
**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): February 4, 2015

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 February 4, 2015, Symetra Financial Corporation, a Delaware corporation, issued (i) a press release announcing its financial results for the fiscal quarter and full year ended December 31, 2014 and 2015 outlook, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference, and (ii) a Quarterly Financial Supplement for the fiscal quarter and full year ended December 31, 2014, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure

On February 5, 2015, Tom Marra, president and chief executive officer, and Margaret Meister, executive vice president and chief financial officer of Symetra Financial Corporation will host a conference call to discuss financial results for the fiscal quarter and full year ended December 31, 2014 and to offer an outlook on management's expectations for 2015. A slide presentation relating to the information to be presented during the conference call is furnished as Exhibit 99.3. The slide presentation will also be posted on Symetra Financial Corporation's website, www.symetra.com, under the tab entitled "Investor Relations." Other information contained in or linked from our website is not a part of this release and is not incorporated into this or any other SEC filing.

The information in this report, including Exhibits 99.1, 99.2 and 99.3, have been "furnished" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), 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 under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing or document.

Certain of the statements included in this Form 8-K and its exhibits constitute 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. These forward-looking statements include operating earnings guidance and other statements regarding our expectations, assumptions and beliefs. Without limiting or superseding the foregoing, the text of slide 2 of Exhibit 99.3, entitled "Forward-Looking Statements," is incorporated by reference into this item 7.01.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

- | | |
|------|---|
| 99.1 | Press Release of Symetra Financial Corporation, dated February 4, 2015, announcing fourth quarter and full year ended December 31, 2014 results and 2015 outlook. |
| 99.2 | Quarterly Financial Supplement for the quarter and full year ended December 31, 2014. |
| 99.3 | Slide presentation of fourth quarter and full year ended December 31, 2014 results and 2015 Outlook Conference Call. |

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/ David S. Goldstein
Name: David S. Goldstein
Title: Senior Vice President,
General Counsel and Secretary

Date: February 4, 2015

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99.1	Press Release of Symetra Financial Corporation, dated February 4, 2015, announcing fourth quarter and full year ended December 31, 2014 results and 2015 outlook.
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99.3	Slide presentation of fourth quarter and full year ended December 31, 2014 results and 2015 Outlook Conference Call.



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**SYMETRA REPORTS FOURTH QUARTER AND FULL-YEAR 2014 RESULTS
AND ANNOUNCES 2015 OUTLOOK**

Fourth Quarter Highlights

- Strong sales across the company, with growth in medical stop-loss, group life and disability income, fixed indexed annuities and universal life.
- Benefits generated a favorable loss ratio of 63.2%, compared with 64.0% in fourth quarter 2013.
- Deferred Annuities account values reached \$15.2 billion, from \$13.4 billion at year-end 2013. Base interest spreads remained solid.
- Income Annuities and Individual Life had less favorable mortality experience, compared with fourth quarter 2013.
- Prepayment-related income, net of amortization, was \$20.2 million, up from \$4.2 million in fourth quarter 2013. Income from alternative investments increased by \$9.5 million from fourth quarter 2013.

BELLEVUE, Wash.—(Feb. 4, 2015)—Symetra Financial Corporation (NYSE: SYA) today reported fourth quarter 2014 adjusted operating income¹ of \$60.7 million, or \$0.52 per diluted share,¹ compared with \$50.0 million, or \$0.42 per diluted share, for the fourth quarter of 2013. For full-year 2014, Symetra posted adjusted operating income of \$227.2 million, or \$1.95 per diluted share, compared with \$200.9 million, or \$1.59 per diluted share, in 2013.

For the fourth quarter of 2014, net income was \$67.6 million, or \$0.58 per diluted share, compared with \$64.4 million, or \$0.55 per diluted share, in the same period a year ago. For full-year 2014, Symetra reported net income of \$254.4 million, or \$2.19 per diluted share, compared with \$220.7 million, or \$1.74 per diluted share, in 2013.

Summary Financial Results <i>(In millions, except per share data and percentages)</i>	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	2014	2013
Net Income	\$ 67.6	\$ 64.4	\$ 254.4	\$ 220.7
Per Diluted Share of Common Stock	\$ 0.58	\$ 0.55	\$ 2.19	\$ 1.74
Adjusted Operating Income	\$ 60.7	\$ 50.0	\$ 227.2	\$ 200.9
Per Diluted Share of Common Stock	\$ 0.52	\$ 0.42	\$ 1.95	\$ 1.59
Return on Equity			7.8%	6.8%
Operating Return on Average Equity¹			9.5%	8.8%

"We are pleased with our results for the fourth quarter and for 2014. The fundamentals of the business are strong— medical stop-loss posted another favorable loss ratio and deferred annuity account values contributed a meaningful increase in earnings. Continued growth is a priority, so I'm particularly proud that sales were up across the company, with higher production in stop-loss, group life and disability income, fixed indexed annuities and universal life," said Tom Marra, Symetra president and CEO.

"Each business division is well positioned for continued long-term growth. My enthusiasm for our prospects is tempered only by the very low interest rate environment, which clearly makes it harder to sell products and earn target interest margins. However, I expect that all of our work to broaden and deepen relationships with premier distribution partners will drive solid sales results in the new year," Marra said.

Segment Pretax Adjusted Operating Income (Loss) <i>(In millions)</i>	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	2014	2013
Benefits	\$ 21.6	\$ 19.2	\$ 89.9	\$ 64.2
Deferred Annuities	40.8	27.0	129.1	107.3
Income Annuities	0.9	6.4	15.9	32.3
Individual Life	9.1	13.8	45.7	55.3
Other	2.3	(6.1)	(22.5)	(15.5)
Subtotal	\$ 74.7	\$ 60.3	\$ 258.1	\$ 243.6
Less: Income Taxes*	14.0	10.3	30.9	42.7
Adjusted Operating Income	\$ 60.7	\$ 50.0	\$ 227.2	\$ 200.9

* Represents the total provision for income taxes adjusted for the tax effect on certain net realized gains (losses) at the U.S. federal income tax rate of 35%.

In the business discussions that follow, results for the fourth quarter of 2014 and full-year 2014 are compared with the fourth quarter of 2013 and full-year 2013, respectively, unless otherwise noted.

Benefits

- **Pretax adjusted operating income** was \$21.6 million for the quarter, up from \$19.2 million. For the full year, pretax adjusted operating income was \$89.9 million, up from \$64.2 million. Higher earnings for the quarter and the year were driven primarily by a lower loss ratio for medical stop-loss.
- **Loss ratio** was 63.2% in the quarter, compared with 64.0% in the previous period. For the full year, the Benefits loss ratio was 61.5%, compared with 66.5%. The favorable result for the year was driven by lower claims frequency and severity for medical stop-loss and ultimate performance of the business written in January 2013.
- **Sales** of \$33.9 million for the quarter were up from \$24.1 million in the previous period, as a result of increased medical stop-loss and group life and disability income production. For the full year, sales rose 27% to \$166.7 million, with strong growth across all lines.

Deferred Annuities

- **Pretax adjusted operating income** was \$40.8 million for the quarter, up from \$27.0 million in the previous period. The quarter's results benefited from higher prepayment-related income and growth in fixed indexed annuities (FIA). For the full year, pretax adjusted operating income was \$129.1 million, compared with \$107.3 million in the prior year, also driven primarily by the growth in FIA. Solid base interest spreads on traditional deferred annuity account values were maintained throughout 2014.
- Higher FIA account values contributed \$7.9 million more to interest margin for the quarter, offset in part by the impact of \$3.2 million higher FIA-related deferred policy acquisition costs (DAC) amortization. For the year, higher FIA account values added \$25.8 million to interest margin, partially offset by \$6.5 million higher FIA-related DAC amortization.

- Prepayment-related income, net of amortization, was \$12.9 million for the quarter, up sharply from \$1.9 million in the prior period. For the full year, prepayment-related income, net of amortization, was \$20.5 million, essentially even with last year's \$20.0 million.
- **Total account values** were \$15.2 billion at year end, up from \$13.4 billion at the end of the prior year. Strong FIA sales drove this growth, with FIA account values rising to \$3.3 billion from \$1.7 billion a year ago.
- **Sales for the quarter** were \$642.3 million, compared with \$732.9 million in the year-ago quarter. FIA sales increased slightly to \$395.7 million from \$391.3 million, while sales of traditional fixed annuities declined to \$242.2 million, from \$328.5 million, due to low interest rates. For the full year, sales totaled \$2.7 billion, exceeding the previous year's \$2.2 billion, despite the challenging low interest rate environment.

Income Annuities

- **Pretax adjusted operating income** was \$0.9 million for the quarter, down from \$6.4 million in the year-ago quarter. For the full year, pretax adjusted operating income was \$15.9 million, compared with \$32.3 million. The decline for both periods was due primarily to mortality experience and mark-to-market losses on alternative investments. For the fourth quarter, the decline was partially offset by higher prepayment-related income. For the full year, the change in results also reflected lower base interest margin.
- **Mortality** losses were \$3.0 million for the quarter, compared with gains of \$1.5 million in the previous period. On a full-year basis, mortality gains were \$3.3 million, compared with gains of \$8.1 million. Mortality experience is expected to fluctuate from period to period.
- Losses on hedge fund investments, which are marked to market, totaled \$2.9 million for the quarter and \$4.8 million for the year. This segment had no such investments in 2013.
- **Sales** were \$80.0 million for the quarter, compared with \$85.4 million in the prior-year quarter. For the full year, sales were \$318.8 million, up from \$210.5 million.

Individual Life

- **Pretax adjusted operating income** was \$9.1 million for the quarter, compared with \$13.8 million in the year-ago period. The decrease in earnings was driven by higher individual claims and a lower bank-owned life insurance (BOLI) base return on assets (ROA). For the full year, pretax adjusted operating income was \$45.7 million, compared with \$55.3 million. The decline for the year resulted primarily from higher operating expenses in support of increasing production levels and growth initiatives.
- Individual claims were \$4.5 million higher for the quarter, reflecting higher frequency and severity in UL claims, mainly related to older policies. For the full year, individual claims were \$2.9 million higher than in the previous period, and in line with expectations.
- For the quarter, the unfavorable impact of a lower BOLI base ROA was \$3.2 million. In the fourth quarter of 2013, the BOLI base ROA benefited from \$1.7 million in purchase accounting (PGAAP) amortization, which was fully completed in the third quarter of 2014. For the year, the BOLI base ROA was slightly higher than in the previous year.
- Prepayment-related income, net of amortization, was \$3.4 million in the quarter, compared with none in the prior period. For the full year, net prepayment-related income was \$7.3 million, compared with \$5.9 million.
- **Sales** of individual life products were \$12.7 million for the quarter, up 35% from \$9.4 million in the prior period. Full-year sales were \$38.0 million, more than double the previous year's \$18.6 million. Symetra's guaranteed UL product continues to gain traction in the brokerage general agency distribution network.

Other

- **Pretax adjusted operating income** was \$2.3 million for the quarter, compared with a loss of \$6.1 million in the year-ago quarter. The improvement resulted from a \$12.4 million increase from the performance of alternative investments in this segment, offset in part by \$2.7 million higher interest expense on debt issued in the third quarter. For the full year, the segment had a pretax adjusted operating loss of \$22.5 million, compared with a loss of \$15.5 million, driven by lower net investment income and increased interest expense on debt. Net investment income for the year reflected \$7.2 million higher amortization of tax credit investments, offset in part by \$4.7 million higher income from alternative investments.

