



STATISTICAL SUPPLEMENT
Third Quarter 2003

UnumProvident
Statistical Supplement Third Quarter 2003

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(dollars in millions, except share data)
Interim Results are Unaudited

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Throughout this supplement, operating revenue and operating income (loss) before income taxes exclude realized investment gains and losses.

N/A = not available

N.M. = not a meaningful percentage

UnumProvident Financial Highlights

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Financial Results							
Premium Income	\$ 2,010.2	\$ 1,882.2	\$ 5,961.4	\$ 5,573.2	\$ 7,453.1	\$ 7,078.2	\$ 7,057.0
Operating Revenue	\$ 2,688.3	\$ 2,513.9	\$ 7,925.6	\$ 7,416.1	\$ 9,928.0	\$ 9,435.4	\$ 9,446.9
Net Realized Investment Loss	(25.1)	(63.8)	(139.7)	(233.9)	(315.0)	(99.1)	(53.5)
Revenue	<u>\$ 2,663.2</u>	<u>\$ 2,450.1</u>	<u>\$ 7,785.9</u>	<u>\$ 7,182.2</u>	<u>\$ 9,613.0</u>	<u>\$ 9,336.3</u>	<u>\$ 9,393.4</u>
Operating Income Before Special Items, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change	\$ 124.7	\$ 155.0	\$ 346.8	\$ 458.8	\$ 613.9	\$ 590.5	\$ 570.7
Special Items, net of tax (see pages 13 and 14)	-	-	(295.1)	-	-	14.2	2.4
Net Realized Investment Loss, net of tax	(16.0)	(41.6)	(90.9)	(152.7)	(205.6)	(63.5)	(34.2)
Income (Loss) Before Cumulative Effect of Accounting Principle Change	108.7	113.4	(39.2)	306.1	408.3	541.2	538.9
Cumulative Effect of Accounting Principle Change, net of tax	-	-	-	(7.1)	(7.1)	-	-
Net Income (Loss)	<u>\$ 108.7</u>	<u>\$ 113.4</u>	<u>\$ (39.2)</u>	<u>\$ 299.0</u>	<u>\$ 401.2</u>	<u>\$ 541.2</u>	<u>\$ 538.9</u>
Assets			\$ 49,338.3	\$ 44,491.1	\$ 45,259.5	\$ 42,442.7	\$ 40,363.9
Stockholders' Equity			\$ 7,850.3	\$ 6,670.2	\$ 6,843.2	\$ 5,939.9	\$ 5,575.5
Annualized Return on Equity (Operating Income Before Special Items, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change/Weighted Average Equity Excluding Unrealized Gains (Losses) on Securities)	7.9%	10.5%	7.6%	10.5%	10.6%	10.7%	11.1%

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. In April of 2003, the Company completed an analysis of its assumptions related to its group long-term income protection claim reserves. This analysis was initiated based on a trend in lower net claim recovery rates observed during the first quarter of 2003. The claim recovery rates during the first quarter were below expected levels and were lower than those experienced in the past three years. The analysis of emerging net claim recovery rates and the reasons driving the changes resulted in a reduction in the Company's long-term expectations. Based on the analysis noted above, the Company increased its group long-term income protection claim reserves as of March 31, 2003 to reflect its current estimate of future benefit obligations. The analysis indicated not only a decrease in overall claim recovery rates, but a change in claim recovery rates by claim duration.

UnumProvident Financial Highlights

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Per Common Share Information							
Assuming Dilution:							
Operating Income Before Special Items, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change	\$ 0.42	\$ 0.64	\$ 1.29	\$ 1.89	\$ 2.53	\$ 2.43	\$ 2.36
Special Items, net of tax (see pages 13 and 14)	-	-	(1.10)	-	-	0.05	0.01
Net Realized Investment Loss, net of tax	<u>(0.06)</u>	<u>(0.17)</u>	<u>(0.34)</u>	<u>(0.63)</u>	<u>(0.85)</u>	<u>(0.26)</u>	<u>(0.14)</u>
Income (Loss) Before Cumulative Effect of Accounting Principle Change	0.36	0.47	(0.15)	1.26	1.68	2.22	2.23
Cumulative Effect of Accounting Principle Change, net of tax	-	-	-	(0.03)	(0.03)	-	-
Net Income (Loss)	<u>\$ 0.36</u>	<u>\$ 0.47</u>	<u>\$ (0.15)</u>	<u>\$ 1.23</u>	<u>\$ 1.65</u>	<u>\$ 2.22</u>	<u>\$ 2.23</u>
Basic:							
Operating Income Before Special Items, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change	\$ 0.42	\$ 0.64	\$ 1.29	\$ 1.89	\$ 2.54	\$ 2.44	\$ 2.37
Special Items, net of tax (see pages 13 and 14)	-	-	(1.10)	-	-	0.06	0.01
Net Realized Investment Loss, net of tax	<u>(0.05)</u>	<u>(0.17)</u>	<u>(0.34)</u>	<u>(0.63)</u>	<u>(0.85)</u>	<u>(0.26)</u>	<u>(0.14)</u>
Income (Loss) Before Cumulative Effect of Accounting Principle Change	0.37	0.47	(0.15)	1.26	1.69	2.24	2.24
Cumulative Effect of Accounting Principle Change, net of tax	-	-	-	(0.03)	(0.03)	-	-
Net Income (Loss)	<u>\$ 0.37</u>	<u>\$ 0.47</u>	<u>\$ (0.15)</u>	<u>\$ 1.23</u>	<u>\$ 1.66</u>	<u>\$ 2.24</u>	<u>\$ 2.24</u>
Dividends Paid	\$ 0.0750	\$ 0.1475	\$ 0.2975	\$ 0.4425	\$ 0.5900	\$ 0.5900	\$ 0.5900
Book Value			\$ 26.52	\$ 27.62	\$ 28.33	\$ 24.52	\$ 23.12
Book Value Excluding Net Unrealized Gains (Losses) on Securities			\$ 21.36	\$ 24.54	\$ 24.25	\$ 23.69	\$ 22.13
Price (UNM closing price on last trading day of period)			\$ 14.77	\$ 20.35	\$ 17.54	\$ 26.51	\$ 26.88

UnumProvident Consolidated Statements of Operations

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Revenue							
Premium Income	\$ 2,010.2	\$ 1,882.2	\$ 5,961.4	\$ 5,573.2	7,453.1	\$ 7,078.2	\$ 7,057.0
Net Investment Income	572.5	532.7	1,659.8	1,547.7	2,085.7	2,002.9	2,060.4
Net Realized Investment Loss	(25.1)	(63.8)	(139.7)	(233.9)	(315.0)	(99.1)	(53.5)
Other Income	105.6	99.0	304.4	295.2	389.2	354.3	329.5
Total Revenue	<u>2,663.2</u>	<u>2,450.1</u>	<u>7,785.9</u>	<u>7,182.2</u>	<u>9,613.0</u>	<u>9,336.3</u>	<u>9,393.4</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	1,833.0	1,676.1	5,886.6	4,912.4	6,582.4	6,234.3	6,407.5
Commissions	219.8	212.2	678.5	645.7	862.7	782.8	754.1
Interest and Debt Expense	50.0	42.9	137.4	120.0	162.4	169.6	181.8
Deferral of Policy Acquisition Costs	(170.6)	(173.4)	(533.3)	(529.5)	(705.7)	(695.9)	(595.7)
Amortization of Deferred Policy Acquisition Costs	119.3	105.0	356.5	318.6	410.3	432.7	456.5
Amortization of Value of Business Acquired and Goodwill	10.5	11.1	32.8	32.5	42.1	75.0	67.3
Operating Expenses	437.3	400.9	1,304.9	1,223.5	1,647.9	1,575.7	1,295.2
Total Benefits and Expenses	<u>2,499.3</u>	<u>2,274.8</u>	<u>7,863.4</u>	<u>6,723.2</u>	<u>9,002.1</u>	<u>8,574.2</u>	<u>8,566.7</u>
Income (Loss) Before Income Taxes and Cumulative Effect of Accounting Principle Change	163.9	175.3	(77.5)	459.0	610.9	762.1	826.7
Income Taxes (Credit)	<u>55.2</u>	<u>61.9</u>	<u>(38.3)</u>	<u>152.9</u>	<u>202.6</u>	<u>220.9</u>	<u>287.8</u>
Income (Loss) Before Cumulative Effect of Accounting Principle Change	108.7	113.4	(39.2)	306.1	408.3	541.2	538.9
Cumulative Effect of Accounting Principle Change, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7.1)</u>	<u>(7.1)</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ 108.7</u>	<u>\$ 113.4</u>	<u>\$ (39.2)</u>	<u>\$ 299.0</u>	<u>401.2</u>	<u>\$ 541.2</u>	<u>\$ 538.9</u>
Average Number of Shares Outstanding							
Basic	294,719,793	241,453,783	269,833,290	242,192,857	242,032,884	241,824,878	240,880,399
Dilutive Securities:							
Purchase Contracts*	2,480,537	-	-	-	-	-	-
Options and Other Dilutive Securities	1,507,008	822,801	-	1,193,121	1,037,230	1,783,842	1,180,574
Assuming Dilution	<u>298,707,338</u>	<u>242,276,584</u>	<u>269,833,290</u>	<u>243,385,978</u>	<u>243,070,114</u>	<u>243,608,720</u>	<u>242,060,973</u>
Actual Number of Shares Outstanding			296,061,937	241,504,002	241,587,260	242,218,701	241,134,622

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. See page 1 for additional information.

