

ING U.S. First Quarter 2013 Investor Presentation

May 23, 2013

RETIREMENT • INVESTMENTS • INSURANCE



Forward-Looking and Other Cautionary Statements

This presentation contains 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,” and other words and terms of similar meaning in connection with a discussion of future operating or financial performance. 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 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 under “Risk Factors,” and “Management’s Discussion and Analysis of Results of Operations and Financial Condition—Trends and Uncertainties” in our Form 10-Q, and under “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 Form S-1 Registration Statement (file no. 333-184847), both filed or to be filed with the Securities and Exchange Commission.

This presentation and the remarks made orally contain certain non-GAAP financial measures. Information regarding these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, is provided in the press release issued on May 23, 2013 and ING U.S.’s Quarterly Investor Supplement for the quarter ended March 31, 2013, which is available at the Investor Relations section of ING U.S.’s website at investors.ing.us.



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

3. Business Operating and Balance Sheet Metrics

- Ewout Steenbergen, Chief Financial Officer



Progress Made in 2013

- On track to achieve targeted ROE improvement of 400-500 bps by 2016
- \$600 million of primary proceeds from Initial Public Offering
- Termed out debt maturity profile
 - \$1 billion 5-year senior notes offering
 - \$750 million junior subordinated debt offering
- Debt to capital ratio has improved toward the target of 25%
- \$1.4 billion of distributions were made from insurance subsidiaries
- Reset of ordinary dividend capacity of the operating insurance entities going forward
- Launched our new brand, Voya Financial



First Quarter 2013 Highlights

- **Ongoing Business pre-tax adjusted operating earnings increased to \$278 million from \$241 million in 1Q'12**
- **Ongoing Business annualized adjusted return on equity improved to 9.5% from 8.3% in FY'12**
- **Closed Block Variable Annuity (CBVA) hedge program insulated regulatory capital from market movements**
- **Net loss to common shareholder of \$212 million as operating earnings from the Ongoing Business were offset by GAAP losses from CBVA as a result of accounting asymmetry**
- **Operating earnings per share of \$0.73; net loss per share of (\$0.92)**



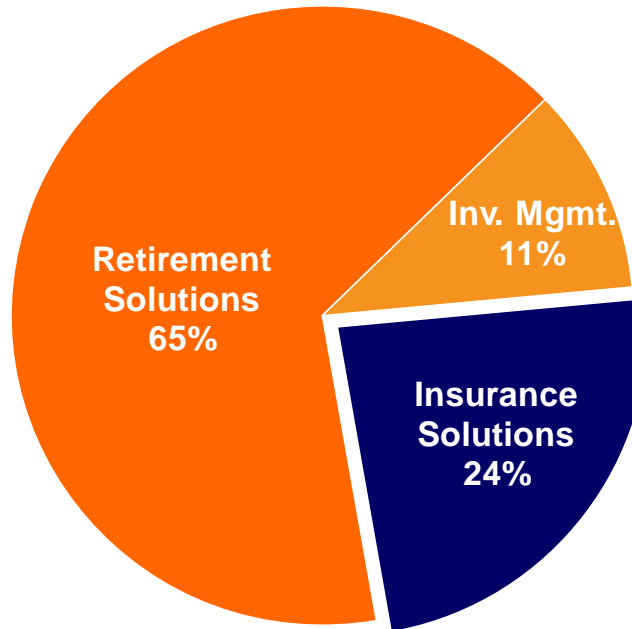
Premier Franchise with Diverse Earnings

1Q'13 Ongoing Business Pre-Tax Adjusted Operating Earnings¹:
\$278 million

76% of earnings from Retirement Solutions and Investment Management

Retirement Solutions: 65%

#2 and #3 in defined contribution market²



Investment Management: 11%

Top 20 manager of institutional tax exempt assets²

Insurance Solutions: 24%

Top 5 player in term life and stop loss²

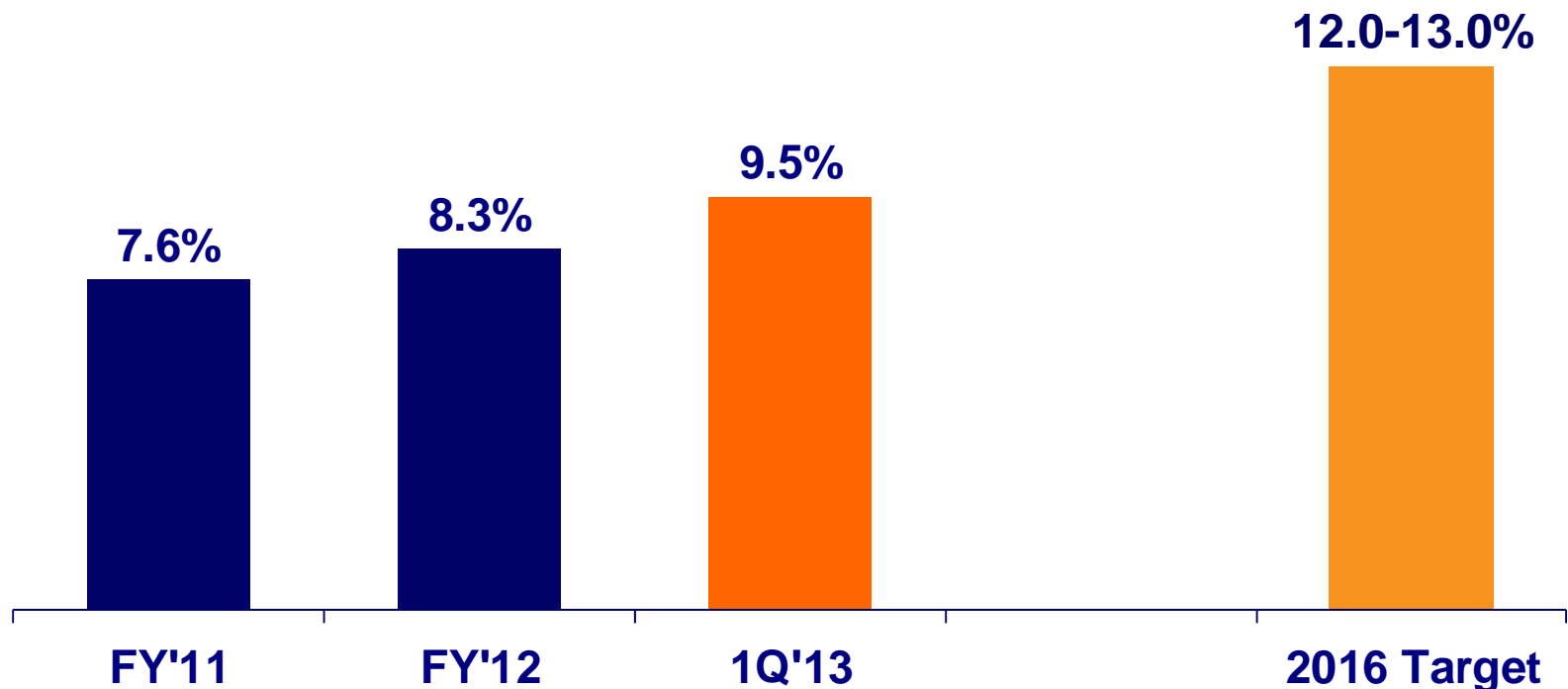
Access to **13 million** customers³
through over **200,000** points of distribution³
with total AUM and AUA of **\$481 billion**⁴

- Ongoing Business reflects Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments; adjustments include DAC/VOBA and other intangibles unlocking
- Sources: Pensions & Investments Magazine, Defined Contribution Record Keepers Directory (rankings by record-kept plan sponsors and participants; based on data as of September 30, 2012); Pensions & Investments as of year-end 2011 (401(k), 403(b), 457, DB); LIMRA 4Q2012 Final Premium Reporting; MyHealthGuide Newsletter News for the Self-Funded Community rankings and does not include managed healthcare providers
- As of December 31, 2012
- As of March 31, 2013; includes Closed Blocks



Ongoing Business Annualized ROE On Track to Meet Targets

Ongoing Business Adjusted Operating ROE¹



1. Ongoing Business reflects Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments; the ROE for the Ongoing Business is estimated by using the pre-tax operating earnings (loss) for the Ongoing Business, excluding DAC/VOBA unlocking and the impact of portfolio restructuring in 2012, but including an allocation of pro forma interest expense ("Adjusted Operating Earnings (Loss)"). We calculate operating ROE for the Ongoing Business by dividing the after-tax adjusted operating earnings (loss) (using a 35% effective tax rate) by the average capital allocated to the Ongoing Business less an allocation of pro forma debt. Allocated pro forma debt and allocated pro forma interest expense is based on our long term debt to capital target of 25% and 5.5% pre-tax interest rate on debt. We calculate Ongoing Business Operating Return on Capital by dividing adjusted operating earnings before interest and after income taxes by average capital



