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## Unum Group Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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[Operator Instructions] And we'll go first to Tamara Kravec with Banc Of America Securities.

**Tamara Kravec - Banc Of America Securities**

Thank you. Good morning.

**Thomas R. Watjen - President and Chief Executive Officer**

Good morning Tamara.

**Tamara Kravec - Banc Of America Securities**

Good quarter.

**Thomas R. Watjen - President and Chief Executive Officer**

Thank you.

**Tamara Kravec - Banc Of America Securities**

We are happy to have '07 being a strong year. I have a couple of question. First, in light of the probability of recession increasing with industry experts and economist, how are you feeling about this business going into '08 with that probability rising and particular in light of your goal for the continued improvement in the benefit ratio in your [inaudible] business? That's my first question. My second is just touching on reserves and just given the accelerated pace with which the FED is lowering rates and I think that's probably expected to continue near term, are you readdressing reserves in light of your interest margins, if you could talk about that? And then just addressing the competitive environment, particularly in the less than 2000 lives where you saw good growth. Thanks.

**Thomas A. H. White - Head of Investor Relations**

Good. Tam let me start with your first one and then maybe ask Kevin to supplement my comments. But, let me start with the fact, again as you look at the company today, given the balance of our business, we don't feel as though we have anywhere near as much vulnerability to swing from the economy. And again, by that I mean, you look at the contributions that Colonial now makes to our company, Unum UK now makes to our company, and even within Unum US the fact that we have a more diverse product portfolios in terms of contributions from voluntary and group life and things like that. So, again, I start with the point that the company is in a very different position overall relative to where it was in the past. Maybe what Kevin can do is speak specifically for the Unum US group

disability line in terms of some of the things that we have done there and why we think again that we are in a better position than the past. I will say though we are keeping a vary eye on the economy throughout as it relates to client activities, also it relates to investment activities as you said. So, we're not taking this for granted. Maybe Kevin just talk a little bit about the Unum US exposure, especially with group disability.

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