

Section 1: 8-K (8-K)

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

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 4, 2020

UNUM GROUP

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-11294

(Commission File
Number)

62-1598430

(IRS Employer Identification No.)

1 Fountain Square

Chattanooga, Tennessee 37402

(Address of principal executive offices) (Zip Code)

(423) 294-1011

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.10 par value	UNM	New York Stock Exchange
6.250% Junior Subordinated Notes due 2058	UNMA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

the fourth quarter of 2019, compared to net income of \$249.1 million (\$1.15 per diluted common share) for the fourth quarter of 2018.

Included in net income for the fourth quarter of 2019 are after-tax costs related to the early retirement of debt of \$1.7 million (\$0.01 per diluted common share), as well as a net after-tax realized investment gain on the Company's investment portfolio of \$7.2 million (\$0.04 per diluted common share). Included in net income for the fourth quarter of 2018 is a net after-tax realized investment loss on the Company's investment portfolio of \$32.6 million (\$0.15 per diluted common share). Excluding the items above, after-tax adjusted operating income was \$290.7 million (\$1.41 per diluted common share) in the fourth quarter of 2019, compared to \$281.7 million (\$1.30 per diluted common share) in the fourth quarter of 2018.

“Unum wrapped up 2019 on a positive note with solid results in the fourth quarter. Healthy profit margins were driven by a mix of steady premium growth, stable benefits experience, and focus on expense management,” said Richard P. McKenney, president and chief executive officer. “Looking forward, we will remain focused on accelerating growth to meet the growing need for our products in the marketplace and to position Unum for ongoing success.”



RESULTS BY SEGMENT

We measure and analyze our segment performance on the basis of "adjusted operating income" or "adjusted operating loss", which differ from income before income tax as presented in our consolidated statements of income due to the exclusion of net realized investment gains and losses and certain other items. These performance measures are in accordance with GAAP guidance for segment reporting, but they should not be viewed as a substitute for income before income tax or net income.

Unum US Segment

Unum US reported adjusted operating income of \$263.1 million in the fourth quarter of 2019, an increase of 5.8 percent from \$248.7 million in the fourth quarter of 2018. Premium income for the segment increased 5.1 percent to \$1,508.3 million in the fourth quarter of 2019, compared to premium income of \$1,435.1 million in the fourth quarter of 2018. Net investment income for the segment increased 0.7 percent to \$189.0 million in the fourth quarter of 2019, compared to \$187.7 million in the fourth quarter of 2018.

Within the Unum US operating segment, the group disability line of business reported a 2.9 percent increase in adjusted operating income to \$83.0 million in the fourth quarter of 2019, compared to \$80.7 million in the fourth quarter of 2018. Premium income for the group disability line of business increased 5.7 percent to \$657.5 million in the fourth quarter of 2019, compared to \$622.1 million in the fourth quarter of 2018, driven by prior period sales growth in both product lines and higher persistency in the group short-term disability product line. Net investment income was \$103.1 million in the fourth quarter of 2019, which was generally consistent with the \$102.7 million of net investment income in the fourth quarter of 2018. The benefit ratio for the fourth quarter of 2019 was 74.0 percent, compared to 76.2 percent in the fourth quarter of 2018, due primarily to favorable claim recovery experience in the group long-term disability product line, partially offset by higher claims incidence. Group long-term disability sales were \$132.1 million in the fourth quarter of 2019, a decrease of 10.3 percent from \$147.3 million in the fourth quarter of 2018. Group short-term disability sales were \$81.2 million in the fourth quarter of 2019, compared to \$80.9 million in the fourth quarter of 2018. Persistency in the group long-term disability product line was 90.7 percent for full year 2019, compared to 90.9 percent for full year 2018. Persistency in the group short-term disability product line was 89.8 percent for full year 2019, compared to 87.2 percent for full year 2018.

The group life and accidental death and dismemberment line of business reported adjusted operating income of \$68.2 million in the fourth quarter of 2019, an increase of 6.1 percent from \$64.3 million in the fourth quarter of 2018. Premium income for this line of business increased 4.8 percent to \$454.1 million in the fourth quarter of 2019, compared to \$433.5 million in the fourth quarter of 2018, due primarily to prior period sales growth. Net investment income increased 6.5 percent to \$27.8 million in the fourth quarter of 2019, compared to \$26.1 million in the fourth quarter of 2018, due primarily to a higher level of invested assets and higher miscellaneous investment income, partially offset by a decline in yield on invested assets. The benefit ratio in the fourth quarter of 2019 was 71.7 percent, compared to 71.6 percent in the fourth quarter of 2018. Sales of group life and accidental death and dismemberment products decreased 13.6 percent in the fourth



quarter of 2019 to \$133.0 million, compared to \$153.9 million in the fourth quarter of 2018. Persistency in the group life product line was 90.6 percent for full year 2019, compared to 91.2 percent for full year 2018. Persistency in the accidental death and dismemberment product line was 89.9 percent for both full year 2019 and full year 2018.

The supplemental and voluntary line of business reported an increase of 7.9 percent in adjusted operating income to \$111.9 million in the fourth quarter of 2019, compared to \$103.7 million in the fourth quarter of 2018. Premium income for the supplemental and voluntary line of business increased 4.5 percent to \$396.7 million in the fourth quarter of 2019, compared to \$379.5 million in the fourth quarter of 2018. This increase was driven primarily by prior period sales growth and the continued expansion of our dental and vision product line, partially offset by unfavorable persistency across all business lines. Net investment income decreased 1.4 percent to \$58.1 million in the fourth quarter of 2019, compared to \$58.9 million in the fourth quarter of 2018, due to a decline in yield on invested assets, partially offset by growth in the level of invested assets. The benefit ratio for the individual disability product line was 50.6 percent for the fourth quarter of 2019, compared to 51.2 percent for the fourth quarter of 2018, due to a lower average claim size and favorable claim recoveries. The benefit ratio for the voluntary benefits product line was 45.6 percent in the fourth quarter of 2019, compared to 43.6 percent for the fourth quarter of 2018, due to unfavorable claims experience across all product lines. The benefit ratio for the dental and vision product line was 71.1 percent for the fourth quarter of 2019, compared to 67.3 percent for the fourth quarter of 2018, due to higher utilization. Relative to the fourth quarter of 2018, sales in the individual disability product line decreased 4.9 percent in the fourth quarter of 2019 to \$19.3 million. Sales in the voluntary benefits product line declined 12.0 percent in the fourth quarter of 2019 to \$47.6 million. Sales in the dental and vision product line totaled \$35.2 million for the fourth quarter of 2019, an increase of 6.3 percent compared to the fourth quarter of 2018. Persistency in the individual disability product line was 89.8 percent for full year 2019, compared to 90.3 percent for full year 2018. Persistency in the voluntary benefits product line was 73.2 percent for full year 2019, compared to 75.9 percent for full year 2018. Persistency in the dental and vision product line was 82.6 percent for full year 2019, compared to 84.5 percent for full year 2018.

Unum International

The Unum International segment reported adjusted operating income of \$23.9 million in the fourth quarter of 2019, a decrease of 21.4 percent from \$30.4 million in the fourth quarter of 2018.

Premium income increased 8.7 percent to \$165.6 million in the fourth quarter of 2019, compared to \$152.3 million in the fourth quarter of 2018. Net investment income was \$28.6 million in the fourth quarter of 2019, compared to \$31.1 million in the fourth quarter of 2018.

Sales increased 13.8 percent to \$28.1 million in the fourth quarter of 2019, compared to \$24.7 million in the fourth quarter of 2018.

The Unum UK line of business reported adjusted operating income, in local currency, of £17.4 million in the fourth quarter of 2019, a decrease of 21.6 percent from £22.2 million in the fourth quarter of 2018.



Premium income was £113.9 million in the fourth quarter of 2019, an increase of 8.6 percent from £104.9 million in the fourth quarter of 2018, driven by higher overall persistency, sales growth, and the impact of rate increases in the group long-term disability product line. Net investment income was £20.9 million in the fourth quarter of 2019, a decrease of 8.7 percent from £22.9 million in the fourth quarter of 2018, due to lower investment income from inflation index-linked bonds, which we invest in to support the claim reserves associated with certain of our group policies that provide for inflation-linked increases in benefits, and a lower yield on fixed-rate bonds, partially offset by a higher level of invested assets. The benefit ratio in the fourth quarter of 2019 was 77.3 percent, compared to 74.6 percent in the fourth quarter of 2018, due to unfavorable claims experience in both the group long-term disability and group life product lines partially offset by lower inflation-linked increases in benefits. Sales increased 13.9 percent to £18.9 million in the fourth quarter of 2019, compared to £16.6 million in the fourth quarter of 2018. Persistency in the group long-term disability product line was 89.9 percent for full year 2019, compared to 87.8 percent for full year 2018. Persistency in the group life product line was 89.0 percent for full year 2019, compared to 88.5 percent for full year 2018. Persistency in the supplemental product line was 89.9 percent for full year 2019, compared to 93.1 percent for full year 2018.

Colonial Life Segment

Colonial Life reported a 2.7 percent increase in adjusted operating income to \$87.7 million in the fourth quarter of 2019, compared to \$85.4 million in the fourth quarter of 2018. Premium income increased 3.6 percent to \$424.9 million in the fourth quarter of 2019, compared to \$410.1 million in the fourth quarter of 2018, driven primarily by prior period sales growth, which includes the continued expansion of our dental and vision products, partially offset by a lower level of persistency. Net investment income totaled \$37.0 million in the fourth quarter of 2019, which was consistent with the fourth quarter of 2018. The benefit ratio was 51.5 percent in the fourth quarter of 2019, which was generally consistent with the benefit ratio of 51.6 percent in the fourth quarter of 2018.

Sales totaled \$209.7 million in the fourth quarter of 2019, compared to \$204.4 million in the fourth quarter of 2018. Persistency in Colonial Life was 77.0 percent for full year 2019, compared to 78.1 percent for full year 2018.

Closed Block Segment

The Closed Block segment reported adjusted operating income of \$46.1 million in the fourth quarter of 2019, compared to \$34.8 million in the fourth quarter of 2018.

Premium income for this segment declined 4.5 percent in the fourth quarter of 2019, compared to the fourth quarter of 2018, due primarily to policy terminations and maturities, partially offset by premium rate increases on certain in-force business in the long-term care line of business. Net investment income increased 3.1 percent to \$356.6 million in the fourth quarter of 2019, compared to \$345.8 million in the fourth quarter of 2018, driven primarily by an increase in the level of invested assets in the long-term care line of business, partially offset by a lower yield. The interest adjusted loss ratio for the long-term care line of business was 86.7



percent in the fourth quarter of 2019, compared to an interest adjusted loss ratio of 83.2 percent in the fourth quarter of 2018, driven primarily by favorable claims incidence in the fourth quarter of 2018. The interest adjusted loss ratio for the long-term care line of business for full year 2019 was 88.1 percent, which remains within our expected range. The interest adjusted loss ratio for the individual disability line of business was 74.7 percent in the fourth quarter of 2019, compared to 81.2 percent in the fourth quarter of 2018, driven primarily by overall favorable claims activity.

Corporate Segment

The Corporate segment reported an adjusted operating loss of \$50.5 million in the fourth quarter of 2019, which excludes the cost related to the early retirement of debt of \$2.1 million, compared to an adjusted operating loss of \$48.2 million in the fourth quarter of 2018.

OTHER INFORMATION

Shares Outstanding

The Company's weighted average number of shares outstanding, assuming dilution, was 205.7 million for the fourth quarter of 2019, compared to 217.4 million for the fourth quarter of 2018. Shares outstanding totaled 202.9 million at December 31, 2019. During the fourth quarter of 2019, the Company repurchased 3.3 million shares at a cost of \$100.1 million.

Capital Management

At December 31, 2019, the weighted average risk-based capital ratio for the Company's traditional U.S. insurance companies was approximately 365 percent, and cash and marketable securities in the holding companies equaled \$863.0 million.