Net Realized Gains (Losses)

- **Net realized gains** were \$11.2 million for the quarter, compared with net gains of \$25.0 million in the prior period. These results include net gains on mark-to-market equities, which were \$26.4 million for the quarter, compared with net gains of \$22.7 million in the year-ago period. Partially offsetting the equities gains were increased FIA-related losses and impairments on fixed maturities.
- For the full year, net realized gains were \$42.4 million, compared with net gains of \$35.6 million in the prior year. Net gains on mark-to-market equities were \$55.7 million for the year, compared with net gains of \$66.0 million for the previous year.
- Approximately 90% of the total equities portfolio supports the longest duration reserves in Income Annuities. Total net realized gains on equities in the Income Annuities portfolio were \$57.4 million in 2014 and \$52.6 million in 2013.

Income Taxes

- **Provision for income taxes** was \$17.7 million for the quarter, compared with \$18.1 million in the year-ago period. For the full year, the provision for income taxes was \$45.5 million, compared with \$53.4 million in the prior year.
- **Effective tax rate** for the quarter was 20.8%, down from 21.9%, and the full-year effective tax rate was 15.2%, down from 19.5%. The lower tax rates for the quarter and full year reflect increased benefits from tax credit investments.

Stockholders' Equity

<i>(In millions, except per share data)</i>	As of	
	December 31 2014	September 30 2014
Total Stockholders' Equity	\$ 3,360.6	\$ 3,375.3
Per Common Share	\$ 29.02	\$ 29.12
Adjusted Book Value¹	\$ 2,370.0	\$ 2,464.2
Per Common Share ¹	\$ 20.47	\$ 21.26

- **Capital actions** — In the fourth quarter, Symetra declared and paid a special dividend of \$1.30 per share, totaling \$150.7 million.
- There was no activity under the stock repurchase program in the fourth quarter. For the full year, Symetra repurchased a total of 2.1 million shares. As of year-end, 6.9 million shares remained available under the current repurchase authorization.
- **Risk-based capital (RBC) ratio** for Symetra Life Insurance Company at the end of 2014 was estimated at 475%. Statutory capital and surplus, including asset valuation reserve (AVR), was \$2.4 billion.

2015 Earnings Outlook

Symetra expects to generate adjusted operating income per diluted share of \$1.75 to \$1.95 in 2015.

Beginning in 2015, the Benefits target loss ratio range will increase to 65%-67%, from 64%-66%, to reflect continued growth in the group life and disability income business, which has a higher target loss ratio than medical stop-loss.

Among the factors that could drive actual results toward the upper end, middle or lower end of the guidance range are:

- duration of prolonged low interest rates, and timing and magnitude of changes in interest rates;
- Benefits Division loss ratio;
- mortality experience;
- timing and levels of life and annuity sales;
- persistency of the inforce book of business;
- amount of prepayments in the investment portfolio;
- amount of issuance and yields on commercial mortgage loans;
- returns on alternative investments; and
- capital management actions.

These expectations also are subject to the risks and uncertainties identified below.

Additional Financial Information

This press release, the fourth quarter 2014 financial supplement and financial review slides 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 and Outlook on Conference Call and Webcast

Symetra's senior management team will discuss the company's fourth quarter 2014 performance and outlook for 2015 with investors and analysts on Thursday, Feb. 5, 2015 at 12 p.m., Eastern Time (9 a.m., Pacific Time). To listen by phone, dial 1-888-713-4211. For international callers, dial 617-213-4864. The passcode is 16147291. Participants are encouraged to 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.

To listen to a live webcast of the conference call, go to <http://investors.symetra.com>. Listeners should go to the website at least 15 minutes before the call and test the compatibility of their computer. Links will be available to download any necessary audio software.

A replay of the webcast may be accessed beginning approximately one hour after the call ends by visiting <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. A reconciliation between each non-GAAP measure found in this presentation and the comparable GAAP measure can be found in the Financial Supplement accompanying this press release. The supplement is available for download on the Company's website at www.symetra.com on the Investor Relations page, under Financial Information, Quarterly Financial Results.

This press release references the following non-GAAP financial measures:

- **Adjusted operating income** is defined by the company as net income, excluding after-tax net realized gains (losses) that are not reflective of the performance of the company's insurance operations. The

company excludes gains (losses) associated with the following: investment sales or disposals, other-than-temporary investment impairments, changes in the fair value of mark-to-market investments and derivative investments (except for certain S&P 500 options), and changes in the fair value of embedded derivatives related to our fixed indexed annuity products.

- **Adjusted operating income per diluted share** is defined as adjusted operating income divided by diluted common shares outstanding.
- **Pretax adjusted operating income** is defined as adjusted operating income on a pretax basis. It also represents the cumulative total of segment pretax adjusted operating income, which at the segment level is a GAAP measure.
- **Adjusted book value** is defined as stockholders' equity, less accumulated other comprehensive income (loss), or AOCI.
- **Adjusted book value per share** is calculated as adjusted book value divided by common shares outstanding.
- **Operating return on average equity** is defined as adjusted operating income for the most recent four quarters, divided by average ending adjusted book value for the most recent five quarters.

About Symetra

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, broker-dealers 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 "may," "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 may 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, as well as statements describing factors and conditions that might affect those forecasts;
- trends in operations, financial performance and financial condition;
- financial and operating targets or plans;
- business and growth strategy, including prospective products, services and distribution partners, including statements about management's intentions regarding those strategies; and
- initiatives such as our previously announced stock repurchase program that are intended or expected to have various impacts upon our financial condition, results of operations, and liquidity and capital resources.

These statements are based on various assumptions and analyses made by Symetra in light of information presently known to management, and considering management's 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, or that could cause management to deviate from currently expected or intended courses of actions, including, among others:

- 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 Symetra's investment portfolio;
- the continued availability of quality commercial mortgage loan investments and Symetra's continued capacity to invest in commercial mortgage loans;
- Symetra's ability to successfully execute on its strategies;
- the accuracy and adequacy of recorded reserves, including the actuarial and other assumptions upon which those reserves are established, adjusted and maintained;
- the persistency of Symetra's 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 Symetra's business, but also including the effects upon competitors and customers;
- changes in amortization of deferred policy acquisition costs and deferred sales inducements;
- financial strength or credit ratings changes, particularly of Symetra but also of other companies in its industry sector;
- retention of 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 Symetra's business costs, reserve levels and required capital levels, or that could restrict the manner in which it does business;
- the ability of Symetra's subsidiaries to pay dividends to Symetra;
- Symetra's ability to implement effective risk management policies and procedures, including hedging strategies;
- Symetra's ability to maintain adequate telecommunications, information technology, or other operational systems, including its ability to prevent or timely detect and remediate any unauthorized access to or disclosure of customer information and other sensitive business data;
- the initiation of regulatory investigations or litigation against Symetra 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 Symetra's primary life insurance company subsidiary and whether redomestication will convey the intended benefits; 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 Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

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.

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

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	2014	2013
Revenues				
Premiums	\$ 161.0	\$ 156.8	\$ 629.1	\$ 627.2
Net investment income	358.6	316.3	1,320.5	1,285.0
Policy fees, contract charges and other	50.0	45.0	190.4	191.7
Net realized gains (losses)	11.2	25.0	42.4	35.6
Total revenues	580.8	543.1	2,182.4	2,139.5
Benefits and expenses				
Policyholder benefits and claims	120.7	109.7	445.9	462.9
Interest credited	246.1	235.7	953.8	932.0
Other underwriting and operating expenses	93.7	90.8	367.0	365.1
Interest expense	11.0	8.3	37.7	33.0
Amortization of deferred policy acquisition costs	24.0	16.1	78.1	72.4
Total benefits and expenses	495.5	460.6	1,882.5	1,865.4
Income from operations before income taxes	85.3	82.5	299.9	274.1
Provision for income taxes	17.7	18.1	45.5	53.4
Net income	\$ 67.6	\$ 64.4	\$ 254.4	\$ 220.7
Net income per common share				
Basic	\$ 0.58	\$ 0.55	\$ 2.19	\$ 1.74
Diluted	\$ 0.58	\$ 0.55	\$ 2.19	\$ 1.74
Weighted-average number of common shares outstanding				
Basic	115.923	117.812	116.307	126.609
Diluted	115.925	117.815	116.310	126.614
Cash dividends declared per common share	\$ 1.40	\$ 0.09	\$ 1.70	\$ 0.34
Non-GAAP financial measures				
Adjusted operating income	<u>\$ 60.7</u>	<u>\$ 50.0</u>	<u>\$ 227.2</u>	<u>\$ 200.9</u>
Reconciliation to net income:				
Net income	\$ 67.6	\$ 64.4	\$ 254.4	\$ 220.7
Less: Excluded realized gains (losses) (net of taxes)*	6.9	14.4	27.2	19.8
Adjusted operating income	<u>\$ 60.7</u>	<u>\$ 50.0</u>	<u>\$ 227.2</u>	<u>\$ 200.9</u>

* Excluded realized gains (losses) are reported net of taxes of \$3.7 and \$7.8 for the three months ended December 31, 2014 and 2013, respectively, and \$14.6 and \$10.7 for the twelve months ended December 31, 2014 and 2013, respectively.

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

	December 31 2014	December 31 2013
Assets		
Total investments	\$ 30,634.3	\$ 27,901.1
Other assets	1,417.6	1,250.0
Separate account assets	949.8	978.4
Total assets	\$ 33,001.7	\$ 30,129.5
Liabilities and stockholders' equity		
Policyholder liabilities	\$ 27,276.0	\$ 25,328.8
Notes payable	697.2	449.5
Other liabilities	718.1	430.9
Separate account liabilities	949.8	978.4
Total liabilities	29,641.1	27,187.6
Common stock and additional paid-in capital	1,470.7	1,465.8
Treasury stock	(134.6)	(93.4)
Retained earnings	1,033.9	975.9
Accumulated other comprehensive income, net of taxes	990.6	593.6
Total stockholders' equity	3,360.6	2,941.9
Total liabilities and stockholders' equity	\$ 33,001.7	\$ 30,129.5
Book value per common share*	\$ 29.02	\$ 24.99
Non-GAAP financial measures		
Adjusted book value	\$ 2,370.0	\$ 2,348.3
Reconciliation to stockholders' equity:		
Total stockholders' equity	\$ 3,360.6	\$ 2,941.9
Less: AOCI	990.6	593.6
Adjusted book value	2,370.0	2,348.3
Adjusted book value per common share **	\$ 20.47	\$ 19.95

* Book value per common share is calculated as stockholders' equity divided by the sum of common shares outstanding. These shares totaled 115.797 and 117.731 as of December 31, 2014 and 2013, respectively.

** Adjusted book value per common share, is calculated as adjusted book value divided by the sum of common shares outstanding. These shares totaled 115.797 and 117.731 as of December 31, 2014 and 2013, respectively.

