here:

Loss ratio — Represents policyholder benefits and claims incurred divided by premiums earned.

Sales — For the Group segment, sales represent annualized first-year premiums for new policies. For the Deferred Annuities and Income Annuities segments, sales represent deposits for new policies. For the Life segment, sales represent annualized first-year premiums for recurring premium products, and 10% of new deposits for BOLI and other single-premium products. All sales figures are net of first-year surrenders.

About Symetra Financial

Symetra Financial Corporation (NYSE: SYA) is a diversified financial services company based in Bellevue, Wash. In business since 1957, Symetra provides employee benefits, annuities and life insurance through a national network of benefit consultants, financial institutions, and independent agents and advisors. For more information, visit www.symetra.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This press release may contain "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 included or referenced in this release that address activities, events or developments that we expect or anticipate will or may occur in the future, are forward-looking statements. The words "will," "believe," "intend," "plan," "expect," "anticipate," "project," "estimate," "predict," "potential" and similar expressions also are

intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to Symetra's:

- estimates or projections of revenues, net income (loss), net income (loss) per share, adjusted operating income (loss), adjusted operating income (loss) per share, market share or other financial forecasts;
- trends in operations, financial performance and financial condition;
- financial and operating targets or plans; and
- business and growth strategy, including prospective products, services and distribution partners.

These statements are based on certain assumptions and analyses made by Symetra in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate under the circumstances. Whether actual results and developments will conform to Symetra's expectations and predictions is subject to a number of risks, uncertainties and contingencies that could cause actual results to differ materially from expectations, including, among others:

- general economic, market or business conditions, including further economic downturns or other adverse conditions in the global and domestic capital and credit markets;
- the availability of capital and financing;
- potential investment losses;
- the effects of fluctuations in interest rates and a prolonged low interest rate environment;
- recorded reserves for future policy benefits and claims subsequently proving to be inadequate or inaccurate;
- deviations from assumptions used in setting prices for insurance and annuity products;
- continued viability of certain products under various economic and other conditions;
- market pricing and competitive trends related to insurance products and services;
- changes in amortization of deferred policy acquisition costs and deferred sales inducements;
- financial strength or credit ratings downgrades;
- the continued availability and cost of reinsurance coverage;
- changes in laws or regulations, or their interpretation, including those that could increase Symetra's business costs and required capital levels;
- the ability of subsidiaries to pay dividends to Symetra;
- the ability of the new executive leadership team to successfully implement business strategies;
- the effects of implementation of the Patient Protection and Affordable Care Act;
- the effects of implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and
- the risks that are described from time to time in Symetra's filings with the U.S. Securities and Exchange Commission, including those in Symetra's 2010 Annual Report on Form 10-K.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Symetra will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Symetra or its business or operations. Symetra assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.

Symetra Financial Corporation
Consolidated Income Statement Data
(in millions, except per share data)
(unaudited)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|-------------------------------|----------------|-----------------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 |
| Revenues | | | | |
| Premiums | \$ 119.4 | \$ 115.5 | \$ 240.3 | \$ 234.5 |
| Net investment income | 312.2 | 297.1 | 622.2 | 584.0 |
| Policy fees, contract charges and other | 45.9 | 41.8 | 90.6 | 82.3 |
| Net realized investment gains (losses): | | | | |
| Total other-than-temporary impairment losses on securities | (3.1) | (2.7) | (4.0) | (20.6) |
| Less: portion of losses recognized in other comprehensive income | 0.3 | 1.2 | 0.3 | 9.4 |
| Net impairment losses recognized in earnings | (2.8) | (1.5) | (3.7) | (11.2) |
| Other net realized investment gains (losses) | 16.9 | (8.5) | 33.4 | 8.0 |
| Total net realized investment gains (losses) | 14.1 | (10.0) | 29.7 | (3.2) |
| Total revenues | 491.6 | 444.4 | 982.8 | 897.6 |
| Benefits and expenses | | | | |
| Policyholder benefits and claims | 83.7 | 83.3 | 176.0 | 169.5 |
| Interest credited | 225.1 | 221.5 | 453.4 | 440.0 |
| Other underwriting and operating expenses | 70.5 | 64.2 | 136.5 | 123.8 |
| Interest expense | 8.0 | 7.9 | 16.0 | 15.9 |
| Amortization of deferred policy acquisition costs | 20.0 | 17.0 | 40.1 | 32.4 |
| Total benefits and expenses | 407.3 | 393.9 | 822.0 | 781.6 |
| Income from operations before income taxes | 84.3 | 50.5 | 160.8 | 116.0 |
| Provision (benefit) for income taxes | | | | |
| Current | 31.1 | 17.4 | 42.3 | 27.3 |
| Deferred | (6.2) | (2.7) | 4.2 | 6.6 |
| Total provision for income taxes | 24.9 | 14.7 | 46.5 | 33.9 |
| Net income | \$ 59.4 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Net income per common share | | | | |
| Basic | \$ 0.43 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Diluted | \$ 0.43 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Weighted-average number of common shares outstanding | | | | |
| Basic | 137.523 | 137.019 | 137.408 | 134.035 |
| Diluted | 137.532 | 137.038 | 137.417 | 134.056 |
| Cash dividends declared per common share | \$ 0.06 | \$ 0.05 | \$ 0.11 | \$ 0.05 |
| Non-GAAP financial measures | | | | |
| Adjusted operating income | <u>\$ 49.8</u> | <u>\$ 41.5</u> | <u>\$ 94.9</u> | <u>\$ 83.4</u> |
| Reconciliation to net income | | | | |
| Net income | \$ 59.4 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Less: Net realized investment gains (losses) (net of taxes)* | 9.2 | (6.6) | 19.3 | (2.1) |
| Add: Net investment losses on FIA options (net of taxes)** | (0.4) | (0.9) | (0.1) | (0.8) |
| Adjusted operating income | <u>\$ 49.8</u> | <u>\$ 41.5</u> | <u>\$ 94.9</u> | <u>\$ 83.4</u> |

*Net realized investment gains (losses) are reported net of taxes of \$4.9, \$(3.4), \$10.4 and \$(1.1) for the three and six months ended June 30, 2011 and 2010, respectively.

**Net investment losses on FIA options are reported net of taxes of \$(0.2), \$(0.4), \$0.0 and \$(0.4) for the three and six months ended June 30, 2011 and 2010, respectively.

Symetra Financial Corporation
Consolidated Balance Sheet Data
(in millions, except per share data)
(unaudited)

| | June 30 2011 | December 31 2010 |
|--|--------------------|---------------------|
| Assets | | |
| Total investments | \$ 24,941.5 | \$ 23,500.2 |
| Other assets | 1,114.0 | 1,255.0 |
| Separate account assets | 887.3 | 881.7 |
| Total assets | <u>\$ 26,942.8</u> | <u>\$ 25,636.9</u> |
| Liabilities and stockholders' equity | | |
| Policyholder liabilities | \$ 22,557.1 | \$ 21,591.5 |
| Notes payable | 449.1 | 449.0 |
| Other liabilities | 402.0 | 334.1 |
| Separate account liabilities | 887.3 | 881.7 |
| Total liabilities | <u>24,295.5</u> | <u>23,256.3</u> |
| Common stock and additional paid-in capital | 1,453.5 | 1,451.4 |
| Retained earnings | 595.9 | 496.7 |
| Accumulated other comprehensive income, net of taxes | 597.9 | 432.5 |
| Total stockholders' equity | <u>2,647.3</u> | <u>2,380.6</u> |
| Total liabilities and stockholders' equity | <u>\$ 26,942.8</u> | <u>\$ 25,636.9</u> |
| Book value per share* | <u>\$ 19.25</u> | <u>\$ 17.35</u> |
| Non-GAAP financial measures | | |
| Adjusted book value | <u>\$ 2,049.4</u> | <u>\$ 1,948.1</u> |
| Reconciliation to stockholders' equity | | |
| Total stockholders' equity | \$ 2,647.3 | \$ 2,380.6 |
| Less: AOCI | 597.9 | 432.5 |
| Adjusted book value | 2,049.4 | 1,948.1 |
| Add: Assumed proceeds from exercise of warrants | 218.1 | 218.1 |
| Adjusted book value, as converted | <u>\$ 2,267.5</u> | <u>\$ 2,166.2</u> |
| Adjusted book value per share, as converted** | <u>\$ 16.49</u> | <u>\$ 15.79</u> |

*Book value per share is calculated based on stockholders' equity divided by outstanding common shares plus shares subject to outstanding warrants, totaling 137.547 and 137.192 as of June 30, 2011 and December 31, 2010, respectively.

**Adjusted book value per share, as converted, is calculated based on adjusted book value, as converted, divided by outstanding common shares plus shares subject to outstanding warrants, totaling 137.547 and 137.192 as of June 30, 2011 and December 31, 2010, respectively.

Symetra Financial Corporation
Reconciliation of Segment Pretax Adjusted Operating Income, Operating Revenues and Operating ROAE
(in millions)
(unaudited)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|-------------------------------|-----------------|--------------------------------|-----------------|
| | 2011 | 2010 | 2011 | 2010 |
| Segment pretax adjusted operating income (loss) | | | | |
| Group | \$ 19.0 | \$ 18.2 | \$ 32.8 | \$ 33.9 |
| Deferred Annuities | 23.0 | 20.6 | 46.2 | 37.9 |
| Income Annuities | 12.6 | 6.4 | 21.5 | 12.8 |
| Life | 17.4 | 19.0 | 34.3 | 42.3 |
| Other | (2.4) | (5.0) | (3.8) | (8.9) |
| Subtotal | 69.6 | 59.2 | 131.0 | 118.0 |
| Add: Net realized investment gains (losses) | 14.1 | (10.0) | 29.7 | (3.2) |
| Less: Net investment losses on FIA options | (0.6) | (1.3) | (0.1) | (1.2) |
| Income from operations before income taxes | <u>\$ 84.3</u> | <u>\$ 50.5</u> | <u>\$ 160.8</u> | <u>\$ 116.0</u> |
| Reconciliation of revenues to operating revenues | | | | |
| Revenues | \$ 491.6 | \$ 444.4 | \$ 982.8 | \$ 897.6 |
| Less: Net realized investment gains (losses) | 14.1 | (10.0) | 29.7 | (3.2) |
| Add: Net investment losses on FIA options | (0.6) | (1.3) | (0.1) | (1.2) |
| Operating revenues | <u>\$ 476.9</u> | <u>\$ 453.1</u> | <u>\$ 953.0</u> | <u>\$ 899.6</u> |
| | | | Twelve Months Ended June 30 | |
| | | | 2011 | 2010 |
| ROE | | | 9.3% | 9.9% |
| Average stockholders' equity* | | | \$2,502.6 | \$1,598.4 |
| Non-GAAP financial measures | | | | |
| Operating ROAE | | | 9.6% | 9.6% |
| Average adjusted book value** | | | \$1,945.6 | \$1,598.8 |

*Average stockholders' equity is derived by averaging ending stockholders' equity for the most recent five quarters.

