

Voya Financial

Second Quarter 2015 Investor Presentation

August 5, 2015

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Forward-Looking and Other Cautionary Statements

This presentation and the remarks made orally contain forward-looking statements. Forward-looking statements include statements relating to future developments in our business or expectations for our future financial performance and any statement not involving a historical fact. Forward-looking statements use words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “projected”, “target,” and other words and terms of similar meaning in connection with a discussion of future operating or financial performance. In particular, our 2018 Adjusted ROE and Adjusted ROC targets, and all other statements about our financial targets and expectations, are forward-looking statements. Actual results, performance or events may differ materially from those projected in any forward-looking statement due to, among other things, (i) general economic conditions, particularly economic conditions in our core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels, (v) persistency and lapse levels, (vi) interest rates, (vii) currency exchange rates, (viii) general competitive factors, (ix) changes in laws and regulations, including those relating to the use and accreditation of captive reinsurance entities and those made pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act or the U.S. Department of Labor’s proposed rules and exemptions pertaining to the fiduciary status of providers of investment advice and (x) changes in the policies of governments and/or regulatory authorities. Factors that may cause actual results to differ from those in any forward-looking statement also include those described in “Risk Factors,” “Management’s Discussion and Analysis of Results of Operations and Financial Condition—Trends and Uncertainties” and “Business—Closed Blocks—Closed Block Variable Annuity” in our Annual Report on Form 10-K for the year ended December 31, 2014 as filed with the Securities and Exchange Commission (“SEC”) on February 27, 2015, and our Quarterly Report on Form 10-Q for the three months ended June 30, 2015, to be filed with the SEC on or before August 10, 2015.

This presentation and the remarks made orally contain certain non-GAAP financial measures. Non-GAAP measures include Operating Earnings, Adjusted Operating Earnings, Ongoing Business Adjusted Operating Earnings, Ongoing Business Adjusted Operating Return on Equity, Adjusted Operating Return on Capital, Ongoing Business Adjusted Return on Capital, Operating Margin, and debt-to-capital ratio. Information regarding these and other non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, is provided in our quarterly earnings press releases and in our quarterly investor supplements, all of which are available at the Investor Relations section of Voya Financial’s website at investors.voya.com.

Agenda

1. Key Highlights

- Rod Martin, Chairman and Chief Executive Officer

2. Executing Our Return on Equity (ROE) / Return on Capital (ROC) Improvement Plan

- Alain Karaoglan, Chief Operating Officer and Chief Executive Officer of Retirement and Investment Solutions

3. Business Operating and Balance Sheet Metrics

- Ewout Steenbergen, Chief Financial Officer

Key Developments in 2Q'15

<i>Investor Day Announcements</i>	<ul style="list-style-type: none">▪ Raised Ongoing Business Adjusted Operating ROE to 13.5 – 14.5% for 2018▪ Incremental investment plans detailed: \$50 – 70 million for 2015; \$110 – 130 million for 2016; \$80 – 100 million in 2017; \$60 – 80 million in 2018▪ \$750 million new share repurchase authorization
<i>Share Repurchases</i>	<ul style="list-style-type: none">▪ \$128 million repurchased in 2Q'15; \$752 million share repurchase authorization remaining as of June 30; entered into \$150 million share repurchase arrangement following end of quarter
<i>Book Value per Share Growth</i>	<ul style="list-style-type: none">▪ Book value per share of \$56.33 (up 4.5% YTD)
<i>New Board Members</i>	<ul style="list-style-type: none">▪ Ruth Ann Gillis, Byron Pollitt, and Joseph Tripodi joined Voya's Board of Directors

Second Quarter 2015 Financial Highlights

After-tax Operating Earnings¹

\$179 million or \$0.78 per diluted share

\$183 million or \$0.80 per diluted share excl. DAC and other intangibles unlocking

Net Income Available to Common Shareholders¹

\$285 million driven by Ongoing Business operating earnings

Ongoing Business Adjusted Operating Earnings (pre-tax)

\$319 million

Ongoing Business TTM Adjusted Operating Return on Equity

12.6%, versus 12.6% for 1Q'15 TTM

Closed Block Variable Annuity Performance

Protected regulatory and rating agency capital from market movements
Second GMIB enhancement offer completed; approximately 7% take up rate

1. Voya Financial assumes a 32% tax rate for operating earnings. Net income available to common shareholders reflects the actual effective tax rate

Key Sources of Value



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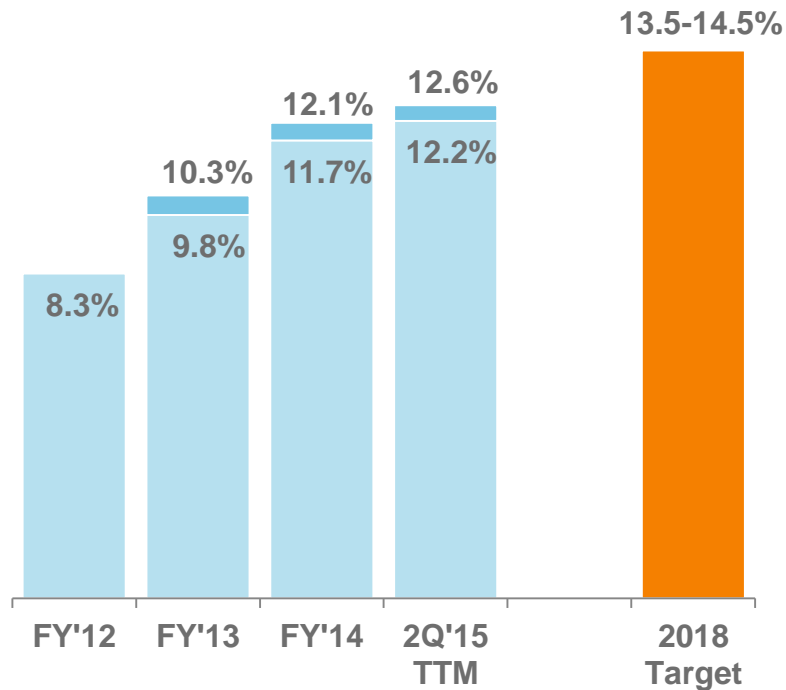
- Alain Karaoglan, Chief Operating Officer and Chief Executive Officer of Retirement and Investment Solutions

3. Business Operating and Balance Sheet Metrics

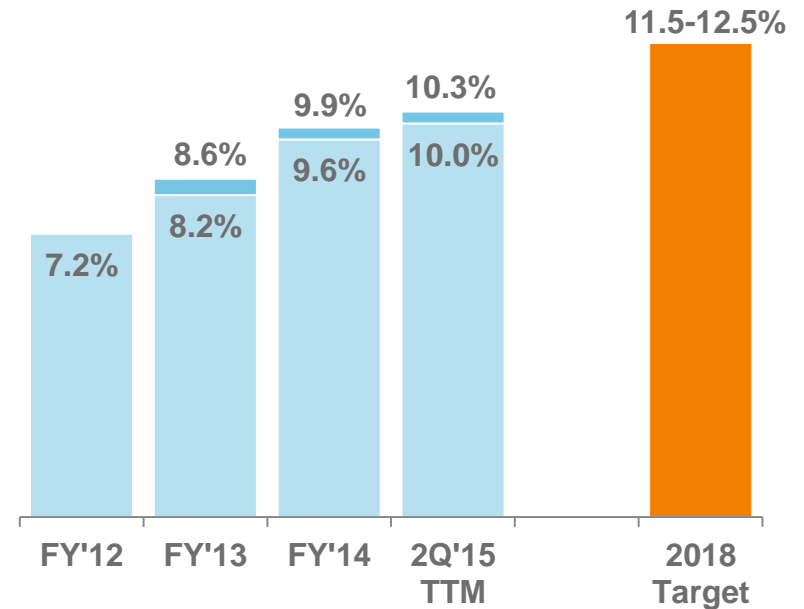
- Ewout Steenbergen, Chief Financial Officer