Agenda

1. Key Highlights

Rod Martin, Chief Executive Officer

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

Alain Karaoglan, Chief Operating Officer

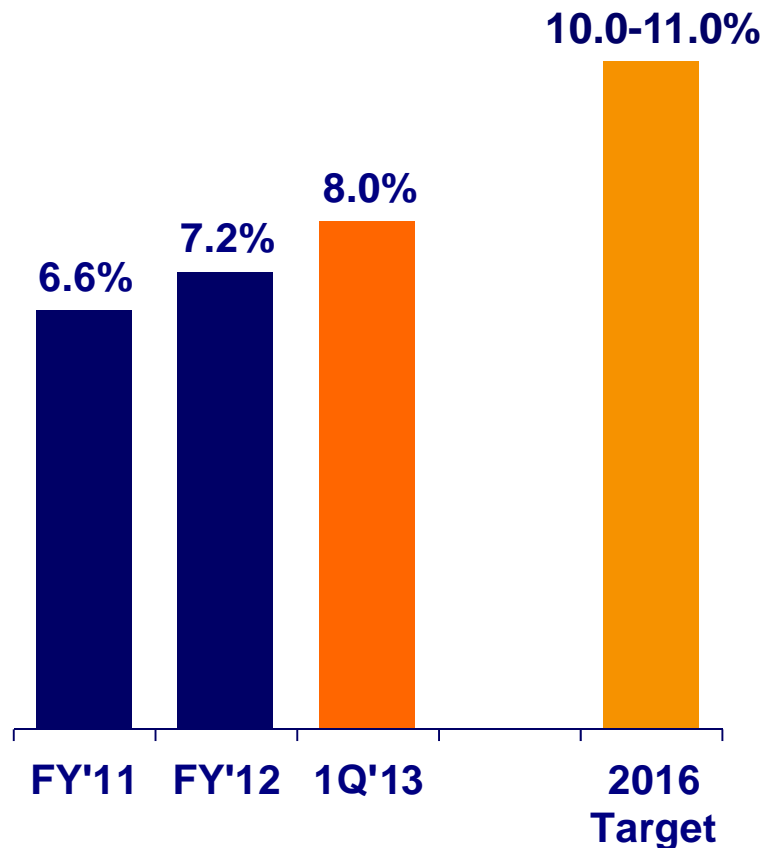
3. Business Operating and Balance Sheet Metrics

- Ewout Steenbergen, Chief Financial Officer



Return on Capital Improved 80 bps in 1Q'13

Return on Capital (ROC)



Key Drivers of ROC Improvement

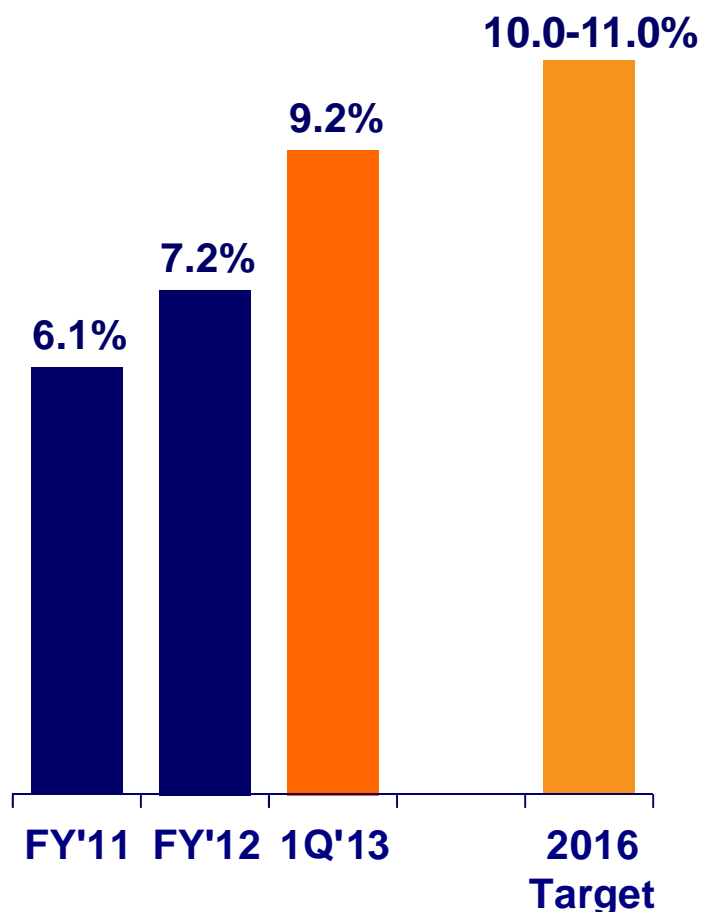
- ❑ Retirement and Annuities were the largest contributors
- ❑ \$766 million reduction in capital in the Ongoing Business in 1Q'13 due to recapitalization initiatives and investment portfolio restructuring
- ❑ Benefited from lower expenses due to a favorable variable compensation accrual true-up
- ❑ Remain focused on profitable growth across our businesses while shifting to less capital intensive, fee-based products

1. Ongoing Business reflects Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments; we calculate Ongoing Business Operating Return on Capital by dividing adjusted operating earnings before interest and after income taxes, by average capital



Retirement – Leading Franchise Driving Long-Term Growth and Returns

Return on Capital (ROC)

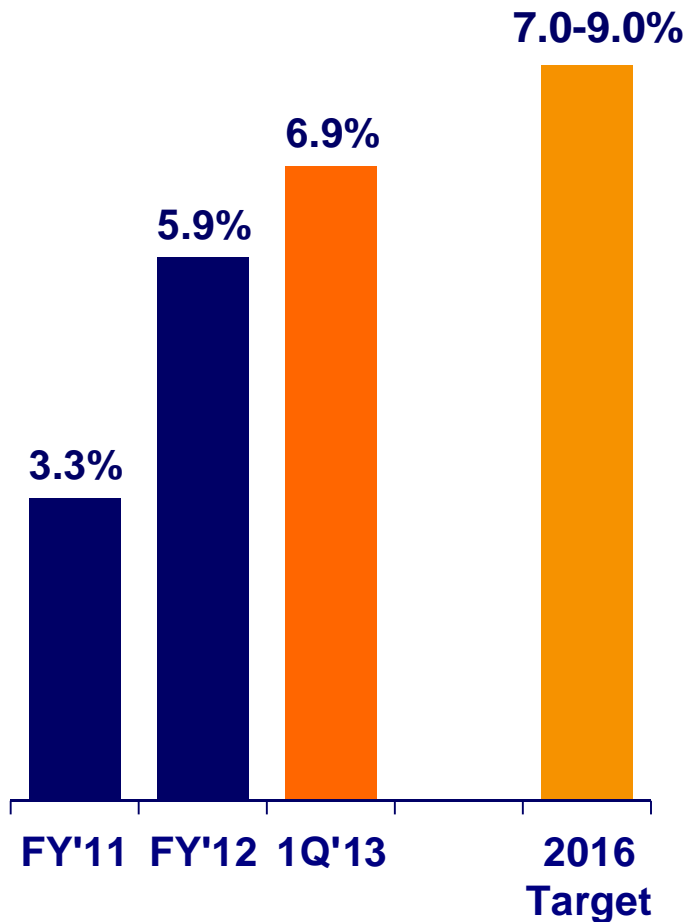


Key Drivers of ROC Improvement

	1Q'13 Contributions	ROC Initiatives
Margin	<ul style="list-style-type: none"> 90% of the book at minimum guarantee rate, up from 86% as of 4Q'12 Recordkeeping change orders Pricing improvements 	<ul style="list-style-type: none"> Reducing crediting rates in conjunction with the low interest rate environment Increasing returns on Full Service and Recordkeeping businesses Managing costs actively
Growth	<ul style="list-style-type: none"> Sales at or above targeted 12% IRR Increased investment income on higher volume Expanding Retirement Readiness offerings, including full service and proprietary funds 	<ul style="list-style-type: none"> Continuing sales momentum in the Institutional markets Growing Individual Markets business
Capital	<ul style="list-style-type: none"> Reduction in capital of \$462 million due to recapitalization initiatives and investment portfolio restructuring 	<ul style="list-style-type: none"> Executing reinsurance transactions Running off less profitable business

Annuities – Selective Growth while Running Off Less Profitable Business

Return on Capital (ROC)



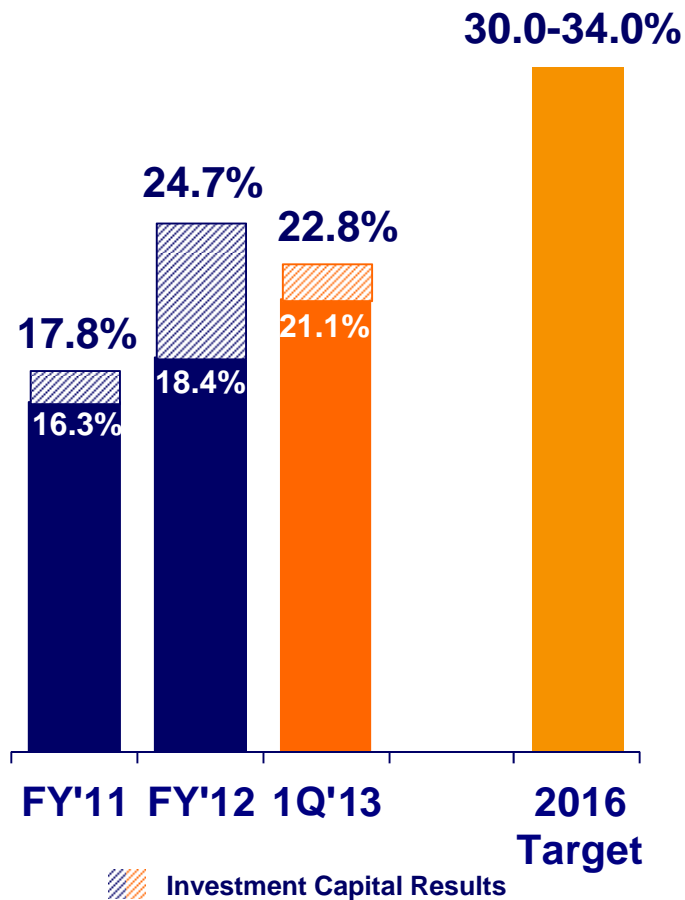
Key Drivers of ROC Improvement

	1Q'13 Contributions	ROC Initiatives
Margin	<ul style="list-style-type: none"> Annual Reset / Multi-Year Guarantee Annuities net outflows of \$242 million 	<ul style="list-style-type: none"> Running off Annual Reset / Multi-Year Guarantee Annuities
Growth	<ul style="list-style-type: none"> Mutual Fund Custodial deposits of \$255 million 	<ul style="list-style-type: none"> Growing Mutual Fund Custodial sales
Capital	<ul style="list-style-type: none"> Reduction in capital of \$139 million due to recapitalization initiatives and investment portfolio restructuring 	<ul style="list-style-type: none"> Running off less profitable business



