
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

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

Date of report (Date of earliest event reported): **July 28, 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 July 28, 2010, Symetra Financial Corporation, a Delaware corporation, issued (i) a press release announcing its financial results for the fiscal quarter ended June 30, 2010, a copy of which is attached hereto as Exhibit 99.1, and (ii) a Quarterly Financial Supplement for the quarter ended June 30, 2010, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The information in this report, including Exhibits 99.1 and 99.2, have been “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section. The information in this report shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 Press Release of Symetra Financial Corporation, dated July 28, 2010, announcing second quarter 2010 results.
 - 99.2 Quarterly Financial Supplement for the quarter ended June 30, 2010.
-

SIGNATURE

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

SYMETRA FINANCIAL CORPORATION

By: /s/ GEORGE C. PAGOS
Name: George C. Pagos
Title: Senior Vice President,
General Counsel and Secretary

Date: July 28, 2010

EXHIBIT INDEX

| Exhibit Number | Description of Exhibit |
|-------------------|--|
| 99.1 | Press Release of Symetra Financial Corporation, dated July 28, 2010, announcing second quarter 2010 results. |
| 99.2 | Quarterly Financial Supplement for the quarter ended June 30, 2010. |



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SYMETRA FINANCIAL REPORTS SECOND QUARTER 2010 RESULTS

BELLEVUE, Wash.—(July 28, 2010)—Symetra Financial Corporation (NYSE: SYA) today reported second quarter 2010 net income of \$35.8 million, or \$0.26 per diluted share. This compares with net income of \$47.0 million, or \$0.42 per diluted share, in second quarter 2009.

Adjusted operating income¹ was \$41.5 million, or \$0.30 per diluted share, in second quarter 2010, compared with \$45.3 million, or \$0.40 per diluted share, in the same quarter a year ago.

| Summary Financial Results (In millions, except per share data) | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|-------------------------------|----------------|-----------------------------|----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Net Income | \$ 35.8 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Per Diluted Share of Common Stock | \$ 0.26 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Adjusted Operating Income | \$ 41.5 | \$ 45.3 | \$ 83.4 | \$ 77.5 |
| Per Diluted Share of Common Stock | \$ 0.30 | \$ 0.40 | \$ 0.62 | \$ 0.69 |

"Symetra's second quarter performance was highlighted by an excellent loss ratio in the Group segment and strong fixed annuity sales in Retirement Services. While the fundamentals of the business performed well, low interest rates continued to limit investment income and constrain earnings," said Tom Marra, president and chief executive officer of Symetra Financial, who joined the company in June 2010.

Second Quarter 2010 Summary

- Significantly improved Group loss ratio of 63.8%.
- Higher fixed annuity sales in Retirement Services segment, contributing to record account values.
- Continued interest spread pressure in Income Annuities segment.
- Constrained earnings due to low interest rates and challenging investment environment.
- Impairment losses of \$1.5 million compared with losses of \$28.5 million in second quarter 2009.
- Equity portfolio losses of \$8.8 million versus net gains of \$19.6 million a year ago.

"In my first weeks on the job, I've been impressed by the level of engagement among employees as well as the depth of Symetra's distribution relationships. Combined with the company's risk management and balance sheet strength, expense control, product diversity and outstanding capital position, the building blocks are all in place to drive growth and improve financial performance. Our challenge now is to further diversify the business to profitably grow in a prolonged low interest rate environment," said Marra.

"I see untapped potential at Symetra in several areas — from broadening the financial planning distribution channel and achieving even better product penetration on bank platforms to reinvigorating our individual life insurance business," he said. "As low investment yields persist, we plan to expand less interest-rate-sensitive products like life insurance in the Individual and Group segments, while continuing our solid position in fixed deferred and income annuities."

BUSINESS SEGMENT RESULTS

| Segment Pretax Adjusted Operating Income (Loss) (In millions) | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|-------------------------------|----------------|-----------------------------|----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Group | \$ 18.2 | \$ 17.2 | \$ 33.9 | \$ 28.7 |
| Retirement Services | 20.6 | 16.1 | 37.9 | 25.1 |
| Income Annuities | 6.4 | 10.3 | 12.8 | 24.7 |
| Individual | 19.0 | 18.5 | 42.3 | 35.7 |
| Other | (5.0) | 1.6 | (8.9) | (1.7) |
| Subtotal | \$ 59.2 | \$ 63.7 | \$ 118.0 | \$ 112.5 |
| Less: Income Taxes* | 17.7 | 18.4 | 34.6 | 35.0 |
| Adjusted Operating Income | <u>\$ 41.5</u> | <u>\$ 45.3</u> | <u>\$ 83.4</u> | <u>\$ 77.5</u> |

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

Group

The Group segment, which consists primarily of medical stop-loss insurance, produced second quarter 2010 pretax adjusted operating income of \$18.2 million, compared with \$17.2 million in second quarter 2009. The increase in operating income was due largely to better medical stop-loss underwriting results.

Group's loss ratio for second quarter 2010 was 63.8%, compared with 66.1% in the same quarter a year ago and 68.9% in the first quarter of 2010. Continued progress in renewing stop-loss business at higher rates drove the loss ratio improvement.

Group sales in second quarter 2010 were \$20.6 million, up 47% compared with \$14.0 million in second quarter 2009. Increased sales of both stop-loss and limited benefit medical policies contributed to the rise in production.

Retirement Services

The Retirement Services segment, which includes fixed and variable deferred annuities, generated \$20.6 million in pretax adjusted operating income in second quarter 2010, up from \$16.1 million in second quarter 2009. Driving the improved operating income results were increased account values at higher interest spreads. Total account values reached a record \$9.3 billion at quarter-end, compared with \$7.7 billion at the end of second quarter 2009.

Retirement Services sales totaled \$623.9 million for the second quarter of 2010, up 10% over sales of \$568.5 million in second quarter 2009. Sales in this segment grew 65% from first quarter 2010 levels as the company worked with new and existing bank partners to increase penetration and add new Symetra products to their sales platforms.

Income Annuities

The Income Annuities segment, which includes single-premium immediate annuities (SPIAs) and structured settlements, had pretax adjusted operating income of \$6.4 million in second quarter 2010, compared with \$10.3 million in the same quarter a year ago.

The operating income decline was primarily the result of continued low interest spreads from reduced investment yields. This segment, which has predominately illiquid liabilities with locked-in interest rates, was challenged by prepayments of higher-yielding invested assets requiring reinvestment at lower interest rates. To help address this situation, the company is prudently increasing its originations of commercial mortgage loans, which generate relatively higher yields. Investment income for second quarter 2010 was \$104.7 million, down from \$107.1 million in second quarter 2009. Also contributing to the decline were second quarter 2010 mortality losses of \$1.8 million, which exceeded historical average levels, compared with mortality losses of \$0.5 million in the second quarter of 2009.

Income Annuities sales totaled \$67.8 million in second quarter 2010, compared with sales of \$56.9 million during the same quarter of 2009.

Individual

The Individual segment, which includes term and universal life insurance, and bank-owned life insurance (BOLI), produced pretax adjusted operating income of \$19.0 million for second quarter 2010, compared with \$18.5 million in second quarter 2009.

Individual sales were \$2.4 million for second quarter 2010, consistent with sales of \$2.4 million in the same quarter of 2009. Single-premium life (SPL) insurance policies sold through banks continued to perform well and will be an area of focus for future growth.

Other Segment

The Other segment, which includes unallocated corporate income and expenses, interest expense on debt and other income outside of Symetra's four business segments, reported a pretax adjusted operating loss of \$5.0 million in the second quarter of 2010. This compares with operating income of \$1.6 million in second quarter 2009, which benefited from hedge fund investment gains related to equity market improvements. The majority of these hedge funds were liquidated in the second half of 2009. Included in second quarter 2010 results were charges of \$1.3 million related to Symetra's CEO transition. Additional CEO transition-related charges are expected to be insignificant in future quarters.

Investment Portfolio

Symetra had net realized investment losses of \$10.0 million in second quarter 2010, compared with net gains of \$2.7 million in second quarter 2009. Reflecting the decline in the equity market, Symetra's equity portfolio posted net losses of \$8.8 million in the quarter, compared with second quarter 2009 net gains of \$19.6 million. Despite the loss, the company's equity portfolio outperformed the S&P 500 total return index during the quarter. Impairment losses in the bond portfolio improved to \$1.5 million in second quarter 2010, compared with losses of \$28.5 million in the same quarter of 2009.

Revised 2010 Outlook

The company is revising its 2010 guidance for full-year adjusted operating income per diluted share to be between \$1.15 and \$1.30. Factors contributing to this revision include the sustained low interest rate environment and slower deployment of primary proceeds from Symetra's initial public offering.

Stockholders' Equity

Total stockholders' equity, or book value, as of June 30, 2010 increased to \$2,342.8 million, or \$17.08 per share, compared with \$1,971.7 million, or \$14.39 per share, as of March 31, 2010. The increase in book value during the second quarter was driven by improved valuation of the bond portfolio.

Adjusted book value per share, as converted,¹ was \$15.02 per share as of June 30, 2010, compared with \$14.81 per share as of March 31, 2010. The growth in adjusted book value reflected second quarter net income.

Symetra ended the second quarter of 2010 with an estimated risk-based capital (RBC) ratio of 486%.

Additional Financial Information

This press release and the second quarter 2010 financial supplement are posted on the company's website at <http://investors.symetra.com>. Investors are encouraged to review all of these materials.

Management to Review Results on Conference Call and Webcast

Symetra's senior management team will discuss the company's second quarter 2010 performance with investors and analysts on Thursday, July 29, 2010 at 10 a.m., Eastern Time (7 a.m., Pacific Time). To listen by phone, dial 800-591-6930. For international callers, dial 617-614-4908. The access code is 25314654. The conference call will be broadcast live on the Internet at <http://investors.symetra.com> and archived later in the day for replay. Those who wish to listen to the call by phone or via the Internet should dial in or go to Symetra's website at least 15 minutes before the call to register and/or test the compatibility of their computer.

