NEWS RELEASE

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# Voya Financial Announces Second-Quarter 2018 Results

- **Second-quarter 2018 net income available to common shareholders of $0.96 per diluted share**
- **Second-quarter 2018 adjusted operating earnings[1] of $1.13 per diluted share, after-tax, reflecting:**
  - $(0.13) per diluted share, after-tax, of unfavorable deferred acquisition costs and value of business acquired (“DAC/VOBA”) and other intangibles unlocking, and
  - $0.06 per diluted share, after-tax and DAC/VOBA, of prepayment fees and alternative investment income above the company’s long-term expectations.
- **Second-quarter 2018 adjusted operating earnings (excluding DAC/VOBA and other intangibles unlocking)[1] up 20% compared with the second quarter of 2017**
- **Company completes annuities transaction, reducing market and insurance risk and positioning Voya to expand its higher-growth, higher-return, capital-light businesses**
- **Continued progress on $1.5 billion share repurchase plan:**
  - $500 million of shares repurchased in the second quarter to achieve the previously announced plan to repurchase $1 billion of shares by June 30
  - $500 million of share repurchases planned for the second half of 2018
- **Strong excess capital of $699 million as of June 30, 2018[2]**

**NEW YORK, Aug. 1, 2018** — Voya Financial, Inc. (NYSE: VOYA) today announced financial results for the second quarter of 2018.

“Our second-quarter results demonstrate our commitment to growth, operational excellence and continued good stewardship of shareholder capital,” said Rodney O. Martin, Jr., chairman and CEO, Voya Financial, Inc. “A top priority for us this year was closing the transaction to sell the majority of our annuities businesses. Through this transaction, which we completed on June 1, we have significantly reduced market and insurance risk — transforming Voya into a simpler, more focused company with higher-growth, higher-return, capital-light businesses. At the same time, we continue to execute on our other 2018 priorities, which include several cost-saving, capital and growth initiatives. Our commitment to achieving these priorities is demonstrated in our financial results this quarter.

[1] This press release includes certain non-GAAP financial measures. More information on these measures and reconciliations to the most comparable U.S. GAAP measures can be found in the “Use of Non-GAAP Financial Measures” section of this release and in the company’s Quarterly Investor Supplement.
[2] Excess capital as of June 30, 2018 of $699 million is that which is above the company’s holding company liquidity target of $200 million and estimated statutory surplus in excess of a 425% combined risk-based capital (RBC) ratio.

“Excluding DAC/VOBA and other intangibles unlocking, our adjusted operating earnings grew 20% compared with the second quarter of 2017. We are executing on our plans to achieve $1.30 to $1.40 per share of adjusted operating earnings and our targeted cost savings of $110 to $130 million by the end of the second quarter of 2019.

“During the second quarter, we delivered on our plan to repurchase $1 billion of Voya shares by June 30, 2018. We intend to buy back an additional $500 million of our common stock by the end of 2018 as we continue to generate greater value for Voya's shareholders. As a more focused, simpler company, we are now better positioned to drive greater customer and shareholder value and achieve our vision to be America's Retirement Company,” added Martin.

## SECOND-QUARTER 2018 SUMMARY

| | For the three months ended | | | |
|---|---|---|---|---|
| | June 30, 2018 | | June 30, 2017 | |
| | ($ in millions) | (per share) | ($ in millions) | (per share) |
| Net income available to common shareholders | $166 | $0.96 | $167 | $0.89 |
| Adjusted operating earnings, after-tax | $195 | $1.13 | $73 | $0.39 |
| Book value | | $52.22 | | $74.30 |
| Book value, excluding AOCI[3] | | $46.40 | | $59.80 |
| Weighted avg common shares outstanding (in millions): | | | | |
| Basic | 167 | | 186 | |
| Diluted | 173 | | 188 | |

Second-quarter 2018 net income available to common shareholders was $166 million, or $0.96 per diluted share, compared with $167 million, or $0.89 per diluted share in the second quarter of 2017. The increase is largely due to higher income from continuing operations.

Second-quarter 2018 adjusted operating earnings were $195 million, or $1.13 per diluted share, after-tax, up from $73 million, or $0.39 per diluted share, after-tax, in the second quarter of 2017. The increase was largely due to second-quarter 2017 results having higher negative DAC/VOBA and other intangibles unlocking, driven by changes in guaranteed minimum interest rate ("GMIR") provisions for certain retirement plan contracts. In addition, fee income increased, and expenses declined year over year.

