

2015 Outlook Meeting

December 16, 2014 | New York

Safe Harbor Statement and Non-GAAP Financial Measures

Certain information in this presentation constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those not based on historical information, but rather relate to our outlook, future operations, strategies, financial results, or other developments and speak only as of the date made. These forward-looking statements, including statements about growth in after-tax operating income per share, anticipated reserve increases, the loss associated with the pension payout, weighted average risk-based capital ratios and cash and marketable securities, premium income growth, and share repurchases are subject to numerous assumptions, risks, and uncertainties, many of which are beyond our control. The following factors, in addition to other factors mentioned from time to time, may cause actual results to differ materially from those contemplated by the forward-looking statements: (1) unfavorable economic or business conditions, both domestic and foreign; (2) sustained periods of low interest rates; (3) fluctuation in insurance reserve liabilities and claim payments due to changes in claim incidence, recovery rates, mortality rates, and offsets due to, among other factors, the rate of unemployment and consumer confidence, the emergence of new diseases, epidemics, or pandemics, new trends and developments in medical treatments, the effectiveness of our claims operational processes, and changes in government programs; (4) legislative, regulatory, or tax changes, both domestic and foreign, including the effect of potential legislation and increased regulation in the current political environment; (5) investment results, including, but not limited to, changes in interest rates, defaults, changes in credit spreads, impairments, and the lack of appropriate investments in the market which can be acquired to match our liabilities; (6) the failure of cyber or other information security systems, as well as the occurrence of events unanticipated in our disaster recovery systems; (7) ineffectiveness of our derivatives hedging programs due to changes in the economic environment, counterparty risk, ratings downgrades, capital market volatility, changes in interest rates, and/or regulation; (8) increased competition from other insurers and financial services companies due to industry consolidation, new entrants to our markets, or other factors; (9) changes in our financial strength and credit ratings; (10) damage to our reputation due to, among other factors, regulatory investigations, legal proceedings, external events, and/or inadequate or failed internal controls and procedures; (11) actual experience that deviates from our assumptions used in pricing, underwriting, and reserving; (12) actual persistency and/or sales growth that is higher or lower than projected; (13) changes in demand for our products due to, among other factors, changes in societal attitudes, the rate of unemployment, consumer confidence, and/or legislative and regulatory changes, including healthcare reform; (14) effectiveness of our risk management program; (15) contingencies and the level and results of litigation; (16) changes in accounting standards, practices, or policies; (17) fluctuation in foreign currency exchange rates; (18) ability to generate sufficient internal liquidity and/or obtain external financing; (19) availability of reinsurance in the market and the ability of our reinsurers to meet their obligations to us; (20) recoverability and/or realization of the carrying value of our intangible assets, long-lived assets, and deferred tax assets; and (21) terrorism, both within the U.S. and abroad, ongoing military actions, and heightened security measures in response to these types of threats. For further discussion about risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2013, and our subsequently filed Form 10-Qs. The forward-looking statements in this press release are being made as of the date of this press release, and the Company expressly disclaims any obligation to update or revise any forward-looking statement contained herein, even if made available on our website or otherwise.

In analyzing performance, Unum sometimes uses non-GAAP financial measures that differ from what is reported under GAAP. This presentation contains non-GAAP financial measures, including operating earnings per share, operating return on equity, book value per share (excluding accumulated other comprehensive income, or AOCI), and before tax operating income. Please refer to the Appendix for a reconciliation of the non-GAAP financial measures used in this presentation to the most directly comparable GAAP measures.

Today's Participants

Tom Watjen	President and Chief Executive Officer
Rick McKenney	Executive Vice President and Chief Financial Officer
Tom White	Senior Vice President, Investor Relations

Business Segment Presidents

Mike Simonds	President and Chief Executive Officer, Unum US
Peter O'Donnell	President and Chief Executive Officer, Unum UK
Randy Horn	Chief Executive Officer, Colonial Life
Tim Arnold	President, Colonial Life
Jack McGarry	President and Chief Executive Officer, Closed Block

Agenda

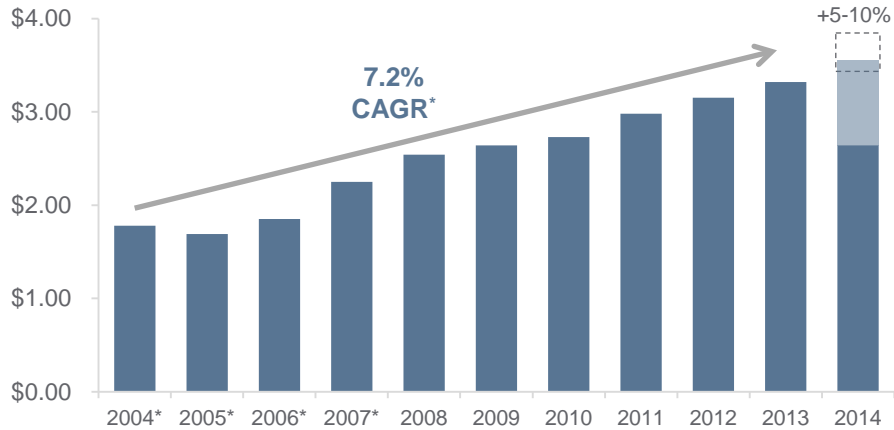
- Introduction
- State of the Business
 - Financial Performance
 - Investment Performance
 - Closed Block
 - 2015 Outlook
- Questions & Answers
- Core Business Segment Overviews
 - Unum US
 - Unum UK
 - Colonial Life
- Closing Comments
- Questions & Answers
- Appendix

Introduction

Introduction

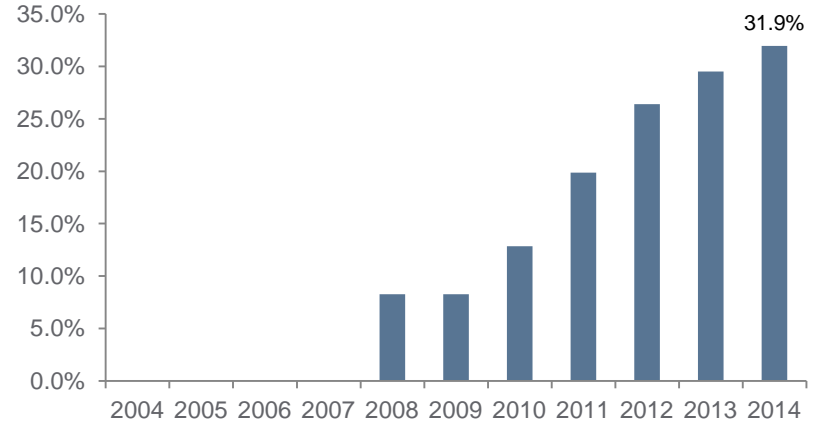
A TRACK RECORD OF CONSISTENCY AND PREDICTABILITY...

OPERATING EPS



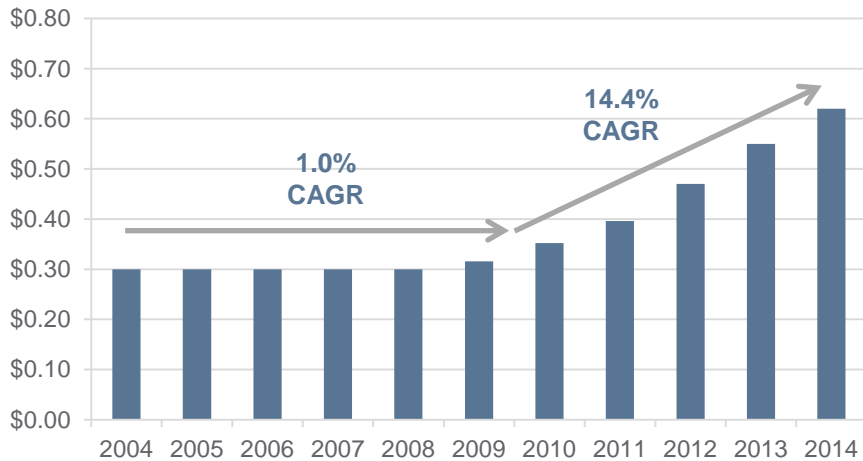
* Does not reflect impact of ASU 2010-26.

STOCK REPURCHASE HISTORY (CUMULATIVE % OF FLOAT*)

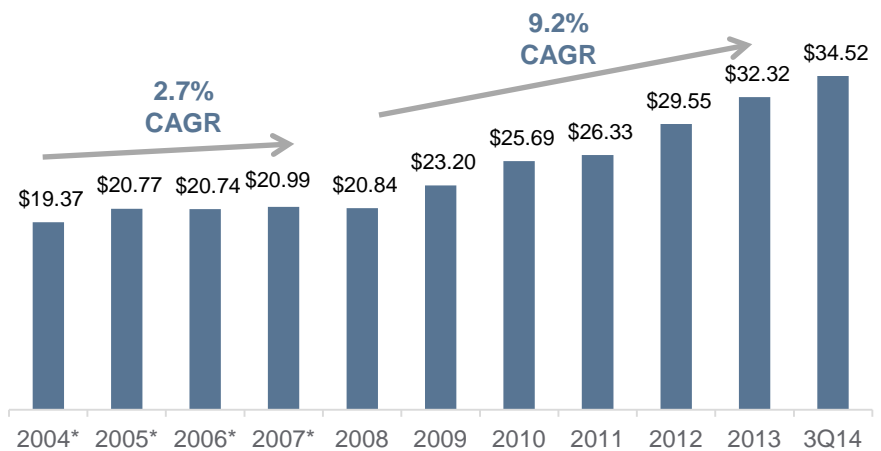


* December 31, 2007 common shares outstanding

DIVIDEND HISTORY



BOOK VALUE PER SHARE (ex AOCI)



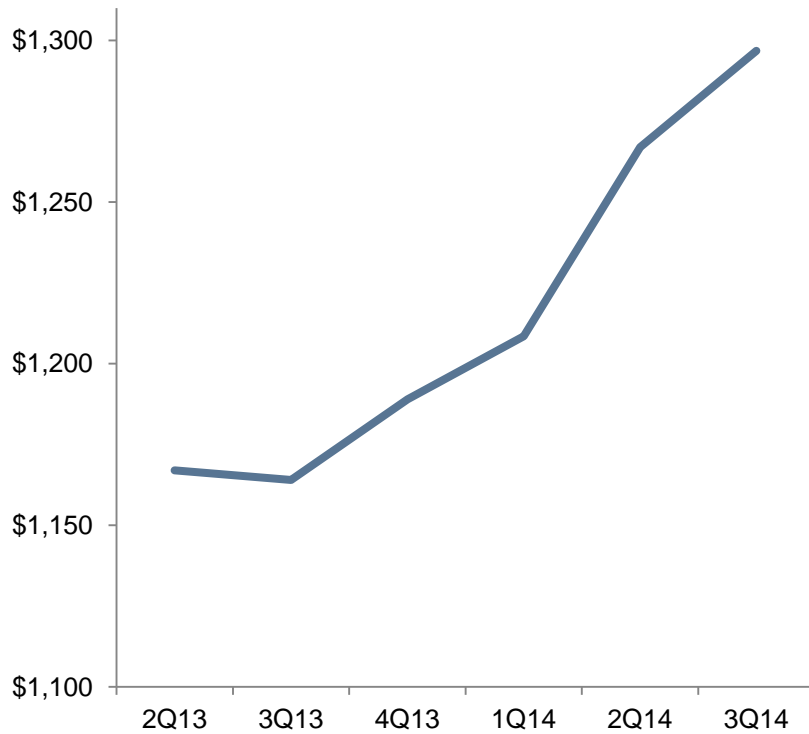
* Does not reflect impact of ASU 2010-26.

