

Sun Life Financial Investments Overview

THIRD QUARTER 2009



Sun Life Financial is a leading financial services organization providing a diverse range of protection and wealth accumulation products and services to individuals and corporate customers. Tracing its roots back to 1865, Sun Life Financial Inc. and its subsidiaries (collectively, "Sun Life Financial") have operations in key markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China and Bermuda. As of Sept. 30, 2009, the Sun Life Financial group of companies had total assets under management of CDN \$412 billion.

While the financial services industry continues to endure a stressed credit environment and adverse conditions in the commercial real estate market, Sun Life Financial's balance sheet remains strong and well-diversified. The company remains financially disciplined and has maintained its strong capital base to provide added protection from market volatility.

Sun Life Financial's long history of prudent risk management and strong investment skills will continue to provide our customers and stakeholders with the confidence that it will successfully navigate through the challenges of these uncertain times. Sun Life Financial has crafted a strong and financially sound investment portfolio that has been a great strength in these markets, and has positioned Sun Life Financial to effectively manage through the current economic environment. Through numerous recessions, we have consistently delivered on our promises to protect our customers, and have become one of the strongest and most reliable providers of insurance and financial services in the world.

Actuarial Assumption Changes and Reserves Action Update

Sun Life Financial reviews its actuarial assumptions each year, generally in the third and fourth quarters, and revises these assumptions, if appropriate. Last quarter, Sun Life Financial announced it would implement changes in certain equity- and interest rate-related actuarial assumptions used to value variable annuity, segregated fund, certain fixed annuity and individual life liabilities, and would take a Q3 charge for those assumption changes. In Q3, Sun Life Financial took a \$513 million after-tax charge with respect to these assumptions changes, within the expected range.

The Company's Financial Strength Ratings

Sun Life Financial's principal U.S. insurance company subsidiaries continue to earn high financial strength ratings from independent rating agencies. **On Sept. 30, 2009, A.M. Best, Standard & Poor's and Moody's financial strength ratings of the following Sun Life Financial subsidiaries were either "Superior", "Very Strong" or "Excellent."**

Subsidiary	A.M. Best	Standard & Poor's	Moody's
Sun Life Assurance Company of Canada	A+ ¹ (Superior) Second of 16 rating levels	AA ² (Very Strong) Third of 20 rating levels	Aa3 ¹ (Excellent) Fourth of 21 rating levels
Sun Life Assurance Company of Canada (U.S.)	A+ ¹ (Superior) Second of 16 rating levels	AA ² (Very Strong) Third of 20 rating levels	Aa3 ² (Excellent) Fourth of 21 rating levels
Sun Life Insurance and Annuity Company of N.Y.	A+ ¹ (Superior) Second of 16 rating levels	AA ² (Very Strong) Third of 20 rating levels	Not Rated

¹ Outlook Stable

² Negative Outlook

Note: All information and financial data as of September 30, 2009; all currency in Canadian dollars. Unless otherwise noted, information and financial data refers to the consolidated results of Sun Life Financial Inc. and its subsidiaries

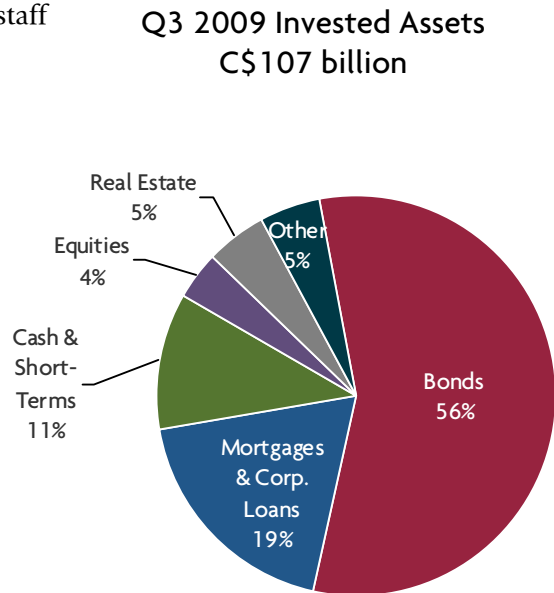
Sun Life Financial's Investment Portfolio

Sun Life Financial has a well-diversified and high quality asset portfolio. We have a conservative balance sheet and place a premium on strong investment and risk management capabilities. Sun Life Financial routinely reviews its liquidity positions as a standard part of its risk management practices and continually monitors U.S. and international markets.