A replay of the call can be accessed by phone at approximately 1 p.m., Eastern Time (10 a.m., Pacific Time) on July 29, 2010 by dialing 888-286-8010. For international callers, dial 617-801-6888. The access code is 14906717. The phone replay will be available through Aug. 5, 2010.

Use of Non-GAAP Measures

¹ Symetra uses both U.S. generally accepted accounting principles (GAAP) and non-GAAP financial measures to track the performance of its operations and financial condition. Definitions of each non-GAAP measure are provided below, and reconciliations to the most directly comparable GAAP measures are included in the tables at the end of this press release. These

measures are not substitutes for GAAP financial measures. For more information about these non-GAAP measures, please see the company's 2009 Annual Report on Form 10-K.

This press release may include non-GAAP financial measures entitled "adjusted operating income," "adjusted operating income per diluted share," "operating revenues," "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 as net income, excluding after-tax net investment gains (losses) and including after-tax net investment gains (losses) on fixed index annuity (FIA) options. Adjusted operating income per diluted share is defined as adjusted operating income divided by diluted common shares outstanding. Operating revenues is defined as total revenues, excluding net realized investment gains (losses) and including net investment gains (losses) on FIA options. 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 incurred divided by premiums earned.

Sales – For the Group segment, sales represent annualized first-year premiums for new policies. For the Retirement Services and Income Annuities segments, sales represent deposits for new policies. For the Individual segment, sales represent annualized first-year premiums for recurring premium products and 10% of new deposits for BOLI and other single-premium products.

About Symetra Financial

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

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

This press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of current or historical facts included or referenced in this release that address activities, events or developments that we expect or anticipate will or may occur in the future, are forward-looking statements. The words "will," "believe," "intend," "plan," "expect," "anticipate," "project," "estimate," "predict" 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 and a prolonged low interest rate environment;
- recorded reserves for future policy benefits and claims subsequently proving to be inadequate or inaccurate;
- deviations from assumptions used in setting prices for insurance and annuity products;
- 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 subsidiaries to pay dividends to Symetra;
- the effects of implementation of the Patient Protection and Affordable Care Act;
- the effects of implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and
- the risks that are described from time to time in Symetra's filings with the U.S. Securities and Exchange Commission, including those in Symetra's 2009 Annual Report 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.

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

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|-------------------------------|----------------|-----------------------------|----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Revenues | | | | |
| Premiums | \$ 115.5 | \$ 116.8 | \$ 234.5 | \$ 236.3 |
| Net investment income | 297.1 | 283.1 | 584.0 | 545.8 |
| Policy fees, contract charges and other | 41.8 | 40.7 | 82.3 | 80.3 |
| Net realized investment gains (losses): | | | | |
| Total other-than-temporary impairment losses on securities | (2.7) | (72.2) | (20.6) | (123.8) |
| Less: portion of losses recognized in other comprehensive income | 1.2 | 43.7 | 9.4 | 67.5 |
| Net impairment losses recognized in earnings | (1.5) | (28.5) | (11.2) | (56.3) |
| Other net realized investment gains (losses) | (8.5) | 31.2 | 8.0 | 16.0 |
| Total net realized investment gains (losses) | (10.0) | 2.7 | (3.2) | (40.3) |
| Total revenues | 444.4 | 443.3 | 897.6 | 822.1 |
| Benefits and expenses | | | | |
| Policyholder benefits and claims | 83.3 | 82.1 | 169.5 | 176.5 |
| Interest credited | 221.5 | 213.1 | 440.0 | 408.7 |
| Other underwriting and operating expenses | 64.2 | 62.0 | 123.8 | 125.0 |
| Interest expense | 7.9 | 8.0 | 15.9 | 15.9 |
| Amortization of deferred policy acquisition costs | 17.0 | 11.9 | 32.4 | 22.6 |
| Total benefits and expenses | 393.9 | 377.1 | 781.6 | 748.7 |
| Income from operations before income taxes | 50.5 | 66.2 | 116.0 | 73.4 |
| Provision (benefit) for income taxes | | | | |
| Current | 17.4 | 9.6 | 27.3 | 11.5 |
| Deferred | (2.7) | 9.6 | 6.6 | 9.8 |
| Total provision for income taxes | 14.7 | 19.2 | 33.9 | 21.3 |
| Net income | \$ 35.8 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Net income per common share | | | | |
| Basic | \$ 0.26 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Diluted | \$ 0.26 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Weighted-average number of common shares outstanding | | | | |
| Basic | 137.019 | 111.622 | 134.035 | 111.622 |
| Diluted | 137.038 | 111.622 | 134.056 | 111.622 |
| Cash dividends declared per common share | \$ 0.05 | \$ — | \$ 0.05 | \$ — |
| Non-GAAP financial measures | | | | |
| Adjusted operating income | \$ 41.5 | \$ 45.3 | \$ 83.4 | \$ 77.5 |
| Reconciliation to net income | | | | |
| Net income | \$ 35.8 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Less: Net realized investment gains (losses) (net of taxes)* | (6.6) | 1.8 | (2.1) | (26.2) |
| Add: Net investment gains (losses) on FIA options (net of taxes)** | (0.9) | 0.1 | (0.8) | (0.8) |
| Adjusted operating income | \$ 41.5 | \$ 45.3 | \$ 83.4 | \$ 77.5 |

*Net realized investment gains (losses) are reported net of taxes of \$(3.4), \$0.9, \$(1.1) and \$(14.1) for the three and six months ended June 30, 2010 and 2009, respectively.

**Net investment gains (losses) on FIA options are reported net of taxes of \$(0.4), \$0.1, \$(0.4) and \$(0.4) for the three and six months ended June 30, 2010 and 2009, respectively.

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

| | June 30 2010 | December 31 2009 |
|---|--------------------|---------------------|
| Assets | | |
| Total investments | \$ 22,358.6 | \$ 20,183.1 |
| Other assets | 1,233.8 | 1,414.3 |
| Separate account assets | 759.0 | 840.1 |
| Total assets | \$ 24,351.4 | \$ 22,437.5 |
| Liabilities and stockholders' equity | | |
| Policyholder liabilities | \$ 20,456.9 | \$ 19,463.1 |
| Notes payable | 449.0 | 448.9 |
| Other liabilities | 343.7 | 252.1 |
| Separate account liabilities | 759.0 | 840.1 |
| Total liabilities | 22,008.6 | 21,004.2 |
| Common stock and additional paid-in capital | 1,450.7 | 1,166.6 |
| Retained earnings | 391.6 | 316.4 |
| Accumulated other comprehensive income (loss), net of taxes | 501.1 | (49.7) |
| Treasury stock | (0.6) | — |
| Total stockholders' equity | 2,342.8 | 1,433.3 |
| Total liabilities and stockholders' equity | \$ 24,351.4 | \$ 22,437.5 |
| Book value per share* | \$ 17.08 | \$ 12.83 |
| Non-GAAP financial measures | | |
| Adjusted book value | \$ 1,841.7 | \$ 1,483.0 |
| Reconciliation to stockholders' equity | | |
| Total stockholders' equity | \$ 2,342.8 | \$ 1,433.3 |
| Less: AOCI | 501.1 | (49.7) |
| Adjusted book value | 1,841.7 | 1,483.0 |
| Add: Assumed proceeds from exercise of warrants | 218.1 | 218.1 |
| Adjusted book value, as converted | \$ 2,059.8 | \$ 1,701.1 |
| Adjusted book value per share, as converted** | \$ 15.02 | \$ 15.23 |

*Book value per share is calculated based on stockholders' equity divided by outstanding common shares plus shares subject to outstanding warrants, totaling 137,150,784 and 111,705,199 as of June 30, 2010 and December 31, 2009, respectively.

**Adjusted book value per share, as converted, is calculated based on adjusted book value, as converted, divided by outstanding common shares plus shares subject to outstanding warrants, totaling 137,150,784 and 111,705,199 as of June 30, 2010 and December 31, 2009, respectively.

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

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|---------------------------------------|-----------------|-------------------------------------|-----------------|
| | 2010 | 2009 | 2010 | 2009 |
| Segment pretax adjusted operating income (loss) | | | | |
| Group | \$ 18.2 | \$ 17.2 | \$ 33.9 | \$ 28.7 |
| Retirement Services | 20.6 | 16.1 | 37.9 | 25.1 |
| Income Annuities | 6.4 | 10.3 | 12.8 | 24.7 |
| Individual | 19.0 | 18.5 | 42.3 | 35.7 |
| Other | (5.0) | 1.6 | (8.9) | (1.7) |
| Subtotal | 59.2 | 63.7 | 118.0 | 112.5 |
| Add: Net realized investment gains (losses) | (10.0) | 2.7 | (3.2) | (40.3) |
| Less: Net investment gains (losses) on FIA options | (1.3) | 0.2 | (1.2) | (1.2) |
| Income from operations before income taxes | \$ 50.5 | \$ 66.2 | \$ 116.0 | \$ 73.4 |
| Reconciliation of revenues to operating revenues | | | | |
| Revenues | \$ 444.4 | \$ 443.3 | \$ 897.6 | \$ 822.1 |
| Less: Net realized investment gains (losses) | (10.0) | 2.7 | (3.2) | (40.3) |
| Add: Net investment gains (losses) on FIA options | (1.3) | 0.2 | (1.2) | (1.2) |
| Operating revenues | \$ 453.1 | \$ 440.8 | \$ 899.6 | \$ 861.2 |

| | Twelve Months Ended June 30 | |
|------------------------------------|--|-------------|
| | 2010 | 2009 |
| ROE | 9.9% | 7.5% |
| Average stockholders' equity* | \$ 1,598.4 | \$ 561.6 |
| Non-GAAP financial measures | | |
| Operating ROAE | 9.6% | 10.7% |
| Average adjusted book value** | \$ 1,598.8 | \$ 1,359.4 |