Introduction

... AND THE EMERGENCE OF PROFITABLE GROWTH

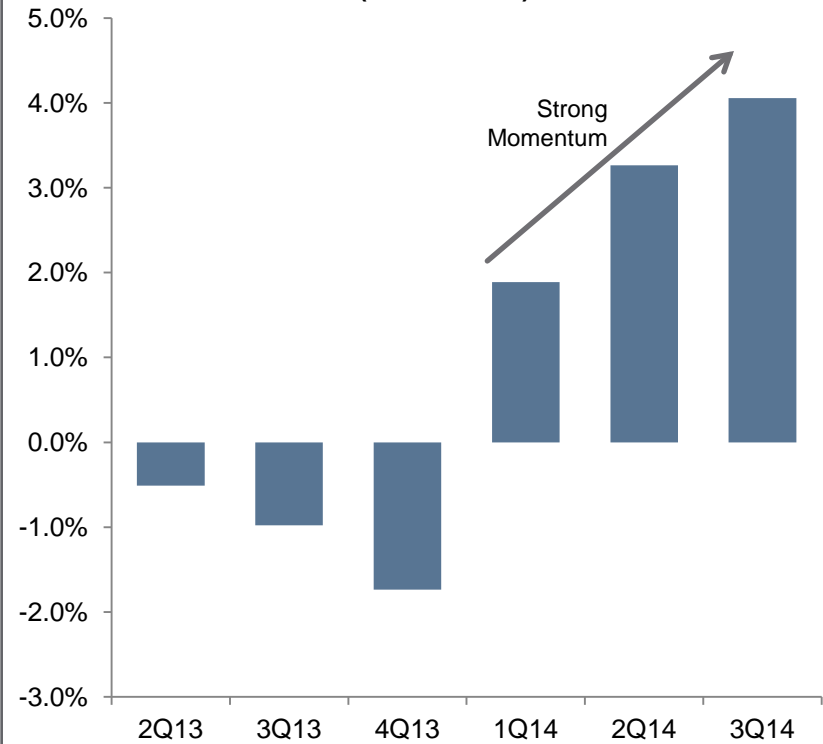
Sales Growth*

12-Month Rolling Sales (\$MM)
(CAGR: 8.8%)



Premium Growth*

Year-over-Year Change
(CAGR: 2.9%)



* Core Operations, Excludes the Closed Block

* Core Operations, Excludes the Closed Block

Introduction

WHY ... ATTRACTIVE BUSINESSES

NEED FOR COVERAGE

In the US

66% LACK BASIC DISABILITY

27% LACK SUFFICIENT LIFE

In the UK

92% LACK BASIC DISABILITY

65% LACK SUFFICIENT LIFE

Yet

76% OF CONSUMERS LIVE
PAYCHECK TO PAYCHECK

WORKPLACE IS A POWERFUL DISTRIBUTION CHANNEL

Percent Purchased at Workplace

78% LIFE

90% DISABILITY

91% RETIREMENT
SAVINGS

84% HEALTHCARE

CAPABLE OF GENERATING ATTRACTIVE FINANCIAL RETURNS

Operating ROE*

13.5% UNUM US

17.1% COLONIAL LIFE

18.2% UNUM UK

* 9 months 2014 Operating Return on Equity

Introduction

WHY... EXPERIENCED MANAGEMENT TEAM AND HIGHLY ENGAGED EMPLOYEES

Company Leaders*	Years with Unum		Years In Financial Services
	Current Position	Total	
Tom Watjen, President & CEO	12 Yrs	20 Yrs	33 Yrs
Rick McKenney, Chief Financial Officer	5 Yrs	5 Yrs	21 Yrs
Jack McGarry, CEO, Closed Block	2 Yrs	29 Yrs	33 Yrs
Mike Simonds, CEO, Unum US	1 Yr	17 Yrs	20 Yrs
Peter O'Donnell, CEO, Unum UK	2 Yrs	4 Yrs	27 Yrs
Randy Horn, CEO, Colonial Life	11 Yrs	11 Yrs	40 Yrs
Tim Arnold, President, Colonial Life	<1 Yr	30 Yrs	30 Yrs
Breege Farrell, EVP, Chief Investment Officer	4 Yrs	4 Yrs	28 Yrs
Joe Foley, SVP, Corp Marketing & PR	8 Yrs	35 Yrs	35 Yrs
Roger Martin, CFO, US Finance	3 Yrs	29 Yrs	29 Yrs
Steve Mitchell, SVP, LTC Actuary	1 Yr	29 Yrs	29 Yrs
Tom White, SVP, Investor Relations	14 Yrs	32 Yrs	32 Yrs

* Represents those leaders in attendance at Investor Meeting

ENGAGEMENT



Introduction

WHY... A HISTORY OF TRANSPARENCY AND ADDRESSING ISSUES AS THEY EMERGE

CORE OPERATIONS

2004
BEGAN LARGE CASE
LTD RE-PRICING

2012
RE-POSITIONED
UK GROUP LIFE
BLOCK

2004

2006

2008

2010

2012

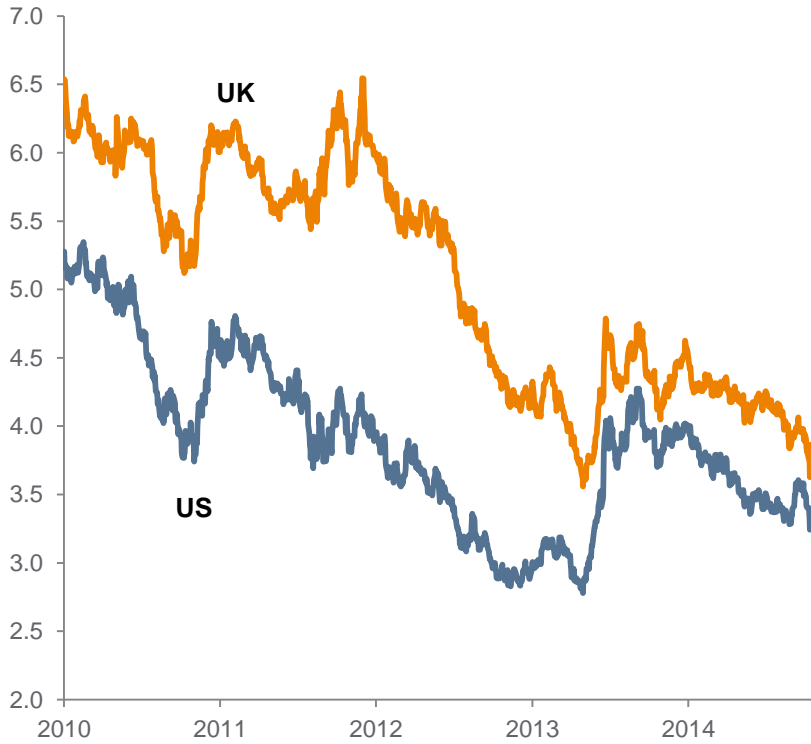
2013

PRESENT

Introduction

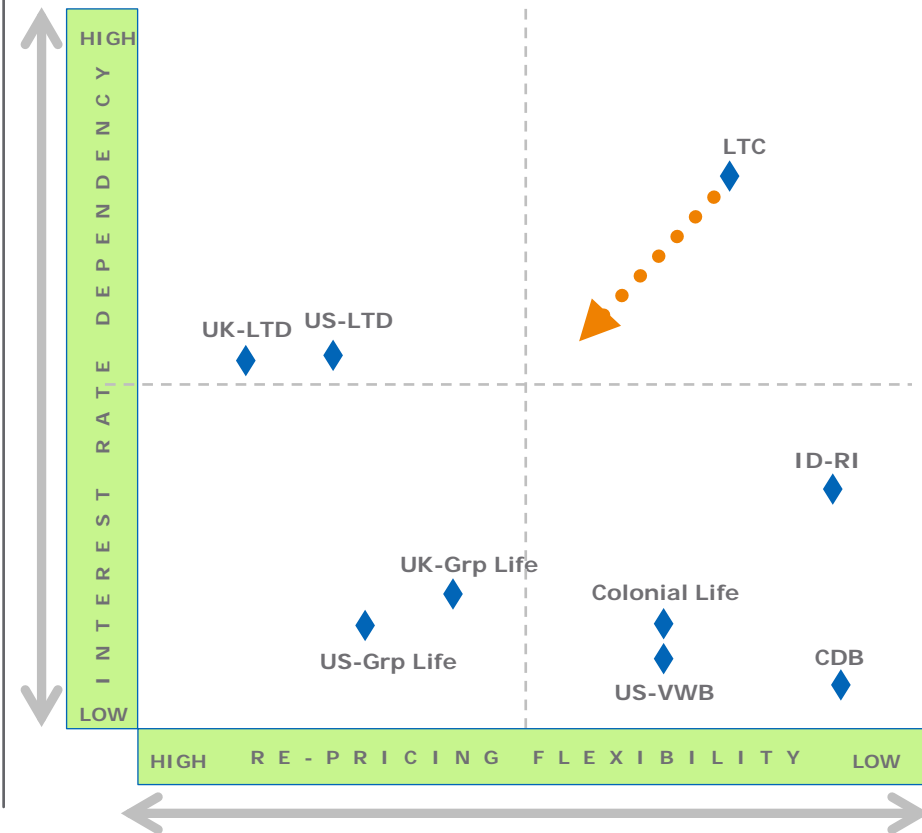
OPERATING IN A LOW INTEREST RATE ENVIRONMENT...

Rate Environment



Source: Barclays Capital; U.S. Credit 7-10 years yield to worst, Sterling Corporate 7-10 years yield to worst

Management Actions



Introduction

WHY... A HISTORY OF TRANSPARENCY AND ADDRESSING ISSUES AS THEY EMERGE

CORE OPERATIONS

• BEGAN LARGE CASE LTD RE-PRICING

• RE-POSITIONED UK GROUP LIFE BLOCK

2004

2006

2008

2010

2012

2013

PRESENT

• SEGMENTED CLOSED BLOCK

• SECURITIZED CLOSED DISABILITY BLOCK

• DISCONTINUED ILTC SALES

• DISCONTINUED GLTC SALES; SEGMENTED LTC BLOCK

• UPIL (BERMUDA) RE-DOMESTICATION

• REPOSITION LTC BLOCK

LEGACY BLOCKS

Introduction

REPOSITION LTC BLOCK... ACTION AND IMPLICATIONS

Action Expected in 4Q2014

- Strengthen Long-term care GAAP reserves by \$600 to \$800 million

Implications

- Year-end 2014 capital metrics remain within or above our original 2014 outlook range
 - Includes First Unum (New York) statutory reserve increase of approximately \$150 million
- No on-going impact on Core Operations (and minimal impact on Closed Block)
- 2015 capital management outlook remains generally consistent with 2014

Introduction

CONTINUED STRONG OUTLOOK

	2015 Outlook							
	Sales Growth		Premium Growth		Operating Earnings Growth		Operating ROE	
	2015	Normalized	2015	Normalized	2015	Normalized	2015	Normalized
Unum US	2-4%	8-10%	4-6%	4-7%	1-3%	4-7%	12-14%	12-14%
Unum UK (£)	7-9%	10-12%	0-2%	4-7%	1-3%	4-7%	16-18%	15-20%
Colonial Life	5-8%	6-8%	2-4%	5-7%	2-4%	4-6%	15-17%	15-17%
Core Operations	4-6%	8-10%	4-6%	4-7%	1-3%	4-7%	13-14%	14-16%
Closed Block			(4-6)%	(4-6)%	(10-12)%	(4-6)%	2-3%	2-3%
Total Operations *			2-4%	3-5%	0-2%	4-7%	10-12%	10-12%
Capital Management					2-3%	4-5%	0-1%	0-1%
TOTAL					2-5%	8-11%	11-12%	11-13%

* Consolidated After-Tax Operating Earnings including Corporate Segment

State of the Business

Financial Performance

Financial Performance

2014 OUTLOOK

- We continue to expect 2014 full year operating earnings per share growth in our range of 5% to 10%
- 4Q2014 operating trends
 - Sales and premium growth trends remain solid, with continued momentum
 - Generally solid risk results
 - Continued pressure on net investment income
 - Includes 50 basis point reduction in LTD new claim discount rate
- Potential LTC reserve review implications
 - Strengthen GAAP reserves by \$600 to \$800 million
- Solid capital position; within or above our original outlook
 - Includes First Unum (New York) reserve strengthening of approximately \$150 million
- Solid capital generation and return to shareholders
 - \$300 million share repurchases (no share repurchases in 4Q2014)
 - 14% dividend increase