Ongoing Business Adjusted Operating Return on Equity and Return on Capital Tracking to Target

Ongoing Business¹ Adjusted Operating ROE²



Ongoing Business¹ Adjusted Operating ROC³



■ Items we do not expect to recur at the same levels

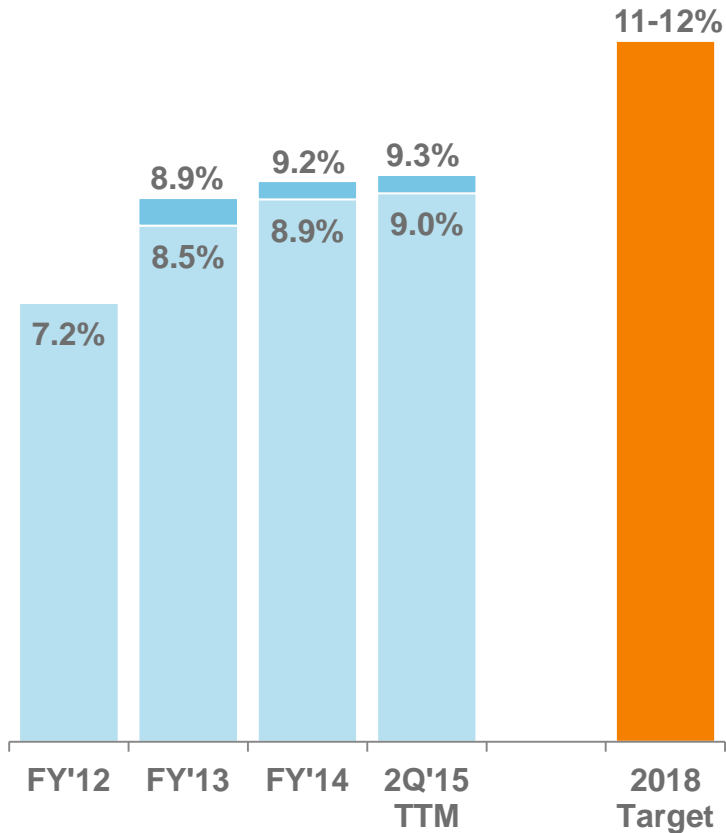
- Ongoing Business includes Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments
- Ongoing Business adjusted operating earnings is calculated using the operating earnings (loss) before income taxes for the Ongoing Business, excluding DAC/VOBA unlocking, the impact of portfolio restructuring in 2012, the gain associated with a Lehman Brothers bankruptcy settlement in 2013, the loss recognized as a result of marking low income housing tax credit partnerships to the sales price associated with their disposition in 2013, and the gain on a reinsurance recapture in 2014. Ongoing Business adjusted operating ROE is then calculated by dividing the after-tax adjusted operating earnings (loss) (using a pro forma effective tax rate of 32% effective with 1Q'15 and 35% for all prior periods and applying a pro forma allocation of interest expense) by the average capital allocated to the Ongoing Business reflecting an allocation of pro forma debt. Assumes debt-to-capital ratio of 25% for all periods presented, a weighted average pre-tax interest rate of 5.5% for all periods prior to the third quarter of 2013, during which the Company completed its recapitalization initiatives, and the actual weighted average pre-tax interest rate for all periods starting with the third quarter of 2013
- We calculate Ongoing Business adjusted operating return on capital by dividing Ongoing Business adjusted operating earnings before interest and after income taxes by average capital allocated to the Ongoing Business

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Retirement – Leading Franchise Driving Long-Term Growth and Returns

Adjusted Operating ROC



■ Items that we do not expect to recur at the same levels

Growth Initiatives

- Enhancing distribution and market reach
- Leveraging cross-market relationships
- Advancing retirement focused solutions

Margin Initiatives

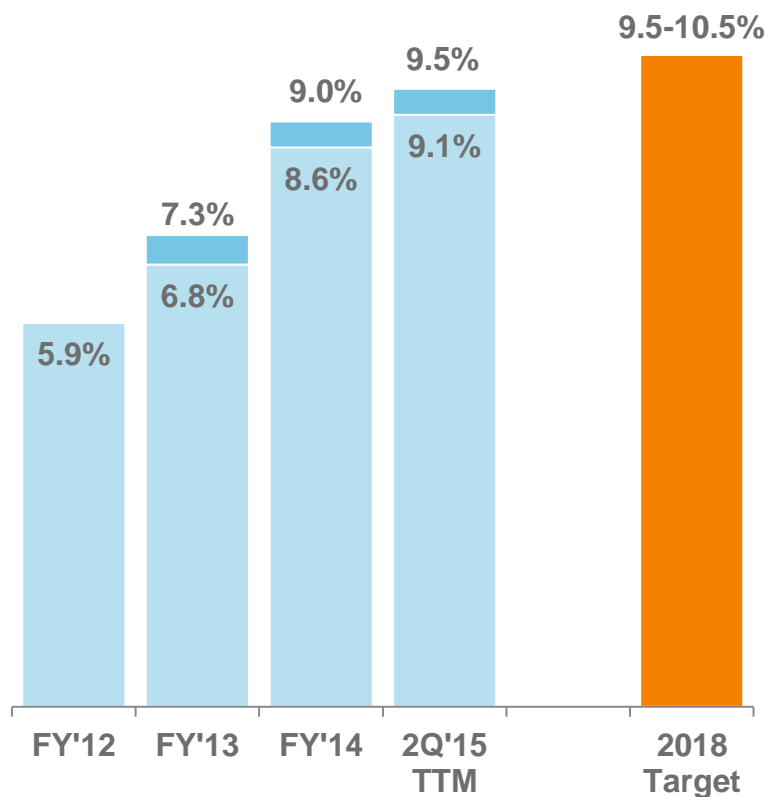
- Target clients that align with our value proposition
- Technology investments
- Continuous management of in-force block

Examples of Execution

- ✓ Grew sales and service team in Corporate Markets and saw strong recruiting of new Tax-Exempt Markets advisors in 1H'15
- ✓ Realized 96% and 98% persistency in Full Service Tax-Exempt Markets and Large Corporate Markets Recordkeeping, respectively, in 2Q'15
- ✓ Continued enhancements of myOrangeMoney with pending roll-out of Social Security modeling

Annuities – Selective Growth While Running Off Less Profitable Business

Adjusted Operating ROC



■ Items that we do not expect to recur at the same levels

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Growth Initiatives

- Continued product development / expansion
- Continued growth of less capital-intensive mutual fund custodial product
- Expand distribution to underserved markets

Margin Initiatives

- Continued management of credited rates / investment spread
- Continued run-off of Annual Reset / Multi-Year Guarantee Annuity block

