
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 10, 2010

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))
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Item 2.02. Results of Operations and Financial Condition.

On February 10, 2010, 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, 2009, a copy of which is attached hereto as Exhibit 99.1, and (ii) a Quarterly Financial Supplement for the quarter ended December 31, 2009, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The information in this report, including Exhibits 99.1 and 99.2, have been “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. The information in this report shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

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

99.1	Press Release of Symetra Financial Corporation, dated February 10, 2010, announcing fourth quarter and full year 2009 results.
99.2	Quarterly Financial Supplement for the quarter ended December 31, 2009.

SIGNATURE

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

SYMETRA FINANCIAL CORPORATION

By: /s/ GEORGE C. PAGOS

Name: George C. Pagos

Title: Senior Vice President,
General Counsel and Secretary

Date: February 10, 2010

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99.1	Press Release of Symetra Financial Corporation, dated February 10, 2010, announcing fourth and full year 2009 results.
99.2	Quarterly Financial Supplement for the quarter ended December 31, 2009.



Investor Relations Contact:

Jim Pirak
(425) 256-8284
jim.pirak@symetra.com

Media Relations Contact:

Laurie Johnson
(425) 256-5049
laurie.johnson@symetra.com

**SYMETRA FINANCIAL REPORTS FOURTH QUARTER AND
FULL YEAR RESULTS FOR 2009**
Full Year Adjusted Operating Income Increases 20% Over 2008 Levels

BELLEVUE, Wash.—(Feb. 10, 2010)—Symetra Financial Corp. (NYSE: SYA) today reported fourth quarter 2009 net income of \$32.1 million, or \$0.29 per diluted share. This compares with a net loss of \$4.9 million, or a \$0.05 loss per share, in fourth quarter 2008. For the full year, Symetra produced net income of \$128.3 million, or \$1.15 per diluted share, compared with \$22.1 million, or \$0.20 per diluted share, in 2008. These consolidated full year results reflect solid, balanced earnings across Symetra's four business segments and improved investment returns over 2008 levels.

Adjusted operating income¹ was \$32.7 million, or \$0.29 per diluted share, in fourth quarter 2009, compared with \$31.1 million, or \$0.28 per diluted share, in the prior-year period. For the full year, Symetra generated adjusted operating income of \$147.9 million, or \$1.32 per diluted share, compared with \$122.9 million, or \$1.10 per diluted share, in 2008.

Symetra's return on equity (ROE) for full year 2009 was 15.4%, up from 2.6% in 2008. Operating return on average equity (ROAE)¹ was 10.5% for the full year, compared with 9.2% in 2008.

Total revenues in the fourth quarter of 2009 were \$440.5 million, compared with \$344.0 million in the prior-year period. For the full year, total revenues increased 18.1% to \$1.71 billion, compared with \$1.45 billion in 2008.

"We finished 2009 with solid earnings from our diverse lines of business and significant sales increases in annuities and life insurance," said Symetra President and Chief Executive Officer Randy Talbot. "Symetra's strong balance sheet and broad distribution network position us well to efficiently deploy the capital raised from our recent initial public offering."

Summary Financial Results (In millions, except per share data)	Three Months Ended December 31		Twelve Months Ended December 31	
	2009	2008	2009	2008
Net Income (Loss)	\$32.1	\$ (4.9)	\$128.3	\$ 22.1
Per Diluted Share of Common Stock	\$0.29	\$(0.05)	\$ 1.15	\$ 0.20
Adjusted Operating Income	\$32.7	\$ 31.1	\$147.9	\$122.9
Per Diluted Share of Common Stock	\$0.29	\$ 0.28	\$ 1.32	\$ 1.10
Return on Equity			15.4%	2.6%
Operating Return on Average Equity			10.5%	9.2%

2009 Highlights

- Balanced earnings across all four business segments.
- Significant sales growth in Retirement Services, Income Annuities and Individual segments through financial institutions and independent agents.
- Disciplined underwriting in Group segment resulted in premium decline.
- Marked improvement in equity portfolio performance with returns of 34.0%, outpacing the S&P 500 total return index of 26.5%.

BUSINESS SEGMENTS

Segment Pretax Adjusted Operating Income (in millions)	Three Months Ended December 31		Twelve Months Ended December 31	
	2009	2008	2009	2008
Group	\$ 10.7	\$ 15.2	\$ 55.4	\$ 66.9
Retirement Services	17.3	9.2	58.6	36.6
Income Annuities	9.4	8.5	42.4	36.5
Individual	14.7	16.7	66.3	59.7
Other	(5.7)	(15.5)	(11.5)	(31.6)
Subtotal	\$ 46.4	\$ 34.1	\$ 211.2	\$ 168.1
Less: Taxes*	13.7	3.0	63.3	45.2
Adjusted Operating Income	\$ 32.7	\$ 31.1	\$ 147.9	\$ 122.9

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

Group

Symetra's Group segment, which consists primarily of medical stop-loss insurance, posted fourth quarter pretax adjusted operating income of \$10.7 million, compared with \$15.2 million in the prior-year period. For full year 2009, pretax adjusted operating

income was \$55.4 million, compared with \$66.9 million in 2008. The decline in fourth quarter and full year operating income was driven by increased claims; in particular, a higher frequency of large claims. Group's loss ratio was 69.9% for fourth quarter 2009, compared with 66.6% in the prior-year period. The full year 2009 loss ratio was 68.3%, up from 65.8% in 2008.

Total premiums for full year 2009 were \$432.2 million, compared with \$449.8 million in 2008. The premium decrease was anticipated and a result of lower sales and renewals primarily driven by pricing increases in the medical stop-loss line.

Retirement Services

The Retirement Services segment includes fixed and variable deferred annuities and retirement plans. For fourth quarter 2009, Retirement Services generated \$17.3 million in pretax adjusted operating income, up from \$9.2 million in the prior-year period. For the full year, pretax adjusted operating income totaled \$58.6 million, compared with \$36.6 million in 2008. Operating income improved significantly in the fourth quarter and for the full year due to higher interest spreads on increased account values. Total account values hit a record \$8.41 billion at year-end, up 32.0% from \$6.37 billion at the end of 2008.

Retirement Services sales were \$261.9 million for the fourth quarter and \$2.23 billion for full year 2009. This compares with sales of \$624.1 million in fourth quarter 2008 and \$1.77 billion for full year 2008. Fourth quarter 2008 sales reflected market conditions in which many consumers moved their assets to fixed-return annuity products. Symetra capitalized on its broad distribution network both in 2008 and 2009 to drive growth in this segment.

Income Annuities

The Income Annuities segment, which includes single premium immediate annuities (SPIAs) and structured settlements, had pretax adjusted operating income of \$9.4 million in fourth quarter 2009, compared with \$8.5 million in the prior-year period. For full year 2009, Income Annuities produced \$42.4 million in pretax adjusted operating income, up from \$36.5 million in 2008. Strong underwriting and expense savings contributed to the improved fourth quarter and full year 2009 results.

Sales for the quarter and the year were strong, with \$83.8 million in the fourth quarter and \$251.8 million for full year 2009. This represents a significant increase over sales of \$34.5 million in fourth quarter 2008 and sales of \$140.8 million for full year 2008. New business in fourth quarter 2009 was led by SPIA sales through financial institutions and independent agents. As a result of increased sales during the last half of 2009, the Income Annuities segment grew, reversing the downward trend of the past several years.

Individual

The Individual segment, which includes term and universal life insurance, and bank-owned life insurance (BOLI), reported pretax adjusted operating income of \$14.7 million for fourth quarter 2009, compared with \$16.7 million in the prior-year period. The decrease in fourth quarter operating income was due primarily to BOLI claims and interest spread. For the full year, the Individual segment produced \$66.3 million in pretax adjusted operating income, compared with \$59.7 million in 2008. The increase in full year 2009 operating income stemmed from good underwriting results.

In a predominately down market for life industry sales, Individual sales increased quarter-over-quarter and year-over-year. Individual posted sales of \$2.7 million for fourth quarter 2009 and \$13.0 million for the full year. This compares with sales of \$2.4 million in the prior-year period and \$10.1 million for full year 2008. Contributing to the improved full year performance were

increased sales of single premium life policies through financial institutions and sales of term life policies through independent agents.

Other Segment

The Other segment, including unallocated corporate income and expenses, interest expense on debt and other income outside of Symetra's four business segments, had a pretax adjusted operating loss of \$5.7 million in the fourth quarter of 2009, compared with a pretax adjusted operating loss of \$15.5 million in the prior-year period. For the full year, the Other segment recorded a pretax adjusted operating loss of \$11.5 million, compared with a \$31.6 million loss in 2008. The improvement in fourth quarter and full year 2009 results was due largely to an increase in the fair value of investments in limited partnerships (primarily private equity funds and hedge funds) as reflected in net investment income.

