

Q2'16 RESULTS FACT SHEET



ABOUT SUN LIFE FINANCIAL

Sun Life Financial is a leading international financial services organization providing a diverse range of protection and wealth products and services to individuals and corporate customers. 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, 2016, unless otherwise stated

Ticker	SLF (TSX)
TSX share price	\$42.44
NYSE share price	\$32.83
Market capitalization	\$26B
Common shares outstanding	613M
Book value per share	\$30.42
Dividend per share	\$0.405
MCCSR	214%*

* For Sun Life Assurance Company of Canada

MEDIUM TERM OBJECTIVES⁽¹⁾

Average EPS growth	8 - 10% per annum
ROE objective	12 - 14%
Payout ratio ⁽²⁾	40 - 50%

CREDIT RATINGS⁽³⁾

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

Q2'16 HIGHLIGHTS

FINANCIAL RESULTS ⁽⁴⁾	Q2'16	Q2'15	CHANGE
Reported Net Income	\$480M	\$726M	-34%
Operating Net Income	\$474M	\$731M	-35%
Underlying Net Income	\$554M	\$615M	-10%
Operating EPS	\$0.77	\$1.19	-35%
Underlying EPS	\$0.90	\$1.00	-10%
Operating ROE	10.1%	16.5%	- 640 bps
Underlying ROE	11.9%	13.9%	- 200 bps
Assets under Management	\$865B	\$808B	7%

“ Sun Life's strategy stood up well during the second quarter, delivering \$554 million in underlying net income and an 11.9% underlying ROE in the face of a challenging environment. We made good progress at integrating our acquisitions announced last year; increased ownership in our Asian joint venture operations; and continued our investment in organic growth. ”

DEAN CONNOR
President and Chief Executive Officer

OUR GROWTH STRATEGY AND SECOND QUARTER HIGHLIGHTS

LEADER IN FINANCIAL PROTECTION AND WEALTH SOLUTIONS IN OUR CANADIAN HOME MARKET

- » Individual insurance sales up 16%
- » Group Benefit sales up 12%
 - » Group Benefits retained its top industry ranking for the seventh consecutive year⁽⁵⁾
- » Individual wealth manufactured product⁽⁶⁾ sales up 37% from continued momentum of Sun Life Global Investments mutual funds and Sun Life Guaranteed Investment segregated funds

PREMIER GLOBAL ASSET MANAGEMENT OPERATIONS

- » MFS global assets under management of US\$425 billion
 - » Gross sales of US\$20.8 billion and net outflows of US\$(1.0) billion
 - » Fund performance remains strong, pre-tax operating margin of 35%
- » Sun Life Investment Management net inflows of \$0.5 billion, AUM of \$49 billion

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

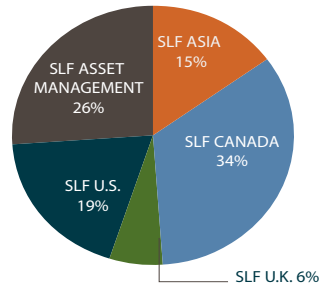
- » Integration of U.S. employee benefits business progressing well
 - » Launched an expanded group benefits product portfolio under the Sun Life brand through unified sales teams
- » Growth in Group Life & Health, Voluntary and Stop Loss sales

GROWING ASIA THROUGH DISTRIBUTION EXCELLENCE IN HIGHER GROWTH MARKETS

- » Individual insurance sales increased by 28%; driven by increased ownership levels and growth in most markets
- » Continued investment in growth throughout the region:
 - » Increased ownership levels in India, Vietnam
 - » Will acquire the pension business of FWD Hong Kong and enter into a 15-year pension distribution agreement

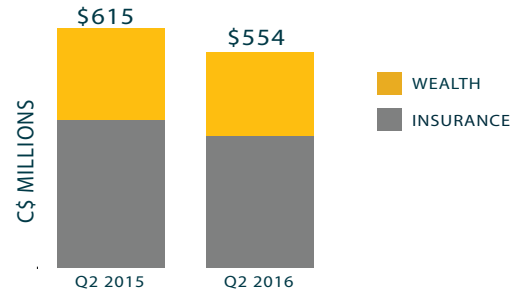
A BALANCED AND DIVERSIFIED PORTFOLIO

Q2'16 UNDERLYING NET INCOME BY BUSINESS GROUP



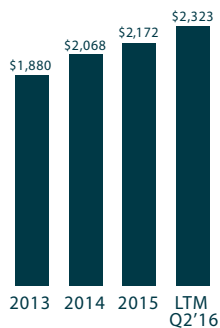
Graphic excludes Corporate Support results