**Average adjusted book value is derived by averaging ending adjusted book value for the most recent five quarters.

July 27, 2011

SECOND QUARTER 2011

Symetra Financial Corporation (SYA)

Financial Supplement

All financial information in this document is unaudited

Reach for great things.®

SYMETRA.
FINANCIAL



Symetra Financial Corporation
Financial Supplement
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June 30, 2011

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Symetra Financial Corporation
2Q 2011 Financial Supplement
Financial Highlights
(In millions, except per share and metric or percentage data)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Net income | \$ 59.4 | \$ 54.9 | \$ 62.2 | \$ 56.6 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Net income per common share ¹ | | | | | | | |
| Basic | \$ 0.43 | \$ 0.40 | \$ 0.45 | \$ 0.41 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Diluted | \$ 0.43 | \$ 0.40 | \$ 0.45 | \$ 0.41 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Weighted-average common shares outstanding: | | | | | | | |
| Basic | 137,523 | 137,292 | 137,174 | 137,140 | 137,019 | 137,408 | 134,035 |
| Diluted | 137,532 | 137,300 | 137,179 | 137,145 | 137,038 | 137,417 | 134,056 |
| Non-GAAP Financial Measures ² | | | | | | | |
| Adjusted operating income | \$ 49.8 | \$ 45.1 | \$ 48.0 | \$ 43.8 | \$ 41.5 | \$ 94.9 | \$ 83.4 |
| Adjusted operating income per common share: ¹ | | | | | | | |
| Basic | \$ 0.36 | \$ 0.33 | \$ 0.35 | \$ 0.32 | \$ 0.30 | \$ 0.69 | \$ 0.62 |
| Diluted | \$ 0.36 | \$ 0.33 | \$ 0.35 | \$ 0.32 | \$ 0.30 | \$ 0.69 | \$ 0.62 |

| | As of | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
| Consolidated Balance Sheet Data | | | | | |
| Total investments | \$ 24,941.5 | \$ 24,200.5 | \$ 23,500.2 | \$ 23,400.5 | \$ 22,356.4 |
| Total assets | 26,942.8 | 26,422.3 | 25,636.9 | 25,302.3 | 24,349.2 |
| Notes payable | 449.1 | 449.1 | 449.0 | 449.0 | 449.0 |
| Accumulated other comprehensive income(net of taxes) (AOCI) | 597.9 | 434.0 | 432.5 | 819.4 | 501.1 |
| Total stockholders' equity | 2,647.3 | 2,431.0 | 2,380.6 | 2,711.3 | 2,342.8 |
| U.S. Statutory Financial Information: | | | | | |
| Statutory capital and surplus | \$ 1,827.8 | \$ 1,780.2 | \$ 1,752.3 | \$ 1,727.3 | \$ 1,707.1 |
| Asset valuation reserve (AVR) | 212.9 | 206.1 | 185.1 | 159.8 | 133.8 |
| Statutory book value | \$ 2,040.7 | \$ 1,986.3 | \$ 1,937.4 | \$ 1,887.1 | \$ 1,840.9 |
| Basic common shares outstanding, end of period (page 15) | 118,571 | 118,535 | 118,216 | 118,171 | 118,175 |
| Book value per common share | \$ 19.25 | \$ 17.68 | \$ 17.35 | \$ 19.77 | \$ 17.08 |
| Debt to capital ratio | 14.5% | 15.6% | 15.9% | 14.2% | 16.1% |
| Non-GAAP Financial Measures ² | | | | | |
| Adjusted book value (stockholders' equity excluding AOCI) | \$ 2,049.4 | \$ 1,997.0 | \$ 1,948.1 | \$ 1,891.9 | \$ 1,841.7 |
| Adjusted book value per common share: ³ | \$ 17.28 | \$ 16.85 | \$ 16.48 | \$ 16.01 | \$ 15.58 |
| Adjusted book value per common share, as converted ⁴ | \$ 16.49 | \$ 16.11 | \$ 15.79 | \$ 15.38 | \$ 15.02 |
| Statutory book value per common share ⁵ | \$ 17.21 | \$ 16.76 | \$ 16.39 | \$ 15.97 | \$ 15.58 |
| Debt to capital ratio, excluding AOCI ⁶ | 18.0% | 18.4% | 18.7% | 19.2% | 19.6% |

| | For the Twelve Months Ended | | | | |
|--|-----------------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
| ROE | 9.3% | 8.8% | 9.3% | 8.6% | 9.9% |
| Non-GAAP Financial Measure ² | | | | | |
| Operating ROAE ⁷ | 9.6% | 9.4% | 9.8% | 9.4% | 9.6% |

¹ Basic net income and adjusted operating income per common share include all participating securities using the two-class method. Diluted net income and adjusted operating income per common share include the dilutive impact of non-participating securities, based on the application of the treasury stock method. Shares included in these calculations are weighted for the portion of the period they were outstanding. Antidilutive awards were excluded from the computation of diluted earnings per share. Quarterly earnings per share amounts may not add to the full year amounts.

² Management considers these non-GAAP measures to be a useful supplement to their most comparable GAAP measure in evaluating financial performance and condition. Non-GAAP measures including adjusted operating income and the corresponding basic and diluted per share amounts, adjusted book value and the corresponding per share amounts, statutory book value per share amounts, and operating ROAE have been reconciled to their most directly comparable GAAP measures on pages 2, 15, and 16, respectively.

³ Adjusted book value per common share is calculated based on adjusted book value, divided by outstanding common shares.

⁴ Adjusted book value per common share, as converted, gives effect to the exercise of the outstanding warrants and is calculated based on adjusted book value plus the assumed proceeds from the warrants, divided by outstanding common shares, plus shares subject to outstanding warrants.

⁵ Statutory book value per common share is calculated based on statutory book value divided by outstanding common shares.

⁶ Debt to capital ratio, excluding AOCI is calculated as notes payable divided by the sum of notes payable and adjusted book value.

⁷ Operating ROAE (return on average equity) is calculated based on adjusted operating income divided by average adjusted book value. The numerator and denominator of this measure have been reconciled to net income and stockholders' equity, respectively, their most comparable GAAP measures.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Consolidated Income Statement Data
(In millions, except per share data)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Revenues: | | | | | | | |
| Premiums | \$ 119.4 | \$ 120.9 | \$ 118.3 | \$ 120.2 | \$ 115.5 | \$ 240.3 | \$ 234.5 |
| Net investment income | 312.2 | 310.0 | 311.0 | 304.4 | 297.1 | 622.2 | 584.0 |
| Policy fees, contract charges and other | 45.9 | 44.7 | 43.1 | 40.9 | 41.8 | 90.6 | 82.3 |
| Net realized investment gains (losses): | | | | | | | |
| Total other-than-temporary impairment losses on securities | (3.1) | (0.9) | (23.1) | (9.6) | (2.7) | (4.0) | (20.6) |
| Less: portion of losses recognized in other comprehensive income | 0.3 | — | 16.9 | 6.1 | 1.2 | 0.3 | 9.4 |
| Net impairment losses recognized in earnings | (2.8) | (0.9) | (6.2) | (3.5) | (1.5) | (3.7) | (11.2) |
| Other net realized investment gains (losses) | 16.9 | 16.5 | 29.2 | 23.5 | (8.5) | 33.4 | 8.0 |
| Total net realized investment gains (losses) | 14.1 | 15.6 | 23.0 | 20.0 | (10.0) | 29.7 | (3.2) |
| Total revenues | 491.6 | 491.2 | 495.4 | 485.5 | 444.4 | 982.8 | 897.6 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 83.7 | 92.3 | 80.2 | 85.4 | 83.3 | 176.0 | 169.5 |
| Interest credited | 225.1 | 228.3 | 231.7 | 227.8 | 221.5 | 453.4 | 440.0 |
| Other underwriting and operating expenses | 70.5 | 66.0 | 69.8 | 63.1 | 64.2 | 136.5 | 123.8 |
| Interest expense | 8.0 | 8.0 | 8.0 | 8.0 | 7.9 | 16.0 | 15.9 |
| Amortization of deferred policy acquisition costs | 20.0 | 20.1 | 15.8 | 18.0 | 17.0 | 40.1 | 32.4 |
| Total benefits and expenses | 407.3 | 414.7 | 405.5 | 402.3 | 393.9 | 822.0 | 781.6 |
| Income from operations before income taxes | 84.3 | 76.5 | 89.9 | 83.2 | 50.5 | 160.8 | 116.0 |
| Provision (benefit) for income taxes: | | | | | | | |
| Current | 31.1 | 11.2 | 11.6 | 18.8 | 17.4 | 42.3 | 27.3 |
| Deferred | (6.2) | 10.4 | 16.1 | 7.8 | (2.7) | 4.2 | 6.6 |
| Total provision for income taxes | 24.9 | 21.6 | 27.7 | 26.6 | 14.7 | 46.5 | 33.9 |
| Net income | \$ 59.4 | \$ 54.9 | \$ 62.2 | \$ 56.6 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Net income per common share: ¹ | | | | | | | |
| Basic | \$ 0.43 | \$ 0.40 | \$ 0.45 | \$ 0.41 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Diluted | \$ 0.43 | \$ 0.40 | \$ 0.45 | \$ 0.41 | \$ 0.26 | \$ 0.83 | \$ 0.61 |
| Weighted-average number of common shares outstanding: | | | | | | | |
| Basic | 137,523 | 137,292 | 137,174 | 137,140 | 137,019 | 137,408 | 134,035 |
| Diluted | 137,532 | 137,300 | 137,179 | 137,145 | 137,038 | 137,417 | 134,056 |
| Cash dividends declared per common share | \$ 0.06 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.11 | \$ 0.05 |
| Non-GAAP Financial Measures: | | | | | | | |
| Adjusted operating income | \$ 49.8 | \$ 45.1 | \$ 48.0 | \$ 43.8 | \$ 41.5 | \$ 94.9 | \$ 83.4 |
| Adjusted operating income per common share: ¹ | | | | | | | |
| Basic | \$ 0.36 | \$ 0.33 | \$ 0.35 | \$ 0.32 | \$ 0.30 | \$ 0.69 | \$ 0.62 |
| Diluted | \$ 0.36 | \$ 0.33 | \$ 0.35 | \$ 0.32 | \$ 0.30 | \$ 0.69 | \$ 0.62 |
| Weighted-average number of common shares outstanding: | | | | | | | |
| Basic | 137,523 | 137,292 | 137,174 | 137,140 | 137,019 | 137,408 | 134,035 |
| Diluted | 137,532 | 137,300 | 137,179 | 137,145 | 137,038 | 137,417 | 134,056 |
| Reconciliation to net income: | | | | | | | |
| Net income | \$ 59.4 | \$ 54.9 | \$ 62.2 | \$ 56.6 | \$ 35.8 | \$ 114.3 | \$ 82.1 |
| Less: Net realized investment gains (losses) (net of taxes) | 9.2 | 10.1 | 15.0 | 13.0 | (6.6) | 19.3 | (2.1) |
| Add: Net investment gains (losses) on FIA options (net of taxes) | (0.4) | 0.3 | 0.8 | 0.2 | (0.9) | (0.1) | (0.8) |
| Adjusted operating income | \$ 49.8 | \$ 45.1 | \$ 48.0 | \$ 43.8 | \$ 41.5 | \$ 94.9 | \$ 83.4 |