Investment Management – Scalable Platform Leveraging Strong Investment Performance

Operating Margin¹



Key Drivers of ROC Improvement

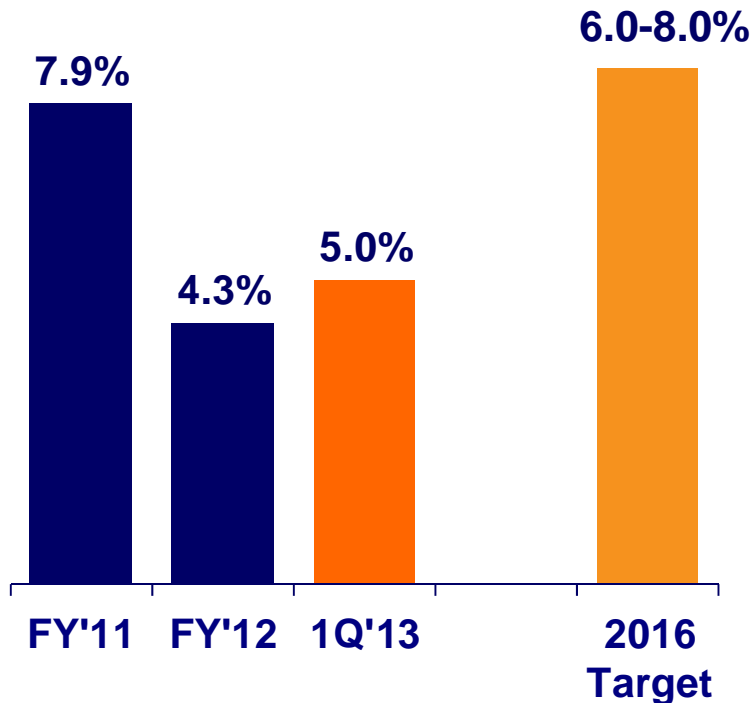
	1Q'13 Contributions	ROC Initiatives
Margin	<ul style="list-style-type: none"> Normalization of investment capital results Sales force productivity improvement (\$4.6 billion of inflows) 	<ul style="list-style-type: none"> Improving sales force productivity Reducing retail outflows
Growth	<ul style="list-style-type: none"> Third-party AUM growth of 6% vs. 4Q'12 Defined Contribution Investment Only sales of \$200 million Takeover mandates of \$645 million 	<ul style="list-style-type: none"> Increasing third-party business Growing in high fee asset classes Winning Defined Contribution Investment Only mandates Replacing underperforming outside mutual fund sub-advisers

1. Includes investment capital results



Individual Life – Repositioning Toward More Capital Efficient Products

Return on Capital (ROC)



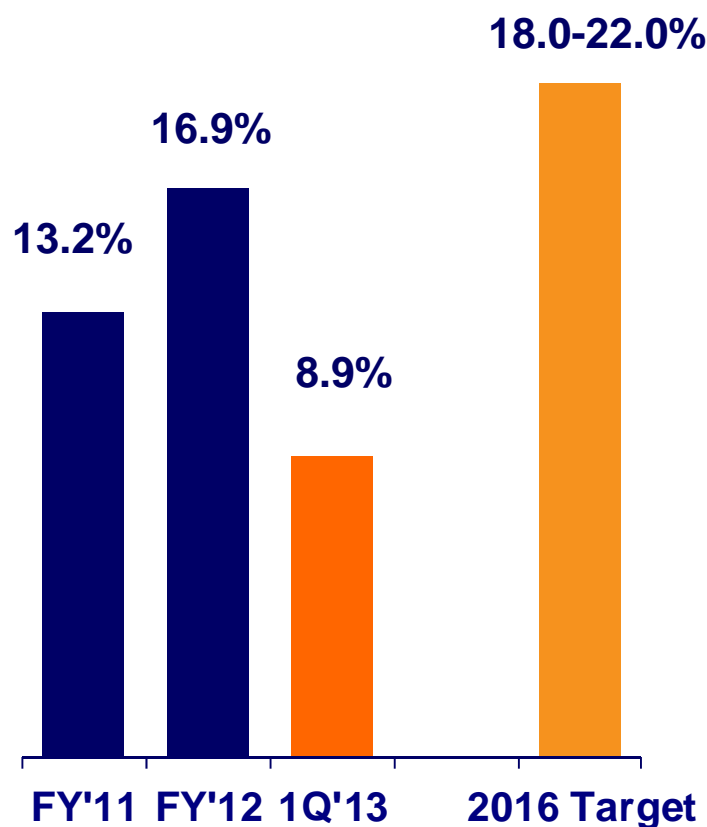
Key Drivers of ROC Improvement

	1Q'13 Contributions	ROC Initiatives
Margin	<ul style="list-style-type: none"> Expense reductions Over 70% of book at minimum crediting rate 	<ul style="list-style-type: none"> Reducing expense and commission structures Reducing crediting rates in conjunction with the low interest rate environment Normalizing underwriting results
Capital	<ul style="list-style-type: none"> Reduction in capital of \$98 million due to recapitalization initiatives and investment portfolio restructuring Term sales down 55%; Guaranteed UL sales down 98%; Indexed UL sales up 33% vs. 1Q'12 	<ul style="list-style-type: none"> Executing reinsurance transactions Shifting product mix towards less capital intensive, fee-based products



Employee Benefits – Higher Return and Capital Generation with Less Interest Rate Sensitivity

Return on Capital (ROC)



Key Drivers of ROC Improvement

	1Q'13 Contributions	ROC Initiatives
Margin	<ul style="list-style-type: none"> Group Life loss ratio reflecting seasonality (loss ratio of 85.4% vs. 82.8% in 1Q'12) Loss ratio for stop loss policies in-line with expectations (77.6% vs. 76.2% in 1Q'12) 	<ul style="list-style-type: none"> Improving loss ratio for stop loss policies
Growth	<ul style="list-style-type: none"> Group Life premiums up 4% and Group Life sales up 74% vs. 1Q'12 Voluntary sales growth (up 39% vs. 1Q'12) following new accident and critical illness product introductions 	<ul style="list-style-type: none"> Increasing persistency and sales in the Group Life business Expanding the Voluntary business
Capital	<ul style="list-style-type: none"> Reduction in capital of \$67 million due to recapitalization initiatives and investment portfolio restructuring 	<ul style="list-style-type: none"> Running off less profitable business

Agenda

1. Key Highlights

Rod Martin, Chief Executive Officer

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

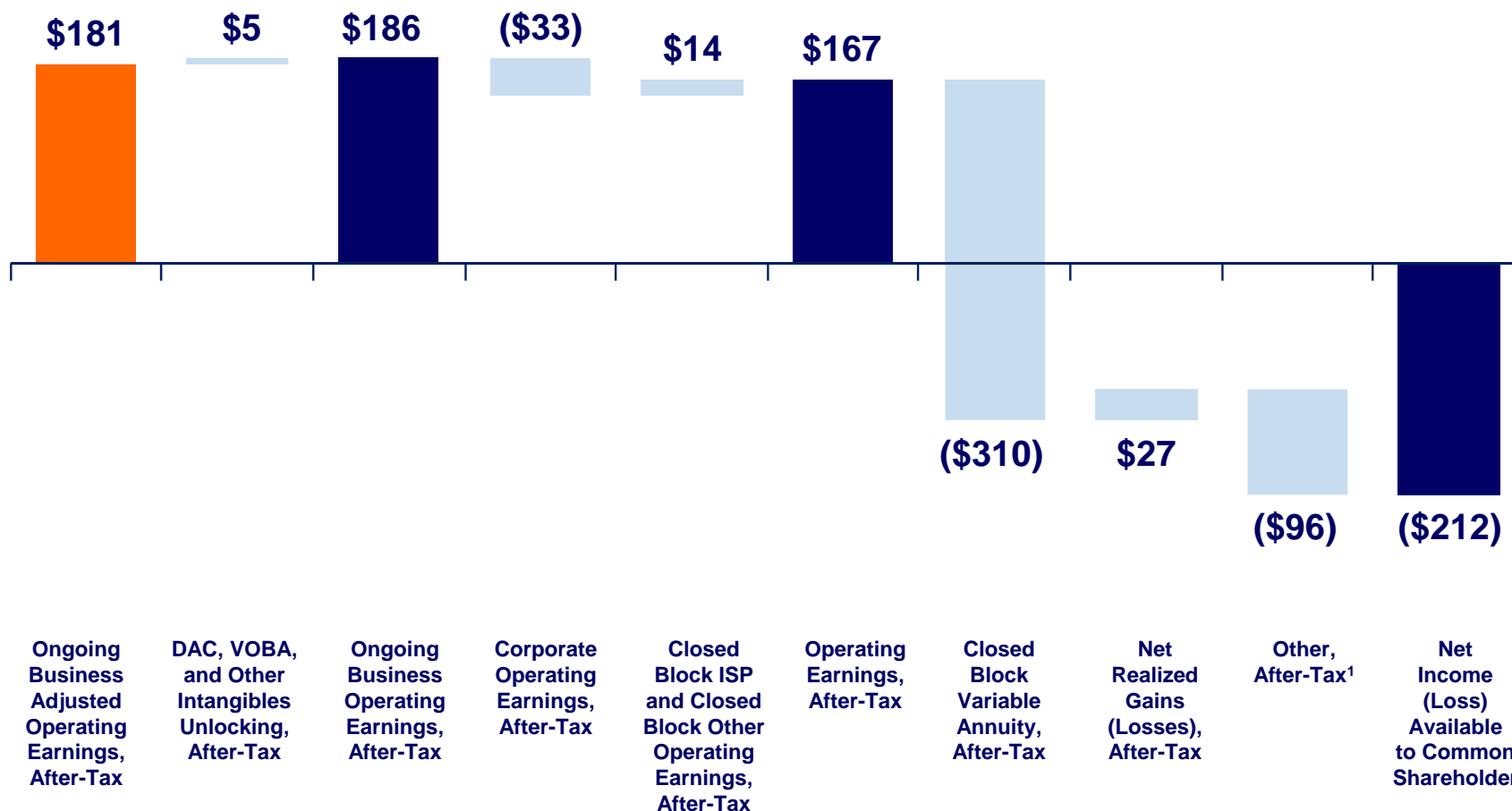
- Alain Karaoglan, Chief Operating Officer

