

Financial Overview

First Quarter 2012 – May 1, 2012

Safe Harbor Statement

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 future operations, strategies, financial results, or other developments and speak only as of the date made. These forward-looking statements 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) legislative, regulatory, or tax changes, both domestic and foreign, including the effect of potential legislation and increased regulation in the current political environment; (3) sustained periods of low interest rates; (4) 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 claims management operations, and changes in government programs; (5) fluctuation in insurance reserve liabilities; (6) investment results, including but not limited to, realized investment losses resulting from defaults, contractual terms of derivative contracts, and impairments that differ from our assumptions and historical experience; (7) the lack of appropriate investments in the market which can be acquired to match our liability cash flows and duration; (8) changes in interest rates, credit spreads, and securities prices; (9) increased competition from other insurers and financial services companies due to industry consolidation or other factors; (10) changes in demand for our products due to, among other factors, changes in societal attitudes, the rate of unemployment, and consumer confidence; (11) changes in accounting standards, practices, or policies; (12) changes in our financial strength and credit ratings; (13) rating agency actions, state insurance department market conduct examinations and other inquiries, other governmental investigations and actions, and negative media attention; (14) effectiveness in managing our operating risks and the implementation of operational improvements and strategic growth initiatives; (15) actual experience that deviates from our assumptions used in pricing, underwriting, and reserving; (16) actual persistency and/or sales growth that is higher or lower than projected; (17) effectiveness of our risk management program; (18) the level and results of litigation; (19) currency exchange rates; (20) ability of our subsidiaries to pay dividends as a result of regulatory restrictions; (21) ability and willingness of reinsurers to meet their obligations; (22) changes in assumptions related to intangible assets such as deferred acquisition costs, value of business acquired, and goodwill; (23) ability to recover our systems and information in the event of a disaster or unanticipated event and to protect our systems and information from unauthorized access and deliberate attacks; and (24) events or consequences relating to political instability, terrorism, or acts of war, both domestic and foreign. For further information 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, 2011. The forward-looking statements in this presentation are being made as of the date of this presentation, 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.

Our Business: Operations

Unum Group operations are comprised of three core operating segments:

Unum US,

a leading provider of employee benefits with primary locations in Chattanooga, Tennessee; Portland, Maine; Worcester, Massachusetts; and Glendale, California



Unum UK,

a leading employee benefits provider in the UK, headquartered in Dorking and with primary offices in Basingstoke and Bristol



Colonial Life,

one of the nation's leading providers of voluntary benefits, located in Columbia, South Carolina



Our Business: Highlights*

- Net income per share of \$0.73 for 1Q12; 1Q11 net income per share of \$0.71.
- Operating earnings per share** for 1Q12 of \$0.73; 1Q11 operating earnings per share of \$0.70.
- Consolidated return on equity of 11.9 percent in 1Q12; 12.2 percent for full year 2011.
 - Return on equity of “core” operations 14.5 percent in 1Q12; 15.4 percent for full year 2011
- Strong capital position maintained at March 30, 2012:
 - Risk-based capital of approximately 406 percent
 - Leverage** of 23.4 percent
 - Holding companies cash and marketable securities of \$575 million

* Effective January 1, 2012, the Company adopted an accounting standards update for deferred acquisition costs (ASU 2010-26) and applied the amendments retrospectively, adjusting all prior periods presented, as applicable.