FOURTH QUARTER 2014

Symetra Financial Corporation (SYA)

Financial Supplement

All financial information in this document is unaudited



Symetra Financial Corporation
Financial Supplement
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December 31, 2014

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Financial Highlights
(In millions, except per share or percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Net income	\$ 67.6	\$ 36.0	\$ 71.5	\$ 79.3	\$ 64.4	\$ 254.4	\$ 220.7
Net income per common share ¹							
Basic	\$ 0.58	\$ 0.31	\$ 0.62	\$ 0.68	\$ 0.55	\$ 2.19	\$ 1.74
Diluted	\$ 0.58	\$ 0.31	\$ 0.62	\$ 0.68	\$ 0.55	\$ 2.19	\$ 1.74
Weighted-average number of common shares outstanding:							
Basic	115.923	115.904	115.961	117.460	117.812	116.307	126.609
Diluted	115.925	115.907	115.964	117.466	117.815	116.310	126.614
Cash dividends declared per common share	\$ 1.40	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 1.70	\$ 0.34
Non-GAAP Financial Measures ²							
Adjusted operating income	\$ 60.7	\$ 45.5	\$ 55.3	\$ 65.7	\$ 50.0	\$ 227.2	\$ 200.9
Adjusted operating income per common share: ¹							
Basic	\$ 0.52	\$ 0.39	\$ 0.48	\$ 0.56	\$ 0.42	\$ 1.95	\$ 1.59
Diluted	\$ 0.52	\$ 0.39	\$ 0.48	\$ 0.56	\$ 0.42	\$ 1.95	\$ 1.59

	As of				
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Consolidated Balance Sheet Data					
Total investments	\$ 30,634.3	\$ 30,274.0	\$ 29,632.2	\$ 28,940.0	\$ 27,901.1
Total assets	33,001.7	32,634.5	31,943.6	31,164.3	30,129.5
Notes payable	697.2	697.0	449.6	449.6	449.5
Accumulated other comprehensive income (net of taxes) (AOCI)	990.6	911.1	990.6	804.3	593.6
Total stockholders' equity	3,360.6	3,375.3	3,428.6	3,195.3	2,941.9
U.S. Statutory Financial Information:					
Statutory capital and surplus	\$ 2,078.3	\$ 1,951.2	\$ 1,944.7	\$ 1,949.4	\$ 1,869.7
Asset valuation reserve (AVR)	299.2	315.4	312.3	304.1	307.0
Statutory book value	\$ 2,377.5	\$ 2,266.6	\$ 2,257.0	\$ 2,253.5	\$ 2,176.7
Common shares outstanding, end of period	115.797	115.913	115.895	116.619	117.731
Book value per common share	\$ 29.02	\$ 29.12	\$ 29.58	\$ 27.40	\$ 24.99
Debt to capital ratio	17.2%	17.1%	11.6%	12.3%	13.3%
Non-GAAP Financial Measures ²					
Adjusted book value (stockholders' equity excluding AOCI)	\$ 2,370.0	\$ 2,464.2	\$ 2,438.0	\$ 2,391.0	\$ 2,348.3
Adjusted book value per common share ³	20.47	21.26	21.04	20.50	19.95
Statutory book value per common share ⁴	20.53	19.55	19.47	19.32	18.49
Debt to capital ratio, excluding AOCI ⁵	22.7%	22.0%	15.6%	15.8%	16.1%

	For the Twelve Months Ended				
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
ROE	7.8%	7.9%	8.3%	7.4%	6.8%
Non-GAAP Financial Measure ²					
Operating ROAE ⁶	9.5%	9.1%	9.4%	9.4%	8.8%

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.

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, 17, and 18, respectively.

³ Adjusted book value per common share is calculated as adjusted book value divided by common shares outstanding.

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

⁵ Debt to capital ratio, excluding AOCI is calculated as notes payable divided by the sum of notes payable and adjusted book value.

⁶ Operating ROAE (return on average equity) is calculated based on adjusted operating income divided by average adjusted book value.

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Consolidated Income Statement Data
(In millions, except per share data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Revenues:							
Premiums	\$ 161.0	\$ 159.6	\$ 154.7	\$ 153.8	\$ 156.8	\$ 629.1	\$ 627.2
Net investment income	358.6	318.5	319.0	324.4	316.3	1,320.5	1,285.0
Policy fees, contract charges and other	50.0	45.7	48.1	46.6	45.0	190.4	191.7
Net realized gains (losses):							
Total other-than-temporary impairment losses on securities	(12.2)	(1.6)	(1.4)	(1.1)	(3.8)	(16.3)	(20.8)
Less: portion recognized in other comprehensive income	2.2	—	—	—	0.9	2.2	2.5
Net impairment losses recognized in earnings	(10.0)	(1.6)	(1.4)	(1.1)	(2.9)	(14.1)	(18.3)
Other net realized gains (losses)	21.2	(13.2)	26.7	21.8	27.9	56.5	53.9
Total net realized gains (losses)	11.2	(14.8)	25.3	20.7	25.0	42.4	35.6
Total revenues	580.8	509.0	547.1	545.5	543.1	2,182.4	2,139.5
Benefits and expenses:							
Policyholder benefits and claims	120.7	113.9	110.1	101.2	109.7	445.9	462.9
Interest credited	246.1	237.2	236.3	234.2	235.7	953.8	932.0
Other underwriting and operating expenses	93.7	92.8	92.6	87.9	90.8	367.0	365.1
Interest expense	11.0	10.2	8.3	8.2	8.3	37.7	33.0
Amortization of deferred policy acquisition costs	24.0	17.6	16.6	19.9	16.1	78.1	72.4
Total benefits and expenses	495.5	471.7	463.9	451.4	460.6	1,882.5	1,865.4
Income from operations before income taxes	85.3	37.3	83.2	94.1	82.5	299.9	274.1
Provision (benefit) for income taxes:							
Current	26.2	10.8	17.4	10.1	15.1	64.5	61.7
Deferred	(8.5)	(9.5)	(5.7)	4.7	3.0	(19.0)	(8.3)
Total provision for income taxes	17.7	1.3	11.7	14.8	18.1	45.5	53.4
Net income	\$ 67.6	\$ 36.0	\$ 71.5	\$ 79.3	\$ 64.4	\$ 254.4	\$ 220.7
Net income per common share:							
Basic	\$ 0.58	\$ 0.31	\$ 0.62	\$ 0.68	\$ 0.55	\$ 2.19	\$ 1.74
Diluted	\$ 0.58	\$ 0.31	\$ 0.62	\$ 0.68	\$ 0.55	\$ 2.19	\$ 1.74
Weighted-average number of common shares outstanding:							
Basic	115,923	115,904	115,961	117,460	117,812	116,307	126,609
Diluted	115,925	115,907	115,964	117,466	117,815	116,310	126,614
Cash dividends declared per common share	\$ 1.40	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 1.70	\$ 0.34
Non-GAAP Financial Measures:							
Adjusted operating income ¹	\$ 60.7	\$ 45.5	\$ 55.3	\$ 65.7	\$ 50.0	\$ 227.2	\$ 200.9
Adjusted operating income per common share:							
Basic	\$ 0.52	\$ 0.39	\$ 0.48	\$ 0.56	\$ 0.42	\$ 1.95	\$ 1.59
Diluted	\$ 0.52	\$ 0.39	\$ 0.48	\$ 0.56	\$ 0.42	\$ 1.95	\$ 1.59
Reconciliation to net income:							
Net income	\$ 67.6	\$ 36.0	\$ 71.5	\$ 79.3	\$ 64.4	\$ 254.4	\$ 220.7
Less: Excluded realized gains (losses) (net of taxes)	6.9	(9.5)	16.2	13.6	14.4	27.2	19.8
Adjusted operating income ¹	\$ 60.7	\$ 45.5	\$ 55.3	\$ 65.7	\$ 50.0	\$ 227.2	\$ 200.9

¹ Adjusted operating income is calculated as net income, excluding after-tax net realized gains (losses) that are not reflective of the performance of the company's insurance operations. The company excludes gains (losses) associated with the following: investment sales or disposals, other-than-temporary investment impairments, changes in the fair value of mark-to-market investments and derivative investments (except for certain S&P 500 options), and changes in the fair value of embedded derivatives related to our fixed indexed annuity products.

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Consolidated Balance Sheet Data
(In millions)

	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Assets					
Investments:					
Available-for-sale securities:					
Fixed maturities, at fair value	\$ 25,379.4	\$ 25,316.6	\$ 24,849.2	\$ 24,329.0	\$ 23,337.7
Marketable equity securities, at fair value	120.5	122.7	126.6	126.8	134.3
Trading securities:					
Marketable equity securities, at fair value	532.0	467.9	483.0	460.3	474.4
Mortgage loans, net	4,130.1	3,921.0	3,747.8	3,603.2	3,541.0
Policy loans	61.9	61.0	62.0	62.4	63.3
Investments in limited partnerships	309.9	307.9	291.8	299.3	296.3
Other invested assets	100.5	76.9	71.8	59.0	54.1
Total investments	30,634.3	30,274.0	29,632.2	28,940.0	27,901.1
Cash and cash equivalents	158.8	109.2	118.0	108.5	76.0
Accrued investment income	304.9	309.2	298.3	295.0	298.0
Reinsurance recoverables	328.7	324.4	312.9	313.0	310.8
Deferred policy acquisition costs	395.1	364.9	311.2	320.1	322.5
Receivables and other assets	230.1	300.7	276.8	213.9	242.7
Separate account assets	949.8	952.1	994.2	973.8	978.4
Total assets	\$ 33,001.7	\$ 32,634.5	\$ 31,943.6	\$ 31,164.3	\$ 30,129.5
Liabilities and stockholders' equity					
Funds held under deposit contracts	\$ 26,602.6	\$ 26,150.2	\$ 25,603.3	\$ 25,140.5	\$ 24,642.9
Future policy benefits	415.9	408.2	405.3	399.8	397.9
Policy and contract claims	141.8	156.6	156.7	150.1	159.9
Other policyholders' funds	115.7	121.3	117.6	143.9	128.1
Notes payable	697.2	697.0	449.6	449.6	449.5
Deferred income tax liabilities, net	396.7	362.3	414.7	320.1	201.9
Other liabilities	321.4	411.5	373.6	391.2	229.0
Separate account liabilities	949.8	952.1	994.2	973.8	978.4
Total liabilities	29,641.1	29,259.2	28,515.0	27,969.0	27,187.6
Preferred stock	—	—	—	—	—
Common stock	1.2	1.2	1.2	1.2	1.2
Additional paid-in-capital	1,469.5	1,469.9	1,468.0	1,466.3	1,464.6
Treasury stock	(134.6)	(134.6)	(134.6)	(119.9)	(93.4)
Retained earnings	1,033.9	1,127.7	1,103.4	1,043.4	975.9
Accumulated other comprehensive income, net of taxes	990.6	911.1	990.6	804.3	593.6
Total stockholders' equity	3,360.6	3,375.3	3,428.6	3,195.3	2,941.9
Total liabilities and stockholders' equity	\$ 33,001.7	\$ 32,634.5	\$ 31,943.6	\$ 31,164.3	\$ 30,129.5

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Segment Income Statement Data
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Benefits Division	\$ 162.2	\$ 160.0	\$ 155.8	\$ 153.9	\$ 156.5	\$ 631.9	\$ 626.4
Retirement Division:							
Deferred Annuities	178.0	157.5	152.0	155.8	149.0	643.3	592.6
Income Annuities	96.0	93.8	96.0	97.2	99.2	383.0	400.5
Individual Life Division	120.4	113.9	115.6	115.9	113.5	465.8	452.5
Other	13.6	(1.5)	2.7	1.8	2.7	16.6	37.0
Operating revenues ¹	570.2	523.7	522.1	524.6	520.9	2,140.6	2,109.0
Add: Excluded realized gains (losses)	10.6	(14.7)	25.0	20.9	22.2	41.8	30.5
Revenues	\$ 580.8	\$ 509.0	\$ 547.1	\$ 545.5	\$ 543.1	\$ 2,182.4	\$ 2,139.5
Segment pre-tax adjusted operating income (loss):							
Benefits Division	\$ 21.6	\$ 20.6	\$ 19.9	\$ 27.8	\$ 19.2	\$ 89.9	\$ 64.2
Retirement Division:							
Deferred Annuities	40.8	30.7	27.4	30.2	27.0	129.1	107.3
Income Annuities	0.9	2.1	3.5	9.4	6.4	15.9	32.3
Individual Life Division	9.1	10.7	13.6	12.3	13.8	45.7	55.3
Other	2.3	(12.1)	(6.2)	(6.5)	(6.1)	(22.5)	(15.5)
Pre-tax adjusted operating income ²	74.7	52.0	58.2	73.2	60.3	258.1	243.6
Add: Excluded realized gains (losses)	10.6	(14.7)	25.0	20.9	22.2	41.8	30.5
Income from operations before income taxes	\$ 85.3	\$ 37.3	\$ 83.2	\$ 94.1	\$ 82.5	\$ 299.9	\$ 274.1

¹ Operating revenues is a non-GAAP measure, calculated as total revenues less excluded realized gains (losses). It also represents the cumulative total of segment operating revenue, which at the segment level is a GAAP measure. Total revenues is the most directly comparable measure to operating revenues.

