UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

(Mark One)

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2007

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _______ to_______

Commission file number 1-11834

Unum Group

(Exact name of registrant as specified in its charter)

Delaware	**62-1598430**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1 Fountain Square
Chattanooga, Tennessee 37402
(Address of principal executive offices)

423.294.1011
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.
(Check one): Large Accelerated Filer ☒ Accelerated Filer ☐ Non-accelerated Filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No☒

360,797,154 shares of the registrant's common stock were outstanding as of June 30, 2007.

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Cautionary Statement Regarding Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" to encourage companies to provide prospective information, as long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those included in the forward-looking statements. We desire to take advantage of these safe harbor provisions. Certain information contained in this discussion, or in any other written or oral statements made by us in communications with the financial community or contained in documents filed with the Securities and Exchange Commission (SEC), may be considered forward-looking. 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 statements may be made directly in this document or may be made part of this document by reference to other documents filed by us with the SEC, which is known as "incorporation by reference." You can find many of these statements by looking for words such as "will," "may," "should," "could," "believes," "expects," "anticipates," "estimates," "intends," "projects," "goals," "objectives," or similar expressions in this document or in documents incorporated herein.

These forward-looking statements are subject to numerous assumptions, risks, and uncertainties, many of which are beyond our control. We caution readers that 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:

- General economic or business conditions, both domestic and foreign, may be less favorable than expected, which may affect premium levels, claims experience, the level of pension benefit costs and funding, and investment results, including credit deterioration of investments.
- Competitive pressures in the insurance industry may increase significantly through industry consolidation or otherwise.
- Events or consequences relating to terrorism and acts of war, both domestic and foreign, may adversely affect our business and the Company's results of operations in a period and may also affect the availability and cost of reinsurance.
- Legislative, regulatory, or tax changes, both domestic and foreign, may adversely affect the businesses in which we are engaged.
- Actual experience in connection with implementation of the multistate market conduct regulatory settlement agreements and the California Department of Insurance settlement agreement may deviate from our assumptions.
- Rating agency actions, state insurance department market conduct examinations and other inquiries, other governmental investigations and actions, and negative media attention may adversely affect our business and the Company's results of operations in a period.
- The level and results of litigation and rulings in the multidistrict litigation or other purported class actions may not be favorable to the Company and may adversely affect our business and the Company's results of operations in a period.
- Investment results, including, but not limited to, realized investment losses resulting from impairments, may differ from our assumptions and prior experience and may adversely affect our business and the Company's results of operations in a period.
- Changes in the interest rate environment may adversely affect our reserve and policy assumptions and ultimately profit margins and reserve levels.
- Sales growth may be less than planned, which could affect adversely revenue and profitability.
- Effectiveness in supporting new product offerings and providing customer service may not meet expectations.
- Actual experience in pricing, underwriting, and reserving may deviate from our assumptions.
- Actual persistency may be lower than projected persistency, resulting in lower than expected revenue and higher than expected amortization of deferred acquisition costs.

- Incidence and recovery rates may be influenced by, 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 risk management programs, and implementation of the multistate regulatory settlement agreements and the California Department of Insurance settlement agreement.
- Insurance reserve liabilities may fluctuate as a result of changes in numerous factors, and such fluctuations can have material positive or negative effects on net income.
- Retained risks in our reinsurance operations are influenced primarily by the credit risk of the reinsurers and potential contract disputes. Any material changes in the reinsurers' credit risk or willingness to pay according to the terms of the contract may adversely affect our business and the results of operations in a period.

For further discussion of 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, 2006.

All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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PART I

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

Unum Group and Subsidiaries

	June 30 2007	December 31 2006
	(in millions of dollars)	
	(Unaudited)	
Assets		
Investments		
Fixed Maturity Securities - at fair value (amortized cost: $34,320.3; $33,414.1)	$34,669.3	$35,001.5
Mortgage Loans	1,004.2	944.0
Real Estate	20.2	17.9
Policy Loans	3,505.8	3,429.5
Other Long-term Investments	118.1	122.0
Short-term Investments	757.3	648.4
Total Investments	40,074.9	40,163.3
Other Assets		
Cash and Bank Deposits	126.8	121.3
Accounts and Premiums Receivable	2,110.1	2,057.1
Reinsurance Recoverable	5,541.4	5,512.2
Accrued Investment Income	654.0	646.8
Deferred Acquisition Costs	2,342.3	2,983.1
Goodwill	204.5	204.1
Property and Equipment	383.9	370.1
Other Assets	611.4	624.5
Other Assets - Discontinued Operations	—	112.3
Separate Account Assets	21.9	28.5
Total Assets	$52,071.2	$52,823.3

See notes to consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS - Continued

Unum Group and Subsidiaries

	June 30 2007	December 31 2006
	(in millions of dollars)	
	(Unaudited)	
Liabilities and Stockholders' Equity		
Liabilities		
Policy and Contract Benefits	$ 2,070.1	$ 2,220.4
Reserves for Future Policy and Contract Benefits	36,105.3	35,689.4
Unearned Premiums	635.6	520.1
Other Policyholders' Funds	1,919.3	2,019.1
Income Tax Payable	86.0	44.4
Deferred Income Tax	47.5	567.3
Short-term Debt	175.0	—
Long-term Debt	2,287.7	2,659.6
Other Liabilities	1,351.2	1,326.7
Other Liabilities - Discontinued Operations	—	29.0
Separate Account Liabilities	21.9	28.5
Total Liabilities	44,699.6	45,104.5
Commitments and Contingent Liabilities - Note 9		
Stockholders' Equity		
Common Stock, $0.10 par		
Authorized: 725,000,000 shares		
Issued: 362,748,249 and 344,578,616 shares	36.3	34.4
Additional Paid-in Capital	2,501.9	2,200.0
Accumulated Other Comprehensive Income (Loss)		
Net Unrealized Gain on Securities	78.0	534.8
Net Gain on Cash Flow Hedges	135.4	194.2
Foreign Currency Translation Adjustment	136.9	116.0
Unrecognized Pension and Postretirement Benefit Costs	(246.6)	(232.2)
Retained Earnings	4,783.9	4,925.8
Treasury Stock - at cost: 1,951,095 shares	(54.2)	(54.2)
Total Stockholders' Equity	7,371.6	7,718.8
Total Liabilities and Stockholders' Equity	$ 52,071.2	$ 52,823.3

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

Unum Group and Subsidiaries

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	(in millions of dollars, except share data)			
Revenue				
Premium Income	$ 1,986.7	$1,987.2	$ 3,930.7	$3,957.2
Net Investment Income	597.8	576.6	1,187.3	1,140.4
Net Realized Investment Gain (Loss)	10.4	(5.8)	6.7	(3.3)
Other Income	70.7	63.7	141.5	127.5
Total Revenue	2,665.6	2,621.7	5,266.2	5,221.8
Benefits and Expenses				
Benefits and Change in Reserves for Future Benefits	1,816.9	1,807.9	3,546.2	3,675.4
Commissions	208.3	203.7	421.3	414.6
Interest and Debt Expense	44.5	48.7	90.4	101.8
Cost Related to Early Retirement of Debt	0.8	17.8	3.2	23.1
Deferral of Acquisition Costs	(136.3)	(129.4)	(274.4)	(265.3)
Amortization of Deferred Acquisition Costs	122.3	118.0	238.9	237.8
Compensation Expense	177.4	171.0	350.7	336.1
Other Expenses	198.8	194.4	397.1	401.1
Total Benefits and Expenses	2,432.7	2,432.1	4,773.4	4,924.6
Income from Continuing Operations Before Income Tax	232.9	189.6	492.8	297.2
Income Tax (Benefit)				
Current	78.4	68.5	117.6	92.7
Deferred	1.0	(2.2)	50.3	9.8
Total Income Tax	79.4	66.3	167.9	102.5
Income from Continuing Operations	153.5	123.3	324.9	194.7
Discontinued Operations - Note 3				
Income Before Income Tax	—	3.3	17.8	6.7
Income Tax	—	1.4	10.9	2.8
Income from Discontinued Operations	—	1.9	6.9	3.9
Net Income	$ 153.5	$ 125.2	$ 331.8	$ 198.6
Earnings Per Common Share				
Basic				
Income from Continuing Operations	$ 0.44	$ 0.38	$ 0.94	$ 0.63
Net Income	$ 0.44	$ 0.39	$ 0.96	$ 0.64
Assuming Dilution				
Income from Continuing Operations	$ 0.43	$ 0.37	$ 0.93	$ 0.60
Net Income	$ 0.43	$ 0.38	$ 0.95	$ 0.61

See notes to consolidated financial statements.

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CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

Unum Group and Subsidiaries

	Six Months Ended June 30	
	2007	2006
	(in millions of dollars)	
Common Stock		
Balance at Beginning of Year	$ 34.4	$ 30.1
Common Stock Activity	1.9	4.3
Balance at End of Period	36.3	34.4
Additional Paid-in Capital		
Balance at Beginning of Year	2,200.0	1,627.9
Common Stock Activity	301.9	576.4
Cumulative Effect of Accounting Principle Change - Note 2	—	(13.8)
Balance at End of Period	2,501.9	2,190.5
Accumlated Other Comprehensive Income		
Balance at Beginning of Year	612.8	1,163.5
Change During Period	(509.1)	(1,111.8)
Balance at End of Period	103.7	51.7
Retained Earnings		
Balance at Beginning of Year	4,925.8	4,610.4
Net Income	331.8	198.6
Dividends to Stockholders ($0.15 per share in 2007 and 2006)	(51.2)	(44.5)
Cumulative Effect of Accounting Principle Changes - Note 2	(422.5)	—
Balance at End of Period	4,783.9	4,764.5
Treasury Stock		
Balance at Beginning of Year and End of Period	(54.2)	(54.2)
Deferred Compensation		
Balance at Beginning of Year	—	(13.8)
Cumulative Effect of Accounting Principle Change - Note 2	—	13.8
Balance at End of Period	—	—
Total Stockholders' Equity at End of Period	$ 7,371.6	$ 6,986.9

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

Unum Group and Subsidiaries

	Six Months Ended June 30	
	2007	2006
	(in millions of dollars)	
Cash Flows from Operating Activities		
Net Income	$ 331.8	$ 198.6
Adjustments to Reconcile Net Income to		
Net Cash Provided by Operating Activities		
Change in Receivables	(48.6)	(39.8)
Change in Deferred Acquisition Costs	(35.5)	(27.5)
Change in Insurance Reserves and Liabilities	593.7	678.5
Change in Income Tax Liabilities	45.6	5.6
Change in Other Accrued Liabilities	(115.1)	(50.3)
Non-cash Adjustments to Net Investment Income	(184.7)	(184.5)
Net Realized Investment (Gain) Loss	(6.7)	3.3
Depreciation	32.4	34.0
Other, Net	3.8	41.5
Net Cash Provided by Operating Activities	616.7	659.4
Cash Flows from Investing Activities		
Proceeds from Sales of Available-for-Sale Securities	958.7	1,324.8
Proceeds from Maturities of Available-for-Sale Securities	577.3	741.7
Proceeds from Sales and Maturities of Other Investments	223.3	68.1
Purchase of Available-for-Sale Securities	(2,143.9)	(2,261.5)
Purchase of Other Investments	(225.5)	(293.4)
Net Purchases of Short-term Investments	(104.5)	(27.4)
Disposition of Business	98.8	—
Other, Net	(45.6)	(29.2)
Net Cash Used by Investing Activities	(661.4)	(476.9)
Cash Flows from Financing Activities		
Maturities and Benefit Payments from Policyholder Accounts	(4.6)	(5.8)
Long-term Debt Repayments	(197.0)	(700.0)
Cost Related to Early Retirement of Debt	(0.8)	(15.6)
Issuance of Common Stock	306.9	577.6
Dividends Paid to Stockholders	(51.2)	(44.5)
Other, Net	(4.0)	(6.6)
Net Cash Provided (Used) by Financing Activities	49.3	(194.9)
Effect of Foreign Exchange Rate Changes on Cash	0.9	0.7
Net Increase (Decrease) in Cash and Bank Deposits	5.5	(11.7)
Cash and Bank Deposits at Beginning of Year	121.3	67.1
Cash and Bank Deposits at End of Period	$ 126.8	$ 55.4

See notes to consolidated financial statements.

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CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)

Unum Group and Subsidiaries

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	(in millions of dollars)			
Net Income	$ 153.5	$ 125.2	$ 331.8	$ 198.6
Other Comprehensive Loss				
Change in Net Unrealized Gain on Securities Before Reclassification Adjustment (net of tax benefit of $220.5; $106.0; $243.0; $526.3)	(411.7)	(195.2)	(454.9)	(977.7)
Reclassification Adjustment for Net Realized Investment Gain (net of tax benefit of $0.4; $0.2; $1.1; $1.3)	(0.6)	(0.3)	(1.9)	(2.3)
Change in Net Gain on Cash Flow Hedges (net of tax benefit of $24.4; $41.6; $31.9; $79.2)	(45.1)	(77.4)	(58.8)	(147.1)
Change in Foreign Currency Translation Adjustment (net of tax benefit of $0.2; $0.2; $0.4; $0.2)	15.2	14.8	20.9	15.3
Change in Unrecognized Pension and Postretirement Benefit Costs (net of tax benefit of $(1.3); $ -; $7.7; $ -)	2.2	—	(14.4)	—
Total Other Comprehensive Loss	(440.0)	(258.1)	(509.1)	(1,111.8)
Comprehensive Loss	$ (286.5)	$ (132.9)	$ (177.3)	$ (913.2)

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Unum Group and Subsidiaries

June 30, 2007

Note 1 - Basis of Presentation

The accompanying consolidated financial statements of Unum Group and its subsidiaries (the Company) have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. For further information, refer to the consolidated financial statements and footnotes included in our annual report on Form 10-K for the year ended December 31, 2006.

During the first quarter of 2007, we closed the sale of our wholly-owned subsidiary GENEX Services, Inc. (GENEX). The financial results of GENEX are reported as discontinued operations in the consolidated financial statements. Except where noted, the information presented in the notes to the consolidated financial statements excludes GENEX. See Note 3 for further discussion.

In our opinion, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 2007, are not necessarily indicative of the results that may be expected for the year ended December 31, 2007.

Note 2 - Accounting Pronouncements

Accounting Pronouncements Adopted:

Effective January 1, 2007, we adopted the provisions of Statement of Position 05-1 (SOP 05-1), *Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection With Modifications or Exchanges of Insurance Contracts* . SOP 05-1 provides guidance on accounting by insurance enterprises for deferred acquisition costs (DAC) on internal replacements of insurance and investment contracts other than those specifically described in Statement of Financial Accounting Standards No. 97, *Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and for Realized Gains and Losses from the Sale of Investments.*

An internal replacement is defined as a modification in product benefits, features, or coverages that occurs by the exchange or replacement of an existing insurance policy for a new policy. If the modification does not substantially change (as defined by SOP 05-1) the policy, we retain the unamortized DAC from the original policy and amortize its remaining balance over the expected life of the new policy, and the costs of replacing the policy are accounted for as policy maintenance costs and expensed as incurred. If the internal replacement results in a policy that is substantially changed, we account for the replacement as an extinguishment of the original policy and the issuance of a new policy. Unamortized DAC on the original policy that was replaced is immediately expensed, and the costs of acquiring the new policy are capitalized and amortized in accordance with our accounting policies for DAC.

The cumulative effect of applying the provisions of SOP 05-1 decreased our 2007 opening balance of retained earnings $445.2 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 2 - Accounting Pronouncements - Continued

Effective January 1, 2007, we adopted the provisions of Financial Accounting Standards Board Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes, an interpretation of Statement of Financial Accounting Standards No. 109 (SFAS 109)*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS 109. Unlike SFAS 109, FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Additionally, FIN 48 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The cumulative effect of applying the provisions of FIN 48 increased our 2007 opening balance of retained earnings $22.7 million.

Effective January 1, 2007, we adopted the provisions of Statement of Financial Accounting Standards No. 155 (SFAS 155), *Accounting for Certain Hybrid Financial Instruments, an amendment of Statement of Financial Accounting Standards Nos. 133 (SFAS 133) and 140 (SFAS 140)*. SFAS 155: (a) permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation; (b) clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS 133; (c) establishes a requirement to evaluate beneficial interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation; (d) clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives; and, (e) eliminates restrictions on a qualifying special-purpose entity's ability to hold passive derivative financial instruments that pertain to beneficial interests that are or contain a derivative financial instrument. The adoption of SFAS 155 did not have a material effect on our financial position or results of operations.

Effective January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123 (revised 2004) (SFAS 123(R)), *Share-Based Payment*, which is a revision to Statement of Financial Accounting Standards No. 123 (SFAS 123), *Accounting for Stock-Based Compensation*. SFAS 123(R) focuses primarily on accounting for transactions in which an entity obtains employee service in exchange for share-based payments. Under SFAS 123(R), share-based awards that do not require future service (i.e., vesting awards) are expensed immediately. Share-based employee awards that require future service are amortized over the relevant service period. We adopted SFAS 123(R) using the modified prospective transition method. In accordance with the modified prospective transition method, the provisions are generally applied only to share-based awards granted subsequent to adoption. Prior to adoption of SFAS 123(R), the unrecognized compensation cost related to nonvested stock awards was reported as additional paid-in capital and deferred compensation, a contra equity account. The value of this contra equity account at the adoption of SFAS 123(R) was $13.8 million. The adoption of SFAS 123(R) did not have a material effect on our financial position or results of operations.

Accounting Pronouncements Outstanding:

Statement of Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurements*, was issued in September 2006. SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. We will adopt the provisions of SFAS 157 effective January 1, 2008. The adoption of SFAS 157 will not have a material effect on our financial position or results of operations.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 3 - Discontinued Operations

As discussed in Note 1, the sale of GENEX closed effective March 1, 2007, and we recognized an after-tax gain of $6.2 million on the sale. We intend to continue to purchase certain disability management services for a period of up to five years from the effective date of the sale. The cost of the services to be purchased was negotiated in an arms-length transaction. Intercompany amounts paid to GENEX for these types of services were $2.3 million for the two month period ended February 28, 2007, and $3.9 million and $7.7 million for the three and six month periods ended June 30, 2006. The estimated future cost of purchases of these services is not significant to our results of operations.

GENEX was accounted for as an asset held for sale at December 31, 2006. The results of GENEX, which were previously reported in the Other segment, are reported as discontinued operations and excluded from segment results for all periods shown.

Selected results for GENEX are as follows:

	Three Months Ended June 30	Six Months Ended June 30	
	2006	2007	2006
	(in millions of dollars, except share data)		
Total Revenue	$ 46.3	$ 47.2	$ 92.1
Income	$ 1.9	$ 6.9	$ 3.9
Income Per Common Share			
Basic	$ 0.01	$ 0.02	$ 0.01
Assuming Dilution	$ 0.01	$ 0.02	$ 0.01

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 4 - Segment Information

Premium income by major line of business within each of our segments is presented as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	(in millions of dollars)			
Unum US				
Group Income Protection				
Group Long-term Income Protection	$ 480.7	$ 489.8	$ 952.1	$ 975.1
Group Short-term Income Protection	128.6	133.1	247.3	267.6
Group Life and Accidental Death & Dismemberment				
Group Life	277.1	322.5	557.9	642.6
Accidental Death & Dismemberment	32.1	39.0	64.5	77.7
Supplemental and Voluntary				
Individual Income Protection - Recently Issued	114.7	111.2	228.4	221.4
Long-term Care	131.6	121.2	260.3	241.8
Voluntary Workplace Benefits	100.9	94.8	200.1	189.2
	1,265.7	1,311.6	2,510.6	2,615.4
Unum UK				
Group Long-term Income Protection	194.6	150.4	369.2	297.7
Group Life	43.0	42.0	81.7	78.7
Individual Income Protection	9.4	8.3	18.4	15.7
	247.0	200.7	469.3	392.1
Colonial				
Income Protection	140.5	132.8	280.2	262.6
Life	35.3	32.5	70.9	62.5
Cancer and Critical Illness	49.0	44.2	97.1	87.0
	224.8	209.5	448.2	412.1
Individual Income Protection - Closed Block	249.4	264.2	501.7	535.2
Other	(0.2)	1.2	0.9	2.4
Total	$1,986.7	$1,987.2	$ 3,930.7	$3,957.2

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 4 - Segment Information - Continued

Selected operating statement data by segment is presented as follows:

	Unum US	Unum UK	Colonial	Individual Income Protection - Closed Block	Other	Corporate	Total
				(in millions of dollars)			
Three Months Ended June 30, 2007							
Premium Income	$ 1,265.7	$ 247.0	$ 224.8	$ 249.4	$ (0.2)	$ —	$ 1,986.7
Net Investment Income	286.9	49.9	24.9	203.4	26.9	5.8	597.8
Other Income	34.5	0.3	0.3	25.8	9.1	0.7	70.7
Operating Revenue	$ 1,587.1	$ 297.2	$ 250.0	$ 478.6	$ 35.8	$ 6.5	$ 2,655.2
Operating Income (Loss)	$ 92.3	$ 77.7	$ 64.9	$ 42.6	$ 4.0	$ (59.0)	$ 222.5
Three Months Ended June 30, 2006							
Premium Income	$ 1,311.6	$ 200.7	$ 209.5	$ 264.2	$ 1.2	$ —	$ 1,987.2
Net Investment Income	258.9	39.9	23.4	214.0	28.4	12.0	576.6
Other Income (Loss)	28.1	(0.1)	0.4	23.9	8.4	3.0	63.7
Operating Revenue	$ 1,598.6	$ 240.5	$ 233.3	$ 502.1	$ 38.0	$ 15.0	$ 2,627.5
Operating Income (Loss)	$ 104.5	$ 56.1	$ 49.9	$ 33.2	$ 5.4	$ (53.7)	$ 195.4
Six Months Ended June 30, 2007							
Premium Income	$ 2,510.6	$ 469.3	$ 448.2	$ 501.7	$ 0.9	$ —	$ 3,930.7
Net Investment Income	563.8	95.7	49.3	408.0	55.0	15.5	1,187.3
Other Income	69.2	2.0	0.6	51.1	17.3	1.3	141.5
Operating Revenue	$ 3,143.6	$ 567.0	$ 498.1	$ 960.8	$ 73.2	$ 16.8	$ 5,259.5
Operating Income (Loss)	$ 234.7	$ 152.8	$ 124.5	$ 65.1	$ 7.6	$ (98.6)	$ 486.1
Six Months Ended June 30, 2006							
Premium Income	$ 2,615.4	$ 392.1	$ 412.1	$ 535.2	$ 2.4	$ —	$ 3,957.2
Net Investment Income	516.6	77.9	46.0	416.2	57.1	26.6	1,140.4
Other Income	53.5	—	0.7	50.2	16.7	6.4	127.5
Operating Revenue	$ 3,185.5	$ 470.0	$ 458.8	$ 1,001.6	$ 76.2	$ 33.0	$ 5,225.1
Operating Income (Loss)	$ 133.0	$ 110.5	$ 96.1	$ 47.9	$ 10.2	$ (97.2)	$ 300.5

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 4 - Segment Information - Continued

A reconciliation of total operating revenue and operating income by segment to revenue and net income as reported in our consolidated statements of income is as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	(in millions of dollars)			
Operating Revenue by Segment	$2,655.2	$2,627.5	$5,259.5	$5,225.1
Net Realized Investment Gain (Loss)	10.4	(5.8)	6.7	(3.3)
Revenue	$2,665.6	$2,621.7	$5,266.2	$5,221.8
Operating Income by Segment	$ 222.5	$ 195.4	$ 486.1	$ 300.5
Net Realized Investment Gain (Loss)	10.4	(5.8)	6.7	(3.3)
Income Tax	79.4	66.3	167.9	102.5
Income from Discontinued Operations	—	1.9	6.9	3.9
Net Income	$ 153.5	$ 125.2	$ 331.8	$ 198.6

Assets by segment are as follows:

	June 30 2007	December 31 2006
	(in millions of dollars)	
Unum US	$ 20,224.3	$ 20,900.8
Unum UK	4,090.5	3,904.2
Colonial	2,405.3	2,355.0
Individual Income Protection - Closed Block	15,343.4	15,609.5
Other	8,978.6	8,998.8
Corporate	1,029.1	942.0
Discontinued Operations	—	113.0
Total	$52,071.2	$ 52,823.3

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 5 - Pensions and Other Postretirement Benefits

The components of net periodic benefit cost related to the Company sponsored defined benefit pension and postretirement plans for our employees are as follows:

	Three Months Ended June 30					
	2007	2006	2007	2006	2007	2006
	(in millions of dollars)					
	Pension Benefits					
	U.S. Plans		Non U.S. Plans		Postretirement Benefits	
Service Cost	$ 7.9	$ 8.9	$ 2.4	$ 2.2	$ 0.9	$ 1.0
Interest Cost	13.6	12.1	2.4	1.9	2.7	2.5
Expected Return on Plan Assets	(14.6)	(10.2)	(3.0)	(3.5)	(0.2)	(0.1)
Amortization of:						
Net Actuarial Loss	4.9	5.6	0.7	0.6	—	—
Prior Service Credit	(0.8)	(0.7)	—	—	(0.9)	(1.0)
Net Periodic Benefit Cost	$ 11.0	$ 15.7	$ 2.5	$ 1.2	$ 2.5	$ 2.4

	Six Months Ended June 30					
	2007	2006	2007	2006	2007	2006
	(in millions of dollars)					
	Pension Benefits					
	U.S. Plans		Non U.S. Plans		Postretirement Benefits	
Service Cost	$ 16.2	$ 17.8	$ 4.7	$ 4.4	$ 1.8	$ 2.0
Interest Cost	27.1	24.2	4.9	3.8	5.4	5.0
Expected Return on Plan Assets	(29.2)	(20.4)	(6.1)	(5.3)	(0.4)	(0.2)
Amortization of:						
Net Actuarial Loss	9.5	11.2	1.4	1.2	—	—
Prior Service Credit	(1.6)	(1.4)	—	—	(1.8)	(2.0)
Curtailment	0.2	—	—	—	—	—
Net Periodic Benefit Cost	$ 22.2	$ 31.4	$ 4.9	$ 4.1	$ 5.0	$ 4.8

As a result of the sale of GENEX, we froze the pension plan benefits for the employees of GENEX during the first quarter of 2007, which resulted in the recognition of a curtailment loss of $0.2 million and a $7.2 million reduction in our pension liability. The curtailment loss was comprised of a $0.6 million increase in our pension liability related to a termination benefit and a $0.4 million recognition of unamortized prior service credits. As of the date of the curtailment, we remeasured our U.S. pension plan obligation. The weighted average discount rate assumption used in the measurement of our U.S. pension plan benefit obligation changed from 6.10 percent as of our December 31, 2006 measurement date to 5.90 percent as of the measurement date of March 1, 2007. No other assumptions were materially changed. As a result of the remeasurement, our pension plan liability increased $35.6 million. The net effect of the curtailment and remeasurement was an increase in our pension plan liability of $29.0 million, a decrease in deferred income tax of $10.1 million, a decrease in income from discontinued operations of $0.2 million, and a decrease in accumulated other comprehensive income of $18.7 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 5 - Pension and Other Postretirement Benefits - Continued

We have no regulatory contribution requirements for our U.S. qualified defined benefit plan in 2007; however, we elected to make voluntary contributions of $110.0 million during the second quarter of 2007. For our U.K. operation, which maintains a separate defined benefit plan (Scheme), we made required contributions to the Scheme totaling $2.5 million and $5.1 million for the second quarter and first six months of 2007, respectively.

Note 6 - Debt

In May 2004, Unum Group issued 12.0 million 8.25% adjustable conversion-rate equity security units (units) in a private offering for $300.0 million. We subsequently registered the privately placed securities for resale by the private investors. Each unit had a stated amount of $25 and initially consisted of (a) a contract pursuant to which the holder agreed to purchase, for $25, shares of Unum Group's common stock on May 15, 2007 and which entitled the holder to contract adjustment payments at the annual rate of 3.165 percent, payable quarterly, and (b) a 1/40 or 2.5 percent ownership interest in a senior note issued by Unum Group due May 15, 2009 with a principal amount of $1,000, on which Unum Group paid interest at the initial annual rate of 5.085%, payable quarterly.