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

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

July 28, 2010

SECOND QUARTER 2010

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
Table of Contents
June 30, 2010

| | <u>Page</u> |
|---|-------------|
| Financial Highlights | 1 |
| Consolidated Results | |
| Consolidated Income Statement Data | 2 |
| Consolidated Balance Sheet Data | 3 |
| Segment Income Statement Data | 4 |
| Segment Results | |
| Group | 5 |
| Retirement Services | 6 |
| Income Annuities | 7 |
| Individual | 8 |
| Other | 9 |
| Additional Financial Data | |
| Deferred Policy Acquisition Cost (DAC) Roll Forwards | 10 |
| Account Value and Reserve Roll Forwards | 11 |
| Overview of Liabilities and Associated Unrealized Gains | 12 |
| Investments Summary | 13 |
| Sales by Segment and Product | 14 |
| Book Value and Adjusted Book Value per Share | 15 |
| ROE and Operating ROAE | 16 |

Symetra Financial Corporation
2Q 2010 Financial Supplement
Financial Highlights
(In millions, except per share and metric or percentage data)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Net income | \$ 35.8 | \$ 46.3 | \$ 32.1 | \$ 44.1 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Net income per common share ¹ | | | | | | | |
| Basic | \$ 0.26 | \$ 0.35 | \$ 0.29 | \$ 0.40 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Diluted | \$ 0.26 | \$ 0.35 | \$ 0.29 | \$ 0.40 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Weighted-average common shares outstanding: | | | | | | | |
| Basic | 137.019 | 131.018 | 111.622 | 111.622 | 111.622 | 134.035 | 111.622 |
| Diluted | 137.038 | 131.038 | 111.634 | 111.624 | 111.622 | 134.056 | 111.622 |
| Non-GAAP Financial Measures ² | | | | | | | |
| Adjusted operating income | \$ 41.5 | \$ 41.9 | \$ 32.7 | \$ 37.7 | \$ 45.3 | \$ 83.4 | \$ 77.5 |
| Adjusted operating income per common share ¹ : | | | | | | | |
| Basic | \$ 0.30 | \$ 0.32 | \$ 0.29 | \$ 0.34 | \$ 0.40 | \$ 0.62 | \$ 0.69 |
| Diluted | \$ 0.30 | \$ 0.32 | \$ 0.29 | \$ 0.34 | \$ 0.40 | \$ 0.62 | \$ 0.69 |

| | As of: | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
| Consolidated Balance Sheet Data | | | | | |
| Total investments | \$ 22,358.6 | \$ 21,074.3 | \$ 20,183.1 | \$ 20,035.2 | \$ 18,357.0 |
| Total assets | 24,351.4 | 23,363.7 | 22,437.5 | 22,226.0 | 21,113.4 |
| Notes payable | 449.0 | 448.9 | 448.9 | 448.9 | 448.8 |
| Accumulated other comprehensive income (loss) (net of taxes) (AOCI) | 501.1 | 159.5 | (49.7) | 29.8 | (642.9) |
| Total stockholders' equity | 2,342.8 | 1,971.7 | 1,433.3 | 1,480.5 | 763.7 |
| U.S. Statutory Financial Information: | | | | | |
| Statutory capital and surplus | \$ 1,707.1 | \$ 1,666.8 | \$ 1,415.4 | \$ 1,331.7 | \$ 1,289.5 |
| Asset valuation reserve (AVR) | 133.8 | 135.6 | 120.5 | 117.3 | 117.1 |
| Statutory capital and surplus and AVR | \$ 1,840.9 | \$ 1,802.4 | \$ 1,535.9 | \$ 1,449.0 | \$ 1,406.6 |
| Book value per common share | \$ 17.08 | \$ 14.39 | \$ 12.83 | \$ 13.25 | \$ 6.84 |
| Debt to capital ratio | 16.1% | 18.5% | 23.8% | 23.3% | 37.0% |
| Non-GAAP Financial Measures ² | | | | | |
| Adjusted book value (stockholders' equity excluding AOCI) | \$ 1,841.7 | \$ 1,812.2 | \$ 1,483.0 | \$ 1,450.7 | \$ 1,406.6 |
| Adjusted book value per common share : | | | | | |
| Adjusted book value per common share ³ | \$ 15.58 | \$ 15.35 | \$ 15.99 | \$ 15.65 | \$ 15.18 |
| Adjusted book value per common share, as converted ⁴ | \$ 15.02 | \$ 14.81 | \$ 15.23 | \$ 14.94 | \$ 14.56 |
| Debt to capital ratio, excluding AOCI ⁵ | 19.6% | 19.9% | 23.2% | 23.6% | 24.2% |

| | For the Twelve Months Ended | | | | |
|--|-----------------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
| ROE | 9.9% | 14.5% | 15.4% | 13.9% | 7.5% |
| Non-GAAP Financial Measure ² | | | | | |
| Operating ROAE ⁶ | 9.6% | 10.5% | 10.5% | 10.6% | 10.7% |

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

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

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

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

⁵ 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. The numerator and denominator of this measure have been reconciled to net income and stockholders' equity, respectively, their most comparable GAAP measures.

Symetra Financial Corporation
2Q 2010 Financial Supplement
Consolidated Income Statement Data
(In millions, except per share data)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Revenues: | | | | | | | |
| Premiums ¹ | \$ 115.5 | \$ 119.0 | \$ 117.2 | \$ 116.6 | \$ 116.8 | \$ 234.5 | \$ 236.3 |
| Net investment income | 297.1 | 286.9 | 284.2 | 283.6 | 283.1 | 584.0 | 545.8 |
| Policy fees, contract charges and other ¹ | 41.8 | 40.5 | 39.4 | 40.2 | 40.7 | 82.3 | 80.3 |
| Net realized investment gains (losses): | | | | | | | |
| Total other-than-temporary impairment losses on securities | (2.7) | (17.9) | (23.3) | (44.1) | (72.2) | (20.6) | (123.8) |
| Less: portion of losses recognized in other comprehensive income | 1.2 | 8.2 | 10.5 | 26.7 | 43.7 | 9.4 | 67.5 |
| Net impairment losses recognized in earnings | (1.5) | (9.7) | (12.8) | (17.4) | (28.5) | (11.2) | (56.3) |
| Other net realized investment gains (losses) | (8.5) | 16.5 | 12.5 | 28.7 | 31.2 | 8.0 | 16.0 |
| Total net realized investment gains (losses) | (10.0) | 6.8 | (0.3) | 11.3 | 2.7 | (3.2) | (40.3) |
| Total revenues | 444.4 | 453.2 | 440.5 | 451.7 | 443.3 | 897.6 | 822.1 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 83.3 | 86.2 | 88.4 | 85.6 | 82.1 | 169.5 | 176.5 |
| Interest credited | 221.5 | 218.5 | 217.6 | 220.5 | 213.1 | 440.0 | 408.7 |
| Other underwriting and operating expenses | 64.2 | 59.6 | 66.0 | 61.7 | 62.0 | 123.8 | 125.0 |
| Interest expense | 7.9 | 8.0 | 8.0 | 7.9 | 8.0 | 15.9 | 15.9 |
| Amortization of deferred policy acquisition costs | 17.0 | 15.4 | 15.0 | 13.8 | 11.9 | 32.4 | 22.6 |
| Total benefits and expenses | 393.9 | 387.7 | 395.0 | 389.5 | 377.1 | 781.6 | 748.7 |
| Income from operations before income taxes | 50.5 | 65.5 | 45.5 | 62.2 | 66.2 | 116.0 | 73.4 |
| Provision (benefit) for income taxes: | | | | | | | |
| Current | 17.4 | 9.9 | 10.9 | (15.7) | 9.6 | 27.3 | 11.5 |
| Deferred | (2.7) | 9.3 | 2.5 | 33.8 | 9.6 | 6.6 | 9.8 |
| Total provision for income taxes | 14.7 | 19.2 | 13.4 | 18.1 | 19.2 | 33.9 | 21.3 |
| Net income | \$ 35.8 | \$ 46.3 | \$ 32.1 | \$ 44.1 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Net income per common share ² : | | | | | | | |
| Basic | \$ 0.26 | \$ 0.35 | \$ 0.29 | \$ 0.40 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Diluted | \$ 0.26 | \$ 0.35 | \$ 0.29 | \$ 0.40 | \$ 0.42 | \$ 0.61 | \$ 0.47 |
| Weighted-average number of common shares outstanding: | | | | | | | |
| Basic | 137.019 | 131.018 | 111.622 | 111.622 | 111.622 | 134.035 | 111.622 |
| Diluted | 137.038 | 131.038 | 111.634 | 111.624 | 111.622 | 134.056 | 111.622 |
| Cash dividends declared per common share | \$ 0.05 | \$ - | \$ - | \$ - | \$ - | \$ 0.05 | \$ - |
| Non-GAAP Financial Measures: | | | | | | | |
| Adjusted operating income | \$ 41.5 | \$ 41.9 | \$ 32.7 | \$ 37.7 | \$ 45.3 | \$ 83.4 | \$ 77.5 |
| Adjusted operating income per common share ² : | | | | | | | |
| Basic | \$ 0.30 | \$ 0.32 | \$ 0.29 | \$ 0.34 | \$ 0.40 | \$ 0.62 | \$ 0.69 |
| Diluted | \$ 0.30 | \$ 0.32 | \$ 0.29 | \$ 0.34 | \$ 0.40 | \$ 0.62 | \$ 0.69 |
| Weighted-average number of common shares outstanding: | | | | | | | |
| Basic | 137.019 | 131.018 | 111.622 | 111.622 | 111.622 | 134.035 | 111.622 |
| Diluted | 137.038 | 131.038 | 111.634 | 111.624 | 111.622 | 134.056 | 111.622 |
| Reconciliation to net income: | | | | | | | |
| Net income | \$ 35.8 | \$ 46.3 | \$ 32.1 | \$ 44.1 | \$ 47.0 | \$ 82.1 | \$ 52.1 |
| Less: Net realized investment gains (losses) (net of taxes) | (6.6) | 4.5 | (0.2) | 7.3 | 1.8 | (2.1) | (26.2) |
| Add: Net investment gains (losses) on FIA options (net of taxes) | (0.9) | 0.1 | 0.4 | 0.9 | 0.1 | (0.8) | (0.8) |
| Adjusted operating income | \$ 41.5 | \$ 41.9 | \$ 32.7 | \$ 37.7 | \$ 45.3 | \$ 83.4 | \$ 77.5 |

¹ Effective January 1, 2010, cost of insurance charges are reported in policy fees, contract charges and other instead of premiums with no impact to total revenues. All prior periods have been reclassified to conform to this presentation.