² Pre-tax adjusted operating income is a non-GAAP measure, calculated as adjusted operating income on a pre-tax basis. It also represents the cumulative total of segment pre-tax adjusted operating income, which at the segment level is a GAAP measure. Income from operations before income taxes is the most directly comparable measure to pre-tax adjusted operating income.

Symetra Financial Corporation
4Q 2014 Financial Supplement
Benefits Division
(In millions, except percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Premiums	\$ 153.1	\$ 150.9	\$ 146.3	\$ 145.0	\$ 147.4	\$ 595.3	\$ 591.4
Net investment income	5.4	5.4	5.2	5.0	5.4	21.0	20.9
Policy fees, contract charges and other	3.7	3.7	4.3	3.9	3.7	15.6	14.1
Total operating revenues	162.2	160.0	155.8	153.9	156.5	631.9	626.4
Benefits and expenses:							
Policyholder benefits and claims	96.7	94.7	91.7	82.8	94.3	365.9	393.4
Other underwriting and operating expenses	43.6	44.6	44.0	43.2	43.0	175.4	168.8
Amortization of deferred policy acquisition costs	0.3	0.1	0.2	0.1	—	0.7	—
Total benefits and expenses	140.6	139.4	135.9	126.1	137.3	542.0	562.2
Segment pre-tax adjusted operating income	\$ 21.6	\$ 20.6	\$ 19.9	\$ 27.8	\$ 19.2	\$ 89.9	\$ 64.2
Operating Metrics:							
Loss ratio ¹	63.2%	62.7%	62.7%	57.1%	64.0%	61.5%	66.5%
Expense ratio ²	28.4%	29.4%	30.0%	29.6%	28.8%	29.3%	28.3%
Combined ratio ³	91.6%	92.1%	92.7%	86.7%	92.8%	90.8%	94.8%
Medical stop-loss - loss ratio ⁴	61.9%	63.6%	60.9%	55.7%	63.8%	60.6%	66.6%
Total sales ⁵	\$ 33.9	\$ 34.8	\$ 26.1	\$ 71.9	\$ 24.1	\$ 166.7	\$ 130.9
Premiums:							
Medical stop-loss	\$ 126.4	\$ 124.0	\$ 122.9	\$ 121.7	\$ 127.0	\$ 495.0	\$ 512.4
Limited benefit medical	12.8	12.7	12.3	13.3	12.6	51.1	51.9
Group life & disability and other	13.9	14.2	11.1	10.0	7.8	49.2	27.1
Total premiums earned	\$ 153.1	\$ 150.9	\$ 146.3	\$ 145.0	\$ 147.4	\$ 595.3	\$ 591.4

5 Year Historical Loss Ratio: ¹

		For the Three Months Ended				For the Year Ended
		1Q	2Q	3Q	4Q	Dec 31
	2013	68.5%	66.2%	67.3%	64.0%	66.5%
	2012	61.6%	65.5%	65.5%	67.7%	65.1%
	2011	67.6%	62.4%	63.6%	59.6%	63.1%
	2010	68.9%	63.8%	66.5%	60.5%	64.9%
	2009	70.1%	66.1%	67.3%	69.9%	68.3%

¹ 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 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.

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Retirement Division — Deferred Annuities
(In millions, except percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Net investment income	\$ 171.8	\$ 152.0	\$ 145.8	\$ 150.1	\$ 140.9	\$ 619.7	\$ 565.3
Policy fees, contract charges and other	5.6	5.6	5.9	5.9	5.3	23.0	22.2
Certain realized gains (losses)	0.6	(0.1)	0.3	(0.2)	2.8	0.6	5.1
Total operating revenues	178.0	157.5	152.0	155.8	149.0	643.3	592.6
Benefits and expenses:							
Policyholder benefits and claims	0.1	—	0.1	0.1	(0.2)	0.3	0.2
Interest credited	92.9	87.6	86.9	87.5	87.4	354.9	337.7
Other underwriting and operating expenses	24.0	23.6	22.9	21.1	22.0	91.6	86.6
Amortization of deferred policy acquisition costs	20.2	15.6	14.7	16.9	12.8	67.4	60.8
Total benefits and expenses	137.2	126.8	124.6	125.6	122.0	514.2	485.3
Segment pre-tax adjusted operating income	\$ 40.8	\$ 30.7	\$ 27.4	\$ 30.2	\$ 27.0	\$ 129.1	\$ 107.3
Operating Metrics:							
Fixed account values, excluding FIA - General account	\$ 11,064.9	\$ 11,074.0	\$ 10,992.8	\$ 10,951.2	\$ 10,874.7	\$ 11,064.9	\$ 10,874.7
Interest spread ¹	2.33%	1.91%	1.81%	1.98%	1.83%	2.02%	2.02%
Base earned yield ²	4.40%	4.43%	4.44%	4.50%	4.59%	4.45%	4.64%
Base credited rate ²	2.69%	2.70%	2.73%	2.75%	2.85%	2.71%	2.87%
Base interest spread ²	1.71%	1.73%	1.71%	1.75%	1.74%	1.74%	1.77%
Fixed account values, FIA - General account	\$ 3,313.8	\$ 2,907.2	\$ 2,463.3	\$ 2,084.4	\$ 1,712.0	\$ 3,313.8	\$ 1,712.0
FIA Interest spread ³	1.52%	1.21%	1.24%	1.23%	*	1.31%	*
FIA base earned yield ⁴	3.44%	3.39%	3.33%	3.29%	*	3.36%	*
FIA base credited rate ⁴	2.17%	2.14%	2.09%	2.05%	*	2.12%	*
FIA base interest spread ⁴	1.27%	1.25%	1.24%	1.24%	*	1.24%	*
Variable account values - Separate account	\$ 794.9	\$ 805.3	\$ 843.7	\$ 831.3	\$ 836.2	\$ 794.9	\$ 836.2
Total sales ⁵	642.3	759.3	650.3	627.5	732.9	2,679.4	2,243.5

Fixed Account Values - General Account by Contract Minimum Interest Guarantees as of December 31, 2014:

	Contract Minimum Interest Guarantee ⁷		
	<= 3.5%	> 3.5% ⁶	> 1.5% <= 1.5%
Fixed account values - General account (including FIA)	1,045.0	903.6	12,365.8

¹ Interest spread excludes FIA and is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets. The credited rate is the approximate rate credited on policyholder fixed account values. Interest credited is subject to contractual terms, including minimum guarantees. Interest is credited on a daily basis and therefore quarters with more/less days of interest reduces/increases interest spread and base interest spread.

² Base interest spread excludes FIA and is the interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to results that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums net of related deferred sales inducement amortization and the MBS prepayment speed adjustment. Interest is credited on a daily basis and therefore quarters with more/less days of interest reduces/increases interest spread and base interest spread.

³ FIA interest spread is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets, excluding derivative assets. The credited rate represents amounts recorded in interest credited related to FIA contracts.

⁴ FIA base interest spread is the FIA interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to results that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums and the MBS prepayment speed adjustment, and the impact of reserve adjustments on interest credited.

⁵ Total sales represents deposits for new policies net of first year policy lapses and/or surrenders.

⁶ The maximum interest is 4.5% on a \$115.7 block of business.

⁷ Excludes standard non-forfeiture impacts.

* Not meaningful.

Symetra Financial Corporation
4Q 2014 Financial Supplement
Retirement Division—Income Annuities
(In millions, except percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Net investment income	\$ 95.8	\$ 93.4	\$ 95.8	\$ 97.0	\$ 98.9	\$ 382.0	\$ 397.9
Policy fees, contract charges and other	0.2	0.4	0.2	0.2	0.3	1.0	2.6
Total operating revenues	96.0	93.8	96.0	97.2	99.2	383.0	400.5
Benefits and expenses:							
Interest credited	88.9	85.3	85.9	82.0	86.1	342.1	343.0
Other underwriting and operating expenses	4.9	5.1	5.5	4.8	5.6	20.3	21.3
Amortization of deferred policy acquisition costs	1.3	1.3	1.1	1.0	1.1	4.7	3.9
Total benefits and expenses	95.1	91.7	92.5	87.8	92.8	367.1	368.2
Segment pre-tax adjusted operating income	\$ 0.9	\$ 2.1	\$ 3.5	\$ 9.4	\$ 6.4	\$ 15.9	\$ 32.3
Operating Metrics:							
Reserves ¹	\$ 6,487.7	\$ 6,494.8	\$ 6,516.6	\$ 6,509.9	\$ 6,489.9	\$ 6,487.7	\$ 6,489.9
Interest spread ²	0.57%	0.46%	0.48%	0.52%	0.63%	0.50%	0.62%
Base earned yield ³	5.95%	5.89%	5.89%	5.89%	6.02%	5.91%	6.03%
Base credited rate ³	5.39%	5.36%	5.44%	5.48%	5.50%	5.42%	5.51%
Base interest spread ³	0.56%	0.53%	0.45%	0.41%	0.52%	0.49%	0.52%
Mortality gains (losses) ⁴	\$ (3.0)	\$ 0.2	\$ 0.8	\$ 5.3	\$ 1.5	\$ 3.3	\$ 8.1
Total sales ⁵	80.0	62.3	89.0	87.5	85.4	318.8	210.5
Marketable equity securities, at fair value	585.3	530.5	547.2	526.5	534.5	585.3	534.5
Realized gains (losses) on marketable equity securities ⁶	27.7	(10.0)	20.5	19.2	19.3	57.4	52.6

5 Year Historical Mortality Gains (Losses): ⁴

	For the Three Months Ended				For the Year Ended
	1Q	2Q	3Q	4Q	2013
2013	\$ 1.0	\$ 4.5	\$ 1.1	\$ 1.5	\$ 8.1
2012	5.4	6.4	2.0	(0.9)	12.9
2011	0.7	4.9	(1.4)	(3.9)	0.3
2010	(0.1)	(1.8)	(0.1)	(0.6)	(2.6)
2009	4.3	(0.5)	—	1.3	5.1

5 Year Historical Realized Gains (Losses) on Marketable Equity Securities ⁶

2013	\$ 52.6
2012	26.6
2011	(4.9)
2010	31.0
2009	36.5

¹ Reserves represents 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 and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets, excluding equities, attributed to the segment. The credited rate is the approximate rate credited on policyholder reserves.