Investment Portfolio

Net realized investment losses improved to a \$0.3 million loss in the fourth quarter of 2009, compared with a \$54.7 million loss for the prior-year period. For the full year, net realized investment losses were \$29.3 million, compared with net losses of \$158.0 million in 2008. Driving this improvement was the performance of Symetra's equity portfolio, which generated net gains of \$5.4 million in fourth quarter 2009, compared with net losses of \$29.0 million in fourth quarter 2008. Equity portfolio improvements led to net gains of \$34.0 million for full year 2009, compared with net losses of \$69.2 million in 2008.

Impairment losses were \$12.8 million in fourth quarter 2009, compared with losses of \$24.7 million in the prior-year period. For full year 2009, impairment losses were \$86.5 million, compared with losses of \$86.4 million in 2008, as the recession and economic downturn affected Symetra's fixed maturity portfolio.

Stockholders' Equity

Book value as of Dec. 31, 2009 increased to \$1,433.3 million, or \$12.83 per share, compared with \$286.2 million, or \$2.56 per share, as of Dec. 31, 2008. The increase in book value was driven by recovery in unrealized losses in the investment portfolio. Adjusted book value per share, as converted,¹ increased to \$15.23 per share as of Dec. 31, 2009, compared with \$13.95 per share as of Dec. 31, 2008. Symetra ended 2009 with a risk-based capital (RBC) ratio of approximately 400%. This ratio does not include new capital contributions from the initial public offering.

Initial Public Offering

On Jan. 22, 2010, Symetra common stock began trading on the New York Stock Exchange under the ticker symbol "SYA." The offering, which closed Jan. 27, 2010, consisted of 25,259,510 primary shares sold by Symetra, and 9,700,490 secondary shares sold by existing stockholders at a share price of \$12.00. Symetra received net primary proceeds in the offering of approximately \$282.5 million. After the offering, Symetra had 117,988,965 total shares of common stock outstanding.

2010 Outlook

Symetra's 2010 guidance will consist of a full year estimate of adjusted operating income per diluted share. Based on current information, the company expects 2010 adjusted operating income per diluted share to be between \$1.40 and \$1.55.

Additional Financial Information

This press release and the fourth quarter 2009 financial supplement are posted on the company's Web site at <http://investors.symetra.com>. Investors are encouraged to review all of these materials.

Quiet Period

Symetra is currently observing an initial public offering quiet period and will not be hosting a conference call or webcast to discuss the fourth quarter and full year 2009 results.

About Symetra Financial

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

Use of Non-GAAP Measures

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

This press release includes non-GAAP financial measures entitled "adjusted operating income (loss)," "adjusted operating income (loss) per diluted share," "adjusted book value," "adjusted book value, as converted," "adjusted book value per share, as converted" and "operating return on average equity." The company defines adjusted operating income (loss) as net income (loss) excluding after-tax net investment gains (losses) and including after-tax net realized and unrealized investment gains (losses) on fixed index annuity (FIA) options. Adjusted operating income (loss) per diluted share is defined as adjusted operating income (loss) divided by diluted common shares outstanding. Adjusted book value is defined as stockholders' equity, less accumulated other comprehensive income (loss), or AOCI. Adjusted book value, as converted, is defined as stockholders' equity, less AOCI plus the assumed proceeds from the outstanding warrants. Adjusted book value per share, as converted, is calculated as adjusted book value, as converted, divided by the sum of outstanding common shares and shares subject to outstanding warrants. Operating return on average equity consists of adjusted operating income for the most recent four quarters, divided by average ending adjusted book value for the most recent five quarters.

Definition of Selected Operating Performance Measures

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

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

Sales — For the Retirement Services and Income Annuities segments, sales represent deposits for new policies. For the Individual segment, sales represent annualized first-year premiums, deposits for new policies and BOLI sales measured as 10% of new BOLI deposits.

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

This press release may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of current or historical facts included or referenced in this release that address activities, events or developments that we expect or anticipate will or may occur in the future, are forward-looking statements. The words “will,” “believe,” “intend,” “plan,” “expect,” “anticipate,” “project,” “estimate,” “predict” and similar expressions also are intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to Symetra’s:

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

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

- general economic, market or business conditions, including further economic downturns or other adverse conditions in the global and domestic capital and credit markets;
- the availability of capital and financing;
- potential investment losses;
- the effects of fluctuations in interest rates;
- recorded reserves for future policy benefits and claims subsequently proving to be inadequate or inaccurate;
- deviations from assumptions used in setting prices for insurance and annuity products;
- market pricing and competitive trends related to insurance products and services;
- changes in amortization of deferred policy acquisition costs;
- financial strength or credit ratings downgrades;
- the continued availability and cost of reinsurance coverage;
- changes in laws or regulations, or their interpretation, including those that could increase Symetra’s business costs and required capital levels;
- the ability of the issuer’s subsidiaries to pay dividends to the issuer; and
- the risks that are described from time to time in Symetra’s filings with the Securities and Exchange Commission, including those in Symetra’s Registration Statement on Form S-1.

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

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

	Three Months Ended December 31		Twelve Months Ended December 31	
	2009	2008	2009	2008
Revenues:				
Premiums and other considerations	\$ 143.5	\$ 144.4	\$ 573.6	\$ 584.8
Net investment income	284.2	238.5	1,113.6	956.5
Other revenues	13.1	15.8	56.4	67.8
Net realized investment gains (losses):				
Total other-than -temporary impairment losses on securities	(23.3)	(24.7)	(191.2)	(86.4)
Less portion of loss recognized in other comprehensive income	10.5	—	104.7	—
Net impairment losses recognized in earnings	(12.8)	(24.7)	(86.5)	(86.4)
Other net realized investment gains (losses)	12.5	(30.0)	57.2	(71.6)
Total net realized investment losses	(0.3)	(54.7)	(29.3)	(158.0)
Total revenues	440.5	344.0	1,714.3	1,451.1
Benefits and expenses:				
Policyholder benefits and claims	88.4	88.4	350.5	348.5
Interest credited	217.6	197.0	846.8	766.1
Other underwriting and operating expenses	66.0	63.9	252.7	265.8
Interest expense	8.0	7.9	31.8	31.9
Amortization of deferred policy acquisition costs	15.0	8.1	51.4	25.8
Total benefits and expenses	395.0	365.3	1,533.2	1,438.1
Income (loss) from operations before income taxes	45.5	(21.3)	181.1	13.0
Provision (benefit) for income taxes:				
Current	10.9	(10.3)	6.7	23.8
Deferred	2.5	(6.1)	46.1	(32.9)
Total provision (benefit) for income taxes	13.4	(16.4)	52.8	(9.1)
Net income (loss)	<u>\$ 32.1</u>	<u>\$ (4.9)</u>	<u>\$ 128.3</u>	<u>\$ 22.1</u>
Net income (loss) per common share:				
Basic	\$ 0.29	\$ (0.05)	\$ 1.15	\$ 0.20
Diluted	\$ 0.29	\$ (0.05)	\$ 1.15	\$ 0.20
Weighted average number of common shares outstanding:				
Basic	111.622	92.646	111.622	111.622
Diluted	111.634	92.646	111.626	111.622
Cash dividends declared per share	\$ —	\$ —	\$ —	\$ —
Non-GAAP financial measures:				
Adjusted operating income	<u>\$ 32.7</u>	<u>\$ 31.1</u>	<u>\$ 147.9</u>	<u>\$ 122.9</u>
Reconciliation to net income (loss):				
Net income (loss)	\$ 32.1	\$ (4.9)	\$ 128.3	\$ 22.1
Less: Net realized investment losses (net of taxes) ¹	(0.2)	(35.5)	(19.1)	(102.7)
Add: Net realized and unrealized investment gains (losses) on FIA options (net of taxes) ²	0.4	0.5	0.5	(1.9)
Adjusted operating income	<u>\$ 32.7</u>	<u>\$ 31.1</u>	<u>\$ 147.9</u>	<u>\$ 122.9</u>

¹ Net realized investment losses are reported net of taxes of \$(0.1) and \$(19.2) for the three months ended, and \$(10.2) and \$(55.3) for the twelve months ended December 31, 2009 and 2008, respectively.

² Net realized and unrealized investment gains (losses) on FIA options are reported net of taxes of \$0.2 and \$0.2 for the three months ended, and \$0.3 and \$(1.0) for the twelve months ended December 31, 2009 and 2008, respectively.