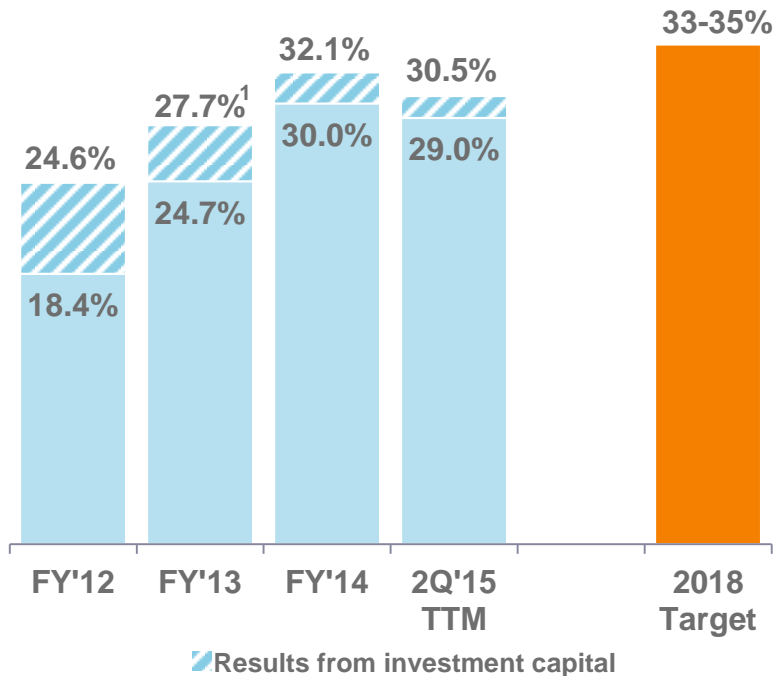
Examples of Execution

- ✓ Launched Preferred Advantage, a complement to our mutual fund custodial product Select Advantage
- ✓ Announced strategic alliance with Farmers Insurance



Investment Management – Scalable Platform Leveraging Strong Investment Performance

Operating Margin



Growth Initiatives

- Further development of channel-specific investment offerings and product extensions leveraging broad investment capabilities and strong performance
- Continued development of cross-enterprise retirement solutions
- Sales force and infrastructure productivity enhancements

Examples of Execution

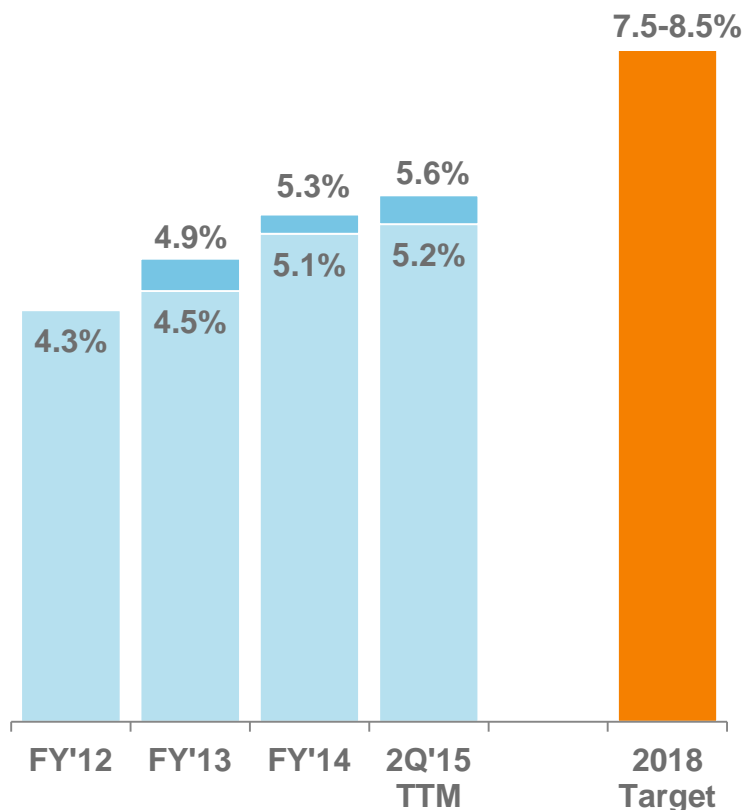
- ✓ Launched Pomona Investment Fund, which provides private equity access to accredited retail investors
- ✓ Introduced zero revenue share target date suite exclusively through Voya's retirement channel
- ✓ 93% and 92% of fixed income assets; 45% and 71% of equity assets; and 91% and 83% of multi-asset strategy assets outperformed benchmark or peer median returns as of 2Q'15 on a 3-year and 5-year basis, respectively²
- ✓ Achieved sequentially higher consultant endorsements and buy ratings

1. Excludes gain from Lehman Recovery

2. Metrics presented measure each investment product based on (i) rank above the median of its peer category within Morningstar (mutual funds) or eVestment (institutional composites) for unconstrained and fully-active investment products; or (ii) outperformance against its benchmark index for "index-like", rules-based, risk-constrained, or client-specific investment products

Individual Life – Repositioning Toward Aligned Distribution Model

Adjusted Operating ROC



■ Items that we do not expect to recur at the same levels

Margin Initiatives

- Improve in-force profit metrics
 - Manage non-guaranteed elements
 - Reduce redundant reserve financing cost
 - Digitize operational processes

Capital Initiatives

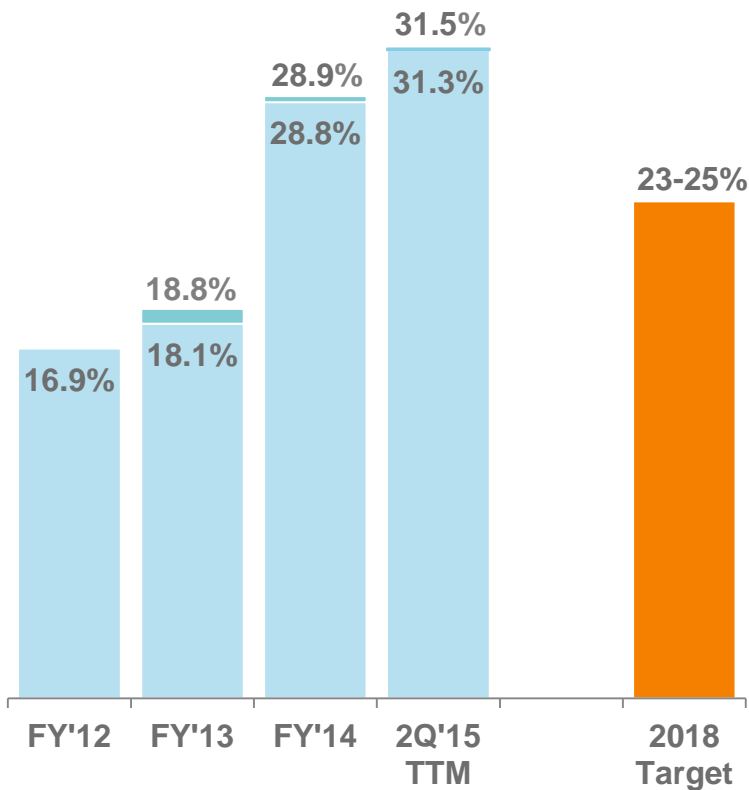
- Exploring opportunities to further reduce capital usage

Examples of Execution

- ✓ Delivered enhancements to Voya Life Journey to support in-house reporting capabilities and enable usage and placement tracking
- ✓ Deploying continuous improvement techniques to reposition toward aligned distribution
- ✓ 2Q'15 Indexed sales increased to \$16 million from \$13 million, a 17% year over year increase

Employee Benefits – High Return and Capital Generation Business

Adjusted Operating ROC



■ Items that we do not expect to recur at the same levels

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Growth Initiatives

- Mid-Market expansion
- Private exchange market growth
- Leveraging Stop Loss market position

Examples of Execution

- ✓ Hired a dedicated team (sales, underwriting and operations) that will focus on profitable mid-market expansion
- ✓ Selected only quality Private Exchange partners that will drive profitable growth along with allowing us to penetrate new markets on existing relationships
- ✓ Continued improving unit cost reduction, call center metrics, and close ratios to further scale operations