Financial Performance

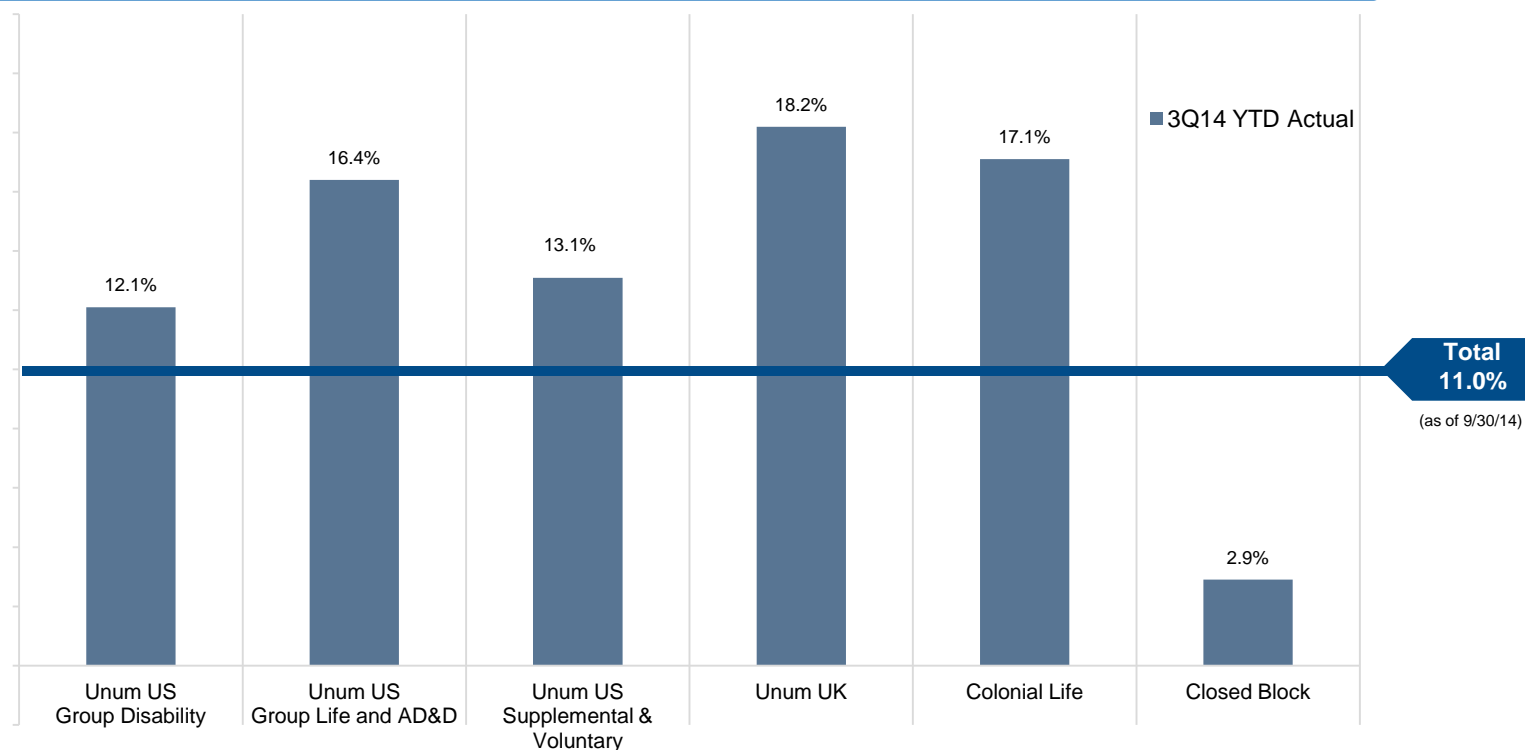
DRIVERS OF 2014 FINANCIAL PERFORMANCE

OPERATING EARNINGS GROWTH	
Original 2014 Outlook	5% to 10%
Premium Growth	+
Risk	+
Interest Rates	- -
Current 2014 Outlook	5% to 10%

Financial Performance

CONSISTENTLY STRONG RETURNS

YTD 2014 Operating Return on Equity



18%	12%	20%	8%	14%	34%
YTD % AVERAGE CONSOLIDATED GAAP EQUITY					

Average equity excludes negative allocation of corporate deficit and will therefore not add to 100%

Financial Performance

IMPROVING GROWTH IN OUR CORE BUSINESSES

Sales Growth

	2014 Outlook	YTD Actual
Unum US	7 – 10%	18.3%
Unum UK (£)	4 – 7%	0.0%
Colonial Life	4 – 7%	9.0%
Total *	5 – 9%	14.7%

Premium Growth

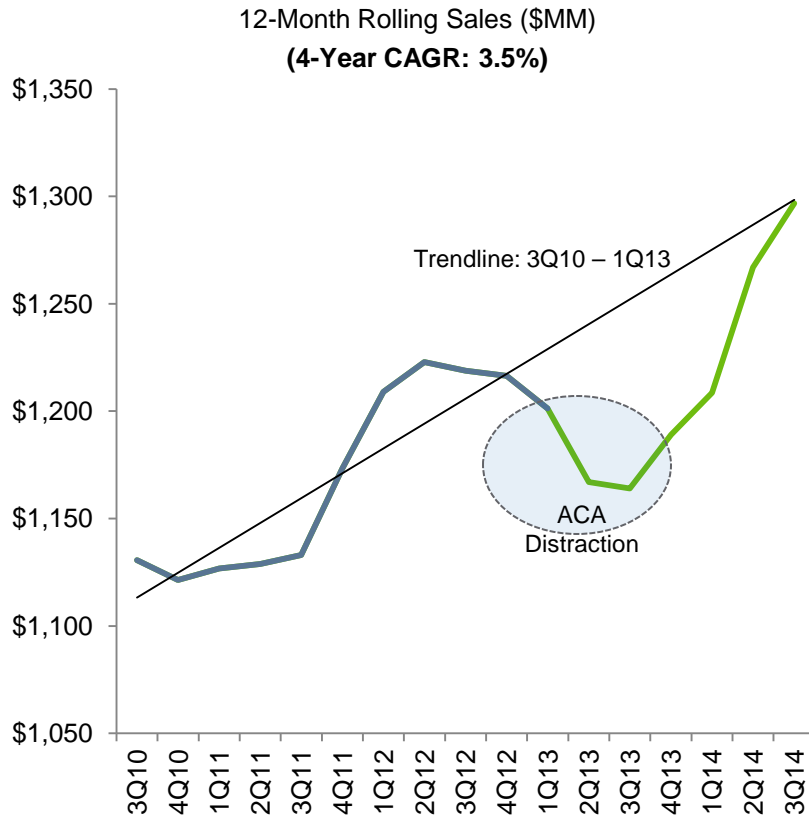
	2014 Outlook	YTD Actual
Unum US	0 – 2%	2.3%
Unum UK (£)	0 – 2%	1.4%
Colonial Life	2 – 4%	3.1%
Total *	1 – 3%	3.1%

* Total Core Business Segments

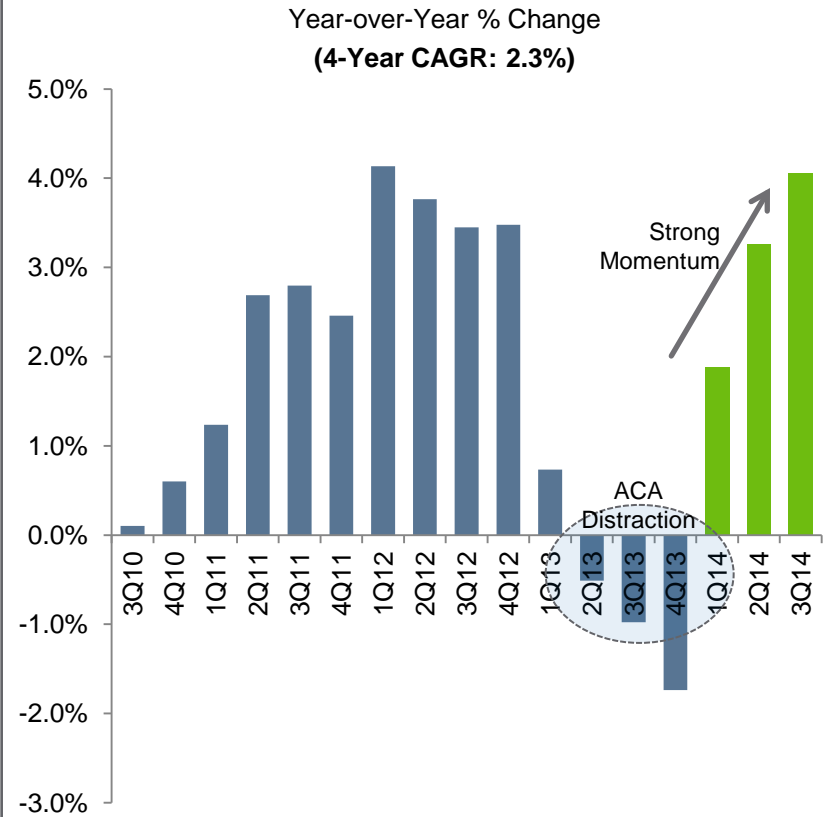
Financial Performance

IMPROVING GROWTH IN OUR CORE BUSINESSES

Sales Growth*



Premium Growth*



* Core Operations, Excludes the Closed Block

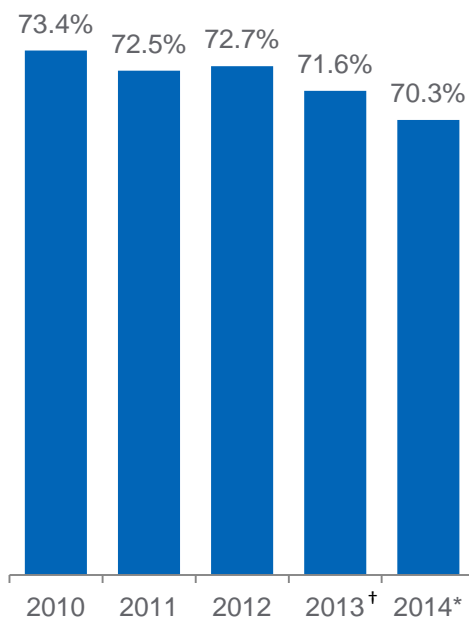
* Core Operations, Excludes the Closed Block

Financial Performance

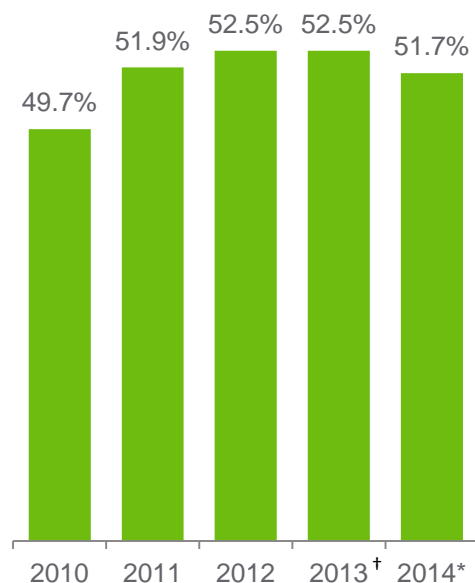
STEADY, FAVORABLE RISK EXPERIENCE

BENEFIT RATIOS

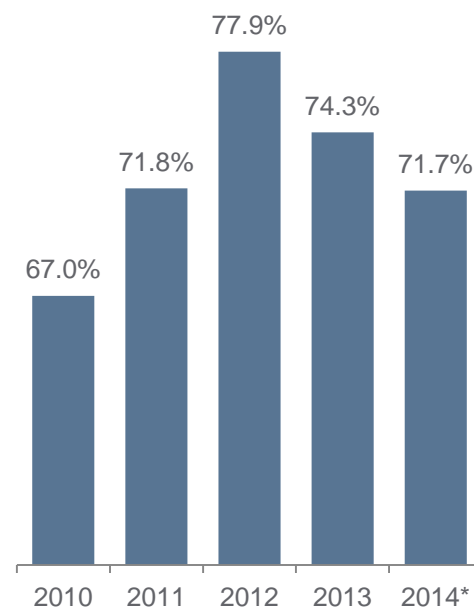
UNUM US



COLONIAL LIFE



UNUM UK



*Year to Date through September 30, 2014

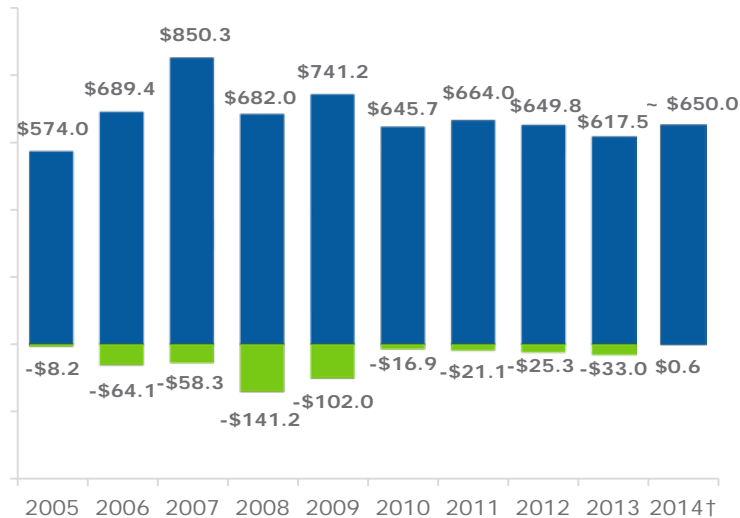
[†] Excluding Reserve Adjustments

Financial Performance

CAPITAL GENERATION

Combined Statutory Net Income*

(\$ millions)