³ Base interest spread is the interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to yields that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums and the MBS prepayment speed adjustment, and income on alternative investments.

⁴ Mortality gains (losses) represents the difference between actual and expected reserves released on our life contingent annuities.

⁵ Total sales represents deposits for new policies net of first year policy lapses and/or surrenders.

⁶ Realized gain (losses) are not included in operating revenues and include changes in the fair value of equities classified as trading.

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Individual Life Division
(In millions, except percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Premiums	\$ 7.9	\$ 8.7	\$ 8.4	\$ 8.8	\$ 9.4	\$ 33.8	\$ 35.8
Net investment income	72.4	69.6	70.1	70.9	68.9	283.0	280.4
Policy fees, contract charges and other	40.1	35.6	37.1	36.2	35.2	149.0	136.3
Total operating revenues	120.4	113.9	115.6	115.9	113.5	465.8	452.5
Benefits and expenses:							
Policyholder benefits and claims	23.9	19.2	18.3	18.3	15.6	79.7	69.3
Interest credited	64.7	64.6	63.9	65.2	62.6	258.4	253.0
Other underwriting and operating expenses	20.5	18.8	19.2	18.2	19.3	76.7	67.2
Amortization of deferred policy acquisition costs	2.2	0.6	0.6	1.9	2.2	5.3	7.7
Total benefits and expenses	111.3	103.2	102.0	103.6	99.7	420.1	397.2
Segment pre-tax adjusted operating income	\$ 9.1	\$ 10.7	\$ 13.6	\$ 12.3	\$ 13.8	\$ 45.7	\$ 55.3
Operating Metrics:							
Individual insurance:							
Insurance in force ¹	\$ 35,471.6	\$ 35,168.0	\$ 35,125.5	\$ 35,001.0	\$ 34,935.1	\$ 35,471.6	\$ 34,935.1
Claims ²	15.8	14.3	12.7	14.8	11.3	57.6	54.7
Annualized mortality rate ³	0.18%	0.16%	0.14%	0.17%	0.13%	0.16%	0.16%
UL account values ⁴	\$ 768.2	\$ 753.4	\$ 741.5	\$ 734.1	\$ 726.2	\$ 768.2	\$ 726.2
UL interest spread ⁵	1.51%	1.36%	1.35%	1.51%	1.22%	1.43%	1.89%
UL base interest spread ⁶	1.07%	1.17%	1.25%	1.29%	1.24%	1.18%	1.39%
Individual sales ⁷	\$ 12.7	\$ 8.3	\$ 9.1	\$ 7.9	\$ 9.4	\$ 38.0	\$ 18.6
Institutional Markets:							
Insurance in force ¹	\$ 12,836.1	\$ 12,842.6	\$ 12,844.8	\$ 12,926.1	\$ 12,926.2	\$ 12,836.1	\$ 12,926.2
BOLI account values ⁴	4,902.4	4,868.1	4,834.2	4,834.6	4,798.1	4,902.4	4,798.1
BOLI ROA ⁸	0.82%	0.96%	1.10%	0.97%	0.87%	0.96%	0.85%
BOLI base ROA ⁹	0.62%	0.92%	0.79%	0.90%	0.87%	0.81%	0.80%
COLI sales ¹⁰	\$ 1.0	\$ —	\$ —	\$ —	\$ 8.0	\$ 1.0	\$ 45.0
Decrease in BOLI PGAAP reserve ¹¹	—	1.7	1.7	1.7	1.7	5.1	7.0

5 Year Historical Individual Claims:²

	For the Three Months Ended				For the Year Ended
	1Q	2Q	3Q	4Q	2013
2013	\$ 15.7	\$ 13.7	\$ 14.0	\$ 11.3	\$ 54.7
2012	15.7	15.1	13.9	16.3	61.0
2011	15.7	12.1	13.0	13.5	54.3
2010	13.9	13.5	12.0	11.3	50.7
2009	14.7	13.4	12.8	12.6	53.5

¹ Insurance in force represents dollar face amounts of policies without adjustment 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 individual claims divided by insurance in force.

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

⁵ UL interest spread excludes SPL and is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets in the general account attributed to UL policies. The credited rate is the approximate rate credited on UL policyholder account values. Interest credited is subject to contractual terms, including minimum guarantees.

⁶ UL base interest spread excludes SPL and is UL interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to results that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums net of related bonus interest amortization, the MBS prepayment speed adjustment, and reserve adjustments.

⁷ Individual sales represents annualized first year premiums for recurring premium products and 10% of new single premium deposits, net of first year policy lapses and/or surrenders.

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 values. The policy benefits used in this metric do not include expenses.

⁹ BOLI base ROA is BOLI ROA adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to yields that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums, the MBS prepayment speed adjustment, and reserve adjustments.

¹⁰ COLI sales represents deposits for new policies.

¹¹ The BOLI PGAAP (purchase accounting) reserve was amortized as a decrease 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. This reserve was amortized to \$0 over a 10 year period ending August 2014. This represents the reduction of policyholder benefits expense related to the change in this reserve.

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Other
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Operating revenues:							
Net investment income (loss) ¹	\$ 13.2	\$ (1.9)	\$ 2.1	\$ 1.4	\$ 2.2	\$ 14.8	\$ 20.5
Policy fees, contract charges and other	0.4	0.4	0.6	0.4	0.5	1.8	16.5
Total operating revenues	13.6	(1.5)	2.7	1.8	2.7	16.6	37.0
Benefits and expenses:							
Interest credited	(0.4)	(0.3)	(0.4)	(0.5)	(0.4)	(1.6)	(1.7)
Other underwriting and operating expenses	0.7	0.7	1.0	0.6	0.9	3.0	21.2
Interest expense	11.0	10.2	8.3	8.2	8.3	37.7	33.0
Total benefits and expenses	11.3	10.6	8.9	8.3	8.8	39.1	52.5
Segment pre-tax adjusted operating income (loss)	<u>\$ 2.3</u>	<u>\$ (12.1)</u>	<u>\$ (6.2)</u>	<u>\$ (6.5)</u>	<u>\$ (6.1)</u>	<u>\$ (22.5)</u>	<u>\$ (15.5)</u>

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
¹ Detail of net investment income (loss):							
Amortization of tax credit investments	\$ (6.6)	\$ (8.1)	\$ (6.3)	\$ (6.7)	\$ (5.8)	\$ (27.7)	\$ (20.5)
Alternative investments (private equity/hedge funds)	11.5	(2.5)	(0.3)	—	(0.9)	8.7	4.0
Investment income on fixed maturities and other investments	8.3	8.7	8.7	8.1	8.9	33.8	37.0
Net investment income (loss)	<u>\$ 13.2</u>	<u>\$ (1.9)</u>	<u>\$ 2.1</u>	<u>\$ 1.4</u>	<u>\$ 2.2</u>	<u>\$ 14.8</u>	<u>\$ 20.5</u>

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Deferred Policy Acquisition Costs (DAC) Roll Forwards
(In millions)

DAC Roll Forward	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Summary -- Total Company							
Unamortized balance, beginning of period	\$ 487.1	\$ 464.2	\$ 441.3	\$ 419.9	\$ 390.1	\$ 419.9	\$ 367.9
Deferral of acquisition costs:							
Commissions and premium-based taxes and fees	40.5	37.9	37.4	34.8	40.4	150.6	110.6
Other acquisition expenses	6.7	5.6	3.1	5.4	4.5	20.8	11.7
Total deferral of acquisition costs	47.2	43.5	40.5	40.2	44.9	171.4	122.3
Adjustments related to realized (gains) losses	3.6	(3.0)	(1.0)	1.1	1.0	0.7	2.1
Amortization	(19.3)	(16.3)	(15.9)	(15.5)	(15.6)	(67.0)	(61.6)
Amortization related to prepayments	(4.7)	(1.1)	(0.7)	(4.4)	(0.5)	(10.9)	(8.2)
Unlocking	—	(0.2)	—	—	—	(0.2)	(2.6)
Total amortization	(24.0)	(17.6)	(16.6)	(19.9)	(16.1)	(78.1)	(72.4)
Unamortized balance, end of period	513.9	487.1	464.2	441.3	419.9	513.9	419.9
Accum effect of net unrealized gains	(118.8)	(122.2)	(153.0)	(121.2)	(97.4)	(118.8)	(97.4)
DAC balance, end of period	\$ 395.1	\$ 364.9	\$ 311.2	\$ 320.1	\$ 322.5	\$ 395.1	\$ 322.5
Benefits Division							
Unamortized balance, beginning of period	\$ 1.7	\$ 1.3	\$ 1.5	\$ —	\$ —	\$ —	\$ —
Deferral of acquisition costs:							
Other acquisition expenses	0.6	0.5	—	1.6	—	2.7	—
Total deferral of acquisition costs	0.6	0.5	—	1.6	—	2.7	—
Amortization	(0.3)	(0.1)	(0.2)	(0.1)	—	(0.7)	—
Unamortized balance, end of period	2.0	1.7	1.3	1.5	—	2.0	—
DAC balance, end of period	\$ 2.0	\$ 1.7	\$ 1.3	\$ 1.5	\$ —	\$ 2.0	\$ —
Retirement Division - Deferred Annuities							
Unamortized balance, beginning of period	\$ 316.0	\$ 305.8	\$ 295.5	\$ 285.9	\$ 268.8	\$ 285.9	\$ 256.7
Deferral of acquisition costs:							
Commissions and premium-based taxes and fees	23.6	26.3	23.8	23.2	25.9	96.9	80.3
Other acquisition expenses	2.5	2.5	1.6	2.2	3.0	8.8	7.6
Total deferral of acquisition costs	26.1	28.8	25.4	25.4	28.9	105.7	87.9
Adjustments related to realized (gains) losses	3.6	(3.0)	(0.4)	1.1	1.0	1.3	2.1
Amortization	(15.6)	(14.0)	(14.0)	(12.6)	(12.3)	(56.2)	(50.0)
Amortization related to prepayments	(4.6)	(1.0)	(0.7)	(4.3)	(0.5)	(10.6)	(7.9)
Unlocking	—	(0.6)	—	—	—	(0.6)	(2.9)
Total amortization	(20.2)	(15.6)	(14.7)	(16.9)	(12.8)	(67.4)	(60.8)
Unamortized balance, end of period	325.5	316.0	305.8	295.5	285.9	325.5	285.9
Accum effect of net unrealized gains	(109.6)	(112.8)	(143.0)	(112.9)	(91.4)	(109.6)	(91.4)
DAC balance, end of period	\$ 215.9	\$ 203.2	\$ 162.8	\$ 182.6	\$ 194.5	\$ 215.9	\$ 194.5
Retirement Division - Income Annuities							
Unamortized balance, beginning of period	\$ 56.0	\$ 54.6	\$ 52.1	\$ 49.2	\$ 47.0	\$ 49.2	\$ 45.0
Deferral of acquisition costs:							
Commissions and premium-based taxes and fees	3.1	2.4	3.5	3.7	3.2	12.7	7.6
Other acquisition expenses	0.2	0.3	0.1	0.2	0.1	0.8	0.5
Total deferral of acquisition costs	3.3	2.7	3.6	3.9	3.3	13.5	8.1
Amortization	(1.3)	(1.3)	(1.1)	(1.0)	(1.1)	(4.7)	(3.9)
Unamortized balance, end of period	58.0	56.0	54.6	52.1	49.2	58.0	49.2
DAC balance, end of period	\$ 58.0	\$ 56.0	\$ 54.6	\$ 52.1	\$ 49.2	\$ 58.0	\$ 49.2
Individual Life Division							
Unamortized balance, beginning of period	\$ 113.4	\$ 102.5	\$ 92.2	\$ 84.8	\$ 74.3	\$ 84.8	\$ 66.2
Deferral of acquisition costs:							
Commissions and premium-based taxes and fees	13.8	9.2	10.1	7.9	11.3	41.0	22.7
Other acquisition expenses	3.4	2.3	1.4	1.4	1.4	8.5	3.6
Total deferral of acquisition costs	17.2	11.5	11.5	9.3	12.7	49.5	26.3
Adjustments related to realized (gains) losses	—	—	(0.6)	—	—	(0.6)	—
Amortization	(2.1)	(0.9)	(0.6)	(1.8)	(2.2)	(5.4)	(7.7)
Amortization related to prepayments	(0.1)	(0.1)	—	(0.1)	—	(0.3)	(0.3)
Unlocking	—	0.4	—	—	—	0.4	0.3
Total amortization	(2.2)	(0.6)	(0.6)	(1.9)	(2.2)	(5.3)	(7.7)
Unamortized balance, end of period	128.4	113.4	102.5	92.2	84.8	128.4	84.8