¹ Basic net income and adjusted operating income per common share include all participating securities using the two-class method. Diluted net income and adjusted operating income per common share include the dilutive impact of non-participating securities, based on the application of the treasury stock method. Shares included in these calculations are weighted for the portion of the period they were outstanding. Antidilutive awards were excluded from the computation of diluted earnings per share. Quarterly earnings per share amounts may not add to the full year amounts.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Consolidated Balance Sheet Data
(In millions)

| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Assets | | | | | |
| Investments: | | | | | |
| Available-for-sale securities: | | | | | |
| Fixed maturities, at fair value | \$ 22,146.5 | \$ 21,785.4 | \$ 21,281.8 | \$ 21,450.1 | \$ 20,612.2 |
| Marketable equity securities, at fair value | 51.2 | 46.4 | 45.1 | 45.4 | 43.9 |
| Trading securities: | | | | | |
| Marketable equity securities, at fair value | 380.9 | 224.7 | 189.3 | 158.8 | 141.0 |
| Mortgage loans, net | 2,085.0 | 1,862.0 | 1,713.0 | 1,493.4 | 1,338.1 |
| Policy loans | 69.6 | 70.4 | 71.5 | 71.7 | 72.3 |
| Short-term investments | 2.7 | 2.4 | 2.5 | 2.7 | 2.7 |
| Investments in limited partnerships | 193.8 | 198.8 | 186.9 | 169.1 | 136.9 |
| Other invested assets | 11.8 | 10.4 | 10.1 | 9.3 | 9.3 |
| Total investments | 24,941.5 | 24,200.5 | 23,500.2 | 23,400.5 | 22,356.4 |
| Cash and cash equivalents | 87.4 | 307.9 | 274.6 | 197.2 | 322.7 |
| Accrued investment income | 268.1 | 267.3 | 257.6 | 257.5 | 251.6 |
| Accounts receivable and other receivables | 97.5 | 63.6 | 65.6 | 89.0 | 81.9 |
| Reinsurance recoverables | 288.8 | 283.9 | 280.8 | 284.8 | 277.3 |
| Deferred policy acquisition costs | 238.5 | 262.5 | 250.0 | 160.9 | 199.0 |
| Goodwill | 29.4 | 28.9 | 28.4 | 27.8 | 27.3 |
| Current income tax recoverable | 4.4 | — | 3.0 | — | — |
| Other assets | 99.9 | 106.2 | 95.0 | 58.4 | 74.0 |
| Separate account assets | 887.3 | 901.5 | 881.7 | 826.2 | 759.0 |
| Total assets | \$ 26,942.8 | \$ 26,422.3 | \$ 25,636.9 | \$ 25,302.3 | \$ 24,349.2 |
| Liabilities and stockholders' equity | | | | | |
| Funds held under deposit contracts | \$ 21,909.0 | \$ 21,553.4 | \$ 20,953.3 | \$ 20,107.9 | \$ 19,825.7 |
| Future policy benefits | 399.6 | 399.3 | 398.4 | 397.6 | 397.0 |
| Policy and contract claims | 126.4 | 108.2 | 116.6 | 126.1 | 120.7 |
| Unearned premiums | 12.6 | 12.5 | 12.2 | 12.8 | 14.0 |
| Other policyholders' funds | 109.5 | 112.9 | 111.0 | 109.1 | 99.5 |
| Notes payable | 449.1 | 449.1 | 449.0 | 449.0 | 449.0 |
| Current income tax payable | — | 1.0 | — | 2.9 | 2.1 |
| Deferred income tax liabilities, net | 192.2 | 110.2 | 99.0 | 291.1 | 112.0 |
| Other liabilities | 209.8 | 343.2 | 235.1 | 268.3 | 227.4 |
| Separate account liabilities | 887.3 | 901.5 | 881.7 | 826.2 | 759.0 |
| Total liabilities | 24,295.5 | 23,991.3 | 23,256.3 | 22,591.0 | 22,006.4 |
| Preferred stock | — | — | — | — | — |
| Common stock | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 |
| Additional paid-in-capital | 1,452.3 | 1,451.1 | 1,450.2 | 1,449.3 | 1,449.5 |
| Retained earnings | 595.9 | 544.7 | 496.7 | 441.4 | 391.6 |
| Treasury stock | — | — | — | — | (0.6) |
| Accumulated other comprehensive income, net of taxes | 597.9 | 434.0 | 432.5 | 819.4 | 501.1 |
| Total stockholders' equity | 2,647.3 | 2,431.0 | 2,380.6 | 2,711.3 | 2,342.8 |
| Total liabilities and stockholders' equity | \$ 26,942.8 | \$ 26,422.3 | \$ 25,636.9 | \$ 25,302.3 | \$ 24,349.2 |

Symetra Financial Corporation
2Q 2011 Financial Supplement
Segment Income Statement Data
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Group Division | \$ 117.9 | \$ 117.5 | \$ 116.4 | \$ 117.3 | \$ 113.6 | \$ 235.4 | \$ 229.9 |
| Retirement Division: | | | | | | | |
| Deferred Annuities | 133.1 | 128.7 | 127.0 | 124.0 | 118.8 | 261.8 | 231.5 |
| Income Annuities | 102.7 | 105.2 | 108.7 | 105.7 | 104.9 | 207.9 | 209.1 |
| Life Division | 111.6 | 112.8 | 108.8 | 107.4 | 107.8 | 224.4 | 213.2 |
| Other | 11.6 | 11.9 | 12.7 | 11.4 | 8.0 | 23.5 | 15.9 |
| Total | \$ 476.9 | \$ 476.1 | \$ 473.6 | \$ 465.8 | \$ 453.1 | \$ 953.0 | \$ 899.6 |
| Segment pre-tax adjusted operating income (loss): | | | | | | | |
| Group Division | \$ 19.0 | \$ 13.8 | \$ 21.0 | \$ 16.7 | \$ 18.2 | \$ 32.8 | \$ 33.9 |
| Retirement Division: | | | | | | | |
| Deferred Annuities | 23.0 | 23.2 | 20.9 | 22.5 | 20.6 | 46.2 | 37.9 |
| Income Annuities | 12.6 | 8.9 | 10.9 | 9.5 | 6.4 | 21.5 | 12.8 |
| Life Division | 17.4 | 16.9 | 17.3 | 15.3 | 19.0 | 34.3 | 42.3 |
| Other | (2.4) | (1.4) | (2.0) | (0.5) | (5.0) | (3.8) | (8.9) |
| Total | \$ 69.6 | \$ 61.4 | \$ 68.1 | \$ 63.5 | \$ 59.2 | \$ 131.0 | \$ 118.0 |