- After-tax Operating Income
- Net Realized Investment Gains (Losses)

Capital Generation Model

(\$ millions)

CAPITAL SOURCES	CAPITAL USES
US STATUTORY INCOME UK STATUTORY INCOME \$700 - \$800	INTEREST EXPENSE GROWTH FUNDING ~\$150
EXCESS CAPITAL GENERATION BEFORE DIVIDENDS	
\$550 - \$650	

* Statutory Net Income for traditional US Insurance Companies

† Estimate

Financial Performance

ACTIVE CAPITAL DEPLOYMENT

	Share Repurchases	Cumulative % of shares*	Dividends Paid	Cumulative increase †
2008	\$700 million	8.3%	\$104 million	---
2009	---	8.3%	\$105 million	+10.0%
2010	\$356 million	12.8%	\$115 million	+23.3%
2011	\$620 million	19.9%	\$121 million	+40.0%
2012	\$500 million	26.4%	\$134 million	+73.3%
2013	\$319 million	29.5%	\$147 million	+93.3%
2014	\$301 million*	31.9%	\$157 million	+120.0%
TOTAL	\$2,796 million*		\$883 million	

*December 31, 2007 common shares outstanding; Through September 30, 2014.

† 3Q quarterly dividend paid

Financial Performance

STRONG CAPITAL POSITION

	Risk Based Capital	Holding Companies' Cash and Marketable Securities
Year-End 2013	405%	\$514 million
September 2014	400%	\$720 million
Original 2014 Outlook	375% - 400%	>\$500 million

Investment Performance

Investment Performance

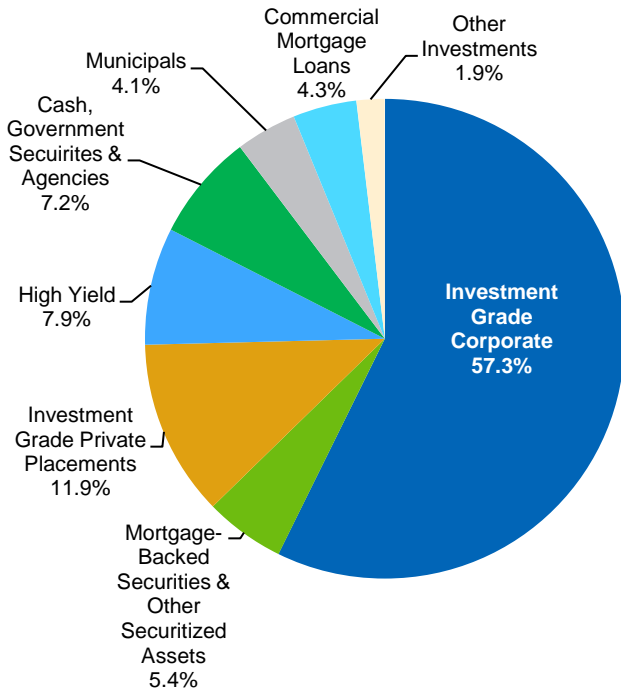
- Asset Quality
- Interest Rate Management

Investment Performance

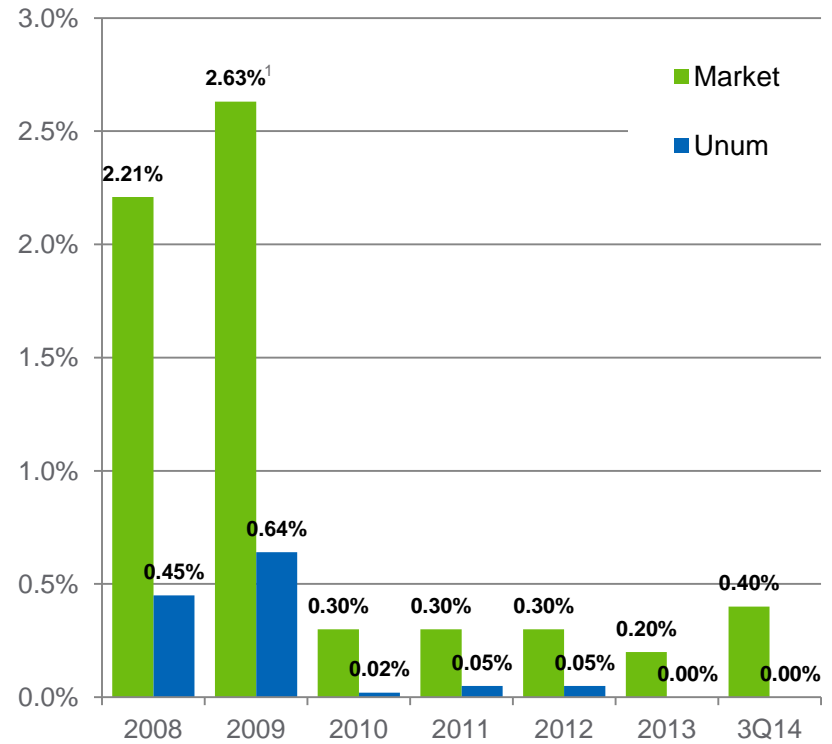
ASSET QUALITY

Invested Asset Distribution

(Book Value - \$42.4B)



Credit Losses Relative to Moody's Index



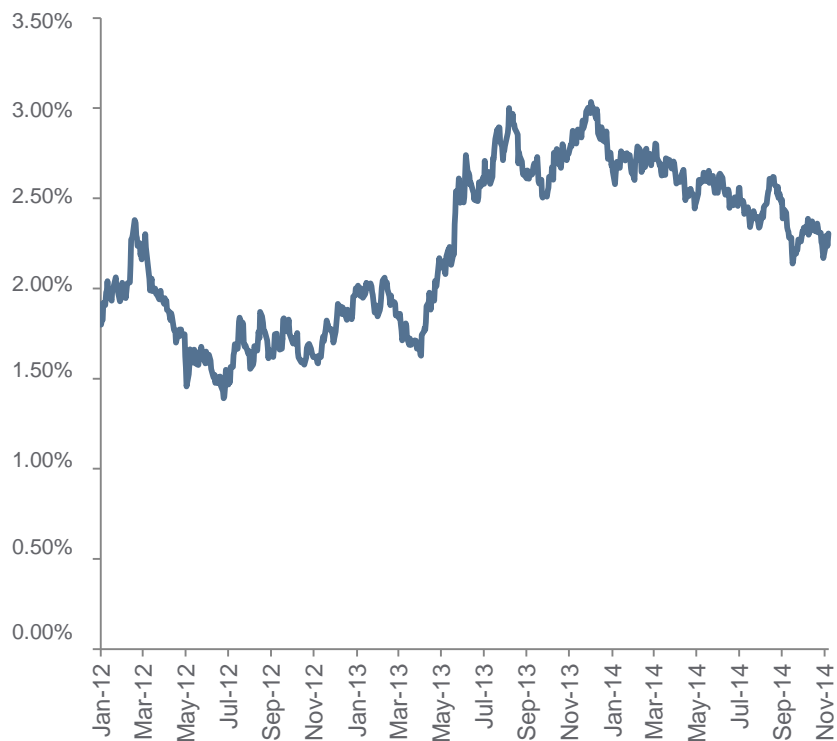
¹ Formerly 5.12% due to Lehman; Moody's has subsequently removed it

Investment grade corporate bonds remain our core holding.