Accum effect of net unrealized gains	(9.2)	(9.4)	(10.0)	(8.3)	(6.0)	(9.2)	(6.0)
DAC balance, end of period	<u>\$ 119.2</u>	<u>\$ 104.0</u>	<u>\$ 92.5</u>	<u>\$ 83.9</u>	<u>\$ 78.8</u>	<u>\$ 119.2</u>	<u>\$ 78.8</u>

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Deferred Sales Inducements (DSI) Roll Forwards
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Total Company							
Unamortized balance, beginning of period	\$ 144.0	\$ 146.5	\$ 150.3	\$ 154.8	\$ 154.0	\$ 154.8	\$ 153.4
Capitalizations	7.0	7.2	7.6	9.6	11.9	31.4	49.5
Adjustments related to realized (gains) losses	0.5	0.2	(0.2)	0.3	—	0.8	0.6
Amortization	(10.9)	(10.0)	(10.5)	(10.6)	(10.7)	(42.0)	(41.2)
Amortization related to prepayments	(3.9)	(0.9)	(0.7)	(3.8)	(0.4)	(9.3)	(6.8)
Unlocking	—	1.0	—	—	—	1.0	(0.7)
Total amortization	(14.8)	(9.9)	(11.2)	(14.4)	(11.1)	(50.3)	(48.7)
Unamortized balance, end of period	136.7	144.0	146.5	150.3	154.8	136.7	154.8
Accum effect of net unrealized gains	(79.6)	(85.4)	(99.9)	(86.5)	(76.7)	(79.6)	(76.7)
DSI balance, end of period ¹	\$ 57.1	\$ 58.6	\$ 46.6	\$ 63.8	\$ 78.1	\$ 57.1	\$ 78.1

¹ DSI balance is included in receivables and other assets on the consolidated balance sheet.

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Account Value and Reserve Roll Forwards
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Retirement Division:							
Deferred Annuities:							
<i>Fixed Account Values, excluding FIA</i>							
Account values, beginning of period	\$ 11,074.0	\$ 10,992.8	\$ 10,951.2	\$ 10,874.7	\$ 10,790.0	\$ 10,874.7	\$ 10,688.5
Deposits	254.5	313.2	287.9	280.6	346.7	1,136.2	972.8
Withdrawals	(335.0)	(306.4)	(306.7)	(286.1)	(320.5)	(1,234.2)	(1,114.9)
Net transfers	(1.4)	0.9	1.9	(1.6)	—	(0.2)	1.6
Net flows	(81.9)	7.7	(16.9)	(7.1)	26.2	(98.2)	(140.5)
Interest credited	70.0	71.0	71.2	73.4	77.8	285.6	313.2
Other	2.8	2.5	(12.7)	10.2	(19.3)	2.8	13.5
Account values, end of period	\$ 11,064.9	\$ 11,074.0	\$ 10,992.8	\$ 10,951.2	\$ 10,874.7	\$ 11,064.9	\$ 10,874.7
<i>Fixed Account Values, FIA</i>							
Account values, beginning of period	\$ 2,907.2	\$ 2,463.3	\$ 2,084.4	\$ 1,712.0	\$ 1,321.8	\$ 1,712.0	\$ 374.9
Deposits	396.6	452.4	375.7	359.6	392.6	1,584.3	1,300.7
Withdrawals	(22.5)	(19.3)	(15.7)	(10.8)	(9.2)	(68.3)	(23.7)
Net transfers	0.9	0.5	0.4	1.2	0.8	3.0	2.9
Net flows	375.0	433.6	360.4	350.0	384.2	1,519.0	1,279.9
Interest credited	23.6	21.5	14.1	9.2	12.4	68.4	21.8
Other	8.0	(11.2)	4.4	13.2	(6.4)	14.4	35.4
Account values, end of period	\$ 3,313.8	\$ 2,907.2	\$ 2,463.3	\$ 2,084.4	\$ 1,712.0	\$ 3,313.8	\$ 1,712.0
Income Annuities:							
<i>Reserves</i>							
Reserves, beginning of period	\$ 6,494.8	\$ 6,516.6	\$ 6,509.9	\$ 6,489.9	\$ 6,484.6	\$ 6,489.9	\$ 6,566.5
Deposits	76.6	58.8	88.2	82.2	82.2	305.8	205.4
Benefit payments	(168.4)	(173.0)	(162.0)	(145.3)	(157.9)	(648.7)	(625.4)
Net flows	(91.8)	(114.2)	(73.8)	(63.1)	(75.7)	(342.9)	(420.0)
Interest credited	90.7	91.1	91.6	91.9	91.9	365.3	369.7
Other	(6.0)	1.3	(11.1)	(8.8)	(10.9)	(24.6)	(26.3)
Reserves, end of period	\$ 6,487.7	\$ 6,494.8	\$ 6,516.6	\$ 6,509.9	\$ 6,489.9	\$ 6,487.7	\$ 6,489.9
Individual Life Division:							
<i>BOLI Account Values</i>							
Account values, beginning of period	\$ 4,868.1	\$ 4,834.2	\$ 4,834.6	\$ 4,798.1	\$ 4,764.8	\$ 4,798.1	\$ 4,659.8
Deposits	—	—	—	—	—	—	—
Surrenders/claims	(4.8)	(5.5)	(38.8)	(3.7)	(5.1)	(52.8)	(18.0)
Net flows	(4.8)	(5.5)	(38.8)	(3.7)	(5.1)	(52.8)	(18.0)
Interest credited	55.8	55.8	55.3	56.4	53.8	223.3	218.7
Administrative charges and other	(16.7)	(16.4)	(16.9)	(16.2)	(15.4)	(66.2)	(62.4)
Account values, end of period	\$ 4,902.4	\$ 4,868.1	\$ 4,834.2	\$ 4,834.6	\$ 4,798.1	\$ 4,902.4	\$ 4,798.1
<i>UL Account Values</i>							
Account values, beginning of period	\$ 753.4	\$ 741.5	\$ 734.1	\$ 726.2	\$ 717.6	\$ 726.2	\$ 716.0
Deposits	36.8	32.8	28.4	24.3	27.9	122.3	80.7
Surrenders/claims	(5.9)	(7.2)	(10.5)	(7.6)	(9.5)	(31.2)	(37.5)
Net flows	30.9	25.6	17.9	16.7	18.4	91.1	43.2
Interest credited	8.4	8.2	7.8	7.8	7.8	32.2	30.6
Administrative charges and other	(24.5)	(21.9)	(18.3)	(16.6)	(17.6)	(81.3)	(63.6)
Account values, end of period	\$ 768.2	\$ 753.4	\$ 741.5	\$ 734.1	\$ 726.2	\$ 768.2	\$ 726.2

Symetra Financial Corporation
4Q 2014 Financial Supplement
Overview of Liabilities and Associated Unrealized Gains
(In millions, except percentage data)

	As of Dec 31, 2014		
	Policyholder Liability	% of Total	Unrealized gains ⁸
Illiquid: cannot be surrendered			
Structured settlements & other single premium immediate annuities ¹	\$ 6,527.2	24.3%	\$ 788.1
Somewhat Liquid: can be surrendered with adjustments or charges of 3% or more			
Deferred Annuities:			
Surrender charges of 5% or higher	5,920.3		195.4
Surrender charges of 3 to 5%	1,207.8		39.9
MVA and surrender charges of 5% or higher ²	2,991.2		98.7
5 year payout provision or MVA ³	292.3		9.7
BOLI ⁴	5,001.5		293.9
Universal life	324.3		18.6
Total somewhat liquid	15,737.4	58.5%	656.2
Liquid: can be surrendered with no adjustment or charges of less than 3%			
Deferred Annuities:			
No surrender charges ⁵	3,038.0		100.3
Surrender charges less than 3%	836.1		27.6
Universal life	463.5		26.2
Total liquid	4,337.6	16.1%	154.1
Other			
Other (net of reinsurance) ⁶	305.1	1.1%	15.5
Assets supporting surplus portfolio			104.3
Total ⁷	\$ 26,907.3	100.0%	\$ 1,718.2
Reconciliation of unrealized gains to AOCI:			
Unrealized gains from above			\$ 1,718.2
Taxes on unrealized gains and losses on available-for-sale securities			(601.4)
Adjustment for DAC and DSI valuation allowance, net of taxes			(131.4)
Other			5.2
AOCI			\$ 990.6

The liabilities presented above have been aggregated based on contractual surrender charge schedules without adjustment for free partial withdrawals and guaranteed return of premium provisions, if applicable. The following footnotes may also be useful in evaluating the withdrawal characteristics of our liabilities:

- ¹ The benefits are specified in the contracts as fixed amounts, primarily to be paid over the next several decades. Certain single premium immediate annuity contracts contain a liquidity feature that permits contract owners to make partial withdrawals once every 36 months within the life expectancy period. The withdrawals are based on prevailing market rates which limits our exposure to liquidity and interest rate risk.
- ² The market value adjustment (MVA) adjusts the value of the contract at surrender based on current interest rates, subject to a guaranteed minimum account value specified in the contract.
- ³ The MVA adjusts the value of the contract at surrender based on current interest rates, subject to a guaranteed minimum account value specified in the contract. 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.
- 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 does not qualify for this tax-free treatment due to the employment status of the original covered employees, and charges may be applicable.
- ⁵ Given the current interest rate environment, we do not expect significant changes in the persistency of this business.
- ⁶ Other represents the sum of the following: (a) our term life insurance policyholder liabilities, net of reinsurance recoverables. There is no surrender value related to these contracts; (b) incurred but not reported claim liabilities mainly related to our medical stop-loss business. The precise timing and amount of payment is unknown; and (c) reported claim liabilities for BOLI, term life insurance, medical stop-loss and group life policies.
- ⁷ Represents the sum of funds held under deposit contracts, future policy benefits and policy and contract claims on the consolidated balance sheets, excluding other policyholder related liabilities and reinsurance recoverables of \$253.0 as of December 31, 2014.
- ⁸ Represents the pre-tax unrealized gains of the investment portfolio supporting the related policyholder liability.