3. Business Operating and Balance Sheet Metrics

Ewout Steenbergen, Chief Financial Officer



1Q'13 Operating Earnings and Net Income (Loss) Difference Largely From Closed Block Variable Annuity



1. Other, after-tax consists of net guaranteed benefit hedging gains (losses) and related charges and adjustments; income (loss) from business exited; certain third-party expenses related to the anticipated divestment of ING U.S. by ING Group and the difference between the actual tax rate for the quarter and the federal tax rate of 35%, which is primarily driven by increases or decreases in tax valuation allowances



Drivers of Operating Earnings

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

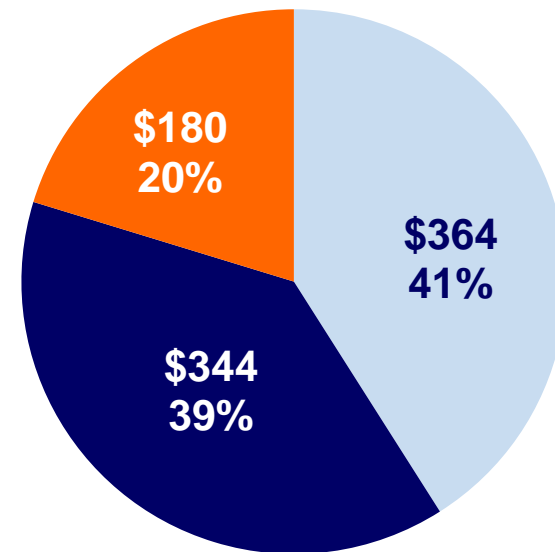
Primarily consists of fees on AUM and AUA

Net Underwriting Gain (Loss) and Other Revenue

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

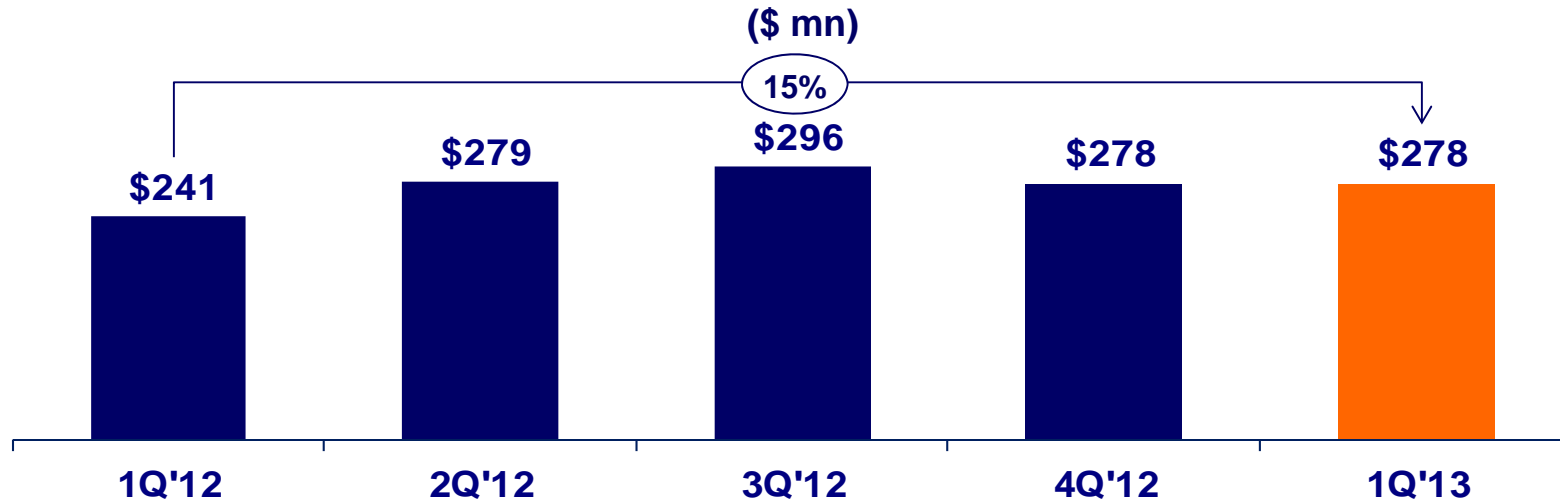
Ongoing Business Sources of Operating Earnings Before Income Taxes (\$ mn)

- Investment Spread and Other Investment Income
- Fee Based Margin
- Net Underwriting Gain (Loss) and Other Revenue