Symetra Financial Corporation
2Q 2011 Financial Supplement
Group Division
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Premiums | \$ 109.8 | \$ 110.0 | \$ 108.7 | \$ 109.9 | \$ 105.8 | \$ 219.8 | \$ 214.6 |
| Net investment income | 4.4 | 4.2 | 4.6 | 4.7 | 4.8 | 8.6 | 9.4 |
| Policy fees, contract charges and other | 3.7 | 3.3 | 3.1 | 2.7 | 3.0 | 7.0 | 5.9 |
| Total operating revenues | 117.9 | 117.5 | 116.4 | 117.3 | 113.6 | 235.4 | 229.9 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 68.5 | 74.3 | 65.8 | 73.1 | 67.4 | 142.8 | 142.4 |
| Other underwriting and operating expenses | 28.3 | 27.3 | 27.5 | 25.4 | 26.0 | 55.6 | 49.7 |
| Amortization of deferred policy acquisition costs | 2.1 | 2.1 | 2.1 | 2.1 | 2.0 | 4.2 | 3.9 |
| Total benefits and expenses | 98.9 | 103.7 | 95.4 | 100.6 | 95.4 | 202.6 | 196.0 |
| Segment pre-tax adjusted operating income | \$ 19.0 | \$ 13.8 | \$ 21.0 | \$ 16.7 | \$ 18.2 | \$ 32.8 | \$ 33.9 |
| Operating Metrics: | | | | | | | |
| Group loss ratio ^{1, 6} | 62.4% | 67.6% | 60.5% | 66.5% | 63.8% | 65.0% | 66.4% |
| Expense ratio ² | 26.9% | 25.9% | 26.5% | 24.0% | 25.4% | 26.4% | 24.3% |
| Combined ratio ³ | 89.3% | 93.5% | 87.0% | 90.5% | 89.2% | 91.4% | 90.7% |
| Medical stop-loss — loss ratio ^{4, 6} | 63.6% | 69.3% | 62.3% | 68.7% | 65.4% | 66.5% | 67.8% |
| Total sales ⁵ | \$ 23.4 | \$ 48.7 | \$ 15.1 | \$ 18.4 | \$ 20.6 | \$ 72.1 | \$ 62.0 |
| Premiums: | | | | | | | |
| Medical stop-loss | \$ 96.6 | \$ 96.7 | \$ 96.8 | \$ 98.1 | \$ 94.6 | \$ 193.3 | \$ 192.2 |
| Limited benefit medical | 10.5 | 10.7 | 9.5 | 9.1 | 8.5 | 21.2 | 16.5 |
| Other | 2.7 | 2.6 | 2.4 | 2.7 | 2.7 | 5.3 | 5.9 |
| Total premiums earned | \$ 109.8 | \$ 110.0 | \$ 108.7 | \$ 109.9 | \$ 105.8 | \$ 219.8 | \$ 214.6 |
| 5 Year Historical Group Loss Ratio ^{1:} | For the Three Months Ended | | | | | For the Year Ended | |
| | 1Q | 2Q | 3Q | 4Q | | | |
| 2010 | 68.9% | 63.8% | 66.5% | 60.5% | | | 64.9% |
| 2009 | 70.1% | 66.1% | 67.3% | 69.9% | | | 68.3% |
| 2008 | 71.0% | 66.3% | 59.4% | 66.6% | | | 65.8% |
| 2007 | 55.7% | 54.8% | 51.0% | 55.9% | | | 54.3% |
| 2006 | 71.3% | 61.1% | 57.8% | 47.1% | | | 59.6% |

¹ Group loss ratio represents policyholder benefits and claims incurred divided by premiums earned.

² Expense ratio is equal to other underwriting and operating expenses of our insurance operations and amortization of DAC divided by premiums earned.

³ Combined ratio is equal to the sum of the loss ratio and the expense ratio.

⁴ Medical stop-loss loss ratio represents medical stop-loss policyholder benefits and claims incurred divided by medical stop-loss premiums earned.

⁵ Total sales represents annualized first-year premiums net of first year policy lapses.

⁶ The third quarter 2010 results included one large case with a loss ratio in excess of 95%. This case terminated in fourth quarter 2010. Without this case, the third quarter 2010 group loss ratio would have been 65.3% and the medical stop-loss — loss ratio would have been 67.5%.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Retirement Division — Deferred Annuities
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Net investment income | \$ 128.2 | \$ 123.1 | \$ 120.8 | \$ 119.0 | \$ 115.3 | \$ 251.3 | \$ 223.1 |
| Policy fees, contract charges and other | 5.5 | 5.1 | 5.0 | 4.7 | 4.8 | 10.6 | 9.6 |
| Net investment gains (losses) on FIA options | (0.6) | 0.5 | 1.2 | 0.3 | (1.3) | (0.1) | (1.2) |
| Total operating revenues | 133.1 | 128.7 | 127.0 | 124.0 | 118.8 | 261.8 | 231.5 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | — | (0.1) | (0.1) | (0.5) | 0.6 | (0.1) | 0.7 |
| Interest credited | 79.9 | 77.6 | 79.0 | 75.7 | 70.4 | 157.5 | 138.9 |
| Other underwriting and operating expenses | 14.2 | 12.4 | 14.9 | 13.0 | 13.6 | 26.6 | 27.2 |
| Amortization of deferred policy acquisition costs | 16.0 | 15.6 | 12.3 | 13.3 | 13.6 | 31.6 | 26.8 |
| Total benefits and expenses | 110.1 | 105.5 | 106.1 | 101.5 | 98.2 | 215.6 | 193.6 |
| Segment pre-tax adjusted operating income | \$ 23.0 | \$ 23.2 | \$ 20.9 | \$ 22.5 | \$ 20.6 | \$ 46.2 | \$ 37.9 |
| Operating Metrics: | | | | | | | |
| Account values — fixed annuities | \$ 10,127.3 | \$ 9,793.9 | \$ 9,243.7 | \$ 8,805.6 | \$ 8,574.0 | \$ 10,127.3 | \$ 8,574.0 |
| Account values — variable annuities | 796.9 | 809.2 | 791.1 | 742.6 | 682.3 | 796.9 | 682.3 |
| Interest spread on average account values ¹ | 1.81% | 1.82% | 1.81% | 1.85% | 1.97% | 1.83% | 1.91% |
| Total sales ² | \$ 446.5 | \$ 618.4 | \$ 522.9 | \$ 286.4 | \$ 623.9 | \$ 1,064.9 | \$ 1,001.4 |

¹ Interest spread is the difference between the net investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the segment. The credited interest rate is the approximate rate credited on policyholder fixed account values within the segment. Interest credited is subject to contractual terms, including minimum guarantees.

² Total sales represent deposits for new policies net of first year policy lapses and/or surrenders.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Retirement Division — Deferred Annuities
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Net investment income | \$ 102.3 | \$ 105.0 | \$ 108.4 | \$ 105.6 | \$ 104.7 | \$ 207.3 | \$ 208.7 |
| Policy fees, contract charges and other | 0.4 | 0.2 | 0.3 | 0.1 | 0.2 | 0.6 | 0.4 |
| Total operating revenues | 102.7 | 105.2 | 108.7 | 105.7 | 104.9 | 207.9 | 209.1 |
| Benefits and expenses: | | | | | | | |
| Interest credited | 83.6 | 89.7 | 91.3 | 90.1 | 92.9 | 173.3 | 184.9 |
| Other underwriting and operating expenses | 5.9 | 5.9 | 6.0 | 5.5 | 5.2 | 11.8 | 10.5 |
| Amortization of deferred policy acquisition costs | 0.6 | 0.7 | 0.5 | 0.6 | 0.4 | 1.3 | 0.9 |
| Total benefits and expenses | 90.1 | 96.3 | 97.8 | 96.2 | 98.5 | 186.4 | 196.3 |
| Segment pre-tax adjusted operating income | \$ 12.6 | \$ 8.9 | \$ 10.9 | \$ 9.5 | \$ 6.4 | \$ 21.5 | \$ 12.8 |
| Operating Metrics: | | | | | | | |
| Reserves ¹ | \$ 6,646.6 | \$ 6,681.4 | \$ 6,676.8 | \$ 6,676.8 | \$ 6,716.8 | \$ 6,646.6 | \$ 6,716.8 |
| Interest spread on reserves ² | 0.48% | 0.58% | 0.79% | 0.59% | 0.49% | 0.55% | 0.45% |
| Base interest spread on reserves ³ | 0.52% | 0.47% | 0.61% | 0.59% | 0.50% | 0.51% | 0.46% |
| MBS prepayment speed adjustment ⁴ | \$ (0.7) | \$ 1.8 | \$ 3.2 | \$ 0.1 | \$ (0.1) | \$ 1.1 | \$ (0.3) |
| Mortality gains (losses) ⁵ | 4.9 | 0.7 | (0.6) | (0.1) | (1.8) | 5.6 | (1.9) |
| Total sales ⁶ | 38.7 | 64.5 | 67.9 | 58.0 | 67.8 | 103.2 | 134.1 |

5 Year Historical Mortality Gains (Losses):⁵

| | For the Three Months Ended | | | | For the Year Ended |
|------|----------------------------|----------|----------|----------|--------------------|
| | 1Q | 2Q | 3Q | 4Q | |
| 2010 | \$ (0.1) | \$ (1.8) | \$ (0.1) | \$ (0.6) | \$ (2.6) |
| 2009 | 4.3 | (0.5) | — | 1.3 | 5.1 |
| 2008 | 2.0 | 0.8 | 0.7 | (1.4) | 2.1 |
| 2007 | 1.9 | — | (0.9) | (1.1) | (0.1) |
| 2006 | 0.2 | 2.4 | 1.3 | 2.4 | 6.3 |

¹ Reserves represent the present value of future income annuity benefits and assumed expenses, discounted by the assumed interest rate. This metric represents the amount of our in-force book of business.

² Interest spread is the difference between the net investment yield earned and the credited interest rate on policyholder reserves. The investment yield is the approximate yield on invested assets, excluding equities, in the general account attributed to the segment. The credited interest rate is the approximate rate credited on policyholder reserves within the segment and excludes the gains and losses from funding services and mortality.

³ Base interest spread on reserves is equal to interest spread on reserves excluding MBS prepayment speed adjustment.

⁴ MBS prepayment speed adjustment is the impact to net investment income due to the change in prepayment speeds on the underlying collateral of mortgage-backed securities.

⁵ Mortality gains (losses) represents the difference between actual and expected reserves released on our life contingent annuities.