Symetra Financial Corporation
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Investments Summary
(In millions, except percentage data)

	As of									
	Dec 31, 2014	%	Sep 30, 2014	%	Jun 30, 2014	%	Mar 31, 2014	%	Dec 31, 2013	%
Portfolio Composition:										
Available-for-sale securities:										
Fixed maturities, at fair value	\$ 25,379.4	82.9 %	\$ 25,316.6	83.6%	\$ 24,849.2	83.9 %	\$ 24,329.0	84.1 %	\$ 23,337.7	83.6 %
Marketable equity securities, at fair value	120.5	0.4 %	122.7	0.4%	126.6	0.4 %	126.8	0.4 %	134.3	0.5 %
Trading securities:										
Marketable equity securities, at fair value	532.0	1.7 %	467.9	1.5%	483.0	1.6 %	460.3	1.6 %	474.4	1.7 %
Mortgage loans, net	4,130.1	13.5 %	3,921.0	13.0%	3,747.8	12.6 %	3,603.2	12.5 %	3,541.0	12.7 %
Policy loans	61.9	0.2 %	61.0	0.2%	62.0	0.2 %	62.4	0.2 %	63.3	0.2 %
Investments in limited partnerships	309.9	1.0 %	307.9	1.0%	291.8	1.0 %	299.3	1.0 %	296.3	1.1 %
Other invested assets	100.5	0.3 %	76.9	0.3%	71.8	0.3 %	59.0	0.2 %	54.1	0.2 %
Total investments	30,634.3	100.0 %	30,274.0	100.0%	29,632.2	100.0 %	28,940.0	100.0 %	27,901.1	100.0 %
Cash and cash equivalents	158.8		109.2		118.0		108.5		76.0	
Total investments, cash and cash equivalents	\$ 30,793.1		\$ 30,383.2		\$ 29,750.2		\$ 29,048.5		\$ 27,977.1	
Fixed Maturities Securities by Credit Quality: ¹										
1: AAA, AA, A	\$ 14,491.2	57.1 %	\$ 14,561.2	57.6%	\$ 14,208.9	57.2 %	\$ 14,153.5	58.2 %	\$ 13,403.1	57.4 %
2: BBB	9,761.6	38.5 %	9,527.0	37.6%	9,389.2	37.8 %	8,957.9	36.8 %	8,667.1	37.1 %
Total investment grade	24,252.8	95.6 %	24,088.2	95.2%	23,598.1	95.0 %	23,111.4	95.0 %	22,070.2	94.5 %
3: BB	561.5	2.2 %	626.4	2.5%	643.2	2.6 %	611.3	2.5 %	666.6	2.9 %
4: B	492.3	1.9 %	517.2	2.0%	514.4	2.1 %	515.2	2.1 %	515.8	2.2 %
5: CCC & lower	66.9	0.3 %	79.9	0.3%	91.4	0.3 %	88.8	0.4 %	78.3	0.4 %
6: In or near default	5.9	0.0 %	4.9	0.0%	2.1	0.0 %	2.3	0.0 %	6.8	0.0 %
Total below investment grade	1,126.6	4.4 %	1,228.4	4.8%	1,251.1	5.0 %	1,217.6	5.0 %	1,267.5	5.5 %
Total fixed maturities	\$ 25,379.4	100.0 %	\$ 25,316.6	100.0%	\$ 24,849.2	100.0 %	\$ 24,329.0	100.0 %	\$ 23,337.7	100.0 %
Fixed Maturities by Issuer Type:										
U.S. government and agencies	\$ 409.9	1.6 %	\$ 450.3	1.8%	\$ 372.0	1.5 %	\$ 812.9	3.3 %	\$ 344.4	1.5 %
State and political subdivisions	829.2	3.3 %	786.4	3.1%	775.6	3.1 %	751.2	3.1 %	751.5	3.2 %
Foreign governments	94.9	0.4 %	96.0	0.4%	98.5	0.4 %	99.0	0.4 %	99.7	0.4 %
Corporate securities	19,192.5	75.6 %	18,995.5	75.0%	18,764.1	75.5 %	17,853.7	73.4 %	17,352.4	74.4 %
Residential mortgage-backed securities	2,921.4	11.5 %	2,857.8	11.3%	2,857.9	11.5 %	2,789.1	11.5 %	2,756.0	11.8 %
Commercial mortgage-backed securities	1,333.9	5.3 %	1,401.7	5.6%	1,484.5	6.0 %	1,514.5	6.2 %	1,518.4	6.5 %
Other debt obligations	597.6	2.3 %	728.9	2.8%	496.6	2.0 %	508.6	2.1 %	515.3	2.2 %
Total fixed maturities	\$ 25,379.4	100.0 %	\$ 25,316.6	100.0%	\$ 24,849.2	100.0 %	\$ 24,329.0	100.0 %	\$ 23,337.7	100.0 %
Effective Duration	5.5		5.5		5.5		5.5		5.5	
Weighted-average Investment Yield	4.69%		4.60%		4.67%		4.75%		4.94%	

	For the Three Months Ended									
	Dec 31, 2014	%	Sep 30, 2014	%	Jun 30, 2014	%	Mar 31, 2014	%	Dec 31, 2013	%
Average Daily Cash and Cash Equivalent Balances:										
Benefits Division	\$ 15.6	10.1 %	\$ 4.4	1.8%	\$ 5.1	4.3 %	\$ 2.7	2.2 %	\$ 4.1	4.4 %
Retirement Division:										
Deferred Annuities	61.8	40.1 %	58.0	23.2%	82.5	69.3 %	126.9	101.8 %	119.6	128.8 %
Income Annuities	(6.7)	(4.3)%	7.1	2.9%	97.7	82.0 %	41.9	33.6 %	7.4	8.0 %
Individual Life Division	35.0	22.7 %	11.0	4.4%	24.8	20.8 %	21.4	17.2 %	8.3	8.9 %
Other	48.3	31.4 %	169.0	67.7%	(91.0)	(76.4)%	(68.3)	(54.8)%	(46.5)	(50.1)%
Total	\$ 154.0	100.0 %	\$ 249.5	100.0%	\$ 119.1	100.0 %	\$ 124.6	100.0 %	\$ 92.9	100.0 %

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

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Investments Income Statement Data
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Prepayment-related income: ¹							
Retirement Division - Deferred Annuities	\$ 21.4	\$ 5.5	\$ 3.3	\$ 10.2	\$ 2.8	\$ 40.4	\$ 34.7
Retirement Division - Income Annuities	3.4	0.8	0.7	1.6	1.7	6.5	6.6
Individual Life Division	3.5	0.9	1.3	1.9	—	7.6	6.3
Other	0.5	(0.1)	0.4	(0.2)	0.6	0.6	2.4
Total	\$ 28.8	\$ 7.1	\$ 5.7	\$ 13.5	\$ 5.1	\$ 55.1	\$ 50.0
Prepayment-related income, net of DAC and DSI amortization:							
Retirement Division - Deferred Annuities	12.9	3.6	1.9	2.1	1.9	20.5	20.0
Retirement Division - Income Annuities	3.4	0.8	0.7	1.6	1.7	6.5	6.6
Individual Life Division	3.4	0.8	1.3	1.8	—	7.3	5.9
Other	0.5	(0.1)	0.4	(0.2)	0.6	0.6	2.4
Total	\$ 20.2	\$ 5.1	\$ 4.3	\$ 5.3	\$ 4.2	\$ 34.9	\$ 34.9

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Net Realized Gains (Losses):							
Fixed maturities:							
Gross gains on sales	\$ 6.6	\$ 1.5	\$ 10.8	\$ 8.7	\$ 3.7	\$ 27.6	\$ 11.7
Gross losses on sales	(1.1)	(3.3)	(0.6)	(1.8)	(2.5)	(6.8)	(20.0)
Other-than-temporary impairments	(10.0)	(1.6)	(1.4)	(1.1)	(2.9)	(14.1)	(18.3)
Other ²	(6.4)	1.4	(1.2)	(1.2)	1.4	(7.4)	(2.4)
Total fixed maturities	(10.9)	(2.0)	7.6	4.6	(0.3)	(0.7)	(29.0)
Marketable equity securities, trading ³	26.4	(12.0)	21.6	19.7	22.7	55.7	66.0
Other ⁴	(8.5)	2.1	(2.7)	(5.0)	1.6	(14.1)	(4.1)
DAC/DSI adjustment	4.2	(2.9)	(1.2)	1.4	1.0	1.5	2.7
Net realized gains (losses)	\$ 11.2	\$ (14.8)	\$ 25.3	\$ 20.7	\$ 25.0	\$ 42.4	\$ 35.6

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Tax Credit Investments Impact on Income							
Historical and Estimated Future Impact							
Amortization related to tax credit investments, net of taxes	\$ (4.3)	\$ (5.2)	\$ (4.2)	\$ (4.3)	\$ (3.7)	\$ (18.0)	\$ (13.3)
Realized losses related to tax credit investments, net of taxes	(3.6)	(3.0)	(2.0)	(2.3)	(1.3)	(10.9)	(4.4)
Tax credits	14.8	14.2	13.9	13.9	10.4	56.8	41.2
Impact to net income	\$ 6.9	\$ 6.0	\$ 7.7	\$ 7.3	\$ 5.4	\$ 27.9	\$ 23.5
Carrying value of invested asset	\$ 238.4	\$ 244.6	\$ 249.8	\$ 257.8	\$ 265.1	\$ 238.4	\$ 265.1
Future estimated impact to net income:						2015	\$ 29.1
						2016	18.2
						2017 & beyond	22.6
							\$ 69.9

Historical Information

	For the Years Ended				
	2013	2012	2011	2010	2009
Amortization related to tax credit investments, net of taxes	\$ (13.3)	\$ (13.9)	\$ (9.2)	\$ (6.3)	\$ (5.9)
Realized losses related to tax credit investments, net of taxes	(4.4)	(2.6)	(2.0)	—	—
Tax credits	41.2	33.5	17.4	10.9	9.6
Impact to net income	\$ 23.5	\$ 17.0	\$ 6.2	\$ 4.6	\$ 3.7

¹ Prepayment-related income includes make-whole premiums and consent fees on early calls or tenders of fixed maturities, prepayment speed adjustments on structured securities, and prepayment fees on our commercial mortgage loans.

² Includes net gains (losses) on calls and redemptions, and changes in the fair value of convertible fixed maturities.

³ Marketable equity securities, trading includes net gains (losses) on changes in fair value.

⁴ Includes net gains (losses) on derivatives not designated for hedge accounting and other instruments.

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Sales by Segment and Product
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Benefits Division ¹							
Medical stop-loss	\$ 20.7	\$ 27.7	\$ 19.7	\$ 45.6	\$ 14.4	\$ 113.7	\$ 95.0
Limited benefit medical	1.3	1.7	1.9	11.1	3.3	16.0	8.2
Group life & disability income	11.9	5.4	4.5	15.2	6.4	37.0	27.7
Total Benefits Division	\$ 33.9	\$ 34.8	\$ 26.1	\$ 71.9	\$ 24.1	\$ 166.7	\$ 130.9
Retirement Division - Deferred Annuities ²							
Fixed annuities	\$ 242.2	\$ 299.7	\$ 271.9	\$ 264.3	\$ 328.5	\$ 1,078.1	\$ 903.1
Fixed indexed annuities	395.7	455.2	373.4	357.9	391.3	1,582.2	1,298.0
Variable annuities	4.4	4.4	5.0	5.3	13.1	19.1	42.4
Total	\$ 642.3	\$ 759.3	\$ 650.3	\$ 627.5	\$ 732.9	\$ 2,679.4	\$ 2,243.5
Retirement Division - Income Annuities ²							
SPIA	\$ 80.0	\$ 62.3	\$ 89.0	\$ 87.5	\$ 85.4	\$ 318.8	\$ 203.0
Structured settlements	—	—	—	—	—	—	7.5
Total	\$ 80.0	\$ 62.3	\$ 89.0	\$ 87.5	\$ 85.4	\$ 318.8	\$ 210.5
Total Retirement Division	\$ 722.3	\$ 821.6	\$ 739.3	\$ 715.0	\$ 818.3	\$ 2,998.2	\$ 2,454.0
Individual Life Division							
Term life ¹	\$ 0.8	\$ 0.6	\$ 1.0	\$ 0.9	\$ 1.0	\$ 3.3	\$ 2.7
Universal life ¹	11.3	7.0	7.6	6.8	8.1	32.7	15.2
Single premium life ³	0.6	0.7	0.5	0.2	0.3	2.0	0.7
Individual sales	12.7	8.3	9.1	7.9	9.4	38.0	18.6
COLI ⁴	1.0	—	—	—	8.0	1.0	45.0
Institutional markets	1.0	—	—	—	8.0	1.0	45.0

- 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 deposits for new policies.