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

	December 31 2009	December 31 2008
Assets		
Total investments	\$ 20,183.1	\$ 16,252.5
Other assets	1,414.3	2,260.9
Separate account assets	840.1	716.2
Total assets	\$ 22,437.5	\$ 19,229.6
Liabilities and stockholders' equity		
Policyholder liabilities	\$ 19,463.1	\$ 17,464.8
Notes payable	448.9	448.8
Other liabilities	252.1	313.6
Separate account liabilities	840.1	716.2
Total liabilities	21,004.2	18,943.4
Common stock and additional paid-in-capital	1,166.6	1,166.4
Retained earnings	316.4	172.4
Accumulated other comprehensive loss, net of taxes	(49.7)	(1,052.6)
Total stockholders' equity	1,433.3	286.2
Total liabilities and stockholders' equity	\$ 22,437.5	\$ 19,229.6
Book value per share¹	\$ 12.83	\$ 2.56
Non-GAAP financial measures:		
Adjusted book value	\$ 1,483.0	\$ 1,338.8
Reconciliation to stock holders' equity :		
Total stockholders' equity	\$ 1,433.3	\$ 286.2
Less: AOCI	(49.7)	(1,052.6)
Adjusted book value	1,483.0	1,338.8
Add: Assumed proceeds from exercise of warrants	218.1	218.1
Adjusted book value, as converted	\$ 1,701.1	\$ 1,556.9
Adjusted book value per share, as converted ²	\$ 15.23	\$ 13.95

¹ Book value per share is calculated based on stockholders' equity divided by outstanding common shares and shares subject to outstanding warrants, totaling 111,705,199 and 111,622,039 as of December 31, 2009 and 2008, respectively.

² Adjusted book value per share, as converted, is calculated based on adjusted book value, as converted, divided by outstanding common shares and shares subject to outstanding warrants, totaling 111,705,199 and 111,622,039 as of December 31, 2009 and 2008, respectively.

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

	Three Months Ended December 31		Twelve Months Ended December 31	
	2009	2008	2009	2008
Segment pretax adjusted operating income (loss)				
Group	\$ 10.7	\$ 15.2	\$ 55.4	\$ 66.9
Retirement Services	17.3	9.2	58.6	36.6
Income Annuities	9.4	8.5	42.4	36.5
Individual	14.7	16.7	66.3	59.7
Other	(5.7)	(15.5)	(11.5)	(31.6)
Subtotal	46.4	34.1	211.2	168.1
Add: Net realized investment losses	(0.3)	(54.7)	(29.3)	(158.0)
Less: Net realized and unrealized investment gains (losses) on FIA options	0.6	0.7	0.8	(2.9)
Income (loss) from operations before income taxes	<u>\$ 45.5</u>	<u>\$ (21.3)</u>	<u>\$ 181.1</u>	<u>\$ 13.0</u>
			Twelve Months Ended December 31	
			2009	2008
Reconciliation of ROE to Operating ROAE:				
ROE			15.4%	2.6%
Average stockholders' equity ¹			\$ 832.4	\$ 861.8
Non-GAAP financial measures:				
Operating ROAE			10.5%	9.2%
Average adjusted book value ²			\$1,407.7	\$1,329.8

¹ Average stockholders' equity is derived by averaging ending stockholders' equity for the most recent five quarters.

² Average adjusted book value is derived by averaging ending adjusted book value for the most recent five quarters.

February 10, 2010

FOURTH QUARTER 2009

Symetra Financial Corporation (SYA)

Financial Supplement

All financial information in this document is unaudited

Reach for great things:

SYMETRA.
FINANCIAL

Symetra Financial Corporation
Financial Supplement
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December 31, 2009

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Symetra Financial Corporation
4Q 2009 Financial Supplement
Financial Highlights
(In millions, except per share and metric or percentage data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Net income (loss)	\$ 32.1	\$ 44.1	\$ 47.0	\$ 5.1	\$ (4.9)	\$ 128.3	\$ 22.1
Net income (loss) per common share ¹							
Basic	\$ 0.29	\$ 0.40	\$ 0.42	\$ 0.05	\$ (0.05)	\$ 1.15	\$ 0.20
Diluted	\$ 0.29	\$ 0.40	\$ 0.42	\$ 0.05	\$ (0.05)	\$ 1.15	\$ 0.20
Weighted average common shares outstanding:							
Basic	111.622	111.622	111.622	111.622	92.646	111.622	111.622
Diluted	111.634	111.624	111.622	111.622	92.646	111.626	111.622
Non-GAAP Financial Measures ²							
Adjusted operating income	\$ 32.7	\$ 37.7	\$ 45.3	\$ 32.2	\$ 31.1	\$ 147.9	\$ 122.9
Adjusted operating income per common share ¹ :							
Basic	\$ 0.29	\$ 0.34	\$ 0.40	\$ 0.29	\$ 0.28	\$ 1.32	\$ 1.10
Diluted	\$ 0.29	\$ 0.34	\$ 0.40	\$ 0.29	\$ 0.28	\$ 1.32	\$ 1.10
Weighted average common shares outstanding:							
Basic	111.622	111.622	111.622	111.622	111.622	111.622	111.622
Diluted	111.634	111.624	111.622	111.622	111.622	111.626	111.622

Consolidated Balance Sheet Data	As of:				
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008
Total investments	\$20,183.1	\$20,035.2	\$18,357.0	\$17,084.8	\$16,252.5
Total assets	22,437.5	22,226.0	21,113.4	19,948.7	19,229.6
Notes payable	448.9	448.9	448.8	448.8	448.8
Accumulated other comprehensive income (loss) (net of taxes) (AOCI)	(49.7)	29.8	(642.9)	(1,161.1)	(1,052.6)
Total stockholders' equity	1,433.3	1,480.5	763.7	198.5	286.2
U.S. Statutory Financial Information:					
Statutory capital and surplus	\$ 1,415.4	\$ 1,331.7	\$ 1,289.5	\$ 1,155.8	\$ 1,179.0
Asset valuation reserve (AVR)	120.5	117.3	117.1	99.8	113.7
Statutory capital and surplus and AVR	\$ 1,535.9	\$ 1,449.0	\$ 1,406.6	\$ 1,255.6	\$ 1,292.7
Book value per common share	\$ 12.83	\$ 13.25	\$ 6.84	\$ 1.78	\$ 2.56
Debt to capital ratio	23.8%	23.3%	37.0%	69.3%	61.1%
Non-GAAP Financial Measures ²					
Adjusted book value (stockholders' equity excluding AOCI)	\$ 1,483.0	\$ 1,450.7	\$ 1,406.6	\$ 1,359.6	\$ 1,338.8
Adjusted book value per common share :					
Adjusted book value per common share ³	\$ 15.99	\$ 15.65	\$ 15.18	\$ 14.68	\$ 14.45
Adjusted book value per common share, as converted ⁴	\$ 15.23	\$ 14.94	\$ 14.56	\$ 14.13	\$ 13.95
Debt to capital ratio, excluding AOCI ⁵	23.2%	23.6%	24.2%	24.8%	25.1%

	For the Twelve Months Ended				
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008
ROE	15.4%	13.9%	7.5%	3.7%	2.6%
Non-GAAP Financial Measure ²					
Operating ROAE ⁶	10.5%	10.6%	10.7%	9.9%	9.2%

¹ Basic net income (loss) and adjusted operating income per common share assumes that all participating securities including warrants have been outstanding since the beginning of the period using the two-class method. Quarterly average earnings per share amounts may not add to the full year amounts as holders of outstanding warrants do not participate in losses. Diluted net income (loss) and adjusted operating income per common share includes the dilutive impact of non-participating, unvested restricted stock awards, based on the application of the treasury stock method, weighted for the portion of the period they were outstanding.

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, and operating ROAE have been reconciled to their nearest GAAP measures on pages 2, 15, and 14, respectively.