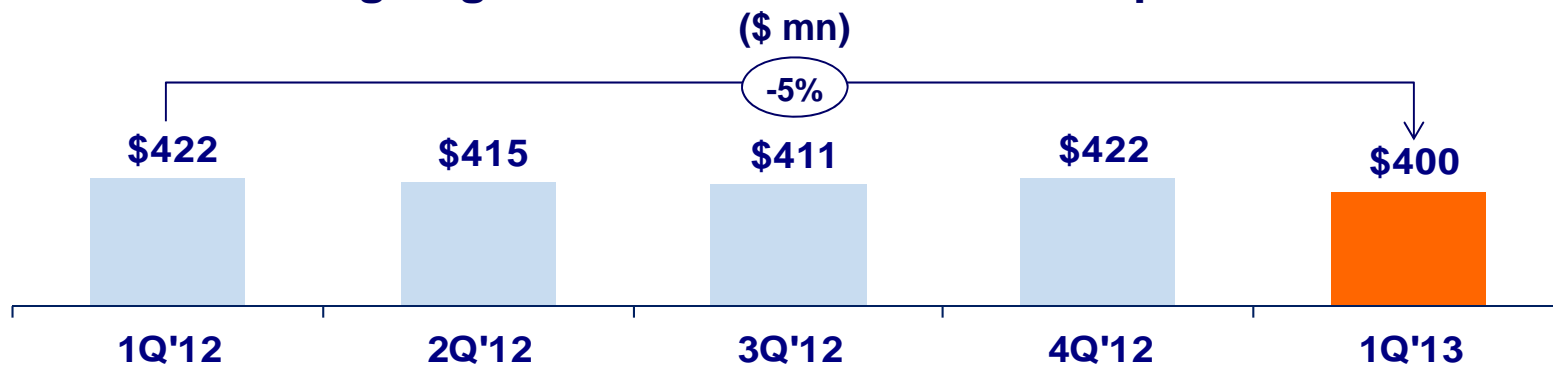


Improvement in Year-Over-Year Operating Earnings and Administrative Expenses

Ongoing Business Pre-tax Adjusted Operating Earnings¹



Ongoing Business Administrative Expenses

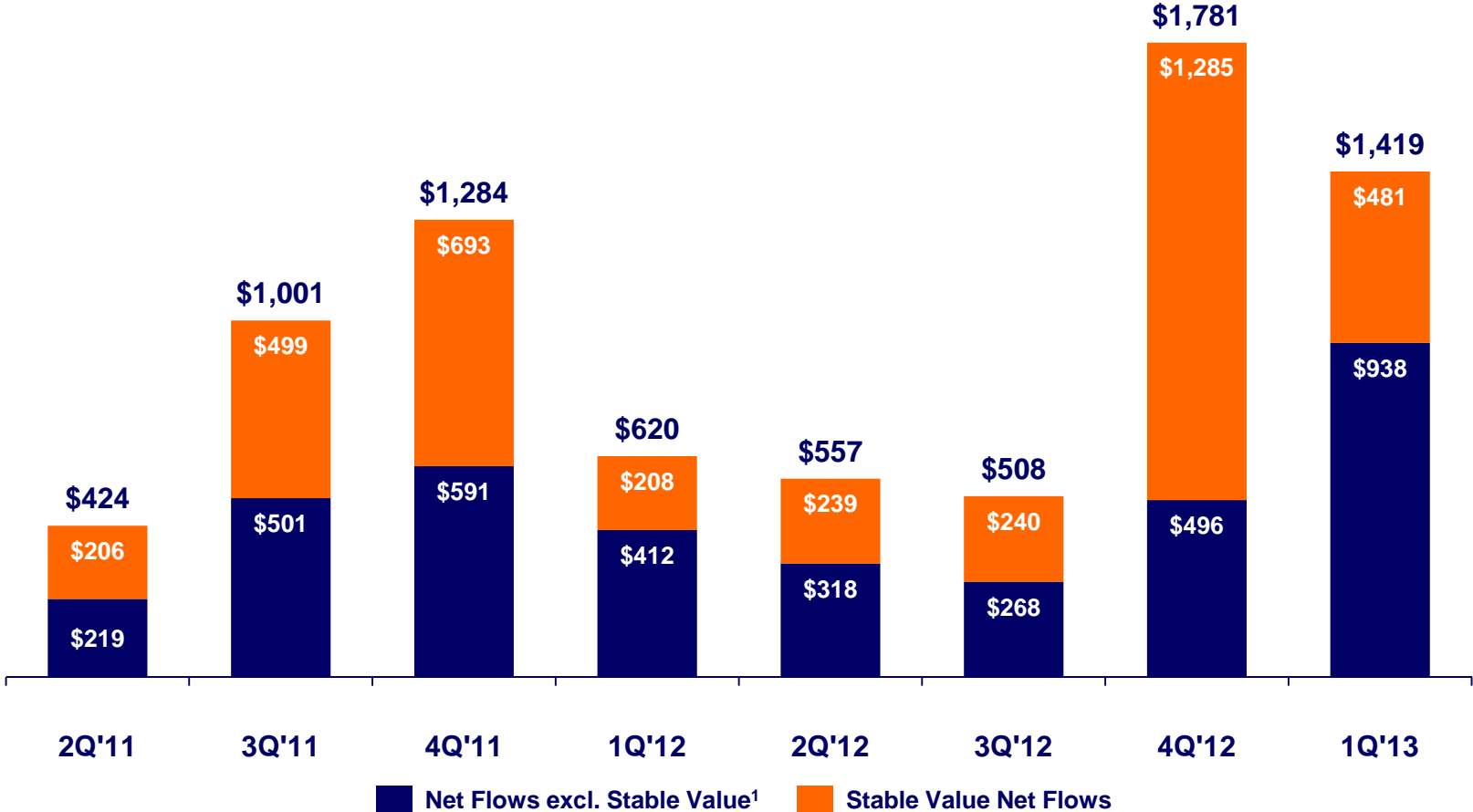


1. Ongoing Business reflects Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments; adjustments include DAC/VOBA and other intangibles unlocking and the net loss included in operating earnings from the sale of certain alternative investments and investment income associated with assets disposed of during the portfolio restructuring effected during 2012



Retirement Net Flows Well Above Prior Year Quarter

Retirement Net Flows¹
(\$ mn)

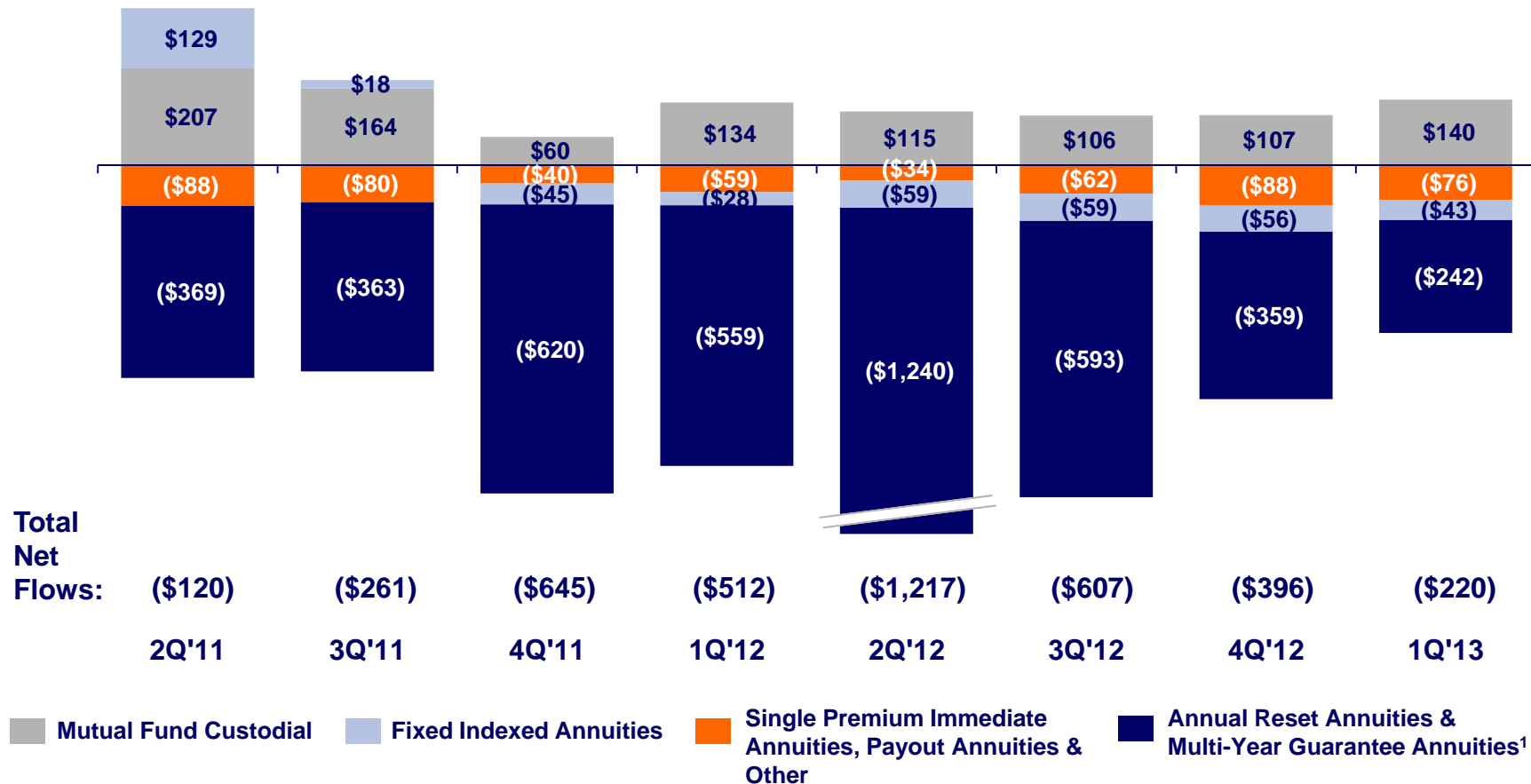


1. Excludes recordkeeping



Positive Mutual Fund Custodial Net Flows in Annuities; Run-off of Multi-Year Guarantee Annuities Continued

Annuities Net Flows
(\$ mn)

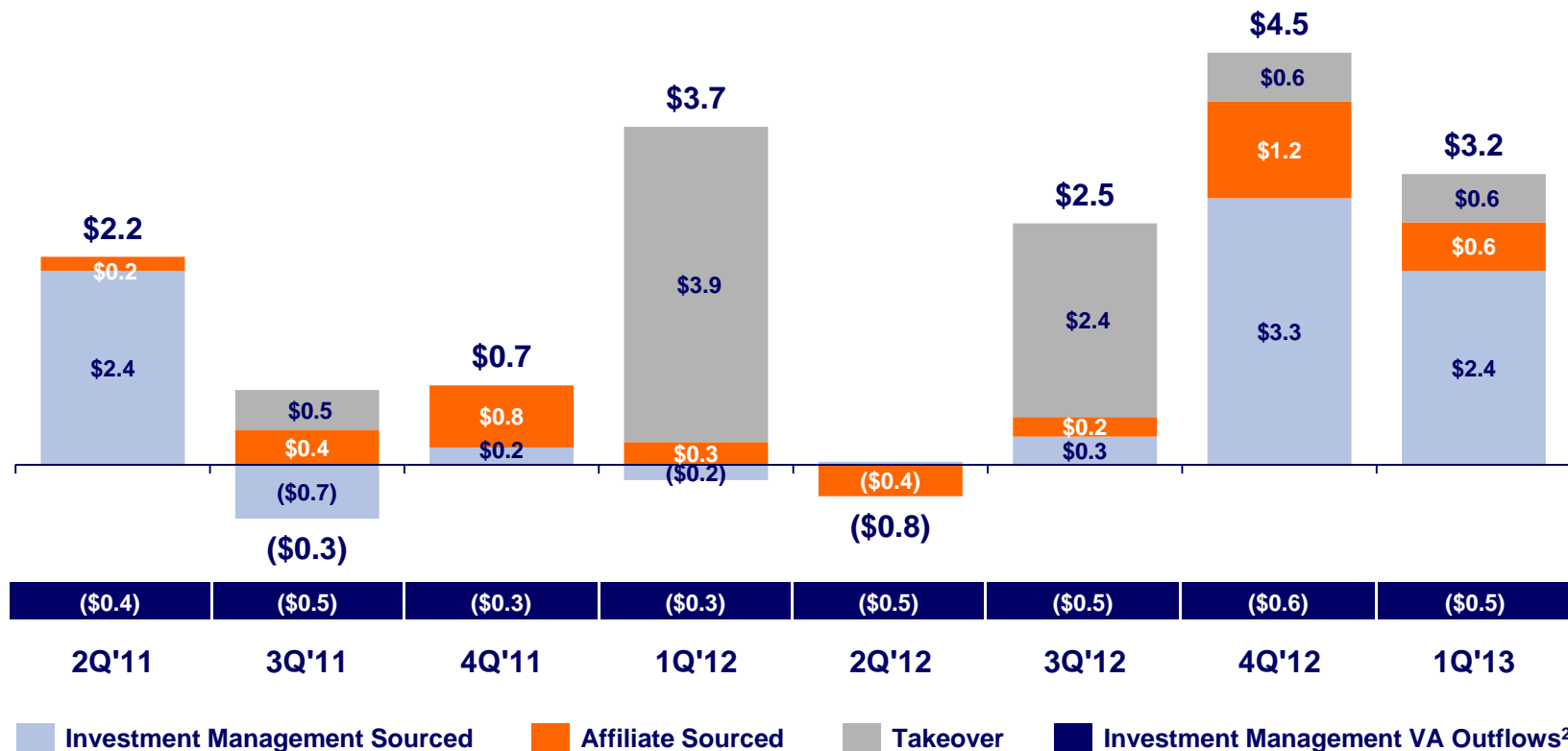


1. Multi-year guarantee annuities ("MYGA") are in run-off



Sustained Commercial Momentum in Investment Management

Investment Management Third-Party Net Flows¹ (\$ bn)



