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Sun Life Financial Massachusetts Unretirement Index Reveals Only 39 Percent of Bay State Workers Expect To Retire at Age 67

***Massachusetts Workers Will Work Longer than Those Nationwide;
44% Do Not Plan to Retire in the Commonwealth Due to Cost of Living and Taxes***

WELLESLEY, MA (October 22, 2009) – Fewer Massachusetts workers believe they will stop working at the traditional retirement age than their counterparts across the United States, according to a new report from the U.S. division of Sun Life Financial Inc. (NYSE:SLF, TSX:SLF) .

The company today unveiled a Massachusetts-specific version of its national UnretirementSM Index, which reports only 39 percent of Massachusetts workers believe they will be retired at the traditional retirement age of 67 – lower than the national Index findings of 44 percent. In addition, 60 percent believe they will be working full- or part-time at 67, which is five percent more than the national Index results.

When Massachusetts workers do retire, the Unretirement Index found that almost half (44 percent) plan to do it away from Massachusetts – a sentiment even more prevalent in younger workers. Of those polled, 52 percent of people in their thirties and 63 percent of people in their twenties plan to retire outside of Massachusetts. The high cost of living was cited as the most popular reason to retire elsewhere with other top reasons being the state's taxes and housing costs. In fact, four of the top five reasons for not retiring in Massachusetts were cost-related.

Asked what issues the state could address to improve the chances of a comfortable retirement for Massachusetts workers, financial issues again topped the list. Sixty four percent cited taxes and 59 percent cited the cost of living. In addition, 50 percent mentioned the quality and cost of healthcare and 45 percent named the cost of housing. Full results can be viewed at www.unretirementindex.com.

“The nature of work and retirement is transforming rapidly in Massachusetts just as it is across the country,” said Wes Thompson, President of Sun Life Financial U.S. “Unretirement is now a reality for Bay State workers, and while we are working longer than our counterparts across the country, personal and lifestyle considerations play a larger part in our retirement choices than it does for other Americans. And while Massachusetts is a great place to work and live, financial costs here are high and could have a long-term negative effect on younger workers’ decision to remain here.”

The Index also indicates concerns among Massachusetts workers about their retirement planning. Only 25 percent are very confident they have done a good job preparing for

retirement – slightly less than the national average (28%). In addition, only 23 percent are very confident they will be able to take care of medical expenses and less than half (39%) are very confident they will have enough money for basic living expenses in retirement. Overall, only 27 percent of Massachusetts workers are very confident they will be able to live the kind of life they want in retirement.

Sun Life’s research also found the reasons for working past traditional retirement age are personal as well as financial. The most popular reason given by 82 percent of Massachusetts workers was, “to earn enough money to live well.” However, the other top reasons for continuing to work were more personal in nature, including “to stay mentally engaged” (cited by 80% of respondents), “I love my career” (63%), “to be close to people” (63%), and “not ready to end my career” (60%).

Unretirement is defined as working at least 20 hours per week after the age when one is eligible to receive Social Security benefits. Sun Life created this Index to learn more about why Massachusetts workers are choosing to “unretire,” or continue to work full- or part-time after the age of traditional retirement. Sun Life first unveiled its national Unretirement Index in October of 2008.

Regional Differences Exist Across the State

Below are just a few of the significant differences the Index found in the attitudes and expectations of workers regarding retirement across Massachusetts. Answers were divided into four regions, separated by county.

	Statewide	Suffolk County/Boston	Worcester and Points West	South Shore, Cape Cod and Islands	Northeast, including Middlesex County
<i>Percent planning to work full-time at age 67</i>	28%	36%	27%	21%	33%
<i>Plan to live in Massachusetts when retired</i>	56%	40%	56%	63%	55%
<i>Started saving or investing more due to economic climate</i>	35%	47%	30%	33%	38%
<i>Not confident in future of Social Security</i>	40%	27%	50%	46%	40%
<i>Not confident they have “done a good job in preparing for retirement”</i>	24%	13%	30%	26%	19%
<i>Not confident in living “the kind of life they want to live” in retirement</i>	26%	16%	40%	31%	18%

<i>Believe the state should "lower taxes in order to improve chances for a more comfortable retirement"</i>	64%	56%	67%	59%	70%
<i>Believe the "quality of life in Massachusetts has negatively impacted when I might retire"</i>	20%	7%	18%	24%	28%

For the complete Unretirement Index results, visit www.unretirementindex.com.

UNRETIREMENT INDEX NUMBER

On a scale of 0-100, the overall Index score was 44, showing that Massachusetts workers are overall pessimistic about their retirement prospects. The Index is made up of several subindices that address different areas that impact retirement decisions including the economy, personal finance, health, government benefits, and employee benefits.

Methodology

This edition of the study was conducted between August 14 and September 9, 2009. Telephone interviews were conducted by Interviewing Service of America using a random-digit dial (RDD) sampling method. Quotas and weights were applied to gather a sample of 405 people working either full- or part-time, which was representative of the Massachusetts working population between the ages of 18 and 66. The sample was also representative in terms of gender and regional county break. Analysis and construction of indices involved the application of factor analysis. Final indices are based on summated averages across the attributes which make up an index.

About Sun Life Financial

Sun Life Financial is a leading international financial services organization providing a diverse range of protection and wealth accumulation products and services to individuals and corporate customers. Chartered in 1865, Sun Life Financial and its partners today have operations in key markets worldwide, including Canada, the United States, the United Kingdom, Ireland, Hong Kong, the Philippines, Japan, Indonesia, India, China and Bermuda. As of June 30, 2009, the Sun Life Financial group of companies had total assets under management of US \$341.9 billion. Sun Life Financial Inc. trades on the Toronto (TSX), New York (NYSE) and Philippine (PSE) stock exchanges under ticker symbol SLF. Visit Sun Life Financial's website at www.sunlife-usa.com.

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