² Basic net income and adjusted operating income per common share include all participating securities using the two-class method. Diluted net income and adjusted operating income per common share include the dilutive impact of non-participating securities, based on the application of the treasury stock method. Shares included in these calculations are weighted for the portion of the period they were outstanding. Antidilutive awards were excluded from the computation of diluted earnings per share. Quarterly earnings per share amounts may not add to the full year amounts.

Symetra Financial Corporation
2Q 2010 Financial Supplement
Consolidated Balance Sheet Data
(In millions)

| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Assets | | | | | |
| Investments: | | | | | |
| Available-for-sale securities: | | | | | |
| Fixed maturities, at fair value | \$ 20,612.2 | \$ 19,390.6 | \$ 18,594.3 | \$ 18,542.3 | \$ 16,933.9 |
| Marketable equity securities, at fair value | 43.9 | 37.6 | 36.7 | 35.4 | 33.6 |
| Trading securities: | | | | | |
| Marketable equity securities, at fair value | 141.0 | 151.0 | 154.1 | 140.6 | 116.1 |
| Mortgage loans, net | 1,340.3 | 1,228.0 | 1,201.7 | 1,095.2 | 1,038.2 |
| Policy loans | 72.3 | 73.4 | 73.9 | 73.9 | 74.1 |
| Short-term investments | 2.7 | 54.0 | 2.1 | 2.5 | 2.6 |
| Investments in limited partnerships | 136.9 | 130.6 | 110.2 | 133.4 | 151.4 |
| Other invested assets | 9.3 | 9.1 | 10.1 | 11.9 | 7.1 |
| Total investments | 22,358.6 | 21,074.3 | 20,183.1 | 20,035.2 | 18,357.0 |
| Cash and cash equivalents | 322.7 | 389.3 | 257.8 | 241.7 | 435.0 |
| Accrued investment income | 251.6 | 247.5 | 237.2 | 243.0 | 230.4 |
| Accounts receivable and other receivables | 81.9 | 97.1 | 70.1 | 66.1 | 72.9 |
| Reinsurance recoverables | 277.3 | 277.9 | 276.6 | 269.9 | 266.4 |
| Deferred policy acquisition costs | 199.0 | 227.5 | 250.4 | 240.8 | 307.4 |
| Goodwill | 27.3 | 26.8 | 26.3 | 25.8 | 25.3 |
| Current income tax recoverable | — | 19.6 | 20.2 | 25.1 | 2.4 |
| Deferred income tax assets, net | — | 69.1 | 191.2 | 150.9 | 546.8 |
| Other assets | 74.0 | 80.5 | 84.5 | 77.5 | 89.7 |
| Securities lending collateral | — | — | — | 31.4 | 44.4 |
| Separate account assets | 759.0 | 854.1 | 840.1 | 818.6 | 735.7 |
| Total assets | \$ 24,351.4 | \$ 23,363.7 | \$ 22,437.5 | \$ 22,226.0 | \$ 21,113.4 |
| Liabilities and stockholders' equity | | | | | |
| Funds held under deposit contracts | \$ 19,825.7 | \$ 19,222.9 | \$ 18,816.7 | \$ 18,586.1 | \$ 18,139.8 |
| Future policy benefits | 397.0 | 395.8 | 394.9 | 394.7 | 394.3 |
| Policy and contract claims | 120.7 | 120.6 | 125.6 | 134.6 | 132.3 |
| Unearned premiums | 14.0 | 14.5 | 12.1 | 13.0 | 12.8 |
| Other policyholders' funds | 99.5 | 108.6 | 113.8 | 90.8 | 138.6 |
| Notes payable | 449.0 | 448.9 | 448.9 | 448.9 | 448.8 |
| Current income tax payable | 2.1 | — | — | — | — |
| Deferred income tax liabilities, net | 112.0 | — | — | — | — |
| Other liabilities | 229.6 | 226.6 | 252.1 | 227.4 | 303.0 |
| Securities lending payable | — | — | — | 31.4 | 44.4 |
| Separate account liabilities | 759.0 | 854.1 | 840.1 | 818.6 | 735.7 |
| Total liabilities | 22,008.6 | 21,392.0 | 21,004.2 | 20,745.5 | 20,349.7 |
| Preferred stock | — | — | — | — | — |
| Common stock | 1.2 | 1.2 | 0.9 | 0.9 | 0.9 |
| Additional paid-in-capital | 1,449.5 | 1,448.3 | 1,165.7 | 1,165.5 | 1,165.5 |
| Retained earnings | 391.6 | 362.7 | 316.4 | 284.3 | 240.2 |
| Treasury stock | (0.6) | — | — | — | — |
| Accumulated other comprehensive income (loss), net of taxes | 501.1 | 159.5 | (49.7) | 29.8 | (642.9) |
| Total stockholders' equity | 2,342.8 | 1,971.7 | 1,433.3 | 1,480.5 | 763.7 |
| Total liabilities and stockholders' equity | \$ 24,351.4 | \$ 23,363.7 | \$ 22,437.5 | \$ 22,226.0 | \$ 21,113.4 |

Reclassifications have been made to prior periods in order to conform to current year presentation.

Symetra Financial Corporation
2Q 2010 Financial Supplement
Segment Income Statement Data
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2010 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Group | \$ 113.6 | \$ 116.3 | \$ 114.8 | \$ 115.2 | \$ 116.6 | \$ 229.9 | \$ 234.9 |
| Retirement Services | 118.8 | 112.7 | 111.2 | 109.5 | 99.5 | 231.5 | 184.9 |
| Income Annuities | 104.9 | 104.2 | 104.4 | 104.8 | 107.2 | 209.1 | 213.7 |
| Individual | 107.8 | 105.4 | 105.9 | 105.5 | 105.3 | 213.2 | 208.4 |
| Other | 8.0 | 7.9 | 5.1 | 6.8 | 12.2 | 15.9 | 19.3 |
| Total | \$ 453.1 | \$ 446.5 | \$ 441.4 | \$ 441.8 | \$ 440.8 | \$ 899.6 | \$ 861.2 |
| Segment pre-tax adjusted operating income (loss): | | | | | | | |
| Group | \$ 18.2 | \$ 15.7 | \$ 10.7 | \$ 16.0 | \$ 17.2 | \$ 33.9 | \$ 28.7 |
| Retirement Services | 20.6 | 17.3 | 17.3 | 16.2 | 16.1 | 37.9 | 25.1 |
| Income Annuities | 6.4 | 6.4 | 9.4 | 8.3 | 10.3 | 12.8 | 24.7 |
| Individual | 19.0 | 23.3 | 14.7 | 15.9 | 18.5 | 42.3 | 35.7 |
| Other | (5.0) | (3.9) | (5.7) | (4.1) | 1.6 | (8.9) | (1.7) |
| Total | \$ 59.2 | \$ 58.8 | \$ 46.4 | \$ 52.3 | \$ 63.7 | \$ 118.0 | \$ 112.5 |

Symetra Financial Corporation
2Q 2010 Financial Supplement
Group Segment
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Premiums | \$ 105.8 | \$ 108.8 | \$ 108.1 | \$ 106.5 | \$ 107.9 | \$ 214.6 | \$ 217.6 |
| Net investment income | 4.8 | 4.6 | 4.5 | 4.5 | 4.3 | 9.4 | 8.8 |
| Policy fees, contract charges and other | 3.0 | 2.9 | 2.2 | 4.2 | 4.4 | 5.9 | 8.5 |
| Total operating revenues | 113.6 | 116.3 | 114.8 | 115.2 | 116.6 | 229.9 | 234.9 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 67.4 | 75.0 | 75.5 | 71.7 | 71.3 | 142.4 | 148.2 |
| Other underwriting and operating expenses | 26.0 | 23.7 | 26.5 | 25.6 | 26.2 | 49.7 | 54.1 |
| Amortization of deferred policy acquisition costs | 2.0 | 1.9 | 2.1 | 1.9 | 1.9 | 3.9 | 3.9 |
| Total benefits and expenses | 95.4 | 100.6 | 104.1 | 99.2 | 99.4 | 196.0 | 206.2 |
| Segment pre-tax adjusted operating income | \$ 18.2 | \$ 15.7 | \$ 10.7 | \$ 16.0 | \$ 17.2 | \$ 33.9 | \$ 28.7 |
| Operating Metrics: | | | | | | | |
| Group loss ratio ¹ | 63.8% | 68.9% | 69.9% | 67.3% | 66.1% | 66.4% | 68.1% |
| Expense ratio ² | 25.4% | 23.1% | 25.6% | 23.9% | 23.9% | 24.3% | 24.3% |
| Combined ratio ³ | 89.2% | 92.0% | 95.5% | 91.2% | 90.0% | 90.7% | 92.4% |
| Medical stop-loss — loss ratio ⁴ | 65.4% | 70.1% | 71.3% | 68.7% | 67.7% | 67.8% | 69.7% |
| Total sales ⁵ | \$ 20.6 | \$ 41.4 | \$ 13.4 | \$ 27.1 | \$ 14.0 | \$ 62.0 | \$ 50.8 |
| Premiums: | | | | | | | |
| Medical stop-loss | \$ 94.6 | \$ 97.6 | \$ 97.9 | \$ 96.3 | \$ 97.7 | \$ 192.2 | \$ 197.2 |
| Limited benefit medical | 8.5 | 8.0 | 7.7 | 7.7 | 7.6 | 16.5 | 15.1 |
| Other | 2.7 | 3.2 | 2.5 | 2.5 | 2.6 | 5.9 | 5.3 |
| Total premiums earned | \$ 105.8 | \$ 108.8 | \$ 108.1 | \$ 106.5 | \$ 107.9 | \$ 214.6 | \$ 217.6 |

5 Year Historical Group Loss Ratio¹:

| | For the Three Months Ended | | | | For the Year Ended |
|------|----------------------------|-------|-------|-------|--------------------|
| | 1Q | 2Q | 3Q | 4Q | |
| 2009 | 70.1% | 66.1% | 67.3% | 69.9% | 68.3% |
| 2008 | 71.0% | 66.3% | 59.4% | 66.6% | 65.8% |
| 2007 | 55.7% | 54.8% | 51.0% | 55.9% | 54.3% |
| 2006 | 71.3% | 61.1% | 57.8% | 47.1% | 59.6% |
| 2005 | 71.1% | 70.5% | 66.7% | 61.3% | 67.5% |

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

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

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

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

⁵ Total sales represents annualized first-year premiums.