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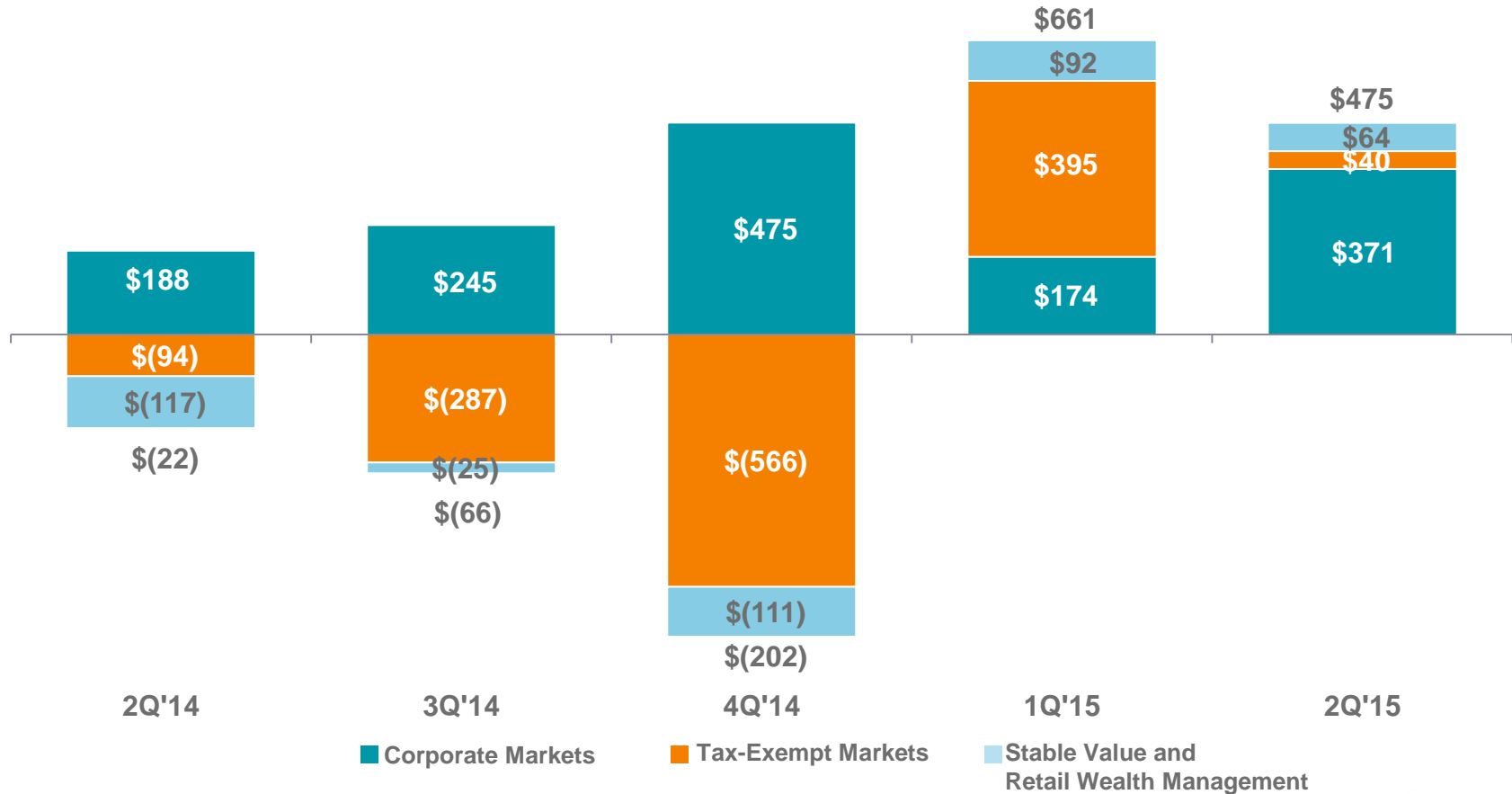
3. Business Operating and Balance Sheet Metrics Ewout Steenbergen, Chief Financial Officer

2Q'15 Business Segment Drivers

2Q'15 Commentary	
<i>Retirement</i>	2Q'15 adjusted operating earnings provides baseline level for growth in 2H'15
<i>Annuities</i>	In-line with our plans
<i>Investment Management</i>	Light on investment capital results
<i>Individual Life</i>	Slightly unfavorable mortality due to severity
<i>Employee Benefits</i>	Favorable loss ratios, partially offset by higher expenses and commissions reflecting growth
<i>Corporate</i>	Includes \$13 million of the planned \$350 million incremental investment spend
Additional Items	
<i>Retirement</i>	\$475 million of net inflows in 2Q'15; anticipate approximately \$1.9 - 2.3 billion of net outflows in 3Q'15
<i>Closed Block – Other</i>	Minimal earnings expected for remainder of 2015

Positive Net Flows Across All Retirement Markets in 2Q'15

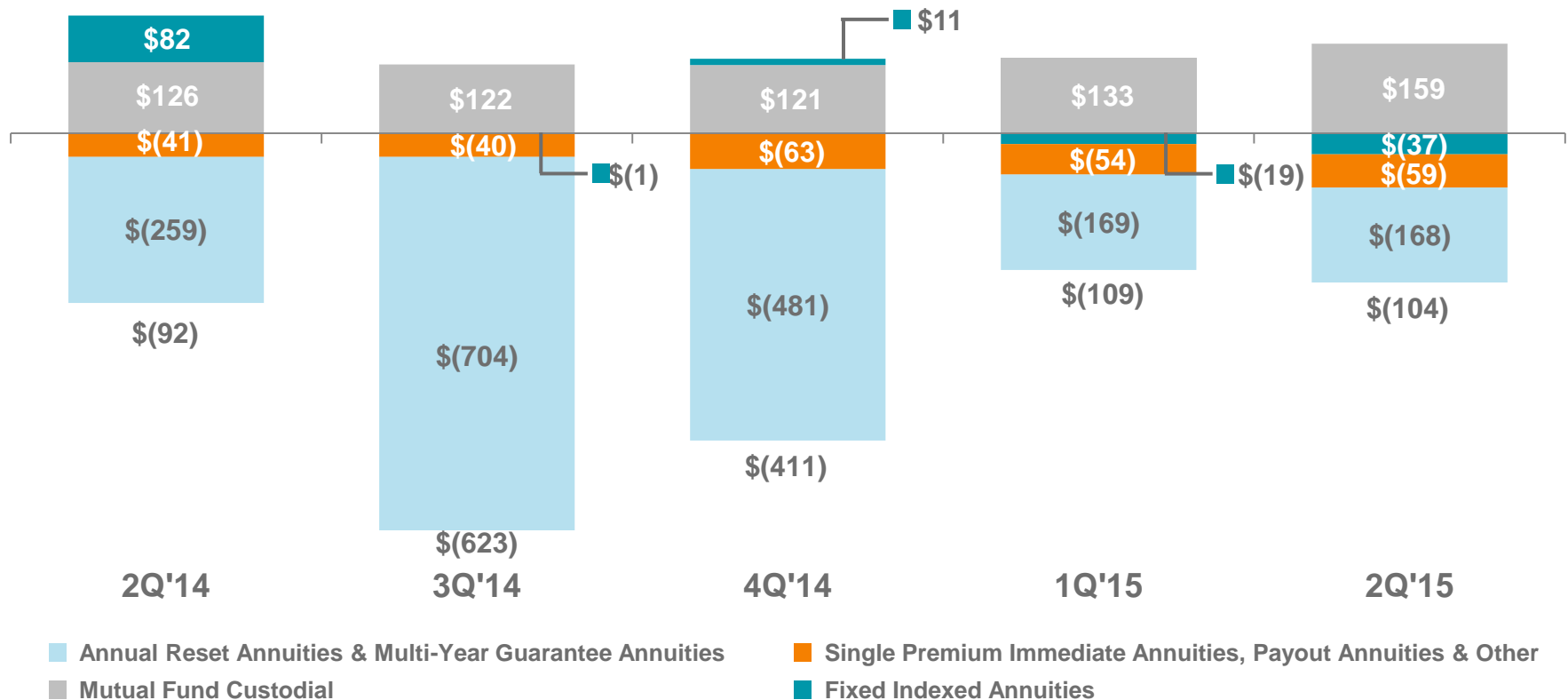
Retirement Net Flows¹ (\$ million)