Investment Performance

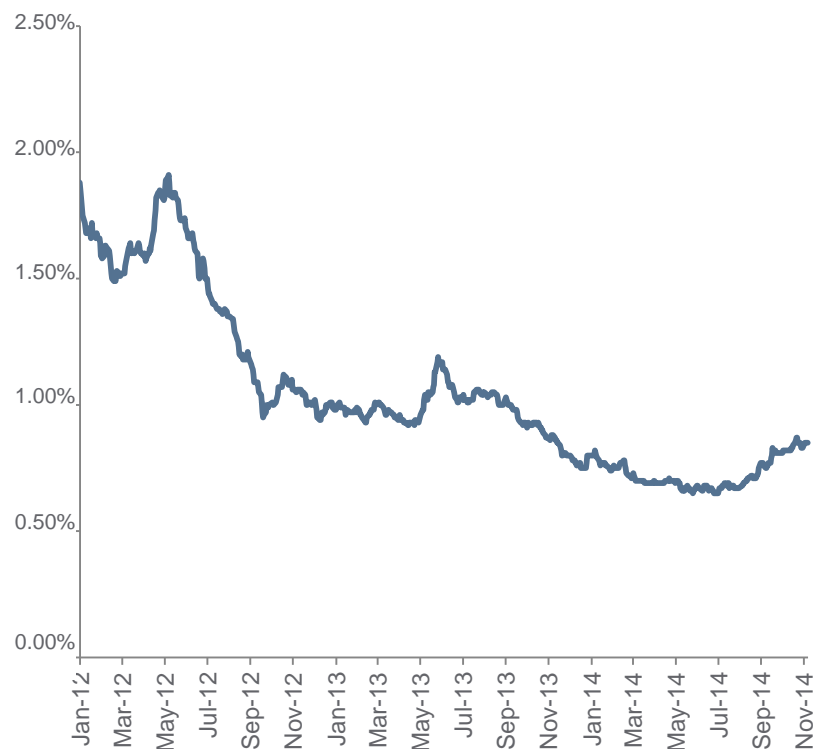
IMPLICATIONS OF LOW INTEREST RATES

10-Year Treasury



Investment Grade Bond Spreads

Barclays Single-A Intermediate OAS



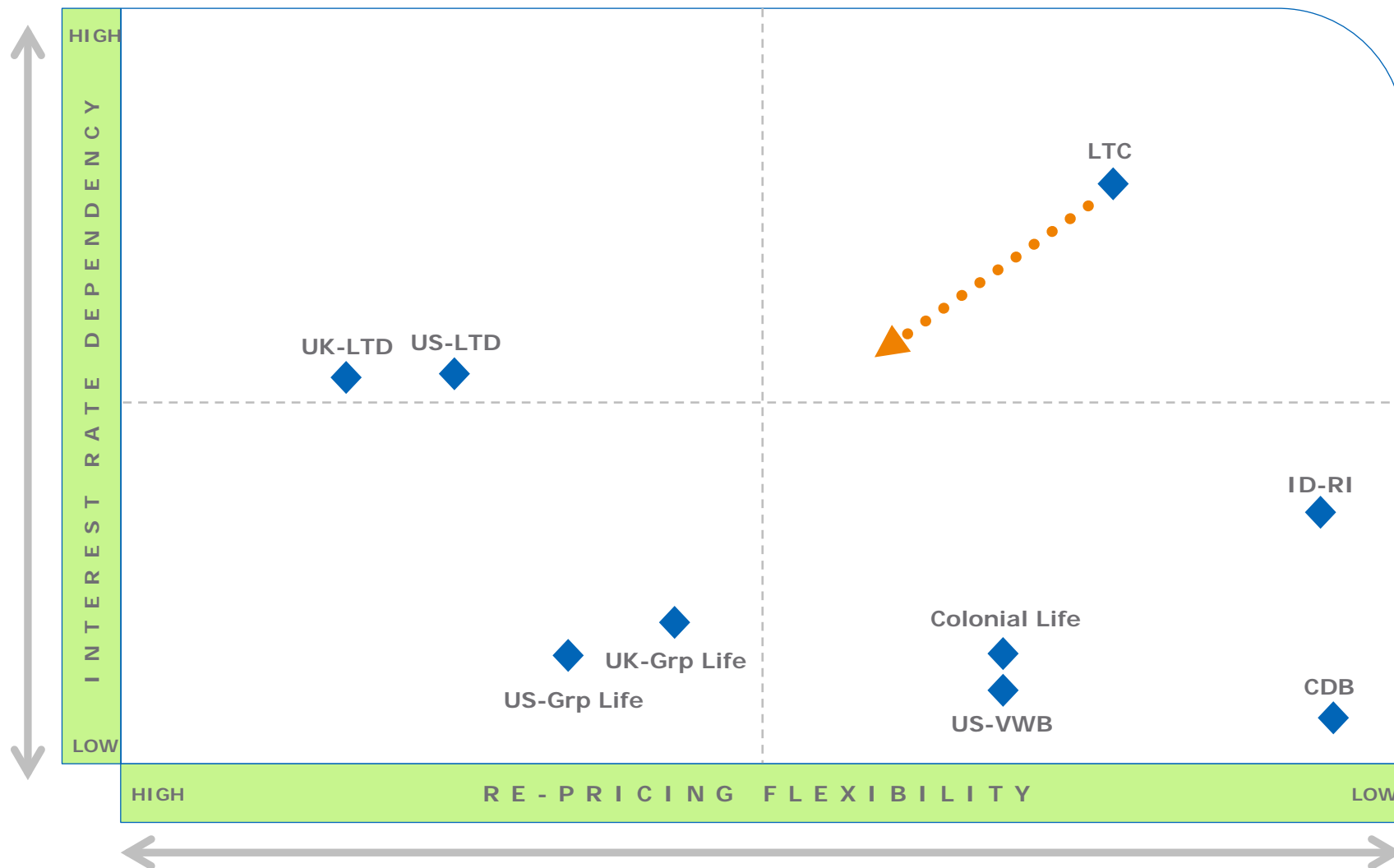
Investment Performance

MANAGING LOW INTEREST RATES

- Pricing Flexibility
- Discount Rate Adjustments
- Manageable Investable Cash Flows
- Disciplined Asset Selection

Investment Performance

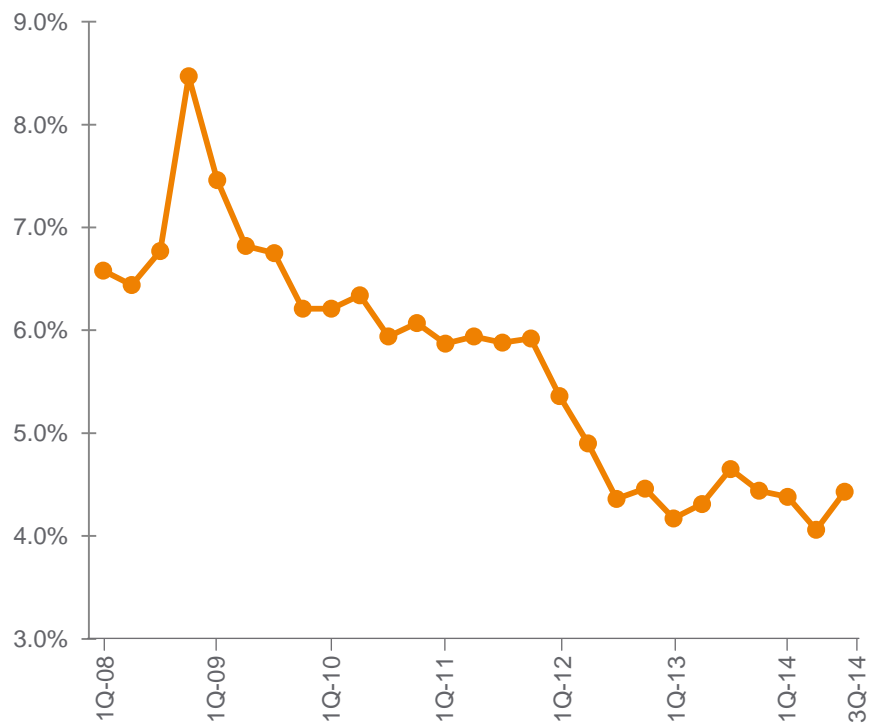
PRODUCT LINE SENSITIVITIES



Investment Performance

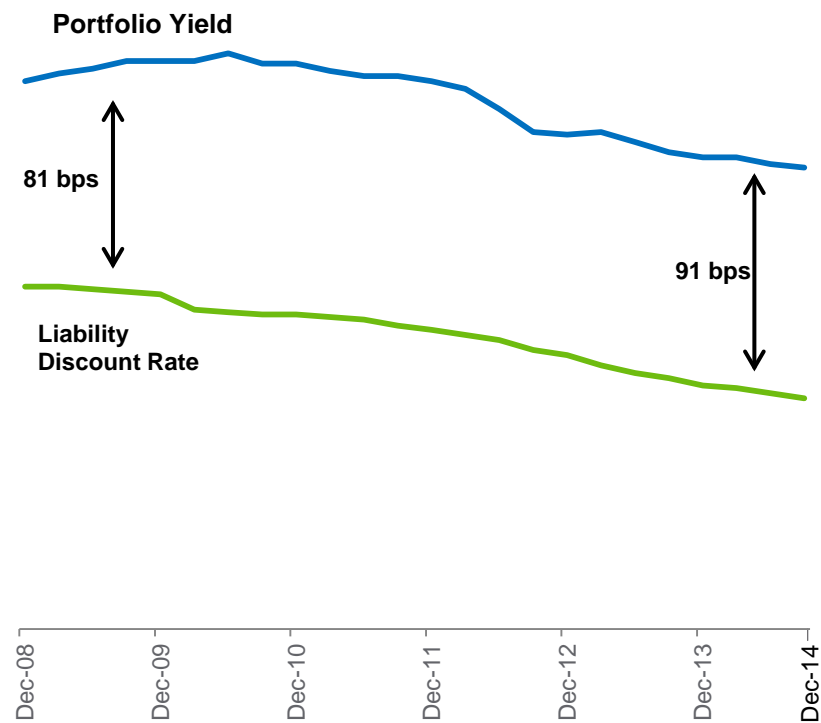
PURCHASE YIELDS AND MARGINS

Total Portfolio Purchase Yields



Unum US LTD

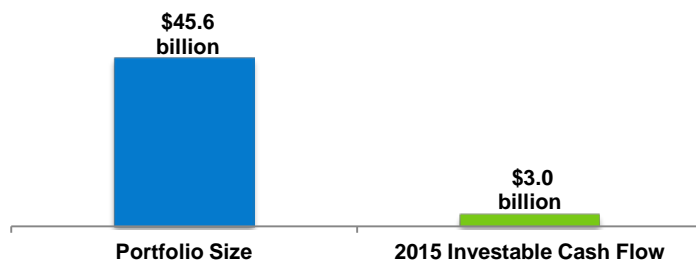
(Target Margin = 60 bps)



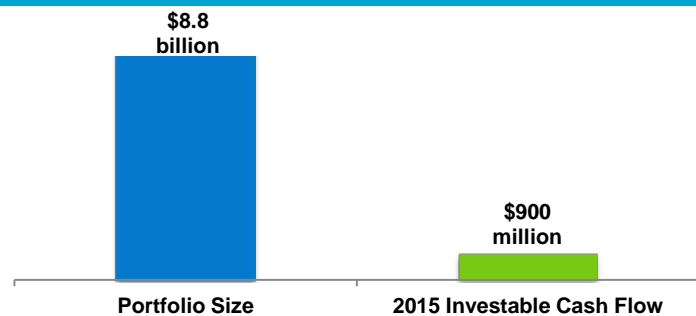
Investment Performance

MANAGEABLE INVESTABLE CASH FLOW

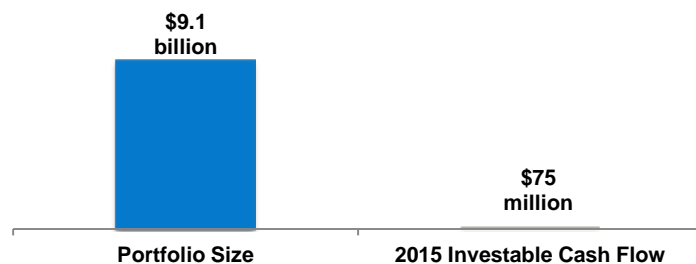
Unum - Combined



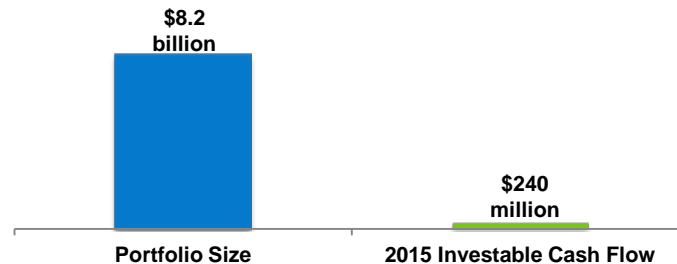
Long-term Care



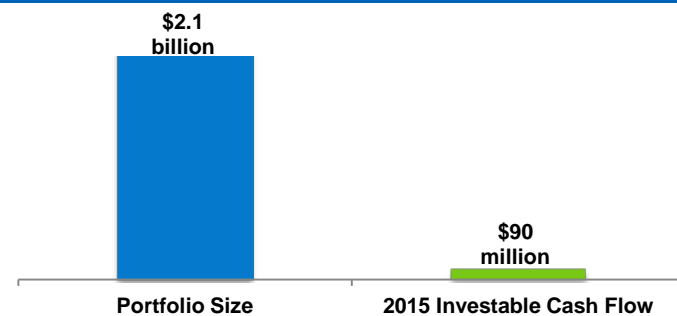
ID - Closed Block



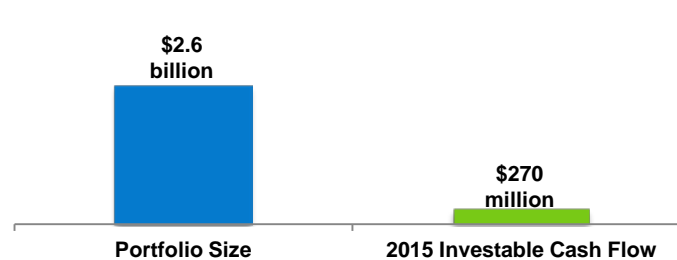
Unum US - LTD



Unum US - ID - Recently Issued



Colonial



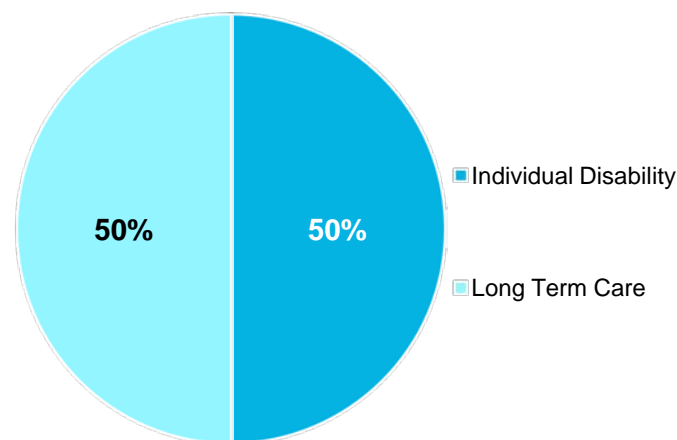
Closed Block

Closed Block

BUSINESS SNAPSHOT

- Legacy Discontinued Blocks
 - Individual Disability
 - Long Term Care
- Distribution
 - IDI Sales discontinued in mid-1990's
 - ILTC Sales discontinued in 2009
 - GLTC Sales discontinued in 2011
- Size and Scale
 - Total Reserves of \$29 billion
 - GAAP Equity of \$2.9 billion
 - 325 Claims Management resources

Premium Distribution* (\$m)



	Closed Block*
Premium Income	\$1.3 billion
Before Tax Operating Income	\$119 million
Operating Return on Equity	2.8%

* 4 Quarters Ending 9/30/2014

Closed Block

2014 LONG TERM CARE RESERVE REVIEW

- We are conducting a comprehensive review of all assumptions underlying our Long Term Care reserves.
- Potential GAAP Impacts:
 - Before-tax charge of \$600 million to \$800 million anticipated.
 - Primarily attributable to reduction in the discount rate in response to current low interest rate environment.
- Potential Statutory Impacts:
 - First Unum (New York) reserve strengthening of approximately \$150 million.
 - Negligible impact on future statutory earnings and free cash flow generation.