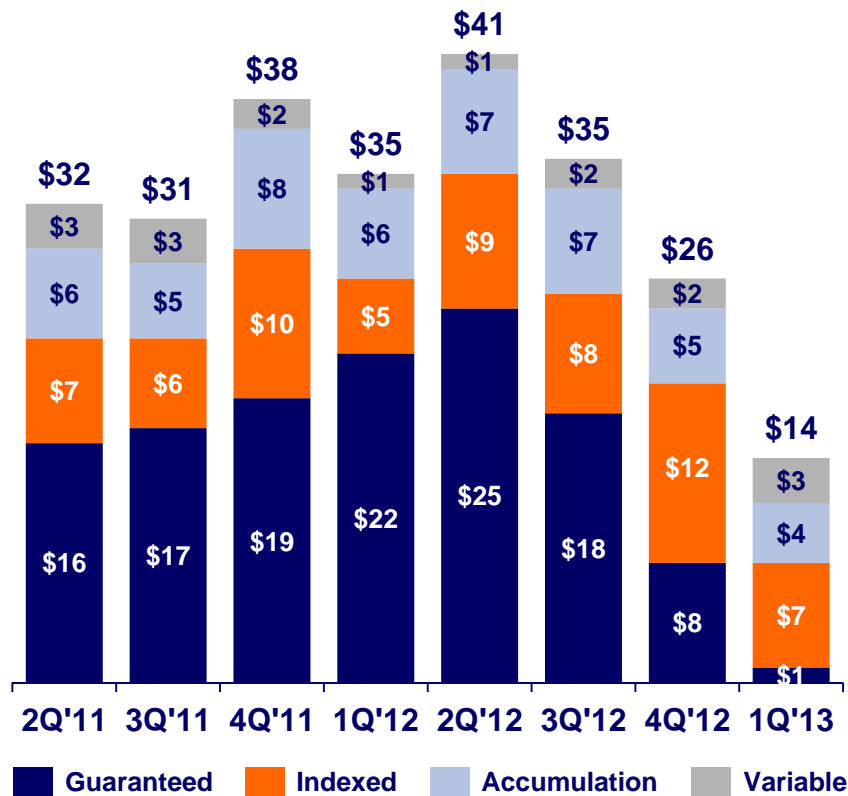
1. Excludes General Account

2. Total Closed Block Variable Annuity net outflows were \$944 million in 1Q'13

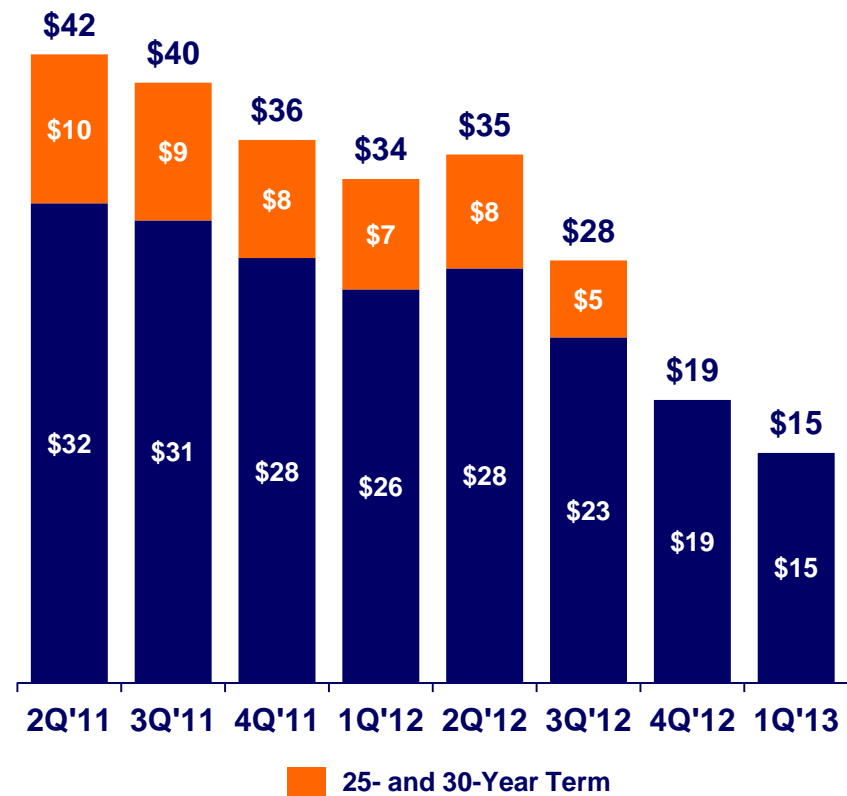


Individual Life Sales Declining Due to Shift to Less Capital Intensive Products and Pricing Actions

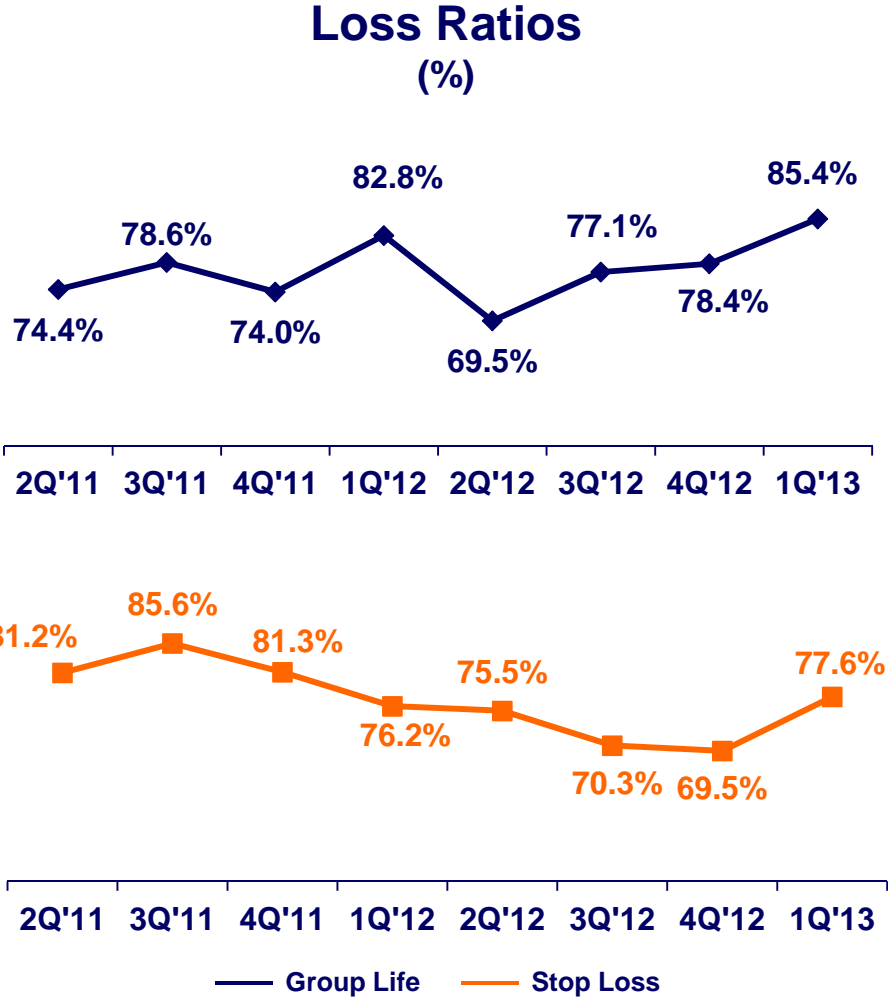
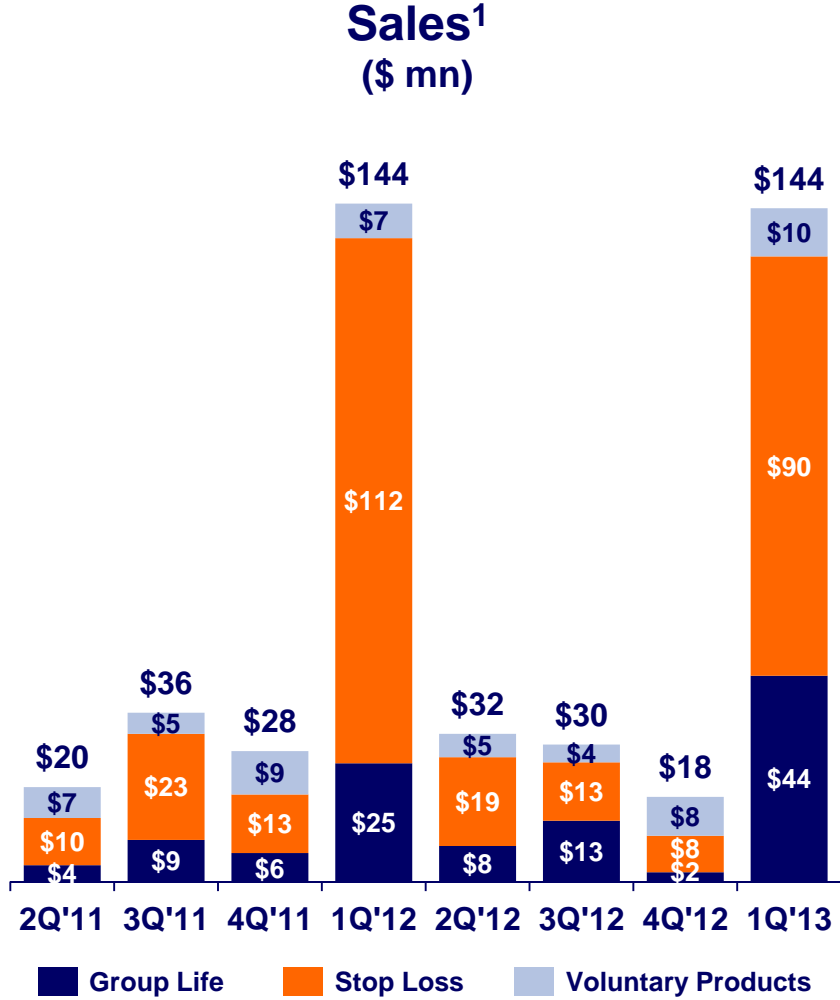
Universal Life and Variable Life Sales
(\$ mn)