Symetra Financial Corporation
2Q 2010 Financial Supplement
Retirement Services Segment
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Net investment income | 115.3 | 107.8 | 106.2 | 103.5 | 95.3 | 223.1 | 178.3 |
| Policy fees, contract charges and other | 4.8 | 4.8 | 4.4 | 4.6 | 4.0 | 9.6 | 7.8 |
| Net investment gains (losses) on FIA options | (1.3) | 0.1 | 0.6 | 1.4 | 0.2 | (1.2) | (1.2) |
| Total operating revenues | 118.8 | 112.7 | 111.2 | 109.5 | 99.5 | 231.5 | 184.9 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 0.6 | 0.1 | — | (1.3) | (0.4) | 0.7 | (0.9) |
| Interest credited | 70.4 | 68.5 | 69.7 | 70.5 | 61.1 | 138.9 | 116.7 |
| Other underwriting and operating expenses | 13.6 | 13.6 | 14.6 | 13.6 | 14.2 | 27.2 | 27.7 |
| Amortization of deferred policy acquisition costs | 13.6 | 13.2 | 9.6 | 10.5 | 8.5 | 26.8 | 16.3 |
| Total benefits and expenses | 98.2 | 95.4 | 93.9 | 93.3 | 83.4 | 193.6 | 159.8 |
| Segment pre-tax adjusted operating income | \$ 20.6 | \$ 17.3 | \$ 17.3 | \$ 16.2 | \$ 16.1 | \$ 37.9 | \$ 25.1 |
| Operating Metrics: | | | | | | | |
| Account values — fixed annuities | \$ 8,574.0 | \$ 8,005.4 | \$ 7,655.7 | \$ 7,464.1 | \$ 7,025.6 | \$ 8,574.0 | \$ 7,025.6 |
| Account values — variable annuities | 682.3 | 768.0 | 755.7 | 736.9 | 664.1 | 682.3 | 664.1 |
| Interest spread on average account values ¹ | 1.97% | 1.86% | 1.83% | 1.90% | 1.82% | 1.91% | 1.73% |
| Total sales ² | \$ 623.9 | \$ 377.5 | \$ 261.9 | \$ 486.9 | \$ 568.5 | \$ 1,001.4 | \$ 1,479.6 |

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
2Q 2010 Financial Supplement
Income Annuities Segment
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Net investment income | \$ 104.7 | \$ 104.0 | \$ 104.3 | \$ 104.7 | \$ 107.1 | \$ 208.7 | \$ 213.4 |
| Policy fees, contract charges and other | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.4 | 0.3 |
| Total operating revenues | 104.9 | 104.2 | 104.4 | 104.8 | 107.2 | 209.1 | 213.7 |
| Benefits and expenses: | | | | | | | |
| Interest credited | 92.9 | 92.0 | 89.2 | 90.7 | 91.3 | 184.9 | 178.0 |
| Other underwriting and operating expenses | 5.2 | 5.3 | 5.4 | 5.4 | 5.2 | 10.5 | 10.2 |
| Amortization of deferred policy acquisition costs | 0.4 | 0.5 | 0.4 | 0.4 | 0.4 | 0.9 | 0.8 |
| Total benefits and expenses | 98.5 | 97.8 | 95.0 | 96.5 | 96.9 | 196.3 | 189.0 |
| Segment pre-tax adjusted operating income | \$ 6.4 | \$ 6.4 | \$ 9.4 | \$ 8.3 | \$ 10.3 | \$ 12.8 | \$ 24.7 |
| Operating Metrics: | | | | | | | |
| Reserves ¹ | \$ 6,716.8 | \$ 6,726.7 | \$ 6,726.3 | \$ 6,722.7 | \$ 6,722.6 | \$ 6,716.8 | \$ 6,722.6 |
| Interest spread on reserves ² | 0.49% | 0.41% | 0.43% | 0.48% | 0.62% | 0.45% | 0.61% |
| Mortality gains (losses) ³ | \$ (1.8) | \$ (0.1) | \$ 1.3 | \$ - | \$ (0.5) | \$ (1.9) | \$ 3.8 |
| Total sales ⁴ | 67.8 | 66.3 | 83.8 | 70.7 | 56.9 | 134.1 | 97.3 |

5 Year Historical Mortality Gains (Losses)³:

| | For the Three Months Ended | | | | For the Year Ended |
|------|----------------------------|----------|-------|--------|-----------------------|
| | 1Q | 2Q | 3Q | 4Q | |
| 2009 | \$ 4.3 | \$ (0.5) | \$ - | \$ 1.3 | \$ 5.1 |
| 2008 | 2.0 | 0.8 | 0.7 | (1.4) | 2.1 |
| 2007 | 1.9 | - | (0.9) | (1.1) | (0.1) |
| 2006 | 0.2 | 2.4 | 1.3 | 2.4 | 6.3 |
| 2005 | 0.7 | (0.3) | (2.0) | 2.4 | 0.8 |

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
2Q 2010 Financial Supplement
Individual Segment
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Premiums ¹ | \$ 9.7 | \$ 10.2 | \$ 9.1 | \$ 10.1 | \$ 8.9 | \$ 19.9 | \$ 18.7 |
| Net investment income | 68.3 | 66.1 | 67.2 | 66.9 | 67.0 | 134.4 | 131.1 |
| Policy fees, contract charges and other ¹ | 29.8 | 29.1 | 29.6 | 28.5 | 29.4 | 58.9 | 58.6 |
| Total operating revenues | 107.8 | 105.4 | 105.9 | 105.5 | 105.3 | 213.2 | 208.4 |
| Benefits and expenses: | | | | | | | |
| Policyholder benefits and claims | 15.3 | 11.1 | 12.9 | 15.2 | 11.2 | 26.4 | 29.2 |
| Interest credited | 59.1 | 58.5 | 59.6 | 60.0 | 61.8 | 117.6 | 115.7 |
| Other underwriting and operating expenses | 13.4 | 12.7 | 15.8 | 13.4 | 12.7 | 26.1 | 26.2 |
| Amortization of deferred policy acquisition costs | 1.0 | (0.2) | 2.9 | 1.0 | 1.1 | 0.8 | 1.6 |
| Total benefits and expenses | 88.8 | 82.1 | 91.2 | 89.6 | 86.8 | 170.9 | 172.7 |
| Segment pre-tax adjusted operating income | \$ 19.0 | \$ 23.3 | \$ 14.7 | \$ 15.9 | \$ 18.5 | \$ 42.3 | \$ 35.7 |
| Operating Metrics: | | | | | | | |
| Insurance in force (direct) ² | \$ 49,912.3 | \$ 50,056.5 | \$ 50,030.3 | \$ 50,215.6 | \$ 50,475.8 | \$ 49,912.3 | \$ 50,475.8 |
| Mortality ratio ³ | 79.5% | 83.2% | 67.5% | 72.7% | 79.0% | 81.3% | 80.6% |
| BOLI account value ⁴ | \$ 3,886.0 | \$ 3,853.2 | \$ 3,789.1 | \$ 3,754.9 | \$ 3,741.2 | \$ 3,886.0 | \$ 3,741.2 |
| UL account value ⁴ | 588.9 | 585.3 | 583.8 | 584.8 | 580.0 | 588.9 | 580.0 |
| PGAAP reserve balance ⁵ | 32.4 | 34.5 | 36.7 | 38.9 | 42.2 | 32.4 | 42.2 |
| BOLI ROA ⁶ | 1.28% | 1.08% | 0.65% | 1.09% | 1.24% | 1.17% | 1.29% |
| UL interest spread ⁷ | 1.59% | 1.37% | 1.11% | 1.27% | 1.26% | 1.47% | 1.23% |
| Total sales, excluding BOLI ⁸ | \$ 2.4 | \$ 2.8 | \$ 2.7 | \$ 2.9 | \$ 2.4 | \$ 5.2 | \$ 4.9 |
| BOLI sales ⁹ | - | 2.7 | - | - | - | 2.7 | 2.5 |

¹ Effective January 1, 2010, cost of insurance charges are reported in policy fees, contract charges and other instead of premiums with no impact to total revenues. All prior periods have been reclassified to conform to this presentation.

² Insurance in force represents dollar face amounts of policies.

³ 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.

⁴ BOLI (bank-owned life insurance) account value and UL account value represent our liability to our policyholders.

⁵ 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.

⁶ 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.

⁷ 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, 2010 first quarter, and 2010 year-to-date second quarter credited rate to policyholders have been adjusted to exclude a reserve adjustment related to a persistency bonus. Without this adjustment the 2009 fourth quarter, 2010 first quarter, and 2010 year-to-date second quarter UL interest spread would be 4.83%, 5.40% and 3.49%, respectively.

⁸ Total sales, excluding BOLI represent annualized first year premiums and 10% of single premium new deposits.