Closed Block

2015 KEY PRIORITIES

- Operational Effectiveness
 - High quality claims management
 - Cost efficient customer service capabilities
 - Effective implementation of approved rate increases
- LTC Rate Increases
 - Continue to pursue justified rate increases
 - Offer enhanced policyholder options
 - Lead regulatory outreach program
- Financial Analysis
 - Use new experience analysis tools to manage the blocks
- Capital Management
 - Invest in modeling and analytical capabilities
 - Monitor capital markets development

Closed Block

2015 FINANCIAL OUTLOOK

	2015 Outlook	Normalized
Sales Growth	N/A	N/A
Premium Growth	(4 - 6)%	(4 - 6)%
Operating Earnings Growth	(10 - 12)%	(4 - 6)%
Operating ROE	2 - 3%	2 - 3%

2015 Outlook

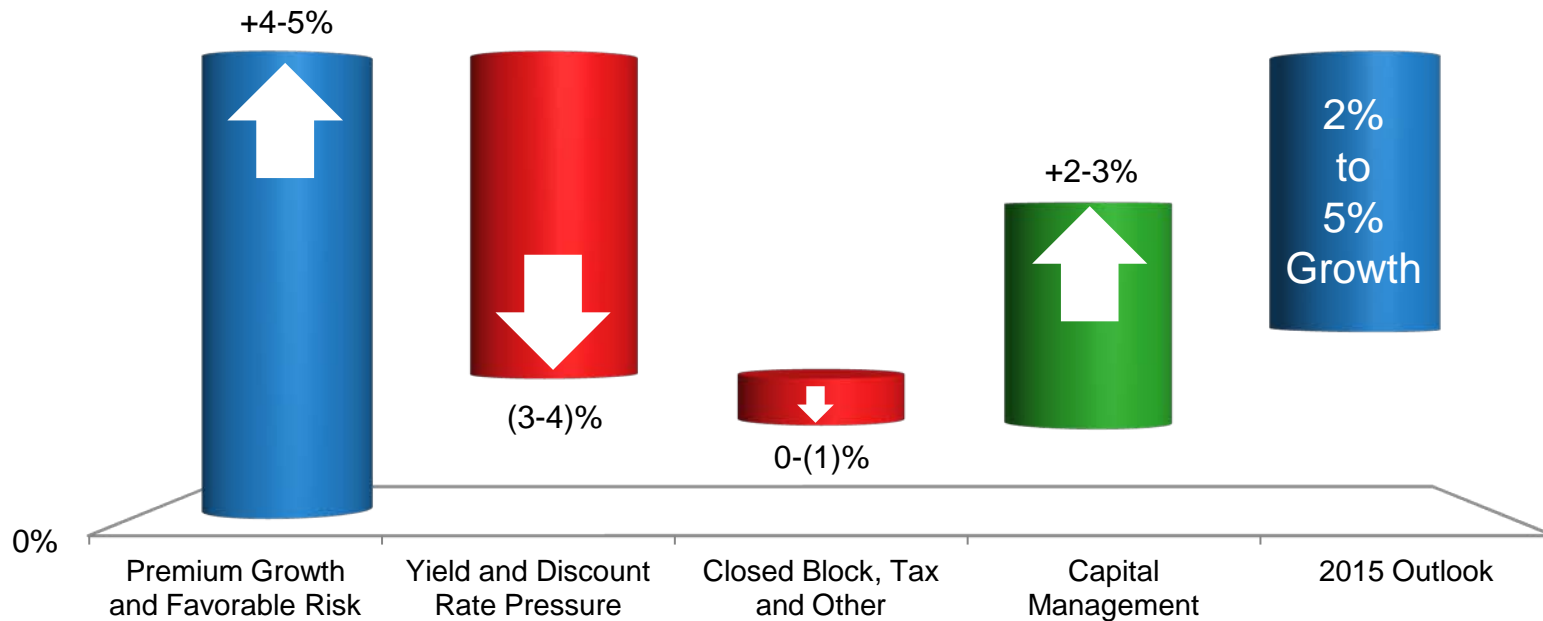
2015 Outlook

KEY MESSAGES

- Continued favorable premium growth trends
 - Persistency remains stable
- Expect generally stable risk results through disciplined pricing, risk selection and renewals
 - Full year impact of Group LTD 4Q discount rate adjustment
- Continued Pressure on net investment income from lower investment yields
- Operating EPS growth of 2% to 5%
- Continued steady capital generation and deployment:
 - \$400 to \$600 million of share repurchases
 - Increasing dividend

2015 Outlook

FACTORS IMPACTING OUR 2015 OUTLOOK



2015 Outlook

CAPITAL OUTLOOK

Capital Management Criteria	Sept 2014	2014 Projection	2015 Projection
Risk-Based Capital Ratio for Traditional U.S. Insurance Companies	400%	~400%	375% - 400%
Holding Companies' Cash and Marketable Securities (\$ millions)	\$720	>\$500	>\$500

2015 Outlook

BUSINESS SEGMENT OUTLOOK

	Sales Growth	Premium Growth	Operating Earnings Growth	Operating ROE
Unum US	2 - 4%	4 - 6%	1 - 3%	12 - 14%
Unum UK (£)	7 - 9%	0 - 2%	1 - 3%	16 - 18%
Colonial Life	5 - 8%	2 - 4%	2 - 4%	15 - 17%
Core Operations	4 - 6%	4 - 6%	1 - 3%	13 - 14%
Closed Block		(4 - 6)%	(10 - 12)%	2 - 3%
Total Operations*		2 - 4%	0 - 2%	10 - 12%
Capital Management			2 - 3%	0 - 1%
Total			2 - 5%	11 - 12%

* Consolidated After-Tax Operating Earnings including Corporate Segment

Questions & Answers

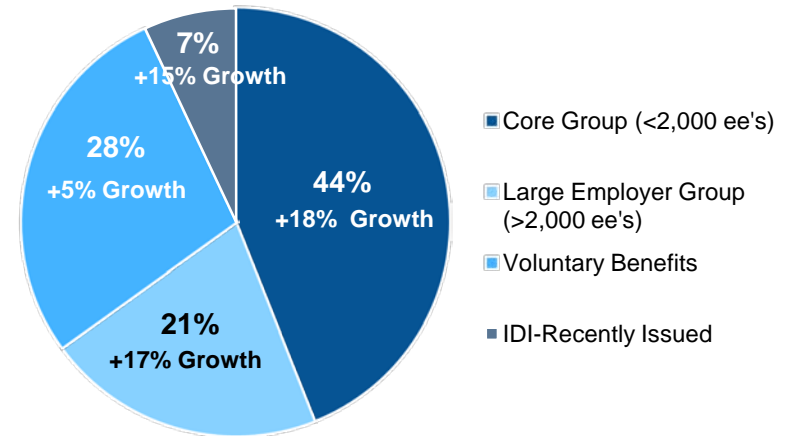
Core Business Segment Overviews

Unum US

- Employee Benefits
 - Group Long Term and Short Term Disability
 - Group Life and AD&D
 - Voluntary Benefits
 - Individual Disability Benefits

- Market Characteristics
 - Top 3 market share position across all major product categories
 - Strong need for financial protection, increasing due to healthcare changes
 - Technology enabling new distribution

Sales Distribution*
(Trailing 4 Quarters Growth)



Unum US*

Earned Premium	\$4.6 billion
Before Tax Operating Income	\$861 million
Operating Return on Equity	13.6%

* 4 Quarters Ending 9/30/2014

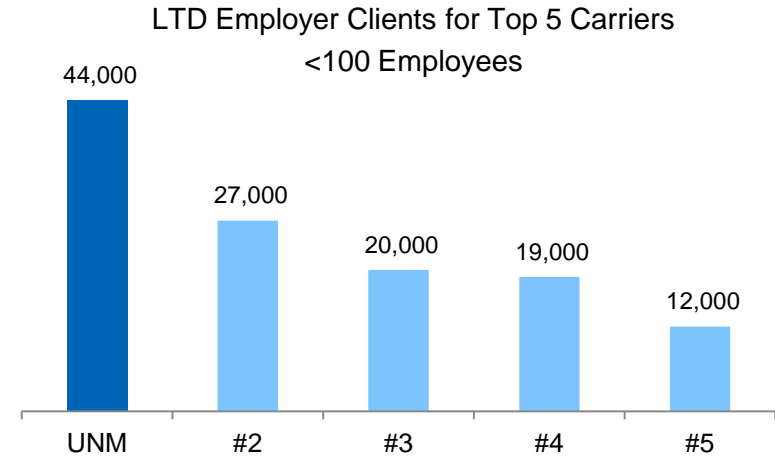
Industry Leading Capabilities

- Strong service – 93% client satisfaction
- Unmatched expertise – 2,500 benefits professionals
- Disciplined pricing & underwriting using largest, most diverse private data set

Industry Leading Performance

- Strong persistency – 90% YTD 2014
- Predictable benefit ratios
- Accelerating growth with additional opportunity in existing client base; ~2.5 products per client today vs ~7 per fully integrated client

Broad & Diverse Client Base



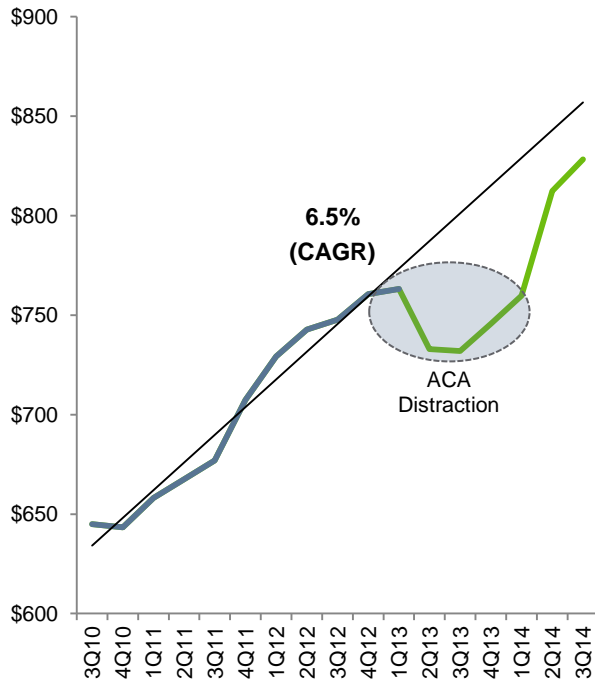
Source: GenRe 2013

AND

44% of Fortune 100
With Unum Benefits

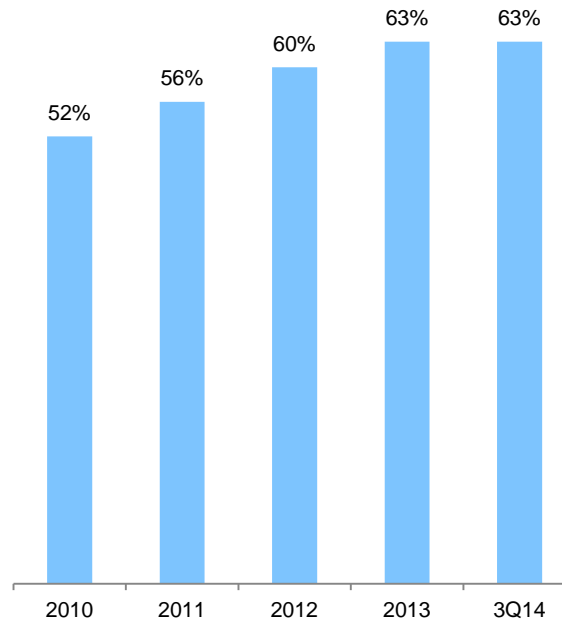
Improving Sales Momentum

12-Month Rolling Sales (\$MM)