- 3 Adjusted book value per common share is calculated based on adjusted book value, divided by outstanding common shares.
- 4 Adjusted book value per common share, as converted, gives effect to the exercise of the outstanding warrants and is calculated based on adjusted book value plus the assumed proceeds from the warrants, divided by outstanding common shares, plus shares subject to outstanding warrants.
- 5 Debt to capital ratio 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. The numerator and denominator of this measure have been reconciled to net income and stockholders' equity, respectively, their most comparable GAAP measures.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Consolidated Income Statement Data
(In millions, except per share data)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Premiums and other considerations	\$ 143.5	\$ 142.1	\$ 142.6	\$ 145.5	\$ 144.4	\$ 573.6	\$ 584.8
Net investment income	284.2	283.6	283.1	262.7	238.5	1,113.6	956.5
Other revenues	13.1	14.7	14.9	13.6	15.8	56.4	67.8
Net realized investment gains (losses):							
Total other-than-temporary impairment losses on securities	(23.3)	(44.1)	(72.2)	(51.6)	(24.7)	(191.2)	(86.4)
Less: portion of losses recognized in other comprehensive income	10.5	26.7	43.7	23.8	—	104.7	—
Net impairment losses recognized in earnings	(12.8)	(17.4)	(28.5)	(27.8)	(24.7)	(86.5)	(86.4)
Other net realized investment gains (losses)	12.5	28.7	31.2	(15.2)	(30.0)	57.2	(71.6)
Total net realized investment gains (losses)	(0.3)	11.3	2.7	(43.0)	(54.7)	(29.3)	(158.0)
Total revenues	440.5	451.7	443.3	378.8	344.0	1,714.3	1,451.1
Benefits and expenses:							
Policyholder benefits and claims	88.4	85.6	82.1	94.4	88.4	350.5	348.5
Interest credited	217.6	220.5	213.1	195.6	197.0	846.8	766.1
Other underwriting and operating expenses	66.0	61.7	62.0	63.0	63.9	252.7	265.8
Interest expense	8.0	7.9	8.0	7.9	7.9	31.8	31.9
Amortization of deferred policy acquisition costs	15.0	13.8	11.9	10.7	8.1	51.4	25.8
Total benefits and expenses	395.0	389.5	377.1	371.6	365.3	1,533.2	1,438.1
Income (loss) from operations before income taxes	45.5	62.2	66.2	7.2	(21.3)	181.1	13.0
Provision (benefit) for income taxes:							
Current	10.9	(15.7)	9.6	1.9	(10.3)	6.7	23.8
Deferred	2.5	33.8	9.6	0.2	(6.1)	46.1	(32.9)
Total provision (benefit) for income taxes	13.4	18.1	19.2	2.1	(16.4)	52.8	(9.1)
Net income (loss)	\$ 32.1	\$ 44.1	\$ 47.0	\$ 5.1	\$ (4.9)	\$ 128.3	\$ 22.1
Net income (loss) per common share¹:							
Basic	\$ 0.29	\$ 0.40	\$ 0.42	\$ 0.05	\$ (0.05)	\$ 1.15	\$ 0.20
Diluted	\$ 0.29	\$ 0.40	\$ 0.42	\$ 0.05	\$ (0.05)	\$ 1.15	\$ 0.20
Weighted average number of common shares outstanding:							
Basic	111.622	111.622	111.622	111.622	92.646	111.622	111.622
Diluted	111.634	111.624	111.622	111.622	92.646	111.626	111.622
Cash dividends declared per common share	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Non-GAAP Financial Measures:							
Adjusted operating income	\$ 32.7	\$ 37.7	\$ 45.3	\$ 32.2	\$ 31.1	\$ 147.9	\$ 122.9
Adjusted operating income per common share ¹ :							

Basic	\$ 0.29	\$ 0.34	\$ 0.40	\$ 0.29	\$ 0.28	\$ 1.32	\$ 1.10
Diluted	\$ 0.29	\$ 0.34	\$ 0.40	\$ 0.29	\$ 0.28	\$ 1.32	\$ 1.10
Weighted average number of common shares outstanding:							
Basic	111.622	111.622	111.622	111.622	111.622	111.622	111.622
Diluted	111.634	111.624	111.622	111.622	111.622	111.626	111.622
Reconciliation to net income (loss):							
Net income (loss)	\$ 32.1	\$ 44.1	\$ 47.0	\$ 5.1	\$ (4.9)	\$ 128.3	\$ 22.1
Less: Net realized investment gains (losses) (net of taxes)	(0.2)	7.3	1.8	(28.0)	(35.5)	(19.1)	(102.7)
Add: Net realized and unrealized investment gains (losses) on FIA options (net of taxes)	0.4	0.9	0.1	(0.9)	0.5	0.5	(1.9)
Adjusted operating income	<u>\$ 32.7</u>	<u>\$ 37.7</u>	<u>\$ 45.3</u>	<u>\$ 32.2</u>	<u>\$ 31.1</u>	<u>\$ 147.9</u>	<u>\$ 122.9</u>

¹ Net income (loss) and adjusted operating income per common share (basic and diluted) assumes that all participating securities, including warrants, have been outstanding since the beginning of the period, using the two-class method. Quarterly average earnings per share amounts may not add to the full year amounts as holders of outstanding warrants do not participate in losses. Diluted net income (loss) and adjusted operating income per common share include the dilutive impact of non-participating, unvested restricted stock awards, based on the application of the treasury stock method, weighted for the portion of the period they were outstanding.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Consolidated Balance Sheet Data
(In millions)

	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008
Assets					
Investments:					
Available-for-sale securities:					
Fixed maturities, at fair value	\$18,594.3	\$18,542.3	\$16,933.9	\$15,726.6	\$14,887.6
Marketable equity securities, at fair value	36.7	35.4	33.6	22.7	38.1
Trading securities:					
Marketable equity securities, at fair value	154.1	140.6	116.1	96.7	106.3
Mortgage loans, net	1,201.7	1,095.2	1,038.2	1,010.4	988.7
Policy loans	73.9	73.9	74.1	74.9	75.2
Short-term investments	2.1	2.5	2.6	6.6	9.4
Investments in limited partnerships	110.2	133.4	151.4	139.8	138.3
Other invested assets	10.1	11.9	7.1	7.1	8.9
Total investments	20,183.1	20,035.2	18,357.0	17,084.8	16,252.5
Cash and cash equivalents	257.8	241.7	435.0	320.6	468.0
Accrued investment income	237.2	243.0	230.4	224.0	206.3
Accounts receivable and other receivables	70.1	66.1	72.9	53.2	61.7
Reinsurance recoverables	276.6	269.9	266.4	262.3	264.2
Deferred policy acquisition costs	250.4	240.8	307.4	301.9	247.5
Goodwill	26.3	25.8	25.3	24.8	24.3
Current income tax recoverable	20.2	25.1	2.4	18.9	21.1
Deferred income tax assets, net	191.2	150.9	546.8	835.5	785.8
Property, equipment and leasehold improvements, net	14.9	16.2	17.2	17.9	18.9
Other assets	69.6	61.3	72.5	65.1	57.4
Securities lending collateral	—	31.4	44.4	93.6	105.7
Separate account assets	840.1	818.6	735.7	646.1	716.2
Total assets	\$22,437.5	\$22,226.0	\$21,113.4	\$19,948.7	\$19,229.6
Liabilities and stockholders' equity					
Funds held under deposit contracts	\$18,816.7	\$18,586.1	\$18,139.8	\$17,671.0	\$16,810.4
Future policy benefits	394.9	394.7	394.3	392.0	392.1
Policy and contract claims	125.6	134.6	132.3	124.5	133.1
Unearned premiums	12.1	13.0	12.8	12.9	11.9
Other policyholders' funds	113.8	90.8	138.6	154.7	117.3
Notes payable	448.9	448.9	448.8	448.8	448.8
Other liabilities	252.1	227.4	303.0	206.6	207.9
Securities lending payable	—	31.4	44.4	93.6	105.7
Separate account liabilities	840.1	818.6	735.7	646.1	716.2
Total liabilities	21,004.2	20,745.5	20,349.7	19,750.2	18,943.4
Preferred stock	—	—	—	—	—
Common stock	0.9	0.9	0.9	0.9	0.9
Additional paid-in-capital	1,165.7	1,165.5	1,165.5	1,165.5	1,165.5
Retained earnings	316.4	284.3	240.2	193.2	172.4
Accumulated other comprehensive income (loss), net of taxes	(49.7)	29.8	(642.9)	(1,161.1)	(1,052.6)
Total stockholders' equity	1,433.3	1,480.5	763.7	198.5	286.2
Total liabilities and stockholders' equity	\$22,437.5	\$22,226.0	\$21,113.4	\$19,948.7	\$19,229.6