** Excludes certain items. See Reconciliation of Non-GAAP Financial Measures.

Operating Results

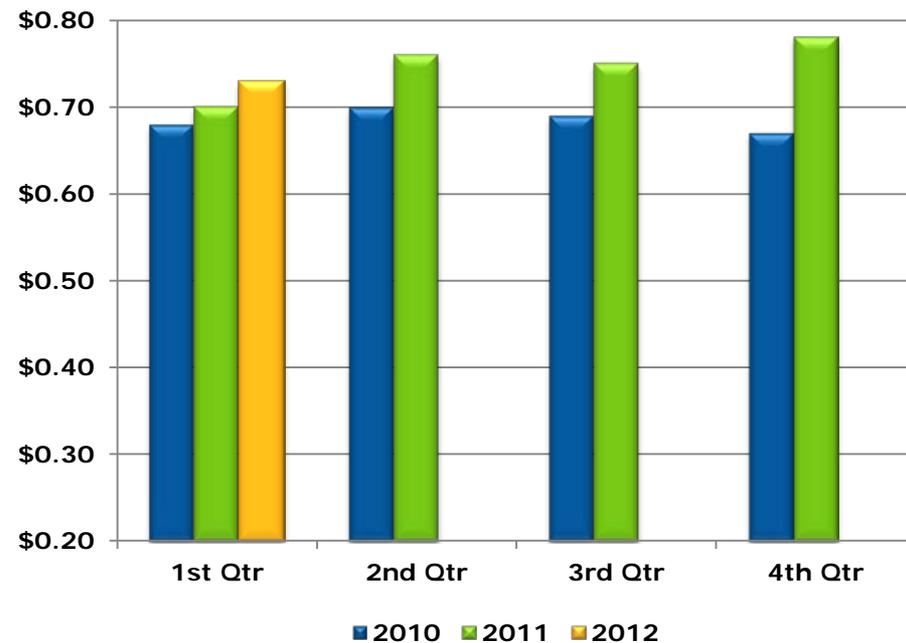
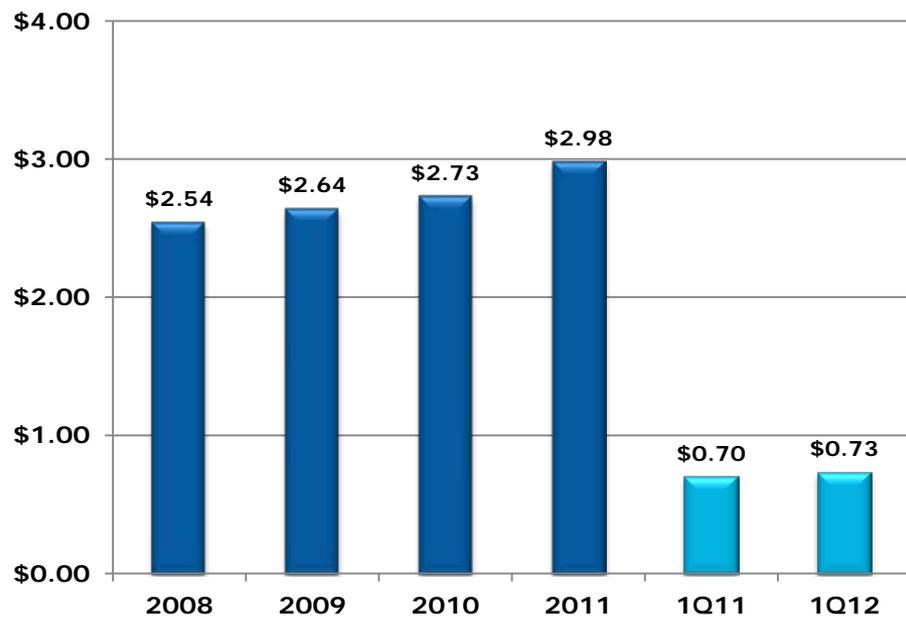
- **BTOE of \$309.2 million in 1Q12, down from \$320.2 million in 1Q11.**
- **Unum US BTOE of \$205.9 million, a 5.8 percent increase from 1Q11 BTOE of \$194.7 million.**
 - The group disability line reported operating income of \$74.7 million in the first quarter of 2012, compared to operating income of \$73.8 million in the first quarter of 2011.
 - The benefit ratio for the first quarter of 2012 was 84.9 percent compared to 83.9 percent in the first quarter of 2011.
 - The group life and accidental death and dismemberment line reported an increase in operating income to \$52.4 million in the first quarter of 2012, compared to \$51.6 million in the first quarter of 2011.
 - The supplemental and voluntary line reported a 13.7 percent increase in operating income to \$78.8 million in the first quarter of 2012, compared to \$69.3 million in the first quarter of 2011.