* The purchase contract element of the Company's adjustable conversion-rate equity security units contributes to the number of shares assuming dilution when the average market price of the Company's common stock is above the threshold appreciation price of \$13.27 per share. See page 14 for additional information.

UnumProvident Financial Sales Data

	Three Months Ended			Nine Months Ended			Year Ended		
	9/30/03	9/30/02	% Change	9/30/03	9/30/02	% Change	12/31/02	12/31/01	12/31/00
Income Protection Segment									
Group Long-term Income Protection									
Fully Insured	\$ 55.2	\$ 62.5	(11.7) %	\$ 233.8	\$ 218.1	7.2 %	\$ 393.5	\$ 396.9	\$ 318.6
ASO Premium Equivalent	8.9	4.0	122.5	20.2	29.4	(31.3)	38.5	11.7	9.3
	<u>64.1</u>	<u>66.5</u>	(3.6)	<u>254.0</u>	<u>247.5</u>	2.6	<u>432.0</u>	<u>408.6</u>	<u>327.9</u>
Group Short-term Income Protection									
Fully Insured	14.4	13.1	9.9	67.8	76.6	(11.5)	130.0	164.5	143.3
ASO Premium Equivalent	11.5	16.0	(28.1)	51.9	51.0	1.8	162.1	99.7	41.5
	<u>25.9</u>	<u>29.1</u>	(11.0)	<u>119.7</u>	<u>127.6</u>	(6.2)	<u>292.1</u>	<u>264.2</u>	<u>184.8</u>
Individual Income Protection	36.9	41.9	(11.9)	115.5	120.0	(3.8)	167.2	156.9	126.7
Long-term Care									
Group Long-term Care	5.0	5.0	-	15.2	15.3	(0.7)	23.6	21.7	18.0
Individual Long-term Care	9.7	16.6	(41.6)	36.0	44.4	(18.9)	63.7	53.8	47.7
	<u>14.7</u>	<u>21.6</u>	(31.9)	<u>51.2</u>	<u>59.7</u>	(14.2)	<u>87.3</u>	<u>75.5</u>	<u>65.7</u>
Income Protection Segment	<u>\$ 141.6</u>	<u>\$ 159.1</u>	(11.0)	<u>\$ 540.4</u>	<u>\$ 554.8</u>	(2.6)	<u>\$ 978.6</u>	<u>\$ 905.2</u>	<u>\$ 705.1</u>
Life and Accident Segment									
Group Life	\$ 33.4	\$ 40.4	(17.3)	\$ 162.8	\$ 145.5	11.9	\$ 289.6	\$ 347.8	\$ 311.8
Accidental Death & Dismemberment	3.5	4.8	(27.1)	15.8	23.2	(31.9)	42.0	54.7	50.6
Brokerage Voluntary Life and Other	11.9	11.2	6.3	61.1	44.0	38.9	57.5	41.8	27.4
Life and Accident Segment	<u>\$ 48.8</u>	<u>\$ 56.4</u>	(13.5)	<u>\$ 239.7</u>	<u>\$ 212.7</u>	12.7	<u>\$ 389.1</u>	<u>\$ 444.3</u>	<u>\$ 389.8</u>
Colonial Segment	<u>\$ 61.8</u>	<u>\$ 57.5</u>	7.5	<u>\$ 187.0</u>	<u>\$ 173.1</u>	8.0	<u>\$ 257.1</u>	<u>\$ 243.0</u>	<u>\$ 226.9</u>
Consolidated	<u>\$ 252.2</u>	<u>\$ 273.0</u>	(7.6) %	<u>\$ 967.1</u>	<u>\$ 940.6</u>	2.8 %	<u>\$ 1,624.8</u>	<u>\$ 1,592.5</u>	<u>\$ 1,321.8</u>

Effective Date Basis Sales

Group Long-term Income Protection									
Fully Insured	\$ 82.9	\$ 75.4	9.9 %	\$ 343.8	\$ 343.7	- %	\$ 419.4	\$ 354.9	\$ 317.1
Group Short-term Income Protection									
Fully Insured	27.7	14.8	87.2	101.6	136.3	(25.5)	158.1	162.5	125.3
Group Life	52.0	47.6	9.2	270.9	275.2	(1.6)	311.7	372.9	232.9

UnumProvident Consolidated Balance Sheets

	September 30, 2003	December 31,	
		2002	2001
Assets			
Investments			
Fixed Maturity Securities Available-for-Sale	\$ 30,405.3	\$ 27,486.3	\$ 24,393.0
Equity Securities	32.6	27.9	10.9
Mortgage Loans	500.7	599.9	941.2
Real Estate	26.7	37.1	51.8
Policy Loans	2,739.2	2,743.8	2,517.0
Other Long-term Investments	39.3	38.6	30.4
Short-term Investments	875.1	218.4	379.7
Total Investments	34,618.9	31,152.0	28,324.0
Cash and Bank Deposits	124.5	144.7	123.9
Reinsurance Receivable	6,094.0	5,986.0	6,224.0
Accrued Investment Income	607.0	589.1	601.3
Deferred Policy Acquisition Costs	3,189.1	2,981.6	2,674.8
Value of Business Acquired	518.8	504.3	542.2
Goodwill	666.7	666.4	674.7
Other Assets	3,489.1	3,207.5	3,234.7
Separate Account Assets	30.2	27.9	43.1
Total Assets	\$ 49,338.3	\$ 45,259.5	\$ 42,442.7
Liabilities			
Policy and Contract Benefits	\$ 1,960.2	\$ 1,962.0	\$ 1,926.1
Reserves for Future Policy and Contract Benefits and Unearned Premiums	31,401.0	28,967.0	27,511.2
Other Policyholders' Funds	2,527.6	2,554.9	2,542.5
Income Tax	1,358.9	1,036.4	528.9
Short-term Debt	20.0	255.0	161.8
Long-term Debt	2,489.0	1,914.0	2,004.2
Other Liabilities	1,401.1	1,399.1	1,485.0
Separate Account Liabilities	30.2	27.9	43.1
Total Liabilities	41,188.0	38,116.3	36,202.8
Company-Obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trust	300.0	300.0	300.0
Stockholders' Equity			
Common Stock	29.8	24.4	24.2
Additional Paid-in Capital	1,607.1	1,086.8	1,064.1
Retained Earnings	4,896.4	5,011.4	4,753.0
Accumulated Other Comprehensive Income	1,384.7	777.4	111.3
Treasury Stock	(54.2)	(54.2)	(9.2)
Deferred Compensation	(13.5)	(2.6)	(3.5)
Total Stockholders' Equity	7,850.3	6,843.2	5,939.9
Total Liabilities and Stockholders' Equity	\$ 49,338.3	\$ 45,259.5	\$ 42,442.7

UnumProvident Segment Balance Sheets - September 30, 2003

	Income Protection				Total Income Protection	Life and Accident	Colonial	Other and Corporate	Consolidated
	Group Income Protection	Individual Income Protection		Other Lines and Unallocated					
		Recently Issued	Closed Block						
Assets									
Investments	\$ 11,119.1	\$ 2,171.0	\$ 10,998.6	\$ 1,293.8	\$ 25,582.5	\$ 2,557.5	\$ 1,316.0	\$ 5,162.9	\$ 34,618.9
Deferred Policy Acquisition Costs	741.7	842.7	293.1	297.5	2,175.0	535.6	477.6	0.9	3,189.1
Value of Business Acquired	71.5	53.2	374.0	-	498.7	3.4	16.7	-	518.8
Goodwill	14.1	-	-	652.6	666.7	-	-	-	666.7
All Other	406.1	292.4	4,448.6	266.2	5,413.3	900.7	178.9	3,851.9	10,344.8
Total Assets	\$ 12,352.5	\$ 3,359.3	\$ 16,114.3	\$ 2,510.1	\$ 34,336.2	\$ 3,997.2	\$ 1,989.2	\$ 9,015.7	\$ 49,338.3
Liabilities									
Reserves and Policyholder Benefits	\$ 8,780.3	\$ 1,853.7	\$ 12,163.0	\$ 1,199.2	\$ 23,996.2	\$ 2,398.1	\$ 1,096.5	\$ 8,398.0	\$ 35,888.8
Debt	-	-	-	-	-	-	-	2,509.0	2,509.0
All Other	727.4	304.6	574.2	104.0	1,710.2	196.6	119.3	764.1	2,790.2
Total Liabilities	9,507.7	2,158.3	12,737.2	1,303.2	25,706.4	2,594.7	1,215.8	11,671.1	41,188.0
Company-Obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trust									
	-	-	-	-	-	-	-	300.0	300.0
Other Allocated Stockholders' Equity	2,502.6	1,072.0	2,598.2	1,063.8	7,236.6	1,332.8	698.1	(2,944.4)	6,323.1
Unrealized Gain/Loss on Securities	342.2	129.0	778.9	143.1	1,393.2	69.7	75.3	(11.0)	1,527.2
Total Allocated Stockholders' Equity	2,844.8	1,201.0	3,377.1	1,206.9	8,629.8	1,402.5	773.4	(2,955.4)	7,850.3
Total Liabilities and Allocated Stockholders' Equity	\$ 12,352.5	\$ 3,359.3	\$ 16,114.3	\$ 2,510.1	\$ 34,336.2	\$ 3,997.2	\$ 1,989.2	\$ 9,015.7	\$ 49,338.3

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 the Company's target capital levels for regulatory and rating agency purposes. This formula is modified periodically to recognize changes in the views of capital requirements.