⁶ Total sales represent deposits for new policies net of first year policy lapses and/or surrenders.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Life Division
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Premiums | \$ 9.6 | \$ 10.9 | \$ 9.6 | \$ 10.3 | \$ 9.7 | \$ 20.5 | \$ 19.9 |
| Net investment income | 71.1 | 71.2 | 69.4 | 67.5 | 68.3 | 142.3 | 134.4 |
| Policy fees, contract charges and other | 30.9 | 30.7 | 29.8 | 29.6 | 29.8 | 61.6 | 58.9 |
| Total operating revenues | 111.6 | 112.8 | 108.8 | 107.4 | 107.8 | 224.4 | 213.2 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 15.2 | 18.1 | 14.5 | 12.8 | 15.3 | 33.3 | 26.4 |
| Interest credited | 62.2 | 61.7 | 62.0 | 63.1 | 59.1 | 123.9 | 117.6 |
| Other underwriting and operating expenses | 15.5 | 14.4 | 14.1 | 14.2 | 13.4 | 29.9 | 26.1 |
| Amortization of deferred policy acquisition costs | 1.3 | 1.7 | 0.9 | 2.0 | 1.0 | 3.0 | 0.8 |
| Total benefits and expenses | 94.2 | 95.9 | 91.5 | 92.1 | 88.8 | 190.1 | 170.9 |
| Segment pre-tax adjusted operating income | \$ 17.4 | \$ 16.9 | \$ 17.3 | \$ 15.3 | \$ 19.0 | \$ 34.3 | \$ 42.3 |
| Operating Metrics: | | | | | | | |
| Individual insurance: | | | | | | | |
| Individual insurance in force ¹ | \$ 37,439.7 | \$ 37,689.0 | \$ 38,011.5 | \$ 38,289.1 | \$ 38,502.3 | \$ 37,439.7 | \$ 38,502.3 |
| Individual claims ² | 12.1 | 15.7 | 11.3 | 12.0 | 13.5 | 27.8 | 27.4 |
| Annualized mortality rate ³ | 0.13% | 0.17% | 0.12% | 0.13% | 0.14% | 0.15% | 0.14% |
| UL account value ⁴ | \$ 635.5 | \$ 617.3 | \$ 607.0 | \$ 596.9 | \$ 588.9 | \$ 635.5 | \$ 588.9 |
| UL interest spread ⁵ | 1.24% | 1.59% | 1.54% | 1.57% | 1.59% | 1.42% | 1.47% |
| Individual sales ⁶ | \$ 2.9 | \$ 2.4 | \$ 2.4 | \$ 2.6 | \$ 2.4 | \$ 5.3 | \$ 5.2 |
| BOLI: | | | | | | | |
| BOLI insurance in force ¹ | \$ 12,681.6 | \$ 12,681.3 | \$ 12,667.5 | \$ 11,503.8 | \$ 11,410.0 | \$ 12,681.6 | \$ 11,410.0 |
| BOLI account value ⁴ | 4,442.0 | 4,403.0 | 4,365.4 | 3,969.7 | 3,886.0 | \$ 4,442.0 | \$ 3,886.0 |
| BOLI PGAAP reserve balance ⁷ | 23.6 | 25.8 | 27.9 | 30.0 | 32.4 | 23.6 | 32.4 |
| BOLI ROA ⁸ | 0.98% | 1.14% | 0.92% | 0.92% | 1.28% | 1.07% | 1.17% |
| BOLI sales ⁹ | \$ — | \$ — | \$ 35.9 | \$ 7.5 | \$ — | \$ — | \$ 2.7 |

5 Year Historical Individual Claims:

| | For the Three Months Ended | | | | For the Year Ended |
|------|----------------------------|------|------|------|--------------------|
| | 1Q | 2Q | 3Q | 4Q | |
| 2010 | 13.9 | 13.5 | 12.0 | 11.3 | 50.7 |
| 2009 | 14.7 | 13.4 | 12.8 | 12.6 | 53.5 |
| 2008 | 14.3 | 13.6 | 13.7 | 12.1 | 53.7 |
| 2007 | 13.5 | 14.0 | 12.1 | 11.6 | 51.2 |
| 2006 | 13.3 | 11.9 | 11.8 | 13.4 | 50.4 |

¹ Insurance in force represents dollar face amounts of policies without adjustments for reinsurance.

² Individual claims represents incurred claims, net of reinsurance, on our term and universal life policies.

³ Annualized mortality rate is defined as annualized claims divided by insurance in force.

⁴ UL account value and BOLI account value represent our liabilities to our policyholders.

⁵ UL interest spread is the difference between the investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the UL policies. The credited interest rate is the approximate rate credited on UL policyholder fixed account values. Interest credited to UL policyholders' account values is subject to contractual terms, including minimum guarantees. Interest credited tends to move gradually over time to reflect actions by management to respond to competitive pressures and profit margins. The 2010 year-to-date second quarter credited rate to policyholders has been adjusted to exclude a reserve adjustment related to a persistency bonus. Without this adjustment the 2010 year-to-date second quarter UL interest spread would be 3.49%.

⁶ Individual sales represent annualized first year premiums for recurring premium products, and 10% of new single premiums deposits net of first year policy lapses and/or surrenders.

⁷ Purchase accounting reserve, or PGAAP reserve, represents impact of purchase accounting on policyholder liabilities. This PGAAP reserve is amortized as a reduction to policyholder benefits according to the pattern of profitability of the book of business of policies in force at the purchase accounting date, August 2, 2004.

⁸ BOLI ROA is a measure of the gross margin on our BOLI book of business. This metric is calculated as the difference between our BOLI revenue earnings rate and our BOLI policy benefits rate. The revenue earnings rate is calculated as revenues divided by average invested assets. The policy benefits rate is calculated as total policy benefits divided by average account value. The policy benefits used in this metric do not include expenses.

⁹ BOLI sales represent 10% of new BOLI total deposits.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Other
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Operating revenues: | | | | | | | |
| Net investment income | \$ 6.2 | \$ 6.5 | \$ 7.8 | \$ 7.6 | \$ 4.0 | \$ 12.7 | \$ 8.4 |
| Policy fees, contract charges and other | 5.4 | 5.4 | 4.9 | 3.8 | 4.0 | 10.8 | 7.5 |
| Total operating revenues | 11.6 | 11.9 | 12.7 | 11.4 | 8.0 | 23.5 | 15.9 |
| Benefits and expenses: | | | | | | | |
| Interest credited | (0.6) | (0.7) | (0.6) | (1.1) | (0.9) | (1.3) | (1.4) |
| Other underwriting and operating expenses | 6.6 | 6.0 | 7.3 | 5.0 | 6.0 | 12.6 | 10.3 |
| Interest expense | 8.0 | 8.0 | 8.0 | 8.0 | 7.9 | 16.0 | 15.9 |
| Total benefits and expenses | 14.0 | 13.3 | 14.7 | 11.9 | 13.0 | 27.3 | 24.8 |
| Segment pre-tax adjusted operating loss | \$ (2.4) | \$ (1.4) | \$ (2.0) | \$ (0.5) | \$ (5.0) | \$ (3.8) | \$ (8.9) |

Symetra Financial Corporation
2Q 2011 Financial Supplement
Deferred Policy Acquisition Cost (DAC) Roll Forwards
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Summary — Total Company | | | | | | | |
| Unamortized balance, beginning of period | \$ 403.6 | \$ 387.4 | \$ 369.7 | \$ 360.8 | \$ 339.8 | \$ 387.4 | \$ 325.7 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 20.4 | 28.8 | 21.4 | 18.1 | 30.6 | 49.2 | 52.1 |
| Other acquisition expenses | 8.0 | 8.2 | 12.8 | 9.4 | 8.6 | 16.2 | 17.6 |
| Total deferral of acquisition costs | 28.4 | 37.0 | 34.2 | 27.5 | 39.2 | 65.4 | 69.7 |
| Adjustments related to investment gains | (0.6) | (0.7) | (0.7) | (0.6) | (1.2) | (1.3) | (2.2) |
| Amortization | (20.0) | (20.1) | (15.8) | (17.6) | (17.0) | (40.1) | (34.1) |
| Unlocking | — | — | — | (0.4) | — | — | 1.7 |
| Total amortization | (20.0) | (20.1) | (15.8) | (18.0) | (17.0) | (40.1) | (32.4) |
| Unamortized balance, end of period | 411.4 | 403.6 | 387.4 | 369.7 | 360.8 | 411.4 | 360.8 |
| Accum effect of net unrealized gains | (172.9) | (141.1) | (137.4) | (208.8) | (161.8) | (172.9) | (161.8) |
| DAC balance, end of period | \$ 238.5 | \$ 262.5 | \$ 250.0 | \$ 160.9 | \$ 199.0 | \$ 238.5 | \$ 199.0 |
| Group Division | | | | | | | |
| Unamortized balance, beginning of period | \$ 3.4 | \$ 3.6 | \$ 3.8 | \$ 3.5 | \$ 3.4 | \$ 3.6 | \$ 3.2 |
| Deferral of acquisition costs: | | | | | | | |
| Other acquisition expenses | 2.1 | 1.9 | 1.9 | 2.4 | 2.1 | 4.0 | 4.2 |
| Total deferral of acquisition costs | 2.1 | 1.9 | 1.9 | 2.4 | 2.1 | 4.0 | 4.2 |
| Amortization | (2.1) | (2.1) | (2.1) | (2.1) | (2.0) | (4.2) | (3.9) |
| Unamortized balance, end of period | 3.4 | 3.4 | 3.6 | 3.8 | 3.5 | 3.4 | 3.5 |
| DAC balance, end of period | \$ 3.4 | \$ 3.4 | \$ 3.6 | \$ 3.8 | \$ 3.5 | \$ 3.4 | \$ 3.5 |
| Retirement Division — Deferred Annuities | | | | | | | |
| Unamortized balance, beginning of period | \$ 296.2 | \$ 283.2 | \$ 274.6 | \$ 271.6 | \$ 255.7 | \$ 283.2 | \$ 249.1 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 16.8 | 24.4 | 16.9 | 12.8 | 25.9 | 41.2 | 41.9 |
| Other acquisition expenses | 4.5 | 4.9 | 4.8 | 4.1 | 4.8 | 9.4 | 9.5 |
| Total deferral of acquisition costs | 21.3 | 29.3 | 21.7 | 16.9 | 30.7 | 50.6 | 51.4 |
| Adjustments related to investment gains | (0.4) | (0.7) | (0.8) | (0.6) | (1.2) | (1.1) | (2.1) |
| Amortization | (16.0) | (15.6) | (12.3) | (13.3) | (13.6) | (31.6) | (26.8) |
| Unlocking | — | — | — | — | — | — | — |
| Total amortization | (16.0) | (15.6) | (12.3) | (13.3) | (13.6) | (31.6) | (26.8) |
| Unamortized balance, end of period | 301.1 | 296.2 | 283.2 | 274.6 | 271.6 | 301.1 | 271.6 |
| Accum effect of net unrealized gains | (165.6) | (136.2) | (132.4) | (201.7) | (157.9) | (165.6) | (157.9) |
| DAC balance, end of period | \$ 135.5 | \$ 160.0 | \$ 150.8 | \$ 72.9 | \$ 113.7 | \$ 135.5 | \$ 113.7 |
| Retirement Division — Income Annuities | | | | | | | |
| Unamortized balance, beginning of period | \$ 33.1 | \$ 31.2 | \$ 28.9 | \$ 27.0 | \$ 24.7 | \$ 31.2 | \$ 22.4 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 1.5 | 2.3 | 2.5 | 2.1 | 2.3 | 3.8 | 4.7 |
| Other acquisition expenses | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 | 0.6 | 0.8 |
| Total deferral of acquisition costs | 1.8 | 2.6 | 2.8 | 2.5 | 2.7 | 4.4 | 5.5 |
| Amortization | (0.6) | (0.7) | (0.5) | (0.6) | (0.4) | (1.3) | (0.9) |
| Unamortized balance, end of period | 34.3 | 33.1 | 31.2 | 28.9 | 27.0 | 34.3 | 27.0 |
| DAC balance, end of period | \$ 34.3 | \$ 33.1 | \$ 31.2 | \$ 28.9 | \$ 27.0 | \$ 34.3 | \$ 27.0 |
| Life Division | | | | | | | |
| Unamortized balance, beginning of period | \$ 70.9 | \$ 69.4 | \$ 62.4 | \$ 58.7 | \$ 56.0 | \$ 69.4 | \$ 51.0 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 2.1 | 2.1 | 2.0 | 3.2 | 2.4 | 4.2 | 5.5 |
| Other acquisition expenses | 1.1 | 1.1 | 5.8 | 2.5 | 1.3 | 2.2 | 3.1 |
| Total deferral of acquisition costs | 3.2 | 3.2 | 7.8 | 5.7 | 3.7 | 6.4 | 8.6 |
| Adjustments related to inv (gains) losses | (0.2) | — | 0.1 | — | — | (0.2) | (0.1) |
| Amortization | (1.3) | (1.7) | (0.9) | (1.6) | (1.0) | (3.0) | (2.5) |
| Unlocking | — | — | — | (0.4) | — | — | 1.7 |
| Total amortization | (1.3) | (1.7) | (0.9) | (2.0) | (1.0) | (3.0) | (0.8) |
| Unamortized balance, end of period | 72.6 | 70.9 | 69.4 | 62.4 | 58.7 | 72.6 | 58.7 |
| Accum effect of net unrealized gains | (7.3) | (4.9) | (5.0) | (7.1) | (3.9) | (7.3) | (3.9) |
| DAC balance, end of period | \$ 65.3 | \$ 66.0 | \$ 64.4 | \$ 55.3 | \$ 54.8 | \$ 65.3 | \$ 54.8 |