Term Sales
(\$ mn)



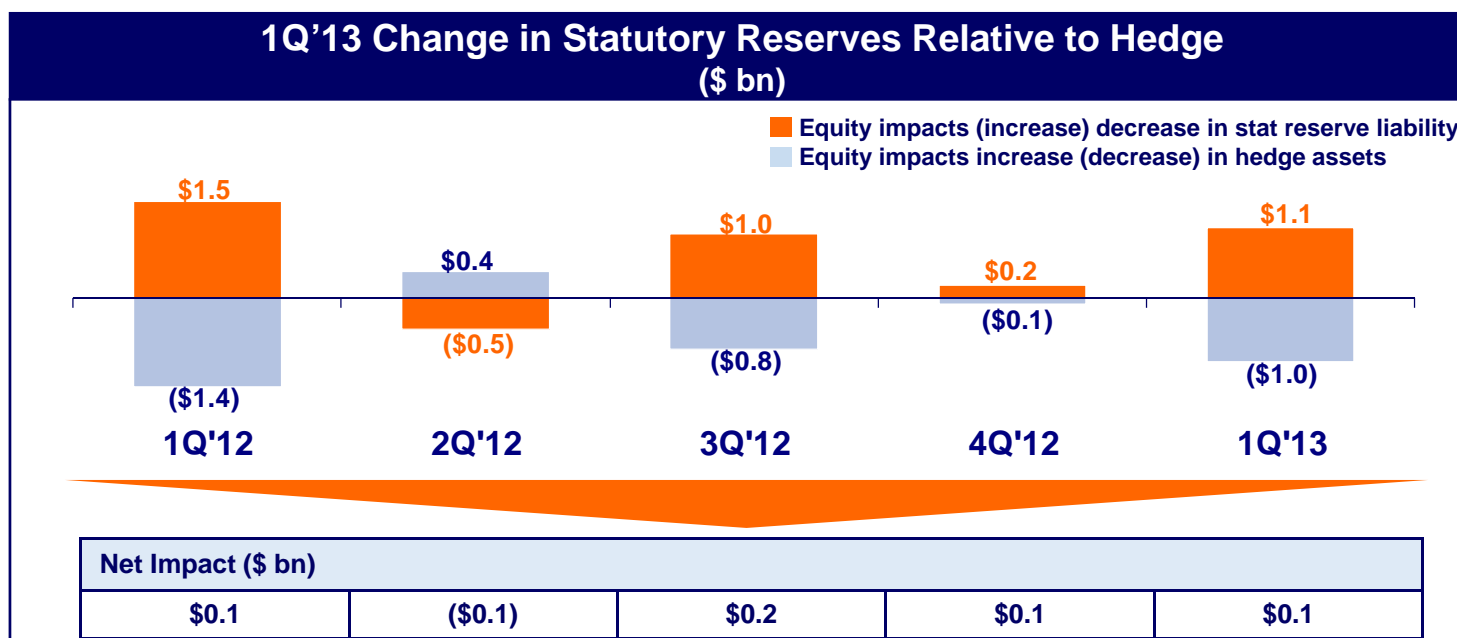
Employee Benefits Sales Flat; Group Life Loss Ratio Reflecting Seasonality



1. Chart does not include sales figures for Disability, Association, or Other (refer to the 1Q'13 Supplement)



Demonstrated Effectiveness of Hedge Program in Closed Block Variable Annuity



Guaranteed Living Benefit Statutory Reserves declined to \$5.3 bn from \$6.5 bn

Living Benefit Net Amount at Risk declined to \$4.4 bn from \$5.3 bn

CBVA Net Flows of (\$944) mn in 1Q'13, annualized 8.7% of beg. of period assets

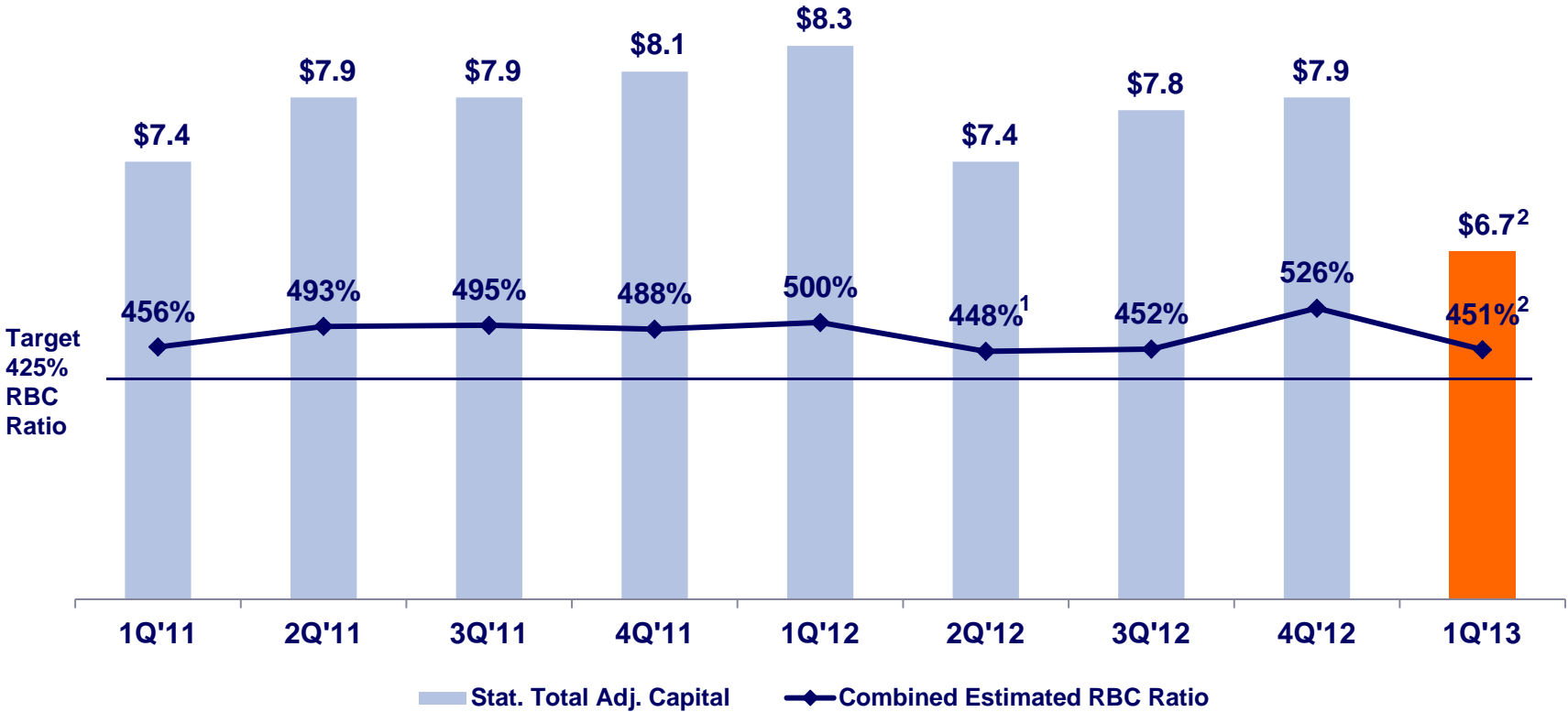
1Q'13 Impact to Regulatory Capital and Earnings^{1,2} (\$ mn)

Net impact (increase / (decrease))	Equity Market (S&P 500)						Interest Rates	
	-25%	-15%	-5%	5%	15%	25%	-1%	1%
Regulatory Capital	-	-	-	-	300	600	-	(100)
U.S. GAAP Earnings Before Income Taxes	1,250	700	200	(200)	(450)	(700)	50	(50)