UnumProvident Segment Balance Sheets - December 31, 2002

	Income Protection				Total Income Protection	Life and Accident	Colonial	Corporate and Other	Consolidated
	Group	Individual Income Protection		Other Lines and					
	Income Protection	Recently Issued	Closed Block	Unallocated					
Assets									
Investments	\$ 9,970.0	\$ 1,951.6	\$ 10,183.5	\$ 870.0	\$ 22,975.1	\$ 2,758.4	\$ 1,125.7	\$ 4,292.8	\$ 31,152.0
Deferred Policy Acquisition Costs	705.2	754.7	318.3	268.4	2,046.6	493.5	440.6	0.9	2,981.6
Value of Business Acquired	35.7	48.1	399.8	-	483.6	3.6	17.1	-	504.3
Goodwill	11.3	-	-	652.6	663.9	-	-	2.5	666.4
All Other	327.4	106.2	4,385.3	422.0	5,240.9	554.0	251.0	3,909.3	9,955.2
Total Assets	\$ 11,049.6	\$ 2,860.6	\$ 15,286.9	\$ 2,213.0	\$ 31,410.1	\$ 3,809.5	\$ 1,834.4	\$ 8,205.5	\$ 45,259.5
Liabilities									
Reserves and Policyholder Benefits	\$ 7,396.7	\$ 1,587.2	\$ 11,911.2	\$ 977.4	\$ 21,872.5	\$ 2,241.6	\$ 1,024.3	\$ 8,345.5	\$ 33,483.9
Debt	-	-	-	-	-	-	-	2,169.0	2,169.0
All Other	729.1	251.1	368.5	53.1	1,401.8	190.7	104.4	766.5	2,463.4
Total Liabilities	8,125.8	1,838.3	12,279.7	1,030.5	23,274.3	2,432.3	1,128.7	11,281.0	38,116.3
Company-Obligated Mandatorily Redeemable Preferred Securities of Subsidiary Trust	-	-	-	-	-	-	-	300.0	300.0
Other Allocated Stockholders' Equity	2,647.4	967.4	2,517.8	1,071.9	7,204.5	1,311.6	657.6	(3,314.5)	5,859.2
Unrealized Gain/Loss on Securities	276.4	54.9	489.4	110.6	931.3	65.6	48.1	(61.0)	984.0
Total Allocated Stockholders' Equity	2,923.8	1,022.3	3,007.2	1,182.5	8,135.8	1,377.2	705.7	(3,375.5)	6,843.2
Total Liabilities and Allocated Stockholders' Equity	\$ 11,049.6	\$ 2,860.6	\$ 15,286.9	\$ 2,213.0	\$ 31,410.1	\$ 3,809.5	\$ 1,834.4	\$ 8,205.5	\$ 45,259.5

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 the Company's target capital levels for regulatory and rating agency purposes. This formula is modified periodically to recognize changes in the views of capital requirement

UnumProvident Segment Deferred Policy Acquisition Cost

	Income Protection	Life and Accident	Colonial	Corporate and Other	Consolidated
Balances at December 31, 2000	\$ 1,668.8	\$ 351.1	\$ 371.5	\$ 32.6	\$ 2,424.0
Capitalized	404.9	154.9	135.8	0.3	695.9
Amortized	(220.0)	(81.2)	(100.9)	(30.6)	(432.7)
Translation of Foreign Currency	(3.5)	(1.7)	-	(0.8)	(6.0)
Disposal Due to Reinsurance Transaction	-	-	(6.4)	-	(6.4)
Balances at December 31, 2001	<u>1,850.2</u>	<u>423.1</u>	<u>400.0</u>	<u>1.5</u>	<u>2,674.8</u>
Capitalized	407.2	150.0	148.4	0.1	705.7
Amortized	(214.4)	(88.2)	(107.7)	-	(410.3)
Translation of Foreign Currency	3.6	8.6	(0.1)	(0.7)	11.4
Balances at December 31, 2002	<u>2,046.6</u>	<u>493.5</u>	<u>440.6</u>	<u>0.9</u>	<u>2,981.6</u>
Capitalized	286.4	121.5	125.5	(0.1)	533.3
Amortized	(187.0)	(81.0)	(88.5)	-	(356.5)
Translation of Foreign Currency	29.0	1.6	-	0.1	30.7
Balances at September 30, 2003	<u><u>\$ 2,175.0</u></u>	<u><u>\$ 535.6</u></u>	<u><u>\$ 477.6</u></u>	<u><u>\$ 0.9</u></u>	<u><u>\$ 3,189.1</u></u>

UnumProvident Financial Results by Segment

	Three Months Ended			Nine Months Ended		
	9/30/03	9/30/02	% Change	9/30/03	9/30/02	% Change
Premium Income						
Income Protection	\$ 1,336.5	\$ 1,247.8	7.1 %	\$ 3,958.5	\$ 3,695.5	7.1 %
Life and Accident	490.8	459.6	6.8	1,460.0	1,369.2	6.6
Colonial	174.0	160.9	8.1	516.3	473.7	9.0
Other	8.9	13.9	(36.0)	26.6	34.8	(23.6)
	<u>2,010.2</u>	<u>1,882.2</u>	6.8	<u>5,961.4</u>	<u>5,573.2</u>	7.0
Net Investment Income						
Income Protection	458.1	424.5	7.9	1,328.6	1,219.5	8.9
Life and Accident	50.9	49.3	3.2	145.4	144.0	1.0
Colonial	22.9	20.7	10.6	64.8	59.2	9.5
Other	32.3	38.0	(15.0)	107.2	119.9	(10.6)
Corporate	8.3	0.2	N.M.	13.8	5.1	170.6
	<u>572.5</u>	<u>532.7</u>	7.5	<u>1,659.8</u>	<u>1,547.7</u>	7.2
Other Income						
Income Protection	91.7	76.8	19.4	252.9	230.5	9.7
Life and Accident	3.9	4.9	(20.4)	10.7	9.8	9.2
Colonial	0.4	1.4	(71.4)	2.1	3.3	(36.4)
Other	9.2	10.1	(8.9)	29.4	27.3	7.7
Corporate	0.4	5.8	(93.1)	9.3	24.3	(61.7)
	<u>105.6</u>	<u>99.0</u>	6.7	<u>304.4</u>	<u>295.2</u>	3.1
Total Operating Revenue						
Income Protection	1,886.3	1,749.1	7.8	5,540.0	5,145.5	7.7
Life and Accident	545.6	513.8	6.2	1,616.1	1,523.0	6.1
Colonial	197.3	183.0	7.8	583.2	536.2	8.8
Other	50.4	62.0	(18.7)	163.2	182.0	(10.3)
Corporate	8.7	6.0	45.0	23.1	29.4	(21.4)
	<u>2,688.3</u>	<u>2,513.9</u>	6.9	<u>7,925.6</u>	<u>7,416.1</u>	6.9

UnumProvident Financial Results by Segment

	Three Months Ended			Nine Months Ended		
	9/30/03	9/30/02	% Change	9/30/03	9/30/02	% Change
Benefits and Expenses						
Income Protection	\$ 1,764.5	\$ 1,583.4	11.4 %	\$ 5,662.2	\$ 4,655.4	21.6 %
Life and Accident	478.5	452.4	5.8	1,421.8	1,355.0	4.9
Colonial	158.8	148.6	6.9	474.1	434.9	9.0
Other	41.7	49.8	(16.3)	135.7	144.9	(6.3)
Corporate	55.8	40.6	37.4	169.6	133.0	27.5
	<u>2,499.3</u>	<u>2,274.8</u>	9.9	<u>7,863.4</u>	<u>6,723.2</u>	17.0
Operating Income (Loss) Before Income Taxes, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change						
Income Protection	121.8	165.7	(26.5)	(122.2)	490.1	(124.9)
Life and Accident	67.1	61.4	9.3	194.3	168.0	15.7
Colonial	38.5	34.4	11.9	109.1	101.3	7.7
Other	8.7	12.2	(28.7)	27.5	37.1	(25.9)
Corporate	(47.1)	(34.6)	(36.1)	(146.5)	(103.6)	(41.4)
	<u>189.0</u>	<u>239.1</u>	(21.0)	<u>62.2</u>	<u>692.9</u>	(91.0)
Income Taxes (Credit)	<u>64.3</u>	<u>84.1</u>	(23.5)	<u>10.5</u>	<u>234.1</u>	(95.5)
Operating Income (Loss) Before Net Realized Investment Loss and Cumulative Effect of Accounting Principle Change	124.7	155.0	(19.5)	51.7	458.8	(88.7)
Net Realized Investment Loss	(25.1)	(63.8)	(60.7)	(139.7)	(233.9)	(40.3)
Tax Credit on Net Realized Investment Loss	9.1	22.2	(59.0)	48.8	81.2	(39.9)
Cumulative Effect of Accounting Principle Change, net of tax	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>(7.1)</u>	-
Net Income (Loss)	<u>\$ 108.7</u>	<u>\$ 113.4</u>	(4.1)	<u>\$ (39.2)</u>	<u>\$ 299.0</u>	(113.1)

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. See page 1 for additional information.

