

Q2'17 RESULTS FACT SHEET



ABOUT SUN LIFE FINANCIAL

Sun Life Financial is a leading international financial services organization providing a diverse range of insurance, wealth and asset management solutions to individuals and corporate Clients. Sun Life Financial has operations in a number of markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China, Australia, Singapore, Vietnam, Malaysia and Bermuda.

Figures as at June 30, 2017 and in C\$, unless otherwise stated

Ticker	SLF (TSX)
TSX share price	\$46.36
NYSE share price	US\$35.75
Market capitalization	\$28.5B
Common shares outstanding	613.7M
Book value per share	\$32.69
Dividend per share	\$0.435
MCCSR	229%*

* For Sun Life Assurance Company of Canada

MEDIUM TERM OBJECTIVES⁽¹⁾

Average underlying EPS growth	8 - 10% per annum
Underlying ROE	12 - 14%
Target dividend payout ratio	40 - 50%

CREDIT RATINGS⁽²⁾

S&P	AA-*
Moody's	Aa3
A.M. Best	A+
DBRS	AA (low)

* On March 13, 2017 S&P revised outlook to Positive from Stable

Q2'17 HIGHLIGHTS

FINANCIAL RESULTS ⁽³⁾	Q2'17	Q2'16	CHANGE
Reported Net Income	\$574M	\$480M	20%
Underlying Net Income	\$689M	\$554M	24%
Reported EPS	\$0.93	\$0.78	19%
Underlying EPS	\$1.12	\$0.90	24%
Reported ROE	11.4%	10.3%	110 bps
Underlying ROE	13.7%	11.9%	180 bps
Assets under Management (AUM)	\$944B	\$865B	9%

“ Our second quarter reflected strong earnings in all of our four business pillars, with underlying net income of \$689 million, up 24% over the same quarter last year. The quarter reflects strong execution across our businesses with particular strength in Canada, and good progress in asset management and in integrating our U.S. Group business. Total wealth sales grew 12%, while total insurance sales had more paced growth over the prior year following a strong first quarter. We are also pleased to announce the Board of Directors' approval of a share buyback program, reflecting our strong capital position.”

DEAN CONNOR, President and Chief Executive Officer

OUR GROWTH STRATEGY AND SECOND QUARTER HIGHLIGHTS

A LEADER IN INSURANCE AND WEALTH SOLUTIONS IN OUR CANADIAN HOME MARKET

- » Group Benefits business ranked #1 in premium revenue in the Fraser Group Universe Report for the 8th year in a row
- » Group Retirement Services sales increased by more than 50%
 - » Defined Benefits Solutions largest ever single-day annuity purchase in Canada
 - » Strong Client retention activity
- » Individual Wealth sales up 17% across fixed products, mutual funds, and segregated funds

A LEADER IN GLOBAL ASSET MANAGEMENT

- » MFS AUM up 9% from Q2'16 to US\$462 billion; underlying net income up 26% from Q2'16
- » Strong fund performance across asset management businesses
- » Net sales at Sun Life Investment Management of \$3 billion in the first six months of 2017 have more than tripled over the prior year

A LEADER IN U.S. GROUP BENEFITS AND INTERNATIONAL HIGH NET WORTH SOLUTIONS

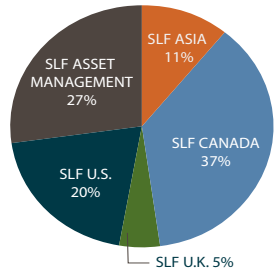
- » Improved claims experiences in Stop-loss, seeing impact of price increases in life and disability
- » Continued progress on Group integration:
 - » Rolled out combined portfolio of employee benefits products and services, representing the best offerings under the Sun Life brand
 - » Achieved greater than 50% of the expected expense synergies announced at the time of the acquisition

A LEADER IN ASIA THROUGH DISTRIBUTION EXCELLENCE IN HIGHER GROWTH MARKETS

- » Announced a telco-insurance partnership with U Mobile, that will allow Malaysians to apply and manage their life insurance coverage on their mobile devices
- » Wealth sales increased by over 65% over the prior year to \$2.9 billion from growth in mutual fund sales in India and growth in pension sales in Hong Kong

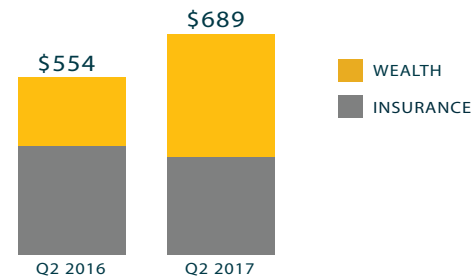
A BALANCED AND DIVERSIFIED PORTFOLIO

Q2'17 UNDERLYING NET INCOME BY BUSINESS GROUP



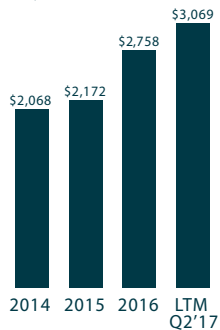
Graphic excludes Corporate Support results