[3] This press release includes certain non-GAAP financial measures. More information on these measures and reconciliations to the most comparable U.S. GAAP measures can be found in the “Use of Non-GAAP Financial Measures” section of this release and in the company’s Quarterly Investor Supplement.

## BUSINESS HIGHLIGHTS

- Retirement Full Service net flows of $127 million; record Retirement adjusted operating earnings (excluding DAC/VOBA and other intangibles unlocking) of $167 million
- Investment Management sourced net flows of $1.2 billion
- Employee Benefits in-force premium year-over-year growth driven by a strong increase in the Voluntary business
- Individual Life mortality results slightly favorable to expectations

## SEGMENT DISCUSSIONS

The following segment discussions compare the second quarter of 2018 with the second quarter of 2017, unless otherwise noted. All figures are presented before income taxes.

### Retirement

Retirement adjusted operating earnings were $169 million, up from $33 million. Second-quarter 2018 results reflect $3 million of positive DAC/VOBA and other intangibles unlocking. Conversely, the second quarter of 2017 had $114 million of negative DAC/VOBA and other intangibles unlocking primarily due to changes in GMIR provisions for certain retirement plan contracts.

Key earnings drivers included:

- Investment spread revenues
  - Prepayment fee and alternative investment income was, in aggregate, $6 million above long-term expectations (before the effect of income taxes and DAC).
  - Excluding alternative investment income and prepayment fees, investment spread revenues increased $1 million.
- Fee-based revenues net of asset-based commissions increased $18 million due to higher average AUM attributable to equity market and business growth as well as the benefit of fees from the movement of certain investment-only products from Corporate to Retirement.
- Expenses increased primarily as a result of the movement of certain investment-only products and strategic investment spending from Corporate to Retirement, offset in part by continued expense management in the business.

| Retirement Net Flows | | | |
|---|---|---|---|
| ($ in millions) | **2Q 2018** | **1Q 2018** | **2Q 2017** |
| Full Service | $ 127 | $ 47 | $ 914 |
| Stable Value and Pension Risk Transfer | (260) | (341) | (559) |
| Retail Wealth Management | (1) | (68) | (75) |
| Total | **$ (134)** | **$ (362)** | **$ 280** |

During the second quarter of 2018, full service net inflows were more than offset by stable value net outflows.

Retirement AUM was $146 billion, up from $144 billion as of March 31, 2018. Retirement AUM increased from $130 billion as of June 30, 2017, primarily due to equity market and business growth as well as the transfer of certain investment-only products from Corporate to Retirement in the first quarter of 2018.

**Investment Management**

Investment Management adjusted operating earnings were $52 million compared with $85 million. Key earnings drivers included:

- Investment capital revenues declined $31 million as the second quarter of 2017 benefited from a recovery of carried interest; alternative investment income was positive in the second quarter of 2018 and modestly below long-term expectations (before the effect of income taxes).
- Fee-based revenues declined $2 million – strong third-party management fees driven by positive net flows were more than offset by lower fees due to smaller average AUM as a result of the company's sale of the majority of its annuities businesses and the second quarter of 2017 benefiting from higher performance fees.

| Investment Management Net Flows | | | |
|---|---|---|---|
| ($ in billions) | **2Q 2018** | **1Q 2018** | **2Q 2017** |
| Investment Management Sourced | $ 1.2 | $ 0.1 | $ 2.4 |
| Affiliate Sourced | (0.4) | (0.5) | (0.5) |
| Variable Annuities | (0.6) | (0.7) | (0.7) |
| Total | **$ 0.1** | **$ (1.2)** | **$ 1.2** |

During the second quarter of 2018, Investment Management sourced net inflows were driven by institutional net flows primarily reflecting the issuance of three collateralized loan obligations during the quarter.

Third-party sales (which exclude general account assets of Voya Financial's insurance company subsidiaries) were $5.7 billion, compared with $4.7 billion in the first quarter of 2018 and $6.4 billion in the second quarter of 2017. Third-party AUM totaled $152 billion as of June 30, 2018, up from $141 billion as of March 31, 2018, and up from $135 billion as of June 30, 2017. The increase was largely due to positive net flows and the addition of $9.7 billion of AUM retained from Voya's general account assets in connection with Voya's sale of the majority of its annuities businesses.