1. Regulatory capital sensitivities are for CBVA INGUSA, our Iowa domiciled subsidiary (including collateral in the form of letters of credit) and reflect non-affiliated reinsurance for variable annuity policies, but not the affiliated reinsurance transaction. The impact includes an equity effect on CARVM and change in cash flow testing reserve, and excludes smoothing effect on RBC. The estimates of equity market shocks reflect a shock to all equity markets, domestic and global, of the same magnitude
2. 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 RBC Ratio Above 425% Target

Statutory Total Adjusted Capital (\$ bn) & Combined Estimated RBC Ratio

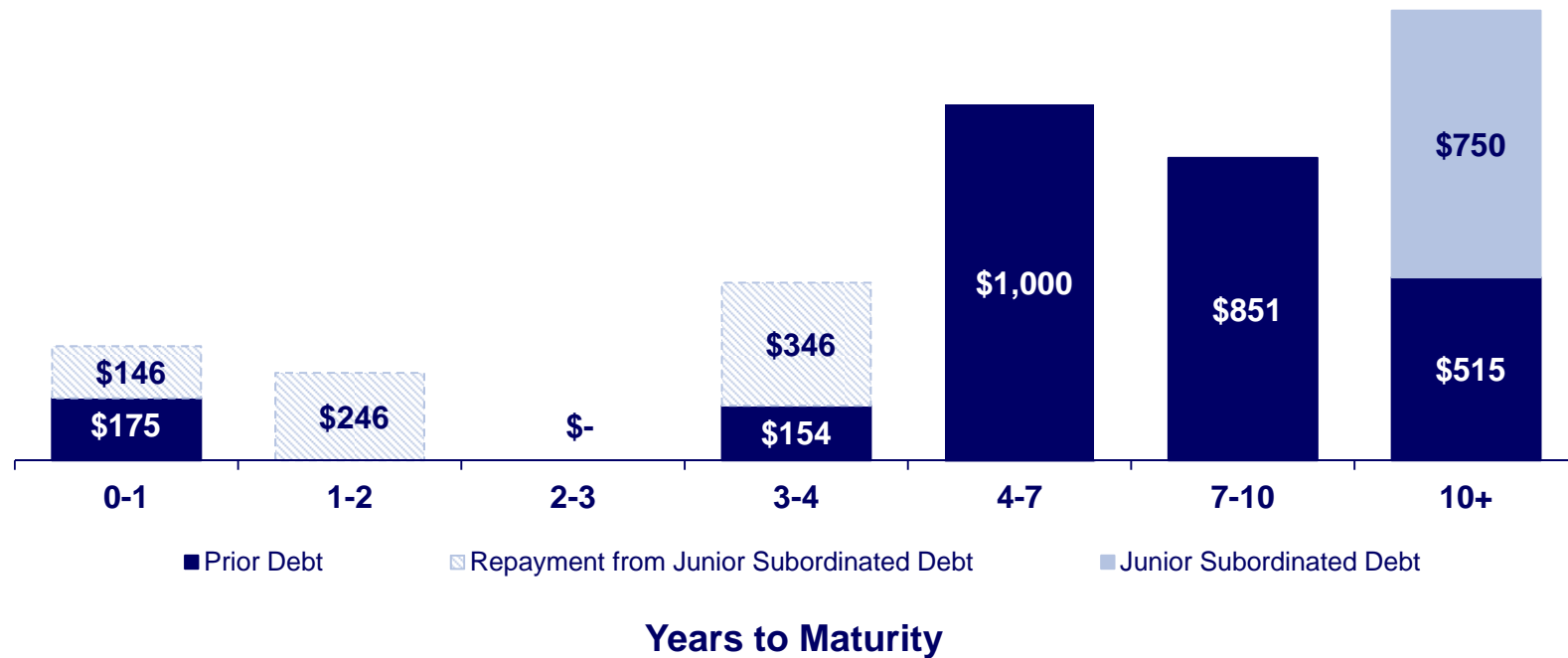


1. 448% after \$800 million of distributions; 500% before distributions
 2. Statutory total adjusted capital is \$6.7 billion and pro forma combined estimated RBC ratio is 451% after \$1.4 billion of distributions; Statutory total adjusted capital is \$8.2 billion and combined estimated RBC ratio is 556% before distributions



Continued Recapitalization Efforts Have Extended Our Debt Maturity Profile

Debt Maturity Profile as of March 31, 2013^{1,2,3}
(\$ mn)



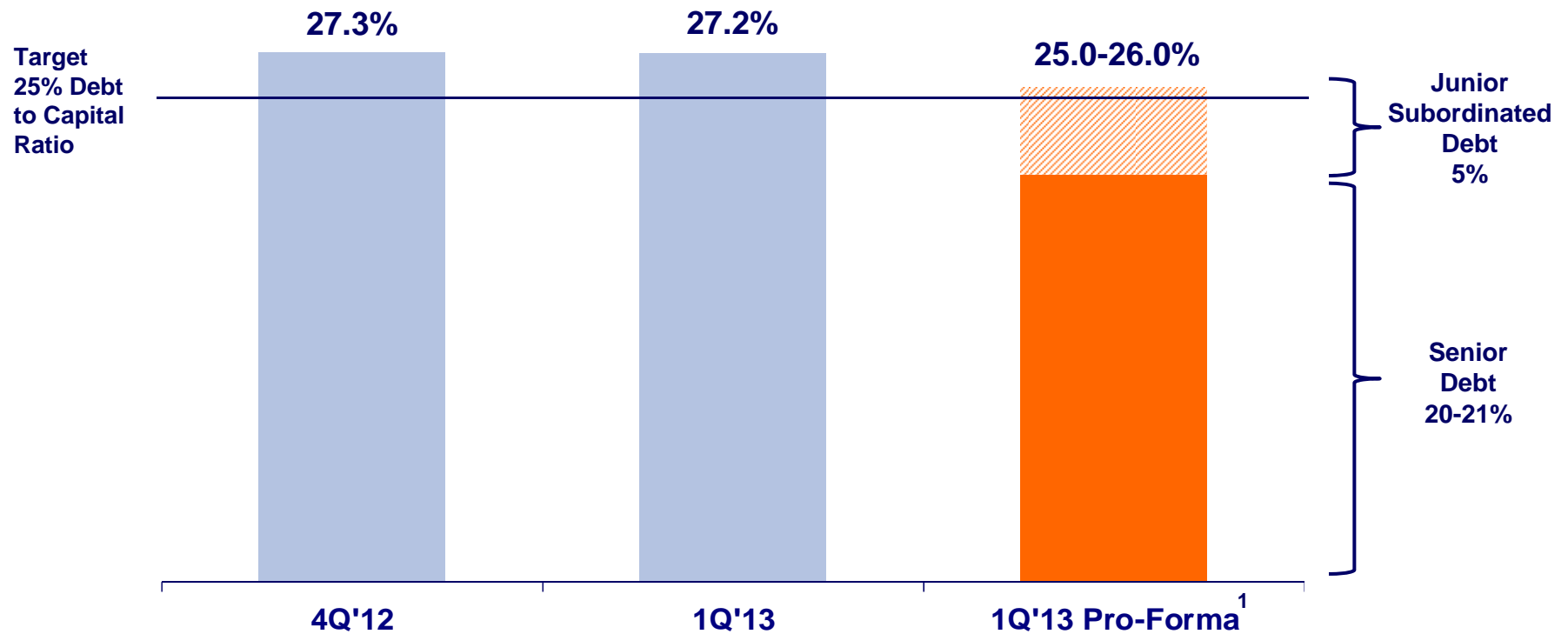
Note: \$750 million junior subordinated debt at 40-year maturity

1. Excludes operating leverage
2. Repayments from junior subordinated debt are net of \$11.5 million payment to underwriters
3. Plan contemplates taking further steps to extend maturity profile



Debt To Capital Ratio Improving Through Recapitalization Efforts

Debt-to-Total Capital Ratio ex. AOCI



1. Pro forma for \$600 million of primary proceeds in initial public offering and \$750 million junior subordinated debt offering; our debt-to-capital ratio is on a U.S. GAAP basis and ignores the 100% and 25% equity treatment afforded by S&P and Moody's, respectively



America's Retirement Company™

- 1 Premier Franchise with Leading Positions in Attractive Markets**
- 2 Experienced Management Team Executing a 400-500bps ROE Improvement Plan by 2016**
- 3 Solid Foundation Based on a Re-Capitalized and De-Risked Balance Sheet**



Q&A



Appendix: Pro Forma Calculations

	<u>As of 3/31/13</u>	<u>Pro Forma¹</u>
<i>(\$ million, except per share amounts)</i>		
Total ING US Shareholder Equity - Excluding AOCI	\$9,938	\$10,508
Book Value Per Share – Excluding AOCI	\$43.21	\$40.30
Basic and Diluted Weighted Average Shares Outstanding	230	261
Operating Earnings Before Income Taxes - ING U.S.	\$257	\$257
Operating Earnings After Income Taxes - ING U.S.	\$167	\$167
Operating Earnings Per Share	\$0.73	\$0.64
Net Income (Loss) Available to ING U.S. Common Shareholder	(\$212)	(\$212)
Net Income (Loss) Available to ING U.S. Common Shareholder Per Share	(\$0.92)	(\$0.81)

1. Pro forma for \$600 million of gross primary proceeds in initial public offering