Operating Results

- **Colonial Life BTOE of \$69.7 million, an increase of 4.8 percent from 1Q11 of \$66.5 million.**
 - The benefit ratio in the first quarter of 2012 was 52.1 percent, compared to 51.4 percent for the same period in 2011.
- **Unum UK BTOE of \$38.8 million, a 20.7 percent decrease from 1Q11; BTOE of £24.7 million, an 18.8 percent decrease in local currency.**
 - The benefit ratio in the first quarter of 2012 was 72.4 percent, compared to 69.3 percent in the first quarter of 2011.

1Q-2012 Results

Operating EPS (excluding special items)



Financial Flexibility

Capital Management Criteria	2010	2011	1Q12
Risk-Based Capital Ratio for Traditional U.S. Insurance Companies	398%	405%	406%
Leverage	24.0%	23.5%	23.4%
Holding Companies Cash and Marketable Securities (\$ millions)	\$1,219	\$756	\$575

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended March 31				Year Ended
	2012		2011		December 31
	(in millions)	per share *	(in millions)	per share *	2011
After-tax Operating Income	\$ 213.2	\$ 0.73	\$ 219.1	\$ 0.70	\$ 905.4
Net Realized Investment Gain (Loss), Net of Tax	8.3	0.03	9.7	0.03	(3.6)
Non-Operating Retirement Loss, Net of Tax	(7.6)	(0.03)	(5.2)	(0.02)	(20.7)
Deferred Acquisition Costs and Reserve Charges for Closed Block, Net of Tax	-	-	-	-	(619.6)
Special Tax Items	-	-	-	-	22.7
Net Income	<u>\$ 213.9</u>	<u>\$ 0.73</u>	<u>\$ 223.6</u>	<u>\$ 0.71</u>	<u>\$ 284.2</u>

* Assuming Dilution

	Average Allocated Equity	Adjusted After-Tax Operating Income (Loss)	DAC and Reserve Charges (in millions)	Special Tax Items	After-Tax Operating Income (Loss)	Annualized Return On Equity
Three Months Ended March 31, 2012						
Core Operations	\$ 5,779.5	\$ 209.0	\$ -	\$ -	\$ 209.0	14.5%
Closed Block	2,047.0	9.7	-	-	9.7	
Corporate	(654.7)	(5.5)	-	-	(5.5)	
Total	<u>\$ 7,171.8</u>	<u>\$ 213.2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213.2</u>	11.9%
Year Ended December 31, 2011						
Core Operations	\$ 5,609.5	\$ 865.0	\$ -	\$ -	\$ 865.0	15.4%
Closed Block	2,165.1	90.0	(619.6)	-	(529.6)	
Corporate	(347.6)	(49.6)	-	22.7	(26.9)	
Total	<u>\$ 7,427.0</u>	<u>\$ 905.4</u>	<u>\$ (619.6)</u>	<u>\$ 22.7</u>	<u>\$ 308.5</u>	12.2%