The scheduled remarketing of the senior note element of the units issued in May 2004 occurred in February 2007, as stipulated by the terms of the original offering, and we reset the interest rate on $300.0 million of senior notes due May 15, 2009 to 5.859%. We purchased $150.0 million of the senior notes in the remarketing which were subsequently retired. The associated write-off of deferred debt costs decreased first quarter of 2007 income by $2.4 million before tax, or $1.6 million after tax. In May 2007, we settled the purchase contract element of the units by issuing 17.7 million shares of common stock. We received proceeds of approximately $300.0 million from the transaction.

In the first and second quarters of 2007, we made principal payments of $10.0 million and $2.5 million, respectively, on our senior secured non-recourse variable rate notes due 2036 which were issued by Tailwind Holdings, LLC. During the second quarter of 2007, we purchased $34.5 million aggregate principal amount of our outstanding 6.85% notes due 2015. The costs associated with these debt reductions decreased our second quarter and first six months 2007 income approximately $0.8 million before tax, or $0.6 million after tax.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 7 - Stockholders' Equity and Earnings Per Common Share

Net income per common share is determined as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	(in millions of dollars, except share data)			
Numerator				
Net Income	$ 153.5	$ 125.2	$ 331.8	$ 198.6
Denominator (000s)				
Weighted Average Common Shares - Basic	350,843.8	319,207.3	346,053.6	308,266.8
Dilution for the Purchase Contract Element of the Adjustable Conversion-Rate Equity Security Units	2,904.8	8,352.3	3,345.9	14,350.7
Dilution for Assumed Exercises of Stock Options and Other Dilutive Securities	1,088.8	2,345.4	1,237.0	2,217.1
Weighted Average Common Shares - Assuming Dilution	354,837.4	329,905.0	350,636.5	324,834.6
Net Income Per Common Share				
Basic	$ 0.44	$ 0.39	$ 0.96	$ 0.64
Assuming Dilution	$ 0.43	$ 0.38	$ 0.95	$ 0.61

We use the treasury stock method to account for the effect of the purchase contract element of the units, outstanding stock options, and nonvested stock awards on the computation of dilutive earnings per share. Under this method, these potential common shares will each have a dilutive effect, as individually measured, when the average market price of Unum Group's common stock during the period exceeds the threshold appreciation price of the purchase contract element of the units, the exercise price of the stock options, or the grant price of the nonvested stock awards. The purchase contract element of the units issued in 2004 and 2003 had a threshold appreciation price of $16.95 per share and $13.27 per share, respectively. We settled the purchase contract element of the 2004 and 2003 units in May 2007 and 2006 and issued 17.7 million and 43.3 million shares of common stock, respectively. The outstanding stock options have exercise prices ranging from $12.23 to $58.56, and the nonvested stock awards have grant prices ranging from $19.18 to $27.18.

Potential common shares not included in the computation of dilutive earnings per share because their impact would be antidilutive based on current market prices approximated 6.2 million and 6.4 million shares of common stock for the three and six month periods ended June 30, 2007, and 8.3 million common shares for each of the three and six month periods ended June 30, 2006.

Unum Group has 25,000,000 shares of preferred stock authorized with a par value of $0.10 per share. No preferred stock has been issued to date.

Note 8 - Income Tax

The cumulative effect of applying the provisions of FIN 48 as of January 1, 2007 resulted in a $22.7 million decrease in our liability for unrecognized tax benefits, net of associated deferred tax assets. The balance in our liability for unrecognized tax benefits as of January 1, 2007, subsequent to adoption, was $67.4 million. Included in this amount is a liability of approximately $19.2 million that, if recognized, would impact our effective tax rate. We recognize interest expense and penalties related to unrecognized tax benefits in tax expense. The total amount of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 8 - Income Tax - Continued

accrued interest and penalties as of the date of adoption was $5.5 million. There were no material changes in unrecognized tax benefits during the first and second quarters of 2007.

We file federal and state income tax returns in the United States and in foreign jurisdictions. We are under continuous examination by the Internal Revenue Service (IRS) with regard to our U.S. federal income tax returns. The current IRS examination covers our tax years 2002 through 2004. Tax years subsequent to 2004 remain subject to examination by tax authorities in all major jurisdictions.

We believe it is reasonably possible that within the next 12 months a foreign subsidiary's tax return for tax year 2005 will either be accepted without examination or will be examined and closed, resulting in a reduction in our liability for unrecognized tax benefits of as much as $5.9 million.

We believe sufficient provision has been made for all proposed and potential adjustments for all years that are not closed by the statute of limitations in all major tax jurisdictions, and that any such adjustment would not have a material adverse effect on our financial position, liquidity, or results of operations. However, it is possible that the resolution of a proposed adjustment by a taxing authority could impact our results of operations for a future period.

Note 9 - Commitments and Contingent Liabilities

We are a defendant in a number of litigation matters. In some of these matters, no specified amount is sought. In others, very large or indeterminate amounts, including punitive and treble damages, are asserted. There is a wide variation of pleading practice permitted in the United States courts with respect to requests for monetary damages, including some courts in which no specified amount is required and others which allow the plaintiff to state only that the amount sought is sufficient to invoke the jurisdiction of that court. Further, some jurisdictions permit plaintiffs to allege damages well in excess of reasonably possible verdicts. Based on our extensive experience and that of others in the industry with respect to litigating or resolving claims through settlement over an extended period of time, we believe that the monetary damages asserted in a lawsuit or claim bear little relation to the merits of the case, or the likely disposition value. Therefore, the specific monetary relief sought is not stated.

The lawsuits described below are for the most part in very preliminary stages, and the outcome of the matters is uncertain. An estimated loss is accrued when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Unless indicated otherwise, reserves have not been established for these matters.

Claims Handling Matters

Multidistrict Litigation

On September 2, 2003, the Judicial Panel on the Multidistrict Litigation entered an order transferring more than twenty putative class actions and derivative suits, described below, filed in various courts against the Company, several of its subsidiaries, and some of our officers, to the U.S. District Court for the Eastern District of Tennessee for coordinated or consolidated pretrial proceedings. The defendants strongly deny the allegations in each of these actions and will vigorously defend the substantive and procedural aspects of the litigations, except as noted below with respect to settlement discussions.

<u>Shareholder Derivative Actions</u>

On November 22, 2002, the first of five purported shareholder derivative actions was filed in the Tennessee Chancery Court. Between December 27, 2002 and March 11, 2003, four additional purported derivative actions

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 9 - Commitments and Contingent Liabilities - Continued

were filed in state and federal courts in Tennessee. The defendants removed each of the actions that were filed in Tennessee state court to the U.S. District Court for the Eastern District of Tennessee.

Each of these actions purports to be brought on behalf of the Company against certain current and past members of our Board of Directors and certain executive officers alleging breaches of fiduciary duties and other violations of claims paying law by defendants. Plaintiffs allege, among other things, that the individual defendants breached their duties of good faith and loyalty by establishing or permitting to be established an unlawful policy of denying legitimate disability claims and improper financial reporting, and that certain defendants engaged in insider trading.

The district court consolidated these actions under the caption In re UnumProvident Corporation Derivative Actions. The plaintiffs then filed a single consolidated amended complaint. We deny the allegations of the complaint and will vigorously contest them.

Federal Securities Law Class Actions

On February 12, 2003, the first of six virtually identical putative securities class actions was filed in the U.S. District Court for the Eastern District of Tennessee. In two orders dated May 21, 2003, and January 22, 2004, the district court consolidated these actions under the caption In re UnumProvident Corp. Securities Litigation.

The Lead Plaintiff filed a consolidated amended complaint on behalf of a putative class of purchasers of UnumProvident stock between March 30, 2000 and April 24, 2003. The amended complaint alleges, among other things, that we issued misleading financial statements, improperly accounted for certain impaired investments, failed to properly estimate our disability claim reserves, and pursued certain improper claims handling practices. The complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5.

On July 30, 2007, we entered into a Stipulation of Settlement with the plaintiffs to resolve the litigation. Under the terms of the settlement, which is subject to, among other things, approval by the court, we have agreed to pay $40.0 million to settle all claims that were or could have been asserted by the class in the action. After the receipt of insurance proceeds, the net cost to us is expected to be $11.6 million before tax and is included in our second quarter and first six months of 2007 operating results.

Policyholder Class Actions

On July 15, 2002, Rombeiro v. Unum Life Insurance Company of America, et al., was filed in the Superior Court of California and subsequently was removed to federal court, alleging that the plaintiff was wrongfully denied disability benefits under a group long-term disability plan. On January 21, 2003, an Amended Complaint was filed on behalf of a putative class of individuals that were denied or terminated from benefits under group long-term disability plans, seeking injunctive and declaratory relief and payment of benefits. On April 30, 2003, the court granted in part and denied in part the defendants' motion to dismiss the complaint. On May 14, 2003, the plaintiff filed a Second Amended Complaint seeking similar relief.

Between November 2002 and November 2003, six additional similar putative class actions were filed in (or later removed to) federal district courts in Illinois, Massachusetts, New York, Pennsylvania, and Tennessee. The complaints alleged that the putative class members' claims were evaluated improperly and allege that the Company and its insurance subsidiaries breached certain fiduciary duties owed to the class members under the Employee Retirement Income Security Act (ERISA), Racketeer Influenced Corrupt Organizations Act (RICO), and/or various state laws. The complaints sought various forms of equitable relief and money damages, including punitive damages.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 9 - Commitments and Contingent Liabilities - Continued

These actions all were transferred to the Eastern District of Tennessee multidistrict litigation. On December 22, 2003, the Tennessee Federal District Court entered an order consolidating all of the above actions for all pretrial purposes under the caption In re UnumProvident Corp. ERISA Benefit Denial Actions and appointed a lead plaintiff. A consolidated amended complaint was filed on February 20, 2004. Several motions remain pending before the court in this matter.

On April 30, 2003, a separate putative class action, Taylor v. UnumProvident Corporation, et al., was filed in the Tennessee Circuit Court and subsequently removed to federal court. The complaint alleges claims against UnumProvident and certain subsidiaries on behalf of a putative class of long-term disability insurance policyholders who did not obtain their coverage through employer sponsored plans and who had a claim denied, terminated, or suspended by a UnumProvident subsidiary after January 1, 1995, seeking equitable and monetary relief. Plaintiff alleges that the defendants violated various state laws by engaging in unfair claim practices and improperly denying claims.

The court subsequently granted in part our motion for summary judgment in Taylor, dismissing plaintiff's request for equitable relief on her breach of contract claim and dismissing any claim plaintiff may make for punitive damages under the Tennessee Consumer Protection Act. The former claim is the principal claim upon which class certification is sought. The court reserved ruling on the remainder of the pending motion for summary judgment pending further mediation of the Taylor and ERISA Benefit actions.

Court ordered mediation has concluded with the settlement of all individual claims brought by seven of the fifteen named plaintiffs in the ERISA Benefit Denial Actions. An eighth plaintiff has subsequently resolved her claims through the process established under the regulatory settlement agreements.

Plan Beneficiary Class Actions

During the first quarter of 2007, we executed a settlement agreement resolving the plan beneficiary class action, or 401(k) Retirement Plan case, entitled Gee v. UnumProvident Corporation, et al. The settlement agreement, the net cost of which is immaterial, is subject to notice to the proposed settlement class and Court approval following a fairness hearing. A motion seeking preliminary approval of the settlement and notice to the proposed settlement class was submitted to the court on May 31, 2007 and is awaiting action by the court.

Examinations and Investigations

During 2004 and 2005, certain of our insurance subsidiaries entered into settlement agreements with various regulators related to disability claims handling practices. The agreements provide for changes in certain of our claims handling procedures and a claim reassessment process available to certain claimants whose claims were denied or closed during specified periods. The agreements will remain in place until the later of January 1, 2007, or the completion of an examination of claims handling practices and an examination of the reassessment process, both of which will be conducted by the lead state regulators. The settlement agreements also provide for a contingent fine of up to $145.0 million on our U.S. insurance subsidiaries in the event that we fail to satisfactorily meet the performance standards in the settlement agreements relating to the examinations referred to above. The parties to the agreements have subsequently agreed to extend the reassessment process until December 31, 2007, and we expect to substantially complete the claim reassessment process by the end of the third quarter of 2007. The examinations have commenced and are expected to be completed by mid-year 2008. We believe that due to the changes we have made to our claims operations to enhance our oversight functions, we expect to meet the performance standards in the agreements when these examinations are concluded.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 9 - Commitments and Contingent Liabilities - Continued

In the first quarter of 2006, we completed an analysis of our assumptions related to the reserves we established for the claim reassessment process. Our analysis was based on preliminary data as of the end of the first quarter of 2006, when actual results to date were considered credible enough to enable us to update our initial expectations of costs related to the reassessment process. We concluded that a change in our initial assumptions, primarily related to the number of claimants for whom payments will continue because the claimant remains eligible for disability payments, was warranted. We based our conclusion and our revised estimate on the information that existed at that time, which was the actual cost related to approximately 20 percent of the projected ultimate total number of claims expected to be reassessed. The characteristics, profile, and cost of those initial 20 percent of claims were more statistically credible than the information on which we based the initial charges in 2004 and 2005. Based on our analysis, in the first quarter of 2006 we recorded a charge of $86.0 million before tax, or $55.9 million after tax, to reflect our then current estimate of future obligations for benefit costs for claims reopened in the reassessment.

In the third quarter of 2006, we increased our provision for the cost of the reassessment process $325.4 million before tax and $211.5 million after tax based on changes in our emerging experience for the number of decisions being overturned by the reassessment process and the average cost per reassessed claim. The revised third quarter estimate was based on the cost of approximately 55 percent of the projected ultimate total number of claims expected to be reassessed. The third quarter charge was comprised of $310.4 million to reflect our revised estimate of future obligations for benefit costs for claims reopened in the reassessment and $15.0 million for additional incremental direct claim reassessment operating expenses because of the additional time now estimated to complete the process. Our best estimate of $310.4 million for the reopened claims assumed that the nature and characteristics of the approximately 45 percent remaining claims estimated to be reassessed at that time would be similar to the average profile of the 55 percent already reviewed at that time.

Based on changes in our emerging experience for the number of decisions being overturned and the average cost per reassessed claim, in the second quarter of 2007 we increased our provision for the estimated cost of the reassessment process $53.0 million before tax and $34.5 million after tax. This charge was within our previously disclosed range of +/- $60.0 million for reasonably possible outcomes relative to our then best estimates. The second quarter charge was comprised of $65.8 million to reflect our higher estimate of future obligations for benefit costs for claims reopened in the reassessment and a release of $12.8 million to reflect our lower estimate for additional incremental direct claim reassessment operating expenses because of our projections for a slightly earlier completion of the reassessment process. We have 99 percent of the potential inventory of claim reassessment information forms returned to us, with our claim reassessment on approximately 88 percent of the forms completed. We have not yet finalized our claim reassessment on the remaining forms but have performed a financial review and included that information in our analysis of emerging experience. We do not anticipate that we will need to further revise our provision for our claim reassessment costs. Any costs above or below our current accrual are expected to be immaterial.

Other Claim Litigation

We and our insurance company subsidiaries, as part of our normal operations in managing disability claims, are engaged in claim litigation where disputes arise as a result of a denial or termination of benefits. Most typically these lawsuits are filed on behalf of a single claimant or policyholder, and in some of these individual actions punitive damages are sought, such as claims alleging bad faith in the handling of insurance claims. For our general claim litigation, we maintain reserves based on experience to satisfy judgments and settlements in the normal course. We expect that the ultimate liability, if any, with respect to general claim litigation, after consideration of the reserves maintained, will not be material to our consolidated financial condition. Nevertheless, given the inherent unpredictability of litigation, it is possible that an adverse outcome in certain claim litigation involving

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 9 - Commitments and Contingent Liabilities - Continued

punitive damages could, from time to time, have a material adverse effect on our consolidated results of operations in a period, depending on the results of operations for the particular period. We are unable to estimate a range of reasonably possible punitive losses.

From time to time class action allegations are pursued where the claimant or policyholder purports to represent a larger number of individuals who are similarly situated. Since each insurance claim is evaluated based on its own merits, there is rarely a single act or series of actions, which can properly be addressed by a class action. Nevertheless, we monitor these cases closely and defend ourselves appropriately where these allegations are made.

Broker Compensation, Quoting Process, and Related Matters

Examinations and Investigations

Since October 2004, we and/or our insurance subsidiaries have received subpoenas or information requests from a Federal Grand Jury in San Diego, the District Attorney for the County of San Diego, and the U.S. Department of Labor, as well as insurance departments and/or other state regulatory or investigatory agencies of at least seven additional states including Connecticut, Florida, Maine, Massachusetts, North Carolina, South Carolina, and Tennessee. The subpoenas and/or information requests relate to, among other things, compliance with ERISA relating to our interactions with insurance brokers and to regulations concerning insurance information provided by us to plan administrators of ERISA plans, as well as compliance with state and federal laws with respect to quoting processes, producer compensation, solicitation activities, policies sold to state or municipal entities, and information regarding compensation arrangements with brokers. We will continue to cooperate fully with all investigations.

Broker-Related Litigation

We and certain of our subsidiaries, along with many other insurance brokers and insurers, have been named as defendants in a series of putative class actions that have been transferred to the U.S. District Court for the District of New Jersey for coordinated or consolidated pretrial proceedings as part of multidistrict litigation (MDL) No. 1663, In re Insurance Brokerage Antitrust Litigation. The plaintiffs in MDL No. 1663 filed a consolidated amended complaint in August 2005, which alleges, among other things, that the defendants violated federal and state antitrust laws, RICO, ERISA, and various state common law requirements by engaging in alleged bid rigging and customer allocation and by paying undisclosed compensation to insurance brokers to steer business to defendant insurers. Defendants filed a motion to dismiss the complaint on November 29, 2005. On April 5, 2007, defendants' motion to dismiss was granted without prejudice as to all counts except the ERISA counts. Plaintiffs were granted a last opportunity to file an amended complaint, and they did so on May 22, 2007. On June 21, 2007, defendants filed a motion to dismiss and for summary judgment on all counts. Briefing on the motion is expected to be completed by July 31, 2007. All further discovery in these actions has been stayed pending the resolution of the motion to dismiss and for summary judgment.

We are a defendant in an action styled, Palm Tree Computers Systems, Inc. v. ACE USA, et al., which was filed in the Florida state Circuit Court on February 16, 2005. The complaint contains allegations similar to those made in the multidistrict litigation referred to above. The case was removed to federal court and, on October 20, 2005, the case was transferred to the District of New Jersey multidistrict litigation. A motion to remand the case to the state court in Florida remains pending, but no further action has been taken in the case subsequent to the transfer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Unum Group and Subsidiaries

June 30, 2007

Note 9 - Commitments and Contingent Liabilities - Continued

During the first quarter of 2007, we reached an agreement in principle to resolve the claims asserted in the putative derivative action styled Leonard v. UnumProvident Corporation, et al. The proposed settlement is not expected to be material to us and is contingent upon court approval.

Miscellaneous Matters

In September 2003, United States of America ex. rel. Patrick J. Loughren v. UnumProvident Corporation and GENEX Services, Inc. , was filed in the United States District Court for the District of Massachusetts. This is a qui tam action to recover damages and civil penalties on behalf of the United States of America alleging violations of the False Claims Act by us and our GENEX subsidiary. In accordance with the False Claims Act, the action was originally filed under seal to provide the government the opportunity to investigate the allegations and prosecute the action if they believed that the case had merit and warranted their attention. The government declined to prosecute the case and the case became a matter of public record on December 23, 2004. The complaint alleges that we defrauded the government by inducing and or assisting disability claimants to apply for disability benefits from the Social Security Administration (SSA) when we allegedly knew that the claimants were not disabled under SSA criteria. A motion to dismiss the complaint was unsuccessful. We intend to vigorously defend the action.

Summary

Various lawsuits against us, in addition to those discussed above, have arisen in the normal course of business. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning our compliance with applicable insurance and other laws and regulations.

Given the complexity and scope of our litigation and regulatory matters, it is not possible to predict the ultimate outcome of all pending investigations or legal proceedings or provide reasonable estimates of potential losses, except where noted in connection with specific matters. It is possible that our results of operations or cash flows in a particular period could be materially affected by an ultimate unfavorable outcome of pending litigation or regulatory matters depending, in part, on our results of operations or cash flows for the particular period. We believe, however, that the ultimate outcome of all pending litigation and regulatory matters, after consideration of applicable reserves and rights to indemnification, should not have a material adverse effect on our financial position.

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm

Board of Directors and Stockholders

Unum Group and Subsidiaries

We have reviewed the consolidated balance sheet of Unum Group and subsidiaries as of June 30, 2007, and the related consolidated statements of income and comprehensive loss for the three-month and six-month periods ended June 30, 2007 and 2006, and the consolidated statements of stockholders' equity and cash flows for the six-month periods ended June 30, 2007 and 2006. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the consolidated financial statements, Unum Group changed its method of accounting for deferred acquisition costs and income taxes as of January 1, 2007 in accordance with adoption of Statement of Position 05-1, *Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection With Modifications or Exchanges of Insurance Contracts* , and Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes, an interpretation of Statement of Financial Accounting Standards No. 109.*

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Unum Group and subsidiaries as of December 31, 2006, and the related consolidated statements of operations, stockholders' equity, and cash flows for the year then ended not presented herein, and in our report dated February 26, 2007, we expressed an unqualified opinion on those consolidated financial statements.

/s/ ERNST & YOUNG LLP

Chattanooga, Tennessee
August 1, 2007

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

Unum Group, a Delaware general business corporation, and its insurance and non-insurance companies, which collectively with Unum Group we refer to as the Company, operate in the United States, the United Kingdom, and, to a limited extent, in certain other countries around the world. The principal operating subsidiaries in the United States are Unum Life Insurance Company of America (Unum America), Provident Life and Accident Insurance Company (Provident), The Paul Revere Life Insurance Company (Paul Revere Life), and Colonial Life & Accident Insurance Company (Colonial), and in the United Kingdom, Unum Limited. We are the largest provider of group and individual income protection insurance products in the United States and the United Kingdom. We also provide a complementary portfolio of other insurance products, including long-term care insurance, life insurance, employer- and employee-paid group benefits, and other related services.

We have three major business segments: Unum US, Unum UK, and Colonial. Our other segments are the Individual Income Protection – Closed Block segment, the Other segment, and the Corporate segment. These segments are discussed more fully under "Segment Results" included herein in Item 2.

As one of the leading providers of employee benefits, we offer a comprehensive portfolio of products and services to meet the diverse needs of the marketplace. We try to achieve a competitive advantage by offering group, individual, and voluntary workplace products that can be offered as stand alone products or that can be combined with other coverages to provide integrated and individualized product solutions for customers. We offer businesses of all sizes competitive benefit plans to protect the incomes and lifestyles of employees and their families in the event of illness, injury, or death. We believe that our benefit programs can help businesses attract and retain quality employees, reduce the cost of absenteeism, and return employees to work after an illness or injury, thereby creating a more satisfied and productive workforce.

We believe that we are a well positioned and competitive force in our sector. However, due to the nature of our business, we are sensitive to economic and financial market movements, including consumer confidence, employment levels, and the level of interest rates.

This discussion and analysis should be read in conjunction with the consolidated financial statements and notes thereto in Part I, Item 1 contained in this Form 10-Q and with the discussion, analysis, and consolidated financial statements and notes thereto in Part I, Items 1 and 1A, and Part II, Items 6, 7, 7A, and 8 of our annual report on Form 10-K for the year ended December 31, 2006.

Executive Summary

We believe that the actions we have taken during the past several years have improved the effectiveness of the basic functions of our businesses, reduced our business volatility, and led to a greater consistency in the execution of our business plan. Our goal is to build further momentum by focusing on our strengths and serving our customers well.

Our four primary objectives for 2007 are as follows:

- Continue to improve the profitability of our Unum US group income protection line of business;
- Ensure that all of our other product lines and businesses that are performing well continue to do so;
- Continue to execute our capital management strategy; and
- Successful completion of the claim reassessment process in preparation for the 2008 regulatory examination.

In commenting on our results for the second quarter and first six months of 2007, we will discuss three major topics: operating performance of our three major business segments, our capital management strategy, and our outstanding legal and regulatory issues, including the claim reassessment process, for which we increased our net accrual of estimated costs by $53.0 million before tax in the second quarter of 2007.

Operating Performance of our Major Business Segments

For the second quarter and first six months of 2007, we reported solid operating results in all of our Unum US segment lines of business and, in general, our results met our expectations. Our primary focus for Unum US during 2007 is continued improvement of our claims management performance in our group income protection line of business, and we are pleased with the progress made during the first half of the year. Our reported group income protection benefit ratio was 105.2 percent for the second quarter of 2007, including the $76.5 million increase to our claim reassessment reserve estimates for group income protection. Excluding this claim reassessment reserve increase, the group income protection benefit ratio was 92.7 percent for the second quarter of 2007, consistent with the goals we established for improved claim operational effectiveness. Our 2007 priorities also include improved profitability in certain of our supplemental products and the maintenance of current performance levels in our other lines, and our second quarter operating results generally reflect achievement of these priorities. Our second quarter of 2007 supplemental and voluntary product lines operating income improved 14.0 percent relative to the second quarter of last year, and our group life and accidental death and dismemberment product lines improved 15.0 percent. For the first six months, operating income improved 14.2 percent in 2007 over the prior year in our supplemental and voluntary product lines and 13.8 percent in our group life and accidental death and dismemberment product lines. Positive trends for our Unum US group lines of business include favorable pricing trends, renewal profit improvement, and the management of case persistency. For all of our Unum US lines of business, we are aggressively managing our operating expenses and are continuing to make improvements in our operating effectiveness. Sales for Unum US in the second quarter and first six months of 2007 were lower than that of the prior year comparable periods, but our year over year comparison improved in the second quarter of this year relative to the first quarter's growth rate. We maintained our disciplined pricing and our overall sales mix was generally in line with our target mix. The number of new accounts in the group core market segment, which we define for Unum US as employee groups with less than 2,000 lives, increased over the prior year first six months, which we believe is a clear indication of our strong focus in this segment. We anticipate that our sales growth rate for our group core market segment and our supplemental lines will increase relative to the prior year comparable quarters during the second half of 2007. We attribute our sales expectation, in part, to the benefits we believe will be realized from the improvements in our distribution system.

Our Unum UK segment continues to produce excellent operating results, with an increase in segment operating income of 27.4 percent for the second quarter of 2007 and 25.4 percent for the first six months of 2007, as measured in Unum UK's local currency, compared to the comparable periods of 2006. Sales in Unum UK, which were challenging throughout 2006, improved in the second quarter and first six months of 2007 relative to the prior year comparable periods. This improvement was most apparent in the core market segment, which we now define for Unum UK as employee groups with less than 500 lives. Changes in pension legislation created a distraction in the market for employee benefits and negatively impacted sales during 2006. However, other U.K. legislative changes that became effective in October 2006 extended the legal retirement age and made it illegal for employers to discriminate on the basis of age, thereby encouraging the extension of insurance coverage. As a result and as expected, Unum UK sales increased during the first half of 2007 from the 2006 levels, and we expect this trend to continue throughout the remainder of the year. We are focused on increasing market awareness and demand for income protection products in the U.K. market.

Our Colonial segment also had excellent operating results for the second quarter of 2007, with an increase in segment operating income of 30.1 percent compared to the prior year. For the first six months of 2007, Colonial's segment operating income increased 29.6 percent over the comparable prior year period. Colonial's sales improved in the second quarter and first half of 2007, with increases of 7.5 percent and 4.2 percent over the same prior year periods. The number of new accounts increased over the prior year first six months, somewhat offset by a smaller than expected average new case size. We anticipate that our sales growth will continue to increase year over year throughout the remainder of 2007, as positive trends are already emerging in our agency sales force recruiting and productivity levels. We are focused on maintaining profitable and sustainable sales growth for this segment.

Capital Management Strategy

Our capital planning objectives are: maintain our risk-based capital (RBC) ratio for our traditional U.S. insurance subsidiaries, calculated on a weighted average basis using the National Association of Insurance Commissioners (NAIC) Company Action Level formula, at its current level of approximately 300 percent; maintain our leverage ratio at current levels while exploring the potential benefits of further reductions; maintain holding company liquidity to cover at least one year of fixed charges; and evaluate opportunities for the effective use of holding company liquidity in excess of our target.

The RBC ratio for our traditional U.S. insurance subsidiaries remains consistent with our target level for the combined RBC ratio, and our holding company liquidity meets our planning objectives.