UnumProvident Quarterly Historical Financial Results by Segment

	<u>9/30/03</u>	<u>6/30/03</u>	<u>3/31/03</u>	<u>12/31/02</u>	<u>9/30/02</u>	<u>6/30/02</u>	<u>3/31/02</u>	<u>12/31/01</u>	<u>9/30/01</u>
Premium Income									
Income Protection	\$ 1,336.5	\$ 1,327.0	\$ 1,295.0	\$ 1,259.2	\$ 1,247.8	\$ 1,235.7	\$ 1,212.0	\$ 1,183.8	\$ 1,167.2
Life and Accident	490.8	492.4	476.8	455.0	459.6	461.6	448.0	436.8	433.2
Colonial	174.0	171.7	170.6	163.0	160.9	156.5	156.3	150.4	155.4
Other	8.9	7.8	9.9	2.7	13.9	11.7	9.2	(1.7)	36.4
	<u>2,010.2</u>	<u>1,998.9</u>	<u>1,952.3</u>	<u>1,879.9</u>	<u>1,882.2</u>	<u>1,865.5</u>	<u>1,825.5</u>	<u>1,769.3</u>	<u>1,792.2</u>
Net Investment Income									
Income Protection	458.1	441.5	429.0	432.7	424.5	405.4	389.6	388.7	392.6
Life and Accident	50.9	47.3	47.2	49.1	49.3	47.7	47.0	46.7	45.2
Colonial	22.9	21.1	20.8	20.4	20.7	19.3	19.2	20.9	21.7
Other	32.3	38.4	36.5	35.0	38.0	39.5	42.4	30.1	50.8
Corporate	8.3	4.5	1.0	0.8	0.2	3.3	1.6	6.5	5.2
	<u>572.5</u>	<u>552.8</u>	<u>534.5</u>	<u>538.0</u>	<u>532.7</u>	<u>515.2</u>	<u>499.8</u>	<u>492.9</u>	<u>515.5</u>
Other Income									
Income Protection	91.7	91.8	69.4	71.2	76.8	88.6	65.1	63.6	62.2
Life and Accident	3.9	3.6	3.2	4.7	4.9	2.6	2.3	5.2	1.3
Colonial	0.4	1.3	0.4	0.4	1.4	1.4	0.5	0.4	0.1
Other	9.2	8.8	11.4	12.3	10.1	8.2	9.0	5.2	9.3
Corporate	0.4	3.7	5.2	5.4	5.8	4.5	14.0	5.7	5.9
	<u>105.6</u>	<u>109.2</u>	<u>89.6</u>	<u>94.0</u>	<u>99.0</u>	<u>105.3</u>	<u>90.9</u>	<u>80.1</u>	<u>78.8</u>
Total Operating Revenue									
Income Protection	1,886.3	1,860.3	1,793.4	1,763.1	1,749.1	1,729.7	1,666.7	1,636.1	1,622.0
Life and Accident	545.6	543.3	527.2	508.8	513.8	511.9	497.3	488.7	479.7
Colonial	197.3	194.1	191.8	183.8	183.0	177.2	176.0	171.7	177.2
Other	50.4	55.0	57.8	50.0	62.0	59.4	60.6	33.6	96.5
Corporate	8.7	8.2	6.2	6.2	6.0	7.8	15.6	12.2	11.1
	<u>2,688.3</u>	<u>2,660.9</u>	<u>2,576.4</u>	<u>2,511.9</u>	<u>2,513.9</u>	<u>2,486.0</u>	<u>2,416.2</u>	<u>2,342.3</u>	<u>2,386.5</u>

UnumProvident Quarterly Historical Financial Results by Segment

	<u>9/30/03</u>	<u>6/30/03</u>	<u>3/31/03</u>	<u>12/31/02</u>	<u>9/30/02</u>	<u>6/30/02</u>	<u>3/31/02</u>	<u>12/31/01</u>	<u>9/30/01</u>
Benefits and Expenses									
Income Protection	\$ 1,764.5	\$ 1,750.5	\$ 2,147.2	\$ 1,611.2	\$ 1,583.4	\$ 1,568.8	\$ 1,503.2	\$ 1,481.1	\$ 1,476.7
Life and Accident	478.5	479.9	463.4	421.5	452.4	449.7	452.9	422.7	434.4
Colonial	158.8	158.7	156.6	147.6	148.6	143.3	143.0	135.0	142.7
Other	41.7	47.9	46.1	41.5	49.8	44.0	51.1	21.1	82.9
Corporate	55.8	53.4	60.4	57.1	40.6	47.8	44.6	62.6	47.5
	<u>2,499.3</u>	<u>2,490.4</u>	<u>2,873.7</u>	<u>2,278.9</u>	<u>2,274.8</u>	<u>2,253.6</u>	<u>2,194.8</u>	<u>2,122.5</u>	<u>2,184.2</u>
Operating Income (Loss) Before Income Taxes, Net Realized Investment Loss, and Cumulative Effect of Accounting Principle Change									
Income Protection	121.8	109.8	(353.8)	151.9	165.7	160.9	163.5	155.0	145.3
Life and Accident	67.1	63.4	63.8	87.3	61.4	62.2	44.4	66.0	45.3
Colonial	38.5	35.4	35.2	36.2	34.4	33.9	33.0	36.7	34.5
Other	8.7	7.1	11.7	8.5	12.2	15.4	9.5	12.5	13.6
Corporate	(47.1)	(45.2)	(54.2)	(50.9)	(34.6)	(40.0)	(29.0)	(50.4)	(36.4)
	<u>189.0</u>	<u>170.5</u>	<u>(297.3)</u>	<u>233.0</u>	<u>239.1</u>	<u>232.4</u>	<u>221.4</u>	<u>219.8</u>	<u>202.3</u>
Income Taxes (Credit)	<u>64.3</u>	<u>54.7</u>	<u>(108.5)</u>	<u>77.9</u>	<u>84.1</u>	<u>79.7</u>	<u>70.3</u>	<u>77.2</u>	<u>69.3</u>
Operating Income (Loss) Before Net Realized Investment Loss and Cumulative Effect of Accounting Principle Change	124.7	115.8	(188.8)	155.1	155.0	152.7	151.1	142.6	133.0
Net Realized Investment Loss	(25.1)	(26.4)	(88.2)	(81.1)	(63.8)	(84.4)	(85.7)	(69.5)	(17.2)
Tax Credit on Net Realized Investment Loss	9.1	9.1	30.6	28.2	22.2	29.4	29.6	24.5	6.0
Cumulative Effect of Accounting Principle Change, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7.1)</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	\$ <u>108.7</u>	\$ <u>98.5</u>	\$ <u>(246.4)</u>	\$ <u>102.2</u>	\$ <u>113.4</u>	\$ <u>97.7</u>	\$ <u>87.9</u>	\$ <u>97.6</u>	\$ <u>121.8</u>
Per Common Share - Assuming Dilution									
Operating Income (Loss) Before Net Realized Investment Loss and Cumulative Effect of Accounting Principle Change	\$ 0.42	\$ 0.42	\$ (0.78)	\$ 0.64	\$ 0.64	\$ 0.63	\$ 0.62	\$ 0.59	\$ 0.55
Net Realized Investment Loss, net of tax	(0.06)	(0.06)	(0.24)	(0.22)	(0.17)	(0.23)	(0.23)	(0.19)	(0.05)
Cumulative Effect of Accounting Principle Change, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(0.03)</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	\$ <u>0.36</u>	\$ <u>0.36</u>	\$ <u>(1.02)</u>	\$ <u>0.42</u>	\$ <u>0.47</u>	\$ <u>0.40</u>	\$ <u>0.36</u>	\$ <u>0.40</u>	\$ <u>0.50</u>

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. See page 1 for additional information.

UnumProvident Financial Results for Income Protection Segment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 1,336.5	\$ 1,247.8	\$ 3,958.5	\$ 3,695.5	\$ 4,954.7	\$ 4,668.8	\$ 4,474.3
Net Investment Income	458.1	424.5	1,328.6	1,219.5	1,652.2	1,532.9	1,428.8
Other Income	91.7	76.8	252.9	230.5	301.7	265.0	274.5
Total Operating Revenue	<u>1,886.3</u>	<u>1,749.1</u>	<u>5,540.0</u>	<u>5,145.5</u>	<u>6,908.6</u>	<u>6,466.7</u>	<u>6,177.6</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	1,322.9	1,175.7	4,355.6	3,441.8	4,652.0	4,313.4	4,262.5
Commissions	131.4	135.9	408.9	409.6	547.5	495.3	485.7
Deferral of Policy Acquisition Costs	(89.0)	(100.2)	(286.4)	(302.3)	(407.2)	(404.9)	(359.5)
Amortization of Deferred Policy Acquisition Costs	63.8	56.5	187.0	167.2	214.4	220.0	198.2
Amortization of Value of Business Acquired	10.4	10.6	31.2	31.2	40.2	46.1	43.1
Operating Expenses	325.0	304.9	965.9	907.9	1,219.7	1,141.1	1,021.7
Total Benefits and Expenses	<u>1,764.5</u>	<u>1,583.4</u>	<u>5,662.2</u>	<u>4,655.4</u>	<u>6,266.6</u>	<u>5,811.0</u>	<u>5,651.7</u>
Operating Income (Loss) Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 121.8</u>	<u>\$ 165.7</u>	<u>\$ (122.2)</u>	<u>\$ 490.1</u>	<u>\$ 642.0</u>	<u>\$ 655.7</u>	<u>\$ 525.9</u>
 Operating Ratios							
Benefit Ratio	99.0 %	94.2 %	110.0 %	93.1 %	93.9 %	92.4 %	95.3 %
Operating Expense Ratio	24.3 %	24.4 %	24.4 %	24.6 %	24.6 %	24.4 %	22.8 %
Before-tax Profit (Loss) Margin	9.1 %	13.3 %	(3.1)%	13.3 %	13.0 %	14.0 %	11.8 %