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

Symetra Financial Corporation
2Q 2010 Financial Supplement
Other Segment
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|--|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Operating revenues: | | | | | | | |
| Net investment income | \$ 4.0 | \$ 4.4 | \$ 2.0 | \$ 4.0 | \$ 9.4 | \$ 8.4 | \$ 14.2 |
| Policy fees, contract charges and other | 4.0 | 3.5 | 3.1 | 2.8 | 2.8 | 7.5 | 5.1 |
| Total operating revenues | 8.0 | 7.9 | 5.1 | 6.8 | 12.2 | 15.9 | 19.3 |
| Benefits and expenses: | | | | | | | |
| Interest credited | (0.9) | (0.5) | (0.9) | (0.7) | (1.1) | (1.4) | (1.7) |
| Other underwriting and operating expenses | 6.0 | 4.3 | 3.7 | 3.7 | 3.7 | 10.3 | 6.8 |
| Interest expense | 7.9 | 8.0 | 8.0 | 7.9 | 8.0 | 15.9 | 15.9 |
| Total benefits and expenses | 13.0 | 11.8 | 10.8 | 10.9 | 10.6 | 24.8 | 21.0 |
| Segment pre-tax adjusted operating income (loss) | \$ (5.0) | \$ (3.9) | \$ (5.7) | \$ (4.1) | \$ 1.6 | \$ (8.9) | \$ (1.7) |

Symetra Financial Corporation
2Q 2010 Financial Supplement
Deferred Policy Acquisition Cost (DAC) Roll Forwards
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|---|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Summary – Total Company | | | | | | | |
| Unamortized balance, beginning of period | \$ 339.8 | \$ 325.7 | \$ 315.4 | \$ 295.7 | \$ 267.7 | \$ 325.7 | \$ 219.5 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 30.6 | 21.5 | 16.1 | 25.6 | 29.7 | 52.1 | 75.2 |
| Other acquisition expenses | 8.6 | 9.0 | 9.0 | 7.1 | 7.2 | 17.6 | 15.3 |
| Total deferral of acquisition costs | 39.2 | 30.5 | 25.1 | 32.7 | 36.9 | 69.7 | 90.5 |
| Adjustments related to inv (gains) losses | (1.2) | (1.0) | 0.2 | 0.8 | 3.0 | (2.2) | 8.3 |
| Amortization | (17.0) | (17.1) | (13.0) | (12.7) | (11.9) | (34.1) | (22.6) |
| Unlocking | - | 1.7 | (2.0) | (1.1) | - | 1.7 | - |
| Total amortization | (17.0) | (15.4) | (15.0) | (13.8) | (11.9) | (32.4) | (22.6) |
| Unamortized balance, end of period | 360.8 | 339.8 | 325.7 | 315.4 | 295.7 | 360.8 | 295.7 |
| Accum effect of net unrealized (gains) losses | (161.8) | (112.3) | (75.3) | (74.6) | 11.7 | (161.8) | 11.7 |
| DAC balance, end of period | \$ 199.0 | \$ 227.5 | \$ 250.4 | \$ 240.8 | \$ 307.4 | \$ 199.0 | \$ 307.4 |
| Group | | | | | | | |
| Unamortized balance, beginning of period | \$ 3.4 | \$ 3.2 | \$ 3.5 | \$ 3.4 | \$ 3.3 | \$ 3.2 | \$ 3.3 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 2.1 | 2.1 | 1.8 | 2.0 | 2.0 | 4.2 | 4.0 |
| Other acquisition expenses | 2.1 | 2.1 | 1.8 | 2.0 | 2.0 | 4.2 | 4.0 |
| Total deferral of acquisition costs | (2.0) | (1.9) | (2.1) | (1.9) | (1.9) | (3.9) | (3.9) |
| Amortization | 3.5 | 3.4 | 3.2 | 3.5 | 3.4 | 3.5 | 3.4 |
| Unamortized balance, end of period | \$ 3.5 | \$ 3.4 | \$ 3.2 | \$ 3.5 | \$ 3.4 | \$ 3.5 | \$ 3.4 |
| DAC balance, end of period | \$ 3.5 | \$ 3.4 | \$ 3.2 | \$ 3.5 | \$ 3.4 | \$ 3.5 | \$ 3.4 |
| Retirement Services | | | | | | | |
| Unamortized balance, beginning of period | \$ 255.7 | \$ 249.1 | \$ 240.5 | \$ 225.8 | \$ 202.0 | \$ 249.1 | \$ 158.7 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 25.9 | 16.0 | 11.7 | 20.8 | 25.4 | 41.9 | 66.7 |
| Other acquisition expenses | 4.8 | 4.7 | 6.3 | 3.7 | 3.9 | 9.5 | 8.6 |
| Total deferral of acquisition costs | 30.7 | 20.7 | 18.0 | 24.5 | 29.3 | 51.4 | 75.3 |
| Adjustments related to inv (gains) losses | (1.2) | (0.9) | 0.2 | 0.7 | 3.0 | (2.1) | 8.1 |
| Amortization | (13.6) | (13.2) | (9.6) | (9.4) | (8.5) | (26.8) | (16.3) |
| Unlocking | - | - | - | (1.1) | - | - | - |
| Total amortization | (13.6) | (13.2) | (9.6) | (10.5) | (8.5) | (26.8) | (16.3) |
| Unamortized balance, end of period | 271.6 | 255.7 | 249.1 | 240.5 | 225.8 | 271.6 | 225.8 |
| Accum effect of net unrealized (gains) losses | (157.9) | (110.0) | (74.3) | (74.2) | 8.8 | (157.9) | 8.8 |
| DAC balance, end of period | \$ 113.7 | \$ 145.7 | \$ 174.8 | \$ 166.3 | \$ 234.6 | \$ 113.7 | \$ 234.6 |
| Income Annuities | | | | | | | |
| Unamortized balance, beginning of period | \$ 24.7 | \$ 22.4 | \$ 19.7 | \$ 17.4 | \$ 15.6 | \$ 22.4 | \$ 14.5 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 2.3 | 2.4 | 2.9 | 2.5 | 2.0 | 4.7 | 3.4 |
| Other acquisition expenses | 0.4 | 0.4 | 0.2 | 0.2 | 0.2 | 0.8 | 0.3 |
| Total deferral of acquisition costs | 2.7 | 2.8 | 3.1 | 2.7 | 2.2 | 5.5 | 3.7 |
| Amortization | (0.4) | (0.5) | (0.4) | (0.4) | (0.4) | (0.9) | (0.8) |
| Unamortized balance, end of period | 27.0 | 24.7 | 22.4 | 19.7 | 17.4 | 27.0 | 17.4 |
| DAC balance, end of period | \$ 27.0 | \$ 24.7 | \$ 22.4 | \$ 19.7 | \$ 17.4 | \$ 27.0 | \$ 17.4 |
| Individual | | | | | | | |
| Unamortized balance, beginning of period | \$ 56.0 | \$ 51.0 | \$ 51.7 | \$ 49.1 | \$ 46.8 | \$ 51.0 | \$ 43.0 |
| Deferral of acquisition costs: | | | | | | | |
| Commissions | 2.4 | 3.1 | 1.5 | 2.3 | 2.3 | 5.5 | 5.1 |
| Other acquisition expenses | 1.3 | 1.8 | 0.7 | 1.2 | 1.1 | 3.1 | 2.4 |
| Total deferral of acquisition costs | 3.7 | 4.9 | 2.2 | 3.5 | 3.4 | 8.6 | 7.5 |
| Adjustments related to inv (gains) losses | - | (0.1) | - | 0.1 | - | (0.1) | 0.2 |
| Amortization | (1.0) | (1.5) | (0.9) | (1.0) | (1.1) | (2.5) | (1.6) |
| Unlocking | - | 1.7 | (2.0) | - | - | 1.7 | - |
| Total amortization | (1.0) | 0.2 | (2.9) | (1.0) | (1.1) | (0.8) | (1.6) |
| Unamortized balance, end of period | 58.7 | 56.0 | 51.0 | 51.7 | 49.1 | 58.7 | 49.1 |
| Accum effect of net unrealized (gains) losses | (3.9) | (2.3) | (1.0) | (0.4) | 2.9 | (3.9) | 2.9 |
| DAC balance, end of period | \$ 54.8 | \$ 53.7 | \$ 50.0 | \$ 51.3 | \$ 52.0 | \$ 54.8 | \$ 52.0 |

Symetra Financial Corporation
2Q 2010 Financial Supplement
Account Value and Reserve Roll Forwards
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|------------------------------------|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Retirement Services: | | | | | | | |
| <i>Fixed Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 8,005.4 | \$ 7,655.7 | \$ 7,464.1 | \$ 7,025.6 | \$ 6,588.5 | \$ 7,655.7 | \$ 5,724.9 |
| Deposits | 667.6 | 422.8 | 307.8 | 514.1 | 597.6 | 1,090.4 | 1,533.6 |
| Interest credited | 80.4 | 77.2 | 78.3 | 78.7 | 69.5 | 157.6 | 131.3 |
| Withdrawals and transfers | (174.6) | (168.9) | (191.3) | (148.8) | (158.0) | (343.5) | (324.9) |
| Other | (4.8) | 18.6 | (3.2) | (5.5) | (72.0) | 13.8 | (39.3) |
| Account value, end of period | \$ 8,574.0 | \$ 8,005.4 | \$ 7,655.7 | \$ 7,464.1 | \$ 7,025.6 | \$ 8,574.0 | \$ 7,025.6 |
| Income Annuities: | | | | | | | |
| <i>Reserves</i> | | | | | | | |
| Reserves, beginning of period | \$ 6,726.7 | \$ 6,726.3 | \$ 6,722.7 | \$ 6,722.6 | \$ 6,742.7 | \$ 6,726.3 | \$ 6,761.2 |
| Deposits | 67.6 | 62.8 | 80.5 | 66.9 | 56.0 | 130.4 | 94.8 |
| Interest credited | 96.8 | 97.0 | 96.8 | 96.9 | 96.9 | 193.8 | 194.0 |
| Benefit payments | (167.9) | (147.2) | (170.3) | (174.0) | (167.1) | (315.1) | (315.6) |
| Other | (6.4) | (12.2) | (3.4) | 10.3 | (5.9) | (18.6) | (11.8) |
| Reserves, end of period | \$ 6,716.8 | \$ 6,726.7 | \$ 6,726.3 | \$ 6,722.7 | \$ 6,722.6 | \$ 6,716.8 | \$ 6,722.6 |
| Individual: | | | | | | | |
| <i>BOLI Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 3,853.2 | \$ 3,789.1 | \$ 3,754.9 | \$ 3,741.2 | \$ 3,759.8 | \$ 3,789.1 | \$ 3,700.4 |
| Deposits | - | 27.6 | - | - | - | 27.6 | 25.0 |
| Interest credited | 52.0 | 52.0 | 50.7 | 52.5 | 55.2 | 104.0 | 104.9 |
| Surrenders | (0.3) | - | - | (24.9) | (59.0) | (0.3) | (59.0) |
| Administrative charges and other | (18.9) | (15.5) | (16.5) | (13.9) | (14.8) | (34.4) | (30.1) |
| Account value, end of period | \$ 3,886.0 | \$ 3,853.2 | \$ 3,789.1 | \$ 3,754.9 | \$ 3,741.2 | \$ 3,886.0 | \$ 3,741.2 |
| <i>UL Account Values</i> | | | | | | | |
| Account value, beginning of period | \$ 585.3 | \$ 583.8 | \$ 584.8 | \$ 580.0 | \$ 579.3 | \$ 583.8 | \$ 580.3 |
| Deposits | 19.1 | 22.5 | 18.9 | 19.4 | 15.2 | 41.6 | 30.7 |
| Interest credited | 6.1 | 0.4 | 1.1 | 6.5 | 6.5 | 6.5 | 13.0 |
| Surrenders | (7.3) | (7.3) | (7.0) | (7.2) | (6.7) | (14.6) | (16.0) |
| Administrative charges and other | (14.3) | (14.1) | (14.0) | (13.9) | (14.3) | (28.4) | (28.0) |
| Account value, end of period | \$ 588.9 | \$ 585.3 | \$ 583.8 | \$ 584.8 | \$ 580.0 | \$ 588.9 | \$ 580.0 |