Book Value

Book value per common share as of December 31, 2019 was \$49.10, compared to \$40.19 at December 31, 2018.

Outlook

The Company expects after-tax adjusted operating income growth per share for full-year 2020 to be within the range of 4 percent to 7 percent.

NON-GAAP FINANCIAL MEASURES

We analyze our performance using 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. The non-GAAP financial measure of "after-tax adjusted operating income" differs from net income as presented in our consolidated operating results and income statements prepared in accordance with GAAP due to the exclusion of net realized investment gains and losses and certain other items as specified in the reconciliations in the



Financial Highlights section below. We believe after-tax adjusted operating income is a better performance measure and better indicator of the profitability and underlying trends in our business.

Realized investment gains or losses depend on market conditions and do not necessarily relate to decisions regarding the underlying business of our segments. Our investment focus is on investment income to support our insurance liabilities as opposed to the generation of realized investment gains or losses. Although we may experience realized investment gains or losses which will affect future earnings levels, a long-term focus is necessary to maintain profitability over the life of the business since our underlying business is long-term in nature, and we need to earn the interest rates assumed in calculating our liabilities.

We may at other times exclude certain other items from our discussion of financial ratios and metrics in order to enhance the understanding and comparability of our operational performance and the underlying fundamentals. We exclude these items as we believe them to be infrequent or unusual in nature, but this exclusion is not an indication that similar items may not recur and does not replace net income or net loss as a measure of our overall profitability.

Information reconciling the Company's outlook on after-tax adjusted operating income growth per share to the comparable GAAP financial measure is not provided. The only amounts excluded from after-tax adjusted operating income are those described in the preceding paragraphs. The Company is unable to predict with reasonable certainty realized investment gains and losses, which are affected by overall market conditions and also by factors such as an economic or political change in the country of the issuer, a regulatory change pertaining to the issuer's industry, a significant improvement or deterioration in the cash flows of the issuer, unforeseen accounting irregularities or fraud committed by an issuer, movement in credit spreads, ratings upgrades or downgrades, a change in the issuer's marketplace or business prospects, or any other event that significantly affects the issuers of the fixed maturity securities which the Company holds in its investment portfolio.



CONFERENCE CALL INFORMATION

Members of Unum Group senior management will host a conference call on Wednesday, February 5, at 8:00 a.m. (Eastern Time) to discuss the results of operations for the fourth quarter. Topics may include forward-looking information, such as the Company's outlook on future results, trends in operations, and other material information.

The dial-in number for the conference call is (800) 458-4148 for U.S. and Canada (pass code 7566685). For international, the dial-in number is (323) 794-2597 (pass code 7566685). A live webcast of the call will also be available at www.investors.unum.com in a listen-only mode. It is recommended that webcast viewers access the "Investors" section of the Company's website and opt-in to the webcast approximately 5-10 minutes prior to the start of the call. The Company will maintain a replay of the webcast on its website. A replay of the call will also be available through February 12 by dialing (888) 203-1112 (U.S. and Canada) or (719) 457-0820 (International) - pass code 7566685.

In conjunction with today's earnings announcement, the Company's Statistical Supplement for the fourth quarter of 2019 is available on the "Investors" section of the Company's website.

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ABOUT UNUM GROUP

Unum Group (www.unum.com) provides a broad portfolio of financial protection benefits and services through the workplace, and is a leading provider of disability income protection worldwide. Through its Unum US, Unum UK, Unum Poland, and Colonial Life businesses, the company provides disability, life, accident, critical illness, dental and vision benefits that protect millions of working people and their families. Unum also provides leave and absence management services that streamline the leave experience for employers and employees, and stop-loss coverage to help self-insured employers protect against medical costs. Unum reported revenues of \$11.6 billion in 2018 and provided \$7.2 billion in benefits.

For more information, connect with us on Facebook (www.facebook.com/unumbenefits), Twitter (www.twitter.com/unumnews) and LinkedIn (www.linkedin.com/company/unum).

SAFE HARBOR STATEMENT

Certain information in this news release constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those not based on historical information, but rather relate to our outlook, future operations, strategies, financial results, or other developments and speak only as of the date made. These forward-looking statements, including statements about anticipated growth in after-tax adjusted operating income per share, are subject to numerous assumptions, risks, and uncertainties, many of which are beyond our control. The following factors, in addition to other factors mentioned from time to time, may cause actual results to differ materially from those contemplated by the forward-looking statements: (1) sustained periods of low interest rates; (2) fluctuation in insurance reserve liabilities and claim payments due to changes in claim incidence, recovery rates, mortality and morbidity rates, and policy benefit offsets due to, among other factors, the rate of unemployment and consumer confidence, the emergence of new diseases, epidemics, or pandemics, new trends and developments in medical treatments, the effectiveness of our claims operational processes, and changes in governmental



programs; (3) unfavorable economic or business conditions, both domestic and foreign, that may result in decreases in sales, premiums, or persistency, as well as unfavorable claims activity; (4) changes in or interpretations of laws and regulations, including tax laws and regulations; (5) a cyber attack or other security breach could result in the unauthorized acquisition of confidential data; (6) the failure of our business recovery and incident management processes to resume our business operations in the event of a natural catastrophe, cyber attack, or other event; (7) investment results, including, but not limited to, changes in interest rates, defaults, changes in credit spreads, impairments, and the lack of appropriate investments in the market which can be acquired to match our liabilities; (8) increased competition from other insurers and financial services companies due to industry consolidation, new entrants to our markets, or other factors; (9) changes in our financial strength and credit ratings; (10) our ability to execute on our technology systems upgrades or replacements; (11) damage to our reputation due to, among other factors, regulatory investigations, legal proceedings, external events, and/or inadequate or failed internal controls and procedures; (12) actual experience in the broad array of our products that deviates from our assumptions used in pricing, underwriting, and reserving; (13) changes in accounting standards, practices, or policies; (14) effectiveness of our risk management program; (15) contingencies and the level and results of litigation; (16) availability of reinsurance in the market and the ability of our reinsurers to meet their obligations to us; (17) ineffectiveness of our derivatives hedging programs due to changes in the economic environment, counterparty risk, ratings downgrades, capital market volatility, changes in interest rates, and/or regulation; (18) fluctuation in foreign currency exchange rates; (19) ability to generate sufficient internal liquidity and/or obtain external financing; (20) recoverability and/or realization of the carrying value of our intangible assets, long-lived assets, and deferred tax assets; and (21) terrorism, both within the U.S. and abroad, ongoing military actions, and heightened security measures in response to these types of threats.

For further discussion of risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see Part 1, Item 1A "Risk Factors" of our annual report on Form 10-K for the year ended December 31, 2018 and our subsequently filed quarterly reports on Form 10-Q. The forward-looking statements in this news release are being made as of the date of this news release, and we expressly disclaim any obligation to update or revise any forward-looking statement contained herein, even if made available on our website or otherwise.



Unum Group
FINANCIAL HIGHLIGHTS
(Unaudited)

(\$ in millions, except share data)

	Three Months Ended December 31		Year Ended December 31	
	2019	2018	2019	2018
Revenue				
Premium Income	\$ 2,352.6	\$ 2,263.3	\$ 9,365.6	\$ 8,986.1
Net Investment Income	616.3	608.6	2,435.3	2,453.7
Net Realized Investment Gain (Loss)	9.2	(41.4)	(23.2)	(39.5)
Other Income	56.5	50.3	221.2	198.2
Total Revenue	3,034.6	2,880.8	11,998.9	11,598.5
Benefits and Expenses				
Benefits and Change in Reserves for Future Benefits	1,881.3	1,829.5	7,496.2	8,020.4
Commissions	270.3	275.8	1,122.7	1,108.4
Interest and Debt Expense	46.6	42.0	177.4	167.3
Cost Related to Early Retirement of Debt	2.1	—	27.3	—
Deferral of Acquisition Costs	(154.0)	(166.2)	(658.6)	(668.0)
Amortization of Deferred Acquisition Costs	141.4	136.9	609.9	565.5
Other Expenses	469.5	453.1	1,841.9	1,777.1
Total Benefits and Expenses	2,657.2	2,571.1	10,616.8	10,970.7
Income Before Income Tax	377.4	309.7	1,382.1	627.8
Income Tax	81.2	60.6	281.8	104.4
Net Income	\$ 296.2	\$ 249.1	\$ 1,100.3	\$ 523.4

PER SHARE INFORMATION

Net Income Per Common Share

Basic	\$ 1.44	\$ 1.15	\$ 5.25	\$ 2.38
Assuming Dilution	\$ 1.44	\$ 1.15	\$ 5.24	\$ 2.38

Weighted Average Common Shares - Basic (000s)	205,565.5	217,049.3	209,728.9	219,635.6
Weighted Average Common Shares - Assuming Dilution (000s)	205,690.5	217,441.5	209,854.4	220,058.6
Outstanding Shares - (000s)			202,936.8	214,553.0



Reconciliation of Non-GAAP Financial Measures

	Three Months Ended December 31			
	2019		2018	
	(in millions)	per share *	(in millions)	per share *
Net Income	\$ 296.2	\$ 1.44	\$ 249.1	\$ 1.15
Excluding:				
Net Realized Investment Gain (Loss) (net of tax expense (benefit) of \$2.0; \$(8.8))	7.2	0.04	(32.6)	(0.15)
Cost Related to Early Retirement of Debt (net of tax benefit of \$0.4; \$-)	(1.7)	(0.01)	—	—
After-tax Adjusted Operating Income	\$ 290.7	\$ 1.41	\$ 281.7	\$ 1.30

	Year Ended December 31			
	2019		2018	
	(in millions)	per share *	(in millions)	per share *
Net Income	\$ 1,100.3	\$ 5.24	\$ 523.4	\$ 2.38
Excluding:				
Net Realized Investment Loss (net of tax benefit of \$4.5; \$11.0)	(18.7)	(0.09)	(28.5)	(0.12)
Cost Related to Early Retirement of Debt (net of tax benefit of \$5.7; \$-)	(21.6)	(0.11)	—	—
Long-term Care Reserve Increase (net of tax benefit of \$-; \$157.7)	—	—	(593.1)	(2.70)
After-tax Adjusted Operating Income	\$ 1,140.6	\$ 5.44	\$ 1,145.0	\$ 5.20

* Assuming Dilution

	December 31			
	2019		2018	
	(in millions)	per share	(in millions)	per share
Total Stockholders' Equity (Book Value)	\$ 9,965.0	\$ 49.10	\$ 8,621.8	\$ 40.19
Excluding:				
Net Unrealized Gain (Loss) on Securities	615.9	3.03	(312.4)	(1.46)
Net Gain on Hedges	187.8	0.93	250.6	1.17
Subtotal	9,161.3	45.14	8,683.6	40.48
Excluding:				
Foreign Currency Translation Adjustment	(281.6)	(1.39)	(305.2)	(1.42)
Subtotal	9,442.9	46.53	8,988.8	41.90
Excluding:				
Unrecognized Pension and Postretirement Benefit Costs	(484.8)	(2.39)	(447.2)	(2.08)
Total Stockholders' Equity, Excluding Accumulated Other Comprehensive Income (Loss)	\$ 9,927.7	\$ 48.92	\$ 9,436.0	\$ 43.98

UNUM IS A REGISTERED TRADEMARK AND MARKETING BRAND OF UNUM GROUP AND ITS INSURING SUBSIDIARIES.

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Section 3: EX-99.2 (EX-99.2)

Fourth Quarter 2019

Statistical Supplement



Unum Group
Statistical Supplement Fourth Quarter 2019

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(in millions of dollars, except share data and where noted)
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See "Appendix to Statistical Supplement" on page 16 for a summary of significant items and page 16.1 for a reconciliation of our non-GAAP financial measures.