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. A reconciliation of benefits and change in reserves for future benefits before the reserve strengthening to benefits and change in reserves as reported is as follows:

	Nine Months Ended 9/30/03
Benefits and Change in Reserves for Future Benefits	\$ 3,901.6
1Q03 Reserve Strengthening	454.0
Benefits and Change in Reserves for Future Benefits, as reported	<u>\$ 4,355.6</u>
 Benefit Ratio, excluding 1Q03 Reserve Strengthening	 98.6%

UnumProvident Financial Results for Income Protection Segment - Excluding Closed Block

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 1,074.4	\$ 975.1	\$ 3,167.4	\$ 2,869.5	\$ 3,848.4	\$ 3,532.0	\$ N/A
Net Investment Income	250.1	214.3	715.4	616.1	837.7	777.1	N/A
Other Income	61.5	54.2	175.8	162.1	216.0	184.1	N/A
Total Operating Revenue	<u>1,386.0</u>	<u>1,243.6</u>	<u>4,058.6</u>	<u>3,647.7</u>	<u>4,902.1</u>	<u>4,493.2</u>	<u>N/A</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	930.2	782.6	3,190.1	2,298.8	3,107.8	2,840.8	N/A
Commissions	110.9	109.7	340.1	326.1	438.3	384.5	N/A
Deferral of Policy Acquisition Costs	(87.5)	(97.1)	(280.3)	(291.2)	(393.8)	(383.6)	N/A
Amortization of Deferred Policy Acquisition Costs	53.4	48.1	155.7	139.3	178.2	179.3	N/A
Amortization of Value of Business Acquired	2.0	1.5	5.5	4.1	5.3	5.5	N/A
Operating Expenses	274.4	252.2	810.0	745.1	1,007.3	916.7	N/A
Total Benefits and Expenses	<u>1,283.4</u>	<u>1,097.0</u>	<u>4,221.1</u>	<u>3,222.2</u>	<u>4,343.1</u>	<u>3,943.2</u>	<u>N/A</u>
Operating Income (Loss) Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 102.6</u>	<u>\$ 146.6</u>	<u>\$ (162.5)</u>	<u>\$ 425.5</u>	<u>\$ 559.0</u>	<u>\$ 550.0</u>	<u>\$ N/A</u>
Operating Ratios							
Benefit Ratio	86.6 %	80.3 %	100.7 %	80.1 %	80.8 %	80.4 %	N/A
Operating Expense Ratio	25.5 %	25.9 %	25.6 %	26.0 %	26.2 %	26.0 %	N/A
Before-tax Profit (Loss) Margin	9.5 %	15.0 %	(5.1)%	14.8 %	14.5 %	15.6 %	N/A

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. A reconciliation of benefits and change in reserves for future benefits before the reserve strengthening to benefits and change in reserves as reported is as follows:

	Nine Months Ended 9/30/03
Benefits and Change in Reserves for Future Benefits	\$ 2,736.1
1Q03 Reserve Strengthening	<u>454.0</u>
Benefits and Change in Reserves for Future Benefits, as reported	<u>\$ 3,190.1</u>
Benefit Ratio, excluding 1Q03 Reserve Strengthening	86.4%

UnumProvident Financial Results for Group Income Protection

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Group Long-term Income Protection	\$ 634.5	\$ 580.2	\$ 1,875.4	\$ 1,724.6	\$ 2,309.6	\$ 2,151.8	\$ 2,082.7
Group Short-term Income Protection	159.4	151.5	475.1	454.7	604.9	569.6	514.4
Total Premium Income	<u>793.9</u>	<u>731.7</u>	<u>2,350.5</u>	<u>2,179.3</u>	<u>2,914.5</u>	<u>2,721.4</u>	<u>2,597.1</u>
Net Investment Income	189.4	166.0	543.6	481.5	654.2	603.7	576.9
Other Income	<u>16.0</u>	<u>9.0</u>	<u>40.5</u>	<u>26.5</u>	<u>34.1</u>	<u>27.6</u>	<u>26.4</u>
Total Operating Revenue	<u>999.3</u>	<u>906.7</u>	<u>2,934.6</u>	<u>2,687.3</u>	<u>3,602.8</u>	<u>3,352.7</u>	<u>3,200.4</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	731.3	614.2	2,603.6	1,820.8	2,458.5	2,296.1	2,327.8
Commissions	56.0	57.4	179.7	180.8	238.5	216.9	216.6
Deferral of Policy Acquisition Costs	(34.8)	(38.6)	(113.5)	(119.8)	(158.1)	(158.9)	(135.5)
Amortization of Deferred Policy Acquisition Costs	26.6	28.9	79.6	81.7	99.9	104.6	99.7
Amortization of Value of Business Acquired	0.9	0.6	2.6	1.6	2.1	2.0	2.4
Operating Expenses	<u>176.6</u>	<u>158.8</u>	<u>515.3</u>	<u>464.8</u>	<u>628.9</u>	<u>555.1</u>	<u>478.4</u>
Total Benefits and Expenses	<u>956.6</u>	<u>821.3</u>	<u>3,267.3</u>	<u>2,429.9</u>	<u>3,269.8</u>	<u>3,015.8</u>	<u>2,989.4</u>
Operating Income (Loss) Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 42.7</u>	<u>\$ 85.4</u>	<u>\$ (332.7)</u>	<u>\$ 257.4</u>	<u>\$ 333.0</u>	<u>\$ 336.9</u>	<u>\$ 211.0</u>
Operating Ratios							
Benefit Ratio	92.1 %	83.9 %	110.8 %	83.5 %	84.4 %	84.4 %	89.6 %
Operating Expense Ratio	22.2 %	21.7 %	21.9 %	21.3 %	21.6 %	20.4 %	18.4 %
Before-tax Profit (Loss) Margin	5.4 %	11.7 %	(14.2)%	11.8 %	11.4 %	12.4 %	8.1 %

Note: Included in the net loss for the nine months ended September 30, 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. A reconciliation of benefits and change in reserves for future benefits before the reserve strengthening to benefits and change in reserves as reported is as follows:

	Nine Months Ended 9/30/03
Benefits and Change in Reserves for Future Benefits	\$ 2,149.6
1Q03 Reserve Strengthening	454.0
Benefits and Change in Reserves for Future Benefits, as reported	<u>\$ 2,603.6</u>
Benefit Ratio, excluding 1Q03 Reserve Strengthening	91.5%

UnumProvident Financial Results for Individual Income Protection

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 438.7	\$ 429.3	\$ 1,309.5	\$ 1,272.7	\$ 1,704.4	\$ 1,686.0	\$ 1,680.2
Net Investment Income	245.0	244.1	725.3	696.2	941.5	884.1	822.3
Other Income	31.9	24.2	82.9	73.2	92.3	86.8	122.0
Total Operating Revenue	715.6	697.6	2,117.7	2,042.1	2,738.2	2,656.9	2,624.5
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	500.5	491.4	1,498.2	1,419.2	1,915.3	1,812.1	1,784.2
Commissions	57.4	59.3	174.8	174.6	233.4	218.3	220.8
Deferral of Policy Acquisition Costs	(40.1)	(42.6)	(125.6)	(128.0)	(174.0)	(174.0)	(162.9)
Amortization of Deferred Policy Acquisition Costs	31.2	21.5	89.1	68.4	91.6	96.2	82.6
Amortization of Value of Business Acquired	9.5	10.0	28.6	29.6	38.1	44.1	40.7
Operating Expenses	92.8	90.0	282.0	276.0	366.8	386.9	377.4
Total Benefits and Expenses	651.3	629.6	1,947.1	1,839.8	2,471.2	2,383.6	2,342.8
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 64.3	\$ 68.0	\$ 170.6	\$ 202.3	\$ 267.0	\$ 273.3	\$ 281.7
Operating Ratios							
Benefit Ratio	114.1 %	114.5 %	114.4 %	111.5 %	112.4 %	107.5 %	106.2 %
Interest Adjusted Loss Ratio	70.8 %	69.8 %	70.6 %	66.5 %	68.0 %	65.1 %	64.5 %
Operating Expense Ratio	21.2 %	21.0 %	21.5 %	21.7 %	21.5 %	22.9 %	22.5 %
Before-tax Profit Margin	14.7 %	15.8 %	13.0 %	15.9 %	15.7 %	16.2 %	16.8 %

UnumProvident Financial Results for Individual Income Protection - Recently Issued

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 176.6	\$ 156.6	\$ 518.4	\$ 446.7	\$ 598.1	\$ 549.2	\$ N/A
Net Investment Income	37.0	33.9	112.1	92.8	127.0	128.3	N/A
Other Income	1.7	1.6	5.8	4.8	6.6	5.9	N/A
Total Operating Revenue	215.3	192.1	636.3	544.3	731.7	683.4	N/A
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	107.8	98.3	332.7	276.2	371.1	339.5	N/A
Commissions	36.9	33.1	106.0	91.1	124.2	107.5	N/A
Deferral of Policy Acquisition Costs	(38.6)	(39.5)	(119.5)	(116.9)	(160.6)	(152.7)	N/A
Amortization of Deferred Policy Acquisition Costs	20.8	13.1	57.8	40.5	55.4	55.5	N/A
Amortization of Value of Business Acquired	1.1	0.9	2.9	2.5	3.2	3.5	N/A
Operating Expenses	42.2	37.3	126.1	113.2	154.4	162.5	N/A
Total Benefits and Expenses	170.2	143.2	506.0	406.6	547.7	515.8	N/A
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 45.1	\$ 48.9	\$ 130.3	\$ 137.7	\$ 184.0	\$ 167.6	\$ N/A
Operating Ratios							
Benefit Ratio	61.0%	62.8%	64.2%	61.8%	62.0%	61.8%	N/A
Interest Adjusted Loss Ratio	45.4%	46.5%	48.3%	45.3%	45.4%	45.5%	N/A
Operating Expense Ratio	23.9%	23.8%	24.3%	25.3%	25.8%	29.6%	N/A
Before-tax Profit Margin	25.5%	31.2%	25.1%	30.8%	30.8%	30.5%	N/A