In the first quarter of 2007, we purchased and retired $150.0 million of our adjustable conversion-rate equity security units and made a principal payment of $10.0 million on our senior secured non-recourse notes issued by our wholly-owned subsidiary Tailwind Holdings, LLC (Tailwind Holdings). In the second quarter of 2007, we redeemed $34.5 million of our 6.85% senior debentures and made an additional principal payment of $2.5 million on the notes issued by Tailwind Holdings. Our debt to total capital ratio was 25.6 percent at the end of the second quarter of 2007, compared to 28.8 percent at the beginning of 2007, subsequent to our cumulative effect adjustment to equity for the adoption of the new accounting policies related to deferred acquisition costs and income taxes.

The debt to total capital ratio, when calculated excluding the debt and associated equity of Tailwind Holdings and allowing 50 percent equity credit for the adjustable conversion-rate equity security units that were still outstanding at the beginning of the year, was 24.8 percent at the end of the second quarter of 2007, compared to 26.2 percent at the beginning of 2007.

We continue to examine strategies to improve the capital efficiency of our closed block of individual income protection business. Because we cannot reprice this closed block of business, our focus has been on how we can more effectively manage the capital supporting this business. With the successful completion of the securitization of a small block of our group long-term income protection claim reserves in 2006, we are analyzing the feasibility of a similar transaction for our closed block of individual income protection claim reserves, although any such transaction is subject to regulatory, market, and other conditions. We believe that a transaction of this nature would allow us to put in place a more efficient capital structure for our business, thereby increasing the overall financial flexibility and strength of our Company.

Outstanding Legal and Regulatory Issues

During the first half of 2007, we continued to make progress in resolving some of our outstanding legal and regulatory issues as described in Note 9 of the "Notes to Consolidated Financial Statements" contained herein in Item 1. We executed a settlement agreement resolving the plan beneficiary class action, or 401(k) case, which is one of the multidistrict litigation matters discussed in our litigation footnote. The settlement agreement has been finalized but is subject to further court approval. The entire cost of the settlement will be covered by insurance proceeds.

During the first quarter of 2007, we received a favorable ruling dismissing all counts except the ERISA counts in the case entitled In re Insurance Brokerage Antitrust Litigation. The plaintiffs subsequently amended their complaint, and defendants filed a motion to dismiss and for summary judgment on all counts. In the meantime, discovery in the case remains stayed. In a separate matter related to broker compensation issues, we reached an agreement in principle to resolve the putative derivative action in Leonard v. UnumProvident Corporation, et. al. which asserts claims against us and various members of our board of directors. The proposed settlement amount is not expected to be material to us and is contingent upon court approval.

In addition, we have recently executed an agreement, subject to court approval, to settle all claims in the case entitled In re UnumProvident Corp. Securities Litigation. The amount of the settlement is $40.0 million, of which $28.4 million is expected to be covered by insurance proceeds. The net expense of $11.6 million is included in our second quarter of 2007 operating results.

We believe that we removed substantial regulatory uncertainty surrounding our claims practices through the regulatory settlement agreements entered into during 2004 and 2005 and continue to focus significant resources on meeting the requirements of these agreements. We meet periodically with regulators and maintain an ongoing dialogue with them to communicate the progress we are making. Additionally, we routinely engage in discussions related to other issues which could impact any of our companies. We believe the revision of our claim reassessment reserve in the second quarter of 2007 demonstrates our commitment to comply fully with our regulatory settlement agreements.

We have completed the mailing of all of the required claim reassessment notices. Individuals who want their claim reviewed have the opportunity to request a claim reassessment information form and have 60 days to complete and return the form to us once it is received. Less than one percent of the individuals have unexpired time remaining to complete and return the necessary claim reassessment information forms. Therefore, we have 99 percent of the potential inventory of claim reassessment information forms returned to us, with our claim reassessment on approximately 88 percent of the forms completed. We have not yet finalized our claim reassessment on the remaining forms but have performed a financial review and included that information in our analysis of emerging experience.

Based on the changes in our emerging experience for the number of decisions being overturned and the average cost per reassessed claim, in the second quarter of 2007, we increased our provision for the cost of the reassessment process $53.0 million before tax and $34.5 million after tax. This charge was within our previously disclosed range of +/- $60.0 million for reasonably possible outcomes relative to our then best estimates. We do not anticipate that we will need to further revise our provision for our claim reassessment costs. We expect to substantially complete our claim reassessment process by the end of the third quarter of 2007, and we anticipate that the regulatory examination of the claim reassessment process will be completed by mid-year 2008.

Additional information regarding the second quarter revision to our estimate is as follows:

1. For the second quarter of 2007, the overturn rate averaged 48 percent and was 45 percent for the first six months of 2007.
2. The average overturn rate was 40 percent at June 2007 from inception to date, compared to 37 percent at December 2006. We estimate that the average overturn rate at completion of the reassessment process will be slightly higher than the assumptions we used for our third quarter 2006 revision.
3. The average incurred cost per reassessed claim during the first six months of 2007 is above the assumption we used for our third quarter 2006 revision.
4. Our assumption concerning the total number of claims projected to be reassessed remains at approximately 23,000, with slightly more claims for group long-term income protection and fewer for individual income protection.
5. We increased our previous estimate for benefit costs for claims reopened for our Unum US group long-term income protection product line $76.5 million. The revision related to the increase during the second quarter of 2007 in the overturn rate and the average cost, as well as a slightly higher number of claims.
6. We decreased our previous estimate for benefit costs for claims reopened for our Individual Income Protection – Closed Block segment $10.7 million. Although the experience relative to our assumptions for the overturn rate was slightly higher, experience now indicates that the total number of claims for this segment will be less than our previous assumptions.
7. We decreased our previous estimate for the additional incremental direct claim reassessment operating expenses $12.8 million due to our projections for an earlier completion of the reassessment process. We released $10.3 million for Unum US group long-term income protection and $2.5 million for our Individual Income Protection – Closed Block segment.

8. These adjustments to our claim reassessment costs decreased before-tax operating earnings for our Unum US group income protection line of business $66.2 million and increased before-tax operating earnings for our Individual Income Protection – Closed Block segment $13.2 million.

Although unexpected unfavorable or favorable experience relative to our revised assumptions could result in actual claim reassessment costs above or below our current accrual, the effect on our financial position or results of operations is expected to be immaterial. See Item 7 of our annual report on Form 10-K for the year ended December 31, 2006 for a complete discussion of these settlement agreements.

First Six Months 2007 Significant Transactions and Events

Financing

The scheduled remarketing of the senior note element of the 2004 adjustable conversion-rate equity units (units) occurred in February 2007, as stipulated by the terms of the original offering, and we reset the interest rate on $300.0 million of senior notes due May 15, 2009 to 5.859%. We purchased $150.0 million of the senior notes in the remarketing which were subsequently retired. The associated write-off of deferred debt costs decreased first quarter of 2007 income by $2.4 million before tax, or $1.6 million after tax. In May 2007, we settled the purchase contract element of the 2004 units by issuing 17.7 million shares of common stock. We received proceeds of approximately $300.0 million from the transaction.

In the first and second quarters of 2007, we made principal payments of $10.0 million and $2.5 million, respectively, on our senior secured non-recourse variable rate notes due 2036 which were issued by Tailwind Holdings. During the second quarter of 2007, we purchased $34.5 million aggregate principal amount of our outstanding 6.85% notes due 2015. The costs associated with these debt reductions decreased our second quarter and first six months 2007 income approximately $0.8 million before tax, or $0.6 million after tax.

Dispositions

During the first quarter of 2007, we completed the sale of our wholly-owned subsidiary, GENEX Services, Inc. (GENEX), a leading workers' compensation and medical cost containment services provider. Our growth strategy is focused on the development of our primary markets, and GENEX's specialty role in case management and medical cost containment related to the workers' compensation market was no longer consistent with our overall strategic direction. We recognized an after-tax gain on the transaction of approximately $6.2 million. See Note 3 of the "Notes to Consolidated Financial Statements" contained herein in Item 1 for additional information.

Income Tax

The income tax rate in the U.K. is expected to be reduced from 30 percent to 28 percent in April 2008. In accordance with U.S. generally accepted accounting principles (GAAP), we are required to adjust deferred tax assets and liabilities through income on the date of enactment of a rate change. The date of enactment of the U.K. rate change is expected to occur during the third quarter of 2007. Therefore, we expect to record a reduction to our income tax expense in the third quarter of 2007 to reflect the impact of the rate change on our net deferred tax liability related to our U.K. operations. We are currently evaluating the effect of this rate change on our financial statements but have not yet completed our analysis.

Accounting Pronouncements

Effective January 1, 2007, we adopted the provisions of Statement of Position 05-1 (SOP 05-1), *Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection With Modifications or Exchanges of Insurance Contracts* . SOP 05-1 provides guidance on accounting by insurance enterprises for deferred acquisition costs (DAC) on internal replacements of insurance and investment contracts other than those specifically described in Statement of Financial Accounting Standards No. 97, *Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and for Realized Gains and Losses from the Sale of Investments.* The cumulative effect of applying the provisions of SOP 05-1 decreased our 2007 opening balance of retained earnings $445.2 million.

Effective January 1, 2007, we adopted the provisions of Financial Accounting Standards Board Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes, an interpretation of Statement of Financial Accounting Standards No. 109 (SFAS 109)*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS 109. Unlike SFAS 109, FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Additionally, FIN 48 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The cumulative effect of applying the provisions of FIN 48 increased our 2007 opening balance of retained earnings $22.7 million.

Effective January 1, 2007, we adopted the provisions of Statement of Financial Accounting Standards No. 155 (SFAS 155), *Accounting for Certain Hybrid Financial Instruments, an amendment of Statement of Financial Accounting Standards Nos. 133 (SFAS 133) and 140 (SFAS 140)*. SFAS 155: (a) permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation; (b) clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS 133; (c) establishes a requirement to evaluate beneficial interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation; (d) clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives; and, (e) eliminates restrictions on a qualifying special-purpose entity's ability to hold passive derivative financial instruments that pertain to beneficial interests that are or contain a derivative financial instrument. The adoption of SFAS 155 did not have a material effect on our financial position or results of operations.

First Six Months 2006 Significant Transactions and Events

Revised Claim Reassessment Reserve Estimate

In the first quarter of 2006, we completed an analysis of our assumptions related to the reserves we established for the claim reassessment process implemented as a result of the settlement agreements we entered into with various state insurance regulators in 2004 and the settlement agreement we entered into with the California Department of Insurance (DOI) in 2005.

Included in our analysis was a review of (1) the number of claimants who would ultimately choose to participate in the process, (2) the number of claimants for whom payments would be made and then closed because the claimant is no longer disabled, (3) the number of claimants for whom payments will continue because the claimant remains eligible for disability payments, and (4) the average incurred cost per claimant. Our analysis was based on preliminary data as of the end of the first quarter of 2006, when actual results to date were considered credible enough to enable us to update our initial expectations of costs related to the reassessment process. We concluded that a change in our initial assumptions, primarily related to the number of claimants for whom payments will continue because the claimant remains eligible for disability payments, was warranted. We based our conclusion and our revised estimate on the information that existed at that time, which was the actual cost related to approximately 20 percent of the projected ultimate total number of claims expected to be reassessed. The characteristics, profile, and cost of those initial 20 percent of claims were more statistically credible than the information on which we based the initial charges in 2004 and 2005.

Based on our analysis, in the first quarter of 2006 we recorded a charge of $86.0 million before tax, or $55.9 million after tax, to reflect our then current estimate of future obligations for benefit costs for claims reopened in the reassessment. The first quarter charge decreased 2006 before-tax operating results for our Unum US group income protection line of business $72.8 million and our Individual Income Protection – Closed Block segment $13.2 million.

Financing

The scheduled remarketing of the senior note element of our 2003 units occurred in February 2006, as stipulated by the terms of the original offering, and we reset the interest rate on $575.0 million of senior notes due May 15, 2008 to 5.997%. We purchased $400.0 million of the senior notes in the remarketing which were subsequently retired. The associated write-off of deferred debt costs decreased 2006 income by $5.3 million before tax, or $3.4 million after tax. In May 2006, we settled the purchase contract element of the 2003 units by issuing 43.3 million shares of common stock. We received proceeds of approximately $575.0 million from the transaction.

In June 2006, we purchased $50.0 million of our outstanding 7.405% capital securities due 2038 and $250.0 million aggregate principal amount of our outstanding 7.625% notes due 2011. The cost of the cash tender offer decreased our second quarter of 2006 income approximately $17.8 million before tax, or $11.6 million after tax.

Accounting Pronouncements

Effective January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123 (revised 2004) (SFAS 123(R)), *Share-Based Payment*, which is a revision to Statement of Financial Accounting Standards No. 123 (SFAS 123), *Accounting for Stock-Based Compensation*. SFAS 123(R) focuses primarily on accounting for transactions in which an entity obtains employee service in exchange for share-based payments. Under SFAS 123(R), share-based awards that do not require future service (i.e., vesting awards) are expensed immediately. Share-based employee awards that require future service are amortized over the relevant service period. We adopted SFAS 123(R) using the modified prospective transition method. Under this method, the provisions are generally applied only to share-based awards granted after adoption. The adoption of SFAS 123(R) did not have a material effect on our financial position or results of operations.

Critical Accounting Estimates

We prepare our financial statements in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect amounts reported in our financial statements and accompanying notes. Estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed in our financial statements.

The accounting estimates deemed to be most critical to our results of operations and financial condition are those related to reserves for policy and contract benefits, DAC, valuation of fixed maturity investment securities, and income taxes. There have been no significant changes in our critical accounting estimates during the first six months of 2007, other than those resulting from the January 1, 2007 adoption of SOP 05-1 and FIN 48, which were disclosed in our “Critical Accounting Estimates” in our 2006 Form 10-K and are also discussed in Notes 2 and 8 of the “Notes to Consolidated Financial Statements” included herein in Item 1.

For additional information concerning our accounting policies and critical accounting estimates, see Note 1 of the “Notes to Consolidated Financial Statements” in Part II, Item 8 and “Critical Accounting Estimates” in Part II, Item 7 of our annual report on Form 10-K for the year ended December 31, 2006.

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Consolidated Operating Results

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Revenue						
Premium Income	$ 1,986.7	— %	$1,987.2	$ 3,930.7	(0.7)%	$3,957.2
Net Investment Income	597.8	3.7	576.6	1,187.3	4.1	1,140.4
Net Realized Investment Gain (Loss)	10.4	N.M.	(5.8)	6.7	N.M.	(3.3)
Other Income	70.7	11.0	63.7	141.5	11.0	127.5
Total	2,665.6	1.7	2,621.7	5,266.2	0.9	5,221.8
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	1,816.9	0.5	1,807.9	3,546.2	(3.5)	3,675.4
Commissions	208.3	2.3	203.7	421.3	1.6	414.6
Interest and Debt Expense	44.5	(8.6)	48.7	90.4	(11.2)	101.8
Cost Related to Early Retirement of Debt	0.8	(95.5)	17.8	3.2	(86.1)	23.1
Deferral of Acquisition Costs	(136.3)	5.3	(129.4)	(274.4)	3.4	(265.3)
Amortization of Deferred Acquisition Costs	122.3	3.6	118.0	238.9	0.5	237.8
Compensation Expense	177.4	3.7	171.0	350.7	4.3	336.1
Other Expenses	198.8	2.3	194.4	397.1	(1.0)	401.1
Total	2,432.7	—	2,432.1	4,773.4	(3.1)	4,924.6
Income from Continuing Operations Before Income Tax	232.9	22.8	189.6	492.8	65.8	297.2
Income Tax	79.4	19.8	66.3	167.9	63.8	102.5
Income from Continuing Operations	153.5	24.5	123.3	324.9	66.9	194.7
Income from Discontinued Operations	—	(100.0)	1.9	6.9	76.9	3.9
Net Income	**$ 153.5**	**22.6**	**$ 125.2**	**$ 331.8**	**67.1**	**$ 198.6**

N.M. = not a meaningful percentage

In describing our results, we may at times note certain items and exclude the impact of these items on financial ratios and metrics to enhance the understanding and comparability of our Company's performance and the underlying fundamentals in our operations, but this exclusion is not an indication that similar items may not recur. The second quarter of 2007 and first quarter of 2006 revisions to our estimate of benefit costs and associated operating expenses for claims reopened in our claim reassessment process affect the comparability of the financial results reported herein and, only where noted, are excluded from certain of our financial ratios and metrics.

Consolidated premium income was marginally lower in the second quarter and first six months of 2007 relative to the same prior year periods, as expected, due primarily to our continued pricing discipline for our Unum US group business and our strategy of developing a more balanced business mix. This pricing discipline and business mix strategy resulted in decreases in premium income of 2.2 percent and 3.5 percent for our Unum US group income protection and 14.5 percent and 13.6 percent for our Unum US group life and accidental death and dismemberment lines of business relative to the second quarter and first six months of 2006, respectively. We reported increases in the second quarter and first six months of 2007 in premium income of 13.2 percent and 8.7 percent for Unum UK, as measured in local currency. We also reported increases of 7.3 percent and 8.8 percent for Colonial and 6.1 percent and 5.6 percent for Unum US supplemental and voluntary lines of business as we continue to focus on sales growth in these lines of business. Premium income in the Individual Income Protection – Closed Block segment decreased in the second quarter and first six months of 2007 relative to the same prior year periods due primarily to the expected decline in this block of closed business.

Net investment income was higher in the second quarter and first six months of 2007 than the second quarter and first six months of 2006 due primarily to the growth in invested assets, offset by a lower yield due to the investment of new cash at lower rates than that of our overall portfolio yield and a decline in the level of prepayment income on mortgage-backed securities. Although we expect that our portfolio yield will continue to gradually decline until the market rates on new purchases increase above the level of the overall yield, our investment income is expected to increase due to the continued growth in invested assets. Although the fair value at which we report our fixed maturity securities in our consolidated balance sheets declined during the first six months of 2007, due primarily to the increase in interest rates, our amortized cost of fixed maturity securities increased over $900 million during the first six months of the 2007, reflecting new purchase activity.

Our net realized investment gains from sales and write-downs were $0.7 million and $0.4 million in the second quarter and first six months of 2007, compared to net realized gains of $1.1 million and $4.2 million in the same periods of 2006. Changes in the fair value of the embedded derivatives in certain reinsurance contracts resulted in net realized gains of $9.7 million and $6.3 million in the second quarter and first six months of 2007 compared to net realized losses of $6.9 million and $7.5 million for the prior year periods. We actively manage our credit risk and expect our gains and losses for the remainder of 2007 to be relatively consistent with the level of 2006. See “Investments” contained herein in Item 2 for further discussion.

The reported ratio of benefits and change in reserves for future benefits to premium income was 91.5 percent and 90.2 percent for the second quarter and first six months of 2007 compared to 91.0 percent and 92.9 percent for the same periods of 2006. Our reported benefits and change in reserves for future benefits for the second quarter and the first six months of 2007 and the first six months of 2006 include $65.8 million and $86.0 million, respectively, related to revisions to our estimate of benefit costs for claims reopened in our claim reassessment process. Excluding these charges, the ratio of benefits and change in reserves for future benefits to premium income was 88.1 percent and 88.5 percent for the second quarter and the first six months of 2007, respectively, and 90.7 percent for the first six months of 2006. See “Segment Results” as follows for discussions of line of business risk results and claims management performance in each of our segments.

Interest and debt expense is lower relative to the second quarter and first six months of 2006 due to the reduction in our outstanding debt.

Commission and expense ratios, excluding the second quarter of 2007 decrease in the claim reassessment related incremental direct operating expense estimate, increased in comparison to the second quarter and first six months of 2006 due primarily to the decrease in premium income, the previously mentioned litigation settlement expense, and additional expenses associated with the development of new product offerings in our core lines of business. We intend to aggressively manage our expenses while continuing to increase the effectiveness of our operating processes.

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Consolidated Sales

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Unum US						
Fully Insured Products	$ 160.2	(1.1)%	$161.9	$295.1	(9.6)%	$326.6
Administrative Services Only (ASO) Products	2.4	—	2.4	3.1	(16.2)	3.7
Total Unum US	162.6	(1.0)	164.3	298.2	(9.7)	330.3
Unum UK	27.8	39.0	20.0	48.6	53.3	31.7
Colonial	78.6	7.5	73.1	146.2	4.2	140.3
Individual Income Protection - Closed Block	0.7	(30.0)	1.0	1.6	(33.3)	2.4
Consolidated	$269.7	4.4	$ 258.4	$ 494.6	(2.0)	$ 504.7

Sales results shown in the preceding chart generally represent the annualized premium or annualized fee income on new sales which we expect to receive and report as premium income or fee income during the next 12 months following or beginning in the initial quarter in which the sale is reported, depending on the effective date of the new sale. Sales do not correspond to premium income or fee income reported as revenue in accordance with GAAP. This is because new annualized sales premiums reflect current sales performance and what we expect to recognize as premium or fee income over a 12 month period, while premium income and fee income reported in our financial statements are reported on an "as earned" basis rather than an annualized basis and also include renewals and persistency of in force policies written in prior years as well as current new sales.

Premiums for fully insured products are reported as premium income. Fees for ASO products (those where the risk and responsibility for funding claim payments remain with the customer and we only provide services) are included in other income. Sales, persistency of the existing block of business, and the effectiveness of the renewal program are indicators of growth in our premium and fee income. Trends in new sales, as well as existing market share, also indicate our potential for growth in our respective markets and the level of market acceptance of price changes and new product offerings. Sales results may fluctuate significantly due to case size and timing of sales submissions. We intend to continue with our disciplined approach to pricing and also with our strategy of developing a more balanced business mix. This strategy is expected to result in a lower premium persistency or market share, particularly in the large case Unum US group market, but historically the profitability of business that terminates has generally been lower than the profitability of retained business. We do not anticipate a decline in the number of cases, or case persistency, for our Unum US group market on an aggregate basis.

See "Segment Results" as follows for additional discussion of sales by segment.

Segment Results

Our reporting segments are comprised of the following: Unum US, Unum UK, Colonial, Individual Income Protection – Closed Block, Other, and Corporate. In the following segment financial data and discussions of segment results, "operating revenue" excludes net realized investment gains and losses. "Operating income" or "operating loss" excludes net realized investment gains and losses and income tax. These are considered non-GAAP financial measures. A non-GAAP financial measure is a numerical measure of a company's performance, financial position, or cash flows that excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP.

These non-GAAP financial measures of "operating revenue" and "operating income" or "operating loss" differ from revenue and income (loss) from continuing operations before income tax as presented in our consolidated operating results and in income statements prepared in accordance with GAAP due to the exclusion of before tax realized investment gains and losses. We measure segment performance for purposes of Statement of Financial Accounting Standards No. 131, *Disclosures about Segments of an Enterprise and Related Information* , excluding realized investment gains and losses because we believe that this performance measure is a better indicator of the ongoing businesses and the underlying trends in the businesses. Our investment focus is on investment income to support our insurance liabilities as opposed to the generation of realized investment gains and losses, and a long-term focus is necessary to maintain profitability over the life of the business. Realized investment gains and losses depend on market conditions and do not necessarily relate to decisions regarding the underlying business of our segments. However, income or loss excluding realized investment gains and losses does not replace net income or net loss as a measure of overall profitability. We may experience realized investment losses, which will affect future earnings levels since our underlying business is long-term in nature and we need to earn the assumed interest rates in our liabilities.

A reconciliation of total operating revenue by segment to total consolidated revenue and total operating income by segment to consolidated net income is as follows:

(in millions of dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
Operating Revenue by Segment	$2,655.2	$2,627.5	$5,259.5	$5,225.1
Net Realized Investment Gain (Loss)	10.4	(5.8)	6.7	(3.3)
Revenue	$2,665.6	$2,621.7	$5,266.2	$5,221.8
Operating Income by Segment	$ 222.5	$ 195.4	$ 486.1	$ 300.5
Net Realized Investment Gain (Loss)	10.4	(5.8)	6.7	(3.3)
Income Tax	79.4	66.3	167.9	102.5
Income from Discontinued Operations	—	1.9	6.9	3.9
Net Income	$ 153.5	$ 125.2	$ 331.8	$ 198.6

As previously noted, included in operating income by segment are before-tax charges of $53.0 million in the second quarter and first six months of 2007 and $86.0 million in the first six months of 2006 related to revisions to our regulatory claim reassessment reserve estimates. These charges lowered net income $34.5 million in 2007 and $55.9 million in 2006 for the applicable periods.

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Unum US Segment

The Unum US segment includes group long-term and short-term income protection insurance, group life and accidental death and dismemberment products, and supplemental and voluntary lines of business. The supplemental and voluntary lines of business are comprised of recently issued individual income protection insurance, group and individual long-term care insurance, and voluntary workplace benefits products.

Unum US Operating Results

Shown below are financial results for Unum US. In the sections following, financial results and key ratios are also presented for the major lines of business within the segment.

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income	$1,265.7	(3.5)%	$ 1,311.6	$2,510.6	(4.0)%	$2,615.4
Net Investment Income	286.9	10.8	258.9	563.8	9.1	516.6
Other Income	34.5	22.8	28.1	69.2	29.3	53.5
Total	1,587.1	(0.7)	1,598.6	3,143.6	(1.3)	3,185.5
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	1,138.6	2.2	1,114.1	2,184.6	(4.4)	2,285.2
Commissions	123.6	(0.5)	124.2	253.1	(2.1)	258.6
Deferral of Acquisition Costs	(73.3)	(2.0)	(74.8)	(149.8)	(4.2)	(156.4)
Amortization of Deferred Acquisition Costs	71.2	(8.6)	77.9	137.6	(12.3)	156.9
Other Expenses	234.7	(7.1)	252.7	483.4	(4.9)	508.2
Total	1,494.8	—	1,494.1	2,908.9	(4.7)	3,052.5
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 92.3	(11.7)	$ 104.5	$ 234.7	76.5	$ 133.0

As previously discussed, included in operating income for Unum US are before-tax charges of $66.2 million in the second quarter and first six months of 2007 and $72.8 million in the first six months of 2006 related to revisions to our regulatory claim reassessment reserve estimates.

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Unum US Sales

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Fully Insured Products						
Group Long-term Income Protection	$ 53.0	4.1%	$ 50.9	$ 78.5	(16.5)%	$ 94.0
Group Short-term Income Protection	16.2	(13.8)	18.8	31.4	1.9	30.8
Group Life	35.3	(18.9)	43.5	55.4	(27.8)	76.7
Accidental Death & Dismemberment	3.2	3.2	3.1	5.2	(11.9)	5.9
Individual Income Protection - Recently Issued	14.5	15.1	12.6	29.0	16.5	24.9
Group Long-term Care	7.1	61.4	4.4	13.2	59.0	8.3
Individual Long-term Care	2.3	(17.9)	2.8	4.4	(20.0)	5.5
Voluntary Workplace Benefits	28.6	10.9	25.8	78.0	(3.1)	80.5
Total Fully Insured Products	160.2	(1.1)	161.9	295.1	(9.6)	326.6
Administrative Services Only (ASO) Products	2.4	—	2.4	3.1	(16.2)	3.7
Total Sales	$162.6	(1.0)	$ 164.3	$298.2	(9.7)	$ 330.3

Sales for Unum US in the second quarter and first six months of 2007 were lower than that of the prior year periods, but our year over year comparison improved in the second quarter of this year. We maintained our disciplined pricing and our overall sales mix was generally in line with our target mix. In the second quarter and first six months of 2007, we had a sales mix in our group product lines of approximately 56 percent core market and 44 percent large case market, generally in line with our targeted 60 percent core/40 percent large case market distribution mix. Although sales on an annualized premium basis declined year over year in our group core market segment, the number of new accounts in this segment increased over the prior year first six months.

Sales for our individual income protection line of business increased over the prior year second quarter and first six months. We continue to focus on the multi-life individual income protection business, with approximately 93.4 percent and 93.0 percent of total second quarter and first six months of 2007 sales for this line of business occurring in the multi-life market. Long-term care sales were generally in line with our strategy for this product line, with growth in the group product and a decline in sales for individual long-term care. Our voluntary workplace benefits sales increased in the second quarter of 2007 relative to the prior year second quarter, consistent with our focus on sales growth in our voluntary product lines.