1. Excludes Recordkeeping

Growing Mutual Fund Custodial, Maintaining Discipline on Fixed Indexed Annuities, and Running Off Less Profitable Business

Annuities Net Flows¹ (\$ million)

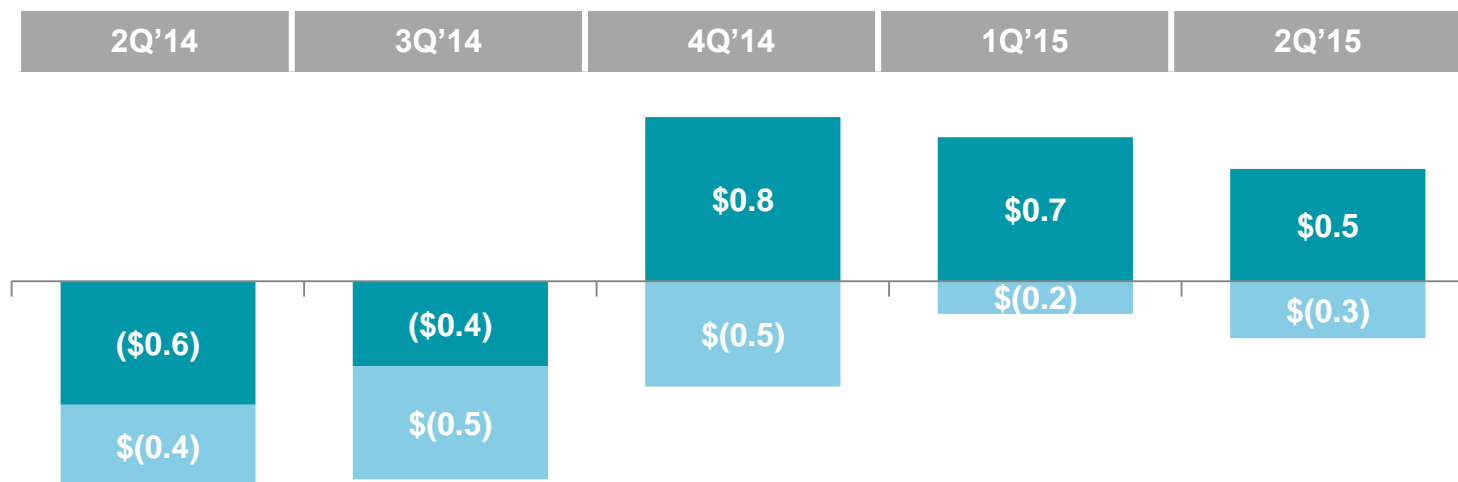


1. Annual reset (AR) / Multi-year guarantee annuities (MYGA) are in run-off

Continued Positive Investment Management Sourced Flows

Investment Management Third-Party Net Flows¹

(\$ billion)



	2Q'14	3Q'14	4Q'14	1Q'15	2Q'15
Sub-Advisor Replacements	\$0.0	\$2.1	\$0.8	\$0.0	\$0.0
Investment Management VA Net Flows	\$(0.9)	\$(1.0)	\$(1.2)	\$(0.8)	\$(1.0) ²
Total	\$(1.9)	\$0.2	\$(0.2)	\$(0.3)	\$0.8

■ Investment Management Sourced
 ■ Affiliate Sourced

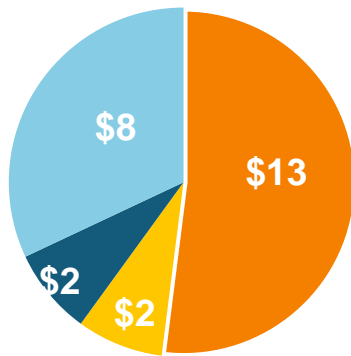
1. Excludes General Account

2. Total Closed Block Variable Annuity net flows were \$(1.4) billion in 2Q'15, of which \$(1.0) billion were managed by Investment Management

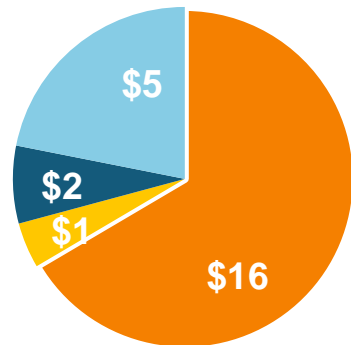
Individual Life Results Impacted by Elevated Mortality

Individual Life Sales (\$ million)