Symetra Financial Corporation
2Q 2011 Financial Supplement
Account Value and Reserve Roll Forwards
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|------------------------------------|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Retirement Division: | | | | | | | |
| Deferred Annuities: | | | | | | | |
| <i>Fixed Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 9,793.9 | \$ 9,243.7 | \$ 8,805.6 | \$ 8,574.0 | \$ 8,005.4 | \$ 9,243.7 | \$ 7,655.7 |
| Deposits | 498.5 | 659.2 | 560.3 | 321.1 | 667.6 | 1,157.7 | 1,090.4 |
| Interest credited | 90.5 | 88.2 | 88.8 | 84.9 | 80.4 | 178.7 | 157.6 |
| Withdrawals and transfers | (252.2) | (203.4) | (207.5) | (177.3) | (174.6) | (455.6) | (343.5) |
| Other | (3.4) | 6.2 | (3.5) | 2.9 | (4.8) | 2.8 | 13.8 |
| Account value, end of period | \$ 10,127.3 | \$ 9,793.9 | \$ 9,243.7 | \$ 8,805.6 | \$ 8,574.0 | \$ 10,127.3 | \$ 8,574.0 |
| Income Annuities: | | | | | | | |
| <i>Reserves</i> | | | | | | | |
| Reserves, beginning of period | \$ 6,681.4 | \$ 6,676.8 | \$ 6,676.8 | \$ 6,716.8 | \$ 6,726.7 | \$ 6,676.8 | \$ 6,726.3 |
| Deposits | 37.7 | 65.3 | 67.1 | 56.7 | 67.6 | 103.0 | 130.4 |
| Interest credited | 95.5 | 96.2 | 96.2 | 96.3 | 96.8 | 191.7 | 193.8 |
| Benefit payments | (160.7) | (146.2) | (161.9) | (186.1) | (167.9) | (306.9) | (315.1) |
| Other | (7.3) | (10.7) | (1.4) | (6.9) | (6.4) | (18.0) | (18.6) |
| Reserves, end of period | \$ 6,646.6 | \$ 6,681.4 | \$ 6,676.8 | \$ 6,676.8 | \$ 6,716.8 | \$ 6,646.6 | \$ 6,716.8 |
| Life Division: | | | | | | | |
| <i>BOLI Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 4,403.0 | \$ 4,365.4 | \$ 3,969.7 | \$ 3,886.0 | \$ 3,853.2 | \$ 4,365.4 | \$ 3,789.1 |
| Deposits | — | — | 358.2 | 74.5 | — | — | 27.6 |
| Interest credited | 54.9 | 54.1 | 54.6 | 55.7 | 52.0 | 109.0 | 104.0 |
| Surrenders/claims | — | — | — | (32.2) | (0.3) | — | (0.3) |
| Administrative charges and other | (15.9) | (16.5) | (17.1) | (14.3) | (18.9) | (32.4) | (34.4) |
| Account value, end of period | \$ 4,442.0 | \$ 4,403.0 | \$ 4,365.4 | \$ 3,969.7 | \$ 3,886.0 | \$ 4,442.0 | \$ 3,886.0 |
| <i>UL Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 617.3 | \$ 607.0 | \$ 596.9 | \$ 588.9 | \$ 585.3 | \$ 607.0 | \$ 583.8 |
| Deposits | 33.2 | 28.3 | 25.0 | 22.2 | 19.1 | 61.5 | 41.6 |
| Interest credited | 6.8 | 6.4 | 6.3 | 6.4 | 6.1 | 13.2 | 6.5 |
| Surrenders/claims | (7.3) | (13.3) | (6.6) | (5.9) | (7.3) | (20.6) | (14.6) |
| Administrative charges and other | (14.5) | (11.1) | (14.6) | (14.7) | (14.3) | (25.6) | (28.4) |
| Account value, end of period | \$ 635.5 | \$ 617.3 | \$ 607.0 | \$ 596.9 | \$ 588.9 | \$ 635.5 | \$ 588.9 |

Symetra Financial Corporation
2Q 2011 Financial Supplement
Overview of Liabilities and Associated Unrealized Gains
(In millions)

| | As of Jun. 30, 2011 | | |
|---|------------------------|------------|-------------------------------|
| | Policyholder Liability | % of Total | Unrealized gains ⁷ |
| Illiquid Liabilities | | | |
| Structured settlements & other SPIAs ¹ | \$ 6,642.5 | | \$ 277.9 |
| Deferred annuities with 5 year payout provision or MVA ² | 371.3 | | 19.9 |
| Traditional insurance (net of reinsurance) ³ | 185.1 | | 9.2 |
| Group health & life (net of reinsurance) ³ | 101.4 | | 2.0 |
| Total illiquid liabilities | 7,300.3 | 32.9% | 309.0 |
| Somewhat Liquid Liabilities | | | |
| Bank-owned life insurance (BOLI) ⁴ | 4,522.7 | | 209.0 |
| Deferred annuities with surrender charges of 5% or higher | 6,887.7 | | 369.4 |
| Universal life with surrender charges of 5% or higher | 212.6 | | 10.6 |
| Total somewhat liquid liabilities | 11,623.0 | 52.4% | 589.0 |
| Fully Liquid Liabilities | | | |
| Deferred annuities with surrender charges of: | | | |
| 3% up to 5% | 538.2 | | 28.9 |
| Less than 3% | 164.7 | | 8.8 |
| No surrender charges ⁵ | 2,113.4 | | 113.3 |
| Universal life with surrender charges less than 5% | 437.3 | | 21.6 |
| BOLI ⁶ | 5.3 | | 0.2 |
| Traditional insurance (net of reinsurance) ⁶ | 4.3 | | 0.2 |
| Group health & life (net of reinsurance) ⁶ | 12.3 | | 0.2 |
| Total fully liquid liabilities | 3,275.5 | 14.7% | 173.2 |
| Assets supporting surplus portfolio | | | 86.5 |
| Total | \$ 22,198.8 | 100.0% | \$ 1,157.7 |
| Reconciliation of unrealized gains to AOCI: | | | |
| Unrealized gains from above | | | \$ 1,157.7 |
| Tax on unrealized gains and losses on available for sale securities | | | (405.2) |
| Adjustment for deferred policy acquisition costs and deferred sales inducements valuation allowance, net of tax | | | (152.9) |
| Other | | | (1.7) |
| AOCI | | | \$ 597.9 |

¹ These contracts cannot be surrendered. The benefits are specified in the contracts as fixed amounts to be paid over the next several decades.

² In a liquidity crisis situation, we could invoke the five-year payout provision so that the contract value with interest is paid out ratably over five years.

³ The surrender value on these contracts is generally zero. Represents incurred but not reported claim liabilities.