N.M. = not a meaningful percentage

Unum Group Financial Highlights

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Consolidated U.S. GAAP Results¹					
Premium Income	\$ 2,352.6	\$ 2,263.3	\$ 9,365.6	\$ 8,986.1	\$ 8,597.1
Adjusted Operating Revenue	\$ 3,025.4	\$ 2,922.2	\$ 12,022.1	\$ 11,638.0	\$ 11,246.5
Net Realized Investment Gain (Loss)	9.2	(41.4)	(23.2)	(39.5)	40.3
Revenue	<u>\$ 3,034.6</u>	<u>\$ 2,880.8</u>	<u>\$ 11,998.9</u>	<u>\$ 11,598.5</u>	<u>\$ 11,286.8</u>
Net Income	\$ 296.2	\$ 249.1	\$ 1,100.3	\$ 523.4	\$ 994.2
Net Income Per Common Share:					
Basic	\$ 1.44	\$ 1.15	\$ 5.25	\$ 2.38	\$ 4.39
Assuming Dilution	\$ 1.44	\$ 1.15	\$ 5.24	\$ 2.38	\$ 4.37
Assets			\$ 67,013.4	\$ 61,875.6	\$ 64,013.1
Stockholders' Equity			\$ 9,965.0	\$ 8,621.8	\$ 9,574.9
Adjusted Operating Return on Equity					
Unum US	18.4 %	17.8 %	18.0 %	18.4 %	15.9 %
Unum International	8.2 %	14.9 %	11.7 %	13.4 %	15.2 %
Colonial Life	17.9 %	17.7 %	17.5 %	18.0 %	16.2 %
Core Operating Segments	17.2 %	17.5 %	17.2 %	17.8 %	15.9 %
Consolidated	12.8 %	13.0 %	12.8 %	13.2 %	11.6 %
Traditional U.S. Life Insurance Companies' Statutory Results²					
Net Gain from Operations, After Tax	\$ 265.6	\$ 215.2	\$ 1,027.2	\$ 959.8	\$ 812.4
Net Realized Investment Gain (Loss), After Tax	(2.8)	(15.5)	(45.1)	(6.8)	(5.0)
Net Income	<u>\$ 262.8</u>	<u>\$ 199.7</u>	<u>\$ 982.1</u>	<u>\$ 953.0</u>	<u>\$ 807.4</u>
Capital and Surplus			\$ 3,644.4	\$ 3,572.7	\$ 3,448.3
Weighted Average Risk-based Capital Ratio			~ 365%	~ 370%	~ 390%

¹ Generally Accepted Accounting Principles

² Our traditional U.S. life insurance companies are Provident Life and Accident Insurance Company, Unum Life Insurance Company of America, The Paul Revere Life Insurance Company, Colonial Life & Accident Insurance Company, Provident Life and Casualty Insurance Company, First Unum Life Insurance Company, Unum Insurance Company, and Starmount Life Insurance Company.

Unum Group Capital Metrics

	12/31/2019		12/31/2018		12/31/2017	
	(in millions)	per share	(in millions)	per share	(in millions)	per share
Total Stockholders' Equity (Book Value)	\$ 9,965.0	\$ 49.10	\$ 8,621.8	\$ 40.19	\$ 9,574.9	\$ 43.02
Excluding:						
Net Unrealized Gain (Loss) on Securities	615.9	3.03	(312.4)	(1.46)	607.8	2.73
Net Gain on Hedges	187.8	0.93	250.6	1.17	282.3	1.27
Subtotal	9,161.3	45.14	8,683.6	40.48	8,684.8	39.02
Excluding:						
Foreign Currency Translation Adjustment	(281.6)	(1.39)	(305.2)	(1.42)	(254.5)	(1.15)
Subtotal	9,442.9	46.53	8,988.8	41.90	8,939.3	40.17
Excluding:						
Unrecognized Pension and Postretirement Benefit Costs	(484.8)	(2.39)	(447.2)	(2.08)	(508.1)	(2.28)
Total Stockholders' Equity, Excluding Accumulated Other Comprehensive Income (Loss)	<u>\$ 9,927.7</u>	<u>\$ 48.92</u>	<u>\$ 9,436.0</u>	<u>\$ 43.98</u>	<u>\$ 9,447.4</u>	<u>\$ 42.45</u>
Dividends Paid	\$ 231.3	\$ 1.09	\$ 217.0	\$ 0.98	\$ 196.0	\$ 0.86

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Shares Repurchased (millions)	3.3	4.3	12.3	8.7	8.2
Cost of Shares Repurchased (millions) ⁽¹⁾	\$ 100.1	\$ 150.4	\$ 400.4	\$ 350.7	\$ 400.4
Price (UNM closing price on last trading day of period)			\$ 29.16	\$ 29.38	\$ 54.89
Leverage Ratio			29.1 %	26.8 %	26.1 %
Holding Company Cash and Marketable Securities			\$ 863	\$ 602	\$ 864

⁽¹⁾ Includes commissions of \$0.4 million, \$0.7 million, and \$0.3 million for the years ended December 31, 2019, 2018, and 2017, respectively, \$0.1 million for the three months ended December 31, 2019, and \$0.5 million for the three months ended December 31, 2018.

Unum Group Ratings

	AM Best	Fitch	Moody's	S&P
Outlook	Stable	Negative	Stable	Stable
Issuer Credit Ratings	bbb	BBB	Baa2	BBB
Financial Strength Ratings				
Provident Life and Accident Insurance Company	A	A	A2	A
Unum Life Insurance Company of America	A	A	A2	A
Colonial Life & Accident Insurance Company	A	A	A2	A
The Paul Revere Life Insurance Company	A	A	A2	A
Starmount Life Insurance Company	A-	NR	NR	NR
Unum Insurance Company	A-	A	A2	NR
Unum Limited	NR	NR	NR	A-

NR = not rated

Unum Group Consolidated Statements of Income

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Revenue					
Premium Income	\$ 2,352.6	\$ 2,263.3	\$ 9,365.6	\$ 8,986.1	\$ 8,597.1
Net Investment Income	616.3	608.6	2,435.3	2,453.7	2,451.7
Net Realized Investment Gain (Loss)	9.2	(41.4)	(23.2)	(39.5)	40.3
Other Income	56.5	50.3	221.2	198.2	197.7
Total Revenue	3,034.6	2,880.8	11,998.9	11,598.5	11,286.8
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	1,881.3	1,829.5	7,496.2	8,020.4	7,055.7
Commissions	270.3	275.8	1,122.7	1,108.4	1,060.8
Interest and Debt Expense - Non-recourse Debt	1.1	1.7	5.3	6.9	6.7
Interest and Debt Expense - All Other Debt	45.5	40.3	172.1	160.4	153.2
Cost Related to Early Retirement of Debt	2.1	—	27.3	—	—
Deferral of Acquisition Costs	(154.0)	(166.2)	(658.6)	(668.0)	(628.0)
Amortization of Deferred Acquisition Costs	141.4	136.9	609.9	565.5	527.1
Other Expenses	469.5	453.1	1,841.9	1,777.1	1,707.3
Total Benefits and Expenses	2,657.2	2,571.1	10,616.8	10,970.7	9,882.8
Income Before Income Tax	377.4	309.7	1,382.1	627.8	1,404.0
Income Tax	81.2	60.6	281.8	104.4	409.8
Net Income	\$ 296.2	\$ 249.1	\$ 1,100.3	\$ 523.4	\$ 994.2
Weighted Average Shares Outstanding					
Basic	205.6	217.0	209.7	219.6	226.5
Assuming Dilution	205.7	217.4	209.9	220.1	227.3
Actual Number of Shares Outstanding			202.9	214.6	222.5

Unum Group Sales Data for Unum US Segment

	Three Months Ended			Year Ended		
	12/31/2019	12/31/2018	% Change	12/31/2019	12/31/2018	12/31/2017
Sales by Product						
Group Disability and Group Life and AD&D						
Group Long-term Disability	\$ 132.1	\$ 147.3	(10.3)%	\$ 241.5	\$ 243.8	\$ 240.8
Group Short-term Disability	81.2	80.9	0.4	159.2	138.7	162.5
Group Life and AD&D	133.0	153.9	(13.6)	258.3	282.4	310.5
Subtotal	346.3	382.1	(9.4)	659.0	664.9	713.8
Supplemental and Voluntary						
Individual Disability	19.3	20.3	(4.9)	75.9	77.2	67.9
Voluntary Benefits	47.6	54.1	(12.0)	300.6	303.1	292.5
Dental and Vision	35.2	33.1	6.3	74.6	69.4	54.8
Subtotal	102.1	107.5	(5.0)	451.1	449.7	415.2
Total Sales	\$ 448.4	\$ 489.6	(8.4)	\$ 1,110.1	\$ 1,114.6	\$ 1,129.0
Sales by Market Sector						
Group Disability and Group Life and AD&D						
Core Market (< 2,000 employees)	\$ 183.7	\$ 203.4	(9.7)%	\$ 370.8	\$ 395.1	\$ 416.9
Large Case Market	162.6	178.7	(9.0)	288.2	269.8	296.9
Subtotal	346.3	382.1	(9.4)	659.0	664.9	713.8
Supplemental and Voluntary	102.1	107.5	(5.0)	451.1	449.7	415.2
Total Sales	\$ 448.4	\$ 489.6	(8.4)	\$ 1,110.1	\$ 1,114.6	\$ 1,129.0

Unum Group Sales Data for Unum International Segment

(in millions of dollars)

	Three Months Ended			Year Ended		
	12/31/2019	12/31/2018	% Change	12/31/2019	12/31/2018	12/31/2017
Sales by Product						
Unum UK						
Group Long-term Disability	\$ 14.7	\$ 12.2	20.5 %	\$ 43.2	\$ 44.7	\$ 47.1
Group Life	6.4	5.7	12.3	24.3	21.5	24.4
Supplemental	3.3	3.4	(2.9)	19.5	17.4	14.4
Unum Poland	3.7	3.4	8.8	13.0	3.4	—
Total Sales	\$ 28.1	\$ 24.7	13.8	\$ 100.0	\$ 87.0	\$ 85.9

Sales by Market Sector

Unum UK

Group Long-term Disability and Group Life						
Core Market (< 500 employees)	\$ 11.0	\$ 10.3	6.8 %	\$ 38.2	\$ 36.6	\$ 30.4
Large Case Market	10.1	7.6	32.9	29.3	29.6	41.1
Subtotal	21.1	17.9	17.9	67.5	66.2	71.5
Supplemental	3.3	3.4	(2.9)	19.5	17.4	14.4
Unum Poland	3.7	3.4	8.8	13.0	3.4	—
Total Sales	\$ 28.1	\$ 24.7	13.8	\$ 100.0	\$ 87.0	\$ 85.9

(in millions of pounds)

Unum UK Sales by Product

Group Long-term Disability	£ 11.4	£ 9.5	20.0 %	£ 33.7	£ 33.5	£ 36.6
Group Life	5.0	4.5	11.1	19.0	16.2	18.9
Supplemental	2.5	2.6	(3.8)	15.1	12.8	11.3
Total Sales	£ 18.9	£ 16.6	13.9	£ 67.8	£ 62.5	£ 66.8

Unum UK Sales by Market Sector

Group Long-term Disability and Group Life						
Core Market (< 500 employees)	£ 8.6	£ 8.1	6.2 %	£ 29.9	£ 27.6	£ 23.6
Large Case Market	7.8	5.9	32.2	22.8	22.1	31.9
Subtotal	16.4	14.0	17.1	52.7	49.7	55.5
Supplemental	2.5	2.6	(3.8)	15.1	12.8	11.3
Total Sales	£ 18.9	£ 16.6	13.9	£ 67.8	£ 62.5	£ 66.8

Certain prior year and prior period amounts in the table above were reclassified to conform to current year presentation.