UnumProvident Financial Results for Individual Income Protection - Closed Block

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 262.1	\$ 272.7	\$ 791.1	\$ 826.0	\$ 1,106.3	\$ 1,136.8	\$ N/A
Net Investment Income	208.0	210.2	613.2	603.4	814.5	755.8	N/A
Other Income	30.2	22.6	77.1	68.4	85.7	80.9	N/A
Total Operating Revenue	<u>500.3</u>	<u>505.5</u>	<u>1,481.4</u>	<u>1,497.8</u>	<u>2,006.5</u>	<u>1,973.5</u>	<u>N/A</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	392.7	393.1	1,165.5	1,143.0	1,544.2	1,472.6	N/A
Commissions	20.5	26.2	68.8	83.5	109.2	110.8	N/A
Deferral of Policy Acquisition Costs	(1.5)	(3.1)	(6.1)	(11.1)	(13.4)	(21.3)	N/A
Amortization of Deferred Policy Acquisition Costs	10.4	8.4	31.3	27.9	36.2	40.7	N/A
Amortization of Value of Business Acquired	8.4	9.1	25.7	27.1	34.9	40.6	N/A
Operating Expenses	50.6	52.7	155.9	162.8	212.4	224.4	N/A
Total Benefits and Expenses	<u>481.1</u>	<u>486.4</u>	<u>1,441.1</u>	<u>1,433.2</u>	<u>1,923.5</u>	<u>1,867.8</u>	<u>N/A</u>
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 19.2</u>	<u>\$ 19.1</u>	<u>\$ 40.3</u>	<u>\$ 64.6</u>	<u>\$ 83.0</u>	<u>\$ 105.7</u>	<u>\$ N/A</u>
Operating Ratios							
Benefit Ratio	149.8 %	144.2 %	147.3 %	138.4 %	139.6 %	129.5 %	N/A
Interest Adjusted Loss Ratio	85.0 %	80.9 %	82.9 %	76.6 %	78.1 %	73.0 %	N/A
Operating Expense Ratio	19.3 %	19.3 %	19.7 %	19.7 %	19.2 %	19.7 %	N/A
Before-tax Profit Margin	7.3 %	7.0 %	5.1 %	7.8 %	7.5 %	9.3 %	N/A

UnumProvident Financial Results for Long-term Care

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Group Long-term Care	\$ 32.0	\$ 26.7	\$ 91.4	\$ 75.4	\$ 103.4	\$ 81.1	\$ 63.3
Individual Long-term Care	71.9	60.1	207.1	168.1	232.4	180.3	133.7
Total Premium Income	<u>103.9</u>	<u>86.8</u>	<u>298.5</u>	<u>243.5</u>	<u>335.8</u>	<u>261.4</u>	<u>197.0</u>
Net Investment Income	23.7	14.4	59.7	41.8	56.5	45.1	29.6
Other Income (Loss)	<u>-</u>	<u>0.2</u>	<u>(0.3)</u>	<u>0.2</u>	<u>0.5</u>	<u>-</u>	<u>-</u>
Total Operating Revenue	<u>127.6</u>	<u>101.4</u>	<u>357.9</u>	<u>285.5</u>	<u>392.8</u>	<u>306.5</u>	<u>226.6</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	91.1	70.1	253.8	201.8	278.2	205.2	150.5
Commissions	18.0	19.2	54.4	54.2	75.6	60.1	48.3
Deferral of Policy Acquisition Costs	(14.1)	(19.0)	(47.3)	(54.5)	(75.1)	(72.0)	(61.1)
Amortization of Deferred Policy Acquisition Costs	6.0	6.1	18.3	17.1	22.9	19.2	15.9
Amortization of Value of Business Acquired	-	-	-	-	-	-	-
Operating Expenses	<u>16.1</u>	<u>17.2</u>	<u>51.8</u>	<u>49.8</u>	<u>68.1</u>	<u>62.2</u>	<u>49.1</u>
Total Benefits and Expenses	<u>117.1</u>	<u>93.6</u>	<u>331.0</u>	<u>268.4</u>	<u>369.7</u>	<u>274.7</u>	<u>202.7</u>
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 10.5</u>	<u>\$ 7.8</u>	<u>\$ 26.9</u>	<u>\$ 17.1</u>	<u>\$ 23.1</u>	<u>\$ 31.8</u>	<u>\$ 23.9</u>
Operating Ratios							
Benefit Ratio	87.7 %	80.8 %	85.0 %	82.9 %	82.8 %	78.5 %	76.4 %
Operating Expense Ratio	15.5 %	19.8 %	17.4 %	20.5 %	20.3 %	23.8 %	24.9 %
Before-tax Profit Margin	10.1 %	9.0 %	9.0 %	7.0 %	6.9 %	12.2 %	12.1 %

UnumProvident Financial Results for Disability Services

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Investment Income	-	-	-	-	-	-	-
Other Income	43.8	43.4	129.8	130.6	174.8	150.6	126.1
Total Operating Revenue	<u>43.8</u>	<u>43.4</u>	<u>129.8</u>	<u>130.6</u>	<u>174.8</u>	<u>150.6</u>	<u>126.1</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-
Deferral of Policy Acquisition Costs	-	-	-	-	-	-	-
Amortization of Deferred Policy Acquisition Costs	-	-	-	-	-	-	-
Amortization of Value of Business Acquired	-	-	-	-	-	-	-
Operating Expenses	39.5	38.9	116.8	117.3	155.9	136.9	116.8
Total Benefits and Expenses	<u>39.5</u>	<u>38.9</u>	<u>116.8</u>	<u>117.3</u>	<u>155.9</u>	<u>136.9</u>	<u>116.8</u>
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 4.3</u>	<u>\$ 4.5</u>	<u>\$ 13.0</u>	<u>\$ 13.3</u>	<u>\$ 18.9</u>	<u>\$ 13.7</u>	<u>\$ 9.3</u>

UnumProvident Financial Results for Life and Accident Segment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Group Life and Accidental Death & Dismemberment	\$ 440.8	\$ 417.7	\$ 1,310.9	\$ 1,246.7	\$ 1,658.6	\$ 1,545.0	\$ 1,382.1
Brokerage Voluntary Life and Other	50.0	41.9	149.1	122.5	165.6	140.6	129.1
Total Premium Income	490.8	459.6	1,460.0	1,369.2	1,824.2	1,685.6	1,511.2
Net Investment Income	50.9	49.3	145.4	144.0	193.1	183.3	149.0
Other Income	3.9	4.9	10.7	9.8	14.5	10.2	4.6
Total Operating Revenue	545.6	513.8	1,616.1	1,523.0	2,031.8	1,879.1	1,664.8
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	376.4	365.2	1,122.5	1,080.4	1,411.5	1,361.5	1,157.3
Commissions	44.9	39.0	136.8	125.4	168.0	146.3	120.9
Deferral of Policy Acquisition Costs	(40.5)	(35.7)	(121.5)	(116.0)	(150.0)	(154.9)	(111.3)
Amortization of Deferred Policy Acquisition Costs	26.6	21.1	81.0	69.6	88.2	81.2	59.5
Amortization of Value of Business Acquired	0.5	0.1	1.3	0.2	0.4	0.4	0.4
Operating Expenses	70.6	62.7	201.7	195.4	258.4	256.7	209.2
Total Benefits and Expenses	478.5	452.4	1,421.8	1,355.0	1,776.5	1,691.2	1,436.0
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 67.1	\$ 61.4	\$ 194.3	\$ 168.0	\$ 255.3	\$ 187.9	\$ 228.8
Operating Ratios							
Benefit Ratio	76.7 %	79.5 %	76.9 %	78.9 %	77.4 %	80.8 %	76.6 %
Operating Expense Ratio	14.4 %	13.6 %	13.8 %	14.3 %	14.2 %	15.2 %	13.8 %
Before-tax Profit Margin	13.7 %	13.4 %	13.3 %	12.3 %	14.0 %	11.1 %	15.1 %