Symetra Financial Corporation
2Q 2010 Financial Supplement
Overview of Liabilities and Associated Unrealized Gains
(In millions)

| | As of Jun. 30, 2010 | | |
|---|------------------------|---------------|-------------------------------|
| | Policyholder Liability | % of Total | Unrealized gains ⁷ |
| Illiquid Liabilities | | | |
| Structured settlements & other SPIAs ¹ | \$ 6,708.8 | | \$ 201.6 |
| Deferred annuities with 5 year payout provision or MVA ² | 376.6 | | 21.9 |
| Traditional insurance (net of reinsurance) ³ | 186.2 | | 9.8 |
| Group health & life (net of reinsurance) ³ | 101.7 | | 3.3 |
| Total illiquid liabilities | 7,373.3 | 36.7% | 236.6 |
| Somewhat Liquid Liabilities | | | |
| Bank-owned life insurance (BOLI) ⁴ | 3,963.2 | | 182.8 |
| Deferred annuities with surrender charges > 5% | 5,632.1 | | 326.9 |
| Universal life with surrender charges > 5% | 164.4 | | 5.8 |
| Total somewhat liquid liabilities | 9,759.7 | 48.5% | 515.5 |
| Fully Liquid Liabilities | | | |
| Deferred annuities with surrender charges of: | | | |
| 3-5% | 388.5 | | 22.5 |
| 0-3% | 201.3 | | 11.7 |
| No surrender charges ⁵ | 1,926.5 | | 111.8 |
| Universal life and whole life with surrender charges < 5% | 438.9 | | 15.4 |
| BOLI ⁶ | 1.3 | | 0.1 |
| Traditional insurance (net of reinsurance) ⁶ | 2.0 | | 0.1 |
| Group health & life (net of reinsurance) ⁶ | 16.5 | | 0.5 |
| Total fully liquid liabilities | 2,975.0 | 14.8% | 162.1 |
| Assets supporting surplus portfolio | | | 67.3 |
| Total book value of liabilities from above | <u>\$ 20,108.0</u> | <u>100.0%</u> | <u>\$ 981.5</u> |
| Reconciliation of unrealized gains to AOCI: | | | |
| Unrealized gains from above | | | \$ 981.5 |
| Tax on unrealized gains and losses on available for sale securities | | | (343.5) |
| Adjustment for deferred policy acquisition costs and deferred sales inducements valuation allowance, net of tax | | | (135.1) |
| Other | | | (1.8) |
| AOCI | | | <u>\$ 501.1</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. Represents incurred but not reported claim liabilities.

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

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

⁶ Represents reported claim liabilities.

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

Symetra Financial Corporation
2Q 2010 Financial Supplement
Investments Summary
(In millions)

| | As of: | | | | | | | | | |
|--|------------------|--------|------------------|--------|------------------|--------|------------------|--------|------------------|--------|
| | Jun. 30, 2010 | % | Mar. 31, 2010 | % | Dec. 31, 2009 | % | Sep. 30, 2009 | % | Jun. 30, 2009 | % |
| Portfolio Composition: | | | | | | | | | | |
| Available-for-sale securities: | | | | | | | | | | |
| Fixed maturities, at fair value | \$20,612.2 | 92.2% | \$19,390.6 | 92.0% | \$18,594.3 | 92.1% | \$18,542.3 | 92.5% | \$16,933.9 | 92.3% |
| Marketable equity securities, at fair value | 43.9 | 0.2% | 37.6 | 0.2% | 36.7 | 0.2% | 35.4 | 0.2% | 33.6 | 0.2% |
| Trading securities: | | | | | | | | | | |
| Marketable equity securities, at fair value | 141.0 | 0.6% | 151.0 | 0.7% | 154.1 | 0.8% | 140.6 | 0.7% | 116.1 | 0.6% |
| Mortgage loans, net | 1,340.3 | 6.0% | 1,228.0 | 5.8% | 1,201.7 | 6.0% | 1,095.2 | 5.5% | 1,038.2 | 5.7% |
| Policy loans | 72.3 | 0.3% | 73.4 | 0.4% | 73.9 | 0.4% | 73.9 | 0.4% | 74.1 | 0.4% |
| Short-term investments | 2.7 | 0.0% | 54.0 | 0.3% | 2.1 | 0.0% | 2.5 | 0.0% | 2.6 | 0.0% |
| Investment in limited partnerships | 136.9 | 0.6% | 130.6 | 0.6% | 110.2 | 0.5% | 133.4 | 0.6% | 151.4 | 0.8% |
| Other invested assets | 9.3 | 0.1% | 9.1 | 0.0% | 10.1 | 0.0% | 11.9 | 0.1% | 7.1 | 0.0% |
| Total investments | 22,358.6 | 100.0% | 21,074.3 | 100.0% | 20,183.1 | 100.0% | 20,035.2 | 100.0% | 18,357.0 | 100.0% |
| Cash and cash equivalents | 322.7 | | 389.3 | | 257.8 | | 241.7 | | 435.0 | |
| Total investments, cash and cash equivalents | \$22,681.3 | | \$21,463.6 | | \$20,440.9 | | \$20,276.9 | | \$18,792.0 | |
| Fixed Maturities Securities by Credit Quality ¹ : | | | | | | | | | | |
| 1: AAA, AA, A | \$12,116.4 | 58.8% | \$11,350.3 | 58.5% | \$11,031.3 | 59.3% | \$10,817.9 | 58.4% | \$ 9,998.9 | 59.0% |
| 2: BBB | 7,465.0 | 36.2% | 6,960.2 | 35.9% | 6,530.9 | 35.1% | 6,454.5 | 34.8% | 5,788.8 | 34.2% |
| Total investment grade | 19,581.4 | 95.0% | 18,310.5 | 94.4% | 17,562.2 | 94.4% | 17,272.4 | 93.2% | 15,787.7 | 93.2% |
| 3: BB | 642.0 | 3.1% | 688.4 | 3.6% | 641.3 | 3.5% | 709.6 | 3.8% | 673.6 | 4.0% |
| 4: B | 264.6 | 1.3% | 250.2 | 1.3% | 219.2 | 1.2% | 292.8 | 1.6% | 314.9 | 1.9% |
| 5: CCC & lower | 105.4 | 0.5% | 122.7 | 0.6% | 113.5 | 0.6% | 206.8 | 1.1% | 123.3 | 0.7% |
| 6: In or near default | 18.8 | 0.1% | 18.8 | 0.1% | 58.1 | 0.3% | 60.7 | 0.3% | 34.4 | 0.2% |
| Total below investment grade | 1,030.8 | 5.0% | 1,080.1 | 5.6% | 1,032.1 | 5.6% | 1,269.9 | 6.8% | 1,146.2 | 6.8% |
| Total fixed maturities | \$20,612.2 | 100.0% | \$19,390.6 | 100.0% | \$18,594.3 | 100.0% | \$18,542.3 | 100.0% | \$16,933.9 | 100.0% |
| Fixed Maturities by Issuer Type: | | | | | | | | | | |
| U.S. government and agencies | \$ 123.0 | 0.6% | \$ 44.1 | 0.2% | \$ 43.9 | 0.2% | \$ 45.7 | 0.2% | \$ 153.9 | 0.9% |
| State and political subdivisions | 471.8 | 2.3% | 489.9 | 2.5% | 483.0 | 2.6% | 484.9 | 2.6% | 449.2 | 2.6% |
| Foreign governments | 25.0 | 0.1% | 26.2 | 0.1% | 27.4 | 0.2% | 28.2 | 0.2% | 28.7 | 0.2% |
| Corporate securities | 14,176.4 | 68.8% | 13,198.8 | 68.1% | 12,548.6 | 67.5% | 12,414.0 | 66.9% | 11,216.4 | 66.2% |
| Residential mortgage-backed securities | 3,806.2 | 18.4% | 3,649.3 | 18.8% | 3,536.4 | 19.0% | 3,536.6 | 19.1% | 3,162.4 | 18.7% |
| Commercial mortgage-based securities | 1,829.5 | 8.9% | 1,774.8 | 9.2% | 1,789.4 | 9.6% | 1,873.4 | 10.1% | 1,790.2 | 10.6% |
| Other debt obligations | 180.3 | 0.9% | 207.5 | 1.1% | 165.6 | 0.9% | 159.5 | 0.9% | 133.1 | 0.8% |
| Total fixed maturities | \$20,612.2 | 100.0% | \$19,390.6 | 100.0% | \$18,594.3 | 100.0% | \$18,542.3 | 100.0% | \$16,933.9 | 100.0% |
| Effective Duration | 5.4 | | 5.3 | | 5.4 | | 5.6 | | 5.5 | |
| Average Investment Yield | 5.50% | | 5.48% | | 5.62% | | 5.64% | | 5.65% | |
| Average Daily Cash and Cash Equivalent Balances by Segment: | | | | | | | | | | |
| Group | \$ 9.5 | 3.2% | \$ 5.6 | 1.5% | \$ 4.7 | 2.1% | \$ 18.7 | 3.5% | \$ 19.2 | 4.3% |
| Retirement Services | 174.4 | 57.9% | 177.6 | 48.2% | 163.2 | 75.2% | 274.4 | 51.7% | 248.6 | 55.5% |
| Income Annuities | 8.2 | 2.7% | 19.0 | 5.2% | 29.0 | 13.4% | 62.7 | 11.8% | 36.7 | 8.2% |
| Individual | 42.6 | 14.1% | 31.2 | 8.5% | (51.5) | -23.7% | 114.8 | 21.7% | 116.6 | 26.0% |
| Other | 66.5 | 22.1% | 134.9 | 36.6% | 71.7 | 33.0% | 60.0 | 11.3% | 26.9 | 6.0% |
| Total | \$ 301.2 | 100.0% | \$ 368.3 | 100.0% | \$ 217.1 | 100.0% | \$ 530.6 | 100.0% | \$ 448.0 | 100.0% |