Symetra Financial Corporation
4Q 2009 Financial Supplement
Segment Income Statement Data
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Operating revenues:							
Group:							
Total revenues	\$ 113.9	\$ 113.7	\$ 115.3	\$ 118.2	\$ 120.1	\$ 461.1	\$ 486.5
Less: Net realized investment losses	(0.9)	(1.5)	(1.3)	(0.1)	—	(3.8)	(0.1)
Operating revenues	\$ 114.8	\$ 115.2	\$ 116.6	\$ 118.3	\$ 120.1	\$ 464.9	\$ 486.6
Retirement Services:							
Total revenues	\$ 107.6	\$ 109.0	\$ 94.4	\$ 73.3	\$ 73.2	\$ 384.3	\$ 260.6
Less: Net realized investment gains (losses)	(3.0)	0.9	(4.9)	(13.5)	(3.8)	(20.5)	(20.8)
Add: Net realized and unrealized investment gains (losses) on FIA options	0.6	1.4	0.2	(1.4)	0.7	0.8	(2.9)
Operating revenues	\$ 111.2	\$ 109.5	\$ 99.5	\$ 85.4	\$ 77.7	\$ 405.6	\$ 278.5
Income Annuities:							
Total revenues	\$ 116.8	\$ 123.7	\$ 120.0	\$ 82.5	\$ 61.2	\$ 443.0	\$ 324.7
Less: Net realized investment gains (losses)	12.4	18.9	12.8	(24.0)	(45.6)	20.1	(99.6)
Operating revenues	\$ 104.4	\$ 104.8	\$ 107.2	\$ 106.5	\$ 106.8	\$ 422.9	\$ 424.3
Individual:							
Total revenues	\$ 99.7	\$ 102.0	\$ 105.7	\$ 98.3	\$ 97.6	\$ 405.7	\$ 388.7
Less: Net realized investment gains (losses)	(6.2)	(3.5)	0.4	(4.8)	(3.6)	(14.1)	(16.8)
Operating revenues	\$ 105.9	\$ 105.5	\$ 105.3	\$ 103.1	\$ 101.2	\$ 419.8	\$ 405.5
Other:							
Total revenues	\$ 2.5	\$ 3.3	\$ 7.9	\$ 6.5	\$ (8.1)	\$ 20.2	\$ (9.4)
Less: Net realized investment losses	(2.6)	(3.5)	(4.3)	(0.6)	(1.7)	(11.0)	(20.7)
Operating revenues	\$ 5.1	\$ 6.8	\$ 12.2	\$ 7.1	\$ (6.4)	\$ 31.2	\$ 11.3
Segment pre-tax adjusted operating income (loss):							
Group	\$ 10.7	\$ 16.0	\$ 17.2	\$ 11.5	\$ 15.2	\$ 55.4	\$ 66.9
Retirement Services	17.3	16.2	16.1	9.0	9.2	58.6	36.6
Income Annuities	9.4	8.3	10.3	14.4	8.5	42.4	36.5
Individual	14.7	15.9	18.5	17.2	16.7	66.3	59.7
Other	(5.7)	(4.1)	1.6	(3.3)	(15.5)	(11.5)	(31.6)
Total	\$ 46.4	\$ 52.3	\$ 63.7	\$ 48.8	\$ 34.1	\$ 211.2	\$ 168.1

Symetra Financial Corporation
4Q 2009 Financial Supplement
Group Segment
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Premiums and other considerations	\$ 108.1	\$ 106.5	\$ 107.9	\$ 109.7	\$ 111.0	\$ 432.2	\$ 449.8
Net investment income	4.5	4.5	4.3	4.5	4.4	17.8	17.8
Other revenues	2.2	4.2	4.4	4.1	4.7	14.9	19.0
Net realized investment losses:							
Total other-than-temporary impairment losses on securities	(2.7)	(3.4)	(4.6)	(0.5)	—	(11.2)	(0.1)
Less portion of losses recognized in other comprehensive income	1.8	2.7	3.2	0.4	—	8.1	—
Net impairment losses recognized in earnings	(0.9)	(0.7)	(1.4)	(0.1)	—	(3.1)	(0.1)
Other net realized investment gains (losses)	—	(0.8)	0.1	—	—	(0.7)	—
Net realized investment losses	(0.9)	(1.5)	(1.3)	(0.1)	—	(3.8)	(0.1)
Total revenues	113.9	113.7	115.3	118.2	120.1	461.1	486.5
Benefits and expenses:							
Policyholder benefits and claims	75.5	71.7	71.3	76.9	73.9	295.4	295.9
Other underwriting and operating expenses	26.5	25.6	26.2	27.9	29.0	106.2	115.7
Amortization of deferred policy acquisition costs	2.1	1.9	1.9	2.0	2.0	7.9	8.1
Total benefits and expenses	104.1	99.2	99.4	106.8	104.9	409.5	419.7
Segment pre-tax income	9.8	14.5	15.9	11.4	15.2	51.6	66.8
Less: Net realized investment losses	(0.9)	(1.5)	(1.3)	(0.1)	—	(3.8)	(0.1)
Segment pre-tax adjusted operating income	\$ 10.7	\$ 16.0	\$ 17.2	\$ 11.5	\$ 15.2	\$ 55.4	\$ 66.9
Operating Metrics:							
Group loss ratio ¹	69.9%	67.3%	66.1%	70.1%	66.6%	68.3%	65.8%
Expense ratio ²	25.6%	23.9%	23.9%	24.6%	24.9%	24.5%	24.8%
Combined ratio ³	95.5%	91.2%	90.0%	94.7%	91.5%	92.8%	90.6%
Medical stop-loss — loss ratio ⁴	71.3%	68.7%	67.7%	71.6%	71.4%	69.8%	67.9%
Total sales ⁵	\$ 13.4	\$ 27.1	\$ 14.0	\$ 36.8	\$ 9.0	\$ 91.3	\$ 112.6
Premiums:							
Medical stop-loss	\$ 97.9	\$ 96.3	\$ 97.7	\$ 99.5	\$ 100.3	\$ 391.4	\$ 406.8
Limited medical benefits	7.7	7.7	7.6	7.5	8.1	30.5	33.1
Other	2.5	2.5	2.6	2.7	2.6	10.3	9.9
Total premiums earned	\$ 108.1	\$ 106.5	\$ 107.9	\$ 109.7	\$ 111.0	\$ 432.2	\$ 449.8

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

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

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

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

⁵ Total sales represents annualized first-year premiums.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Retirement Services Segment
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Premiums and other considerations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 0.1
Net investment income	106.2	103.5	95.3	83.0	72.7	388.0	261.1
Other revenues	4.4	4.6	4.0	3.8	4.3	16.8	20.2
Net realized investment gains (losses):							
Total other-than-temporary impairment losses on securities	(3.8)	(6.3)	(25.4)	(21.4)	(7.8)	(56.9)	(20.7)
Less portion of losses recognized in other comprehensive income	—	1.9	14.0	7.5	—	23.4	—
Net impairment losses recognized in earnings	(3.8)	(4.4)	(11.4)	(13.9)	(7.8)	(33.5)	(20.7)
Other net realized investment gains (losses)	0.8	5.3	6.5	0.4	4.0	13.0	(0.1)
Net realized investment gains (losses)	(3.0)	0.9	(4.9)	(13.5)	(3.8)	(20.5)	(20.8)
Total revenues	107.6	109.0	94.4	73.3	73.2	384.3	260.6
Benefits and expenses:							
Policyholder benefits and claims	—	(1.3)	(0.4)	(0.5)	(0.1)	(2.2)	(6.8)
Interest credited	69.7	70.5	61.1	55.6	49.2	256.9	176.4
Other underwriting and operating expenses	14.6	13.6	14.2	13.5	12.9	55.9	57.4
Amortization of deferred policy acquisition costs	9.6	10.5	8.5	7.8	6.5	36.4	14.9
Total benefits and expenses	93.9	93.3	83.4	76.4	68.5	347.0	241.9
Segment pre-tax income	13.7	15.7	11.0	(3.1)	4.7	37.3	18.7
Less: Net realized investment losses	(3.0)	0.9	(4.9)	(13.5)	(3.8)	(20.5)	(20.8)
Add: Net realized and unrealized investment gains (losses) on FIA options	0.6	1.4	0.2	(1.4)	0.7	0.8	(2.9)
Segment pre-tax adjusted operating income	\$ 17.3	\$ 16.2	\$ 16.1	\$ 9.0	\$ 9.2	\$ 58.6	\$ 36.6
Operating Metrics:							
Account Values — Fixed annuities	\$7,655.7	\$7,464.1	\$7,025.6	\$6,588.5	\$5,724.9	\$7,655.7	\$5,724.9
Account Values — Variable annuities	755.7	736.9	664.1	583.1	645.7	755.7	645.7
Interest spread on average account values ¹	1.83%	1.90%	1.82%	1.63%	1.57%	1.81%	1.67%
Total sales ²	\$ 261.9	\$ 486.9	\$ 568.5	\$ 911.1	\$ 624.1	\$2,228.4	\$1,766.5

¹ Interest spread is the difference between net investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the segment. The credited interest rate is the approximate rate credited on policyholder fixed account values within the segment. Interest credited is subject to contractual terms, including minimum guarantees. Interest spread tends to move gradually over time to reflect market interest rate movements and may reflect actions by management to respond to competitive pressures and profit targets.