Our approach to managing the investment portfolios in all asset classes is similar:

- Our time frame is generally **focused on a longer term** than many investors and we invest to hold through a cycle
- Team of over 200 experienced professionals and support staff
- Team approach across asset classes
- Strict adherence to a research-based process (We only buy what we understand)
- Wide diversification
- Risk-adjusted credit exposure limits
- Disciplined risk management

Sun Life Financial's invested assets are depicted to the right. The "Other" category is comprised primarily of policyholder loans, derivative assets and investments in limited partnerships. Four percent, or \$4.7 billion, is invested in equities. About 59% of our equity portfolio is invested in North American exchange-traded funds, with the remainder invested in common and preferred shares in Canada, United States, United Kingdom and Asia – primarily in Hong Kong.



Additional Portfolio Details

For credit default swaps, Sun Life Financial had \$128 million notional amount of credit derivatives this quarter, which were used for yield enhancements to replicate otherwise permissible investments.

In keeping with our conservative investment standards, Sun Life Financial has **no direct exposure** to:

- Sub-prime mortgages without subordination
- Structured investment vehicles (SIVs)

The total market value in Canadian dollars of our investment portfolio as of Sept. 30, 2009 was 7% lower because of the currency exchange rate of the U.S. dollar compared to the Canadian dollar. The unrealized loss position of the bonds portfolio **decreased by \$2.7 billion from the previous quarter** due to favorable market movement.

MCCSR and RBC Ratios

Canadian regulations require that life insurance companies maintain a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of at least 150%. As of September 30, 2009, the MCCSR ratio of Sun Life Assurance Company of Canada was **219%, well in excess of the supervisory target levels.**

The Risk Based Capital (RBC) ratio for Sun Life Assurance Company of Canada (U.S.) was 357% on December 31, 2008, in excess of the **internal targeted range of 300–350% and a regulatory minimum of 100%.**

In addition, Sun Life Financial continues to maintain a conservative liquidity position that **exceeds expected demand liabilities under prescribed stress scenarios.**

*Note: All information and financial data as of September 30, 2009; all currency in Canadian dollars.
Unless otherwise noted, information and financial data refers to the consolidated results of Sun Life Financial Inc. and its subsidiaries*

Bond Portfolio Details

(C\$ millions)

Type	Held for Trading	Available for Sale	Total	Investment Grade
Government Issued/ Guaranteed Bonds	\$14,097	\$1,471	\$15,568	99%
Corporate Bonds	32,120	8,059	40,179	94%
Asset-Backed Bonds	3,748	634	4,382	90%
Total	\$49,965	\$10,164	\$60,129	95%

Sun Life Financial **does not initially invest in below investment grade bonds**, but neither will we necessarily divest from bonds that have fallen below investment grade when we believe they continue to have good value, as evidenced by the 5% of the portfolio rated below investment grade. **Sun Life Financial's bond portfolio is well diversified across approximately 1,200 names, representing a variety of sectors.**

Asset-Backed Bonds

(C\$ millions)

Type	Market Value	Investment Grade (BBB or Higher)	Comments
Commercial Mortgage-Backed Securities (CMBS)	\$1,869	95.5%	94% is 'AAA' or issued before 2006 99% is fixed rate
Residential Mortgage-Backed Securities (RMBS) - non-agency	931	83.1%	90% is 'AAA' or issued before 2006 85% is fixed rate
RMBS – agency	833	100%	
Collateralized Debt Obligations (CDO)	162	42.2%	72% is 'AAA' or issued before 2006
Other	587	85.3%	
Total	\$4,382	90.4%	Includes sub-prime & Alt-A shown below
<i>Sub-prime</i>	<i>\$139</i>	<i>64.7%</i>	90.2% is 'AAA' or issued before 2006
<i>Alternative-A (Alt-A)</i>	<i>\$117</i>	<i>68.7%</i>	89% is fixed rate