UNDERLYING NET INCOME BY BUSINESS TYPE⁽⁴⁾
(C\$ MILLIONS)

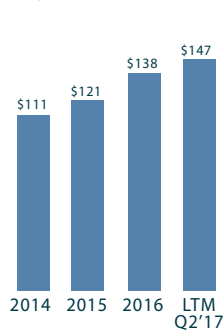


INSURANCE & WEALTH SALES

INSURANCE SALES
C\$ MILLIONS

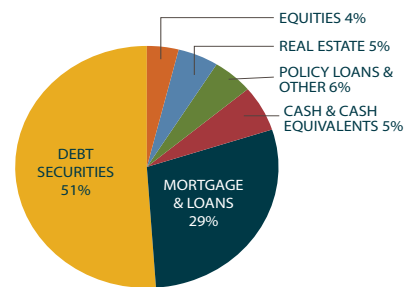


WEALTH SALES⁽⁵⁾
C\$ BILLIONS



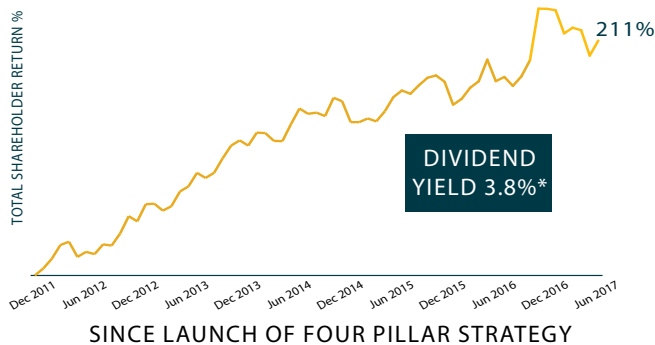
INVESTED ASSETS

Q2'17 INVESTED ASSETS
(C\$144 BILLION)



98% of our bond portfolio is investment grade or higher

TOTAL SHAREHOLDER RETURN



STRENGTH OF SUN LIFE

1. We have four strong pillars that can each compete, win and grow in their respective sectors and which leverage each other
2. Bound together by a strong balance sheet and risk culture, including no direct U.S. Variable Annuity or Long-Term Care
3. Underpinned by a strong performance culture that is humble, but ambitious; driven by results, but not yet satisfied
4. Led by a proven management team that can execute on growth with disciplined capital allocation
5. Galvanized by a new objective - to become one of the best insurance and asset managers in the world through a step-change around Clients
6. Building on momentum created by past organic investments and acquisitions that will help drive earnings growth
7. With the objective of generating 8-10% average annual underlying EPS growth and a 12-14% underlying ROE, while maintaining a strong dividend payout ratio

ACHIEVEMENTS AND RECOGNITION

- » Voted in 2017 by Canadians for the eighth year in a row as 'Most Trusted Life Insurance Company', (Reader's Digest's Trusted Brand™ Awards Program)
- » For the eighth consecutive year in 2016, Sun Life ranked among the Global 100 Most Sustainable Corporations in the World, as selected by Corporate Knights
- » Sun Life ranked in the top ten for the eighth consecutive year in The Globe and Mail Report on Business' 2016 Board Games for corporate governance practices
- » Only North American life insurer included in the Standard & Poor's Long Term Value Creation Global Index
- » Sun Life Assurance Company of Canada recognized as one of Canada's Top Employers for Young People and one of Canada's Greenest Employers in 2017 by Canada's Top 100 Employers

EVENTS CALENDAR

- » September 7th, 2017 - Scotiabank Financials Summit, Toronto
- » September 28th, 2017 - CIBC 16th Annual Eastern Conference, Montreal
- » November 9th, 2017 - 3rd Quarter 2017 Financial Results

INVESTOR RELATIONS CONTACT:

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⁽¹⁾ The objectives are based on underlying net income measures. The objectives are forward-looking non-IFRS financial measures and are not earnings guidance. Additional information is provided in our 2016 annual MD&A under the heading Forward-looking Statements - Medium-Term Financial Objectives and under the heading "Financial Objectives". ⁽²⁾ Ratings are for Sun Life Assurance Company of Canada. ⁽³⁾ Management uses certain non-IFRS measures such as underlying net income (loss), underlying EPS, underlying ROE, assets under management and premiums and deposits, and information calculated on a constant currency basis. These measures should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. ⁽⁴⁾ Wealth earnings include results of Individual Wealth and Group Retirement Services in SLF Canada, Sun Life Financial Asset Management, International Wealth in SLF U.S. and the Company's wealth businesses in SLF Asia. ⁽⁵⁾ Excludes the U.S. investment product sales in SLF U.S.'s International Wealth business, which was closed to new sales in December 2015. Additional information concerning non-IFRS financial measures and reconciliations to IFRS measures are included in our annual and interim MD&A. EPS measures refer to fully diluted EPS, unless otherwise stated. The items excluded in determining underlying income measures are set out in the 2017 Interim MD&A under the heading Financial Performance - Second Quarter 2017 Performance. All data is in C\$ unless otherwise noted.