UnumProvident Financial Results for Group Life and Accidental Death & Dismemberment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Group Life	\$ 386.3	\$ 364.6	\$ 1,145.7	\$ 1,085.4	\$ 1,443.4	\$ 1,338.7	\$ 1,194.8
Accidental Death & Dismemberment	54.5	53.1	165.2	161.3	215.2	206.3	187.3
Total Premium Income	440.8	417.7	1,310.9	1,246.7	1,658.6	1,545.0	1,382.1
Net Investment Income	38.5	39.5	113.0	115.2	154.6	144.4	115.5
Other Income (Loss)	0.9	0.4	2.2	0.7	2.7	0.5	(1.2)
Total Operating Revenue	480.2	457.6	1,426.1	1,362.6	1,815.9	1,689.9	1,496.4
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	341.2	331.3	1,015.8	983.3	1,282.5	1,246.0	1,053.8
Commissions	28.9	27.0	90.4	89.6	120.4	115.6	97.6
Deferral of Policy Acquisition Costs	(23.0)	(22.0)	(68.9)	(76.4)	(96.0)	(121.0)	(86.9)
Amortization of Deferred Policy Acquisition Costs	18.4	14.8	55.2	51.2	64.7	61.5	44.7
Amortization of Value of Business Acquired	0.4	-	1.0	-	-	-	-
Operating Expenses	59.0	53.2	167.4	167.4	219.3	224.5	184.3
Total Benefits and Expenses	424.9	404.3	1,260.9	1,215.1	1,590.9	1,526.6	1,293.5
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 55.3	\$ 53.3	\$ 165.2	\$ 147.5	\$ 225.0	\$ 163.3	\$ 202.9
Operating Ratios							
Benefit Ratio	77.4 %	79.3 %	77.5 %	78.9 %	77.3 %	80.6 %	76.2 %
Operating Expense Ratio	13.4 %	12.7 %	12.8 %	13.4 %	13.2 %	14.5 %	13.3 %
Before-tax Profit Margin	12.5 %	12.8 %	12.6 %	11.8 %	13.6 %	10.6 %	14.7 %

UnumProvident Financial Results for Brokerage Voluntary Life and Other

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Brokerage Voluntary Life	\$ 44.1	\$ 39.4	\$ 131.8	\$ 115.9	\$ 155.9	\$ 137.3	\$ 126.8
Brokerage Voluntary Other	5.9	2.5	17.3	6.6	9.7	3.3	2.3
Total Premium Income	50.0	41.9	149.1	122.5	165.6	140.6	129.1
Net Investment Income	12.4	9.8	32.4	28.8	38.5	38.9	33.5
Other Income	3.0	4.5	8.5	9.1	11.8	9.7	5.8
Total Operating Revenue	65.4	56.2	190.0	160.4	215.9	189.2	168.4
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	35.2	33.9	106.7	97.1	129.0	115.5	103.5
Commissions	16.0	12.0	46.4	35.8	47.6	30.7	23.3
Deferral of Policy Acquisition Costs	(17.5)	(13.7)	(52.6)	(39.6)	(54.0)	(33.9)	(24.4)
Amortization of Deferred Policy Acquisition Costs	8.2	6.3	25.8	18.4	23.5	19.7	14.8
Amortization of Value of Business Acquired	0.1	0.1	0.3	0.2	0.4	0.4	0.4
Operating Expenses	11.6	9.5	34.3	28.0	39.1	32.2	24.9
Total Benefits and Expenses	53.6	48.1	160.9	139.9	185.6	164.6	142.5
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 11.8	\$ 8.1	\$ 29.1	\$ 20.5	\$ 30.3	\$ 24.6	\$ 25.9
Operating Ratios							
Benefit Ratio	70.4 %	80.9 %	71.6 %	79.3 %	77.9 %	82.1 %	80.2 %
Operating Expense Ratio	23.2 %	22.7 %	23.0 %	22.9 %	23.6 %	22.9 %	19.3 %
Before-tax Profit Margin	23.6 %	19.3 %	19.5 %	16.7 %	18.3 %	17.5 %	20.1 %

UnumProvident Financial Results for Colonial Segment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income							
Income Protection	\$ 116.6	\$ 110.4	\$ 347.0	\$ 325.7	\$ 437.8	\$ 406.4	\$ 377.6
Life	24.2	20.6	71.4	60.0	80.4	73.7	69.1
Other	33.2	29.9	97.9	88.0	118.5	131.8	127.1
Total Premium Income	174.0	160.9	516.3	473.7	636.7	611.9	573.8
Net Investment Income	22.9	20.7	64.8	59.2	79.6	82.8	77.7
Other Income	0.4	1.4	2.1	3.3	3.7	3.8	0.5
Total Operating Revenue	197.3	183.0	583.2	536.2	720.0	698.5	652.0
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	98.0	91.6	291.7	265.0	357.2	346.4	312.0
Commissions	42.1	36.4	123.7	107.5	143.9	135.7	122.0
Deferral of Policy Acquisition Costs	(41.2)	(37.5)	(125.5)	(111.1)	(148.4)	(135.8)	(120.9)
Amortization of Deferred Policy Acquisition Costs	28.9	27.3	88.5	81.7	107.7	100.9	92.9
Amortization of Value of Business Acquired	(0.4)	0.4	0.3	1.1	1.5	1.9	1.9
Operating Expenses	31.4	30.4	95.4	90.7	120.6	111.4	112.4
Total Benefits and Expenses	158.8	148.6	474.1	434.9	582.5	560.5	520.3
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	\$ 38.5	\$ 34.4	\$ 109.1	\$ 101.3	\$ 137.5	\$ 138.0	\$ 131.7
Operating Ratios							
Benefit Ratio	56.3%	56.9%	56.5%	55.9%	56.1%	56.6%	54.4%
Operating Expense Ratio	18.0%	18.9%	18.5%	19.1%	18.9%	18.2%	19.6%
Before-tax Profit Margin	22.1%	21.4%	21.1%	21.4%	21.6%	22.6%	23.0%

UnumProvident Financial Results for Other Segment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Premium Income	\$ 8.9	\$ 13.9	\$ 26.6	\$ 34.8	\$ 37.5	\$ 111.9	\$ 497.7
Net Investment Income	32.3	38.0	107.2	119.9	154.9	184.2	377.2
Other Income	9.2	10.1	29.4	27.3	39.6	50.4	29.5
Total Operating Revenue	<u>50.4</u>	<u>62.0</u>	<u>163.2</u>	<u>182.0</u>	<u>232.0</u>	<u>346.5</u>	<u>904.4</u>
Benefits and Expenses							
Benefits and Change in Reserves for Future Benefits	35.7	43.6	116.8	125.2	161.7	213.0	675.7
Commissions	1.4	0.9	9.1	3.2	3.3	5.5	25.5
Deferral of Policy Acquisition Costs	0.1	-	0.1	(0.1)	(0.1)	(0.3)	(4.0)
Amortization of Deferred Policy Acquisition Costs	-	0.1	-	0.1	-	30.6	105.9
Amortization of Value of Business Acquired	-	-	-	-	-	-	(0.4)
Operating Expenses	4.5	5.2	9.7	16.5	21.5	44.4	58.4
Total Benefits and Expenses	<u>41.7</u>	<u>49.8</u>	<u>135.7</u>	<u>144.9</u>	<u>186.4</u>	<u>293.2</u>	<u>861.1</u>
Operating Income Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ 8.7</u>	<u>\$ 12.2</u>	<u>\$ 27.5</u>	<u>\$ 37.1</u>	<u>\$ 45.6</u>	<u>\$ 53.3</u>	<u>\$ 43.3</u>

UnumProvident Financial Results for Corporate Segment

	Three Months Ended		Nine Months Ended		Year Ended		
	9/30/03	9/30/02	9/30/03	9/30/02	12/31/02	12/31/01	12/31/00
Operating Revenue							
Net Investment Income	\$ 8.3	\$ 0.2	\$ 13.8	\$ 5.1	\$ 5.9	\$ 19.7	\$ 27.7
Other Income	0.4	5.8	9.3	24.3	29.7	24.9	20.4
Total Operating Revenue	<u>8.7</u>	<u>6.0</u>	<u>23.1</u>	<u>29.4</u>	<u>35.6</u>	<u>44.6</u>	<u>48.1</u>
Benefits and Expenses							
Interest and Debt Expense	50.0	42.9	137.4	120.0	162.4	169.6	181.8
Amortization of Goodwill	-	-	-	-	-	26.6	22.3
Unallocated Operating Expenses	5.8	(2.3)	32.2	13.0	27.7	22.1	(106.5)
Total Benefits and Expenses	<u>55.8</u>	<u>40.6</u>	<u>169.6</u>	<u>133.0</u>	<u>190.1</u>	<u>218.3</u>	<u>97.6</u>
Operating Loss Before Income Taxes and Net Realized Investment Gains and Losses	<u>\$ (47.1)</u>	<u>\$ (34.6)</u>	<u>\$ (146.5)</u>	<u>\$ (103.6)</u>	<u>\$ (154.5)</u>	<u>\$ (173.7)</u>	<u>\$ (49.5)</u>

UnumProvident Investment Fact Sheet at September 30, 2003

Bonds (Fair Value)	<u>9/30/03</u>		Selected Statistics	<u>9/30/03</u>	<u>6/30/03</u>
Public	\$ 17,276.8	57.3 %	Portfolio Yield*	7.26 %	7.40 %
Mortgage-backed Securities	4,778.5	15.8	Average Duration	8.83	7.88
Private Placements	3,768.6	12.5	Average Credit Quality	A	A
High Yield	2,473.4	8.2			
Government Securities	1,536.7	5.1			
Municipal Securities	57.4	0.2			
Open Derivatives	261.3	0.9			
Total	<u>\$ 30,152.7</u>	<u>100.0 %</u>			

* Bond equivalent yield is a book value and duration weighted average of the yield on the fixed income securities in the portfolio.