Unum Group Sales Data for Colonial Life Segment

	Three Months Ended			Year Ended		
	12/31/2019	12/31/2018	% Change	12/31/2019	12/31/2018	12/31/2017
Sales by Product						
Accident, Sickness, and Disability	\$ 122.4	\$ 127.7	(4.2)%	\$ 354.4	\$ 355.0	\$ 323.2
Life	53.3	38.8	37.4	122.7	111.9	107.7
Cancer and Critical Illness	34.0	37.9	(10.3)	88.9	94.4	88.8
Total Sales	<u>\$ 209.7</u>	<u>\$ 204.4</u>	2.6	<u>\$ 566.0</u>	<u>\$ 561.3</u>	<u>\$ 519.7</u>
Sales by Market Sector						
Commercial						
Core Market (< 1,000 employees)	\$ 119.1	\$ 119.0	0.1 %	\$ 345.7	\$ 349.0	\$ 313.5
Large Case Market	30.5	42.9	(28.9)	81.4	95.5	90.9
Subtotal	149.6	161.9	(7.6)	427.1	444.5	404.4
Public Sector	60.1	42.5	41.4	138.9	116.8	115.3
Total Sales	<u>\$ 209.7</u>	<u>\$ 204.4</u>	2.6	<u>\$ 566.0</u>	<u>\$ 561.3</u>	<u>\$ 519.7</u>

Unum Group Consolidated Balance Sheets

	December 31	
	2019	2018
Assets		
Investments		
Fixed Maturity Securities	\$ 47,443.7	\$ 43,011.7
Mortgage Loans	2,397.0	2,295.0
Policy Loans	3,779.5	3,729.9
Other Long-term Investments	844.2	702.9
Short-term Investments	1,294.5	968.1
Total Investments	55,758.9	50,707.6
Other Assets		
Cash and Bank Deposits	84.1	94.0
Accounts and Premiums Receivable	1,602.9	1,615.5
Reinsurance Recoverable	4,780.7	4,662.4
Accrued Investment Income	693.0	690.6
Deferred Acquisition Costs	2,324.0	2,309.4
Goodwill	351.7	350.3
Property and Equipment	534.1	546.9
Deferred Income Tax	—	109.9
Other Assets	884.0	789.0
Total Assets	\$ 67,013.4	\$ 61,875.6

Unum Group Consolidated Balance Sheets - Continued

	December 31	
	2019	2018
Liabilities and Stockholders' Equity		
Liabilities		
Policy and Contract Benefits	\$ 1,745.5	\$ 1,695.7
Reserves for Future Policy and Contract Benefits	47,780.1	44,841.9
Unearned Premiums	363.9	363.3
Other Policyholders' Funds	1,599.7	1,594.8
Income Tax Payable	256.7	24.0
Deferred Income Tax	95.4	—
Short-term Debt	399.7	—
Long-term Debt - Non-recourse	78.1	137.1
Long-term Debt - All Other	2,848.8	2,834.2
Other Liabilities	1,880.5	1,762.8
Total Liabilities	57,048.4	53,253.8
Stockholders' Equity		
Common Stock	30.6	30.5
Additional Paid-in Capital	2,348.1	2,321.7
Accumulated Other Comprehensive Income (Loss)	37.3	(814.2)
Retained Earnings	10,728.7	9,863.1
Treasury Stock	(3,179.7)	(2,779.3)
Total Stockholders' Equity	9,965.0	8,621.8
Total Liabilities and Stockholders' Equity	\$ 67,013.4	\$ 61,875.6

Unum Group Deferred Acquisition Costs by Segment

	Unum US	Unum International	Colonial Life	Consolidated
Balances at December 31, 2016	\$ 1,176.5	\$ 21.4	\$ 896.3	\$ 2,094.2
Capitalization	325.5	7.0	295.5	628.0
Amortization	(293.6)	(9.1)	(224.4)	(527.1)
Adjustment Related to Unrealized Investment Gains and Losses	(3.0)	—	(9.5)	(12.5)
Foreign Currency	—	2.0	—	2.0
Balances at December 31, 2017	1,205.4	21.3	957.9	2,184.6
Capitalization	344.0	8.1	315.9	668.0
Amortization	(315.1)	(8.2)	(242.2)	(565.5)
Adjustment Related to Unrealized Investment Gains and Losses	5.1	—	18.4	23.5
Foreign Currency	—	(1.2)	—	(1.2)
Balances at December 31, 2018	1,239.4	20.0	1,050.0	2,309.4
Capitalization	334.5	12.8	311.3	658.6
Amortization	(344.0)	(7.1)	(258.8)	(609.9)
Adjustment Related to Unrealized Investment Gains and Losses	(6.9)	—	(27.9)	(34.8)
Foreign Currency	—	0.7	—	0.7
Balances at December 31, 2019	<u>\$ 1,223.0</u>	<u>\$ 26.4</u>	<u>\$ 1,074.6</u>	<u>\$ 2,324.0</u>

Unum Group Balance Sheets by Segment - December 31, 2019

	Unum US								
	Group Disability	Group Life and Accidental Death & Dismemberment	Supplemental and Voluntary	Total Unum US	Unum International	Colonial Life	Closed Block	Corporate	Consolidated
Assets									
Investments	\$ 8,251.4	\$ 2,522.8	\$ 5,233.7	\$ 16,007.9	\$ 3,378.1	\$ 3,281.4	\$ 31,042.0	\$ 2,049.5	\$ 55,758.9
Deferred Acquisition Costs	99.1	79.7	1,044.2	1,223.0	26.4	1,074.6	—	—	2,324.0
Goodwill	8.9	—	271.1	280.0	44.0	27.7	—	—	351.7
All Other	443.4	252.7	379.3	1,075.4	420.6	245.3	5,966.7	870.8	8,578.8
Total Assets	\$ 8,802.8	\$ 2,855.2	\$ 6,928.3	\$ 18,586.3	\$ 3,869.1	\$ 4,629.0	\$ 37,008.7	\$ 2,920.3	\$ 67,013.4
Liabilities									
Reserves and Policyholder Benefits	\$ 7,288.7	\$ 1,749.8	\$ 4,219.6	\$ 13,258.1	\$ 2,909.4	\$ 2,711.2	\$ 32,610.5	\$ —	\$ 51,489.2
Debt	—	—	—	—	—	—	78.1	3,248.5	3,326.6
All Other	128.0	34.2	404.8	567.0	132.6	216.2	13.5	1,303.3	2,232.6
Total Liabilities	7,416.7	1,784.0	4,624.4	13,825.1	3,042.0	2,927.4	32,702.1	4,551.8	57,048.4
Allocated Stockholders' Equity									
Other Allocated Stockholders' Equity	1,363.9	1,033.7	2,114.7	4,512.3	771.9	1,555.2	4,069.3	(1,747.4)	9,161.3
Net Unrealized Gain (Loss) on Securities and Net Gain on Hedges	22.2	37.5	189.2	248.9	55.2	146.4	237.3	115.9	803.7
Total Allocated Stockholders' Equity	1,386.1	1,071.2	2,303.9	4,761.2	827.1	1,701.6	4,306.6	(1,631.5)	9,965.0
Total Liabilities and Allocated Stockholders' Equity	\$ 8,802.8	\$ 2,855.2	\$ 6,928.3	\$ 18,586.3	\$ 3,869.1	\$ 4,629.0	\$ 37,008.7	\$ 2,920.3	\$ 67,013.4

Allocated stockholders' equity is determined on the basis of an internal allocation formula that reflects the volume and risk components of the business and aligns with our target capital levels for regulatory and rating agency purposes. We modify this formula periodically to recognize changes in the views of capital requirements.

Unum Group Balance Sheets by Segment - December 31, 2018

	Unum US								
	Group Disability	Group Life and Accidental Death & Dismemberment	Supplemental and Voluntary	Total Unum US	Unum International	Colonial Life	Closed Block	Corporate	Consolidated
Assets									
Investments	\$ 7,984.2	\$ 2,353.1	\$ 4,703.2	\$ 15,040.5	\$ 3,017.4	\$ 3,030.8	\$ 28,481.0	\$ 1,137.9	\$ 50,707.6
Deferred Acquisition Costs	100.3	80.0	1,059.1	1,239.4	20.0	1,050.0	—	—	2,309.4
Goodwill	8.9	—	271.1	280.0	42.6	27.7	—	—	350.3
All Other	362.8	260.9	327.3	951.0	346.8	129.4	6,046.6	1,034.5	8,508.3
Total Assets	\$ 8,456.2	\$ 2,694.0	\$ 6,360.7	\$ 17,510.9	\$ 3,426.8	\$ 4,237.9	\$ 34,527.6	\$ 2,172.4	\$ 61,875.6
Liabilities									
Reserves and Policyholder Benefits	\$ 6,961.5	\$ 1,713.8	\$ 4,006.5	\$ 12,681.8	\$ 2,630.4	\$ 2,580.4	\$ 30,603.1	\$ —	\$ 48,495.7
Debt	—	—	—	—	—	—	137.1	2,834.2	2,971.3
All Other	33.1	19.9	215.9	268.9	34.6	63.1	221.8	1,198.4	1,786.8
Total Liabilities	6,994.6	1,733.7	4,222.4	12,950.7	2,665.0	2,643.5	30,962.0	4,032.6	53,253.8
Allocated Stockholders' Equity									
Other Allocated Stockholders' Equity	1,464.5	972.0	2,104.4	4,540.9	743.9	1,561.9	3,615.1	(1,778.2)	8,683.6
Net Unrealized Gain (Loss) on Securities and Net Gain on Hedges	(2.9)	(11.7)	33.9	19.3	17.9	32.5	(49.5)	(82.0)	(61.8)
Total Allocated Stockholders' Equity	1,461.6	960.3	2,138.3	4,560.2	761.8	1,594.4	3,565.6	(1,860.2)	8,621.8
Total Liabilities and Allocated Stockholders' Equity	\$ 8,456.2	\$ 2,694.0	\$ 6,360.7	\$ 17,510.9	\$ 3,426.8	\$ 4,237.9	\$ 34,527.6	\$ 2,172.4	\$ 61,875.6

Unum Group Financial Results by Segment

We measure and analyze our segment performance on the basis of "adjusted operating revenue" and "adjusted operating income" or "adjusted operating loss", which differ from total revenue and income before income tax as presented in our consolidated statements of income due to the exclusion of net realized investment gains and losses and certain other items as specified in the following pages. These performance measures are in accordance with GAAP guidance for segment reporting, but they should not be viewed as a substitute for total revenue, income before income tax, or net income.