2Q'14 Sales

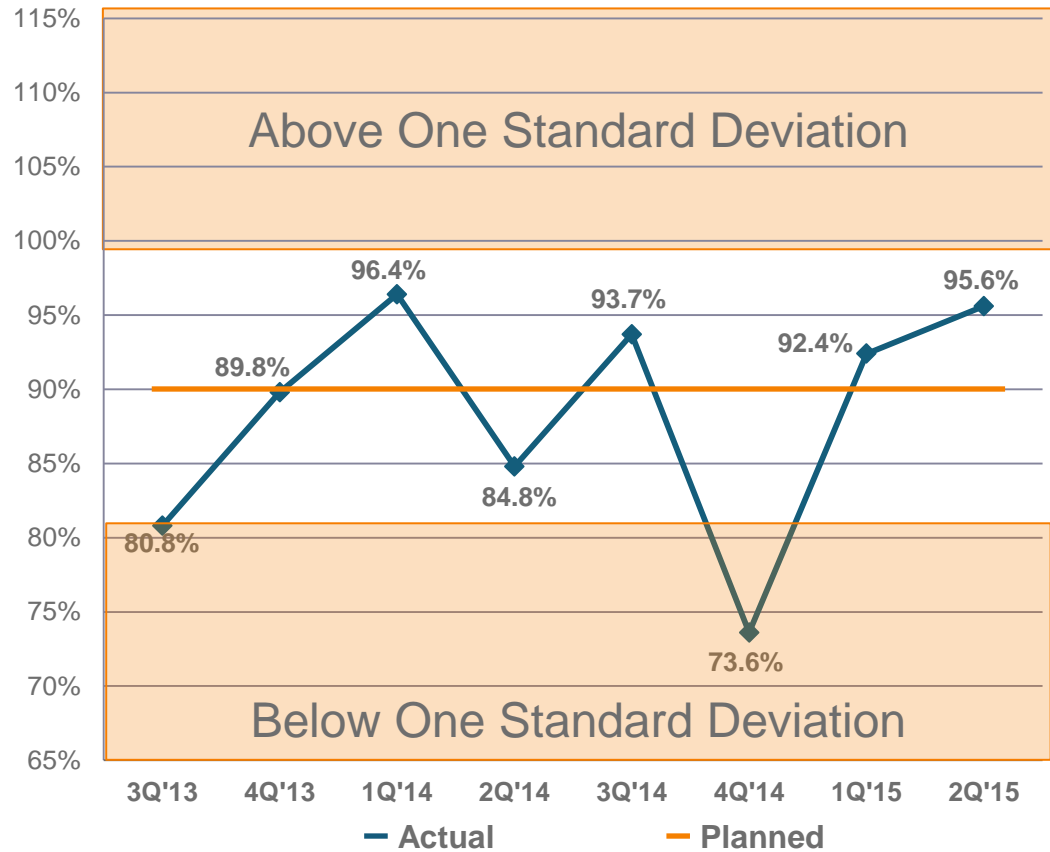


2Q'15 Sales



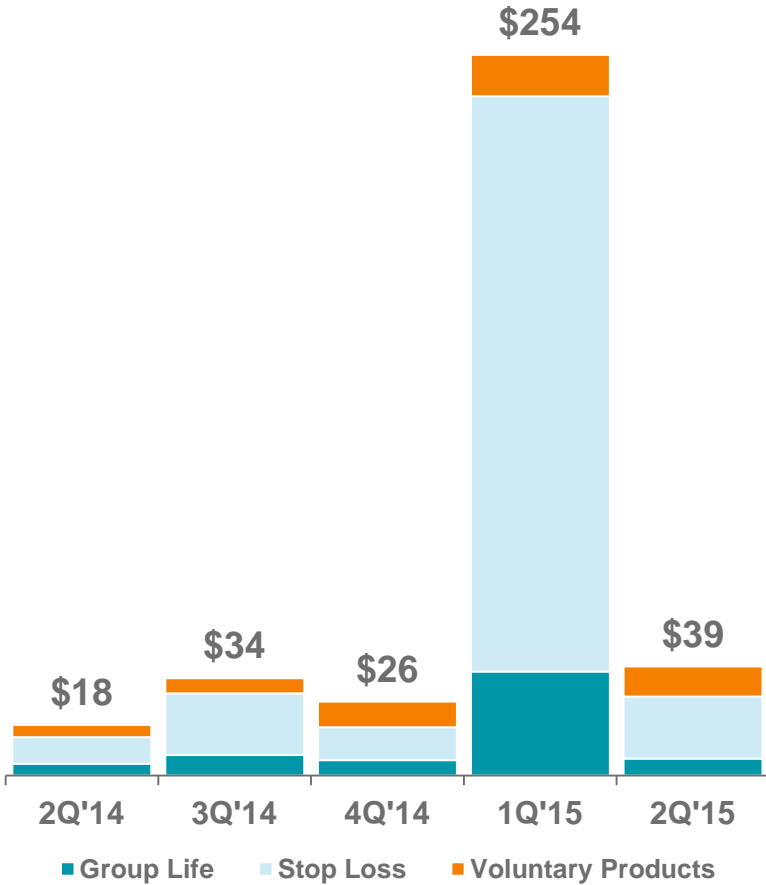
■ Indexed ■ Other UL ■ VUL ■ Term

Actual-to-Expected Mortality

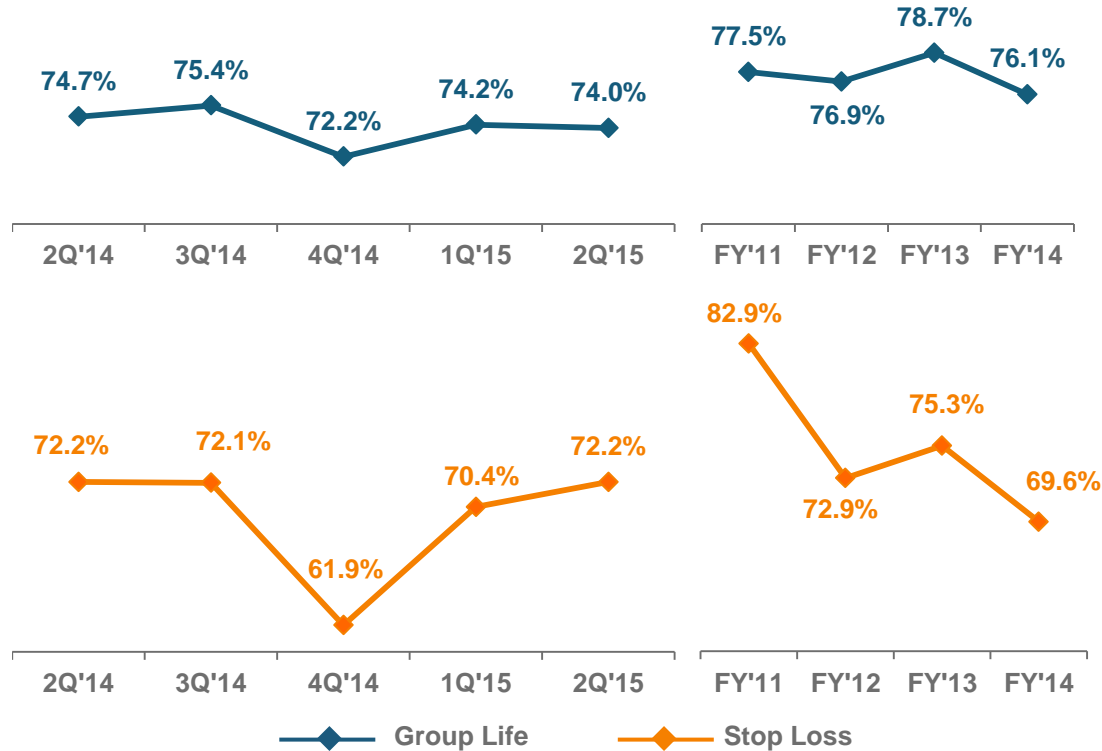


Employee Benefits Loss Ratios for Group Life and Stop Loss Remained Favorable

Sales¹ (\$ million)



Loss Ratios (%)

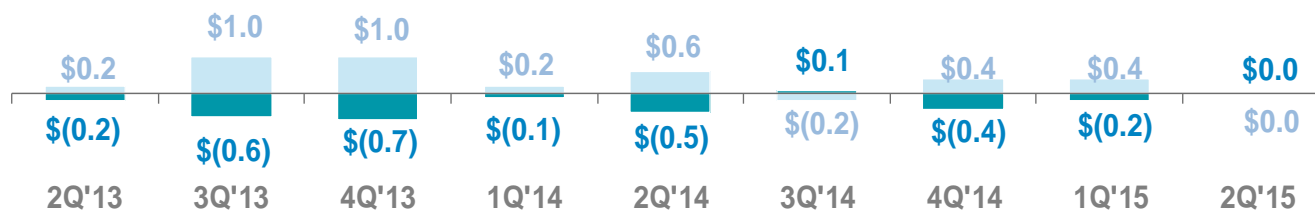


1. Refer to the 2Q'15 Quarterly Investor Supplement for sales figures by product

Active Hedge Program in Closed Block Variable Annuity

Change in Statutory Reserves Relative to Hedge Resources (\$ billion)

- Equity impacts (increase) decrease in stat reserve liability
- Equity impacts increase (decrease) in hedge resources



2Q'15 Results

- Estimated available resources of \$4.8 billion
- Living Benefit NAR of \$3.7 billion
- Net Flows of \$(1.4) billion, annualized 13.8% of beginning of period assets (including the impact of the GMIB enhancement offer)