**Employee Benefits**

Employee Benefits adjusted operating earnings were $35 million, up from $27 million. Key earnings drivers included:

- Underwriting results improved primarily due to higher volumes in Voluntary and better claim experience in Stop Loss and partially offset by lower results in Group Life.
- Administrative expenses increased slightly due to growth in the in force.
- Investment spread revenues
  - Prepayment fee and alternative investment income were, in aggregate, $1 million above long-term expectations (before the effect of income taxes and DAC).

- ◦ Excluding alternative investment income and prepayment fees, investment spread revenues were flat.

The loss ratio for Group Life was 81.5%, compared with 70.5% in the second quarter of 2017. The loss ratio for Stop Loss was 81.7%, compared with 85.6% during the same period last year. The annual loss ratios for Stop Loss and Group Life are expected to be between the company's targeted annual range of 77-80%.

| Employee Benefits Annualized In-Force Premiums | | | |
|---|---|---|---|
| ($ in millions) | 2Q 2018 | 1Q 2018 | 2Q 2017 |
| Group Life, Disability and Other | $ 664 | $ 663 | $ 620 |
| Stop Loss | 938 | 925 | 992 |
| Voluntary | 312 | 303 | 262 |
| Total | **$ 1,914** | **$ 1,891** | **$ 1,874** |

Compared with the second quarter of 2017, total Employee Benefits sales increased 3%, and in-force premiums increased 2%, reflecting strong growth in Voluntary premiums and continued pricing discipline in Stop Loss.

**Individual Life**

Individual Life adjusted operating earnings were $41 million compared with $62 million. Second-quarter 2018 results were lower due to $30 million of higher negative DAC/VOBA and other intangibles unlocking driven by changes in reinsurance and unfavorable mortality experience on interest-sensitive products.

Key earnings drivers included:
- Investment spread revenues
  - ◦ Prepayment fee and alternative investment income were, in aggregate, $7 million above long-term expectations (before the effect of income taxes and DAC); total investment spread was $13 million favorable compared with the second quarter of 2017.
  - ◦ Excluding alternative investment income and prepayment fees, investment spread revenues increased slightly.
- Underwriting results (including DAC/VOBA and other intangibles amortization) were lower as net mortality — while slightly favorable to expectations — was unfavorable compared with the second quarter of 2017 due to higher frequency and severity on the combined interest and non-interest sensitive blocks and partially offset by favorable intangibles amortization.

Total Individual Life sales, which primarily consist of indexed life insurance, were $18 million compared with $19 million.

**Corporate**

Corporate adjusted operating losses were $59 million, compared with losses of $100 million. The improvement was largely due to the reallocation of strategic investment spending into the business segments and a $10 million one-time favorable reserve refinement associated with the legacy annuities.

Loss on Sale
For the three months ended June 30, 2018, the company recorded a favorable adjustment of $56 million, after-tax, to the previously estimated loss on the sale of the majority of its variable and fixed annuities business.

Share Repurchases
In the second quarter of 2018, Voya repurchased 9,617,162 shares of its common stock at an average price per share of $51.99 for an aggregate purchase price of approximately $500 million. Voya had approximately $511 million remaining under its share repurchase authorization as of June 30, 2018.

Supplementary Financial Information
More detailed financial information can be found in the company's Quarterly Investor Supplement, which is available on Voya's investor relations website, investors.voya.com.

Earnings Call and Slide Presentation
Voya will host a conference call on Thursday, Aug. 2, 2018, at 8 a.m. ET, to discuss the company's second-quarter 2018 results. The call and slide presentation can be accessed via the company's investor relations website at investors.voya.com. A replay of the call will be available on the company's investor relations website at investors.voya.com starting at 1 p.m. ET on Aug. 2, 2018.

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About Voya Financial
Voya Financial, Inc. (NYSE: VOYA), helps Americans plan, invest and protect their savings — to get ready to retire better. Serving the financial needs of approximately 14.3 million individual and institutional customers in the United States, Voya is a *Fortune 500* company that had $8.6 billion in revenue in 2017. The company had $528 billion in total assets under management and administration as of June 30, 2018. With a clear mission to make a secure financial future possible — one person, one family, one institution at a time — Voya's vision is to be America's Retirement Company®. Certified as a "Great Place to Work" by the Great Place to Work® Institute, Voya is equally committed to conducting business in a way that is socially, environmentally, economically and ethically responsible. Voya has been recognized as one of the 2018 World's Most Ethical Companies® by the Ethisphere Institute, one of the 2018 World's Most Admired Companies by *Fortune* magazine and one of the Top Green Companies in the U.S. by *Newsweek* magazine. For more information, visit voya.com. Follow Voya Financial on Facebook, LinkedIn and Twitter @Voya.