	Three Months Ended			Year Ended		
	12/31/2019	12/31/2018	% Change	12/31/2019	12/31/2018	% Change
Premium Income						
Unum US	\$ 1,508.3	\$ 1,435.1	5.1 %	\$ 6,016.6	\$ 5,736.4	4.9 %
Unum International	165.6	152.3	8.7	630.5	568.8	10.8
Colonial Life	424.9	410.1	3.6	1,685.0	1,603.8	5.1
Closed Block	253.8	265.8	(4.5)	1,033.5	1,077.1	(4.0)
	<u>2,352.6</u>	<u>2,263.3</u>	3.9	<u>9,365.6</u>	<u>8,986.1</u>	4.2
Net Investment Income						
Unum US	189.0	187.7	0.7	739.4	778.7	(5.0)
Unum International	28.6	31.1	(8.0)	122.5	117.2	4.5
Colonial Life	37.0	37.0	—	148.0	151.2	(2.1)
Closed Block	356.6	345.8	3.1	1,404.9	1,377.1	2.0
Corporate	5.1	7.0	(27.1)	20.5	29.5	(30.5)
	<u>616.3</u>	<u>608.6</u>	1.3	<u>2,435.3</u>	<u>2,453.7</u>	(0.7)
Other Income						
Unum US	36.7	30.0	22.3	142.8	118.5	20.5
Unum International	0.3	0.4	(25.0)	0.6	0.4	50.0
Colonial Life	1.2	0.2	N.M.	3.4	1.2	183.3
Closed Block	17.8	18.6	(4.3)	71.3	75.4	(5.4)
Corporate	0.5	1.1	(54.5)	3.1	2.7	14.8
	<u>56.5</u>	<u>50.3</u>	12.3	<u>221.2</u>	<u>198.2</u>	11.6
Total Adjusted Operating Revenue						
Unum US	1,734.0	1,652.8	4.9	6,898.8	6,633.6	4.0
Unum International	194.5	183.8	5.8	753.6	686.4	9.8
Colonial Life	463.1	447.3	3.5	1,836.4	1,756.2	4.6
Closed Block	628.2	630.2	(0.3)	2,509.7	2,529.6	(0.8)
Corporate	5.6	8.1	(30.9)	23.6	32.2	(26.7)
	<u>\$ 3,025.4</u>	<u>\$ 2,922.2</u>	3.5	<u>\$ 12,022.1</u>	<u>\$ 11,638.0</u>	3.3

Unum Group Financial Results by Segment - Continued

	Three Months Ended			Year Ended		
	12/31/2019	12/31/2018	% Change	12/31/2019	12/31/2018	% Change
Benefits and Expenses						
Unum US	\$ 1,470.9	\$ 1,404.1	4.8 %	\$ 5,867.7	\$ 5,619.0	4.4 %
Unum International	170.6	153.4	11.2	645.7	572.5	12.8
Colonial Life	375.4	361.9	3.7	1,491.9	1,421.0	5.0
Closed Block	582.1	595.4	(2.2)	2,372.0	3,154.9	(24.8)
Corporate	58.2	56.3	3.4	239.5	203.3	17.8
	<u>2,657.2</u>	<u>2,571.1</u>	3.3	<u>10,616.8</u>	<u>10,970.7</u>	(3.2)
Income (Loss) Before Income Tax and Net Realized Investment Gain (Loss)						
Unum US	263.1	248.7	5.8	1,031.1	1,014.6	1.6
Unum International	23.9	30.4	(21.4)	107.9	113.9	(5.3)
Colonial Life	87.7	85.4	2.7	344.5	335.2	2.8
Closed Block	46.1	34.8	32.5	137.7	(625.3)	(122.0)
Corporate	(52.6)	(48.2)	9.1	(215.9)	(171.1)	26.2
	<u>368.2</u>	<u>351.1</u>	4.9	<u>1,405.3</u>	<u>667.3</u>	110.6
Income Tax	<u>79.2</u>	<u>69.4</u>	14.1	<u>286.3</u>	<u>115.4</u>	148.1
Income Before Net Realized Investment Gain (Loss)	<u>289.0</u>	<u>281.7</u>	2.6	<u>1,119.0</u>	<u>551.9</u>	102.8
Net Realized Investment Gain (Loss) (net of tax expense (benefit) of \$2.0; \$(8.8); \$(4.5); \$(11.0))	7.2	(32.6)	N.M.	(18.7)	(28.5)	34.4
Net Income	<u>\$ 296.2</u>	<u>\$ 249.1</u>	18.9	<u>\$ 1,100.3</u>	<u>\$ 523.4</u>	110.2

Unum Group Quarterly Historical Financial Results by Segment

	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17
Premium Income									
Unum US	\$ 1,508.3	\$ 1,501.9	\$ 1,504.5	\$ 1,501.9	\$ 1,435.1	\$ 1,446.2	\$ 1,416.3	\$ 1,438.8	\$ 1,364.5
Unum International	165.6	152.3	158.6	154.0	152.3	138.0	138.9	139.6	133.4
Colonial Life	424.9	419.9	420.9	419.3	410.1	400.0	395.4	398.3	382.1
Closed Block	253.8	257.1	259.1	263.5	265.8	267.6	270.4	273.3	278.4
	<u>2,352.6</u>	<u>2,331.2</u>	<u>2,343.1</u>	<u>2,338.7</u>	<u>2,263.3</u>	<u>2,251.8</u>	<u>2,221.0</u>	<u>2,250.0</u>	<u>2,158.4</u>
Net Investment Income									
Unum US	189.0	184.2	184.1	182.1	187.7	200.3	196.5	194.2	202.1
Unum International	28.6	24.3	44.8	24.8	31.1	26.4	32.1	27.6	31.9
Colonial Life	37.0	36.9	37.2	36.9	37.0	36.7	40.2	37.3	37.1
Closed Block	356.6	347.3	354.5	346.6	345.8	348.0	345.6	337.7	341.5
Corporate	5.1	6.7	4.3	4.3	7.0	7.8	9.2	5.5	7.2
	<u>616.3</u>	<u>599.4</u>	<u>624.9</u>	<u>594.7</u>	<u>608.6</u>	<u>619.2</u>	<u>623.6</u>	<u>602.3</u>	<u>619.8</u>
Other Income									
Unum US	36.7	34.8	36.8	34.5	30.0	30.7	28.8	29.0	27.9
Unum International	0.3	—	0.3	—	0.4	—	—	—	0.1
Colonial Life	1.2	0.9	0.7	0.6	0.2	0.4	0.3	0.3	0.3
Closed Block	17.8	18.9	16.5	18.0	18.6	18.9	18.9	19.0	19.9
Corporate	0.5	1.0	1.7	—	1.1	0.1	0.3	1.2	1.4
	<u>56.5</u>	<u>55.6</u>	<u>56.0</u>	<u>53.1</u>	<u>50.3</u>	<u>50.1</u>	<u>48.3</u>	<u>49.5</u>	<u>49.6</u>
Total Adjusted Operating Revenue									
Unum US	1,734.0	1,720.9	1,725.4	1,718.5	1,652.8	1,677.2	1,641.6	1,662.0	1,594.5
Unum International	194.5	176.6	203.7	178.8	183.8	164.4	171.0	167.2	165.4
Colonial Life	463.1	457.7	458.8	456.8	447.3	437.1	435.9	435.9	419.5
Closed Block	628.2	623.3	630.1	628.1	630.2	634.5	634.9	630.0	639.8
Corporate	5.6	7.7	6.0	4.3	8.1	7.9	9.5	6.7	8.6
	<u>\$ 3,025.4</u>	<u>\$ 2,986.2</u>	<u>\$ 3,024.0</u>	<u>\$ 2,986.5</u>	<u>\$ 2,922.2</u>	<u>\$ 2,921.1</u>	<u>\$ 2,892.9</u>	<u>\$ 2,901.8</u>	<u>\$ 2,827.8</u>

Unum Group Quarterly Historical Financial Results by Segment - Continued

	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17
Benefits and Expenses									
Unum US	\$ 1,470.9	\$ 1,459.5	\$ 1,471.1	\$ 1,466.2	\$ 1,404.1	\$ 1,406.3	\$ 1,390.5	\$ 1,418.1	\$ 1,356.9
Unum International	170.6	152.4	173.0	149.7	153.4	138.3	143.4	137.4	135.7
Colonial Life	375.4	370.5	374.4	371.6	361.9	352.9	351.3	354.9	352.8
Closed Block	582.1	596.4	596.4	597.1	595.4	1,353.1	605.3	601.1	606.7
Corporate	58.2	81.8	49.8	49.7	56.3	55.0	45.0	47.0	41.8
	<u>2,657.2</u>	<u>2,660.6</u>	<u>2,664.7</u>	<u>2,634.3</u>	<u>2,571.1</u>	<u>3,305.6</u>	<u>2,535.5</u>	<u>2,558.5</u>	<u>2,493.9</u>
Income (Loss) Before Income Tax Expense (Benefit) and Net Realized Investment Gain (Loss)									
Unum US	263.1	261.4	254.3	252.3	248.7	270.9	251.1	243.9	237.6
Unum International	23.9	24.2	30.7	29.1	30.4	26.1	27.6	29.8	29.7
Colonial Life	87.7	87.2	84.4	85.2	85.4	84.2	84.6	81.0	66.7
Closed Block	46.1	26.9	33.7	31.0	34.8	(718.6)	29.6	28.9	33.1
Corporate	(52.6)	(74.1)	(43.8)	(45.4)	(48.2)	(47.1)	(35.5)	(40.3)	(33.2)
	<u>368.2</u>	<u>325.6</u>	<u>359.3</u>	<u>352.2</u>	<u>351.1</u>	<u>(384.5)</u>	<u>357.4</u>	<u>343.3</u>	<u>333.9</u>
Income Tax Expense (Benefit)	<u>79.2</u>	<u>62.8</u>	<u>72.4</u>	<u>71.9</u>	<u>69.4</u>	<u>(92.0)</u>	<u>69.8</u>	<u>68.2</u>	<u>74.2</u>
Income (Loss) Before Net Realized Investment Gain (Loss)									
	<u>289.0</u>	<u>262.8</u>	<u>286.9</u>	<u>280.3</u>	<u>281.7</u>	<u>(292.5)</u>	<u>287.6</u>	<u>275.1</u>	<u>259.7</u>
Net Realized Investment Gain (Loss)	9.2	(26.2)	(7.3)	1.1	(41.4)	6.7	(2.6)	(2.2)	11.4
Tax Expense (Benefit) on Net Realized Investment Gain (Loss)	2.0	(5.4)	(1.6)	0.5	(8.8)	(1.1)	(0.5)	(0.6)	4.2
Net Income (Loss)	<u>\$ 296.2</u>	<u>\$ 242.0</u>	<u>\$ 281.2</u>	<u>\$ 280.9</u>	<u>\$ 249.1</u>	<u>\$ (284.7)</u>	<u>\$ 285.5</u>	<u>\$ 273.5</u>	<u>\$ 266.9</u>
Net Income (Loss) Per Common Share - Assuming Dilution									
	<u>\$ 1.44</u>	<u>\$ 1.16</u>	<u>\$ 1.33</u>	<u>\$ 1.31</u>	<u>\$ 1.15</u>	<u>\$ (1.30)</u>	<u>\$ 1.29</u>	<u>\$ 1.23</u>	<u>\$ 1.19</u>

Unum Group Financial Results for Unum US Segment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income	\$ 1,508.3	\$ 1,435.1	\$ 6,016.6	\$ 5,736.4	\$ 5,443.5
Net Investment Income	189.0	187.7	739.4	778.7	811.2
Other Income	36.7	30.0	142.8	118.5	113.2
Total	1,734.0	1,652.8	6,898.8	6,633.6	6,367.9
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	1,015.1	970.6	4,022.1	3,856.5	3,693.4
Commissions	152.9	153.1	628.5	620.6	590.8
Deferral of Acquisition Costs	(82.6)	(84.9)	(334.5)	(344.0)	(325.5)
Amortization of Deferred Acquisition Costs	77.2	73.7	344.0	315.1	293.6
Other Expenses	308.3	291.6	1,207.6	1,170.8	1,132.7
Total	1,470.9	1,404.1	5,867.7	5,619.0	5,385.0
Income Before Income Tax and Net Realized Investment Gains and Losses					
	263.1	248.7	1,031.1	1,014.6	982.9
Unclaimed Death Benefits (UDB) Reserve Increase	—	—	—	—	26.6
Adjusted Operating Income	\$ 263.1	\$ 248.7	\$ 1,031.1	\$ 1,014.6	\$ 1,009.5
Operating Ratios (% of Premium Income):					
Benefit Ratio	67.3 %	67.6 %	66.9 %	67.2 %	67.8 %
Benefit Ratio Excluding UDB Reserve Increase					67.4 %
Other Expense Ratio	20.4 %	20.3 %	20.1 %	20.4 %	20.8 %
Income Ratio					18.1 %
Adjusted Operating Income Ratio	17.4 %	17.3 %	17.1 %	17.7 %	18.5 %