Reconciliation of Non-GAAP Financial Measures

	March 31 2012	December 31 2011 (in millions)	December 31 2010
Total Stockholders' Equity, As Reported	\$ 8,179.9	\$ 8,169.7	\$ 8,484.9
Net Unrealized Gain on Securities	584.4	614.8	416.1
Net Gain on Cash Flow Hedges	398.0	408.7	361.0
Total Stockholders' Equity, As Adjusted	<u>\$ 7,197.5</u>	<u>\$ 7,146.2</u>	<u>\$ 7,707.8</u>
Average Equity, As Adjusted	\$ 7,171.8	\$ 7,427.0	
	March 31 2012	December 31 2011 (in millions)	December 31 2010
Debt, As Reported	\$ 2,925.0	\$ 2,882.5	\$ 2,856.4
Exclude Non-recourse Debt and Securities Lending Agreements	987.2	944.8	716.9
Debt, As Adjusted	<u>\$ 1,937.8</u>	<u>\$ 1,937.7</u>	<u>\$ 2,139.5</u>
Total Stockholders' Equity, As Reported	\$ 8,179.9	\$ 8,169.7	\$ 8,484.9
Exclude Net Unrealized Gain on Securities and Net Gain on Cash Flow Hedges	982.4	1,023.5	777.1
Exclude Northwind and Tailwind Capital	855.8	839.7	923.0
Debt, As Adjusted	6,341.7	6,306.5	6,784.8
Total Capital, As Adjusted	<u>\$ 1,937.8</u>	<u>\$ 1,937.7</u>	<u>\$ 2,139.5</u>
	<u>\$ 8,279.5</u>	<u>\$ 8,244.2</u>	<u>\$ 8,924.3</u>
Debt to Capital Ratio	<u>23.4%</u>	<u>23.5%</u>	<u>24.0%</u>
	Three Months Ended March 31 2012	2011 (in millions)	
Core Operations			
Unum US	\$ 205.9	\$ 194.7	
Unum UK	38.8	48.9	
Colonial Life	69.7	66.5	
Total Core Operations	314.4	310.1	
Closed Block	15.4	31.9	
Corporate	(20.6)	(21.8)	
Total Operating Income by Segment	309.2	320.2	
Net Realized Investment Gain	12.4	15.2	
Non-operating Retirement-related Loss	(11.6)	(8.0)	
Income Tax	(96.1)	(103.8)	
Net Income	<u>\$ 213.9</u>	<u>\$ 223.6</u>	

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended **								
	3/31/2012	12/31/2011	9/30/2011	6/30/2011	3/31/2011	12/31/2010	9/30/2010	6/30/2010	3/31/2010
After-tax Operating Income	\$ 0.73	\$ 0.78	\$ 0.75	\$ 0.76	\$ 0.70	\$ 0.67	\$ 0.69	\$ 0.70	\$ 0.68
Net Realized Investment Gain (Loss), Net of Tax	0.03	0.02	(0.05)	-	0.03	0.05	-	(0.06)	0.05
Non-Operating Retirement Loss, Net of Tax	(0.03)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.01)	(0.02)
Deferred Acquisition Costs and Reserve Charges for Closed Block, Net of Tax	-	(2.12)	-	-	-	-	-	-	-
Special Tax Items	-	0.08	-	-	-	-	-	-	(0.03)
Net Income (Loss)	<u>\$ 0.73</u>	<u>\$ (1.26)</u>	<u>\$ 0.68</u>	<u>\$ 0.74</u>	<u>\$ 0.71</u>	<u>\$ 0.70</u>	<u>\$ 0.67</u>	<u>\$ 0.63</u>	<u>\$ 0.68</u>

	Year Ended **			
	12/31/2011	12/31/2010	12/31/2009	12/31/2008
After-tax Operating Income	\$ 2.98	\$ 2.73	\$ 2.64	\$ 2.54
Net Realized Investment Gain (Loss), Net of Tax	(0.01)	0.05	-	(0.89)
Non-Operating Retirement Loss, Net of Tax	(0.07)	(0.06)	(0.09)	(0.03)
Deferred Acquisition Costs and Reserve Charges for Closed Block, Net of Tax	(2.04)	-	-	-
Special Tax Items	0.08	(0.03)	-	-
Net Income	<u>\$ 0.94</u>	<u>\$ 2.69</u>	<u>\$ 2.55</u>	<u>\$ 1.62</u>

** Amounts per diluted common share