We anticipate that sales for our group core market segment and our supplemental lines will increase during the remainder of 2007 relative to the prior year. Because our focus for our 2007 renewal program is aimed primarily at improving the profitability of our large case group business, we expect sales and persistency for the large case market segment to decline during 2007.

Unum US Persistency and Renewal of Existing Business

A continuing part of our strategy for Unum US group business involves executing our renewal programs and managing persistency in our existing blocks of business. Our renewal programs have generally been successful in retaining business that is relatively more profitable than business that terminated. While we expect that the additional premium and related profits associated with renewal activity will continue to emerge, we intend to balance the renewal program with the need to maximize persistency and retain broker relationships. As previously discussed, we expect persistency, measured in both premium dollars and in number of cases, for the large case group market segment to decline during 2007 relative to the prior year because of our 2007 strategy for this market. We do not expect premium and case persistency to decline for our core group market segment.

As previously discussed, we adopted the provisions of SOP 05-1 effective January 1, 2007, and recorded a cumulative effect adjustment which decreased our 2007 opening balance of Unum US DAC $589.8 million. SOP 05-1 provides guidance on accounting for DAC on internal replacements and effectively shortens the amortization period for DAC for many of our group products. Despite the shorter amortization period, we do not believe that the adoption of SOP 05-1 will have a material effect on amortization expense for Unum US as a result of the decrease in DAC from the cumulative effect adjustment. We will continue to monitor the persistency of the existing business and reflect changes relative to our amortization assumptions, as appropriate, in the current period's amortization of DAC.

In January of 2006, we began a process of filing a request with various state insurance departments for rate adjustments on one older series of individual long-term care policies. The rate adjustment brings the rates for this policy series closer to today's market, better reflecting current interest rates, higher expected future claims, persistency, experience, and other factors related to pricing individual long-term care coverage. In states for which a rate increase is submitted and approved, customers are also given options for coverage changes or other approaches that might fit their current financial and insurance needs. Higher premium income associated with the rate increases has begun to emerge and is expected to continue to do so during the latter half of 2007.

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Unum US Group Income Protection Operating Results

Shown below are financial results and key performance indicators for Unum US group income protection.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Group Long-term Income Protection	$ 480.7	(1.9)%	$ 489.8	$ 952.1	(2.4)%	$ 975.1
Group Short-term Income Protection	128.6	(3.4)	133.1	247.3	(7.6)	267.6
Total Premium Income	609.3	(2.2)	622.9	1,199.4	(3.5)	1,242.7
Net Investment Income	165.5	9.9	150.6	320.8	5.6	303.9
Other Income	24.6	14.4	21.5	49.3	20.2	41.0
Total	799.4	0.6	795.0	1,569.5	(1.1)	1,587.6
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	641.2	8.3	592.1	1,192.3	(5.1)	1,256.5
Commissions	41.5	(5.9)	44.1	86.9	(4.2)	90.7
Deferral of Acquisition Costs	(15.0)	(1.3)	(15.2)	(30.5)	(7.6)	(33.0)
Amortization of Deferred Acquisition Costs	16.6	(23.9)	21.8	33.2	(24.2)	43.8
Other Expenses	130.5	(8.0)	141.8	274.3	(5.7)	290.8
Total	814.8	3.8	784.6	1,556.2	(5.6)	1,648.8
Operating Income (Loss) Before Income Tax and Net Realized Investment Gains and Losses	$ (15.4)	(248.1)	$ 10.4	$ 13.3	121.7	$ (61.2)
Operating Ratios (% of Premium Income):						
Benefit Ratio (1)	105.2%		95.1%	99.4%		101.1%
Other Expense Ratio (2)	21.4%		22.8%	22.9%		23.4%
Before-tax Operating Income (Loss) Ratio (3)	(2.5)%		1.7%	1.1%		(4.9)%
Premium Persistency:						
Group Long-term Income Protection				83.9%		86.5%
Group Short-term Income Protection				74.9%		83.0%
Case Persistency:						
Group Long-term Income Protection				87.7%		87.1%
Group Short-term Income Protection				86.6%		85.6%

(1) *Included in this ratio is the second quarter of 2007 $76.5 million increase in our claim reassessment reserve estimate. Excluding this revision, the benefit ratio for the three and six months ended June 30, 2007 would have been 92.7% and 93.0%, respectively.*

Included in this ratio is the first quarter of 2006 $72.8 million increase in our claim reassessment reserve estimate. Excluding this revision, the benefit ratio for the six months ended June 30, 2006 would have been 95.3%.

(2) *Included in this ratio is the second quarter of 2007 $10.3 million decrease in our claim reassessment incremental direct operating expense estimate. Excluding this revision, the other expense ratio for the three and six months ended June 30, 2007 would have been 23.1% and 23.7%, respectively.*

(3) Included in this ratio is the second quarter of 2007 $66.2 million net increase in our claim reassessment cost estimate. Excluding this revision, the before-tax operating income ratio for the three and six months ended June 30, 2007 would have been 8.3% and 6.6%, respectively.

Included in this ratio is the first quarter of 2006 $72.8 million increase in our claim reassessment cost estimate. Excluding this revision, the before-tax operating income ratio for the six months ended June 30, 2006 would have been 0.9%.

Premium income for group income protection decreased in the second quarter and first six months of 2007 relative to the prior year, as expected, due primarily to our more disciplined approach to pricing, renewals, and risk selection. Premium persistency and case persistency are both consistent with our expectations given our business mix strategy. Net investment income increased in the second quarter and first six months of 2007 in comparison to the same prior year periods due to the growth in the level of assets supporting these lines of business and an increase in bond call premiums, partially offset by the impact of the lower yield resulting from the lower interest rate environment. Other income includes ASO fees of $15.7 million and $31.7 million for the second quarter and first six months of 2007, respectively, and $15.7 million and $31.2 million for the second quarter and first six months of 2006.

Excluding the revisions to our estimate for claim reassessment costs, the benefit ratios for the second quarter and first six months of 2007 were lower than the benefit ratios for the comparable periods of 2006 due primarily to lower paid claims in both group long-term and short-term income protection and a higher rate of claim recoveries relative to the second quarter and first six months of 2006.

Our claim operational effectiveness continues to improve as a result of our organizational and process changes. While additional performance improvement is expected to occur during 2007, the operational improvement we have projected may occur at a slower rate, and we may incur higher than anticipated claim costs.

The net decrease in the amortization of DAC is due primarily to the decrease in the level of DAC for these lines of business resulting from the adoption of the new accounting policy related to DAC on internal replacements, offset somewhat by higher amortization resulting from the shorter amortization period for DAC. The other expense ratio, excluding the second quarter of 2007 decrease in our claim reassessment incremental operating expense estimate, increased slightly in the second quarter and first six months of 2007 compared to the same prior year periods due to the decline in premium income. We continue to aggressively manage expenses against this expected revenue decline.

As discussed under “Cautionary Statement Regarding Forward-Looking Statements,” certain risks and uncertainties are inherent in our group income protection business. Components of claims experience, including, but not limited to, incidence and recovery rates, may be worse than we expect. Both economic and societal factors can affect claim incidence. Adjustments to reserve amounts may be required if there are changes in assumptions regarding the incidence of claims or the rate of recovery, as well as persistency, mortality, and interest rates used in calculating the reserve amounts.

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Unum US Group Life and Accidental Death and Dismemberment Operating Results

Shown below are financial results and key performance indicators for Unum US group life and accidental death and dismemberment.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Group Life	$ 277.1	(14.1)%	$ 322.5	$557.9	(13.2)%	$642.6
Accidental Death & Dismemberment	32.1	(17.7)	39.0	64.5	(17.0)	77.7
Total Premium Income	309.2	(14.5)	361.5	622.4	(13.6)	720.3
Net Investment Income	35.1	(0.3)	35.2	69.5	(1.1)	70.3
Other Income (Loss)	0.6	N.M.	(0.1)	1.2	N.M.	(0.1)
Total	344.9	(13.0)	396.6	693.1	(12.3)	790.5
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	229.6	(16.8)	276.0	465.0	(15.6)	550.8
Commissions	22.5	(2.6)	23.1	45.1	(2.2)	46.1
Deferral of Acquisition Costs	(8.5)	(14.1)	(9.9)	(17.6)	(10.7)	(19.7)
Amortization of Deferred Acquisition Costs	9.9	(39.3)	16.3	19.2	(41.3)	32.7
Other Expenses	39.9	(13.8)	46.3	80.5	(12.4)	91.9
Total	293.4	(16.6)	351.8	592.2	(15.6)	701.8
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 51.5	15.0	$ 44.8	$ 100.9	13.8	$ 88.7
Operating Ratios (% of Premium Income):						
Benefit Ratio	74.3%		76.3%	74.7%		76.5%
Other Expense Ratio	12.9%		12.8%	12.9%		12.8%
Before-tax Operating Income Ratio	16.7%		12.4%	16.2%		12.3%
Premium Persistency:						
Group Life				78.3%		79.9%
Accidental Death & Dismemberment				79.7%		80.2%
Case Persistency:						
Group Life				86.5%		86.5%
Accidental Death & Dismemberment				87.0%		86.7%

N.M. = not a meaningful percentage

As expected and generally consistent with group income protection, premium income in group life decreased in the second quarter and first six months of 2007 relative to the same prior year periods due primarily to our more disciplined approach to pricing, renewals, and risk selection. Premium persistency and case persistency are both consistent with our expectations. The decrease in net investment income relative to the prior year second quarter and first six months resulted primarily from a decline in the level of assets supporting these lines of business.

The benefit ratio decreased in the second quarter and first six months of 2007 due primarily to a lower submitted and paid claim incidence rate for group life, offset partially by higher paid claim incidence rates for the accidental death and dismemberment line of business.

Similar to our group income protection products, amortization of DAC is lower this year relative to last year due to the adoption of SOP 05-1. Other expenses decreased in the second quarter and first six months of 2007 relative to the same prior year periods, enabling the other expense ratio to remain stable against the expected decline in premium income.

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Unum US Supplemental and Voluntary Operating Results

Shown below are financial results and key performance indicators for Unum US supplemental and voluntary product lines.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Individual Income Protection - Recently Issued	$ 114.7	3.1%	$111.2	$ 228.4	3.2%	$ 221.4
Long-term Care	131.6	8.6	121.2	260.3	7.7	241.8
Voluntary Workplace Benefits	100.9	6.4	94.8	200.1	5.8	189.2
Total Premium Income	347.2	6.1	327.2	688.8	5.6	652.4
Net Investment Income	86.3	18.1	73.1	173.5	21.8	142.4
Other Income	9.3	38.8	6.7	18.7	48.4	12.6
Total	442.8	8.8	407.0	881.0	9.1	807.4
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	267.8	8.9	246.0	527.3	10.3	477.9
Commissions	59.6	4.6	57.0	121.1	(0.6)	121.8
Deferral of Acquisition Costs	(49.8)	0.2	(49.7)	(101.7)	(1.9)	(103.7)
Amortization of Deferred Acquisition Costs	44.7	12.3	39.8	85.2	6.0	80.4
Other Expenses	64.3	(0.5)	64.6	128.6	2.5	125.5
Total	386.6	8.1	357.7	760.5	8.3	701.9
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 56.2	14.0	$ 49.3	$ 120.5	14.2	$ 105.5
Operating Ratios (% of Premium Income):						
Benefit Ratios						
Individual Income Protection - Recently Issued	58.0%		57.5%	57.6%		56.5%
Long-term Care	107.9%		100.7%	106.3%		96.9%
Voluntary Workplace Benefits	58.8%		63.3%	59.5%		62.6%
Other Expense Ratio	18.5%		19.7%	18.7%		19.2%
Before-tax Operating Income Ratio	16.2%		15.1%	17.5%		16.2%
Interest Adjusted Loss Ratios:						
Individual Income Protection - Recently Issued	42.6%		43.4%	42.3%		42.6%
Long-term Care	79.1%		74.7%	77.8%		71.7%
Premium Persistency:						
Individual Income Protection - Recently Issued				90.8%		90.4%
Long-term Care				95.0%		95.5%
Voluntary Workplace Benefits				78.1%		80.6%

The increase in premium income for the second quarter and first six months of 2007 relative to the prior year second quarter and first six months is due to sales growth and overall stable persistency, although premium persistency for certain of the product lines declined compared to the prior year. Net investment income increased relative to the prior year second quarter and first six months primarily from growth in the level of assets supporting these lines of business.

The interest adjusted loss ratio for the individual income protection – recently issued business decreased slightly in the second quarter and first six months of 2007 relative to the same prior year periods due primarily to a decrease in the submitted claim incidence rate as well as an increase in the claim recovery rate. The interest adjusted loss ratio for long-term care was higher in the second quarter and first six months of 2007 than in the same prior year periods due primarily to an increase in the submitted claim incidence rate and a decrease in the claim recovery and mortality rates. The benefit ratio for voluntary workplace benefits decreased in comparison to the second quarter and first six months of 2006 due primarily to a lower rate of paid claim incidence.

The amortization of deferred acquisition costs increased in the second quarter of 2007 relative to the prior year period due to the acceleration of amortization for certain of the product lines with lower than anticipated persistency. Other expenses for the second quarter of 2007 were generally flat in comparison to the second quarter of 2006. For the first six months of 2007, other expenses increased in comparison to the first six months of 2006, driven primarily by growth in the long-term care and voluntary workplace benefits lines of business. However, the other expense ratio for the supplemental and voluntary lines of business overall decreased relative to the second quarter and first six months of 2006 due to the growth in premium income.

Segment Outlook

Our primary focus for the remainder of 2007 is continued improvement of our claims management performance in our group income protection line of business. We expect our overall benefit ratio for group income protection to gradually improve to the 90 to 92 percent range by the end of 2007, excluding the second quarter of 2007 impact from the revision to our claim reassessment reserve. We will also focus on improved profitability in certain of our supplemental products and the maintenance of current performance levels in our other lines.

We intend to continue to invest in technology and new product solutions to meet the changing needs and opportunities in our markets. We have developed a new product offering and administrative platform, *Simply Unum,* to better meet the needs of our group core market segment and our voluntary market. The initial market rollout will begin during the third quarter of 2007 in selected sales offices. *Simply Unum* is a long-term strategy and will continue to adapt to the needs of our marketplace in multiple phases over the next several years.

We will also continue to shift our mix of business to the group core market and the supplemental and voluntary product lines. We will maintain our disciplined approach to pricing, renewals, and risk selection, with a continued effort to balance growth and profitability. This strategy is expected to cause a lower premium persistency or market share, particularly in the large case market, but we do not anticipate a decline in the number of cases, or case persistency, for our Unum US group core market segment or for the Unum US group market on an aggregate basis.

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Unum UK Segment

Unum UK includes insurance for group long-term income protection, group life, and individual income protection products sold primarily in the United Kingdom through field sales personnel and independent brokers and consultants.

Operating Results

Shown below are financial results and key performance indicators for the Unum UK segment.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Group Long-term Income Protection	$ 194.6	29.4%	$ 150.4	$ 369.2	24.0%	$ 297.7
Group Life	43.0	2.4	42.0	81.7	3.8	78.7
Individual Income Protection	9.4	13.3	8.3	18.4	17.2	15.7
Total Premium Income	247.0	23.1	200.7	469.3	19.7	392.1
Net Investment Income	49.9	25.1	39.9	95.7	22.8	77.9
Other Income (Loss)	0.3	N.M.	(0.1)	2.0	N.M.	—
Total	297.2	23.6	240.5	567.0	20.6	470.0
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	153.6	11.5	137.8	289.4	8.4	266.9
Commissions	17.9	59.8	11.2	33.3	44.2	23.1
Deferral of Acquisition Costs	(10.4)	15.6	(9.0)	(19.7)	14.5	(17.2)
Amortization of Deferred Acquisition Costs	12.3	115.8	5.7	24.2	120.0	11.0
Other Expenses	46.1	19.1	38.7	87.0	14.9	75.7
Total	219.5	19.0	184.4	414.2	15.2	359.5
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 77.7	38.5	$ 56.1	$ 152.8	38.3	$ 110.5
Operating Ratios (% of Premium Income):						
Benefit Ratio	62.2%		68.7%	61.7%		68.1%
Other Expense Ratio	18.7%		19.3%	18.5%		19.3%
Before-tax Operating Income Ratio	31.5%		28.0%	32.6%		28.2%
Premium Persistency:						
Group Long-term Income Protection				88.3%		89.5%
Group Life				71.1%		74.3%
Individual Income Protection				88.3%		87.8%

N.M. = not a meaningful percentage

Foreign Currency Translation

The functional currency of Unum UK is the British pound. Unum UK's premiums, net investment income, claims, and expenses are received or paid in pounds, and we hold pound-denominated assets to support Unum UK's pound-denominated policy reserves and liabilities. We translate Unum UK's pound-denominated financial statement items into dollars for our consolidated financial reporting. We translate income statement items using an average exchange rate for the reporting period, and we translate balance sheet items using the exchange rate at the end of the period. We report unrealized foreign currency translation gains and losses in accumulated other comprehensive income in our consolidated balance sheets.

Fluctuations in the pound to dollar exchange rate have an effect on Unum UK's reported financial results and our consolidated financial results. In periods when the pound weakens, translating pounds into dollars decreases current year results relative to the prior year. In periods when the pound strengthens, translating into dollars increases current year results in relation to the prior year. Shown below are operating results in Unum UK's local currency.

(in millions of pounds, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Group Long-term Income Protection	£ 98.0	19.1%	£ 82.3	£ 187.3	12.6%	£ 166.3
Group Life	21.6	(6.5)	23.1	41.4	(5.9)	44.0
Individual Income Protection	4.8	6.7	4.5	9.4	6.8	8.8
Total Premium Income	124.4	13.2	109.9	238.1	8.7	219.1
Net Investment Income	25.1	15.1	21.8	48.5	11.5	43.5
Other Income (Loss)	0.1	200.0	(0.1)	1.0	N.M.	(0.1)
Total	149.6	13.7	131.6	287.6	9.6	262.5
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	77.3	2.7	75.3	146.8	(1.5)	149.0
Commissions	9.0	47.5	6.1	16.9	31.0	12.9
Deferral of Acquisition Costs	(5.2)	6.1	(4.9)	(10.0)	4.2	(9.6)
Amortization of Deferred Acquisition Costs	6.2	93.8	3.2	12.3	98.4	6.2
Other Expenses	23.2	9.4	21.2	44.1	4.5	42.2
Total	110.5	9.5	100.9	210.1	4.7	200.7
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	£ 39.1	27.4	£ 30.7	£ 77.5	25.4	£ 61.8
Weighted Average Pound/Dollar Exchange Rate	1.987		1.827	1.972		1.788

N.M. = not a meaningful percentage

Premium income increased 13.2 percent and 8.7 percent in the second quarter and first six months of 2007 relative to the second quarter and first six months of 2006 due primarily to sales increases, partially offset by a decline in persistency for the group long-term income protection and group life product lines. Net investment income increased in the second quarter and first six months of 2007 relative to the same prior year periods due to continued growth in the business and the assets supporting the lines of business and also due to the positive performance of the investment portfolio's index-linked bonds.

The lower benefit ratio in the second quarter and first six months of 2007 in comparison to the second quarter and first six months of 2006 was attributable to lower claim incidence for both group long-term income protection and group life, partially offset by lower claim recoveries for group long-term income protection.

Commissions increased in the second quarter and first six months of 2007 relative to the same prior year periods due to the increased level of sales in the group long-term income protection line of business.

Amortization of DAC increased in the second quarter and first six months of 2007 due to the shorter amortization period for DAC resulting from the adoption of SOP 05-1. The amount of the cumulative effect adjustment decreased the 2007 opening balance of Unum UK DAC approximately £45.1 million, or $88.3 million, which results in decreased amortization because of the lower deferred asset level. However, the timing of policy renewals occurring during 2007 results in increased amortization, causing an overall net increase in expense for the second quarter and first six months of 2007. The other expense ratio decreased in the second quarter and first six months of 2007 compared to the same prior year periods due to higher premium income and a continued focus on expense management.

Sales

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Group Long-term Income Protection	$22.2	57.4%	$ 14.1	$38.5	80.8%	$ 21.3
Group Life	4.0	(13.0)	4.6	6.8	(11.7)	7.7
Individual Income Protection	1.6	23.1	1.3	3.3	22.2	2.7
Total Sales	$27.8	39.0	$ 20.0	$48.6	53.3	$ 31.7
Total Sales *(in millions of pounds)*	£ 14.0	28.4	£10.9	£24.6	39.8	£17.6

Sales in Unum UK increased in the second quarter and first six months of 2007 relative to the second quarter and first six months of 2006. Sales in the core market segment, which for Unum UK equals employee groups with less than 500 lives, were particularly high relative to the prior year. Sales in the U.K. market were negatively impacted during 2006 by lower employee benefits purchase decisions caused by distraction in the U.K. employee benefits market due to changes in pension legislation. However, U.K. legislative changes that removed discrimination by employers on the basis of age, therefore encouraging the extension of insurance coverage, became effective in October 2006. We anticipate that sales will continue to improve throughout 2007.

Segment Outlook

During the remainder of 2007, we intend to focus on maintaining our strong leadership position in the U.K. We anticipate that high levels of profitability will continue, but with margins likely to return to below 30 percent in the medium term. We also expect slower growth in operating income as the acquisition related growth of the last several years subsides.

We plan to explore additional market opportunities to expand our growth in both the group and individual markets through new distribution channels and new product offerings. We believe that there is significant opportunity to expand the U.K. market for the products and services we offer. We also intend to invest in process solutions to meet our customers' needs and increase our operating efficiency.

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Colonial Segment

The Colonial segment includes insurance for income protection products, life products, and cancer and critical illness products issued by Colonial Life & Accident Insurance Company and marketed to employees at the workplace through an agency sales force and brokers.

Operating Results

Shown below are financial results and key performance indicators for Colonial.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income						
Income Protection	$ 140.5	5.8%	$ 132.8	$ 280.2	6.7%	$262.6
Life	35.3	8.6	32.5	70.9	13.4	62.5
Cancer and Critical Illness	49.0	10.9	44.2	97.1	11.6	87.0
Total Premium Income	224.8	7.3	209.5	448.2	8.8	412.1
Net Investment Income	24.9	6.4	23.4	49.3	7.2	46.0
Other Income	0.3	(25.0)	0.4	0.6	(14.3)	0.7
Total	250.0	7.2	233.3	498.1	8.6	458.8
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	106.0	(4.0)	110.4	216.0	—	215.9
Commissions	49.7	1.2	49.1	99.1	6.8	92.8
Deferral of Acquisition Costs	(52.6)	15.4	(45.6)	(104.9)	14.4	(91.7)
Amortization of Deferred Acquisition Costs	38.8	12.8	34.4	77.1	10.3	69.9
Other Expenses	43.2	23.1	35.1	86.3	13.9	75.8
Total	185.1	0.9	183.4	373.6	3.0	362.7
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 64.9	30.1	$ 49.9	$ 124.5	29.6	$ 96.1
Operating Ratios (% of Premium Income):						
Benefit Ratio	47.2%		52.7%	48.2%		52.4%
Other Expense Ratio	19.2%		16.8%	19.3%		18.4%
Before-tax Operating Income Ratio	28.9%		23.8%	27.8%		23.3%
Premium Persistency:						
Income Protection				75.9%		74.7%
Life				82.8%		84.8%
Cancer and Critical Illness				83.6%		82.1%

Growth in premium income was attributable primarily to current and prior period sales growth and stable persistency, aided in part by the lapsing of policies during the first quarter of 2006 in hurricane-impacted areas. Net investment income increased in the second quarter and first six months of 2007 in comparison to the same prior year periods due primarily to growth in the level of assets supporting these lines of business.

The benefit ratio for this segment decreased in the second quarter and first six months of 2007 in comparison to the second quarter and first six months of 2006 due primarily to favorable risk experience in the income protection and life lines of business. The improvement in the income protection lines of business resulted from the continued favorable experience related to several new products introduced in 2004. In addition, individual short-term income protection claim incidence and average claim duration decreased in the second quarter and first six months of 2007 compared to the same prior year periods, while the average claim payment was higher in the second quarter and first six months of 2007 relative to the same prior year periods. For accident products, which are included in the income protection line of business, the claim incidence rate and average claim payment both decreased in the second quarter and first six months of 2007 relative to the second quarter and first six months of 2006. The life line of business reported a decrease in incurred claims for the second quarter and the first six months of 2007. In the cancer product line, the benefit ratio increased slightly in the second quarter of 2007 relative to the prior year second quarter primarily due to a slight increase in paid claims.

Although we continue to focus on expense management, the other expense ratio for the second quarter and first six months of 2007 increased in comparison to the same prior year periods due primarily to our investment in the development of additional product offerings and to one-time adjustments to commissions and operating expenses that occurred in the second quarter of 2006 that increased commissions and reduced other expenses.

Sales

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Income Protection	$ 49.5	6.9%	$ 46.3	$ 92.3	4.5%	$ 88.3
Life	15.5	4.0	14.9	29.8	2.1	29.2
Cancer and Critical Illness	13.6	14.3	11.9	24.1	5.7	22.8
Total Sales	$ 78.6	7.5	$ 73.1	$146.2	4.2	$140.3

Colonial's sales in the second quarter and first six months of 2007 increased in comparison to the prior year's second quarter and first six months driven primarily by an increase in the number of new accounts over the prior year second quarter and first six months, offset partially by a decrease in the average new case size, which resulted in lower annualized premium per case sold.

Segment Outlook

During the remainder of 2007, we intend to increase sales by investing in various growth initiatives, including the development of additional product offerings. We believe this growth strategy will consistently produce a higher level of premium and operating income growth over the long term.

The premium growth of over 10 percent in the first quarter of 2007 was aided in part by the lapsing of policies during the first quarter of 2006 in hurricane-impacted areas, as previously noted. As a result, we anticipate premium growth for the remainder of the year to approximate our second quarter growth trend of 7.3 percent, while the favorable risk experience is expected to continue during the remainder of 2007 but may not be sustainable over the long term.

Our 2007 initiatives also include continued development of improved business tools through the effective use of technology. We intend to further grow and develop our sales organization and increase our sales activity through expansion into markets and territories where we have less market share. We believe that the changes we have made and continue to make in our sales organization through recruiting, development, and training will continue to drive accelerated growth in 2007 through improved productivity.

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Individual Income Protection - Closed Block Segment

The Individual Income Protection – Closed Block segment generally consists of those individual income protection policies that were designed to be distributed to individuals in a non-workplace setting and that were written or assumed prior to the restructuring of our individual income protection business. We have reinsurance agreements which effectively provide approximately 60 percent reinsurance coverage for our overall risk above a specified retention limit, which is approximately $7.9 billion at June 30, 2007. The maximum risk limit for the reinsurer grows to approximately $2.4 billion over time, after which any further losses will revert to us.

Operating Results

Shown below are financial results and key performance indicators for the Individual Income Protection – Closed Block segment.

(in millions of dollars, except ratios)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income	$ 249.4	(5.6)%	$ 264.2	$ 501.7	(6.3)%	$ 535.2
Net Investment Income	203.4	(5.0)	214.0	408.0	(2.0)	416.2
Other Income	25.8	7.9	23.9	51.1	1.8	50.2
Total	478.6	(4.7)	502.1	960.8	(4.1)	1,001.6
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	388.1	(6.5)	415.0	794.0	(6.1)	845.4
Commissions	16.7	(11.6)	18.9	34.7	(11.9)	39.4
Other Expenses	31.2	(10.9)	35.0	67.0	(2.8)	68.9
Total	436.0	(7.0)	468.9	895.7	(6.1)	953.7
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 42.6	28.3	$ 33.2	$ 65.1	35.9	$ 47.9
Interest Adjusted Loss Ratio (1)	88.1%		93.0%	91.0%		94.8%
Operating Ratios (% of Premium Income):						
Other Expense Ratio (2)	12.5%		13.2%	13.4%		12.9%
Before-tax Operating Income Ratio (3)	17.1%		12.6%	13.0%		8.9%
Premium Persistency				94.5%		94.3%

(1) Included in this ratio is the second quarter of 2007 $10.7 million decrease in our claim reassessment reserve estimate. Excluding this revision, the interest adjusted loss ratio for the three and six months ended June 30, 2007 would have been 92.4% and 93.2%.

Included in this ratio is the first quarter of 2006 $13.2 million increase in our claim reassessment reserve estimate. Excluding this revision, the interest adjusted loss ratio for the six months ended June 30, 2006 would have been 92.3%.