Unum Group Financial Results for Unum US Group Disability

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Group Long-term Disability	\$ 459.4	\$ 443.5	\$ 1,823.1	\$ 1,766.2	\$ 1,749.6
Group Short-term Disability	198.1	178.6	768.8	706.3	639.8
Total Premium Income	657.5	622.1	2,591.9	2,472.5	2,389.4
Net Investment Income	103.1	102.7	401.5	432.7	460.5
Other Income	34.5	28.1	133.8	109.0	98.3
Total	795.1	752.9	3,127.2	3,014.2	2,948.2
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	486.8	473.9	1,927.9	1,880.7	1,828.5
Commissions	46.5	45.5	193.8	186.5	181.9
Deferral of Acquisition Costs	(12.1)	(11.4)	(49.5)	(48.2)	(46.9)
Amortization of Deferred Acquisition Costs	12.5	11.1	50.7	44.7	39.9
Other Expenses	178.4	153.1	672.1	612.2	587.0
Total	712.1	672.2	2,795.0	2,675.9	2,590.4
Adjusted Operating Income	\$ 83.0	\$ 80.7	\$ 332.2	\$ 338.3	\$ 357.8
Operating Ratios (% of Premium Income):					
Benefit Ratio	74.0 %	76.2 %	74.4 %	76.1 %	76.5 %
Other Expense Ratio	27.1 %	24.6 %	25.9 %	24.8 %	24.6 %
Adjusted Operating Income Ratio	12.6 %	13.0 %	12.8 %	13.7 %	15.0 %
Persistency:					
Group Long-term Disability			90.7 %	90.9 %	89.9 %
Group Short-term Disability			89.8 %	87.2 %	86.6 %

Unum Group Financial Results for Unum US Group Life and Accidental Death & Dismemberment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Group Life	\$ 412.6	\$ 394.1	\$ 1,662.0	\$ 1,583.7	\$ 1,467.5
Accidental Death & Dismemberment	41.5	39.4	165.7	156.3	147.5
Total Premium Income	454.1	433.5	1,827.7	1,740.0	1,615.0
Net Investment Income	27.8	26.1	107.4	106.5	109.9
Other Income	0.7	1.3	2.7	4.7	4.8
Total	482.6	460.9	1,937.8	1,851.2	1,729.7
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	325.6	310.6	1,314.1	1,237.7	1,169.8
Commissions	36.0	34.6	147.7	141.1	131.3
Deferral of Acquisition Costs	(9.0)	(8.8)	(37.8)	(38.2)	(36.2)
Amortization of Deferred Acquisition Costs	10.2	8.9	38.1	35.9	31.9
Other Expenses	51.6	51.3	209.0	214.6	217.4
Total	414.4	396.6	1,671.1	1,591.1	1,514.2
Income Before Income Tax and Net Realized Investment Gains and Losses	68.2	64.3	266.7	260.1	215.5
UDB Reserve Increase	—	—	—	—	18.5
Adjusted Operating Income	\$ 68.2	\$ 64.3	\$ 266.7	\$ 260.1	\$ 234.0
Operating Ratios (% of Premium Income):					
Benefit Ratio	71.7 %	71.6 %	71.9 %	71.1 %	72.4 %
Benefit Ratio Excluding UDB Reserve Increase					71.3 %
Other Expense Ratio	11.4 %	11.8 %	11.4 %	12.3 %	13.5 %
Income Ratio					13.3 %
Adjusted Operating Income Ratio	15.0 %	14.8 %	14.6 %	14.9 %	14.5 %
Persistency:					
Group Life			90.6 %	91.2 %	88.0 %
Accidental Death & Dismemberment			89.9 %	89.9 %	87.2 %

Unum Group Financial Results for Unum US Supplemental and Voluntary

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Individual Disability	\$ 112.3	\$ 106.3	\$ 440.7	\$ 425.4	\$ 420.2
Voluntary Benefits	221.0	219.7	910.2	895.7	849.4
Dental and Vision	63.4	53.5	246.1	202.8	169.5
Total Premium Income	396.7	379.5	1,597.0	1,523.9	1,439.1
Net Investment Income	58.1	58.9	230.5	239.5	240.8
Other Income	1.5	0.6	6.3	4.8	10.1
Total	456.3	439.0	1,833.8	1,768.2	1,690.0
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits					
Commissions	202.7	186.1	780.1	738.1	695.1
Deferral of Acquisition Costs	70.4	73.0	287.0	293.0	277.6
Amortization of Deferred Acquisition Costs	(61.5)	(64.7)	(247.2)	(257.6)	(242.4)
Other Expenses	54.5	53.7	255.2	234.5	221.8
Total	344.4	335.3	1,401.6	1,352.0	1,280.4
Income Before Income Tax and Net Realized Investment Gains and Losses					
UDB Reserve Increase	111.9	103.7	432.2	416.2	409.6
Adjusted Operating Income	\$ 111.9	\$ 103.7	\$ 432.2	\$ 416.2	\$ 417.7
Operating Ratios (% of Premium Income):					
Benefit Ratios:					
Individual Disability	50.6 %	51.2 %	50.9 %	50.6 %	47.2 %
Voluntary Benefits	45.6 %	43.6 %	41.8 %	42.8 %	44.6 %
Voluntary Benefits Excluding UDB Reserve Increase					43.6 %
Dental and Vision	71.1 %	67.3 %	71.1 %	68.5 %	69.6 %
Other Expense Ratio	19.7 %	23.0 %	20.4 %	22.6 %	22.8 %
Income Ratio					28.5 %
Adjusted Operating Income Ratio	28.2 %	27.3 %	27.1 %	27.3 %	29.0 %
Persistency:					
Individual Disability			89.8 %	90.3 %	91.0 %
Voluntary Benefits			73.2 %	75.9 %	77.5 %
Dental and Vision			82.6 %	84.5 %	85.4 %

Unum Group Financial Results for Unum International Segment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Unum UK					
Group Long-term Disability	\$ 91.1	\$ 87.1	\$ 353.4	\$ 358.9	\$ 340.3
Group Life	31.8	27.2	115.7	110.8	103.1
Supplemental	23.8	20.6	89.5	81.7	69.6
Unum Poland	18.9	17.4	71.9	17.4	—
Total Premium Income	165.6	152.3	630.5	568.8	513.0
Net Investment Income	28.6	31.1	122.5	117.2	120.2
Other Income	0.3	0.4	0.6	0.4	0.7
Total	194.5	183.8	753.6	686.4	633.9
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	123.4	110.3	469.8	419.8	381.9
Commissions	13.5	11.0	48.7	39.1	35.5
Deferral of Acquisition Costs	(3.3)	(2.8)	(12.8)	(8.1)	(7.0)
Amortization of Deferred Acquisition Costs	1.7	2.0	7.1	8.2	9.1
Other Expenses	35.3	32.9	132.9	113.5	102.7
Total	170.6	153.4	645.7	572.5	522.2
Adjusted Operating Income	\$ 23.9	\$ 30.4	\$ 107.9	\$ 113.9	\$ 111.7

Certain prior year and prior period amounts in the table above were reclassified to conform to current year presentation.

Unum Group Financial Results for Unum UK

<i>(in millions of pounds, except exchange rate)</i>	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Group Long-term Disability	£ 70.8	£ 67.8	£ 276.8	£ 269.0	£ 264.0
Group Life	24.7	21.1	90.7	83.0	80.0
Supplemental	18.4	16.0	70.0	61.3	53.9
Total Premium Income	113.9	104.9	437.5	413.3	397.9
Net Investment Income	20.9	22.9	90.5	86.5	93.3
Other Income	0.1	—	0.2	—	0.5
Total	134.9	127.8	528.2	499.8	491.7
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	88.0	78.3	335.5	307.4	296.2
Commissions	8.0	6.3	28.6	27.1	27.6
Deferral of Acquisition Costs	(1.4)	(1.1)	(5.4)	(5.0)	(5.4)
Amortization of Deferred Acquisition Costs	1.3	1.5	5.4	6.1	7.0
Other Expenses	21.6	20.6	83.7	80.2	79.7
Total	117.5	105.6	447.8	415.8	405.1
Adjusted Operating Income	£ 17.4	£ 22.2	£ 80.4	£ 84.0	£ 86.6
Weighted Average Pound/Dollar Exchange Rate	1.287	1.293	1.279	1.336	1.290
Operating Ratios (% of Premium Income):					
Benefit Ratio	77.3 %	74.6 %	76.7 %	74.4 %	74.4 %
Other Expense Ratio	19.0 %	19.6 %	19.1 %	19.4 %	20.0 %
Adjusted Operating Income Ratio	15.3 %	21.2 %	18.4 %	20.3 %	21.8 %
Persistency:					
Group Long-term Disability			89.9 %	87.8 %	87.4 %
Group Life			89.0 %	88.5 %	84.1 %
Supplemental			89.9 %	93.1 %	91.0 %

Unum Group Financial Results for Colonial Life Segment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Accident, Sickness, and Disability	\$ 245.8	\$ 237.5	\$ 973.4	\$ 929.3	\$ 884.2
Life	89.0	84.5	351.6	328.4	300.4
Cancer and Critical Illness	90.1	88.1	360.0	346.1	326.8
Total Premium Income	424.9	410.1	1,685.0	1,603.8	1,511.4
Net Investment Income	37.0	37.0	148.0	151.2	144.9
Other Income	1.2	0.2	3.4	1.2	1.1
Total	463.1	447.3	1,836.4	1,756.2	1,657.4
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	218.8	211.5	865.0	824.9	788.6
Commissions	84.2	90.9	364.5	364.6	344.5
Deferral of Acquisition Costs	(68.1)	(78.5)	(311.3)	(315.9)	(295.5)
Amortization of Deferred Acquisition Costs	62.5	61.2	258.8	242.2	224.4
Other Expenses	78.0	76.8	314.9	305.2	282.8
Total	375.4	361.9	1,491.9	1,421.0	1,344.8
Income Before Income Tax and Net Realized Investment Gains and Losses	87.7	85.4	344.5	335.2	312.6
UDB Reserve Increase	—	—	—	—	12.4
Adjusted Operating Income	\$ 87.7	\$ 85.4	\$ 344.5	\$ 335.2	\$ 325.0
Operating Ratios (% of Premium Income):					
Benefit Ratio	51.5 %	51.6 %	51.3 %	51.4 %	52.2 %
Benefit Ratio Excluding UDB Reserve Increase					51.4 %
Other Expense Ratio	18.4 %	18.7 %	18.7 %	19.0 %	18.7 %
Income Ratio					20.7 %
Adjusted Operating Income Ratio	20.6 %	20.8 %	20.4 %	20.9 %	21.5 %
Persistency:					
Accident, Sickness, and Disability			73.2 %	74.2 %	75.1 %
Life			83.4 %	83.6 %	84.4 %
Cancer and Critical Illness			80.6 %	82.4 %	82.7 %

Unum Group Financial Results for Closed Block Segment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Premium Income					
Long-term Care	\$ 162.4	\$ 162.5	\$ 651.6	\$ 648.3	\$ 648.7
Individual Disability	90.4	101.8	374.3	420.8	471.8
All Other	1.0	1.5	7.6	8.0	8.7
Total Premium Income	253.8	265.8	1,033.5	1,077.1	1,129.2
Net Investment Income	356.6	345.8	1,404.9	1,377.1	1,354.0
Other Income	17.8	18.6	71.3	75.4	79.8
Total	628.2	630.2	2,509.7	2,529.6	2,563.0
Benefits and Expenses					
Benefits and Change in Reserves for Future Benefits	524.0	537.1	2,139.3	2,919.2	2,191.8
Commissions	19.7	20.8	81.0	84.1	90.0
Interest and Debt Expense	1.1	1.7	5.3	6.9	6.7
Other Expenses	37.3	35.8	146.4	144.7	150.6
Total	582.1	595.4	2,372.0	3,154.9	2,439.1
Income (Loss) Before Income Tax and Net Realized Investment Gains and Losses	46.1	34.8	137.7	(625.3)	123.9
Long-term Care Reserve Increase	—	—	—	750.8	—
Adjusted Operating Income	\$ 46.1	\$ 34.8	\$ 137.7	\$ 125.5	\$ 123.9
Interest Adjusted Loss Ratios:					
Long-term Care	86.7 %	83.2 %	88.1 %	206.8 %	91.1 %
Long-term Care Excluding Reserve Increase				91.0 %	
Individual Disability	74.7 %	81.2 %	78.8 %	80.4 %	82.4 %
Operating Ratios (% of Premium Income):					
Other Expense Ratio	14.7 %	13.5 %	14.2 %	13.4 %	13.3 %
Income (Loss) Ratio				(58.1)%	
Adjusted Operating Income Ratio	18.2 %	13.1 %	13.3 %	11.7 %	11.0 %
Persistency:					
Long-term Care			95.7 %	95.8 %	95.9 %
Individual Disability			88.1 %	88.3 %	89.6 %