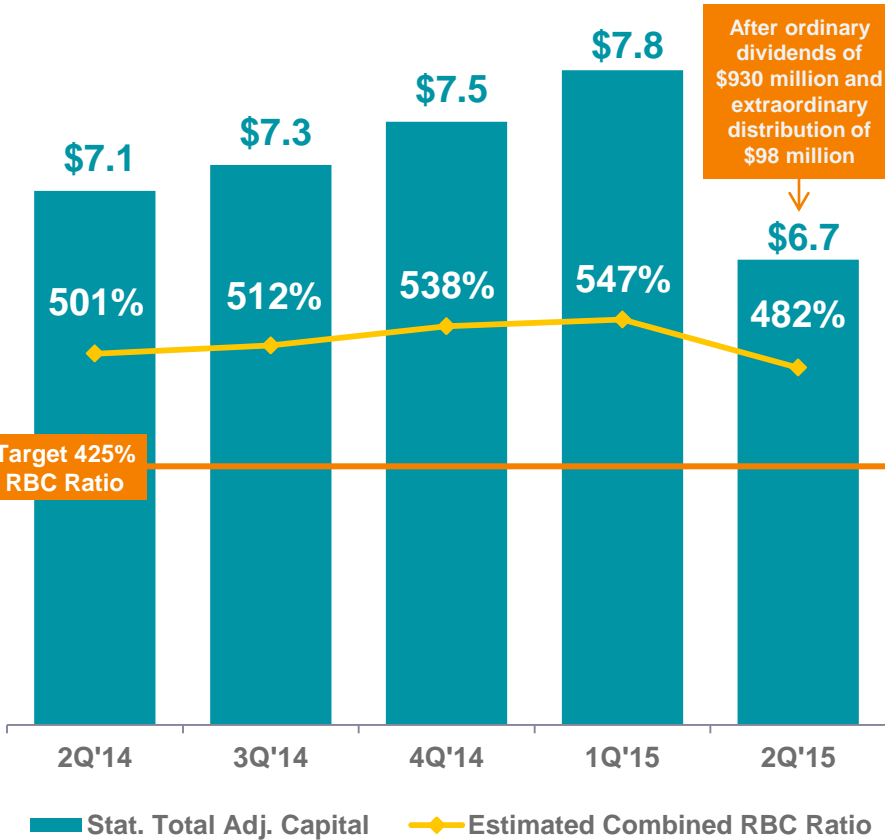
Preliminary Impact to Regulatory Capital and Earnings^{1,2} (\$ million)

Net Impact (increase / (decrease))	Equity Market (S&P 500)						Interest Rates	
	-25%	-15%	-5%	5%	15%	25%	-1%	1%
Regulatory Capital	0	0	0	100	250	350	150	(50)
U.S. GAAP Earnings Before Income Taxes	650	450	100	(150)	(450)	(600)	(400)	250

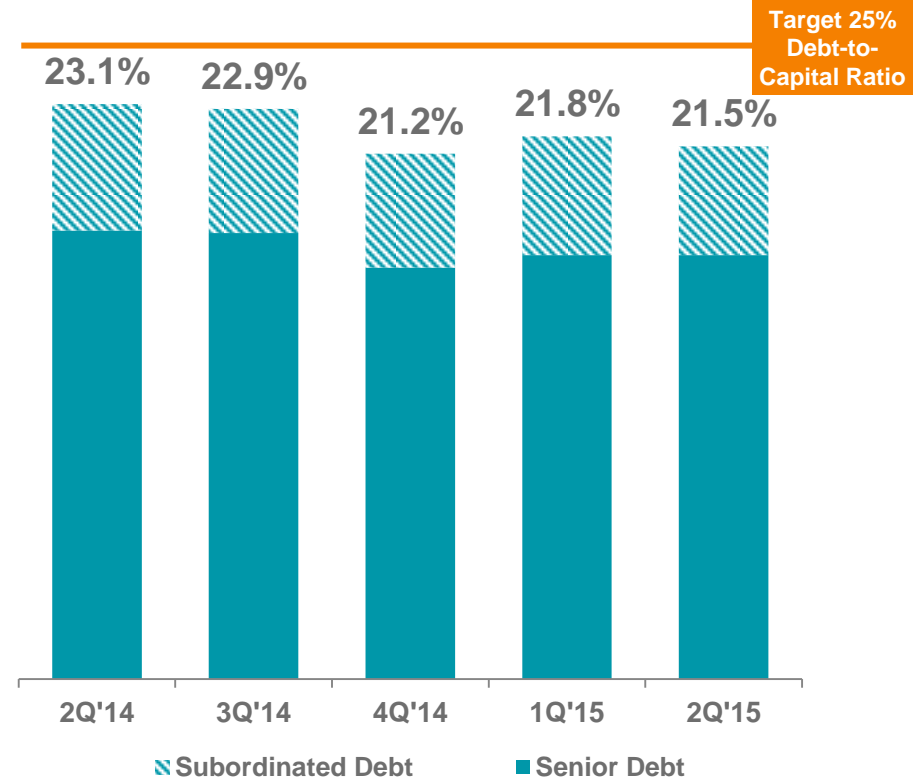
- These sensitivities illustrate the estimated impact of the indicated shocks beginning on the first market trading day following June 30, 2015, and give effect to dynamic rebalancing over the course of the shock event. This reflects the hedging we had in place at the close of business on June 30, 2015 in light of our determination of risk tolerance and available collateral at that time, which may change from time to time. The estimates of equity market shocks reflect a shock to all equity markets, domestic and global, of the same magnitude
- Actual results will differ due to issues such as basis risk, variance in market volatility versus what is assumed, combined effects of interest rates and equities, rebalancing of hedges in the future, or the effects of time and other variations from assumptions. Additionally, estimated sensitivities vary over time as the market and closed book of business evolve or if assumptions or methodologies that affect sensitivities are refined

Estimated Combined RBC Ratio¹ and Leverage Ratio Better Than Target

Statutory Total Adjusted Capital (\$ billion) and Estimated Combined RBC Ratio¹



Debt to Total Capital Ratio ex. Minority Interest and AOCI²



1. Estimated combined RBC ratio primarily for our four principal U.S. insurance subsidiaries

2. Ratio is based on U.S. GAAP capital (adjusted to exclude minority interest and AOCI) and ignores the 100% and 25% equity treatment afforded to subordinated debt by S&P and Moody's, respectively

Excess Capital Deployed Primarily to Repurchase Shares

Holding Company Liquidity^{1,2}
(\$ million)

\$773

6/30/15

\$450 Liquidity Target

Excess Capital
(\$ million)

\$1,119

\$796

\$323

6/30/15

- Estimated Statutory Surplus in Excess of 425% RBC Level
- Holding Co. Working Capital Above Target²

Share Repurchases
(\$ million)

\$631

1Q'15

\$128

2Q'15

\$752

6/30/15

- Share repurchases
- Remaining share authorization



1. Target of 24-month holding company liquidity represents \$450 million; holding company liquidity includes cash, cash equivalents, and short-term investments
 2. Includes \$40 million of loans to subsidiaries considered short term investments