(2) Included in this ratio is the second quarter of 2007 $2.5 million decrease in our claim reassessment incremental direct operating expense estimate. Excluding this revision, the other expense ratio for the three and six months ended June 30, 2007 would have been 13.5% and 13.9%, respectively.

(3) Included in this ratio is the second quarter of 2007 $13.2 million decrease in our claim reassessment cost estimate. Excluding this revision, the before-tax operating income ratio for the three and six months ended June 30, 2007 would have been 11.8% and 10.3%, respectively.

Included in this ratio is the first quarter of 2006 $13.2 million increase in our claim reassessment cost estimate. Excluding this revision, the before-tax operating income ratio for the six months ended June 30, 2006 would have been 11.4%.

The decrease in premium income for the second quarter and first six months of 2007 relative to the same prior year periods is due to the expected decline in this block of closed business, as well as a first quarter of 2007 adjustment to premium income for a small block of ceded business for which the contract was modified. Net investment income decreased in the second quarter and first six months of 2007 compared to the second quarter and first six months of 2006 due to a decrease in the level of assets supporting this business and the decline in the overall portfolio yield rate. Other income includes the underlying results of certain blocks of reinsured business.

The interest adjusted loss ratio was lower in the second quarter of 2007 than the prior year second quarter, excluding the decrease in the claim reassessment reserve estimate, due primarily to a higher rate of claim recoveries offset partially by a slight increase in the rate of submitted claim incidence. The interest adjusted loss ratio was higher in the first six months of 2007 than the ratio for the first six months of 2006, excluding the revisions to the claim reassessment reserve estimate noted previously, due primarily to an increase in benefit payments, partially offset by a higher rate of claim recoveries.

Segment Outlook

We continue to examine strategies to improve the capital efficiency of our closed block of individual income protection business. Because we cannot reprice this closed block of business, our focus has been on continuing to manage this large block of business consistently while at the same time exploring opportunities for improving capital management. With the successful completion of the securitization of a small block of our group long-term income protection claim reserves in 2006, we are analyzing the feasibility of a similar transaction for our closed block of individual income protection claim reserves, although any such transaction is subject to regulatory, market, and other conditions. We believe that a transaction of this nature would allow us to put in place a more efficient capital structure for our business, thereby increasing the overall financial flexibility and strength of our Company.

We believe that the interest adjusted loss ratio for this block of business will be relatively flat over the long term, but the segment may experience quarterly volatility. Claim resolution rates are very sensitive to operational and environmental changes and can be volatile over short periods of time. We consider the variability in our claim resolution rate experience during recent years to be primarily the result of the temporary reduction in the operating effectiveness of our claims management performance. We believe that claim resolution rates in 2007 will more align with our expected rates. Our claim resolution rate assumption used in determining reserves is our expectation of the resolution rate we will experience over the life of the block of business and will vary from actual experience in any one period. It is possible, however, that variability in our reserve assumptions could result in a material impact on our reserve levels.

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Other Segment

The Other operating segment includes results from Unum US insured products not actively marketed (with the exception of certain individual income protection products), including individual life and corporate-owned life insurance, reinsurance pools and management operations, group pension, health insurance, and individual annuities. We expect operating revenue and income resulting from the products that are not actively marketed to decline over time as these business lines wind down, and we expect to reinvest the capital supporting these lines of business in the future growth of our Unum US, Unum UK, and Colonial segments.

Operating Results

(in millions of dollars)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	% Change	2006	2007	% Change	2006
Operating Revenue						
Premium Income	$ (0.2)	(116.7)%	$ 1.2	$ 0.9	(62.5)%	$ 2.4
Net Investment Income	26.9	(5.3)	28.4	55.0	(3.7)	57.1
Other Income	9.1	8.3	8.4	17.3	3.6	16.7
Total	35.8	(5.8)	38.0	73.2	(3.9)	76.2
Benefits and Expenses						
Benefits and Change in Reserves for Future Benefits	30.6	—	30.6	62.2	0.3	62.0
Commissions	0.4	33.3	0.3	1.1	57.1	0.7
Other Expenses	0.8	(52.9)	1.7	2.3	(30.3)	3.3
Total	31.8	(2.5)	32.6	65.6	(0.6)	66.0
Operating Income Before Income Tax and Net Realized Investment Gains and Losses	$ 4.0	(25.9)	$ 5.4	$ 7.6	(25.5)	$ 10.2

Reinsurance Pools and Management

Our reinsurance operations include the reinsurance management operations of Duncanson & Holt, Inc. (D&H) and the risk assumption, which includes reinsurance pool participation; direct reinsurance, which includes accident and health (A&H), long-term care (LTC), and long-term disability coverages; and Lloyd’s of London (Lloyd’s) syndicate participations. During the years 1999 through 2001, we exited our reinsurance pools and management operations through a combination of a sale, reinsurance, and/or placement of certain components in run-off. During the second quarter and first six months of 2007, this line of business reported operating losses of $3.2 million and $4.0 million, respectively, compared to operating losses of $4.4 million and $6.8 million in the same prior year periods.

Individual Life and Corporate-Owned Life

During 2000, we reinsured substantially all of the individual life and corporate-owned life insurance blocks of business and ceded approximately $3.3 billion of reserves to the reinsurer. The $388.2 million before-tax gain on these transactions was deferred and is being amortized into income based upon expected future premium income on the traditional insurance policies ceded and estimated future gross profits on the interest-sensitive insurance policies ceded.

Total operating revenue for individual life and corporate-owned life insurance was $7.4 million and $16.6 million in the second quarter and first six months of 2007, respectively, compared to $9.7 million and $19.2 million in the same prior year periods. Operating income was $7.2 million and $15.4 million in the second quarter and first six months of 2007, respectively, compared to $7.9 million and $15.8 million in the same prior year periods.

Other

Group pension, health insurance, individual annuities, and other closed lines of business had combined operating revenue of $25.7 million and $51.6 million in the second quarter and first six months of 2007, respectively, compared to $26.0 million and $52.6 million in the same prior year periods. For the second quarter and first six months of 2007, these product lines produced a combined de minimis operating income and a combined operating loss of $3.8 million, respectively, compared to combined operating income of $1.9 million and $1.2 million for the same prior year periods.

Corporate Segment

The Corporate segment includes investment income on corporate assets not specifically allocated to a line of business, corporate interest expense, and certain corporate income and expense not allocated to a line of business.

Operating revenue in the Corporate segment was $6.5 million and $16.8 million in the second quarter and first six months of 2007, respectively, compared to $15.0 million and $33.0 million in the comparable periods of 2006. The Corporate segment reported operating losses of $59.0 million and $98.6 million in the second quarter and first six months of 2007, respectively, compared to $53.7 million and $97.2 million in the same prior year periods. Included in the corporate segment operating results for the second quarter and first six months of 2007 were $0.8 million and $3.2 million of costs related to the early retirement of debt, respectively, compared to $17.8 million and $23.1 million of costs related to the early retirement of debt in the same prior year periods. Also included in the second quarter and first six months of 2007 operating results is the previously discussed litigation settlement accrual of $11.6 million.

Interest and debt expense was $44.5 million and $90.4 million in the second quarter and first six months of 2007 compared to $48.7 million and $101.8 million in the same prior year periods, excluding the costs related to early retirement of debt. See “Debt” contained herein in Item 2 for further discussion.

Discontinued Operations

On March 1, 2007, we completed the sale of our wholly-owned subsidiary, GENEX, and recognized an after-tax gain on the transaction of approximately $6.2 million. This gain, together with the first quarter of 2007 after-tax income, is reported as discontinued operations in our statements of income. Also included in discontinued operations is second quarter and first six months of 2006 after-tax income for GENEX of $1.9 million and $3.9 million, respectively. GENEX’s second quarter and first six months of 2006 operating revenue of $46.3 million and $92.1 million and operating income of $3.3 million and $6.7 million were previously reported in the Other segment. See Note 3 of the “Notes to Consolidated Financial Statements” contained herein in Item 1 for additional information.

Investments

Overview

Investment activities are an integral part of our business, and profitability is significantly affected by investment results. We segment our invested assets into portfolios that support our various product lines. Generally, our investment strategy for our portfolios is to match the effective asset cash flows and durations with related expected liability cash flows and durations to consistently meet the liability funding requirements of our businesses. We try to maximize investment income and assume credit risk in a prudent and selective manner, subject to constraints of quality, liquidity, diversification, and regulatory considerations. Our overall investment philosophy is to invest in a portfolio of high quality assets that provide investment returns consistent with those assumed in the pricing of our insurance products. Assets are invested predominately in fixed maturity securities, and the portfolio is matched with liabilities so as to eliminate as much as possible our exposure to changes in the overall level of interest rates. Changes in interest rates may affect the amount and timing of cash flows. For information on our formal investment philosophy, including our overall quality and diversification objectives, see “Investments” in Part II, Item 7 of our annual report on Form 10-K for the year ended December 31, 2006.

We actively manage our asset and liability cash flow match, as well as our asset and liability duration match, to minimize interest rate risk. We may redistribute investments within our different lines of business, when necessary, to adjust the cash flow and/or duration of the asset portfolios to better match the cash flow and duration of the liability portfolios. Asset and liability portfolio modeling is updated on a quarterly basis and is used as part of the overall interest rate risk management strategy. Cash flows from the inforce asset and liability portfolios are projected at current interest rate levels and also at levels reflecting an increase and a decrease in interest rates to obtain a range of projected cash flows under the different interest rate scenarios. These results enable us to assess the impact of projected changes in cash flows and duration resulting from potential changes in interest rates. Testing the asset and liability portfolios under various interest rate scenarios enables us to choose the most appropriate investment strategy as well as to minimize the risk of disadvantageous outcomes. This analysis is a precursor to our activities in derivative financial instruments, which are used to hedge interest rate risk and to manage duration match. At June 30, 2007, the weighted average duration of our policyholder liability portfolio was approximately 8.02 years, and the weighted average duration of our investment portfolio supporting those policyholder liabilities was approximately 7.42 years.

Net investment income was $597.8 million and $1,187.3 million in the second quarter and first six months of 2007, respectively, an increase of 3.7 percent and 4.1 percent relative to the same prior year periods. The increase was due primarily to growth in invested assets offset by a lower yield due to the investment of new cash at lower rates than that of our overall portfolio yield and a decline in the level of prepayment income on mortgage-backed securities. The overall yield in our investment portfolio was 6.69 percent as of June 30, 2007, and the weighted average credit rating was A2. This compares to an overall yield in the portfolio of 6.73 percent as of December 31, 2006 and a weighted average credit rating of A2. We expect the portfolio yield to continue to gradually decline until the market rates on new purchases equal or exceed the level of the overall yield.

Realized Investment Gains and Losses

We recognize impairment losses when we determine that the value of certain fixed maturity securities has other than temporarily declined during the applicable reporting period, as well as when there are further declines in the values of fixed maturity securities that were initially written down in a prior period. See “Critical Accounting Estimates” in Part II, Item 7 of our annual report on Form 10-K for the year ended December 31, 2006, for a complete discussion of the valuation of fixed maturity securities.

We also report changes in the fair values of certain embedded derivatives as realized investment gains and losses, as required under the provisions of Statement of Financial Accounting Standards No. 133 Implementation Issue B36 (DIG Issue B36), *Embedded Derivatives: Modified Coinsurance Arrangements and Debt Instruments That Incorporate Credit Risk Exposure That Are Unrelated or Only Partially Related to the Creditworthiness of the Obligor Under Those Instruments*.

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Realized investment gains and losses, before tax, are as follows:

(in millions of dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
Gross Realized Investment Gain from Sales	$ 37.9	$ 8.4	$57.8	$46.7
Gross Realized Investment Loss				
Write-downs	26.3	—	32.9	11.6
Sales	10.9	7.3	24.5	30.9
Total	37.2	7.3	57.4	42.5
Change in Fair Value of DIG Issue B36 Derivatives	9.7	(6.9)	6.3	(7.5)
Net Realized Investment Gain (Loss)	$ 10.4	$ (5.8)	$ 6.7	$ (3.3)

We had no individual realized investment losses $10.0 million or greater from other than temporary impairments or from the sale of fixed maturity securities during the first six months of 2007. During the first six months of 2006, we had no individual realized investment losses $10.0 million or greater from other than temporary impairments but did recognize one realized investment loss in excess of that amount from the sale of fixed maturity securities as described below.

During the second quarter of 2007, we recorded an adjustment to the book values and related unrealized loss of two securitized asset trusts acquired in 2001 to reflect the values that would have been present had we recorded the investment income as dividends rather than interest accretion. The book value adjustment of $20.2 million was recognized as a realized investment loss in the second quarter of 2007. Because the investments no longer satisfy our investment objectives, we subsequently sold the trusts in June of 2007 and recognized a realized investment gain of $24.9 million on the sale.

In the first quarter of 2006, we recognized a loss of $13.1 million on securities issued by a U.S. based automotive parts supplier. This company had experienced lower sales due to declining auto production and higher expenses due to increasing steel prices. In an October 2005 press release, this company confirmed that due to accounting errors it would restate its previously released 2004 and first and second quarter 2005 earnings and delay third and fourth quarter 2005 earnings releases. In a first quarter of 2006 press release, the company reported third quarter 2005 results which were significantly below expectations and also withdrew guidance of positive free cash flow for its fiscal year 2005. Trade creditors put into place more stringent credit terms in response to the weaker financial results, which forced the company into bankruptcy in the first quarter of 2006. A portion of these securities had an investment-grade rating at the time of purchase, and a portion was purchased after the securities had been downgraded to below-investment-grade in the second quarter of 2001. At the time of sale, these securities had been continuously in an unrealized loss position for a period of greater than three years. The circumstances of this investment have no impact on other investments.

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Fixed Maturity Securities

Fixed maturity securities at June 30, 2007, included $34.2 billion, or 98.8 percent, of bonds and derivative instruments and $420.9 million, or 1.2 percent, of redeemable preferred stocks. The following table shows the fair value composition by internal industry classification of the fixed maturity bond portfolio and the associated unrealized gains and losses.

Fixed Maturity Bonds – By Industry Classification
As of June 30, 2007

(in millions of dollars)

Classification	Fair Value	Net Unrealized Gain (Loss)	Fair Value of Bonds with Gross Unrealized Loss	Gross Unrealized Loss	Fair Value of Bonds with Gross Unrealized Gain	Gross Unrealized Gain
Basic Industry	$ 2,324.8	$ 20.2	$ 1,054.6	$ 61.0	$ 1,270.2	$ 81.2
Canadian	271.1	51.1	—	—	271.1	51.1
Capital Goods	2,525.7	88.1	1,026.7	51.8	1,499.0	139.9
Communications	2,447.0	63.3	1,083.1	75.3	1,363.9	138.6
Consumer Cyclical	1,413.5	(0.2)	771.9	47.1	641.6	46.9
Consumer Non-Cyclical	4,012.9	1.9	2,147.4	129.3	1,865.5	131.2
Derivates Hedging Available-for-Sale	(184.8)	(187.2)	(217.4)	217.8	32.6	30.6
Energy (Oil & Gas)	2,347.8	157.4	589.2	28.0	1,758.6	185.4
Financial Institutions	3,515.6	(84.4)	2,676.2	142.6	839.4	58.2
Mortgage/Asset-Backed	4,225.1	126.6	1,538.9	38.8	2,686.2	165.4
Sovereigns	916.0	8.3	654.3	35.5	261.7	43.8
Technology	506.3	3.5	323.3	16.4	183.0	19.9
Transportation	954.4	46.8	377.5	15.2	576.9	62.0
U.S. Government Agencies and Municipalities	2,297.3	(68.6)	1,669.2	151.1	628.1	82.5
Utilities	6,680.9	109.1	3,640.8	188.1	3,040.1	297.2
Total	$34,253.6	$ 335.9	$17,335.7	$1,198.0	$16,917.9	$1,533.9

The above chart excludes DIG Issue B36 embedded derivatives, which at June 30, 2007 had a fair value of $(5.1) million.

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The following table is a distribution of the maturity dates for fixed maturity bonds in an unrealized loss position at June 30, 2007.

Fixed Maturity Bonds – By Maturity
As of June 30, 2007

(in millions of dollars)

	Fair Value of Bonds with Gross Unrealized Loss	Gross Unrealized Loss
Due in 1 year or less	$ 72.7	$ 0.2
Due after 1 year up to 5 years	1,462.0	28.5
Due after 5 years up to 10 years	4,779.6	457.4
Due after 10 years	9,482.5	673.1
Subtotal	15,796.8	1,159.2
Mortgage/Asset-Backed Securities	1,538.9	38.8
Total	$ 17,335.7	$ 1,198.0

Of the $1,198.0 million in gross unrealized losses at June 30, 2007, $1,111.9 million, or 92.8 percent, are related to investment-grade fixed maturity bonds and result primarily from increases in interest rates which occurred subsequent to acquisition of the bonds. The unrealized loss on investment-grade fixed maturity bonds increased $496.4 million in the second quarter of 2007, almost entirely due to increases in interest rates which occurred during the quarter. The following table shows the length of time the investment-grade fixed maturity bonds had been in a gross unrealized loss position as of June 30, 2007.

Unrealized Loss on Investment-Grade Fixed Maturity Bonds
Length of Time in Unrealized Loss Position
As of June 30, 2007

(in millions of dollars)

	Fair Value	Gross Unrealized Loss
<= 90 days	$ 4,552.0	$ 109.8
> 90 <= 180 days	1,307.2	45.4
> 180 <= 270 days	1,322.1	60.0
> 270 <= 1 year	283.1	7.7
> 1 year <= 2 years	7,289.9	547.0
> 2 years <= 3 years	160.8	30.9
> 3 years	1,231.8	311.1
Total	$16,146.9	$ 1,111.9

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The following table shows the length of time the below-investment-grade fixed maturity bonds had been in a gross unrealized loss position as of June 30, 2007. The relationships of the current fair value to amortized cost are not necessarily indicative of the fair value to amortized cost relationships for the securities throughout the entire time that the securities have been in an unrealized loss position nor are they necessarily indicative of the relationships after June 30, 2007.

Unrealized Loss on Below-Investment-Grade Fixed Maturity Bonds
Length of Time in Unrealized Loss Position
As of June 30, 2007

(in millions of dollars)

	Fair Value	Gross Unrealized Loss
Fair value < 100% >= 70% of amortized cost		
<= 90 days	$ 571.2	$ 16.8
> 90 <= 180 days	64.8	2.7
> 180 <= 270 days	40.4	3.5
> 1 year <= 2 years	240.8	23.4
> 2 years <= 3 years	138.9	21.5
> 3 years	118.7	10.0
Total	$1,174.8	$ 77.9
Fair value < 70% >= 40% of amortized cost		
> 1 year <= 2 years	$ 14.0	$ 8.2

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As of June 30, 2007, we held five securities with a gross unrealized loss of $10.0 million or greater, as shown in the following chart.

Gross Unrealized Losses on Fixed Maturity Bonds
$10.0 Million or Greater
As of June 30, 2007

Fixed Maturity Bonds	Fair Value	Gross Unrealized Loss	Length of Time in a Loss Position
Investment-Grade			
U.S. Government Sponsored Mortgage Funding Company	$ 464.3	$ 36.2	> 1 year <= 2 years
United Kingdom Government Security	427.7	22.7	> 1 year <= 2 years
U.S. Government Sponsored Mortgage Funding Company	708.1	95.3	> 3 years
Principal Protected Equity Linked Note	54.7	22.3	> 3 years
Total	$1,654.8	$176.5	
Below-Investment Grade			
U.S. Based Communications Company	$ 23.2	$ 10.2	> 1 year <= 2 years

Unrealized losses on investment-grade fixed maturity securities principally relate to changes in interest rates or changes in market or sector credit spreads which occurred after the acquisition of the securities. These changes are generally temporary and are not recognized as realized investment losses unless the securities are sold, it becomes unlikely that we will hold the securities until recovery based on relevant facts and circumstances, or the securities become other than temporarily impaired. Generally, below-investment-grade fixed maturity securities are more likely to develop credit concerns. In determining whether a decline in fair value below amortized cost of a fixed maturity security is other than temporary, we utilize a formal, well-defined, and disciplined process to monitor and evaluate our fixed income investment portfolio. The process results in a thorough evaluation of problem investments and the recording of realized losses on a timely basis for investments determined to have an other than temporary impairment.

For those fixed maturity securities with an unrealized loss and on which we have not recorded an impairment loss, we believe that the decline in fair value below amortized cost is temporary. We have the ability and intent to hold our securities to the earlier of recovery or maturity. If information becomes available that changes our assessment as to whether we will receive contractual payments related to a fixed maturity security and the security is also not projected to recover in value, the related security is generally sold. We may also in certain circumstances sell a security in an unrealized loss position because of changes in tax laws, when a merger or the disposition of a segment or product line results in positions outside of our investment guidelines, due to changes in regulatory or capital requirements, due to unexpected changes in liquidity needs, to better match portfolio cash flows, or to take advantage of relative value opportunities or tender offers that recover up to or beyond the cost of the investment.

For those securities with a gross unrealized loss of $10.0 million or greater, further discussed as follows are (a) the factors which we believe resulted in the impairment and (b) the information we considered, both positive and negative, in reaching the conclusion that the impairments were not other than temporary.

- The first fixed maturity bond of the U.S. government sponsored mortgage funding company was issued by the Federal Home Loan Bank. The bond was rated AAA by Standard & Poor's Corporation (S&P) as of June 30, 2007, with no negative outlook by rating agencies or in analysts' reports. The change in the market value of this security relates to changes in interest rates after the purchase of the bond. We believe that the decline in fair value of this security is temporary. The market value of this security will increase if interest rates decline to levels similar to when the bonds were purchased. We believe this is likely to occur over the life of the security. We have the ability to hold this security to the earlier of recovery or maturity.
- The United Kingdom government fixed maturity bond is a U.K. Gilt security, which is the equivalent of a U.S. Treasury security. The U.K. Gilt position is AAA rated by S&P and represents the overall credit quality of the U.K. The change in the market value of this security relates to changes in interest rates after the purchase of the bond. We believe that the decline in fair value of this security is temporary. The market value of this security will increase if interest rates decline to levels similar to when the bonds were purchased. We believe this is likely to occur over the life of the security. We have the ability to hold this security to the earlier of recovery or maturity.
- The second fixed maturity bond of the U.S. government sponsored mortgage funding company was issued by the Federal Home Loan Mortgage Corporation. The bond was rated AAA by S&P as of June 30, 2007, with no negative outlook by rating agencies or in analysts' reports. The change in the market value of this security relates to changes in interest rates after the purchase of the bond. We believe that the decline in fair value of this security is temporary. The market value of this security will increase if interest rates decline to levels similar to when the bonds were purchased. We believe this is likely to occur over the life of the security. We have the ability to hold this security to the earlier of recovery or maturity.
- The principal protected equity linked note is a zero coupon bond, issued by a large, well capitalized Fortune 500 financial services company, the return of which is linked to a Vanguard S&P 500 index mutual fund. This bond matures on August 24, 2020 and carried the AA rating of the issuer, as determined by S&P as of June 30, 2007. This note has an embedded derivative contract and substitutes highly rated bonds in place of the underlying S&P 500 index mutual fund to provide principal protection if there is a significant decline in the equities market. The note derives its value from the underlying S&P 500 index mutual fund. The reduction in the market value of this note was the result of the decline in the S&P 500 index after the purchase date of the note. Based on historical long-term returns of the S&P 500 index, we believe that the value of the underlying S&P 500 index mutual fund will equate to or exceed the par value of the security at maturity. We believe that the decline in fair value of the note is temporary. We have the ability to hold this security to the earlier of recovery or maturity.
- The fair value of the fixed maturity bonds of the U.S. based communication company has declined primarily due to the proposed buyout of the company by a private equity investor. If successful, the buyout, which is subject to shareholder and regulatory approval as well as additional financing, would result in higher debt balances and higher use of cash for debt interest payments. This higher cash outflow is expected to be partially offset by tax savings and expense savings. The company is in the process of selling certain assets to limit funding needs. Its remaining operations and capital resources are estimated to be of sufficient value to fully satisfy its potential debt obligations. The bond was rated B by S&P as of June 30, 2007, with a "watch negative" outlook. We believe that the decline in fair value of these securities is temporary. We have the ability to hold these securities to the earlier of recovery or maturity.

Our mortgage/asset-backed securities were approximately $4.1 billion and $3.8 billion on an amortized cost basis at June 30, 2007 and December 31, 2006, respectively. At June 30, 2007, the mortgage/asset-backed securities had an average life of 8.5 years, effective duration of 6.6 years, and a weighted average credit rating of Aaa. The mortgage/asset-backed securities are valued on a monthly basis using valuations supplied by the brokerage firms that are dealers in these securities. The primary risk involved in investing in mortgage/asset-backed securities is the uncertainty of the timing of cash flows from the underlying loans due to prepayment of principal with the possibility of reinvesting the funds in a lower interest rate environment. We use models which incorporate economic variables and possible future interest rate scenarios to predict future prepayment rates. We have not invested in mortgage-backed derivatives, such as interest-only, principal-only, or residuals, where market values can be highly volatile relative to changes in interest rates. All of our mortgage-backed securities are fixed rate. The credit quality of our mortgage-backed securities portfolio has not been negatively impacted by the recent issues in the market concerning subprime mortgage loans. The change in value of our mortgage-backed securities portfolio has moved in line with that of prime agency-backed mortgage-backed securities.

As of June 30, 2007, our exposure to below-investment-grade fixed maturity securities was $2,161.6 million, approximately 5.9 percent of the fair value of invested assets excluding ceded policy loans, compared to 5.8 percent at the end of 2006. Below-investment-grade bonds are inherently more risky than investment-grade bonds since the risk of default by the issuer, by definition and as exhibited by bond rating, is higher. Also, the secondary market for certain below-investment-grade issues can be highly illiquid. Additional downgrades may occur, but we do not anticipate any liquidity problem caused by our investments in below-investment-grade securities, nor do we expect these investments to adversely affect our ability to hold our other investments to maturity.

We have a significant interest in, but are not the primary beneficiary of, a special purpose entity which is a collateralized bond obligation asset trust in which we hold interests in several of the tranches and for which we act as investment manager of the underlying securities. Our investment in this entity is reported at fair value as a component of fixed maturity securities in the consolidated balance sheets. The fair value of this investment was derived from the fair value of the underlying assets. The fair value and amortized cost of this investment were $19.1 million and $18.2 million, respectively, at June 30, 2007, and $18.8 million and $18.4 million, respectively, at December 31, 2006.

Mortgage Loans and Real Estate

Our mortgage loan portfolio was $1,004.2 million and $944.0 million on an amortized cost basis at June 30, 2007 and December 31, 2006, respectively. We expect that we will continue to add investments in this category either through the secondary market or through loan originations. We believe our mortgage loan portfolio is well diversified geographically and among property types. The incidence of problem mortgage loans and foreclosure activity remains low, and we expect the level of delinquencies and problem loans to remain low in the future. We had no impaired mortgage loans at June 30, 2007. Impaired mortgage loans totaled $2.8 million at December 31, 2006.

Real estate was $20.2 million and $17.9 million at June 30, 2007 and December 31, 2006, respectively. Investment real estate is carried at cost less accumulated depreciation. Real estate acquired through foreclosure is valued at fair value at the date of foreclosure and may be classified as investment real estate if it meets our investment criteria. If investment real estate is determined to be permanently impaired, the carrying amount of the asset is reduced to fair value. Occasionally, investment real estate is reclassified to real estate held for sale when it no longer meets our investment criteria. Real estate held for sale, which is valued net of a valuation allowance that reduces the carrying value to the lower of cost or fair value less estimated cost to sell, was $8.9 million and $6.5 million at June 30, 2007 and December 31, 2006, respectively.

We use a comprehensive rating system to evaluate the investment and credit risk of each mortgage loan and to identify specific properties for inspection and reevaluation. We establish an investment valuation allowance for mortgage loans based on a review of individual loans and the overall loan portfolio, considering the value of the underlying collateral. Investment valuation allowances for real estate held for sale are established based on a review of specific assets. If a decline in the value of a mortgage loan or real estate investment is considered to be other than temporary or if the asset is deemed permanently impaired, the investment is reduced to estimated net realizable value, and the reduction is recognized as a realized investment loss. We monitor the risk associated with these invested asset portfolios and regularly review and adjust the investment valuation allowance. We had no valuation allowance for mortgage loans at June 30, 2007. At December 31, 2006, the balance in the valuation allowance for mortgage loans was $0.5 million. At June 30, 2007 and December 31, 2006, the balance in the valuation allowance for real estate was $7.6 million.