Unum Group Financial Results for Corporate Segment

	Three Months Ended		Year Ended		
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2017
Adjusted Operating Revenue					
Net Investment Income	\$ 5.1	\$ 7.0	\$ 20.5	\$ 29.5	\$ 21.4
Other Income	0.5	1.1	3.1	2.7	2.9
Total	5.6	8.1	23.6	32.2	24.3
Interest, Debt, and Other Expenses	58.2	56.3	239.5	203.3	191.7
Loss Before Income Tax and Net Realized Investment Gains and Losses	(52.6)	(48.2)	(215.9)	(171.1)	(167.4)
Cost Related to Early Retirement of Debt	2.1	—	27.3	—	—
Loss from Guaranty Fund Assessment	—	—	—	—	20.6
Adjusted Operating Loss	\$ (50.5)	\$ (48.2)	\$ (188.6)	\$ (171.1)	\$ (146.8)

Unum Group Reserves

	December 31, 2019							
	Policy Reserves	%	Gross Claim Reserves			Total	Total Reinsurance Ceded	Total Net
			Incurred	IBNR	%			
Group Disability	\$ —	— %	\$ 5,814.5	\$ 683.8	28.2 %	\$ 6,498.3	\$ 58.3	\$ 6,440.0
Group Life and Accidental Death & Dismemberment	59.9	0.3	721.1	234.2	4.1	1,015.2	6.2	1,009.0
Individual Disability	499.0	2.4	1,391.1	140.3	6.6	2,030.4	217.2	1,813.2
Voluntary Benefits	1,700.1	8.2	45.8	51.4	0.4	1,797.3	26.1	1,771.2
Dental and Vision	—	—	—	15.4	0.1	15.4	0.2	15.2
Unum US Segment	2,259.0	10.9	7,972.5	1,125.1	39.4	11,356.6	308.0	11,048.6
Unum International Segment	186.5	0.9	1,986.4	110.0	9.1	2,282.9	87.6	2,195.3
Colonial Life Segment	2,229.0	10.8	297.4	113.2	1.8	2,639.6	6.2	2,633.4
Individual Disability	258.8	1.3	8,724.1	172.7	38.5	9,155.6	1,669.4	7,486.2
Long-term Care	9,864.6	47.8	2,045.2	232.0	9.9	12,141.8	44.7	12,097.1
Other	5,847.9	28.3	177.6	120.5	1.3	6,146.0	5,133.1	1,012.9
Closed Block Segment	15,971.3	77.4	10,946.9	525.2	49.7	27,443.4	6,847.2	20,596.2
Subtotal	\$ 20,645.8	100.0 %	\$ 21,203.2	\$ 1,873.5	100.0 %	43,722.5	7,249.0	36,473.5
Adjustment Related to Unrealized Investment Gains and Losses						5,803.1	424.7	5,378.4
Consolidated						\$ 49,525.6	\$ 7,673.7	\$ 41,851.9

The adjustment related to unrealized investment gains and losses reflects the changes that would be necessary to policyholder liabilities if the unrealized investment gains and losses related to the corresponding available-for-sale securities had been realized. Changes in this adjustment are primarily due to movements in credit spreads and U.S. Treasury rates.

Unum Group Reserves

December 31, 2018

	Gross						Total Reinsurance Ceded	Total Net
	Policy Reserves	%	Claim Reserves		%	Total		
			Incurred	IBNR				
Group Disability	\$ —	— %	\$ 5,900.0	\$ 670.8	28.4 %	\$ 6,570.8	\$ 71.0	\$ 6,499.8
Group Life and Accidental Death & Dismemberment	52.9	0.3	750.7	217.8	4.2	1,021.4	7.1	1,014.3
Individual Disability	518.4	2.6	1,357.8	137.1	6.4	2,013.3	217.1	1,796.2
Voluntary Benefits	1,643.9	8.1	49.0	58.1	0.5	1,751.0	27.1	1,723.9
Dental and Vision	—	—	0.1	14.5	0.2	14.6	0.2	14.4
Unum US Segment	2,215.2	11.0	8,057.6	1,098.3	39.7	11,371.1	322.5	11,048.6
Unum International Segment	175.7	0.9	1,838.4	115.0	8.4	2,129.1	84.6	2,044.5
Colonial Life Segment	2,112.5	10.5	292.6	131.4	1.8	2,536.5	8.0	2,528.5
Individual Disability	332.2	1.6	9,085.0	199.6	40.1	9,616.8	1,646.6	7,970.2
Long-term Care	9,463.2	46.9	1,787.6	235.7	8.7	11,486.5	39.9	11,446.6
Other	5,869.5	29.1	187.6	120.2	1.3	6,177.3	5,119.8	1,057.5
Closed Block Segment	15,664.9	77.6	11,060.2	555.5	50.1	27,280.6	6,806.3	20,474.3
Subtotal	\$ 20,168.3	100.0 %	\$ 21,248.8	\$ 1,900.2	100.0 %	43,317.3	7,221.4	36,095.9
Adjustment Related to Unrealized Investment Gains and Losses						3,220.3	261.4	2,958.9
Consolidated						\$ 46,537.6	\$ 7,482.8	\$ 39,054.8

Unum Group Investments

	12/31/2019		12/31/2019		12/31/2018
Fixed Maturity Securities (Fair Value)			Selected Statistics		
Public	\$ 31,017.5	65.4 %	Earned Book Yield	5.00 %	5.15 %
Asset-Backed Securities	56.1	0.1	Average Duration (in years)	7.91	7.64
Residential Mortgage-Backed Securities	1,340.6	2.8			
Commercial Mortgage-Backed Securities	82.0	0.2			
Private Placements	5,937.1	12.5			
High Yield	3,188.0	6.7			
Government Securities	2,419.4	5.1			
Municipal Securities (1)	3,363.4	7.1			
Redeemable Preferred Stocks	39.6	0.1			
Total	\$ 47,443.7	100.0 %			

	Amortized Cost	Fair Value	Schedule BA and Non-Current		
Quality Ratings of Fixed Maturity Securities					
Aaa	6.9 %	6.6 %	Total Non-Current Investments	\$ 30.5	\$ 36.0
Aa	9.0	9.4	Total Schedule BA Assets	\$ 675.1	\$ 575.3
A	27.9	29.1			
Baa	48.7	48.2			
Below Baa	7.5	6.7			
Total	100.0 %	100.0 %			

(1) Includes \$0.5 million of high yield taxable municipals.

Unum Group Investments at December 31, 2019
Fixed Maturity Securities - By Industry Classification - Unrealized Gain (Loss)

Classification	Fair Value	Net Unrealized Gain	Fair Value of Fixed Maturity Securities with Gross Unrealized Loss	Gross Unrealized Loss	Fair Value of Fixed Maturity Securities with Gross Unrealized Gain	Gross Unrealized Gain
Basic Industry	\$ 3,298.9	\$ 331.2	\$ 94.8	\$ 9.8	\$ 3,204.1	\$ 341.0
Capital Goods	4,418.7	578.5	63.9	0.7	4,354.8	579.2
Communications	3,069.3	519.7	81.7	1.0	2,987.6	520.7
Consumer Cyclical	1,518.7	170.4	42.3	1.9	1,476.4	172.3
Consumer Non-Cyclical	7,256.7	985.2	250.0	20.0	7,006.7	1,005.2
Energy	4,775.4	654.7	290.9	26.7	4,484.5	681.4
Financial Institutions	3,799.3	434.8	46.4	0.5	3,752.9	435.3
Mortgage/Asset-Backed	1,478.7	100.9	50.1	0.4	1,428.6	101.3
Sovereigns	1,017.7	174.2	69.4	1.0	948.3	175.2
Technology	1,898.8	147.4	34.7	12.5	1,864.1	159.9
Transportation	2,414.2	316.0	54.2	0.8	2,360.0	316.8
U.S. Government Agencies and Municipalities	4,765.1	655.9	441.5	7.7	4,323.6	663.6
Public Utilities	7,732.2	1,295.5	205.3	8.2	7,526.9	1,303.7
Total	\$ 47,443.7	\$ 6,364.4	\$ 1,725.2	\$ 91.2	\$ 45,718.5	\$ 6,455.6

Gross Unrealized Loss on Fixed Maturity Securities by Length of Time in Unrealized Loss Position

Category	Investment-Grade		Below-Investment-Grade	
	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss
Less than 91 days	\$ 967.7	\$ 13.8	\$ 51.8	\$ 0.5
91 through 180 days	125.7	2.3	72.1	3.1
181 through 270 days	2.8	—	72.9	20.2
271 days to 1 year	—	—	12.0	0.9
Greater than 1 year	115.4	7.4	304.8	43.0
Total	\$ 1,211.6	\$ 23.5	\$ 513.6	\$ 67.7

Appendix to Statistical Supplement

2019 Significant Items

- 2019 cost related to the early retirement of debt of \$27.3 million before tax and \$21.6 million after tax.
- In February 2016, the Financial Accounting Standards Board (FASB) issued an update that changed the accounting and disclosure requirements for leases. These changes include the requirement for lessees to report most leases on their balance sheets, regardless of whether the lease is classified as a finance lease or an operating lease. For lessees, the initial lease liability is equal to the present value of lease payments and a corresponding asset, adjusted for certain items, is also recorded. The expense recognition for lessees remained similar to previous accounting requirements for capital and operating leases. We adopted this update effective January 1, 2019 using a modified retrospective approach through a cumulative-effect adjustment as of January 1, 2019 which resulted in a decrease to retained earnings of \$3.4 million, an increase to other assets of \$117.7 million, a decrease in deferred income tax of \$0.4 million, an increase to other liabilities of \$122.0 million, and a decrease to income tax payable of \$1.3 million.

2018 Significant Items

- In October 2018, we acquired 100 percent of the shares and voting interests in Unum Poland, a financial protection benefits provider in Poland. This acquisition will expand our European presence, which we believe to be an attractive market for financial protection benefits. This acquisition, the results of which are included in our consolidated financial statements for the period subsequent to the date of acquisition, did not have a material impact on revenue, operating results, or sales during 2018.
- Third quarter of 2018 reserve increase of \$750.8 million before tax and \$593.1 million after tax related to long-term care.
- In January 2016, the FASB issued an update that changed the accounting and disclosure requirements for certain financial instruments. These changes include a requirement to measure equity investments, other than those that result in consolidation or are accounted for under the equity method, at fair value through net income unless the investment qualifies for certain practicability exceptions. In addition, the update clarified guidance related to the valuation allowance assessment when recognizing deferred tax assets resulting from unrealized losses on available-for-sale fixed maturity securities. We adopted this update effective January 1, 2018 using a modified retrospective approach through a cumulative-effect adjustment as of January 1, 2018 which resulted in a decrease to accumulated other comprehensive income (AOCI) of \$17.5 million, an increase to retained earnings of \$14.5 million, a decrease to other long-term investments of \$3.8 million, and a decrease to deferred income tax liability of \$0.8 million.