² Total sales represent deposits for new policies.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Income Annuities Segment
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Net investment income	\$ 104.3	\$ 104.7	\$ 107.1	\$ 106.3	\$ 106.5	\$ 422.4	\$ 423.4
Other revenues	0.1	0.1	0.1	0.2	0.3	0.5	0.9
Net realized investment gains (losses):							
Total other-than-temporary impairment losses on securities	(9.8)	(24.4)	(32.1)	(20.1)	(12.8)	(86.4)	(35.4)
Less portion of losses recognized in other comprehensive income	8.3	14.9	22.6	12.0	—	57.8	—
Net impairment losses recognized in earnings	(1.5)	(9.5)	(9.5)	(8.1)	(12.8)	(28.6)	(35.4)
Other net realized investment gains (losses)	13.9	28.4	22.3	(15.9)	(32.8)	48.7	(64.2)
Net realized investment gains (losses)	12.4	18.9	12.8	(24.0)	(45.6)	20.1	(99.6)
Total revenues	116.8	123.7	120.0	82.5	61.2	443.0	324.7
Benefits and expenses:							
Interest credited	89.2	90.7	91.3	86.7	92.1	357.9	364.5
Other underwriting and operating expenses	5.4	5.4	5.2	5.0	5.8	21.0	21.9
Amortization of deferred policy acquisition costs	0.4	0.4	0.4	0.4	0.4	1.6	1.4
Total benefits and expenses	95.0	96.5	96.9	92.1	98.3	380.5	387.8
Segment pre-tax income (loss)	21.8	27.2	23.1	(9.6)	(37.1)	62.5	(63.1)
Less: Net realized investment gains (losses)	12.4	18.9	12.8	(24.0)	(45.6)	20.1	(99.6)
Segment pre-tax adjusted operating income	\$ 9.4	\$ 8.3	\$ 10.3	\$ 14.4	\$ 8.5	\$ 42.4	\$ 36.5
Operating Metrics:							
Reserves ¹	\$6,726.3	\$6,722.7	\$6,722.6	\$6,742.7	\$6,761.2	\$6,726.3	\$6,761.2
Interest spread on reserves ²	0.43%	0.48%	0.62%	0.59%	0.61%	0.53%	0.59%
Mortality gains (losses) ³	\$ 1.3	\$ —	\$ (0.5)	\$ 4.3	\$ (1.4)	\$ 5.1	\$ 2.1
Total sales ⁴	83.8	70.7	56.9	40.4	34.5	251.8	140.8

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

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

³ Mortality gains (losses) represents the difference between actual and expected reserves released on death of a life contingent annuity.

⁴ Total sales represent deposits for new policies.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Individual Segment
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Premiums and other considerations	\$ 35.4	\$ 35.5	\$ 34.7	\$ 35.8	\$ 33.4	\$ 141.4	\$ 134.9
Net investment income	67.2	66.9	67.0	64.1	64.0	265.2	254.6
Other revenues	3.3	3.1	3.6	3.2	3.8	13.2	16.0
Net realized investment gains (losses):							
Total other-than-temporary impairment losses on securities	(6.6)	(3.9)	(5.6)	(8.2)	(3.1)	(24.3)	(15.9)
Less portion of losses recognized in other comprehensive income	1.5	2.5	3.5	3.1	—	10.6	—
Net impairment losses recognized in earnings	(5.1)	(1.4)	(2.1)	(5.1)	(3.1)	(13.7)	(15.9)
Other net realized investment gains (losses)	(1.1)	(2.1)	2.5	0.3	(0.5)	(0.4)	(0.9)
Net realized investment gains (losses)	(6.2)	(3.5)	0.4	(4.8)	(3.6)	(14.1)	(16.8)
Total revenues	99.7	102.0	105.7	98.3	97.6	405.7	388.7
Benefits and expenses:							
Policyholder benefits and claims	12.9	15.2	11.2	18.0	14.6	57.3	59.4
Interest credited	59.6	60.0	61.8	53.9	56.4	235.3	227.7
Other underwriting and operating expenses	15.8	13.4	12.7	13.5	14.3	55.4	57.3
Amortization of deferred policy acquisition costs	2.9	1.0	1.1	0.5	(0.8)	5.5	1.4
Total benefits and expenses	91.2	89.6	86.8	85.9	84.5	353.5	345.8
Segment pre-tax income	8.5	12.4	18.9	12.4	13.1	52.2	42.9
Less: Net realized investment gains (losses)	(6.2)	(3.5)	0.4	(4.8)	(3.6)	(14.1)	(16.8)
Segment pre-tax adjusted operating income	\$ 14.7	\$ 15.9	\$ 18.5	\$ 17.2	\$ 16.7	\$ 66.3	\$ 59.7
Operating Metrics:							
Insurance in force (direct) ¹	\$50,030.3	\$50,215.6	\$50,475.8	\$50,884.8	\$51,313.5	\$50,030.3	\$51,313.5
Mortality ratio ²	67.5%	72.7%	79.0%	82.3%	68.9%	75.3%	79.2%
BOLI account value ³	\$ 3,789.1	\$ 3,754.9	\$ 3,741.2	\$ 3,759.8	\$ 3,700.4	\$ 3,789.1	\$ 3,700.4
UL account value ³	583.8	584.8	580.0	579.3	580.3	583.8	580.3
PGAAP reserve balance ⁴	36.7	38.9	42.2	46.4	49.2	36.7	49.2
BOLI ROA ⁵	0.65%	1.09%	1.24%	1.34%	0.93%	1.08%	1.13%
UL interest spread ⁶	1.11%	1.27%	1.26%	1.20%	1.06%	1.20%	1.14%
Total sales, excluding BOLI ⁷	\$ 2.7	\$ 2.9	\$ 2.4	\$ 2.5	\$ 2.4	\$ 10.5	\$ 7.2
BOLI sales ⁸	—	—	—	2.5	—	2.5	2.9

¹ Insurance in force represents dollar face amounts of policies.

² Mortality ratio represents actual mortality experience as a percentage of an industry mortality benchmark. This benchmark is an expected level of claims that is derived by applying our current in force business to the Society of Actuaries 1990-95 Basic Select and Ultimate Mortality Table.

³ BOLI account value and UL account value represent our liability to our policyholders.

⁴ Purchase accounting reserve, or PGAAP reserve, represents impact of purchase accounting on policyholder liabilities. This PGAAP reserve is amortized as a reduction to policyholder benefits according to the pattern of profitability of the book of business of policies in force at the purchase accounting date, August 2, 2004.

⁵ The BOLI ROA is a measure of the gross margin on our BOLI book of business. This metric is calculated as the difference between our BOLI revenue earnings rate and our BOLI policy benefits rate. The revenue earnings rate is calculated as revenues divided by average invested assets. The policy benefits rate is calculated as total policy benefits divided by average account value. The policy benefits used in this metric do not include expenses.

⁶ UL interest spread is the difference between the investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the UL policies. The credited interest rate is the

approximate rate credited on UL policyholder fixed account values. Interest credited to UL policyholders' account values is subject to contractual terms, including minimum guarantees. Interest credited tends to move gradually over time to reflect market interest rate movements and may reflect actions by management to respond to competitive pressures and profit targets. The 2009 fourth quarter and year-to-date credited rate to policyholders has been adjusted to exclude a reserve adjustment related to a system conversion. Without this adjustment the fourth quarter and year-to-date UL interest spread would be 4.83 and 2.13, respectively.

- 7 Total sales, excluding BOLI represent annualized first year premiums, and deposits for new policies excluding BOLI sales.
- 8 BOLI sales represent 10% of new BOLI total deposits.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Other Segment
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenues:							
Net investment income (loss)	\$ 2.0	\$ 4.0	\$ 9.4	\$ 4.8	\$ (9.1)	\$ 20.2	\$ (0.4)
Other revenues	3.1	2.8	2.8	2.3	2.7	11.0	11.7
Net realized investment losses:							
Total other-than-temporary impairment losses on securities	(0.4)	(6.1)	(4.5)	(1.4)	(1.0)	(12.4)	(14.3)
Less portion of losses recognized in other comprehensive income	(1.1)	4.7	0.4	0.8	—	4.8	—
Net impairment losses recognized in earnings	(1.5)	(1.4)	(4.1)	(0.6)	(1.0)	(7.6)	(14.3)
Other net realized investment losses	(1.1)	(2.1)	(0.2)	—	(0.7)	(3.4)	(6.4)
Net realized investment losses	(2.6)	(3.5)	(4.3)	(0.6)	(1.7)	(11.0)	(20.7)
Total revenues	2.5	3.3	7.9	6.5	(8.1)	20.2	(9.4)
Benefits and expenses:							
Interest credited	(0.9)	(0.7)	(1.1)	(0.6)	(0.7)	(3.3)	(2.5)
Other underwriting and operating expenses	3.7	3.7	3.7	3.1	1.9	14.2	13.5
Interest expense	8.0	7.9	8.0	7.9	7.9	31.8	31.9
Total benefits and expenses	10.8	10.9	10.6	10.4	9.1	42.7	42.9
Segment pre-tax loss	(8.3)	(7.6)	(2.7)	(3.9)	(17.2)	(22.5)	(52.3)
Less: Net realized investment losses	(2.6)	(3.5)	(4.3)	(0.6)	(1.7)	(11.0)	(20.7)
Segment pre-tax adjusted operating income (loss)	<u>\$ (5.7)</u>	<u>\$ (4.1)</u>	<u>\$ 1.6</u>	<u>\$ (3.3)</u>	<u>\$ (15.5)</u>	<u>\$ (11.5)</u>	<u>\$ (31.6)</u>