Derivatives

We use derivative financial instruments to manage reinvestment risk, duration, and currency risk. Historically, we have utilized interest rate futures contracts, current and forward interest rate swaps and options on forward interest rate swaps, current and forward currency swaps, interest rate forward contracts, forward treasury locks, currency forward contracts, and forward contracts on specific fixed income securities. All of these freestanding derivative transactions are hedging in nature and not speculative. Positions under our hedging programs for derivative activity that were open during the second quarter and first six months of 2007 involved current and forward interest rate swaps, current and forward currency swaps, currency forward contracts, forward treasury locks, and options on forward interest rate swaps. Almost all hedging transactions are associated with the individual and group long-term care and the individual and group income protection products. All other product portfolios are periodically reviewed to determine if hedging strategies would be appropriate for risk management purposes.

During the second quarter of 2006, we completed a program to reset the interest rates of several receive fixed, pay variable forward starting interest rate swaps by replacing various existing swaps with new swaps at current market interest rates and identical cash flow dates. This allowed us to increase our utilization of cash flows as well as reduce our credit exposure to our counterparties. Under this program, we added and terminated swaps with a notional amount of $1,515.0 million each, resulting in a gain of $136.4 million which we reported in other comprehensive income (loss). The anticipated cash flows hedged by these derivatives are still probable, and the gains from the terminated swaps along with the replacement swaps continue to be highly effective cash flow hedges. These terminations and the associated gain are included in the hedging activity discussed in the following two paragraphs.

During the second quarters of 2007 and 2006, we recognized net gains of $7.2 million and $154.2 million, respectively, on the termination of cash flow hedges and reported $7.1 million and $154.2 million, respectively, in other comprehensive income (loss). During the first six months of 2007 and 2006, we recognized net gains of $15.1 million and $182.8 million, respectively, on the termination of cash flow hedges and reported $15.0 million and $182.8 million, respectively, in other comprehensive income (loss). During the second quarter and first six months of 2007, we reported a net gain of $0.1 million as a component of realized investment gains and losses. We amortized $6.1 million and $8.8 million of net deferred gains into net investment income in the second quarters of 2007 and 2006, respectively, and $13.0 million and $15.4 million during the first six months of 2007 and 2006, respectively.

Our current credit exposure on derivatives, which is limited to the value of those contracts in a net gain position, was $16.5 million at June 30, 2007. Additions and terminations, in notional amounts, to our hedging programs during the second quarter of 2007 were $432.0 million and $496.7 million, respectively, and in the second quarter of 2006 were $1,819.0 million and $1,871.8 million, respectively. Additions and terminations include roll activity, which is the closing out of an old contract and the initiation of a new one when a contract is about to mature but the need for it still exists. The notional amount of derivatives outstanding under the hedge programs was $3,515.4 million at June 30, 2007 and $3,774.1 million at December 31, 2006.

As of June 30, 2007 and December 31, 2006, we had $1,915.0 million and $2,125.0 million, respectively, notional amount of forward starting interest rate swaps outstanding to lock in the reinvestment rates on future anticipated cash flows through the year 2013 for certain of our long-term product portfolios.

As of June 30, 2007 and December 31, 2006, we had $333.5 million and $367.8 million, respectively, notional amount of currency swaps and $216.3 million notional amount of forward currency contracts outstanding to hedge the foreign currency risk associated with the U.S. dollar denominated debt issued by one of our U.K. subsidiaries.

As of June 30, 2007 and December 31, 2006, we had $628.8 million and $658.4 million, respectively, notional amount of open current and forward foreign currency swaps to hedge fixed income Canadian dollar denominated securities.

As of June 30, 2007 and December 31, 2006, we had $230.0 million and $170.0 million, respectively, notional amount of open options on forward interest rate swaps to lock in a reinvestment rate floor for the reinvestment of cash flows from renewals on policies with a one to two year minimum premium rate guarantee.

As of June 30, 2007 and December 31, 2006, we had $60.0 million notional amount of an interest rate swap outstanding whereby we receive a fixed rate of interest and pay a variable rate of interest. The purpose of this swap is to hedge the variable cash flows associated with a floating rate security we own. The variable rate we pay on the swap is offset by the amount we receive on the variable rate security.

We have invested in certain structured fixed maturity securities that contain embedded derivatives with a notional amount of $98.8 million and $176.6 million as of June 30, 2007 and December 31, 2006, respectively. These embedded derivatives represent forward contracts and are accounted for as cash flow hedges. The purpose of these forward contracts is to hedge the risk of changes in cash flows related to the anticipated purchase of certain equity securities in the years 2020 through 2022.

We also have embedded derivatives in modified coinsurance contracts recognized under DIG Issue B36. The derivatives recognized under DIG Issue B36 are not designated as hedging instruments, and the change in fair value is reported as a realized investment gain or loss during the period of change. Due to the change in fair value of these embedded derivatives, we recognized $9.7 million and $6.3 million of net realized investment gains during the second quarter and first six months of 2007, respectively, and $6.9 million and $7.5 million of net realized investment losses during the second quarter and first six months of 2006, respectively.

Non-current Investments

Our exposure to non-current investments, on a fair value basis, totaled $14.9 million at June 30, 2007 compared to $12.5 million at December 31, 2006. Non-current investments includes those investments for which principal and/or interest payments are more than 30 days past due. At June 30, 2007 these investments, which are subject to the same review and monitoring procedures in place for other investments in determining when a decline in fair value is other than temporary, consisted of fixed maturity securities and real estate acquired through foreclosure for which before-tax impairment losses of approximately $76.5 million had been recorded life-to-date. The amortized cost and book value of the fixed maturity securities and real estate, subsequent to the write-downs for impairments, was $4.0 million at June 30, 2007. Approximately $12.5 million of the fixed maturity securities, on a fair value basis, had principal and/or interest payments past due for a period greater than one year as of June 30, 2007.

Other

We have an investment program where we simultaneously enter into repurchase agreement transactions and reverse repurchase agreement transactions with the same party. We net the related receivables and payables in the consolidated balance sheets since these transactions meet the requirements for the right of offset. We did not have any of these agreements in an open position at June 30, 2007. We also use the repurchase agreement market as a source of short-term financing, but had no contracts for this purpose outstanding at June 30, 2007.

Liquidity and Capital Resources

Our liquidity requirements are met primarily by cash flows provided from operations, principally in our insurance subsidiaries. Premium and investment income, as well as maturities and sales of invested assets, provide the primary sources of cash. Debt and/or securities offerings provide an additional source of liquidity. Cash is applied to the payment of policy benefits, costs of acquiring new business (principally commissions), operating expenses, and taxes, as well as purchases of new investments. We have established an investment strategy that we believe will provide for adequate cash flows from operations.

Our policy benefits are primarily in the form of claim payments, and we have minimal exposure to the policy withdrawal risk associated with deposit products such as individual life policies or annuities. A decrease in demand for our insurance products or an increase in the incidence of new claims or the duration of existing claims could negatively impact our cash flows from operations. Deterioration in the credit market, which could delay our ability to sell our positions in certain of our fixed maturity securities in a timely manner, could also negatively impact our cash flows. We believe our cash resources are sufficient to meet our liquidity requirements for the next 12 months.

Our cash flows from discontinued operations are combined with cash flows from continuing operations within each cash flow statement category in our consolidated statements of cash flows for the applicable periods. The absence of cash flows from discontinued operations has not, nor is it expected to, materially affect liquidity and capital resources.

Consolidated Cash Flows

Operating Cash Flows

Net cash provided by operating activities was $616.7 million for the six months ended June 30, 2007, compared to $659.4 million for the comparable period of 2006. Operating cash flows are primarily attributable to the receipt of premium and investment income, offset by payments of claims, commissions, expenses, and income taxes. Premium income growth is dependent not only on new sales, but on renewals of existing business, renewal price increases, and stable persistency. Investment income growth is dependent on the growth in the underlying assets supporting our insurance reserves and on the level of portfolio yield rates. Increases in commissions and operating expenses are attributable primarily to new sales growth and the first year acquisition expenses associated with new business. The level of paid claims is due partially to the growth and aging of the block of business and also to the general economy, as previously discussed in the operating results by segment. Included in operating cash flows for the six months ended June 30, 2007 and 2006 are voluntary pension contributions to our U.S. qualified defined benefit plan of $110.0 million and $42.0 million, respectively.

Investing Cash Flows

Investing cash inflows consist primarily of the proceeds from the sales and maturities of investments. Investing cash outflows consist primarily of payments for purchases of investments. Net cash used by investing activities was $661.4 million and $476.9 million for the six months ended June 30, 2007 and 2006, respectively. During the first six months of 2007, we had net cash inflows of $98.8 million in conjunction with the sale of GENEX.

We had lower proceeds from maturities of available-for-sale securities in the first six months of 2007 than in the comparable period of 2006, primarily due to a decrease in fixed maturity security principal proceeds from bond calls, principal prepayments, and scheduled maturities. Also impacting the higher proceeds reported for 2006 was the sale of floating-rate bonds, as discussed below.

We issued debt in the fourth quarter of 2005 and invested the proceeds in short-term investments and floating-rate bonds to provide liquidity needed for our $400.0 million purchase of debt in the remarketing of our 2003 adjustable conversion-rate equity security (units) in the first quarter of 2006. The proceeds from the subsequent sale in 2006 of these short-term investments and floating-rate bonds are included in sales of bonds and net purchases of short-term investments in the first six months of 2006.

Proceeds from sales and maturities of other investments increased in the first six months of 2007 due to the sale of common stock investments.

During the second quarter of 2007, a portion of the proceeds from the issuance of the 17.7 million shares of common stock was invested in short-term investments, thereby contributing to the higher purchase of short-term investments in 2007.

Financing Cash Flows

Financing cash flows consist primarily of borrowings and repayments of debt, issuance or repurchase of common stock, and dividends paid to stockholders. Net cash provided by financing activities was $49.3 million for the six months ended June 30, 2007 compared to net cash used of $194.9 million in the comparable period of 2006. During the second quarter of 2007, we received proceeds of approximately $300.0 million and issued 17.7 million shares of common stock upon the settlement of the common stock purchase contract element of the 2004 units issued in May 2004. During the second quarter of 2006, we received proceeds of approximately $575.0 million and issued 43.3 million shares of common stock upon the settlement of the common stock purchase contract element of the units issued in May 2003.

During the first quarters of 2007 and 2006, we purchased $150.0 million and $400.0 million, respectively, aggregate principal amounts of the remarketed senior note element of the 2004 and 2003 units, which were subsequently retired. In the first and second quarters of 2007, we made principal payments of $10.0 million and $2.5 million, respectively, on our senior secured non-recourse variable rate notes due 2036 which were issued by Tailwind Holdings. During the second quarter of 2007, we purchased $34.5 million aggregate principal amount of our outstanding 6.85% notes due 2015. In the second quarter of 2006, we retired $300.0 million of our outstanding debt.

See “Debt” as follows for further information.

Cash Available from Subsidiaries

Unum Group and certain of its intermediate holding company subsidiaries and/or finance subsidiaries depend on payments from subsidiaries to pay dividends to stockholders, to pay debt obligations, and/or to pay expenses. These payments by our insurance and non-insurance subsidiaries may take the form of interest payments on loans from the parent to a subsidiary, operating and investment management fees, and/or dividends.

Restrictions under applicable state insurance laws limit the amount of ordinary dividends that can be paid to a parent company from its insurance subsidiaries in any 12-month period without prior approval by regulatory authorities. For life insurance companies domiciled in the United States, that limitation generally equals, depending on the state of domicile, either ten percent of an insurer’s statutory surplus with respect to policyholders as of the preceding year end or the statutory net gain from operations, excluding realized investment gains and losses, of the preceding year.

The payment of ordinary dividends to a parent company from its insurance subsidiaries is generally further limited to the amount of statutory surplus as it relates to policyholders. Based on the restrictions under current law, during 2007, $506.2 million is available for the payment of ordinary dividends to Unum Group from its U.S. insurance subsidiaries, excluding Tailwind Reinsurance Company, a wholly-owned subsidiary of Tailwind Holdings.

Unum Group and/or certain of its finance subsidiaries may also receive dividends from its United Kingdom-based affiliate, Unum Limited, subject to applicable insurance company regulations and capital guidance in the United Kingdom. Approximately $200.2 million is available for the payment of dividends from Unum Limited during 2007.

The ability of Unum Group and certain of its intermediate holding company subsidiaries and/or finance subsidiaries to continue to receive dividends from their insurance subsidiaries without regulatory approval generally depends on the level of earnings of those insurance subsidiaries as calculated under law. In addition to regulatory restrictions, the amount of dividends that may be paid by insurance subsidiaries will depend on additional factors, such as RBC ratios, funding growth objectives at an affiliate level, and maintaining appropriate capital adequacy ratios to support desired ratings. Insurance regulatory restrictions do not limit the amount of dividends available for distribution from non-insurance subsidiaries except where the non-insurance subsidiaries are held directly or indirectly by an insurance subsidiary and only indirectly by Unum Group.

Debt

At June 30, 2007, we had long-term debt, including senior secured non-recourse notes, and junior subordinated debt securities, totaling $2,462.7 million. In the first six months of 2007, we reduced our debt to total capital ratio to 25.6 percent, compared to 28.8 percent at the beginning of 2007, subsequent to our cumulative effect adjustment to equity for the adoption of the new accounting policies related to DAC and income taxes.

The debt to total capital ratio, when calculated excluding the debt and associated equity of Tailwind Holdings and allowing 50 percent equity credit for the adjustable conversion-rate equity security units that were still outstanding at the beginning of 2007, was 24.8 percent at June 30, 2007, compared to 26.2 percent at the beginning of 2007.

In the first and second quarters of 2007, we made principal payments of $10.0 million and $2.5 million, respectively, on our senior secured non-recourse variable rate notes due 2036 which were issued by Tailwind Holdings. During the second quarter of 2007, we purchased $34.5 million aggregate principal amount of our outstanding 6.85% notes due 2015. The costs associated with these debt reductions decreased our second quarter and first six months 2007 income approximately $0.8 million before tax, or $0.6 million after tax.

In February 2007, the scheduled remarketing of the senior note element of the 2004 units occurred, as stipulated by the terms of the original offering, and we reset the interest rate on $300.0 million of senior notes due May 15, 2009 to 5.859%. We purchased $150.0 million of the senior notes in the remarketing which were subsequently retired. In May 2007, we settled the purchase contract element of the 2004 units by issuing 17.7 million shares of common stock. We received proceeds of approximately $300.0 million from the transaction.

In June 2006, pursuant to a cash tender offer, we purchased $50.0 million of our outstanding 7.405% capital securities due 2038 and $250.0 million aggregate principal amount of our outstanding 7.625% notes due 2011.

In February 2006, the scheduled remarketing of the senior note element of the 2003 units occurred, as stipulated by the terms of the original offering, and we reset the interest rate on $575.0 million of senior notes due May 15, 2008 to 5.997%. We purchased $400.0 million of the senior notes in the remarketing which were subsequently retired. In May 2006, we settled the purchase contract element of the 2003 units by issuing 43.3 million shares of common stock. We received proceeds of approximately $575.0 million from the transaction.

See "Debt" in Part II, Item 7 of our annual report on Form 10-K for the year ended December 31, 2006, for further discussion.

Commitments

With respect to our commitments, see the discussion under "Commitments" in Part II, Item 7 of our annual report on Form 10-K for the year ended December 31, 2006.

Pensions and other postretirement benefit obligations were not previously included in our contractual obligations discussion under "Commitments." These obligations include our defined benefit pension and postretirement plans for our employees, including non-qualified pension plans. Pension plan obligations, other than the non-qualified plans, represent our contributions to the pension plans, with the next 12 months' contributions equaling our planned contributions and the remaining years' contributions projected based on the average remaining service period assuming the current funded status of the plans. Non-qualified pension plan and other postretirement benefit obligations represent the expected benefit payments related to these plans, discounted with respect to interest and reflecting expected future service, as appropriate.

We had previously presented our policyholder liabilities net of reinsurance ceded rather than on a gross basis as presented below. Policyholder liability maturities and the related reinsurance recoverable represent the projected payout of the current inforce policyholder liabilities and the expected cash inflows from reinsurers for liabilities ceded.

The following table summarizes contractual obligations and our reinsurance recoverable by period as of December 31, 2006 (in millions of dollars). During the first six months of 2007, there were no substantive changes in our commitments or contractual liabilities, including the effects of the adoption of FIN 48. We are unable to make reasonably reliable estimates of the period of potential cash settlements, if any, with taxing authorities.

	Total	In 1 Year or Less	After 1 Year up to 3 Years	After 3 Years up to 5 Years	After 5 Years
Payments Due					
Long-term Debt	$ 5,594.1	$ 181.2	$ 814.1	$ 623.5	$ 3,975.3
Policyholder Liabilities	39,485.9	5,548.3	6,406.4	4,843.9	22,687.3
Pensions and Other Postretirement Benefits	2,003.9	133.9	126.5	127.1	1,616.4
Operating Leases	106.8	32.1	39.2	17.0	18.5
Purchase Obligations	96.1	95.2	0.9	—	—
Total	$47,286.8	$5,990.7	$ 7,387.1	$5,611.5	$28,297.5
Receipts Due					
Reinsurance Recoverable	$ 8,707.3	$ 1,390.8	$ 576.4	$ 517.9	$ 6,222.2

Ratings

A.M. Best Company (AM Best), Fitch Ratings (Fitch), Moody’s Investors Service (Moody’s), and Standard & Poor’s Corporation (S&P) are among the third parties that rate our senior debt and the financial strength of our principal U.S. insurance subsidiaries. Financial strength ratings are primarily based on U.S. statutory financial information and are individually stated for each of the U.S. domiciled insurance companies. These ratings reflect each rating agency’s view of the overall financial strength (capital levels, earnings, growth, investments, business mix, operating performance, and market position) of the insuring entity and also incorporate an assessment of each entity’s ability to meet obligations to policyholders. Debt ratings represent the opinions of the rating agencies specific to an issuer’s ability to repay its debt and are based primarily on consolidated financial information prepared using GAAP. Both financial strength ratings and debt ratings incorporate both quantitative and qualitative analyses by rating agencies and are routinely evaluated and updated on an ongoing basis.

We compete based in part on the financial strength ratings provided by rating agencies. A downgrade of our financial strength ratings can be expected to adversely affect us. A downgrade of the financial strength ratings could, among other things, adversely affect our relationships with distributors of our products and services and retention of our sales force; negatively impact persistency and new sales, particularly with respect to large case group sales and individual sales; and generally adversely affect our ability to compete. Downgrades in our debt ratings can be expected to adversely affect our cost of capital and our ability to raise additional capital.

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The table below reflects our senior debt ratings and the financial strength ratings for our traditional insurance company subsidiaries as of the date of this filing.

	AM Best	Fitch	Moody's	S&P
Senior Debt Ratings	Bbb- (Good)	BBB- (Good)	Ba1 (Speculative)	BB+ (Speculative)
Financial Strength Ratings				
Provident Life and Accident	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
Provident Life and Casualty	A- (Excellent)	A- (Strong)	Not Rated	Not Rated
Unum Life of America	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
First Unum Life	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
Colonial Life & Accident	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
Paul Revere Life	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
Paul Revere Variable	A- (Excellent)	A- (Strong)	Baa1 (Adequate)	BBB+ (Good)
Unum Limited	A- (Excellent)	Not Rated	Not Rated	BBB+ (Good)

We maintain an ongoing dialogue with these four rating agencies in order to inform them of progress we are making regarding our strategic objectives and financial plans, as well as other pertinent issues. A significant component of our communications includes an annual review meeting, as well as other meetings not limited to quarterly updates on our business. During the second quarter of 2007, we conducted our annual review with Moody's, S&P, and Fitch. We plan to hold our annual review meeting with AM Best in the fourth quarter of 2007.

On August 1, 2007, S&P raised the outlook from "stable" to "positive" on our financial strength ratings and reaffirmed the positive outlook on our holding company's senior debt ratings. There have been no other changes in any of the rating agencies' outlook statements or ratings during 2007.

Agency ratings are not directed toward the holders of our securities and are not recommendations to buy, sell, or hold our securities. Each rating is subject to revision or withdrawal at any time by the assigning rating organization, and each rating should be regarded as an independent assessment, not conditional on any other rating. Given the dynamic nature of the ratings process, changes by these or other rating agencies may or may not occur in the near-term. See our annual report on Form 10-K for the year ended December 31, 2006, for further information regarding our debt and financial strength ratings and the risks associated with rating changes.

Other Information

Pension and Postretirement Benefit Plans

We sponsor several defined benefit pension and postretirement plans for our employees, including non-qualified pension plans. The U.S. pension plans comprise the majority of our total benefit obligation and pension expense. The value of the benefit obligations is determined based on a set of economic and demographic assumptions that represent our best estimate of future expected experience. These assumptions are reviewed annually. Two of the economic assumptions, the discount rate and the long-term rate of return, are adjusted accordingly based on key external indices. We follow Statements of Financial Accounting Standards No. 87 (SFAS 87), *Employers' Accounting for Pensions*, No. 106 (SFAS 106), *Employers' Accounting for Postretirement Benefits Other Than Pensions*, No. 132 (SFAS 132), *Employers' Disclosures about Pensions and Other Postretirement Benefits*, and No. 158 (SFAS 158), *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)* in our financial reporting and accounting for our pension and postretirement benefit plans.

As a result of the sale of GENEX, we froze the pension plan benefits for the employees of GENEX during the first quarter of 2007, which resulted in a curtailment and a remeasurement of our U.S. pension plan obligation. The net effect of the curtailment and remeasurement was an increase in our pension plan liability of $29.0 million, a decrease in deferred income tax of $10.1 million, a decrease in income from discontinued operations of $0.2 million, and a decrease in accumulated other comprehensive income of $18.7 million.

See our annual report on Form 10-K for the year ended December 31, 2006, and Note 5 of the "Notes to Consolidated Financial Statements" contained herein in Item 1 for further information.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to various market risk exposures including interest rate risk and foreign exchange rate risk. With respect to our exposure to market risk, see the discussion under "Investments" in Item 2 of this Form 10-Q and in Part II, Item 7A of our annual report on Form 10-K for the year ended December 31, 2006. During the first six months of 2007, there was no substantive change to our market risk or the management of this risk.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this quarterly report. Based on that evaluation, these officers concluded that our disclosure controls and procedures were effective as of June 30, 2007.

Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting, as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended, during the first six months ended June 30, 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

In the ordinary course of business, our internal control over financial reporting changes as we modify and enhance our processes and information technology systems to meet changing needs and increase our efficiency. Any significant changes in internal controls are evaluated prior to implementation to help maintain the continued effectiveness of our internal control. While changes have occurred in our internal controls during the first six months ended June 30, 2007, there were no changes that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II

ITEM 1. LEGAL PROCEEDINGS

Refer to Part I, Item 1, Note 9 of the "Notes to Consolidated Financial Statements" for information on legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in our annual report on Form 10-K for the year ended December 31, 2006.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

We held our Annual Meeting of Stockholders on May 18, 2007. The stockholders voted on three items at the Annual Meeting as set forth below:

1. The election of three directors each to serve for a term expiring at our Annual Meeting of Stockholders in 2010.

Nominee	For	Against
E. Michael Caulfield	293,555,510	13,331,090
Ronald E. Goldsberry	293,539,420	13,347,181
Michael J. Passarella	293,562,313	13,324,287

Other directors whose terms of office continued after the meeting are as follows:

Jon S. Fossel
Pamela H. Godwin
Thomas Kinser
Gloria C. Larson
A. S. MacMillan, Jr.
Edward J. Muhl
William J. Ryan
Thomas R. Watjen

2. The approval of the Stock Incentive Plan of 2007.

For: 212,519,202
Against: 64,868,425
Abstain: 8,571,622
Broker Non-Vote: 20,927,352

3. The ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm.

For: 298,414,839
Against: 2,131,450
Abstain: 6,340,312
Broker Non-Vote: 0

ITEM 6. EXHIBITS

Index to Exhibits

Exhibit 3.1	Restated Certificate of Incorporation of Unum Group
Exhibit 10.1	Form of Restricted Stock Agreement With Employee
Exhibit 10.2	Form of Restricted Stock Unit Agreement With Employee
Exhibit 10.3	Form of Performance-Based Restricted Stock Agreement
Exhibit 10.4	Form of Performance-Based Restricted Stock Unit Agreement
Exhibit 10.5	Form of Restricted Stock Agreement With Director
Exhibit 10.6	Form of Restricted Stock Unit Agreement With Director
Exhibit 15	Letter Re: Unaudited Interim Financial Information.
Exhibit 31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

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 thereunto duly authorized.

	Unum Group (Registrant)
Date: August 7, 2007	/s/ Thomas R. Watjen
	Thomas R. Watjen President and Chief Executive Officer
Date: August 7, 2007	/s/ Robert C. Greving
	Robert C. Greving Executive Vice President, Chief Financial Officer and Chief Actuary

EXHIBIT 3.1
RESTATED CERTIFICATE OF INCORPORATION OF UNUM GROUP

The present name of the corporation is Unum Group. The corporation was incorporated under the name “Provident Companies, Inc.” by the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware on March 22, 1995. This Restated Certificate of Incorporation of the corporation only restates and integrates and does not further amend the provisions of the corporation’s Certificate of Incorporation as theretofore amended or supplemented and there is no discrepancy between the provisions of the Certificate of Incorporation as theretofore amended and supplemented and the provisions of this Restated Certificate. This Restated Certificate was duly adopted in accordance with the provisions of Section 245 of the General Corporation Law of the State of Delaware. The Certificate of Incorporation of the corporation is hereby integrated and restated to read in its entirety as follows:

FIRST: The name of the corporation is Unum Group.

SECOND: The address of the registered office of the Corporation in the state of Delaware is 1209 Orange Street, in the city of Wilmington, county of New Castle. The name of the Corporation’s registered agent at that address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of Delaware as set forth in Title 8 of the Delaware Code (the “GCL”).

FOURTH: A. The total number of shares of capital stock which the Corporation shall have authority to issue is 750,000,000 shares, consisting of 725,000,000 shares of Common Stock par value $.10 per share (the “Common Stock”) and 25,000,000 shares of Preferred Stock, par value $.10 per share (the “Preferred Stock”).

B. Shares of Preferred Stock may be issued from time to time in one or more classes or series as may be determined from time to time by the Board of Directors of the Corporation (the “Board of Directors”), each such class or series to be distinctly designated. Except in respect of the particulars fixed by the Board of Directors for classes or series provided for by the Board of Directors as permitted hereby, all shares of Preferred Stock shall be of equal rank and shall be identical. All shares of any one series of Preferred Stock so designated by the Board of Directors shall be alike in every particular, except that shares of any one series issued at different times may differ as to the dates from which dividends thereon shall be cumulative. The voting rights, if any, of each such class or series and the preferences and relative, participating, optional and other special rights of each such class or series and the qualifications, limitations and restrictions thereof, if any, may differ from those of any and all other classes or series at any time outstanding; and the Board of Directors of the Corporation is hereby expressly granted authority to fix, by resolutions duly adopted prior to the issuance of any shares of a particular class or series of Preferred Stock so designated by the Board of Directors, the voting powers of stock of such class or series, if any, and the designations, preferences and relative, participating, optional or other special rights and the qualifications, limitations and restrictions of such class or series, including, but without limiting the generality of the foregoing, the following:

(1) The distinctive designation of, and the number of shares of Preferred Stock which shall constitute, such class or series, and such number may be increased (except where otherwise provided by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by like action of the Board of Directors;

(2) The rate and time at which, and the terms and conditions upon which, dividends, if any, on Preferred Stock of such class or series shall be paid, the extent of the preference or relation, if any, of such dividends to the dividends payable on any other class or classes, or series of the same or other classes of stock and whether such dividends shall be cumulative or non-cumulative;

(3) The right, if any, of the holders of Preferred Stock of such class or series to convert the same into, or exchange the same for, shares of any other class or classes or of any series of the same or any other class or classes of stock and the terms and conditions of such conversion or exchange;

(4) Whether or not Preferred Stock of such class or series shall be subject to redemption, and the redemption price or prices and the time or times at which, and the terms and conditions upon which, Preferred Stock of such class or series may be redeemed;

(5) The rights, if any, of the holders of Preferred Stock of such class or series upon the voluntary or involuntary liquidation of the Corporation;

(6) The terms of the sinking fund or redemption or purchase account, if any, to be provided for the Preferred Stock of such class or series; and

(7) The voting powers, if any, of the holders of such class or series of Preferred Stock.