⁴ The biggest deterrent to surrender is the taxation on the gain within these contracts, which includes a 10% non-deductible penalty tax. Banks can exchange certain of these contracts with other carriers, tax-free. However, a significant portion of this business may not qualify for this tax-free treatment due to the employment status of the original covered employees and charges may be applicable.

⁵ Approximately half of this business has been with the Company for over a decade, contains lifetime minimum interest guarantees of 4.0% to 4.5% and has been free of surrender charges for many years. This business has experienced high persistency given the high lifetime guarantees that have not been available in the market on new issues for many years.

⁶ Represents reported claim liabilities.

⁷ Represents the pre-tax unrealized gains of the investment portfolio supporting the related policyholder liability.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Investments Summary
(In millions)

| | As of | | | | | | | | | |
|---|------------------|--------|------------------|--------|------------------|--------|------------------|--------|------------------|--------|
| | Jun. 30, 2011 | % | Mar. 31, 2011 | % | Dec. 31, 2010 | % | Sep. 30, 2010 | % | Jun. 30, 2010 | % |
| Portfolio Composition: | | | | | | | | | | |
| Available-for-sale securities: | | | | | | | | | | |
| Fixed maturities, at fair value | \$ 22,146.5 | 88.8% | \$ 21,785.4 | 90.0% | \$ 21,281.8 | 90.6% | \$ 21,450.1 | 91.7% | \$ 20,612.2 | 92.2% |
| Marketable equity securities, at fair value | 51.2 | 0.2% | 46.4 | 0.2% | 45.1 | 0.2% | 45.4 | 0.2% | 43.9 | 0.2% |
| Trading securities: | | | | | | | | | | |
| Marketable equity securities, at fair value | 380.9 | 1.5% | 224.7 | 0.9% | 189.3 | 0.8% | 158.8 | 0.7% | 141.0 | 0.6% |
| Mortgage loans, net | 2,085.0 | 8.4% | 1,862.0 | 7.7% | 1,713.0 | 7.3% | 1,493.4 | 6.4% | 1,338.1 | 6.0% |
| Policy loans | 69.6 | 0.3% | 70.4 | 0.3% | 71.5 | 0.3% | 71.7 | 0.3% | 72.3 | 0.3% |
| Short-term investments | 2.7 | 0.0% | 2.4 | 0.0% | 2.5 | 0.0% | 2.7 | 0.0% | 2.7 | 0.0% |
| Investment in limited partnerships | 193.8 | 0.8% | 198.8 | 0.8% | 186.9 | 0.8% | 169.1 | 0.7% | 136.9 | 0.6% |
| Other invested assets | 11.8 | 0.0% | 10.4 | 0.1% | 10.1 | 0.0% | 9.3 | 0.0% | 9.3 | 0.1% |
| Total investments | 24,941.5 | 100.0% | 24,200.5 | 100.0% | 23,500.2 | 100.0% | 23,400.5 | 100.0% | 22,356.4 | 100.0% |
| Cash and cash equivalents | 87.4 | | 307.9 | | 274.6 | | 197.2 | | 322.7 | |
| Total investments, cash and cash equivalents | \$ 25,028.9 | | \$ 24,508.4 | | \$ 23,774.8 | | \$ 23,597.7 | | \$ 22,679.1 | |
| Fixed Maturities Securities by Credit Quality: | | | | | | | | | | |
| 1 | | | | | | | | | | |
| 1: AAA, AA, A | \$ 13,391.0 | 60.5% | \$ 13,141.0 | 60.3% | \$ 13,042.4 | 61.3% | \$ 12,798.7 | 59.7% | \$ 12,116.4 | 58.8% |
| 2: BBB | 7,274.2 | 32.8% | 7,306.9 | 33.6% | 6,981.9 | 32.8% | 7,681.7 | 35.8% | 7,465.0 | 36.2% |
| Total investment grade | 20,665.2 | 93.3% | 20,447.9 | 93.9% | 20,024.3 | 94.1% | 20,480.4 | 95.5% | 19,581.4 | 95.0% |
| 3: BB | 853.6 | 3.9% | 719.5 | 3.3% | 679.0 | 3.2% | 570.4 | 2.7% | 642.0 | 3.1% |
| 4: B | 480.3 | 2.2% | 462.7 | 2.1% | 393.8 | 1.8% | 268.1 | 1.2% | 264.6 | 1.3% |
| 5: CCC & lower | 139.4 | 0.6% | 146.6 | 0.7% | 164.8 | 0.8% | 111.0 | 0.5% | 105.4 | 0.5% |
| 6: In or near default | 8.0 | 0.0% | 8.7 | 0.0% | 19.9 | 0.1% | 20.2 | 0.1% | 18.8 | 0.1% |
| Total below investment grade | 1,481.3 | 6.7% | 1,337.5 | 6.1% | 1,257.5 | 5.9% | 969.7 | 4.5% | 1,030.8 | 5.0% |
| Total fixed maturities | \$ 22,146.5 | 100.0% | \$ 21,785.4 | 100.0% | \$ 21,281.8 | 100.0% | \$ 21,450.1 | 100.0% | \$ 20,612.2 | 100.0% |
| Fixed Maturities by Issuer Type: | | | | | | | | | | |
| U.S. government and agencies | \$ 43.1 | 0.2% | \$ 156.7 | 0.7% | \$ 33.1 | 0.2% | \$ 96.0 | 0.5% | \$ 123.0 | 0.6% |
| State and political subdivisions | 523.6 | 2.4% | 462.8 | 2.1% | 452.8 | 2.1% | 473.3 | 2.2% | 471.8 | 2.3% |
| Foreign governments | 21.9 | 0.1% | 21.7 | 0.1% | 23.6 | 0.1% | 24.9 | 0.1% | 25.0 | 0.1% |
| Corporate securities | 15,544.2 | 70.2% | 14,996.9 | 68.8% | 14,541.4 | 68.3% | 14,779.3 | 68.9% | 14,025.0 | 68.1% |
| Residential mortgage-backed securities | 3,631.4 | 16.4% | 3,815.3 | 17.5% | 3,801.6 | 17.9% | 3,840.0 | 17.9% | 3,806.2 | 18.4% |
| Commercial mortgage-backed securities | 1,816.9 | 8.2% | 1,802.9 | 8.3% | 1,887.3 | 8.9% | 1,911.0 | 8.9% | 1,829.5 | 8.9% |
| Other debt obligations | 565.4 | 2.5% | 529.1 | 2.5% | 542.0 | 2.5% | 325.6 | 1.5% | 331.7 | 1.6% |
| Total fixed maturities | \$ 22,146.5 | 100.0% | \$ 21,785.4 | 100.0% | \$ 21,281.8 | 100.0% | \$ 21,450.1 | 100.0% | \$ 20,612.2 | 100.0% |
| Effective Duration | 5.7 | | 5.6 | | 5.5 | | 5.4 | | 5.4 | |
| Average Investment Yield | 5.28% | | 5.32% | | 5.49% | | 5.51% | | 5.50% | |

| | For the Three Months Ended | | | | | | | | | |
|---|----------------------------|--------|------------------|--------|------------------|--------|------------------|--------|------------------|--------|
| | Jun. 30, 2011 | % | Mar. 31, 2011 | % | Dec. 31, 2010 | % | Sep. 30, 2010 | % | Jun. 30, 2010 | % |
| Average Daily Cash and Cash Equivalent Balances: | | | | | | | | | | |
| Group Division | \$ 11.4 | 4.8% | \$ 5.7 | 2.3% | \$ 8.8 | 2.8% | \$ 10.5 | 4.7% | \$ 9.5 | 3.2% |
| Retirement Division: | | | | | | | | | | |
| Deferred Annuities | 44.6 | 18.9% | 113.2 | 46.4% | 150.6 | 47.5% | 54.4 | 24.3% | 174.4 | 57.9% |
| Income Annuities | 107.3 | 45.4% | 25.8 | 10.6% | 11.4 | 3.6% | 21.6 | 9.6% | 8.2 | 2.7% |
| Life Division | 69.7 | 29.5% | 85.6 | 35.1% | 124.9 | 39.4% | 112.9 | 50.3% | 42.6 | 14.1% |
| Other | 3.4 | 1.4% | 13.8 | 5.6% | 21.1 | 6.7% | 24.8 | 11.1% | 66.5 | 22.1% |
| Total | \$ 236.4 | 100.0% | \$ 244.1 | 100.0% | \$ 316.8 | 100.0% | \$ 224.2 | 100.0% | \$ 301.2 | 100.0% |

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| MBS Prepayment Speed Adjustment: 2 | | | | | | | |
| Group Division | \$ — | \$ — | \$ — | \$ — | \$ 0.1 | \$ — | \$ 0.1 |
| Retirement Division: | | | | | | | |
| Deferred Annuities | (0.5) | 0.2 | 0.2 | 0.1 | (0.2) | (0.3) | (0.1) |
| Income Annuities | (0.7) | 1.8 | 3.2 | 0.1 | (0.1) | 1.1 | |
| Life Division | (0.5) | 0.8 | 1.1 | — | 0.2 | 0.3 | 0.2 |
| Other | 0.2 | 0.3 | 0.1 | 0.1 | (0.1) | 0.5 | |
| Total | \$ (1.5) | \$ 3.1 | \$ 4.6 | \$ 0.3 | \$ (0.1) | \$ 1.6 | \$ 0.2 |

1 Credit quality is based on NAIC (National Association of Insurance Commissioners) designation with presentation of the S&P equivalent credit ratings.

2 MBS prepayment speed adjustment is the impact to net investment income due to the change in prepayment speeds on the underlying collateral of mortgage-backed securities.

