

Phoenix Group buys insurer Sun Life UK for £248 million

Insurer Sun Life UK has been bought by rival business London-based Phoenix Group for £248 million.

Phoenix Group is the UK's largest long-term savings and retirement business with more than 13 million customers and £310 billion of assets under administration and will acquire the insurer in an all cash deal.

At the end of last year, Sun Life UK that is famous for its free pen giveaway had 480,000 active policies and £10 billion of assets under administration, of which £2.5 billion were annuities that remain reinsured through the provider.

Since first launching the free pen campaign, Sun Life UK has given away more than one million.

“Phoenix Group is a purpose-led company with similar values to Sun Life and a strong focus on delivering outcomes for their customers. [We're also pleased about our asset management partnership, which will bring the strength of MFS and SLC Management to Phoenix Group customers,](#)” said Kevin Strain, boss of Sun Life.

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The deal is expected to be completed during the first half of 2023, subject regulatory approval and is expected to deliver an estimated £470 million of long-term cash generation, with 30% of this to happen in the first three years following the buyout.

Phoenix Group has been on the acquisition trail for the past few years. [Standard Life Aberdeen sold its Standard Life brand to Phoenix Group in February 2021.](#)

At the time, the company said the takeover would “support the delivery of incremental new business long-term cash generation”.

Sun Life UK manages life and pension policies and annuity blocks for UK clients.

Fenchurch Advisory Partners [acted as a financial advisor to the deal and Freshfields Bruckhaus Deringer LLP provided legal services.](#)