C. Except as otherwise provided in this Certificate of Incorporation, the Board of Directors shall have authority to authorize the issuance, from time to time without any vote or other action by the stockholders, of any or all shares of stock of the Corporation of any class or series at any time authorized, and any securities convertible into or exchangeable for any such shares, and any options, rights or warrants to purchase or acquire any such shares, in each case to such persons and on such terms (including as a dividend or distribution on or with respect to, or in connection with a split or combination of, the outstanding shares of stock of the same or any other class) as the Board of Directors from time to time in its discretion lawfully may determine; *provided, however,* that the consideration for the issuance of shares of stock of the Corporation having par value (unless issued as such a dividend or distribution or in connection with such a split or combination) shall not be less than such par value. Shares so issued shall be fully paid stock, and the holders of such stock shall not be liable to any further call or assessments thereon.

D. Except as provided in this Certificate of Incorporation, each holder of Common Stock shall be entitled to one vote for each share of Common Stock held by him.

FIFTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of the Board of Directors and stockholders:

(1) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

(2) The Board of Directors shall consist of not less than three nor more than fifteen directors. The exact number of directors shall be determined from time to time by resolution adopted by the affirmative vote of a majority of the Board of Directors, subject to Article III, Section 11 of the By-Laws of the Corporation. The Directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of Directors constituting the entire Board of Directors.

(3) Upon, or as soon as practicable following, the filing of the Certificate of Merger to which this Certificate of Incorporation is attached, Class I Directors shall be elected for a one-year term, Class II Directors for a two-year term and Class III Directors for a three-year term. At each succeeding annual meeting of stockholders, successors to the class of Directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of Directors is changed in accordance with the terms of this Certificate of Incorporation or the By-Laws, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, and any additional Director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number

of Directors shorten the term of any incumbent Director. A Director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be elected and shall qualify, subject, however, to the Director's prior death, resignation, disqualification or removal from office. The stockholders shall not have the right to remove any one or all of the Directors except for cause and in that event only by the affirmative vote of the holders of eighty percent (80%) of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock (as hereinafter defined) voting together as a single class. Any vacancy on the Board of Directors that results from a newly created Directorship shall only be filled by the affirmative vote of a majority of the Board of Directors then in office, and any other vacancy occurring on the Board of Directors shall only be filled by a majority of the Directors then in office, although less than a quorum, or by a sole remaining Director. Any Director elected to fill a vacancy not resulting from an increase in the number of Directors shall have the same remaining term as that of his predecessor.

(4) Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect Directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such Directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto (including the resolutions adopted by the Board of Directors pursuant to Section B of Article FOURTH), and such Directors so elected shall not be divided into classes pursuant to Paragraph (2) of this Article FIFTH unless expressly provided by such terms. Election of Directors need not be by written ballot unless the By-Laws so provide.

(5) The Board of Directors may from time to time determine whether, to what extent, at what times and places and under what conditions and regulations the accounts, books and papers of the Corporation, or any of them, shall be open to the inspection of the stockholders, and no stockholder shall have any right to inspect any account, book or document of the Corporation, except as and to the extent expressly provided by law with reference to the right of stockholders to examine the original or duplicate stock ledger, or otherwise expressly provided by law, or except as expressly authorized by resolution of the Board of Directors.

(6) In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the Directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the statutes of Delaware, this Certificate of Incorporation, and the By-Laws.

(7) Except as may be otherwise determined by the Board of Directors in fixing the terms of any class or series of Preferred Stock pursuant to Article FOURTH hereof, no action shall be taken by stockholders of the Corporation except at an annual or special meeting of stockholders of the Corporation and the right of stockholders to act by written consent in lieu of a meeting is specifically denied.

SIXTH: A. The Board of Directors shall have concurrent power with the stockholders as set forth in this Certificate of Incorporation to make, alter, amend, change, add to or repeal the By-Laws of the Corporation.

B. Subject to Article III, Section 11 of the By-Laws, the Board of Directors may amend the By-Laws of the Corporation upon the affirmative vote of the number of directors which shall constitute, under the terms of the By-Laws, the action of the Board of Directors. Stockholders may not amend the By-Laws of the Corporation except upon the affirmative vote of at least eighty percent (80%) of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock voting together as a single class.

SEVENTH: A. In addition to any affirmative vote required by law, this Certificate of Incorporation, the By-Laws of the Corporation or otherwise, except as otherwise expressly provided in Section B of this Article SEVENTH, the Corporation shall not engage, directly or indirectly, in any Business Combination (as hereinafter defined) with an Interested Stockholder (as hereinafter defined) without the affirmative vote of (i) not less than eighty percent (80%) of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock voting together as a single class, and (ii) not less than a majority of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock which are beneficially owned by persons other than such Interested Stockholder voting together as a single class. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage or separate class vote may be specified, by law or in any agreement with any national securities exchange or otherwise.

B. The provisions of Section A of this Article SEVENTH shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote, if any, as is required by law, this Certificate of Incorporation, the By-Laws or the Corporation, or otherwise, if such Business Combination shall have been approved by a majority (whether such approval is made prior to or subsequent to the acquisition of beneficial ownership of Voting Stock that caused the Interested Stockholder to become an Interested Stockholder) of the Continuing Directors (as hereinafter defined).

C. For the purposes of this Certificate of Incorporation:

(1) The term "Business Combination" shall mean:

(a) any merger or consolidation of this Corporation or any Subsidiary (as hereinafter defined) with (i) any Interested Stockholder or (ii) any other corporation (whether or not itself an Interested Stockholder) which is or after such merger or consolidation would be an Affiliate or Associate of an Interested Stockholder; or

(b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) between the Corporation or any Subsidiary and any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder involving any assets or securities of the Corporation, any Subsidiary or any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder the value of which would constitute, immediately prior to such transaction, a Substantial Part (as hereinafter defined) of the assets of the Corporation; or

(c) the adoption of any plan or proposal for the liquidation or dissolution of, or similar transaction involving, the Corporation proposed by or on behalf of an Interested Stockholder or any Affiliate or Associate of any Interested Stockholder; or

(d) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or otherwise involving an Interested Stockholder) that has the effect, directly or indirectly, of increasing the proportionate share of any class or series of Capital Stock, or any securities convertible into Capital Stock or into equity securities of any Subsidiary, that is beneficially owned by any Interested Stockholder or any Affiliate or Associate of any Interested Stockholder; or

(e) any agreement, contract or other arrangement providing for any one or more of the actions specified in the foregoing clauses (a) to (d).

(2) The term "Capital Stock" shall mean all capital stock of the Corporation authorized to be issued from time to time under Article FOURTH of this Certificate of Incorporation, and the term

“Voting Stock” shall mean all Capital Stock which by its terms may be voted on all matters submitted to stockholders of the Corporation generally.

(3) The term “person” shall mean any individual, firm, corporation or other entity and shall include any group comprised of any person and any other person with whom such person or any Affiliate or Associate of such person has any agreement, arrangement or understanding, directly or indirectly, for the purpose of acquiring, holding, voting or disposing of Capital Stock.

(4) The term “Interested Stockholder” shall mean any person (other than the Corporation or any Subsidiary and other than any profit-sharing, employee stock ownership or other employee benefit plan of the Corporation or any Subsidiary or any trustee of or fiduciary with respect to any such plan or any trust or any other entity formed for the purposes of holding Voting Stock for the purpose of funding any such plan or funding other employee benefits for employees of the Corporation or any Subsidiary, in each case when acting in such capacity) who (a) is the beneficial owner of Voting Stock representing fifteen percent (15%) or more of the votes entitled to be cast by the holders of all then outstanding shares of Voting Stock; or (b) is an Affiliate or Associate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner of Voting Stock representing fifteen percent (15%) or more of the votes entitled to be cast by the holders of all then outstanding share of Voting Stock.

(5) A person shall be a “beneficial owner” of any Capital Stock (a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; (b) which such person or any of its Affiliates or Associates has, directly or indirectly, (i) the right to acquire (whether such right is exercisable immediately or subject only to the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (ii) the right to vote pursuant to any agreement, arrangement or understanding; or (c) which are beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Capital Stock. For the purposes of determining whether a person is an Interested Stockholder pursuant to Paragraph 4 of this Section C, the number of shares of Capital Stock deemed to be outstanding shall include shares deemed beneficially owned by such person through application of Paragraph 5 of this Section C, but shall not include any other shares of Capital Stock that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(6) The terms “Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the “Act”), (the term “registrant” in Rule 12b-2 meaning in this case the Corporation).

(7) The term “Subsidiary” means any corporation of which a majority of any class of equity security is beneficially owned by the Corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in Paragraph 4 of this Section C, the term “Subsidiary” shall mean only a corporation of which a majority of each class of equity security is beneficially owned by the Corporation.

(8) The term “Continuing Director” means any member of the Board of Directors, while such person is a member of the Board of Directors, who is not an Affiliate or Associate or representative of the Interested Stockholder and was a member of the Board prior to the time that the Interested Stockholder became an Interested Stockholder, and any successor of a Continuing Director, while such successor is a member of the Board of Directors, who is not an Affiliate or Associate or representative of the Interested Stockholder and is recommended or elected to succeed the Continuing Director by a majority of Continuing Directors. In order for a Business Combination or other action to be approved, or a fact or other matter to be determined, “by a

majority of the Continuing Directors" hereunder, there must be one or more Continuing Directors then serving on the Board of Directors.

(9) The term "Substantial Part" means assets having an aggregate Fair Market Value (as hereinafter defined) in excess of ten percent (10%) of the book value of the total consolidated assets of the Corporation and its Subsidiaries as of the end of the Corporation's most recent fiscal year ending prior to the time the stockholders of the Corporation would be required to approve or authorize the Business Combination involving assets constituting any such Substantial Part.

(10) The term "Fair Market Value" means (a) in the case of cash, the amount of such cash; (b) in the case of stock, the highest closing sale price, during the 30-day period immediately preceding the date in question, of a share of such stock on the Composite Tape for New York Stock Exchange, Inc. Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, Inc., or , if such stock is not listed on such exchange, on the principal United States securities exchange registered under the Act on which such stock is listed, or if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock, during the 30-day period preceding the date in question, on the National Association of Securities Dealers, Inc. Automated Quotation System or any similar system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (c) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined in good faith by a majority of the Continuing Directors.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Article SEVENTH, on the basis of information known to them after reasonable inquiry, (a) whether a person is an Interested Stockholder, (b) the number of shares of Capital Stock or other securities beneficially owned by any person, (c) whether a person is an Affiliate or Associate of another and (d) whether the assets that are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by this Corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value in excess of the amount set forth in Paragraph 1(b) of Section C of this Article SEVENTH. Any such determination made in good faith shall be binding and conclusive on all parties.

E. Nothing contained in this Article SEVENTH shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

EIGHTH: When considering a merger, consolidation, Business Combination or similar transaction, the Board of Directors, committees of the Board, individual directors and individual officers may, in considering the best interests of the Corporation and its stockholders, consider the effects of any such transaction upon the employees, customers and suppliers of the Corporation, and upon communities in which offices of the Corporation are located.

NINTH: Notwithstanding any other provisions of this Certificate of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that a lesser percentage or separate class vote may be specified by law, this Certificate of Incorporation or the By-Laws of the Corporation), (i) the affirmative vote of the holders of not less than eighty percent (80%) of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock, voting together as a single class, shall be required to amend or repeal, or adopt any provisions inconsistent with, Articles FIFTH and SIXTH, and (ii) the affirmative vote of the holders of (x) not less than eighty percent (80%) of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock voting together as a single class, and (y) not less than a majority of the votes entitled to be cast by the holders of all outstanding shares of Voting Stock which are beneficially owned by persons other than Interested Stockholders, if any, voting together as a single class, shall be required to amend or repeal, or adopt any provisions inconsistent with Articles SEVENTH and NINTH; provided, however, that, with respect to Articles FIFTH, SIXTH, SEVENTH, and NINTH such special voting requirements shall not apply to, and such special votes shall not be required for, any amendment, repeal or adoption recommended by the Board if a majority of the directors then in office are persons who would be eligible to serve as Continuing Directors.

TENTH: No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal of modification of this Article TENTH by the stockholders of the Corporation shall not adversely affect any right of protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

ELEVENTH: Subject to the provisions of this Certificate of Incorporation, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or thereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

IN WITNESS WHEREOF, undersigned has caused this Restated Certificate of Incorporation to be executed by its duly authorized officer on this 31st day of July, 2007

UNUM GROUP

By:	/s/ Susan N. Roth
Name:	Susan N. Roth
Office:	Vice President, Transactions, SEC & Corporate Secretary

EXHIBIT 10.1

RESTRICTED STOCK AGREEMENT WITH EMPLOYEE

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the "Company"), and **[______]** (the "Employee").

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the "Plan"), the Company hereby grants to the Employee as of **[______]** (the "Grant Date"), **[______]** Shares (the "Restricted Stock") of common stock of the Company, par value $0.10 per Share ("Common Stock"). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement, the Restricted Stock shall vest and no longer be subject to any restriction on the anniversaries of the Grant Date set forth below (such period during which restrictions apply is the "Restriction Period"):

Vesting Dates (Anniversaries of Grant Date)	Percentage of Total Grant Vesting

(c) Termination of Employment. Upon the Employee's Termination of Employment for any reason (other than due to the Employee's death, Disability, Retirement or Termination of Employment by the Company without Cause) during the Restriction Period, all Shares of Restricted Stock still subject to restriction shall be forfeited. Upon the Employee's Termination of Employment during the Restriction Period due to the Employee's death, Disability or Retirement, the restrictions applicable to the Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested. Upon the Employee's Termination of Employment during the Restriction Period by the Company without Cause, the Employee shall vest in an additional number of shares of Restricted Stock equal to the product of (x) the number of shares of Restricted Stock that are subject to each vesting tranche during the Restriction Period that have not yet vested as of the date of the Termination of Employment and (y) a fraction, the numerator of which is the number of full and partial months in the Restriction Period from the Grant Date until the date of Termination of Employment and the denominator of which is the total number of months in the Restriction Period for such tranche. For purposes of this Agreement, "Retirement" shall mean the Employee's Termination of Employment after the attainment of age 65 or the attainment of age 55 and at least 15 years of continuous service, in each case, only if such Termination of Employment is approved as a "Retirement" by (i) the Committee in the case of an Employee who is subject to Section 16 of the Exchange Act or a "covered employee" within the meaning of Section 162(m) of the Code or (ii) the Chief Executive Officer or Senior Vice President, Human Resources, in the case of all other individuals. For purposes of this Agreement, employment with the Company shall include employment with the Company's Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Employee any right to continue in the employ of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the Employee's employment at any time.

2. Nontransferability of the Restricted Stock.

During the Restriction Period, the Shares covered by the Restricted Stock shall not be transferable by the Employee by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

3. Rights as a Stockholder.

Except as otherwise specifically provided in this Agreement, during the Restriction Period the Employee shall have all the rights of a stockholder with respect to the Restricted Stock, including without limitation the right to vote the Restricted Stock and the right to receive any dividends with respect thereto. If the Company declares and pays dividends on the Common Stock during the Restriction Period, the Employee shall be paid dividends with respect to the Restricted Stock at such time as dividends are paid to stockholders of Common Stock generally.

4. Certificates.

Certificates representing the Restricted Stock as originally or from time to time constituted shall bear the following legend:

> The Shares represented by this stock certificate have been granted as restricted stock under a Restricted Stock Agreement between the registered holder of these Shares and the Company. The Shares represented by this stock certificate may not be sold, exchanged, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of until the restrictions set forth in the Restricted Stock Agreement between the registered holder of these Shares and the Company shall have lapsed.

As soon as administratively practicable after the end of the Restriction Period, the Company shall deliver to the Employee or his or her personal representative, in book-position or certificate form, the formerly Restricted Stock that does not bear any restrictive legend making reference to this Agreement. Such Shares shall be free of restrictions, except for any restrictions required under Federal securities laws.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. In the event of a Change in Control before the Restricted Stock vests, the restrictions applicable to the Restricted Stock shall lapse, and such Restricted

Stock shall become free of all restrictions and become fully vested and transferable in full, consistent with Section 10(a)(ii) of the Plan.

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of Shares received by an Employee in connection with the Restricted Stock, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) If the Employee is subject to the Company's Insider Trading Policy (as in effect from time to time and any successor policies), the Employee shall be required to obtain pre-clearance from the General Counsel or Securities Counsel or of the Company prior to purchasing or selling any of the Company's securities, including any Shares issued upon vesting of the Restricted Stock, and may be prohibited from selling such Shares other than during an open trading window. The Employee further acknowledges that, in its discretion, the Company may prohibit the Employee from selling such Shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Employee for federal, state, local, foreign income, employment or other tax purposes with respect to any Restricted Stock, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the Employee with this Section 8, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Employee, including deducting such amount from the delivery of the Restricted Stock that gives rise to the withholding requirement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Employee consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Employee and, without the prior written consent of the Company, shall not be assignable by the Employee otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Employee's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction .

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock is subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Employee hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Employee and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Employee without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

16. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

17. Waiver and Release.

In consideration for the granting of the Restricted Stock, the Employee hereby waives any and all claims whether known or unknown that the Employee may have against the Company and its affiliates and their respective directors, officers, shareholders, agents or employees arising out of, in connection with or related to the Employee’s employment, except for (1) claims under this Agreement, (2) claims that arise after the date hereof and obligations that by their terms are to be performed after the date hereof, (3) claims for compensation or benefits under any compensation or benefit plan or arrangement of the Company and its affiliates, (4) claims for indemnification respecting acts or omissions in connection with the Employee’s service as a director, officer or employee of the Company or its affiliates, (5) claims for insurance coverage under directors’ and officers’ liability insurance policies maintained by the Company or its affiliates, or (6) any right the Employee may have to obtain contribution in the event of the entry of judgment against the Company as a result of any act or failure to act for which both the Employee and the Company or any of its affiliates are jointly responsible. The Employee waives any and all rights under the laws of any state (expressly including but not limited to Section 1542 of the California Civil Code), which is substantially similar in wording or effect as follows:

> ***“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him must have materially affected his settlement with the debtor.”***

This waiver specifically includes all claims under the Age Discrimination in Employment Act of 1967, as amended. The Employee (a) acknowledges that he has been advised to consult an attorney in connection with entering into this Agreement; (b) has twenty-one (21) days to consider this waiver and release; and (c) may revoke this waiver and release within seven (7) days of execution upon written notice to Legal Counsel, Employment and Labor, Law Department, Unum Group, 1 Fountain Square, Chattanooga, Tennessee 37402. The waiver and release will not become enforceable until the expiration of the seven (7) day period. In the event that the waiver and release is revoked during such seven (7) day period, the grant shall be void and of no further effect.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Employee has hereunto set the Employee’s hand.

UNUM GROUP

By: ______________________________

[name]
[title]

____

EXHIBIT 10.2

RESTRICTED STOCK UNIT AGREEMENT WITH EMPLOYEE

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the "Company"), and **[______]** (the "Employee").

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock Units.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the "Plan"), the Company hereby grants to the Employee, as of **[______]** (the "Grant Date"), **[______]** Restricted Stock Units (the "Restricted Stock Units"), each with respect to one share of common stock of the Company, par value $0.10 per Share ("Common Stock"). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement, the Restricted Stock shall vest and no longer be subject to any restriction on the anniversaries of the Grant Date set forth below (such period during which restrictions apply is the "Restriction Period"):

Vesting Dates (Anniversaries of Grant Date)	Percentage of Total Grant Vesting

(c) Termination of Employment. Upon the Employee's Termination of Employment for any reason (other than due to the Employee's death, Disability, Retirement or Termination of Employment by the Company without Cause) during the Restriction Period, all Restricted Stock Units still subject to restriction shall be forfeited. Upon the Employee's Termination of Employment during the Restriction Period due to the Employee's death, Disability or Retirement, the restrictions applicable to the Restricted Stock Units shall lapse, and such Restricted Stock Units shall become free of all restrictions and become fully vested. Upon the Employee's Termination of Employment during the Restriction Period by the Company without Cause, the Employee shall vest in an additional number of Restricted Stock Units equal to the product of (x) the number of shares of Restricted Stock Units that are subject to each vesting tranche during the Restriction Period that have not yet vested as of the date of the Termination of Employment and (y) a fraction, the numerator of which is the number of full and partial months in the Restriction Period from the Grant Date until the date of Termination of Employment and the denominator of which is the total number of months in the Restriction Period for such tranche. For purposes of this Agreement, "Retirement" shall mean the Employee's Termination of Employment after the attainment of age 65 or the attainment of age 55 and at least 15 years of continuous service, in each case, only if such Termination of Employment is approved as a "Retirement" by (i) the Committee in the case of an Employee who is subject to Section 16 of the Exchange Act or a "covered employee" within the meaning of Section 162(m) of the Code or (ii) the Chief Executive Officer or Senior Vice President, Human Resources, in the case of all other individuals. For purposes of this Agreement, employment with the Company shall include employment with the Company's Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Employee any right to continue in the employ of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the Employee's employment at any time.

2. Settlement of Units.

Subject to Section 8 (pertaining to the withholding of taxes), as soon as practicable after the Restriction Period expires, the Company shall deliver to the Employee or his or her personal representative, in book-position or certificate form, one Share that does not bear any restrictive legend making reference to this Agreement for each Share subject to the Restricted Stock Unit. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of Restricted Stock Units that have vested until the Company shall have received from the Employee a duly executed Form W-9 or W-8, as applicable.

3. Nontransferability of the Restricted Stock Units.

During the Restriction Period and until such time as the Restricted Stock Units are ultimately settled as provided in Section 2 above, the Restricted Stock Units and the Shares covered by the Restricted Stock Units shall not be transferable by the Employee by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

4. Rights as a Stockholder.

During the Restriction Period, the Employee shall not be entitled to any rights of a stockholder with respect to the Restricted Stock Units (including, without limitation, any voting rights), *provided* that with respect to any dividends paid on Shares underlying the Restricted Stock Units, such dividends will be reinvested into additional Restricted Stock Units, which shall vest at such time as the underlying Restricted Stock Units vest and be settled at that time.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock Units shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. In the event of a Change in Control before the Restricted Stock Units vest, the restrictions applicable to the Restricted Stock Units shall lapse, such Restricted Stock Units shall become free of all restrictions and become fully vested, consistent with Section 10(a)(iii) of the Plan.

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Employee in connection with the Restricted Stock Units, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock Units shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock Units shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) If the Employee is a Restricted Person under the Company's Insider Trading Policy (as in effect from time to time and any successor policies), the Employee shall be required to obtain pre-clearance from the General Counsel or Securities Counsel of the Company prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the Restricted Stock Units, and may be prohibited from selling such shares other than during an open trading window. The Employee further acknowledges that, in its discretion, the Company may prohibit the Employee from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Employee for federal, state, local, foreign income, employment or other tax purposes with respect to any Restricted Stock Units, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the Employee with this Section 8, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Employee, including deducting such amount from the delivery of shares upon settlement of the Restricted Stock Units that gives rise to the withholding requirement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Employee consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Employee and, without the prior written consent of the Company, shall not be assignable by the Employee otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Employee's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction.

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock Units are subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Employee hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Employee and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock Unit award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Employee without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Section 409A.

It is the intention that the Restricted Stock Units do not constitute "deferred compensation" within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that the provisions of this Agreement comply in all respects with Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding Section 14, make such amendment, effective as of the Grant Date or any later date, without the consent of the Employee.

16. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

17. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

18. Waiver and Release.

In consideration for the granting of the Restricted Stock Units, the Employee hereby waives any and all claims whether known or unknown that the Employee may have against the Company and its affiliates and their respective directors, officers, shareholders, agents or employees arising out of, in connection with or related to the Employee's employment, except for (1) claims under this Agreement, (2) claims that arise after the date hereof and obligations that by their terms are to be performed after the date hereof, (3) claims for compensation or benefits under any compensation or benefit plan or arrangement of the Company and its affiliates, (4) claims for indemnification respecting acts or omissions in connection with the Employee's service as a director, officer or employee of the Company or its affiliates, (5) claims for insurance coverage under directors' and officers' liability insurance policies maintained by the Company or its affiliates, or (6) any right the Employee may have to obtain contribution in the event of the entry of judgment against the Company as a result of any act or failure to act for which both the Employee and the Company or any of its affiliates are jointly responsible. The Employee waives any and all rights under the laws of any state (expressly including but not limited to Section 1542 of the California Civil Code), which is substantially similar in wording or effect as follows:

> ***"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him must have materially affected his settlement with the debtor."***

This waiver specifically includes all claims under the Age Discrimination in Employment Act of 1967, as amended. The Employee (a) acknowledges that he has been advised to consult an attorney in connection with entering into this Agreement; (b) has twenty-one (21) days to consider this waiver and release; and (c) may revoke this waiver and release within seven (7) days of execution upon written notice to Legal Counsel, Employment and Labor, Law Department, Unum Group, 1 Fountain Square, Chattanooga, Tennessee 37402. The waiver and release will not become enforceable until the expiration of the seven (7) day period. In the event that the waiver and release is revoked during such seven (7) day period, the grant shall be void and of no further effect.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Employee has hereunto set the Employee's hand.

UNUM GROUP

By: ______________________

[name]
[title]

____

EXHIBIT 10.3

PERFORMANCE-BASED RESTRICTED STOCK AGREEMENT

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the "Company"), and **[ ]** (the "Employee").

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the "Plan"), the Company hereby grants to the Employee as of **[______]** (the "Grant Date"), **[______]** Shares (the "Restricted Stock") of common stock of the Company, par value $0.10 per Share ("Common Stock"). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement, the Restricted Stock shall vest and no longer be subject to any restriction on _______, provided that prior to such date the performance goals set forth on Exhibit A are achieved (such period during which restrictions apply is the "Restriction Period").

(c) Termination of Employment. Upon the Employee's Termination of Employment for any reason (other than due to the Employee's death, Disability, Retirement or Termination of Employment by the Company without Cause) during the Restriction Period, all Shares of Restricted Stock still subject to restriction shall be forfeited. Upon the Employee's Termination of Employment during the Restriction Period due to the Employee's death, Disability or Retirement, the restrictions applicable to the Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested. Upon the Employee's Termination of Employment during the Restriction Period by the Company without Cause, the Employee shall vest in an additional number of shares of Restricted Stock equal to the product of (x) the number of shares of Restricted Stock that are subject to each vesting tranche during the Restriction Period that have not yet vested as of the date of the Termination of Employment and (y) a fraction, the numerator of which is the number of full and partial months in the Restriction Period from the Grant Date until the date of Termination of Employment and the denominator of which is the total number of months in the Restriction Period for such tranche. For purposes of this Agreement, "Retirement" shall mean the Employee's Termination of Employment after the attainment of age 65 or the attainment of age 55 and at least 15 years of continuous service, in each case, only if such Termination of Employment is approved as a "Retirement" by (i) the Committee in the case of an Employee who is subject to Section 16 of the Exchange Act or a "covered employee" within the meaning of Section 162(m) of the Code or (ii) the Chief Executive Officer or Senior Vice President, Human Resources, in the case of all other individuals. For purposes of this Agreement, employment with the Company shall include employment with the Company's Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Employee any right to continue in the employ of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the Employee's employment at any time.

2. Nontransferability of the Restricted Stock.

During the Restriction Period, the Shares covered by the Restricted Stock shall not be transferable by the Employee by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

3. Rights as a Stockholder.

Except as otherwise specifically provided in this Agreement, during the Restriction Period the Employee shall have all the rights of a stockholder with respect to the Restricted Stock, including without limitation the right to vote the Restricted Stock and the right to receive any dividends with respect thereto. If the Company declares and pays dividends on the Common Stock during the Restriction Period, the Employee shall be paid dividends with respect to the Restricted Stock at such time as dividends are paid to stockholders of Common Stock generally.