| | For the Three Months Ended | | | | | | For the Six Months Ended | | | | |
|---|----------------------------|--|------------------|--|------------------|--|--------------------------|--|------------------|--|------------------|
| | Jun. 30, 2010 | | Mar. 31, 2010 | | Dec. 31, 2009 | | Sep. 30, 2009 | | Jun. 30, 2009 | | Jun. 30, 2009 |
| MBS Prepayment Speed Adjustment: ² | | | | | | | | | | | |
| Group | \$ 0.1 | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - |
| Retirement Services | (0.2) | | 0.3 | | (0.2) | | 0.3 | | 0.2 | | - |
| Income Annuities | (0.1) | | (0.2) | | (0.1) | | - | | 1.8 | | 2.5 |
| Individual | 0.2 | | (0.1) | | 0.1 | | 0.3 | | 0.8 | | 1.1 |
| Other | (0.1) | | - | | - | | 0.2 | | 0.1 | | (0.1) |
| Total | \$ (0.1) | | \$ - | | \$ (0.2) | | \$ 0.8 | | \$ 2.9 | | \$ 3.5 |

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

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

Symetra Financial Corporation
2Q 2010 Financial Supplement
Sales by Segment and Product
(In millions)

| | For the Three Months Ended | | | | | For the Six Months Ended | |
|-------------------------------|----------------------------|------------------|------------------|------------------|------------------|--------------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 | Jun. 30, 2010 | Jun. 30, 2009 |
| Group | | | | | | | |
| Medical stop-loss | \$ 13.9 | \$ 38.4 | \$ 10.2 | \$ 24.3 | \$ 10.0 | \$ 52.3 | \$ 43.2 |
| Limited benefit medical | 5.4 | 2.2 | 2.0 | 2.4 | 3.3 | 7.6 | 6.1 |
| Group life & disability | 1.3 | 0.8 | 1.2 | 0.4 | 0.7 | 2.1 | 1.5 |
| Total | \$ 20.6 | \$ 41.4 | \$ 13.4 | \$ 27.1 | \$ 14.0 | \$ 62.0 | \$ 50.8 |
| Retirement Services | | | | | | | |
| Fixed annuities | \$ 616.8 | \$ 369.5 | \$ 249.9 | \$ 470.2 | \$ 547.8 | \$ 986.3 | \$ 1,431.9 |
| Variable annuities | 4.0 | 4.7 | 6.7 | 5.0 | 5.5 | 8.7 | 8.5 |
| Retirement plans ¹ | 3.1 | 3.3 | 5.3 | 11.7 | 15.2 | 6.4 | 39.2 |
| Total | \$ 623.9 | \$ 377.5 | \$ 261.9 | \$ 486.9 | \$ 568.5 | \$ 1,001.4 | \$ 1,479.6 |
| Income Annuities | | | | | | | |
| SPIA | \$ 47.2 | \$ 43.1 | \$ 62.1 | \$ 50.1 | \$ 46.1 | \$ 90.3 | \$ 77.3 |
| Structured settlements | 20.6 | 23.2 | 21.7 | 20.6 | 10.8 | 43.8 | 20.0 |
| Total | \$ 67.8 | \$ 66.3 | \$ 83.8 | \$ 70.7 | \$ 56.9 | \$ 134.1 | \$ 97.3 |
| Individual | | | | | | | |
| Term life insurance | \$ 1.1 | \$ 1.5 | \$ 1.5 | \$ 1.6 | \$ 1.3 | \$ 2.6 | \$ 2.0 |
| Permanent life insurance | 1.3 | 1.3 | 1.2 | 1.3 | 1.1 | 2.6 | 2.9 |
| BOLI | - | 2.7 | - | - | - | 2.7 | 2.5 |
| Total | \$ 2.4 | \$ 5.5 | \$ 2.7 | \$ 2.9 | \$ 2.4 | \$ 7.9 | \$ 7.4 |

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
2Q 2010 Financial Supplement
Book Value and Adjusted Book Value per Share
(In millions, except per share amounts)

| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
|---|------------------|------------------|------------------|------------------|------------------|
| Book value per common share ¹ | \$ 17.08 | \$ 14.39 | \$ 12.83 | \$ 13.25 | \$ 6.84 |
| Non-GAAP Financial Measures: | | | | | |
| Adjusted book value per common share ² | \$ 15.58 | \$ 15.35 | \$ 15.99 | \$ 15.65 | \$ 15.18 |
| Adjusted book value per common share, as converted ³ | \$ 15.02 | \$ 14.81 | \$ 15.23 | \$ 14.94 | \$ 14.56 |
| Numerator: | | | | | |
| Total stockholders' equity | \$ 2,342.8 | \$ 1,971.7 | \$ 1,433.3 | \$ 1,480.5 | \$ 763.7 |
| AOCI ⁴ | 501.1 | 159.5 | (49.7) | 29.8 | (642.9) |
| Adjusted book value | \$ 1,841.7 | \$ 1,812.2 | \$ 1,483.0 | \$ 1,450.7 | \$ 1,406.6 |
| Assumed proceeds from exercise of warrants | 218.1 | 218.1 | 218.1 | 218.1 | 218.1 |
| Adjusted book value, as converted | \$ 2,059.8 | \$ 2,030.3 | \$ 1,701.1 | \$ 1,668.8 | \$ 1,624.7 |
| Denominator: ⁵ | | | | | |
| Basic common shares outstanding | 118.175 | 118.086 | 92.729 | 92.729 | 92.646 |
| Diluted common shares outstanding | 137.151 | 137.062 | 111.705 | 111.705 | 111.622 |

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

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

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 diluted common shares outstanding.

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

⁵ Share reconciliation:

| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
|--|------------------|------------------|------------------|------------------|------------------|
| Basic common shares outstanding, beginning of period | 118.086 | 92.729 | 92.729 | 92.646 | 92.646 |
| Primary shares issued in IPO | - | 25.260 | - | - | - |
| Restricted shares issued | 0.137 | 0.097 | - | 0.083 | - |
| Shares repurchased | (0.048) | - | - | - | - |
| Basic common shares outstanding, end of period | 118.175 | 118.086 | 92.729 | 92.729 | 92.646 |
| Outstanding warrants | 18.976 | 18.976 | 18.976 | 18.976 | 18.976 |
| Diluted common shares outstanding, end of period | 137.151 | 137.062 | 111.705 | 111.705 | 111.622 |

Symetra Financial Corporation
2Q 2010 Financial Supplement
ROE and Operating ROAE
(In millions)

| | Twelve Months Ended | | | | |
|--|---------------------|------------------|------------------|------------------|------------------|
| | Jun. 30, 2010 | Mar. 31, 2010 | Dec. 31, 2009 | Sep. 30, 2009 | Jun. 30, 2009 |
| ROE: | | | | | |
| Net income for the twelve months ended ¹ | \$ 158.3 | \$ 169.5 | \$ 128.3 | \$ 91.3 | \$ 42.4 |
| Average stockholders' equity ² | \$ 1,598.4 | \$ 1,169.5 | \$ 832.4 | \$ 658.0 | \$ 561.6 |
| ROE | 9.9% | 14.5% | 15.4% | 13.9% | 7.5% |
| Operating ROAE: | | | | | |
| Adjusted operating income for the twelve months ended ¹ | \$ 153.8 | \$ 157.6 | \$ 147.9 | \$ 146.3 | \$ 145.6 |
| Average adjusted book value ³ | \$ 1,598.8 | \$ 1,502.4 | \$ 1,407.7 | \$ 1,379.9 | \$ 1,359.4 |
| Operating ROAE | 9.6% | 10.5% | 10.5% | 10.6% | 10.7% |

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 | | |
|-----------------------------|---------|---------|------------|--------------|
| | | 2010 | 2009 | 2008 |
| Stockholders' Equity | | | | |
| | Dec. 31 | \$ - | \$ 1,433.3 | \$ 286.2 |
| | Sep. 30 | - | 1,480.5 | 560.9 |
| | Jun. 30 | 2,342.8 | 763.7 | 998.8 |
| | Mar. 31 | 1,971.7 | 198.5 | 1,178.1 |
| AOCI | | | | |
| | Dec. 31 | \$ - | \$ (49.7) | \$ (1,052.6) |
| | Sep. 30 | - | 29.8 | (782.8) |
| | Jun. 30 | 501.1 | (642.9) | (349.7) |
| | Mar. 31 | 159.5 | (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 December 31, 2009, September 30, 2009, and June 30, 2009.

| | Three Months Ended | | |
|--|--------------------|------------------|------------------|
| | Mar. 31, 2009 | Dec. 31, 2008 | Sep. 30, 2008 |
| Net income (loss) | \$ 5.1 | \$ (4.9) | \$ (4.8) |
| Less: Net realized investment losses (net of taxes) | (28.0) | (35.5) | (41.8) |
| Add: Net investment gains (losses) on FIA options (net of taxes) | (0.9) | 0.5 | - |
| Adjusted operating income | \$ 32.2 | \$ 31.1 | \$ 37.0 |