Quality Ratings of Bonds	Book Value	Fair Value	Schedule BA and Non-Current			
Aaa	25.2 %	24.8 %	Total Non-Current Investments	\$ 228.1	\$	224.1
Aa	5.6	5.8	Total Schedule BA Assets	\$ 39.4	\$	39.4
A	21.4	22.5				
Baa	38.0	38.7				
Below Baa	9.8	8.2				
Total	<u>100.0 %</u>	<u>100.0 %</u>				

UnumProvident Investment Fact Sheet at September 30, 2003

Fixed Maturity Bonds - By Industry Classification-Unrealized Gain/Loss

Classification	Fair Value	Net Unrealized Gain/Loss	Fair Value of Bonds with Loss	Gross Unrealized Loss	Fair Value of Bonds with Gain	Gross Unrealized Gain
Basic Industry	\$ 2,427.2	\$ 161.1	\$ 490.8	\$ (69.8)	\$ 1,936.4	\$ 230.9
Canadian	854.7	172.9	13.4	(0.1)	841.3	173.0
Capital Goods	2,091.5	226.2	200.2	(23.8)	1,891.3	250.0
Communications	2,640.6	297.3	356.1	(32.1)	2,284.5	329.4
Consumer Cyclical	1,327.7	86.1	281.3	(12.0)	1,046.4	98.1
Consumer Non-Cyclical	3,046.5	305.5	375.5	(16.9)	2,671.0	322.4
Energy (Oil & Gas)	2,600.7	328.6	153.5	(22.8)	2,447.2	351.4
Financial Institutions	1,857.8	72.6	527.2	(92.7)	1,330.6	165.3
Mortgage/Asset Backed	4,778.5	550.7	22.7	(1.9)	4,755.8	552.6
Sovereigns	496.7	23.2	257.3	(4.3)	239.4	27.5
Technology	282.8	9.4	148.6	(8.7)	134.2	18.1
Transportation	1,121.9	79.5	168.8	(55.9)	953.1	135.4
U.S. Government Agencies	1,829.2	252.7	1,180.4	(123.1)	648.8	375.8
Utilities	4,796.9	360.5	948.2	(70.0)	3,848.7	430.5
Total	\$ <u>30,152.7</u>	\$ <u>2,926.3</u>	\$ <u>5,124.0</u>	\$ <u>(534.1)</u>	\$ <u>25,028.7</u>	\$ <u>3,460.4</u>

Gross Unrealized Loss on Fixed Maturity Bonds 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 90 days	\$ 3,171.9	\$ (195.2)	\$ 184.2	\$ (7.9)
91 through 180 days	57.8	(2.0)	49.3	(5.3)
181 through 270 days	26.1	(0.8)	216.7	(41.1)
271 days to 1 year	55.5	(2.5)	193.6	(22.8)
Greater than 1 year	388.9	(65.4)	780.0	(191.1)
Total	\$ <u>3,700.2</u>	\$ <u>(265.9)</u>	\$ <u>1,423.8</u>	\$ <u>(268.2)</u>

UnumProvident Detail of Special Items
(all numbers are before tax, except as noted)

	<u>Income Protection</u>	<u>Life and Accident</u>	<u>Colonial</u>	<u>Other</u>	<u>Corporate</u>	<u>Total</u>
2003						
<u>1st Quarter</u>						
Change in reserve increase (Benefits Expense)	\$ 454.0	\$ -	\$ -	\$ -	\$ -	454.0
2001						
<u>4th Quarter</u>						
Goodwill write down (Amortization of Goodwill)	-	-	-	-	5.4	5.4
<u>3rd Quarter</u>						
Loss related to September 11 tragedy (Benefits Expense)	17.3	6.7	-	-	-	24.0
<u>1st Quarter</u>						
Tax benefit on foreign reinsurance operations (Federal Income Taxes)	-	-	-	-	-	(35.2)
2000						
<u>4th Quarter</u>						
Change in reserve increase (Benefits Expense)	65.6	-	-	21.9	-	87.5
Change in premium receivable (Premium Income)	-	-	-	(7.0)	-	(7.0)
Retiree annuity purchase (Operating Expenses)	-	-	-	-	(116.1)	(116.1)
Consolidation and benefit accruals and loss provisions (Operating Expenses)	-	-	-	8.5	9.4	17.9

Notes to Statistical Supplement

(All numbers are before tax, except as noted)

2003 Public Offerings

In the second quarter of 2003, the Company issued a total of 52,877,000 shares of common stock, par value \$0.10 per share, related to a public offering. In addition, the Company issued a total of 23,000,000 8.25% adjustable conversion-rate equity security units (units) related to a public offering. The Company received approximately \$547.7 million in proceeds from the sale of the shares of common stock and \$557.8 million in proceeds from the sale of the units after deducting underwriting discounts. Each unit has a stated amount of \$25 and will initially consist of (a) a contract pursuant to which the holder agrees to purchase, for \$25, shares of the Company's common stock on May 15, 2006 and (b) a 1/40, or 2.5%, ownership interest in a senior note issued by the Company due May 15, 2008 with a principal amount of \$1,000. The purchase contract element of the units contributes to the number of weighted average common shares, assuming dilution, when the average market price of the Company's common stock is greater than the threshold appreciation price of \$13.27 per share. The impact of the purchase contract element of the units on the number of weighted average common shares, assuming dilution, at various quarterly average stock price levels is as follows:

<u>Quarterly Average Stock Price</u>	<u>Dilutive Share Impact (in millions)</u>
\$13.00	no impact
\$13.50	0.7
\$14.00	2.3
\$15.00	5.0
\$16.00	7.4
\$17.00	9.5
\$18.00	11.4

2003 Special Items

1st Quarter

Included in the net loss for the first quarter of 2003 is an increase in the Company's group long-term income protection GAAP reserves of \$454.0 million before tax, or \$295.1 million after tax. In April of 2003, the Company completed an analysis of its assumptions related to its group long-term income protection claim reserves. This analysis was initiated based on a trend in lower net claim recovery rates observed during the first quarter of 2003. The claim recovery rates during the first quarter were below expected levels and were lower than those experienced in the past three years. The analysis of emerging net claim recovery rates and the reasons driving the changes resulted in a reduction in the Company's long-term expectations. Based on the analysis noted above, the Company increased its group long-term income protection claim reserves as of March 31, 2003 to reflect its current estimate of future benefit obligations. The analysis indicated not only a decrease in overall claim recovery rates, but a change in claim recovery rates by claim duration.

(continued on next page)

Restatement of Financial Information

During 2001 and 2000, the Company reported other than temporary impairments on certain of its fixed maturity securities based on values that included their quoted market prices, as well as to give effect to analysis by the Company with respect to certain issuers of securities that perhaps was not reflected in those market prices. After discussions with the staff of the Securities and Exchange Commission's Division of Corporation Finance, the Company restated its previously issued financial statements for the years ended December 31, 2001 and 2000 to adjust the amounts recorded during 2001 and 2000 on these securities such that the other than temporary impairments were based on the then quoted market prices. The non-cash adjustments did not impact the Company's total stockholders' equity in any period because the Company had already recorded the unrealized effect of the decreased market value of its fixed maturity securities through stockholders' equity in the appropriate periods.

The restatement resulted in a net aggregate net income reduction for 2002, 2001, and 2000 of \$29.1 million, consisting of a \$34.2 million increase in 2002 net income and a decrease in net income of \$38.0 million and \$25.3 million in 2001 and 2000, respectively. The effect on fully diluted earnings per share was an increase of \$0.14 per share for 2002, following reductions of \$0.16 per share in 2001 and \$0.10 per share in 2000.

2002 Cumulative Effect of Accounting Principle Change

1st Quarter

Effective January 1, 2002, the Company adopted the provisions of Statement of Financial Accounting Standards No. 142 (SFAS 142), *Goodwill and Other Intangible Assets*. The cumulative effect of adopting SFAS 142 was a decrease to net income of \$7.1 million, net of a tax benefit of \$3.9 million.

2001 Extraordinary Loss and Subsequent Reclassification

4th Quarter

In 2001 the Company redeemed its \$172.5 million par value 8.8% monthly income debt securities (junior subordinated debt), which were due in 2025 but callable at par in 2000 and thereafter. This early extinguishment of debt resulted in a write off of the remaining deferred debt cost of \$4.5 million associated with the issuance of the securities. Prior to 2003, the write off was reported as an extraordinary loss of \$2.9 million, net of a \$1.6 million tax benefit, in accordance with then current Statement of Financial Accounting Standards No. 4, *Reporting Gains and Losses from Extinguishment of Debt*. In 2003, the Company adopted Statement of Financial Accounting Standards No. 145 (SFAS 145), *Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections*. The effect of the adoption was the reporting reclassification of the extraordinary loss of \$4.5 million to operating expense and the corresponding tax benefit of \$1.6 million to income tax. The adoption of SFAS 145 had no effect on the Company's financial position or net income.

2001 Special Items

4th Quarter

The Company wrote off the remaining goodwill balance related to its operations in Argentina, resulting in a decrease in before-tax and after-tax operating income of \$5.4 million.

3rd Quarter

The tragedy on September 11, 2001 resulted in a before-tax charge of \$24.0 million, or \$15.6 million after tax. This charge includes estimated gross ultimate losses from reported and unreported claims of \$71.0 million less an estimated \$47.0 million recoverable from the Company's reinsurers.

1st Quarter

A tax benefit of \$35.2 million related to the Company's investment in its foreign reinsurance operations increased after-tax operating income \$35.2 million.

2000 Special Items**4th Quarter**

During the quarter, the Company purchased a single premium annuity for its retirees. This allowed the release of the related pension plan liability and resulted in a net gain of \$116.1 million. The operating gain was partially offset by an increase in reserves of \$65.6 million in the Company's long-term income protection business and \$21.9 million in the reinsurance operations, asset write offs and loss provisions of \$15.5 million in the reinsurance operations, and consolidation and benefit accruals of \$9.4 million in corporate. The net impact of these actions was an increase to operating earnings of \$3.7 million before tax.