4. Certificates.

Certificates representing the Restricted Stock as originally or from time to time constituted shall bear the following legend:

> The Shares represented by this stock certificate have been granted as restricted stock under a Restricted Stock Agreement between the registered holder of these Shares and the Company. The Shares represented by this stock certificate may not be sold, exchanged, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of until the restrictions set forth in the Restricted Stock Agreement between the registered holder of these Shares and the Company shall have lapsed.

As soon as administratively practicable after the end of the Restriction Period, the Company shall deliver to the Employee or his or her personal representative, in book-position or certificate form, the formerly Restricted Stock that does not bear any restrictive legend making reference to this Agreement. Such Shares shall be free of restrictions, except for any restrictions required under Federal securities laws.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. Notwithstanding anything in Section 10(a)(ii) of the Plan to the contrary, in the event of that Change in Control occurs before the Restricted Stock vests in full, a number of shares of Restricted Stock shall vest equal to the product of (x) the total number of shares of Restricted Stock subject to the grant and (y) a fraction, the numerator of which is the number of days elapsed from the Grant Date until the date of the Change in Control and the denominator of which is the total number of days from the Grant Date until date on which grant vests.

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of Shares received by an Employee in connection with the Restricted Stock, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) If the Employee is subject to the Company's Insider Trading Policy (as in effect from time to time and any successor policies), the Employee shall be required to obtain pre-clearance from the General Counsel or Securities Counsel or of the Company prior to purchasing or selling any of the Company's securities, including any Shares issued upon vesting of the Restricted Stock, and may be prohibited from selling such Shares other than during an open trading window. The Employee further acknowledges that, in its discretion, the Company may prohibit the Employee from selling such Shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Employee for federal, state, local, foreign income, employment or other tax purposes with respect to any Restricted Stock, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the Employee with this Section 8, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Employee, including deducting such amount from the delivery of the Restricted Stock that gives rise to the withholding requirement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Employee consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Employee and, without the prior written consent of the Company, shall not be assignable by the Employee otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Employee's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction.

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock is subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Employee hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Employee and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Employee without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

16. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

17. Waiver and Release.

In consideration for the granting of the Restricted Stock, the Employee hereby waives any and all claims whether known or unknown that the Employee may have against the Company and its affiliates and their respective directors, officers, shareholders, agents or employees arising out of, in connection with or related to the Employee's employment, except for (1) claims under this Agreement, (2) claims that arise after the date hereof and obligations that by their terms are to be performed after the date hereof, (3) claims for compensation or benefits under any compensation or benefit plan or arrangement of the Company and its affiliates, (4) claims for indemnification respecting acts or omissions in connection with the Employee's service as a director, officer or employee of the Company or its affiliates, (5) claims for insurance coverage under directors' and officers' liability insurance policies maintained by the Company or its affiliates, or (6) any right the Employee may have to obtain contribution in the event of the entry of judgment against the Company as a result of any act or failure to act for which both the Employee and the Company or any of its affiliates are jointly responsible. The Employee waives any and all rights under the laws of any state (expressly including but not limited to Section 1542 of the California Civil Code), which is substantially similar in wording or effect as follows:

> ***"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him must have materially affected his settlement with the debtor."***

This waiver specifically includes all claims under the Age Discrimination in Employment Act of 1967, as amended. The Employee (a) acknowledges that he has been advised to consult an attorney in connection with entering into this Agreement; (b) has twenty-one (21) days to consider this waiver and release; and (c) may revoke this waiver and release within seven (7) days of execution upon written notice to Legal Counsel, Employment and Labor, Law Department, Unum Group, 1 Fountain Square, Chattanooga, Tennessee 37402. The waiver and release will not become enforceable until the expiration of the seven (7) day period. In the event that the waiver and release is revoked during such seven (7) day period, the grant shall be void and of no further effect.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Employee has hereunto set the Employee's hand.

UNUM GROUP

By: ______________________________

[name]
[title]

____

EXHIBIT 10.4

PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the "Company"), and **[______]** (the "Employee").

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock Units.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the "Plan"), the Company hereby grants to the Employee, as of **[______]** (the "Grant Date"), **[______]** Restricted Stock Units (the "Restricted Stock Units"), each with respect to one share of common stock of the Company, par value $0.10 per Share ("Common Stock"). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement and the Employee's continued employment through the date on which the Committee certifies that the Threshold Performance Goal (as defined below) and the Performance Goal (as defined below) is achieved in any year during the Performance Period (as defined below), the Employee shall vest in a number of shares as determined in accordance with Exhibit A based on Stock Price as defined below minus such number of shares as have already vested under this Agreement with respect to a prior calendar year (such period during which restrictions apply is the "Restriction Period").

"Performance Goal" shall have the meaning set forth on Exhibit A.

"Performance Period" shall have the meaning set forth on Exhibit A.

"Pro Ration Period" shall have the meaning set forth on Exhibit A.

"Stock Price" shall have the meaning set forth on Exhibit A.

"Threshold Performance Goal" shall have the meaning set forth on Exhibit A.

(c) Forfeiture upon Termination of Employment; Accelerated Vesting upon Termination Due to Death or Disability. Upon the Employee's Termination of Employment for any reason (other than due to the Employee's death, Disability, Retirement or termination by the Company without Cause) during the Restriction Period, all Restricted Stock Units still subject to restriction shall be forfeited. Upon the Employee's Termination of Employment during the Restriction Period due to the Employee's death, Disability or Retirement or by the Company without Cause, the Threshold Performance Goal and Performance Goal shall be deemed to be achieved for the Employee's Restricted Stock Units and the Employee shall vest in a number of Restricted Stock Units equal to the excess, if any, of (i) the product of (A) the number of Restricted Stock Units in which the Employee would vest determined based on the Stock Price as of the date of such Termination of

Employment and (B) a fraction, the numerator of which is the number of full and partial months in the Pro Ration Period from the commencement of the Pro Ration Period until the date of Termination of Employment and the denominator of which is the total number of months in the Pro Ration Period over (ii) such number of shares as have already vested under this Agreement with respect to a prior calendar year. For purposes of this Agreement, “Retirement” shall mean the Employee’s Termination of Employment after the attainment of age 65 or the attainment of age 55 and at least 15 years of continuous service, in each case, only if such Termination of Employment is approved as a “Retirement” by (1) the Committee in the case of an Employee who is subject to Section 16 of the Exchange Act or a “covered employee” within the meaning of Section 162(m) of the Code or (2) the Chief Executive Officer or Senior Vice President, Human Resources, in the case of all other individuals. For purposes of this Agreement, employment with the Company shall include employment with the Company’s Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Employee any right to continue in the employ of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the Employee’s employment at any time.

2. Settlement of Units.

Subject to Section 8 (pertaining to the withholding of taxes), as soon as practicable after the Restriction Period expires, the Company shall deliver to the Employee or his or her personal representative, in book-position or certificate form, one Share that does not bear any restrictive legend making reference to this Agreement for each Share subject to the Restricted Stock Unit. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of Restricted Stock Units that have vested until the Company shall have received from the Employee a duly executed Form W-9 or W-8, as applicable.

3. Nontransferability of the Restricted Stock Units.

During the Restriction Period and until such time as the Restricted Stock Units are ultimately settled as provided in Section 2 above, the Restricted Stock Units and the Shares covered by the Restricted Stock Units shall not be transferable by the Employee by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

4. Rights as a Stockholder.

During the Restriction Period, the Employee shall not be entitled to any rights of a stockholder with respect to the Restricted Stock Units (including, without limitation, any voting rights), *provided* that with respect to any dividends paid on Shares underlying the Restricted Stock Units, such dividends will be reinvested into additional Restricted Stock Units, which shall vest at such time as the underlying Restricted Stock Units vest and be settled.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock Units shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. Notwithstanding the provisions of Section 10(a) to the contrary, in the event of a Change in Control, (a) the Threshold Performance Goal and Performance Goal shall be deemed to be achieved and the Employee shall vest in a number of Restricted Stock Units determined based on the Stock Price as of the trading date immediately preceding the date on which the Change of Control occurs, (b) fifty percent of the remaining Restricted Stock Units shall vest upon the earlier of (i) the Employee's termination of employment for any reason other than a termination (A) by the Company for Cause or (B) by the Employee without Good Reason and (ii) December 31, 2011 and (c) the remainder of the Restricted Stock Units shall be forfeited, provided that, in the event that the Restricted Stock Units are not assumed in connection with the Change in Control, the Employee shall vest in the Restricted Stock Units described in clauses (a) and (b) above immediately prior to the Change in Control. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, "Good Reason" (1) shall have the meaning set forth in the Employee's applicable employment or change in control severance or change in control employment agreement or plan as in effect on the date hereof or (2) if the Employee is not party to such an agreement or does not participate in such a plan or if such an agreement or plan does not define Good Reason, shall mean a material diminution in annual base salary or annual target bonus as in effect immediately prior to a Change in Control other than an isolated, insubstantial and inadvertent action not taken in bad faith, but only in the absence of a written consent by the Employee, and only if the Employee provides notice to the Company of the existence of the condition constituting Good Reason within a period not to exceed 90 days of the initial existence of the condition and the Company fails to remedy the condition within 30 days of such notice:

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Employee in connection with the Restricted Stock Units, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock Units shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock Units shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Employee acknowledges that the Employee is subject to the Company's policies regarding compliance with securities laws. If the Employee is a Restricted Person under the Company's Insider Trading Policy (as in effect from time to time and any successor policies), the Employee shall be required to obtain pre-clearance from the General Counsel or Securities Counsel of the Company prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the Restricted Stock Units, and may be prohibited from selling such shares other than during an open trading window. The Employee further acknowledges that, in its discretion, the Company may prohibit the Employee from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes and Withholding.

No later than the date as of which an amount first becomes includible in the gross income of the Employee for federal, state, local, foreign income, employment or other tax purposes with respect to any Restricted Stock Units, the Employee shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld with respect to such amount. The obligations of the Company under this Agreement shall be conditioned on compliance by the Employee with this Section 8, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Employee, including deducting such amount from the delivery of shares upon settlement of the Restricted Stock Units that gives rise to the withholding requirement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Employee consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Employee and, without the prior written consent of the Company, shall not be assignable by the Employee otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Employee's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction.

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock Units are subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Employee hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Employee and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock Unit award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Employee without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Section 409A.

It is the intention that the Restricted Stock Units do not constitute "deferred compensation" within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that the provisions of this Agreement comply in all respects with Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding Section 14, make such amendment, effective as of the Grant Date or any later date, without the consent of the Employee.

16. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

17. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

18. Waiver and Release.

In consideration for the granting of the Restricted Stock Units, the Employee hereby waives any and all claims whether known or unknown that the Employee may have against the Company and its affiliates and their respective directors, officers, shareholders, agents or employees arising out of, in connection with or related to the Employee's employment, except for (1) claims under this Agreement, (2) claims that arise after the date hereof and obligations that by their terms are to be performed after the date hereof, (3) claims for compensation or benefits under any compensation or benefit plan or arrangement of the Company and its affiliates, (4) claims for indemnification respecting acts or omissions in connection with the Employee's service as a director, officer or employee of the Company or its affiliates, (5) claims for insurance coverage under directors' and officers' liability insurance policies maintained by the Company or its affiliates, or (6) any right the Employee may have to obtain contribution in the event of the entry of judgment against the Company as a result of any act or failure to act for which both the Employee and the Company or any of its affiliates are jointly responsible. The Employee waives any and all rights under the laws of any state (expressly including but not limited to Section 1542 of the California Civil Code), which is substantially similar in wording or effect as follows:

> ***"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him must have materially affected his settlement with the debtor."***

This waiver specifically includes all claims under the Age Discrimination in Employment Act of 1967, as amended. The Employee (a) acknowledges that he has been advised to consult an attorney in connection with entering into this Agreement; (b) has twenty-one (21) days to consider this waiver and release; and (c) may revoke this waiver and release within seven (7) days of execution upon written notice to Legal Counsel, Employment and Labor, Law Department, Unum Group, One Fountain Square, Chattanooga, Tennessee 37402. The waiver and release will not become enforceable until the expiration of the seven (7) day period. In the event that the waiver and release is revoked during such seven (7) day period, the grant shall be void and of no further effect.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Employee has hereunto set the Employee's hand.

UNUM GROUP

By: ______________________________

[name]
[title]

____

EXHIBIT 10.5

RESTRICTED STOCK AGREEMENT WITH DIRECTOR

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the “Company”), and **[______]** (the “Director”).

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the “Plan”), the Company hereby grants to the Director as of **[______]** (the “Grant Date”), **[______]** Shares (the “Restricted Stock”) of common stock of the Company, par value $0.10 per Share (“Common Stock”). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement, the Restricted Stock shall vest and no longer be subject to any restriction on the anniversaries of the Grant Date set forth below (such period during which restrictions apply is the “Restriction Period”):

Vesting Dates (Anniversaries of Grant Date)	Percentage of Total Grant Vesting

(c) Forfeiture upon Termination of Service; Accelerated Vesting upon Termination Due to Death or Disability. Upon the Director’s Termination of Service (as defined below) for any reason (other than due to the Director’s death, Disability or Retirement) during the Restriction Period, all Shares of Restricted Stock still subject to restriction shall be forfeited. Upon the Director’s Termination of Service during the Restriction Period due to the Director’s death, Disability or Retirement, the restrictions applicable to the Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested. For purposes of this Agreement, “Retirement” shall mean the Director’s Termination of Service after the attainment of at least four years of service, in each case, only if such Termination of Service is approved as a “Retirement” by the Committee. For purposes of this Agreement, service with the Company shall include service with the Company’s Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Director any right to continue in the service of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the Director's service at any time. For purposes of this Agreement, "Termination of Service" means the termination of the Director's service with the Company and any of its Subsidiaries or Affiliates. Unless otherwise determined by the Committee, if the Director's service with the Company and its Affiliates terminates but such Director continues to provide services to the Company and its Affiliates in another capacity, such change in status shall not be deemed a Termination of Service. Temporary absences from service because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries and Affiliates shall not be considered Terminations of Service.

2. Nontransferability of the Restricted Stock.

During the Restriction Period, the Shares covered by the Restricted Stock shall not be transferable by the Director by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

3. Rights as a Stockholder.

Except as otherwise specifically provided in this Agreement, during the Restriction Period the Director shall have all the rights of a stockholder with respect to the Restricted Stock, including without limitation the right to vote the Restricted Stock and the right to receive any dividends with respect thereto. If the Company declares and pays dividends on the Common Stock during the Restriction Period, the Director shall be paid dividends with respect to the Restricted Stock at such time as dividends are paid to stockholders of Common Stock generally.

4. Certificates.

Certificates representing the Restricted Stock as originally or from time to time constituted shall bear the following legend:

> The Shares represented by this stock certificate have been granted as restricted stock under a Restricted Stock Agreement between the registered holder of these Shares and the Company. The Shares represented by this stock certificate may not be sold, exchanged, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of until the restrictions set forth in the Restricted Stock Agreement between the registered holder of these Shares and the Company shall have lapsed.

As soon as administratively practicable after the end of the Restriction Period, the Company shall deliver to the Director or his or her personal representative, in book-position or certificate form, the formerly Restricted Stock that does not bear any restrictive legend making reference to this Agreement. Such Shares shall be free of restrictions, except for any restrictions required under Federal securities laws.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. In the event of a Change in Control before the Restricted Stock vests, the restrictions applicable to the Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested and transferable in full, consistent with Section 10(a)(ii) of the Plan.

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of Shares received by a Director in connection with the Restricted Stock, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Director is subject to the Company's Insider Trading Policy (as in effect from time to time and any successor policies). Accordingly, the Director shall be required to obtain pre-clearance from the General Counsel or Securities Counsel of the Company prior to purchasing or selling any of the Company's securities, including any Shares issued upon vesting of the Restricted Stock, and may be prohibited from selling such Shares other than during an open trading window. The Director further acknowledges that, in its discretion, the Company may prohibit the Director from selling such Shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes.

As a non-employee director of the Company, the Director will be responsible for, and will duly and timely comply with all applicable laws relating to, the collection, payment, reporting and remittance of any and all federal, state or local taxes, charges or fees resulting from the receipt of amounts described in this Agreement. Neither the Company nor any of its Affiliates shall be liable for any such taxes, charges or fees resulting from the receipt of amounts described in this Agreement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Director:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Director consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Director and, without the prior written consent of the Company, shall not be assignable by the Director otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Director’s legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction.

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock is subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Director hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Director and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Director without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

16. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Director has hereunto set the Director's hand.

UNUM GROUP

By: ______________________________

[name]
[title]

____

EXHIBIT 10.6

RESTRICTED STOCK UNIT AGREEMENT WITH DIRECTOR

THIS AGREEMENT, dated as of the [ ] day of [ ], 2007, between Unum Group, a Delaware corporation (the "Company"), and **[ ]** (the "Director").

W I T N E S S E T H

In consideration of the mutual promises and covenants made herein and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

1. Grant, Vesting and Forfeiture of Restricted Stock Units.

(a) Grant. Subject to the provisions of this Agreement and to the provisions of the Unum Group Stock Incentive Plan of 2007 (the "Plan"), the Company hereby grants to the Director, as of **[______]** (the "Grant Date"), **[______]** Restricted Stock Units (the "Restricted Stock Units"), each with respect to one share of common stock of the Company, par value $0.10 per Share ("Common Stock"). All capitalized terms used herein, to the extent not defined, shall have the meaning set forth in the Plan.

(b) Vesting during the Restriction Period. Subject to the terms and conditions of this Agreement, the Restricted Stock Units shall vest and no longer be subject to any restriction on the anniversaries of the Grant Date set forth below (such period during which restrictions apply is the "Restriction Period"):

Vesting Dates (Anniversaries of Grant Date)	Percentage of Total Grant Vesting

(c) Forfeiture upon Termination of Service; Accelerated Vesting upon Termination Due to Death or Disability. Upon the Director's Termination of Service (as defined below) for any reason (other than due to the Director's death, Disability or Retirement) during the Restriction Period, all Restricted Stock Units still subject to restriction shall be forfeited. Upon the Director's Termination of Service during the Restriction Period due to the Director's death, Disability or Retirement, the restrictions applicable to the Restricted Stock Units shall lapse, and such Restricted Stock Units shall become free of all restrictions and become fully vested. For purposes of this Agreement, "Retirement" shall mean the Director's Termination of Service after the attainment of at least four years of service, in each case, only if such Termination of Service is approved as a "Retirement" by the Committee. For purposes of this Agreement, service with the Company shall include service with the Company's Affiliates and its successors. Nothing in this Agreement or the Plan shall confer upon the Director any right to continue in the service of the Company or any of its Affiliates or interfere in any way with the right of the Company or any such Affiliates to terminate the

Direc tor's service at any time. For purposes of this Agreement, "Termination of Service" means the termination of the Director's service with the Company and any of its Subsidiaries or Affiliates. Unless otherwise determined by the Committee, if the Director's service with the Company and its Affiliates terminates but such Director continues to provide services to the Company and its Affiliates in another capacity, such change in status shall not be deemed a Termination of Service. Temporary absences from service because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries and Affiliates shall not be considered Terminations of Service.

2. Settlement of Units.

Subject to Section 8 (pertaining to the withholding of taxes), as soon as practicable after the Restriction Period expires, the Company shall deliver to the Director or his or her personal representative, in book-position or certificate form, one Share that does not bear any restrictive legend making reference to this Agreement for each Share subject to the Restricted Stock Unit. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of Restricted Stock Units that have vested until the Company shall have received from the Director a duly executed Form W-9 or W-8, as applicable.

3. Nontransferability of the Restricted Stock Units.

During the Restriction Period and until such time as the Restricted Stock Units are ultimately settled as provided in Section 2 above, the Restricted Stock Units and the Shares covered by the Restricted Stock Units shall not be transferable by the Director by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any purported or attempted transfer of such Shares or such rights shall be null and void.

4. Rights as a Stockholder.

During the Restriction Period, the Director shall not be entitled to any rights of a stockholder with respect to the Restricted Stock Units (including, without limitation, any voting rights), *provided* that with respect to any dividends paid on Shares underlying the Restricted Stock Units, such dividends will be reinvested into additional Restricted Stock Units, which shall vest at such time as the underlying Restricted Stock Units vest and be settled at that time.

5. Adjustment; Change in Control.

In the event of certain transactions during the Restricted Period, the Restricted Stock Units shall be subject to adjustment as provided in Section 3(d) of the Plan or any applicable successor provision under the Plan. In the event of a Change in Control before the Restricted Stock Units vest, the restrictions applicable to the Restricted Stock Units shall lapse, such Restricted Stock Units shall become free of all restrictions and become fully vested, consistent with Section 10(a)(iii) of the Plan.

6. Payment of Transfer Taxes, Fees and Other Expenses.

The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Director in connection with the Re stricted Stock Units, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

7. Other Restrictions.

(a) The Restricted Stock Units shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares subject or related thereto upon any securities exchange or under any state or federal law is required, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the grant of Restricted Stock Units shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Director is a Restricted Person under the Company's Insider Trading Policy (as in effect from time to time and any successor policies). Accordingly, the Director shall be required to obtain pre-clearance from the General Counsel or Securities Counsel of the Company prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the Restricted Stock Units, and may be prohibited from selling such shares other than during an open trading window. The Director further acknowledges that, in its discretion, the Company may prohibit the Director from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

8. Taxes.

As a non-employee director of the Company, the Director will be responsible for, and will duly and timely comply with all applicable laws relating to, the collection, payment, reporting and remittance of any and all federal, state or local taxes, charges or fees resulting from the receipt of amounts described in this Agreement. Neither the Company nor any of its Affiliates shall be liable for any such taxes, charges or fees resulting from the receipt of amounts described in this Agreement.

9. Notices.

All notices and other communications under this Agreement shall be in writing and shall be given by hand delivery to the other party or by facsimile, overnight courier, or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Director:

At the most recent address
on file at the Company.

If to the Company:

Unum Group
1 Fountain Square
Chattanooga, Tennessee 37402
Attention: Executive Compensation, Human Resources

or to such other address or facsimile number as any party shall have furnished to the other in writing in accordance with this Section 9. Notices and communications shall be effective when actually received by the addressee. Notwithstanding the foregoing, the Director consents to electronic delivery of documents required to be delivered by the Company under the securities laws.

10. Effect of Agreement.

This Agreement is personal to the Director and, without the prior written consent of the Company, shall not be assignable by the Director otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Director's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

11. Laws Applicable to Construction; Consent to Jurisdiction.

The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Restricted Stock Units are subject to the terms and conditions of the Plan, which is hereby incorporated by reference.

12. Severability.

The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

13. Conflicts and Interpretation.

In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (a) interpret the Plan, (b) prescribe, amend and rescind rules and regulations relating to the Plan, and (c) make all other determinations deemed necessary or advisable for the administration of the Plan. The Director hereby acknowledges that a copy of the Plan has been made available to him and agrees to be bound by all the terms and provisions thereof. The Director and the Company each acknowledges that this Agreement (together with the Plan) constitutes the entire agreement and supersedes all other agreements and understandings, both written and oral, among the parties or either of them, with respect to the subject matter hereof.

14. Amendment.

The Company may modify, amend or waive the terms of the Restricted Stock Unit award, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair the rights of the Director without his or her consent, except as required by applicable law, stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

15. Section 409A.

It is the intention that the Restricted Stock Units do not constitute “deferred compensation” within the meaning of Section 409A of the Code, and it is the intention and belief of the Company that the provisions of this Agreement comply in all respects with Section 409A of the Code. If the Company determines after the Grant Date that an amendment to this Agreement is necessary to ensure the foregoing, it may, notwithstanding Section 14, make such amendment, effective as of the Grant Date or any later date, without the consent of the Director.

16. Headings.

The headings of Sections herein are included solely for convenience of reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

17. Counterparts.

This Agreement may be executed in counterparts, which together shall constitute one and the same original.

IN WITNESS WHEREOF, as of the date first above written, the Company has caused this Agreement to be executed on its behalf by a duly authorized officer and the Director has hereunto set the Director's hand.

UNUM GROUP

By: ________________________________

[name]
[title]

____

EXHIBIT 15

LETTER RE: UNAUDITED INTERIM FINANCIAL INFORMATION

Board of Directors and Stockholders
Unum Group

We are aware of the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 33-47551, Form S-8 No. 33-88108) of Unum Group (formerly Provident Companies, Inc.) pertaining to the Provident Life and Accident Insurance Company MoneyMaker, A Long-Term 401(k) Retirement Savings Plan,
2. Registration Statement (Form S-8 No. 333-40219) pertaining to:
   a. The Paul Revere Savings Plan
   b. Provident Life and Accident Insurance Company Stock Plan of 1994
   c. Provident Life and Accident Insurance Company Annual Management Incentive Compensation Plan of 1994,
3. Registration Statement (Form S-8 No. 033-62231) pertaining to the Provident Life and Accident Insurance Company Employee Stock Purchase Plan of 1995,
4. Registration Statement (Form S-8 No. 333-81669) pertaining to:
   a. Provident Companies, Inc. Stock Plan of 1999
   b. Provident Companies, Inc. Non-Employee Director Compensation Plan of 1998
   c. Employee Stock Option Plan of 1998
   d. Amended and Restated Annual Management Incentive Compensation Plan of 1994,
5. Registration Statement (Form S-8 No. 333-81969) pertaining to:
   a. UnumProvident Corporation 1987 Executive Stock Option Plan
   b. UnumProvident Corporation 1990 Long-Term Stock Incentive Plan
   c. UnumProvident Corporation 1996 Long-Term Stock Incentive Plan
   d. UnumProvident Corporation 1998 Goals Stock Option Plan,
6. Registration Statement (Form S-8 No. 333-85882) pertaining to:
   a. UnumProvident Corporation Stock Plan of 1999
   b. UnumProvident Corporation 401(k) Retirement Plan (as amended on February 15, 2002)
   c. UnumProvident Corporation Broad-Based Stock Plan of 2001 (as amended on February 8, 2001)
   d. UnumProvident Corporation Broad-Based Stock Plan of 2002
   e. UnumProvident Corporation Employee Stock Option Plan,
7. Shelf Registration Statement (Form S-3 No. 333-100953) and the related Registration Statement filed under Rule 462(b)(No. 333-104926),
8. Shelf Registration Statement (Form S-3 No. 333-115485),
9. Registration Statement (Form S-3 No. 333-121758), and
10. Registration Statement (Form S-8 No. 333-123422) of Unum Group (formerly UnumProvident Corporation)

of our report dated August 1, 2007 relating to the unaudited consolidated interim financial statements of Unum Group and subsidiaries which are included in its Form 10-Q for the quarter ended June 30, 2007.

Pursuant to Rule 436(c) of the Securities Act of 1933, our report is not a part of the registration statements prepared or certified by registered accountants within the meaning of Section 7 or 11 of the Securities Act of 1933.

/s/ ERNST & YOUNG LLP

Chattanooga, Tennessee
August 1, 2007

EXHIBIT 31.1

CERTIFICATION

I, Thomas R. Watjen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Unum Group;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2007

/s/ Thomas R. Watjen

Thomas R. Watjen
President and Chief Executive Officer

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to Unum Group and will be retained by Unum Group and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 31.2

CERTIFICATION

I, Robert C. Greving, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Unum Group;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 7, 2007

/s/ Robert C. Greving

Robert C. Greving
Executive Vice President, Chief Financial Officer and Chief Actuary

A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act of 2002 has been provided to Unum Group and will be retained by Unum Group and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.1

**STATEMENT OF CHIEF EXECUTIVE OFFICER
OF UNUM GROUP
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Unum Group (the Company) on Form 10-Q for the period ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned, Thomas R. Watjen, President and Chief Executive Officer of the Company, certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2007

/s/ Thomas R. Watjen

Thomas R. Watjen
President and Chief Executive Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Unum Group and will be retained by Unum Group and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

**STATEMENT OF CHIEF FINANCIAL OFFICER
OF UNUM GROUP
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Unum Group (the Company) on Form 10-Q for the period ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned Robert C. Greving, Executive Vice President, Chief Financial Officer and Chief Actuary of the Company, certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2007

/s/ Robert C. Greving
Robert C. Greving
Executive Vice President, Chief Financial Officer and Chief Actuary

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Unum Group and will be retained by Unum Group and furnished to the Securities and Exchange Commission or its staff upon request.