UNDERLYING NET INCOME BY BUSINESS TYPE⁽⁷⁾

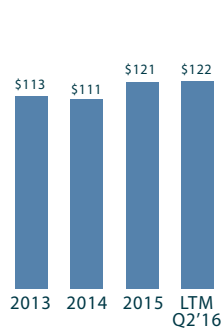


INSURANCE & WEALTH SALES

INSURANCE SALES
C\$ MILLIONS

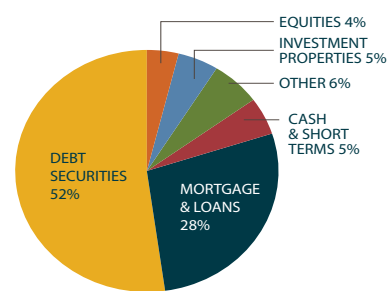


WEALTH SALES⁽⁸⁾
C\$ BILLIONS



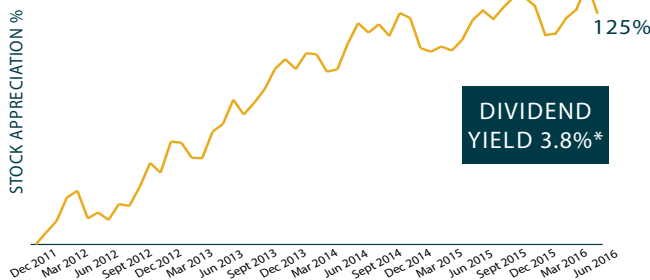
INVESTED ASSETS

Q2'16 INVESTED ASSETS
(C\$141.4 BILLION)



97% of our bond portfolio is investment grade or higher

STOCK PRICE PERFORMANCE CHART



FROM ANNOUNCEMENT OF FOUR PILLAR STRATEGY

* As at June 30, 2016

STRENGTH OF SUN LIFE

1. Leadership position in Canada, one of the best financial markets in the world
2. First-rate investment management businesses - MFS and Sun Life Investment Management
3. Significant and growing business in Asia, exclusively in higher growth markets
4. Leading medical stop-loss business in the U.S., with upside improvement in Group Benefits and leading International High Net Worth business
5. Strong capital and risk stance, with no U.S. variable annuities
6. Significant investments to drive earnings growth

ACHIEVEMENTS AND RECOGNITION

- » Voted by Canadians for the seventh year in a row as 'Most Trusted Life Insurance Company', (Reader's Digest's Trusted Brand™ awards program)
- » Named among the Global 100 Most Sustainable Corporations in the World by Corporate Knights at the World Economic Forum in Davos, Switzerland
- » Ranked #1 in The Globe and Mail Report on Business' 2015 Board Games for corporate governance practices
- » Only North American life insurer to be selected for Standard & Poor's Long Term Value Creation Index
- » Sun Life Assurance Company of Canada recognized as one of Canada's Top Employers for Young People for 2016 by Canada's Top 100 Employers

EVENTS CALENDAR

- » September 8, 2016 - Scotiabank Financials Summit 2016
- » September 22, 2016 - CIBC 15th Eastern Institutional Conference
- » October 20, 2016 - Sun Life Investment Management Investor Day
- » November 10, 2016 - 3rd Quarter 2016 financial results

INVESTOR RELATIONS CONTACT:

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⁽¹⁾ The objectives are forward-looking non-IFRS financial measures and are not earnings guidance. Management evaluates performance on the basis of financial measures calculated in accordance with International Financial Reporting Standards ("IFRS"). ⁽²⁾ Dividend payout ratio is based on underlying net income. ⁽³⁾ Ratings are for Sun Life Assurance Company of Canada. ⁽⁴⁾ Management uses certain non-IFRS measures such as operating/underlying net income (loss), operating/underlying EPS, operating/underlying ROE 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. ⁽⁵⁾ The 2016 Fraser Group, Group Universe Report. ⁽⁶⁾ Wealth manufactured products include SLGI mutual funds, Sun Life Guaranteed Investment Funds and other SLF product offerings. ⁽⁷⁾ 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. ⁽⁸⁾ 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 operating/underlying income measures are set out in the Q2 2016 Interim MD&A under the heading Financial Performance - Second Quarter 2016 Performance. All data is in C\$ unless otherwise noted.