Symetra Financial Corporation
4Q 2009 Financial Supplement
Account Value and Reserve Roll Forwards
(In millions)

	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Retirement Services:							
<i>Fixed Account Values</i>							
Account value, beginning of period	\$7,464.1	\$7,025.6	\$6,588.5	\$5,724.9	\$5,202.9	\$5,724.9	\$4,445.4
Deposits	307.8	514.1	597.6	936.0	638.8	2,355.5	1,787.1
Interest credited	78.3	78.7	69.5	61.8	54.5	288.3	191.0
Withdrawals and transfers	(191.3)	(148.8)	(158.0)	(166.9)	(206.7)	(665.0)	(750.0)
Other	(3.2)	(5.5)	(72.0)	32.7	35.4	(48.0)	51.4
Account value, end of period	\$7,655.7	\$7,464.1	\$7,025.6	\$6,588.5	\$5,724.9	\$7,655.7	\$5,724.9
Income Annuities:							
<i>Reserves</i>							
Reserves, beginning of period	\$6,722.7	\$6,722.6	\$6,742.7	\$6,761.2	\$6,796.3	\$6,761.2	\$6,895.4
Deposits	80.5	66.9	56.0	38.8	33.1	242.2	136.6
Interest credited	96.8	96.9	96.9	97.1	97.5	387.7	391.6
Benefit payments	(170.3)	(174.0)	(167.1)	(148.5)	(166.2)	(659.9)	(643.9)
Other	(3.4)	10.3	(5.9)	(5.9)	0.5	(4.9)	(18.5)
Reserves, end of period	\$6,726.3	\$6,722.7	\$6,722.6	\$6,742.7	\$6,761.2	\$6,726.3	\$6,761.2
Individual:							
<i>BOLI Account Values</i>							
Account value, beginning of period	\$3,754.9	\$3,741.2	\$3,759.8	\$3,700.4	\$3,663.9	\$3,700.4	\$3,527.2
Deposits	—	—	—	25.0	—	25.0	28.9
Interest credited	50.7	52.5	55.2	49.7	50.8	208.1	202.8
Surrenders	—	(24.9)	(59.0)	—	(12.0)	(83.9)	(47.4)
Administrative charges and other	(16.5)	(13.9)	(14.8)	(15.3)	(2.3)	(60.5)	(11.1)
Account value, end of period	\$3,789.1	\$3,754.9	\$3,741.2	\$3,759.8	\$3,700.4	\$3,789.1	\$3,700.4
<i>UL Account Values</i>							
Account value, beginning of period	\$ 584.8	\$ 580.0	\$ 579.3	\$ 580.3	\$ 578.0	\$ 580.3	\$ 573.6
Deposits	18.9	19.4	15.2	15.5	16.4	69.0	63.1
Interest credited	1.1	6.5	6.5	6.5	6.6	20.6	25.2
Surrenders	(7.0)	(7.2)	(6.7)	(9.3)	(12.7)	(30.2)	(50.6)
Administrative charges and other	(14.0)	(13.9)	(14.3)	(13.7)	(8.0)	(55.9)	(31.0)
Account value, end of period	\$ 583.8	\$ 584.8	\$ 580.0	\$ 579.3	\$ 580.3	\$ 583.8	\$ 580.3

Symetra Financial Corporation
4Q 2009 Financial Supplement
Overview of Liabilities and Associated Unrealized Gain (Loss)
(In millions)

	Policyholder Liability	% of Total	Unrealized gain (loss) ⁶
Illiquid Liabilities			
Structured settlements & other SPIAs ¹	\$ 6,704.2		\$ (221.6)
Deferred annuities with 5 year payout provision or MVA ²	381.0		12.0
Traditional insurance (net of reinsurance) ³	184.9		0.4
Group health & life ³	66.8		—
Total illiquid liabilities	7,336.9	38.5%	(209.2)
Somewhat Liquid Liabilities			
Bank-owned life insurance (BOLI) ⁴	3,864.1		16.5
Deferred annuities with surrender charges > 5%	4,788.2		150.3
Universal life with surrender charges > 5%	151.8		(0.4)
Total somewhat liquid liabilities	8,804.1	46.3%	166.4
Fully Liquid Liabilities			
Deferred annuities with surrender charges of:			
3-5%	412.4		12.9
0-3%	87.6		2.7
No surrender charges ⁵	1,955.7		61.4
Universal life and whole life with surrender charges < 5%	437.9		(1.0)
Total fully liquid liabilities	2,893.6	15.2%	76.0
Assets supporting surplus portfolio			(13.2)
Total book value of liabilities from above	<u>\$ 19,034.6</u>	<u>100.0%</u>	<u>\$ 20.0</u>
Reconciliation of unrealized gain (loss) to AOCI:			
Adjustment for deferred policy acquisition costs and deferred sales inducements valuation allowance, net of tax			(60.9)
Tax on unrealized gains and losses on available for sale securities			(7.0)
Other			(1.8)
AOCI			<u>\$ (49.7)</u>

- ¹ These contracts cannot be surrendered. The benefits are specified in the contracts as fixed amounts to be paid over the next several decades.
- ² In a liquidity crisis situation, we could invoke the five-year payout provision so that the contract value with interest is paid out ratably over five years.
- ³ The surrender value on these contracts is generally zero.
- ⁴ The biggest deterrent to surrender is the taxation on the gain within these contracts, which includes a 10% non-deductible penalty tax. Banks can exchange certain of these contracts with other carriers, tax-free. However, a significant portion of this business may not qualify for this tax-free treatment due to the employment status of the original covered employees.
- ⁵ Approximately half of this business has been with the Company for over a decade, contains lifetime minimum interest guarantees of 4.0% to 4.5% and has been free of surrender charges for many years. This business has experienced high persistency given the high lifetime guarantees that have not been available in the market on new issues for many years.
- ⁶ Represents the pre-tax unrealized gain (loss) of the investment portfolio supporting the related policyholder liability.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Investments Summary
(In millions)

	Dec. 31, 2009	%	Sep. 30, 2009	%	Jun. 30, 2009	%	Mar. 31, 2009	%	Dec. 31, 2008	%
Portfolio Composition:										
Available-for-sale securities:										
Fixed maturities, at fair value	\$18,594.3	92.0%	\$18,542.3	92.5%	\$16,933.9	92.3%	\$15,726.6	92.1%	\$14,887.6	91.6%
Marketable equity securities, at fair value	36.7	0.2%	35.4	0.2%	33.6	0.2%	22.7	0.1%	38.1	0.2%
Trading securities:										
Marketable equity securities, at fair value	154.1	0.8%	140.6	0.7%	116.1	0.6%	96.7	0.6%	106.3	0.6%
Mortgage loans, net	1,201.7	6.0%	1,095.2	5.5%	1,038.2	5.7%	1,010.4	5.9%	988.7	6.1%
Policy loans	73.9	0.4%	73.9	0.4%	74.1	0.4%	74.9	0.5%	75.2	0.4%
Short-term investments	2.1	0.0%	2.5	0.0%	2.6	0.0%	6.6	0.0%	9.4	0.1%
Investment in limited partnerships	110.2	0.5%	133.4	0.6%	151.4	0.8%	139.8	0.8%	138.3	0.9%
Other invested assets	10.1	0.1%	11.9	0.1%	7.1	0.0%	7.1	0.0%	8.9	0.1%
Total investments	\$20,183.1	100.0%	\$20,035.2	100.0%	\$18,357.0	100.0%	\$17,084.8	100.0%	\$16,252.5	100.0%
Fixed Maturities Securities by Credit Quality¹:										
1: AAA, AA, A	\$11,031.3	59.3%	\$10,817.9	58.4%	\$ 9,998.9	59.0%	\$ 9,244.8	58.8%	\$ 8,566.3	57.5%
2: BBB	6,530.9	35.1%	6,454.5	34.8%	5,788.8	34.2%	5,580.5	35.5%	5,553.8	37.3%
Total investment grade	17,562.2	94.4%	17,272.4	93.2%	15,787.7	93.2%	14,825.3	94.3%	14,120.1	94.8%
3: BB	641.3	3.5%	709.6	3.8%	673.6	4.0%	542.0	3.4%	475.6	3.2%
4: B	219.2	1.2%	292.8	1.6%	314.9	1.9%	265.5	1.7%	216.1	1.5%
5: CCC & lower	113.5	0.6%	206.8	1.1%	123.3	0.7%	68.1	0.4%	73.1	0.5%
6: In or near default	58.1	0.3%	60.7	0.3%	34.4	0.2%	25.7	0.2%	2.7	0.0%
Total below investment grade	1,032.1	5.6%	1,269.9	6.8%	1,146.2	6.8%	901.3	5.7%	767.5	5.2%
Total fixed maturities	\$18,594.3	100.0%	\$18,542.3	100.0%	\$16,933.9	100.0%	\$15,726.6	100.0%	\$14,887.6	100.0%
Fixed Maturities by Issuer Type:										
U.S. government and agencies	\$ 43.9	0.2%	\$ 45.7	0.2%	\$ 153.9	0.9%	\$ 153.1	1.0%	\$ 156.8	1.1%
State and political subdivisions	483.0	2.6%	484.9	2.6%	449.2	2.6%	439.9	2.8%	424.9	2.9%
Foreign governments	27.4	0.2%	28.2	0.2%	28.7	0.2%	31.8	0.2%	34.6	0.2%
Corporate securities	12,548.6	67.5%	12,414.0	66.9%	11,216.4	66.2%	10,007.1	63.6%	9,306.5	62.4%
Residential mortgage-backed securities	3,536.4	19.0%	3,536.6	19.1%	3,162.4	18.7%	3,221.4	20.5%	3,126.3	21.0%
Commercial mortgage-based securities	1,789.4	9.6%	1,873.4	10.1%	1,790.2	10.6%	1,744.1	11.1%	1,675.0	11.3%
Other debt obligations	165.6	0.9%	159.5	0.9%	133.1	0.8%	129.2	0.8%	163.5	1.1%
Total fixed maturities	\$18,594.3	100.0%	\$18,542.3	100.0%	\$16,933.9	100.0%	\$15,726.6	100.0%	\$14,887.6	100.0%
Effective Duration	5.4		5.6		5.5		5.4		5.6	
Average Investment Yield	5.6%		5.6%		5.6%		5.5%		5.4%	