Symetra Financial Corporation
4Q 2014 Financial Supplement
Book Value, Adjusted Book Value and Statutory Book Value per Share
(In millions, except per share amounts)

	As of				
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Book value per common share ¹	\$ 29.02	\$ 29.12	\$ 29.58	\$ 27.40	\$ 24.99
Non-GAAP Financial Measures:					
Adjusted book value per common share ²	\$ 20.47	\$ 21.26	\$ 21.04	\$ 20.50	\$ 19.95
Statutory book value per common share ³	\$ 20.53	\$ 19.55	\$ 19.47	\$ 19.32	\$ 18.49
Numerator:					
Total stockholders' equity	\$ 3,360.6	\$ 3,375.3	\$ 3,428.6	\$ 3,195.3	\$ 2,941.9
AOCI	990.6	911.1	990.6	804.3	593.6
Adjusted book value	\$ 2,370.0	\$ 2,464.2	\$ 2,438.0	\$ 2,391.0	\$ 2,348.3
Total stockholders' equity	\$ 3,360.6	\$ 3,375.3	\$ 3,428.6	\$ 3,195.3	\$ 2,941.9
Stockholders' equity of non-insurance entities	(469.5)	(609.1)	(360.0)	(344.4)	(381.4)
Statutory and other adjustments	(812.8)	(815.0)	(1,123.9)	(901.5)	(690.8)
Asset valuation reserve (AVR)	299.2	315.4	312.3	304.1	307.0
Statutory book value	\$ 2,377.5	\$ 2,266.6	\$ 2,257.0	\$ 2,253.5	\$ 2,176.7
Denominator:					
Common shares outstanding	115.797	115.913	115.895	116.619	117.731

For the Three Months Ended

	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Share repurchases:					
Shares purchased as part of publicly announced plans or programs ⁴	—	—	0.749	1.352	—
Other shares repurchased ⁵	0.137	—	0.001	0.002	0.090
Total shares repurchased	0.137	—	0.750	1.354	0.090
Average price paid per share	\$ 23.05	\$ —	\$ 19.66	\$ 19.56	\$ 18.96
Total cost of share repurchases	\$ 3.1	\$ —	\$ 14.7	\$ 26.5	\$ 1.7

	As of				
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Tangible book value:					
Total stockholders' equity	\$ 3,360.6	\$ 3,375.3	\$ 3,428.6	\$ 3,195.3	\$ 2,941.9
Less:					
Deferred policy acquisition costs	395.1	364.9	311.2	320.1	322.5
Goodwill and other	108.9	111.2	99.4	117.7	131.5
Tangible book value ⁶	\$ 2,856.6	\$ 2,899.2	\$ 3,018.0	\$ 2,757.5	\$ 2,487.9

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

² Adjusted book value per common share is calculated as adjusted book value divided by common shares outstanding.

³ Statutory book value per common share is calculated based on statutory book value divided by common shares outstanding.

⁴ As of December 31, 2014, 6.947 shares remained available under the current repurchase authorization.

⁵ Shares repurchased to satisfy employee income tax withholding on vesting of restricted stock.

⁶ Tangible book value is a non-GAAP financial measure calculated as stockholders' equity excluding deferred policy acquisition costs, goodwill, intangible assets and certain other non-tangible assets. Stockholders' equity is the most directly comparable GAAP measure to tangible book value.

Symetra Financial Corporation
4Q 2014 Financial Supplement
ROE and Operating ROAE
(In millions, except percentage data)

	Twelve Months Ended				
	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
ROE:					
Net income for the twelve months ended ¹	\$ 254.4	\$ 251.2	\$ 260.5	\$ 234.0	\$ 220.7
Average stockholders' equity ²	\$ 3,260.3	\$ 3,190.8	\$ 3,123.7	\$ 3,158.9	\$ 3,245.8
ROE	7.8%	7.9%	8.3%	7.4%	6.8%
Non-GAAP Financial Measures					
Operating ROAE:					
Adjusted operating income for the twelve months ended ¹	\$ 227.2	\$ 216.5	\$ 219.8	\$ 217.2	\$ 200.9
Average adjusted book value ³	\$ 2,402.3	\$ 2,387.1	\$ 2,345.7	\$ 2,320.3	\$ 2,293.9
Operating ROAE	9.5%	9.1%	9.4%	9.4%	8.8%

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		
	2014	2013	2012
Stockholders' Equity			
Dec 31	\$ 3,360.6	\$ 2,941.9	\$ 3,630.1
Sep 30	3,375.3	3,012.8	3,641.2
Jun 30	3,428.6	3,040.1	3,378.4
Mar 31	3,195.3	3,604.2	3,154.7
AOCI			
Dec 31	\$ 990.6	\$ 593.6	\$ 1,371.2
Sep 30	911.1	719.0	1,404.3
Jun 30	990.6	782.6	1,188.0
Mar 31	804.3	1,293.1	1,000.1

Reconciliation of adjusted operating income:

The following data together with other data found throughout the supplement can be used to recalculate adjusted operating income for the twelve months ended June 30, 2014, March 31, 2014 and December 31, 2013.

	Three Months Ended		
	Sep. 30, 2013	Jun. 30, 2013	Mar. 31, 2013
Net income	\$ 45.3	\$ 45.0	\$ 66.0
Less: Excluded realized gains (losses) (net of taxes)	(3.5)	(7.7)	16.6
Adjusted operating income	<u>\$ 48.8</u>	<u>\$ 52.7</u>	<u>\$ 49.4</u>

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.

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

2014 vs. 2013

Benefits Division



Retirement Division¹



Individual Life Division²



4Q14 4Q13

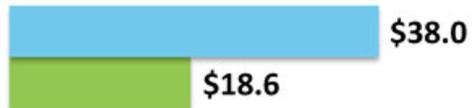
Benefits Division



Retirement Division¹



Individual Life Division²



FY 2014 FY 2013

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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

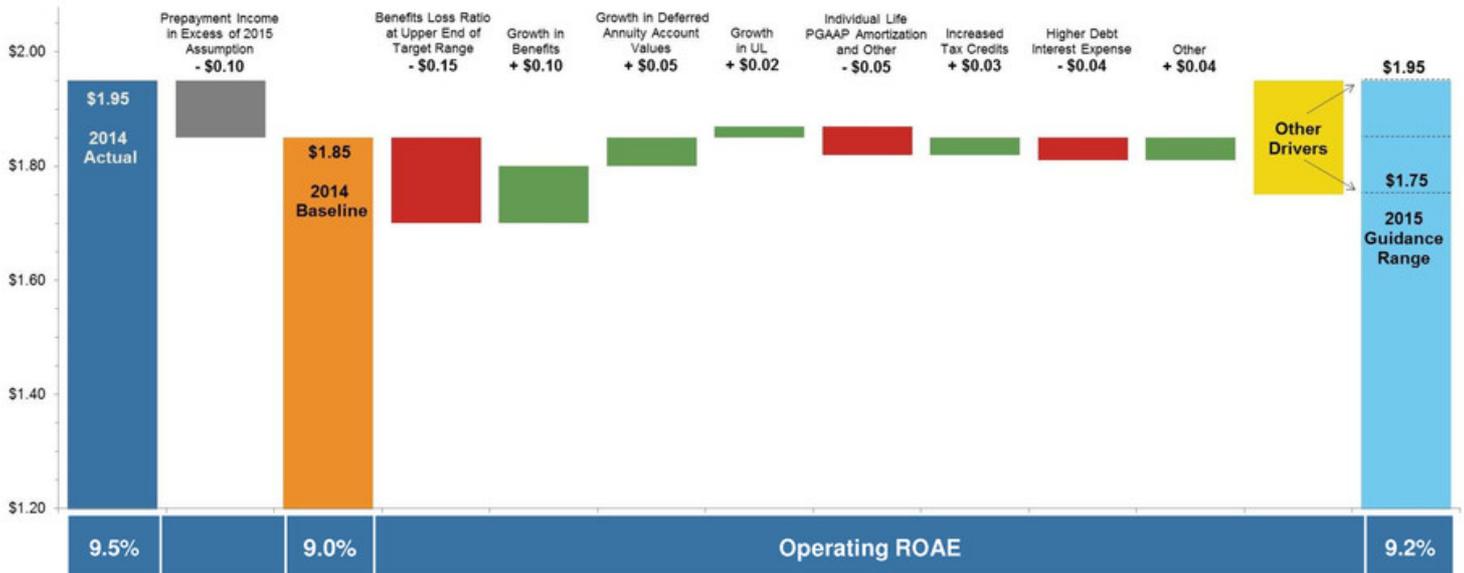
4. Managing the business with a long-term perspective

- › 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

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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

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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

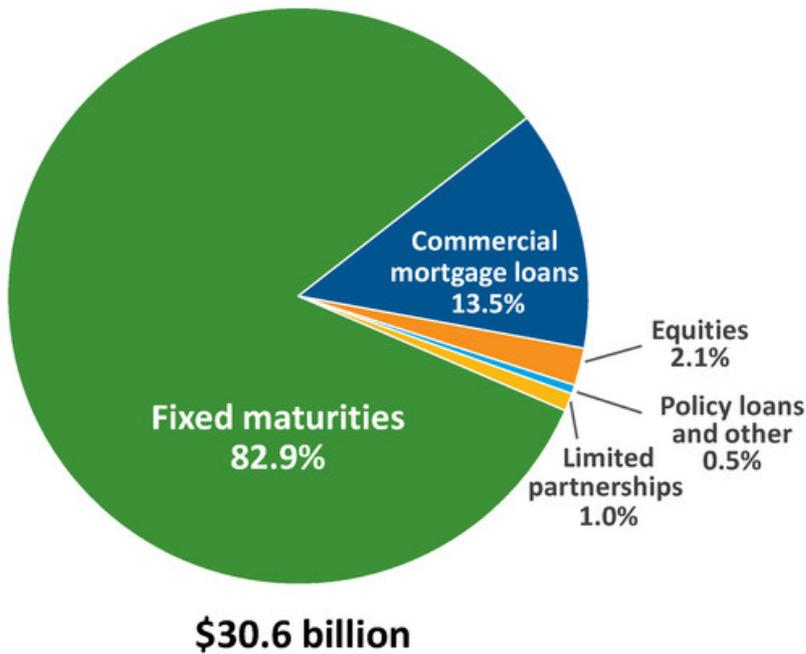
¹ Excludes Other segment pretax operating loss of \$(22.5)M.

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

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,	
	2014	2010
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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