Use of Non-GAAP Financial Measures

Adjusted operating earnings before income taxes is a measure used to evaluate segment performance. We believe that adjusted operating earnings before income taxes provides a meaningful measure of Voya's business and segment performances and enhances the understanding of our financial results by focusing on the operating performance and trends of the underlying business segments and excluding items that tend to be highly variable from period to period based on capital market conditions and/or other factors. We use the same accounting policies and procedures to measure segment adjusted operating earnings before income taxes as we do for the directly comparable U.S. GAAP measure Income (loss) from continuing operations before income taxes.

Adjusted operating earnings before income taxes does not replace Income (loss) from continuing operations before income taxes as the comparable U.S. GAAP measure of our consolidated results of operations. Therefore, we believe that it is useful to evaluate both Income (loss) from continuing operations before income taxes and Adjusted operating earnings before income taxes when reviewing our financial and operating performance. Each segment's adjusted operating earnings before income taxes is calculated by adjusting Income (loss) from continuing operations before income taxes for the following items:

- Net investment gains (losses), net of related amortization of DAC, VOBA, sales inducements and unearned revenue, which are significantly influenced by economic and market conditions, including interest rates and credit spreads, and are not indicative of normal operations. Net investment gains (losses) include gains (losses) on the sale of securities, impairments, changes in the fair value of investments using the fair value option ("FVO") unrelated to the implied loan-backed security income recognition for certain mortgage-backed obligations and changes in the fair value of derivative instruments, excluding realized gains (losses) associated with swap settlements and accrued interest;
- Net guaranteed benefit hedging gains (losses), which are significantly influenced by economic and market conditions and are not indicative of normal operations, include changes in the fair value of derivatives related to guaranteed benefits, net of related reserve increases (decreases) and net of related amortization of DAC, VOBA and sales inducements, less the estimated cost of these benefits. The estimated cost, which is reflected in operating results, reflects the expected cost of these benefits if markets perform in line with our long-term expectations and includes the cost of hedging. Other derivative and reserve changes related to guaranteed benefits are excluded from operating results, including the impacts related to changes in nonperformance spread;
- Income (loss) related to businesses exited through reinsurance or divestment that do not qualify as discontinued operations, which includes gains and (losses) associated with transactions to exit blocks of business (including net investment gains (losses) on securities sold and expenses directly related to these transactions) and residual run-off activity; these gains and (losses) are often related to infrequent events and do not reflect performance of operating segments. Excluding this activity better reveals trends in our core business, which would be obscured by including the effects of business exited, and more closely aligns Adjusted operating earnings before income taxes with how we manage our segments;
- Income (loss) attributable to noncontrolling interest, which represents the interest of shareholders, other than those of Voya Financial, Inc., in consolidated entities. Income (loss) attributable to noncontrolling interest represents such shareholders' interests in the gains and (losses) of those entities, or the attribution of results from consolidated VIEs or VOEs to which we are not economically entitled;
- Income (loss) related to early extinguishment of debt, which includes losses incurred as a result of transactions where we repurchase outstanding principal amounts of debt; these losses are excluded from Adjusted operating earnings before income taxes since the outcome of decisions to restructure debt are not indicative of normal operations;
- Impairment of goodwill, value of management contract rights and value of customer relationships acquired, which includes losses as a result of impairment analysis; these represent losses related to infrequent events and do not reflect normal, cash-settled expenses;
- Immediate recognition of net actuarial gains (losses) related to our pension and other postretirement benefit obligations and gains (losses) from plan amendments and curtailments, which includes actuarial gains and losses as a result of differences between actual and expected experience on pension plan assets or projected benefit obligation during a given period. We immediately recognize actuarial gains and (losses) related to pension and other postretirement benefit obligations and gains and losses from plan adjustments and curtailments. These amounts do not reflect normal, cash-settled expenses and are not indicative of current Operating expense fundamentals; and

- Other items not indicative of normal operations or performance of our segments or may be related to infrequent events including capital or organizational restructurings including certain costs related to debt and equity offerings as well as stock and/or cash based deal contingent awards; expenses associated with the rebranding of Voya Financial, Inc.; severance and other third-party expenses associated with the 2016 Restructuring. These items vary widely in timing, scope and frequency between periods as well as between companies to which we are compared. Accordingly, we adjust for these items as we believe that these items distort the ability to make a meaningful evaluation of the current and future performance of our segments. Additionally, with respect to restructuring, these costs represent changes in operations rather than investments in the future capabilities of our operating businesses.