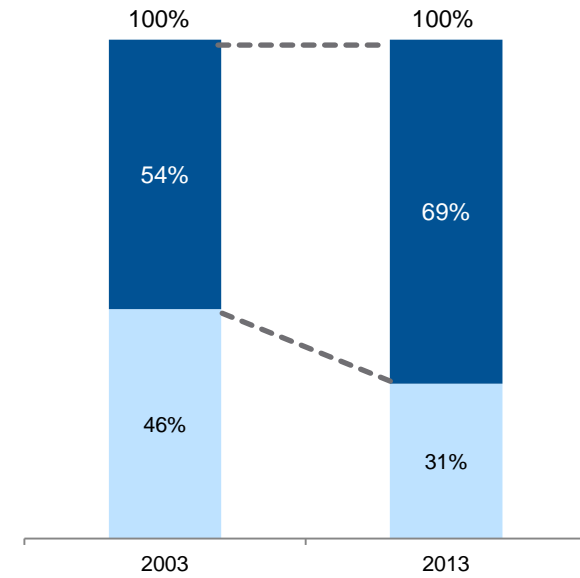
Opportunities Within Existing Client Base

% of Sales from Existing Clients



Market Moving to Employee Pay

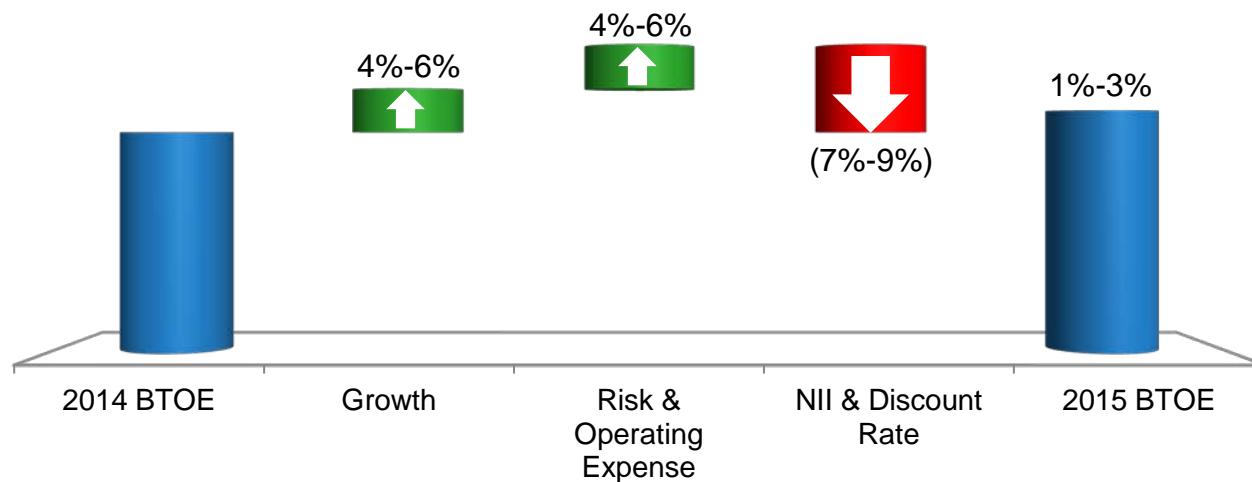
% of Sales with Employee Contribution



Employer Employee

- **Strong growth momentum**
 - Continued strong persistency with deeper relationships
 - Strong sales growth within existing clients, partially offset by our expectation that new large case sales will not duplicate 2014
- **Stable risk** environment as the economy gradually improves
- **Operating Efficiency gains** based on service model and cross-business centers of excellence
- **Continued pricing discipline** to mitigate interest rate pressures
- **Continued investment** in our franchise
 - Active client management and a differentiated integrated experience across Group, VB and IDI
 - Consumer marketing, new enrollment and self service technologies
 - Building on key product and distribution partnerships including 40+ benefit administration/enrollment platform connects

2015 Growth Outlook



	2015 Outlook	Normalized
Sales Growth*	2 - 4%	8 - 10%
Premium Growth	4 - 6%	4 - 7%
Operating Earnings Growth	1 - 3%	4 - 7%
Operating ROE	12 - 14%	12 - 14%

* 6-8% excluding large employer group

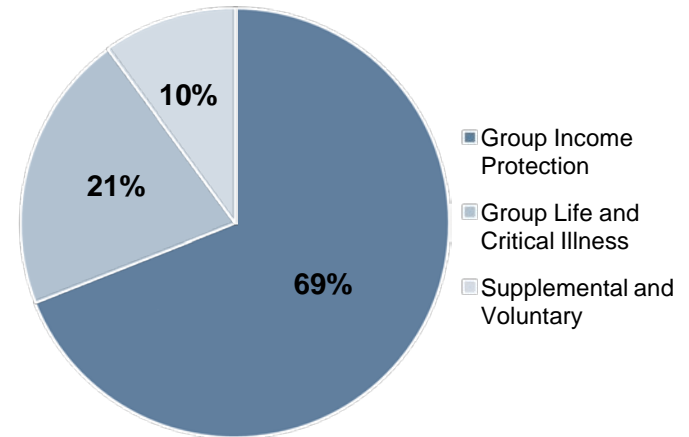
Unum UK

- Primary Products
 - Group Income Protection
 - Group Life and Group Dependents
 - Supplementary and Voluntary products: Group Critical Illness, Individual Income Protection (Closed)

- Market Share
 - # 1 Group Income Protection
 - # 4 Group Life
 - # 3 Group Critical Illness

- Market Scope
 - Over 10,000 employers served
 - Over 1.5 million employees insured

Premium Distribution* (£m)



Unum UK*	
Earned Premium	£360 million
Before Tax Operating Income	£88 million
Operating Return on Equity	18.6%**

* 4 Quarters Ending 9/30/2014

** Calculated in U.S. dollars

**Grow Group
Income Protection
Market**

**Grow Group Risk
Block**

**Introduce Related
Products and
Services**

Deliver Industry-leading Customer Experience

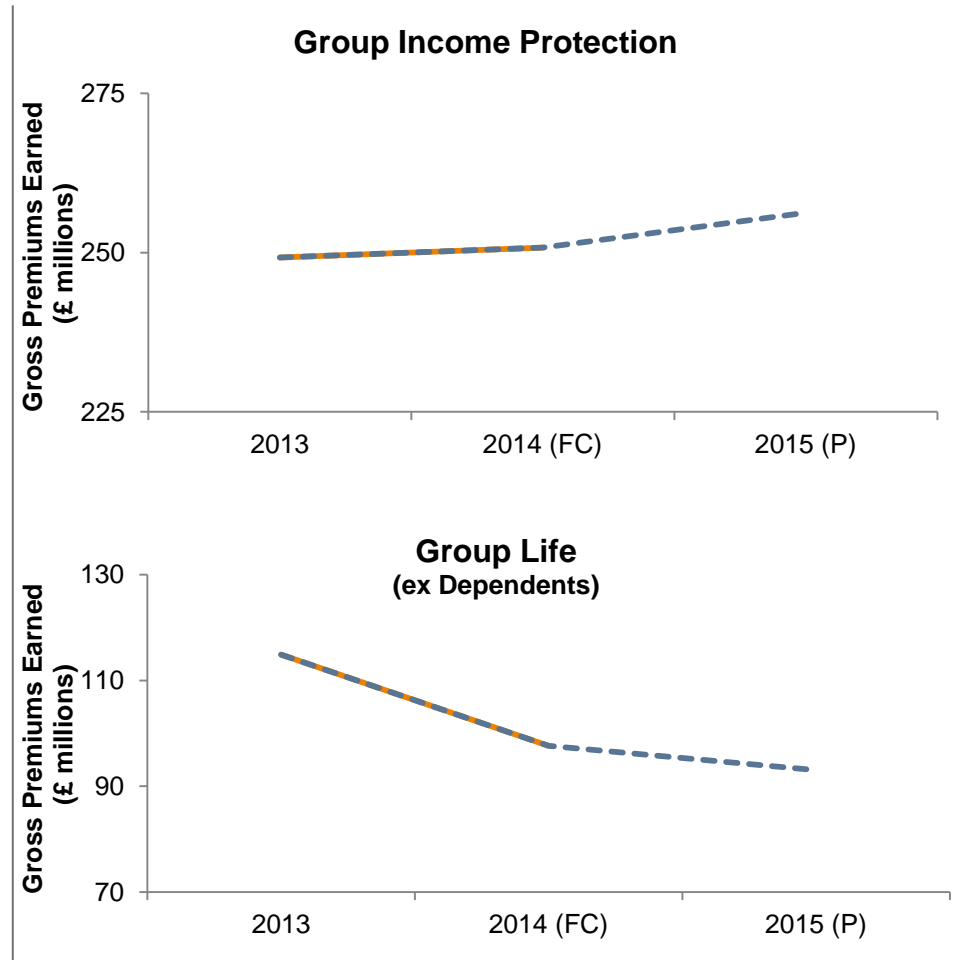
Simplify our Processes and Operations

Develop Talent and Leadership

Capital Management Strategy

During 2015 we are investing in the technology required to accelerate growth and improve operational efficiencies, while continuing to place rate to offset interest rate pressures.

- Primary focus remains expanding the UK Group Income Protection market.
- Re-pricing and re-positioning of our group life block is complete. We are now looking to grow our group risk business:
 - Develop the UK short-term disability market via Sick Pay Insurance product
 - Prudently target attractive segments of the Group Life market
 - Launch updated value proposition to grow our Group Critical Illness block
- We will explore opportunities outside the traditional UK product and distribution channel to expand our offering
- We will continue to deploy reinsurance where appropriate and economic to help manage risk



- Expand the Market
 - Focus on education and CRM to grow the Group Income Protection market
 - Become provider of choice for brokers across all group risk products
 - Explore portfolio diversification opportunities
- Build Capabilities to Enable Profitable Growth
 - Simplify and streamline our operations
 - Enhance the productivity of our brokerage distribution channel
 - Explore demand-generation approaches, partnerships and new products
 - Leverage corporate expertise and capabilities
- Risk Management
 - Maintain efficient and economical reinsurance arrangements
 - Prepare the business for transition to Solvency II capital requirements starting in 2016
 - Continue underwriting and pricing discipline to mitigate interest rate pressures

	2015 Outlook	Normalized
Sales Growth	7 - 9%	10 - 12%
Premium Growth	0 - 2%	4 - 7%
Operating Earnings Growth	1 - 3%	4 - 7%
Operating ROE	16 - 18%	15 - 20%

Colonial Life

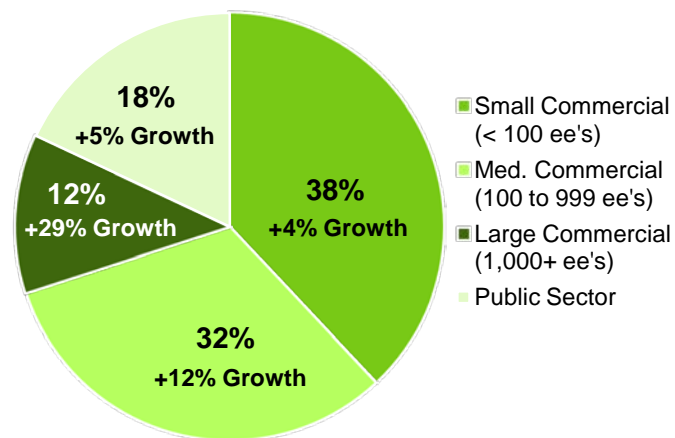
Colonial Life

BUSINESS SNAPSHOT

- **Primary Products**
 - Accident, Sickness and Disability
 - Life (Term, UL, WL)
 - Cancer and Critical Illness
- **Market Share ***
 - # 5 Voluntary Carrier with 6% market share
 - Product Sales:
 - # 2 in STD and Cancer
 - # 3 in Accident
 - # 4 in Hospital Indemnity, UL & WL, and Critical Illness
- **Size and Scale**
 - Over 80,000 businesses served
 - Over 3 million policies in force
 - Over 10,000 career agents and 14,000 brokers under contract

* Market share based on Eastbridge U.S. Worksite /Voluntary Carrier Sales Report for 2013

Sales Distribution**
(YTD 2014 Growth)



	Colonial Life***
Earned Premium	\$1.26 billion
Before Tax Operating Income	\$295 million
Operating Return on Equity	16.9%

** Sales Premium as of 9/30/2014

*** 4 Quarters Ending 9/30/2014

- Our 2014 sales success points to execution of our strategic initiatives and investments in sales leadership, distribution effectiveness and sales support.
 - Strong sales fundamentals through third quarter 2014:
 - New accounts up 9%
 - New account sales up 17% and existing account sales up 6%
 - New rep recruits up 19%
 - New rep sales up 42%
 - Positive sales trends are continuing into fourth quarter
- Key drivers in our 2015 plan:
 - Current market environment offers considerable opportunities to meet emerging needs of employers, brokers, and consumers.
 - Positive sales momentum from 2014 and the potential in our target markets.
 - Sustained improvement in distribution effectiveness.
 - Four key areas of focus – growth, customer experience, productivity, and talent.
- Achieving our 2015 growth objectives will be supported by a continued focus on third-party connectivity, enrollment solutions, service capabilities and operational excellence.
- 2015 operating earnings growth is expected to be in the 2-4% range, with continued strong profit margins and operating ROE levels.