Helping Americans Get Ready to Retire Better

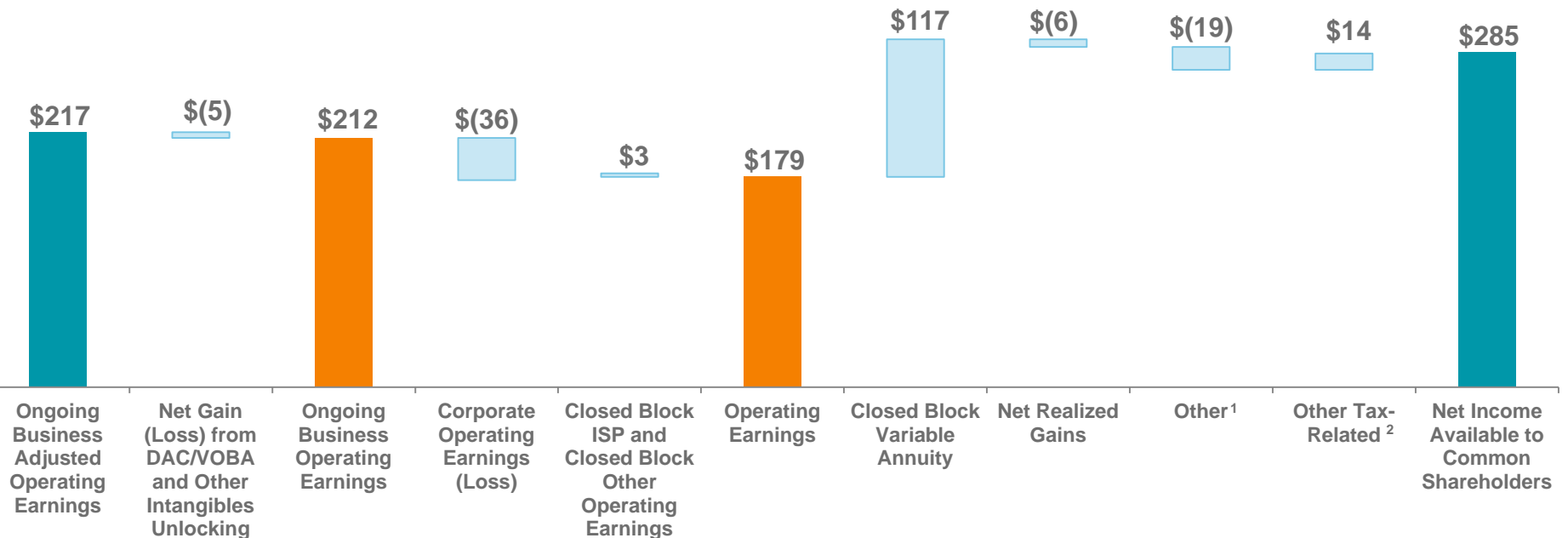
- 1** Evolve to Deliver More Customer Value
- 2** Focus on Growth and Further ROE Improvement
- 3** Realize Sources of Financial Value



Appendix

Reconciliation of 2Q'15 Ongoing Business Adjusted Operating Earnings to Net Income

(\$ million; all figures are after-tax)



1. Other, after-tax consists of net guaranteed benefit hedging gains (losses) and related charges and adjustments; income (loss) from business exited; expenses associated with the rebranding of Voya Financial from ING U.S.; income (loss) on early extinguishment of debt and restructuring expenses (severance, lease write-offs, etc.)

2. Other Tax-Related is the difference between the actual tax rate for the quarter and the pro forma effective tax rates used to calculate the after-tax items in the reconciliation above. We assume a 32% tax rate for operating earnings and a 35% tax rate for all non-operating items

Diversified Drivers of Operating Revenue

Net Underwriting Gain (Loss) and Other Revenue

Primarily consists of difference between premiums or fees charged for insurance risks and incurred benefits

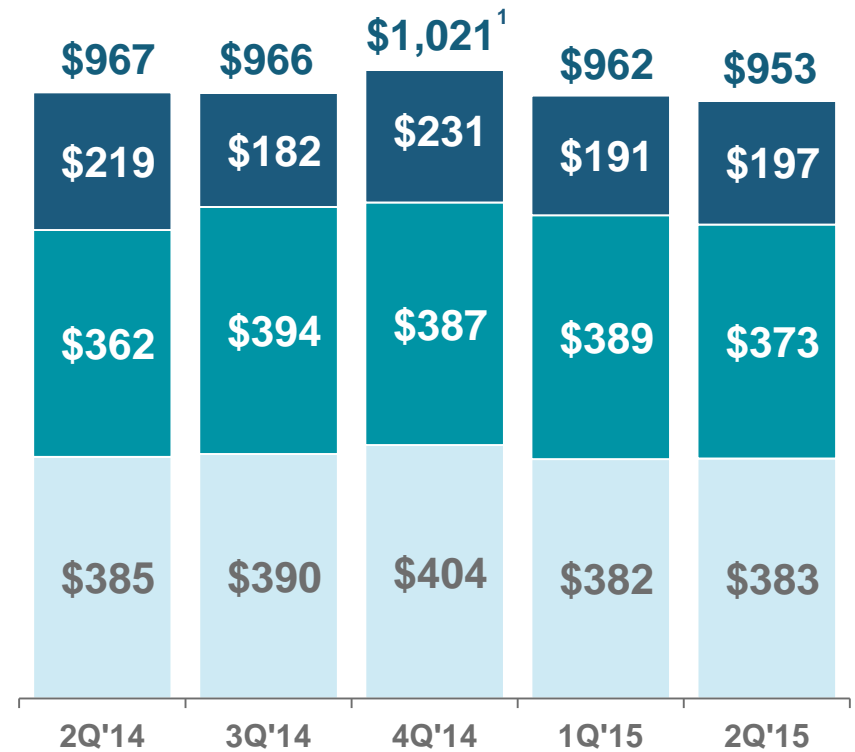
Investment Spread and Other Investment Income

Primarily consists of spread between yield and credited interest and investment income on capital supporting the business

Fee-Based Margin

Primarily consists of fees on AUM and AUA

Ongoing Business Sources of Revenue (\$ millions)



1. Excludes gain on a reinsurance recapture

Seasonality of Financial Items

	1Q	2Q	3Q	4Q
Retirement	<ul style="list-style-type: none"> Corporate Markets tends to have the highest recurring deposits Withdrawals also tend to increase 		<ul style="list-style-type: none"> Education Tax-Exempt Markets typically sees lowest recurring deposits 	<ul style="list-style-type: none"> Corporate Markets typically sees highest transfer / single deposits Withdrawals also tend to increase Recurring deposits in Corporate Markets may be lower
Investment Management	<ul style="list-style-type: none"> Performance fees tend to be lowest Investment capital results tend to be lowest 			<ul style="list-style-type: none"> Performance fees tend to be highest
Individual Life				<ul style="list-style-type: none"> Universal Life sales tend to be highest
Employee Benefits	<ul style="list-style-type: none"> Group Life loss ratio tends to be highest Sales tend to be the highest 		<ul style="list-style-type: none"> Sales tend to be second highest 	
All Segments	<ul style="list-style-type: none"> Payroll taxes tend to be highest Other annual expenses are concentrated 			

Note: Annuities does not have any segment-specific seasonal financial items

Analyst Modeling Considerations

<i>Prepayment Income</i>	\$12 million per quarter for Ongoing Business in 2015 (pre-tax, pre-DAC): \$6 million for Retirement; \$4 million for Annuities; \$2 million for Individual Life
<i>Alternative Income</i>	Approximately 9% annual long-term expected returns (pre-tax, pre-DAC)
<i>Employee Benefits</i>	Stop Loss and Group Life loss ratios underwritten to an annual range of 77 – 80%
<i>Tax Rate</i>	32% effective tax rate on operating earnings
<i>Corporate</i>	Incremental investments of \$350 million to be reported in this segment until 2017, of which \$50 – 70 million expected to be incurred in 2015
<i>Ongoing 2015 ROE</i>	Full year ROE expected higher than 2014 ¹
<i>Retirement 2015 ROC</i>	Full year ROC expected to be flat with 2014 ¹
<i>Administrative Expenses</i>	Slight decrease expected for remaining quarters of the year relative to 1Q'15

1. Excluding items not expected to recur at the same level



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