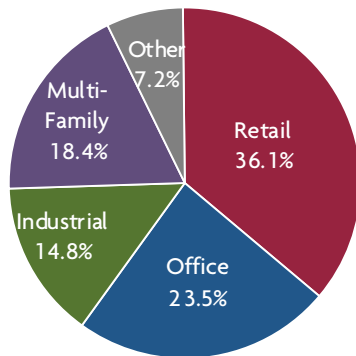
90.4% of Sun Life Financial's asset-backed bonds are rated investment grade. Also worth noting are the high levels of underlying fixed rate mortgages supporting mortgage-backed securities. Fixed rate mortgages, particularly in the residential market, have no risk of rate reset default. Additional reserves have been established for these securities to offset expected future losses. Our total asset-backed bonds that are not investment grade stand at \$421 million at the end of Q3, **which represent 0.4% of Sun Life Financial's \$107 billion in invested assets.**

Note: All information and financial data as of September 30, 2009; all currency in Canadian dollars. Unless otherwise noted, information and financial data refers to the consolidated results of Sun Life Financial Inc. and its subsidiaries

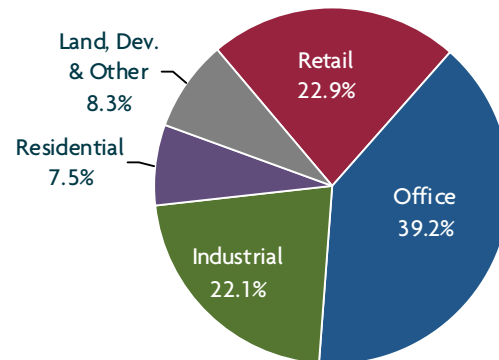
Mortgage and Real Estate Portfolio

Sun Life Financial has a consolidated \$14.3 billion mortgage portfolio with approximately 4,000 commercial mortgages, \$7.4 billion in Canada and \$6.4 billion in the U.S. **We do not have any direct U.S. single family residential mortgage exposure.** By policy, **Sun Life Financial requires a maximum Loan-to-Value Ratio of 75%** but it may invest in mortgages with a higher loan-to-value ratio in Canada if the mortgage is insured. The average Loan-to-Value in the North American commercial loans portfolio is 59% primarily based on 2008 revaluations combined with more current revisions. Sun Life Financial has \$4.8 billion in direct real estate, split 66% in Canada, 29% in the U.S. and the remaining in the U.K. and Asia, and comprising approximately 490 properties.

Mortgages by Type



Real Estate by Type



Insurance Company Subsidiaries

Insurance products are issued by several different insurance companies in the Sun Life Financial group of companies. These insurance companies follow substantially the same investment policies and guidelines, which are set by their corporate parent, Sun Life Financial Inc., which is a publicly traded holding company. Sun Life Financial Inc. does not issue annuities or insurance policies and its insurance subsidiaries remain separate companies. Each of these insurance subsidiaries is regulated and subject to periodic examination by a different state insurance department, which review the capital reserves and other attributes of financial strength of those companies. Although each insurance company in the Sun Life Financial group of companies enjoys the benefits of being part of a larger enterprise, which is reflected in the ratings of independent rating agencies, Sun Life Financial Inc. does not guarantee the obligations of the insurance companies under the annuity contracts or insurance policies they issue.

Forward Looking Statements and Risk Factors

Certain statements in this document, including statements that are predictive in nature, that depend on or refer to future events or conditions, or that include words such as "expects," "anticipates," "intends," "believes," or similar expressions are forward-looking statements within the meaning of securities laws. Forward-looking statements include information concerning possible or assumed future results of operations of Sun Life Financial Inc. and its subsidiaries. These statements represent the company's expectations, estimates, and intentions regarding future events and are not historical facts. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. Future results may differ materially from what is expressed in these forward-looking statements due to, among other factors, the matters set out under "Risk Factors" in the Sun Life Financial Inc. Annual Information Form and to the factors detailed in its other filings with Canadian and U.S. securities regulators, including its annual and interim Management's Discussion and Analysis and financial statements, which are available for review at www.sedar.com and www.sec.gov.

GX27-9293C (Exp. 5/11)

SLPC# 20362 11/09
Exp. 2/10