Colonial Life

2015 PLAN DRIVERS - MARKETPLACE

Employers

- Provide solutions for employers to contain costs, administer benefits and help employees make benefits decisions
- Focus on small employers to expand the market and offset broker exit

Brokers

- Leverage broad expertise and partnerships to offer flexible, turnkey enrollment solutions
- Attract local and regional brokers adding voluntary to their portfolios

Consumers

- Improve decision support tools and package products to drive participation and penetration
- Invest in customer service and mobile capabilities to improve retention

Colonial Life

2015 KEY PRIORITIES

Growth

- Grow distribution footprint through sales organization and alliances
- Achieve balanced sales among target markets
- Introduce new and updated products

Customer Experience

- Reduce customer effort for consumers and partners
- Enhance administration capabilities for group and individual products
- Deliver better experiences through web-based services

Productivity

- Leverage cross-enterprise assets
- Improve tools to incrementally drive efficiency
- Enable partners to more easily connect with us

Talent

- Build upon investment in sales leadership and talent profiles
- Drive leadership development throughout the organization
- Emphasis on collaboration and empowerment

Colonial Life

2015 FINANCIAL OUTLOOK

	2015 Outlook	Normalized
Sales Growth	5 - 8%	6 - 8%
Premium Growth	2 - 4%	5 - 7%
Operating Earnings Growth	2 - 4%	4 - 6%
Operating ROE	15 -17%	15 -17%

Closing Comments

Closing Comments

- Good operating businesses with positive long-term trends
 - ...and a commitment to disciplined growth
- An intense focus on the management of our closed block
 - ...consistent with our history with these types of issues
- Solid financial foundation and predictable cash flow remain an asset
 - ...leading to significant financial flexibility
- We are confident we are taking the actions needed to continue to build value
 - ...just as we have done in the past

Closing Comments

CONTINUED STRONG OUTLOOK

	2015 Outlook							
	Sales Growth		Premium Growth		Operating Earnings Growth		Operating ROE	
	2015	Normalized	2015	Normalized	2015	Normalized	2015	Normalized
Unum US	2-4%	8-10%	4-6%	4-7%	1-3%	4-7%	12-14%	12-14%
Unum UK (£)	7-9%	10-12%	0-2%	4-7%	1-3%	4-7%	16-18%	15-20%
Colonial Life	5-8%	6-8%	2-4%	5-7%	2-4%	4-6%	15-17%	15-17%
Core Operations	4-6%	8-10%	4-6%	4-7%	1-3%	4-7%	13-14%	14-16%
Closed Block			(4-6)%	(4-6)%	(10-12)%	(4-6)%	2-3%	2-3%
Total Operations *			2-4%	3-5%	0-2%	4-7%	10-12%	10-12%
Capital Management					2-3%	4-5%	0-1%	0-1%
TOTAL					2-5%	8-11%	11-12%	11-13%

* Consolidated After-Tax Operating Earnings including Corporate Segment

Questions & Answers

Appendix

Reconciliation of Non-GAAP Financial Measures

Appendix

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	Nine Months Ended				Year Ended December 31*						
	September 30, 2014**	2013	2012	2011	2010	2009	2008	2007**	2006**	2005**	2004**
After-tax Operating Earnings	\$ 2.64	\$ 3.32	\$ 3.15	\$ 2.98	\$ 2.73	\$ 2.64	\$ 2.54	\$ 2.25	\$ 1.85	\$ 1.69	\$ 1.78
Net Realized Investment Gain (Loss), Net of Tax	0.10	0.02	0.13	(0.01)	0.05	-	(0.89)	(0.12)	0.01	(0.02)	0.06
Non-operating Retirement-related Loss, Net of Tax	(0.01)	(0.08)	(0.11)	(0.07)	(0.06)	(0.09)	(0.03)	(0.04)	(0.05)	(0.05)	(0.04)
Costs Related to Early Retirement of Debt, Net of Tax	(0.04)	-	-	-	-	-	-	-	-	-	-
Deferred Acquisition Costs and Reserve Charges for Closed Block, Net of Tax	-	-	-	(2.04)	-	-	-	-	-	-	(2.37)
Regulatory Reassessment Charges, Net of Tax	-	-	-	-	-	-	(0.10)	(0.79)	(0.16)	(0.29)	-
Special Tax Items and Debt Extinguishment Costs	-	-	-	0.08	(0.03)	-	-	(0.10)	0.23	0.14	0.17
Unclaimed Death Benefits Reserve Increase, Net of Tax	-	(0.24)	-	-	-	-	-	-	-	-	-
Group Life Waiver of Premium Benefit Reserve Reduction, Net of Tax	-	0.21	-	-	-	-	-	-	-	-	-
Other, Net of Tax	-	-	-	-	-	-	-	(0.04)	0.01	0.01	-
Income from Continuing Operations	2.69	3.23	3.17	0.94	2.69	2.55	1.62	1.89	1.21	1.61	(0.68)
Income from Discontinued Operations	-	-	-	-	-	-	-	0.02	0.02	0.03	(0.18)
Net Income (Loss)	\$ 2.69	\$ 3.23	\$ 3.17	\$ 0.94	\$ 2.69	\$ 2.55	\$ 1.62	\$ 1.91	\$ 1.23	\$ 1.64	\$ (0.86)

* Assuming dilution per share.

** Does not reflect the impact of ASU 2010-26.

	September 30	December 31									
	2014	2013	2012	2011	2010	2009	2008	2007**	2006**	2005**	2004**
	(per share)										
Total Stockholders' Equity (Book Value)	\$ 36.69	\$ 33.30	\$ 31.87	\$ 27.91	\$ 26.80	\$ 24.25	\$ 17.94	\$ 22.28	\$ 22.53	\$ 24.66	\$ 24.36
Net Unrealized Gain (Loss) on Securities	1.83	0.52	3.23	2.11	1.31	1.16	(2.53)	0.99	1.56	3.49	4.41
Net Gain on Cash Flow Hedges	1.52	1.52	1.48	1.39	1.14	1.12	1.38	0.50	0.57	0.91	0.80
Subtotal	33.34	31.26	27.16	24.41	24.35	21.97	19.09	20.79	20.40	20.26	19.15
Foreign Currency Translation Adjustment	(0.27)	(0.18)	(0.26)	(0.41)	(0.34)	(0.23)	(0.52)	0.35	0.34	0.07	0.33
Subtotal	33.61	31.44	27.42	24.82	24.69	22.20	19.61	20.44	20.06	20.19	18.82
Unrecognized Pension and Postretirement Benefit Costs	(0.91)	(0.88)	(2.13)	(1.51)	(1.00)	(1.00)	(1.23)	(0.55)	(0.68)	(0.58)	(0.55)
Total Stockholders' Equity, Excluding Accumulated Other Comprehensive Income	\$ 34.52	\$ 32.32	\$ 29.55	\$ 26.33	\$ 25.69	\$ 23.20	\$ 20.84	\$ 20.99	\$ 20.74	\$ 20.77	\$ 19.37

	After-Tax Operating Earnings (Loss)	Average Allocated Equity*	Annualized Operating Return On Equity
	(in millions)		

Nine Months Ended September 30, 2014

Unum US

Group Disability	\$ 138.9	\$ 1,528.2	12.1%
Group Life and Accidental Death and Dismemberment	119.8	974.7	16.4%
Supplemental and Voluntary	163.2	1,655.9	13.1%
Total Unum US	421.9	4,158.8	13.5%
Unum UK	87.1	636.4	18.2%
Colonial Life	146.9	1,148.6	17.1%
Closed Block	61.1	2,780.1	2.9%
Corporate	(35.4)	(461.1)	
Total	\$ 681.6	\$ 8,262.8	11.0%

* Excludes unrealized gain on securities and net gain on cash flow hedges and is calculated using the stockholders' equity balances presented below.

Appendix

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	Nine Months Ended	
	<u>September 30, 2014</u>	
After-tax Operating Earnings	\$	681.6
Net Realized Investment Gain, Net of Tax		24.0
Non-operating Retirement-related Loss, Net of Tax		(2.7)
Costs Related to Early Retirement of Debt, Net of Tax		<u>(10.4)</u>
Net Income	\$	<u>692.5</u>

	Four Quarters Ended	
	<u>September 30, 2014</u>	
	<u>(in millions)</u>	
Operating Income (Loss) by Segment		
Unum US	\$	861.0
Unum UK		145.5
Colonial Life		295.3
Closed Block		119.4
Corporate		<u>(142.7)</u>
Total Before Tax Operating Earnings		1,278.5
Net Realized Investment Gain		42.7
Non-operating Retirement-related Loss		(6.6)
Costs Related to Early Retirement of Debt		(13.2)
Unclaimed Death Benefits Reserve Increase		(95.5)
Group Life Waiver of Premium Benefit Reserve Reduction		85.0
Income Tax		<u>(377.2)</u>
Net Income	\$	<u>913.7</u>

	After-Tax	Average	Annualized
	Operating	Allocated	Operating Return
	Earnings (Loss)	Equity*	On Equity
	<u>(in millions)</u>		<u>On Equity</u>
Four Quarters Ended September 30, 2014			
Unum US	\$ 564.2	\$ 4,153.4	13.6%
Unum UK	116.8	629.6	18.6%
Colonial Life	192.0	1,138.5	16.9%
Closed Block	78.2	2,747.9	2.8%
Corporate	<u>(45.8)</u>	<u>(547.5)</u>	
Total	\$ 905.4	\$ 8,121.9	

* Excludes unrealized gain on securities and net gain on cash flow hedges and is calculated using the stockholders' equity balances presented below.

Appendix

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	Four Quarters Ended September 30, 2014 (in millions)	
After-tax Operating Income	\$	905.4
Net Realized Investment Gain, Net of Tax		29.8
Non-operating Retirement-related Loss, Net of Tax		(4.2)
Costs Related to Early Retirement of Debt, Net of Tax		(10.4)
Unclaimed Death Benefits Reserve Increase, Net of Tax		(62.1)
Group Life Waiver of Premium Benefit Reserve Reduction, Net of Tax		55.2
Net Income	\$	<u>913.7</u>

	September 30 2014	December 31 2013	September 30 2013
		(in millions)	
Total Stockholders' Equity, As Reported	\$ 9,244.0	\$ 8,659.1	\$ 8,669.9
Net Unrealized Gain on Securities	462.0	135.7	427.4
Net Gain on Cash Flow Hedges	383.5	396.3	397.2
Total Stockholders' Equity, As Adjusted	<u>\$ 8,398.5</u>	<u>\$ 8,127.1</u>	<u>\$ 7,845.3</u>

Average Stockholders' Equity Excluding Net Unrealized

Gain on Securities and Net Gain on Cash Flow Hedges:

YTD September 30, 2014	\$ 8,262.8
Four Quarters Ended September 30, 2014	\$ 8,121.9

	Unum US		Colonial Life	
	benefit ratio		benefit ratio	
Year Ended December 31, 2013				
Premium Income	\$ 4,517.1		\$ 1,232.2	
Benefits and Change Reserves for Future Benefits	3,222.4		667.0	
Unclaimed Death Benefits Reserve Increase	(75.4)		(20.1)	
Group Life Waiver of Premium Benefit Reserve Reduction	85.0		-	
Benefits and Change in Reserves for Future Benefits, Excluding Reserve Adjustments	3,232.0	71.6%	646.9	52.5%