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Sales by Segment and Product
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|-------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 | Jun. 30, 2011 | Jun. 30, 2010 |
| Group Division 1 | | | | | | | |
| Medical stop-loss | \$ 18.1 | \$ 41.9 | \$ 11.7 | \$ 15.1 | \$ 13.9 | \$ 60.0 | \$ 52.3 |
| Limited benefit medical | 4.7 | 6.0 | 2.9 | 2.8 | 5.4 | 10.7 | 7.6 |
| Group life & disability | 0.6 | 0.8 | 0.5 | 0.5 | 1.3 | 1.4 | 2.1 |
| Total | \$ 23.4 | \$ 48.7 | \$ 15.1 | \$ 18.4 | \$ 20.6 | \$ 72.1 | \$ 62.0 |
| Retirement Division — Deferred Annuities 2 | | | | | | | |
| Fixed annuities | \$ 437.4 | \$ 609.0 | \$ 514.0 | \$ 276.5 | \$ 616.8 | \$ 1,046.4 | \$ 986.3 |
| Fixed indexed annuity | 3.1 | \$ — | \$ — | \$ — | \$ — | 3.1 | — |
| Variable annuities | 5.1 | 6.0 | 4.4 | 5.4 | 4.0 | 11.1 | 8.7 |
| Retirement plans | 0.9 | 3.4 | 4.5 | 4.5 | 3.1 | 4.3 | 6.4 |
| Total | \$ 446.5 | \$ 618.4 | \$ 522.9 | \$ 286.4 | \$ 623.9 | \$ 1,064.9 | \$ 1,001.4 |
| Retirement Division — Income Annuities 2 | | | | | | | |
| SPIA | \$ 25.1 | \$ 33.1 | \$ 31.9 | \$ 31.4 | \$ 47.2 | \$ 58.2 | \$ 90.3 |
| Structured settlements | 13.6 | 31.4 | 36.0 | 26.6 | 20.6 | 45.0 | 43.8 |
| Total | \$ 38.7 | \$ 64.5 | \$ 67.9 | \$ 58.0 | \$ 67.8 | \$ 103.2 | \$ 134.1 |
| Life Division | | | | | | | |
| Term life 1 | \$ 0.6 | \$ 0.4 | \$ 0.4 | \$ 1.1 | \$ 1.1 | \$ 1.0 | \$ 2.6 |
| Universal life 3 | 0.2 | 0.4 | 0.7 | 0.5 | 0.6 | 0.6 | 0.9 |
| Single premium life 3 | 2.1 | 1.6 | 1.3 | 1.0 | 0.7 | 3.7 | 1.7 |
| Individual sales | 2.9 | 2.4 | 2.4 | 2.6 | 2.4 | 5.3 | 5.2 |
| BOLI 4 | — | — | 35.9 | 7.5 | — | — | 2.7 |
| Total | \$ 2.9 | \$ 2.4 | \$ 38.3 | \$ 10.1 | \$ 2.4 | \$ 5.3 | \$ 7.9 |

1 Represents annualized first-year premiums net of first year policy lapses.

2 Represents deposits for new policies net of first year policy lapses and/or surrenders.

3 Represents 10% of new deposits net of first year policy lapses and/or surrenders.

4 Represents 10% of new deposits.

Symetra Financial Corporation
2Q 2011 Financial Supplement
Book Value, Adjusted Book Value and Statutory Book Value per Share
(In millions, except per share amounts)

| | Jun. 30, 2011 | Mar. 31, 2011 | As of Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
|---|------------------|------------------|---------------------------|------------------|------------------|
| Book value per common share ¹ | \$ 19.25 | \$ 17.68 | \$ 17.35 | \$ 19.77 | \$ 17.08 |
| Non-GAAP Financial Measures: | | | | | |
| Adjusted book value per common share ² | \$ 17.28 | \$ 16.85 | \$ 16.48 | \$ 16.01 | \$ 15.58 |
| Adjusted book value per common share, as converted ³ | \$ 16.49 | \$ 16.11 | \$ 15.79 | \$ 15.38 | \$ 15.02 |
| Statutory book value per common share ⁴ | \$ 17.21 | \$ 16.76 | \$ 16.39 | \$ 15.97 | \$ 15.58 |
| Numerator: | | | | | |
| Total stockholders' equity | \$ 2,647.3 | \$ 2,431.0 | \$ 2,380.6 | \$ 2,711.3 | \$ 2,342.8 |
| AOCI ⁵ | 597.9 | 434.0 | 432.5 | 819.4 | 501.1 |
| Adjusted book value | \$ 2,049.4 | \$ 1,997.0 | \$ 1,948.1 | \$ 1,891.9 | \$ 1,841.7 |
| Assumed proceeds from exercise of warrants | 218.1 | 218.1 | 218.1 | 218.1 | 218.1 |
| Adjusted book value, as converted | \$ 2,267.5 | \$ 2,215.1 | \$ 2,166.2 | \$ 2,110.0 | \$ 2,059.8 |
| Total stockholders' equity | \$ 2,647.3 | \$ 2,431.0 | \$ 2,380.6 | \$ 2,711.3 | \$ 2,342.8 |
| Stockholders' equity of non-insurance entities | (245.5) | (250.8) | (238.6) | (227.0) | (214.0) |
| Statutory adjustments | (574.0) | (400.0) | (389.7) | (757.0) | (421.7) |
| Asset valuation reserve (AVR) | 212.9 | 206.1 | 185.1 | 159.8 | 133.8 |
| Statutory book value | \$ 2,040.7 | \$ 1,986.3 | \$ 1,937.4 | \$ 1,887.1 | \$ 1,840.9 |
| Denominator: ⁶ | | | | | |
| Basic common shares outstanding | 118,571 | 118,535 | 118,216 | 118,171 | 118,175 |
| Diluted common shares outstanding | 137,547 | 137,511 | 137,192 | 137,147 | 137,151 |

¹Book value per common share is calculated based on stockholders' equity divided by diluted common shares outstanding.

²Adjusted book value per common share is calculated based on stockholders' equity less AOCI, divided by basic common shares outstanding.

³Adjusted book value per common share, as converted gives effect to the exercise of the outstanding warrants and is calculated based on stockholders' equity less AOCI plus the assumed proceeds from the warrants, divided by diluted common shares outstanding.

⁴Statutory book value per common share is calculated based on statutory book value divided by basic common shares outstanding.

⁵Accumulated other comprehensive income (loss) (net of taxes).

| | Jun. 30, 2011 | Mar. 31, 2011 | As of Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
|---|------------------|------------------|---------------------------|------------------|------------------|
| ⁶ Reconciliation of outstanding shares: | | | | | |
| Basic common shares outstanding, beginning of period | 118,535 | 118,216 | 118,171 | 118,175 | 118,086 |
| Primary shares issued in IPO | — | — | — | — | — |
| Employee stock purchase plan shares issued | 0.029 | 0.024 | 0.033 | — | — |
| Restricted shares issued | 0.009 | 0.297 | 0.030 | 0.010 | 0.137 |
| Restricted shares forfeited | (0.002) | (0.002) | (0.018) | (0.014) | — |
| Shares repurchased/retired | — | — | — | — | (0.048) |
| Basic common shares outstanding, end of period | 118,571 | 118,535 | 118,216 | 118,171 | 118,175 |
| Outstanding warrants | 18,976 | 18,976 | 18,976 | 18,976 | 18,976 |
| Diluted common shares outstanding, end of period | 137,547 | 137,511 | 137,192 | 137,147 | 137,151 |

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ROE and Operating ROAE
(In millions)

| | Twelve Months Ended | | | | |
|--|---------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2011 | Mar. 31, 2011 | Dec. 31, 2010 | Sep. 30, 2010 | Jun. 30, 2010 |
| ROE: | | | | | |
| Net income for the twelve months ended ¹ | \$ 233.1 | \$ 209.5 | \$ 200.9 | \$ 170.8 | \$ 158.3 |
| Average stockholders' equity ² | \$ 2,502.6 | \$ 2,367.5 | \$ 2,167.9 | \$ 1,987.9 | \$ 1,598.4 |
| ROE | 9.3% | 8.8% | 9.3% | 8.6% | 9.9% |
| Operating ROAE: | | | | | |
| Adjusted operating income for the twelve months ended ¹ | \$ 186.7 | \$ 178.4 | \$ 175.2 | \$ 159.9 | \$ 153.8 |
| Average adjusted book value ³ | \$ 1,945.6 | \$ 1,898.2 | \$ 1,795.4 | \$ 1,695.9 | \$ 1,598.8 |
| Operating ROAE | 9.6% | 9.4% | 9.8% | 9.4% | 9.6% |

¹ The twelve months ended information is derived by adding the four most recent quarters of net income or adjusted operating income.

² Average stockholders' equity is derived by averaging ending stockholders' equity for the most recent five quarters.

³ Average adjusted book value is derived by averaging ending stockholders' equity less AOCI, for the most recent five quarters.

Calculation of average stockholders' equity:

The following data can be used to recalculate the average stockholders' equity and average adjusted book value amounts used in the calculation of ROE and operating ROAE.

| | As of | | |
|-----------------------------|---------|------------|------------|
| | 2011 | 2010 | 2009 |
| Stockholders' Equity | | | |
| Dec. 31 | | \$ 2,380.6 | \$ 1,433.3 |
| Sep. 30 | | 2,711.3 | 1,480.5 |
| Jun. 30 | 2,647.3 | 2,342.8 | 763.7 |
| Mar. 31 | 2,431.0 | 1,971.7 | 198.5 |
| AOCI | | | |
| Dec. 31 | | \$ 432.5 | \$ (49.7) |
| Sep. 30 | | 819.4 | 29.8 |
| Jun. 30 | 597.9 | 501.1 | (642.9) |
| Mar. 31 | 434.0 | 159.5 | (1,161.1) |

Reconciliation of adjusted operating income:

The following data in connection with other data found throughout the supplement can be used to recalculate adjusted operating income for the twelve months ended December 31, 2010, September 30, 2010, and June 30, 2010.

| | Three Months Ended | | |
|---|--------------------|------------------|------------------|
| | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 |
| Net income | \$ 46.3 | \$32.1 | \$44.1 |
| Less: Net realized investment gains (losses) (net of taxes) | 4.5 | (0.2) | 7.3 |
| Add: Net investment gains on FIA options (net of taxes) | 0.1 | 0.4 | 0.9 |
| Adjusted operating income | \$ 41.9 | \$32.7 | \$37.7 |