¹ Credit quality is by NAIC (National Association of Insurance Commissioners) designation and S&P equivalent credit ratings.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Sales by Segment and Product
(In millions)

Group	For the Three Months Ended					For the Twelve Months Ended	
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Medical stop-loss	\$ 10.2	\$ 24.3	\$ 10.0	\$ 33.2	\$ 6.6	\$ 77.7	\$ 104.2
Limited medical benefits	2.0	2.4	3.3	2.8	1.5	10.5	5.8
Group Life & Disability	1.2	0.4	0.7	0.8	0.9	3.1	2.6
Total	\$ 13.4	\$ 27.1	\$ 14.0	\$ 36.8	\$ 9.0	\$ 91.3	\$ 112.6
Retirement Services							
Fixed Annuities	\$ 249.9	\$ 470.2	\$ 547.8	\$ 884.1	\$ 593.1	\$2,152.0	\$1,621.4
Individual Variable Annuities	6.7	5.0	5.5	3.0	5.4	20.2	29.6
Retirement Plans¹	5.3	11.7	15.2	24.0	25.6	56.2	115.5
Total	\$ 261.9	\$ 486.9	\$ 568.5	\$ 911.1	\$ 624.1	\$2,228.4	\$1,766.5
Income Annuities							
SPIA	\$ 62.1	\$ 50.1	\$ 46.1	\$ 31.2	\$ 34.0	\$ 189.5	\$ 125.6
Structured Settlements	21.7	20.6	10.8	9.2	0.5	62.3	15.2
Total	\$ 83.8	\$ 70.7	\$ 56.9	\$ 40.4	\$ 34.5	\$ 251.8	\$ 140.8
Individual							
Term Life Insurance	\$ 1.5	\$ 1.6	\$ 1.3	\$ 0.7	\$ 0.8	\$ 5.1	\$ 3.2
Permanent Life Insurance	1.2	1.3	1.1	1.8	1.6	5.4	4.0
Bank Owned Life Insurance	—	—	—	2.5	—	2.5	2.9
Total	\$ 2.7	\$ 2.9	\$ 2.4	\$ 5.0	\$ 2.4	\$ 13.0	\$ 10.1

¹ Includes Symetra's sales of third party mutual funds which were discontinued in 2009. Symetra recognizes fee-based income and does not include sales of this product in account value figures.

Symetra Financial Corporation
4Q 2009 Financial Supplement
Book Value and Adjusted Book Value per Share
(In millions, except per share amounts)

	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008
Book value per common share ¹	\$ 12.83	\$ 13.25	\$ 6.84	\$ 1.78	\$ 2.56
Non-GAAP Financial Measures:					
Adjusted book value per common share ²	\$ 15.99	\$ 15.65	\$ 15.18	\$ 14.68	\$ 14.45
Adjusted book value per common share, as converted ³	\$ 15.23	\$ 14.94	\$ 14.56	\$ 14.13	\$ 13.95
Numerator: ⁵					
Total stockholders' equity	\$ 1,433.3	\$ 1,480.5	\$ 763.7	\$ 198.5	\$ 286.2
AOCI ⁴	(49.7)	29.8	(642.9)	(1,161.1)	(1,052.6)
Adjusted book value	\$ 1,483.0	\$ 1,450.7	\$ 1,406.6	\$ 1,359.6	\$ 1,338.8
Assumed proceeds from exercise of warrants	218.1	218.1	218.1	218.1	218.1
Adjusted book value, as converted	\$ 1,701.1	\$ 1,668.8	\$ 1,624.7	\$ 1,577.7	\$ 1,556.9
Denominator: ⁵					
Basic common shares outstanding	92.729	92.729	92.646	92.646	92.646
Diluted common shares outstanding	111.705	111.705	111.622	111.622	111.622

¹ Book value per common share is calculated based on stockholders' equity divided by outstanding common shares and shares subject to outstanding warrants, totaling 111,705,199 for the period ending December 31 and September 30, 2009 and totaling 111,622,039 for all other periods.

² Adjusted book value per common share is calculated based on stockholders' equity less AOCI, divided by outstanding common shares, totaling 92,729,455 for the period ending December 31 and September 30, 2009, and totaling 92,646,295 for all other periods.

³ Adjusted book value per common share, as converted gives effect to the exercise of the outstanding warrants and is calculated based on stockholders' equity less AOCI plus the assumed proceeds from the warrants, divided by the sum of outstanding common shares and shares subject to outstanding warrants, totaling 111,705,199 for the period ending December 31 and September 30, 2009 and 111,622,039 for all other periods.

⁴ Accumulated other comprehensive income (loss) (net of taxes)

⁵ On January 27, 2010, Symetra closed its initial public offering. A total of 25,259,510 primary shares were issued for net primary proceeds of \$282.5 million. Shares outstanding on January 27, 2010, after the close of the offering were as follows:

As of January 27, 2010:

Basic shares outstanding	92.729
Primary shares issued	25.260
Subtotal shares outstanding	117.989
Outstanding warrants	18.976
Total shares outstanding	<u>136.965</u>

Symetra Financial Corporation
4Q 2009 Financial Supplement
ROE and Operating ROAE
(In millions)

	Twelve Months Ended				
	Dec. 31, 2009	Sep. 30, 2009	Jun. 30, 2009	Mar. 31, 2009	Dec. 31, 2008
ROE:					
Net income for the twelve months ended ¹	\$ 128.3	\$ 91.3	\$ 42.4	\$ 23.9	\$ 22.1
Average stockholders' equity ²	\$ 832.4	\$ 658.0	\$ 561.6	\$ 644.5	\$ 861.8
ROE	15.4%	13.9%	7.5%	3.7%	2.6%
Operating ROAE:					
Adjusted operating income for the twelve months ended ¹	\$ 147.9	\$ 146.3	\$ 145.6	\$ 132.6	\$ 122.9
Average adjusted book value ³	\$1,407.7	\$1,379.9	\$1,359.4	\$1,342.1	\$1,329.8
Operating ROAE	10.5%	10.6%	10.7%	9.9%	9.2%

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

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

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

Calculation of average stockholders' equity:

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

		As of		
		2009	2008	2007
Stockholders' Equity				
	Dec. 31,	\$ 1,433.3	\$ 286.2	\$1,285.1
	Sep. 30,	1,480.5	560.9	—
	Jun. 30,	763.7	998.8	—
	Mar. 31,	198.5	1,178.1	—
AOCI				
	Dec. 31,	\$ (49.7)	\$(1,052.6)	\$ (12.5)
	Sep. 30,	29.8	(782.8)	—
	Jun. 30,	(642.9)	(349.7)	—
	Mar. 31,	(1,161.1)	(141.9)	—

Reconciliation of adjusted operating income:

The following data in connection with other data found throughout the supplement can be used to recalculate adjusted operating income for the twelve months ended June 30, 2009 and March 31, 2009.

	Three Months Ended	
	Sep. 30, 2008	Jun. 30, 2008
Net income	\$ (4.8)	\$ 28.5
Less: Net realized investment losses (net of taxes)	(41.8)	(4.2)
Add: Net realized and unrealized investment losses on FIA options (net of taxes)	—	(0.4)
Adjusted operating income	\$ 37.0	\$ 32.3