2017 Significant Items

- Fourth quarter of 2017 unclaimed death benefit reserve increase of \$18.5 million for Unum US group life, \$8.1 million for Unum US voluntary life, and \$12.4 million for Colonial Life voluntary life, for a total reserve increase of \$39.0 million before tax and \$25.4 million after tax.
- Fourth quarter of 2017 net tax benefit of \$31.5 million resulting from H.R.1, An Act to Provide Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018, more commonly known as the Tax Cuts and Jobs Act (TCJA) enacted on December 22, 2017. This is comprised of a tax benefit of \$97.9 million related to the revaluation of our net deferred tax liabilities associated with our U.S. operations to the newly enacted U.S. corporate tax rate and a tax expense of \$66.4 million resulting from the tax on undistributed and previously untaxed foreign earnings and profits.
- Fourth quarter of 2017 results for the Unum US individual disability product line reflects a reserve release of \$19.5 million before tax and \$12.7 million after tax, resulting from our annual review of reserve adequacy which reflects the recognition of updated morbidity assumptions in our disabled life reserves.
- First quarter of 2017 loss from a guaranty fund assessment of \$20.6 million before tax and \$13.4 million after tax.

Appendix to Statistical Supplement - Continued

Non-GAAP Financial Measures

We analyze our performance using non-GAAP financial measures which exclude or include amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. We believe the following non-GAAP financial measures are better performance measures and better indicators of the revenue and profitability and underlying trends in our business:

- Consolidated adjusted operating revenue, which excludes realized investment gains or losses;
- After-tax adjusted operating income or loss, which excludes realized investment gains or losses, and certain other items, as applicable;
- Adjusted operating return on equity, which is calculated using after-tax adjusted operating income or loss and excludes from equity the unrealized gain or loss on securities and net gain on hedges;
- Leverage ratio, which excludes the unrealized gain or loss on securities and net gain on hedges, and the non-recourse debt and associated capital of Northwind Holdings, LLC; and
- Book value per common share, which is calculated excluding AOCI.

Realized investment gains or losses and unrealized gains or losses on securities and net gains on hedges depend on market conditions and do not necessarily relate to decisions regarding the underlying business of our Company. Leverage ratio and book value per common share excluding certain components of AOCI, certain of which tend to fluctuate depending on market conditions and general economic trends, are important measures. We also exclude certain other items from our discussion of financial ratios and metrics in order to enhance the understanding and comparability of our operational performance and the underlying fundamentals. We exclude these items as we believe them to be infrequent or unusual in nature, but this exclusion is not an indication that similar items may not recur and does not replace the comparable GAAP measures in the determination of overall profitability.

Information reconciling the Company's outlook on after-tax adjusted operating income growth per share to the comparable GAAP financial measure is not provided. The only amounts excluded from after-tax adjusted operating income are those described in this Appendix to Statistical Supplement. The Company is unable to predict with reasonable certainty realized investment gains and losses, which are affected by overall market conditions and also by factors such as an economic or political change in the country of the issuer, a regulatory change pertaining to the issuer's industry, a significant improvement or deterioration in the cash flows of the issuer, unforeseen accounting irregularities or fraud committed by an issuer, movement in credit spreads, ratings upgrades or downgrades, a change in the issuer's marketplace or business prospects, or any other event that significantly affects the issuers of the fixed maturity securities which the Company holds in its investment portfolio. For a reconciliation of the most directly comparable GAAP measures to these non-GAAP financial measures, refer to the "Reconciliation of Non-GAAP Financial Measures" beginning on page 16.2, other than book value per common share, which is presented on page 2.

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended									
	December 31	September 30	June 30	March 31	December 31	September 30	June 30	March 31	December 31	December 31
	2019				2018				2017	
Total Revenue	\$ 3,034.6	\$ 2,960.0	\$ 3,016.7	\$ 2,987.6	\$ 2,880.8	\$ 2,927.8	\$ 2,890.3	\$ 2,899.6	\$ 2,839.2	
Excluding:										
Net Realized Investment Gain (Loss)	9.2	(26.2)	(7.3)	1.1	(41.4)	6.7	(2.6)	(2.2)	11.4	
Adjusted Operating Revenue	\$ 3,025.4	\$ 2,986.2	\$ 3,024.0	\$ 2,986.5	\$ 2,922.2	\$ 2,921.1	\$ 2,892.9	\$ 2,901.8	\$ 2,827.8	

Reconciliation of Non-GAAP Financial Measures - Continued

	After-Tax Adjusted Operating Income (Loss)	Average Allocated Equity ⁽¹⁾	Adjusted Operating Return on Equity
Year Ended December 31, 2019			
Unum US	\$ 816.3	\$ 4,526.6	18.0 %
Unum International	88.4	757.9	11.7 %
Colonial Life	272.7	1,558.6	17.5 %
Core Operating Segments	1,177.4	6,843.1	17.2 %
Closed Block	104.4	3,842.2	
Corporate	(141.2)	(1,764.5)	
Total	\$ 1,140.6	\$ 8,920.8	12.8 %
Year Ended December 31, 2018			
Unum US	\$ 803.4	\$ 4,368.2	18.4 %
Unum International	93.1	694.4	13.4 %
Colonial Life	265.1	1,475.6	18.0 %
Core Operating Segments	1,161.6	6,538.2	17.8 %
Closed Block	117.0	3,512.5	
Corporate	(133.6)	(1,359.1)	
Total	\$ 1,145.0	\$ 8,691.6	13.2 %
Year Ended December 31, 2017			
Unum US	\$ 656.2	\$ 4,130.2	15.9 %
Unum International	92.1	607.3	15.2 %
Colonial Life	211.2	1,308.1	16.2 %
Core Operating Segments	959.5	6,045.6	15.9 %
Closed Block	86.4	3,290.1	
Corporate	(69.7)	(893.3)	
Total	\$ 976.2	\$ 8,442.4	11.6 %

⁽¹⁾ Excludes unrealized gain (loss) on securities and net gain on hedges and is calculated using the stockholders' equity balances presented on page 16.4. Due to the implementation of a FASB update for which the beginning balances of 2019 and 2018 for certain stockholders' equity line items were adjusted, we are computing the average allocated equity for 2019 and 2018 using internally allocated equity that reflects the adjusted beginning balances at January 1, 2019 and 2018, respectively. As a result, average equity for the years ended December 31, 2019 and 2018 for certain of our segments will not compute using the historical allocated equity at December 31, 2018 and 2017, respectively.

Reconciliation of Non-GAAP Financial Measures - Continued

	After-Tax Adjusted Operating Income (Loss)	Average Allocated Equity ⁽²⁾	Annualized Adjusted Operating Return on Equity
Three Months Ended December 31, 2019			
Unum US	\$ 208.3	4,517.0	18.4 %
Unum International	15.4	747.4	8.2 %
Colonial Life	69.4	1,547.4	17.9 %
Core Operating Segments	293.1	6,811.8	17.2 %
Closed Block	35.1	3,957.4	
Corporate	(37.5)	(1,685.9)	
Total	\$ 290.7	\$ 9,083.3	12.8 %
Three Months Ended December 31, 2018			
Unum US	\$ 197.3	\$ 4,424.7	17.8 %
Unum International	25.5	683.8	14.9 %
Colonial Life	67.6	1,530.4	17.7 %
Core Operating Segments	290.4	6,638.9	17.5 %
Closed Block	28.1	3,371.8	
Corporate	(36.8)	(1,364.3)	
Total	\$ 281.7	\$ 8,646.4	13.0 %

⁽²⁾Excludes unrealized gain (loss) on securities and net gain on hedges and is calculated using the stockholders' equity balances presented below.

Average allocated equity is computed as follows:

	12/31/2019	9/30/2019	12/31/2018	9/30/2018	12/31/2017	12/31/2016
Total Stockholders' Equity	\$ 9,965.0	\$ 9,631.6	\$ 8,621.8	\$ 8,518.2	\$ 9,574.9	\$ 8,968.0
Excluding:						
Net Unrealized Gain (Loss) on Securities	615.9	422.1	(312.4)	(340.7)	607.8	440.6
Net Gain on Hedges	187.8	204.3	250.6	250.0	282.3	327.5
Total Adjusted Stockholders' Equity	\$ 9,161.3	\$ 9,005.2	\$ 8,683.6	\$ 8,608.9	\$ 8,684.8	\$ 8,199.9
	Twelve Months Ended	Three Months Ended	Twelve Months Ended	Three Months Ended	Twelve Months Ended	
	12/31/2019		12/31/2018		12/31/2017	
Average Adjusted Stockholders' Equity	\$ 8,920.8	\$ 9,083.3	\$ 8,691.6	\$ 8,646.4	\$ 8,442.4	

Reconciliation of Non-GAAP Financial Measures - Continued

	Three Months Ended December 31			
	2019		2018	
	(in millions)	per share*	(in millions)	per share*
Net Income	\$ 296.2	\$ 1.44	\$ 249.1	\$ 1.15
Excluding:				
Net Realized Investment Gain (Loss) (net of tax expense (benefit) of \$2.0; \$(8.8))	7.2	0.04	(32.6)	(0.15)
Cost Related to Early Retirement of Debt (net of tax benefit of \$0.4;\$-)	(1.7)	(0.01)	—	—
After-tax Adjusted Operating Income	<u>\$ 290.7</u>	<u>\$ 1.41</u>	<u>\$ 281.7</u>	<u>\$ 1.30</u>

	Year Ended December 31					
	2019		2018		2017	
	(in millions)	per share *	(in millions)	per share *	(in millions)	per share *
Net Income	\$ 1,100.3	\$ 5.24	\$ 523.4	\$ 2.38	\$ 994.2	\$ 4.37
Excluding:						
Net Realized Investment Gain (Loss) (net of tax expense (benefit) of \$(4.5); \$(11.0); \$15.0)	(18.7)	(0.09)	(28.5)	(0.12)	25.3	0.11
Cost Related to Early Retirement of Debt (net of tax benefit of \$5.7; \$-; \$-)	(21.6)	(0.11)	—	—	—	—
Long-term Care Reserve Increase (net of tax benefit of \$-; \$157.7; \$-)	—	—	(593.1)	(2.70)	—	—
Loss from Guaranty Fund Assessment (net of tax benefit of \$-; \$-; \$7.2)	—	—	—	—	(13.4)	(0.06)
UDB Reserve Increase (net of tax benefit of \$-; \$-; \$13.6)	—	—	—	—	(25.4)	(0.11)
Net Tax Benefit from Impacts of TCJA	—	—	—	—	31.5	0.14
After-tax Adjusted Operating Income	<u>\$ 1,140.6</u>	<u>\$ 5.44</u>	<u>\$ 1,145.0</u>	<u>\$ 5.20</u>	<u>\$ 976.2</u>	<u>\$ 4.29</u>

*Assuming Dilution.

Reconciliation of Non-GAAP Financial Measures - Continued

	December 31		
	2019	2018	2017
Debt	\$ 3,326.6	\$ 2,971.3	\$ 2,938.3
Including:			
Lease Liability	114.7	—	—
Excluding:			
Non-recourse Debt	78.1	137.1	196.0
Adjusted Debt and Lease Liability	<u>\$ 3,363.2</u>	<u>\$ 2,834.2</u>	<u>\$ 2,742.3</u>
Total Stockholders' Equity	\$ 9,965.0	\$ 8,621.8	\$ 9,574.9
Excluding:			
Net Unrealized Gain (Loss) on Securities and Net Gain on Hedges	803.7	(61.8)	890.1
Northwind Capital	984.6	953.1	912.2
Equity, As Adjusted	8,176.7	7,730.5	7,772.6
Debt, As Adjusted and Lease Liability	3,363.2	2,834.2	2,742.3
Total Adjusted Capital	<u>\$ 11,539.9</u>	<u>\$ 10,564.7</u>	<u>\$ 10,514.9</u>
Leverage Ratio ⁽³⁾	29.1 %	26.8 %	26.1 %

⁽³⁾ In connection with our January 1, 2019 adoption of the accounting update for leases, we have included the lease liability in the calculation of our leverage ratio on a prospective basis.