Adjusted operating earnings before income taxes for Corporate in the prior period includes Net investment gains (losses) and Net guaranteed benefit hedging gains (losses) associated with the retained CBVA and annuities businesses that are not components of discontinued operations. These retained amounts are insignificant and do not distort the ability to make a meaningful evaluation of the trends of Corporate activities.

Income (loss) related to businesses exited through reinsurance or divestment (including net investment gains (losses) on securities sold and expenses directly related to these transactions) is excluded from the results of operations from adjusted operating earnings before income taxes. When we present the adjustments to income (loss) from continuing operations before income taxes on a consolidated basis, each adjustment excludes the relative portions attributable to businesses exited through reinsurance or divestment.

The most directly comparable U.S. GAAP measure to adjusted operating earnings before income taxes is income (loss) from continuing operations before income taxes. For a reconciliation of income (loss) from continuing operations before income taxes to adjusted operating earnings before income taxes, see the tables that accompany this release, as well as our Quarterly Investor Supplement.

Adjusted operating earnings - excluding unlocking is also a non-GAAP financial measure. This measure excludes from adjusted operating earnings before income taxes the following items:

- DAC/VOBA and other intangibles unlocking; and
- The net gains included in adjusted operating earnings from a distribution of cash and securities in conjunction with a Lehman Brothers bankruptcy settlement ("Lehman Recovery"), and losses as a result of the decision to dispose of certain Low Income Housing Tax Credit partnerships ("LIHTC") as a mean of exiting this asset class. Because DAC/VOBA and other intangibles unlocking can be volatile, excluding the effect of this item can improve period to period comparability. The net gain from the Lehman Recovery and loss from the disposition of LIHTC partnerships affected run-rate results and we believe that this effect is not reflective of our ongoing performance.

In addition to net income (loss) per share, we report adjusted operating earnings per share (diluted) because we believe that adjusted operating earnings before income taxes provides a meaningful measure of its business and segment performances and enhances the understanding of our financial results by focusing on the operating performance and trends of the underlying business segments and excluding items that tend to be highly variable from period to period based on capital market conditions and/or other factors.

In addition to book value per share including accumulated other comprehensive income (AOCI), we also report book value per share excluding AOCI and shareholders' equity excluding AOCI. Included in AOCI are investment portfolio unrealized gains or losses. In the ordinary course of business we do not plan to sell most investments for the sole purpose of realizing gains or losses, and book value per share excluding AOCI and shareholders' equity excluding AOCI provide a measure consistent with that view. The adjusted debt to capital calculation excludes AOCI and includes a 25% equity treatment afforded to subordinated debt.

In our Investment Management business, adjusted operating margin excluding Investment Capital results is reported because results from Investment Capital can be volatile and excluding the effect of this item can improve period-to-period comparability.

For a reconciliation of these non-GAAP measures to the most directly comparable U.S. GAAP measures, refer to the tables that accompany this release, as well as our Quarterly Investor Supplement.

We also analyze our segment performance based on the sources of earnings. We believe this supplemental information is useful in order to gain a better understanding of our adjusted operating earnings before income taxes for the following reasons: (1) we analyze our business using this information and (2) this presentation can be helpful for investors to understand the main drivers of adjusted operating earnings (loss) before income taxes. The sources of earnings are defined as such:

- Investment spread and other investment income consists of net investment income and net realized investment gains (losses) associated with swap settlements and accrued interest, less interest credited to policyholder reserves.
- Fee based margin consists primarily of fees earned on assets under management ("AUM"), assets under administration ("AUA"), and transaction based recordkeeping fees.
- Net underwriting gain (loss) and other revenue contains the following: the difference between fees charged for insurance risks and incurred benefits, including mortality, morbidity, and surrender results, contractual charges for universal life and annuity contracts, the change in the unearned revenue reserve for universal life contracts, and that portion of traditional life insurance premiums intended to cover expenses and profits. Certain contract charges for universal life insurance are not recognized in income immediately, but are deferred as unearned revenues and are amortized into income in a manner similar to the amortization of DAC.
- Administrative expenses are general expenses, net of amounts capitalized as acquisition expenses and exclude commission expenses and fees on letters of credit.
- Trail commissions are commissions paid that are not deferred and thus recorded directly to expense.
- For a detail explanation of DAC/VOBA and other intangibles amortization/unlocking see Management's Discussion and Analysis of Financial Condition and Results of Operations - Unlocking of DAC/VOBA and other Contract Owner/Policyholder Intangibles in our Annual Report on Form 10-K for the twelve-month period ended Dec. 31, 2017, which the company filed with the Securities and Exchange Commission on Feb. 23, 2018 and in our Quarterly Report on Form 10-Q for the three-month period ended June 30, 2018, which the company expects to file with the Securities and Exchange Commission on or before Aug. 8, 2018.

More details on these sources of earnings can be found in Voya Financial's Quarterly Investor Supplement, which is available on Voya Financial's investor relations website, investors.voya.com.

Forward-Looking and Other Cautionary Statements

This press release 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, such as those relating to Federal taxation, state insurance regulations and NAIC regulations and guidelines, including those affecting reserve requirements for variable annuity policies and the use of and possible application of NAIC accreditation standards to captive reinsurance entities, those made pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the U.S. Department of Labor's final rules and exemptions pertaining to the fiduciary status of providers of investment advice, or any amendments thereto, (x) changes in the policies of governments and/or regulatory authorities, and (xi) our ability to successfully manage the separation of Venerable, including the transition services, on the expected timeline and economic terms. 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 Annual Report on Form 10-K for the year ended Dec. 31, 2017, which the company filed with the Securities and Exchange Commission on Feb. 23, 2018 and in our Quarterly Report on Form 10-Q for the three-month period ended June 30, 2018, which the company expects to file with the Securities and Exchange Commission on or before Aug. 8, 2018.

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**Reconciliation of Net Income (Loss) to Adjusted Operating Earnings - Quarter-to-Date**

| (in millions USD) | Three Months Ended 6/30/2018 | Three Months Ended 6/30/2017 |
|---|---|---|
| **Net Income (loss) available to Voya Financial, Inc.'s common shareholders** | **$ 166** | **$ 167** |
| Plus: Net income (loss) attributable to noncontrolling interest | 58 | 52 |
| **Net Income (loss)** | **224** | **219** |
| Less: Income from Discontinued Operations, net of tax | 28 | 64 |
| **Net Income (loss) from continuing operations** | **196** | **155** |
| Less: Net Income (loss) attributable to noncontrolling interest | 58 | 52 |
| Less: Adjustments to adjusted operating earnings | | |
| Net Investment gains (losses) and related charges and adjustments | (40) | 2 |
| Other adjustments [2] | (15) | (6) |
| Total Adjustments to adjusted operating earnings before tax effect | (55) | (4) |
| Income taxes on adjustments to adjusted operating earnings [1] | 12 | 1 |
| Total Adjustments to adjusted operating earnings, after tax[1] | (43) | (3) |
| Less: Difference between actual tax (expense) benefit and assumed tax rate | (14) | 33 |
| **Adjusted Operating earnings, after-tax [1]** | **195** | **73** |
| Less: Income taxes [1] | (43) | (34) |
| **Adjusted operating earnings before income taxes** | **$ 238** | **$ 107** |

**Reconciliation of Net Income per Share to Adjusted Operating Earnings per Share**

| (in USD per diluted share) | Three Months Ended 6/30/2018 | Three Months Ended 6/30/2017 |
|---|---|---|
| **Net Income (loss) available to Voya Financial, Inc.'s common shareholders** | **$ 0.96** | **$ 0.89** |
| Less: Income from Discontinued Operations, net of tax | 0.16 | 0.34 |
| **Net Income (loss) from continuing operations** | **0.80** | **0.55** |
| Less: Net Investment gains (losses) and related charges and adjustments, after-tax | (0.18) | 0.01 |
| Less: Other adjustments, after-tax [2] | (0.07) | (0.02) |
| Less: Effect of assumed tax rate vs. actual tax rate | (0.08) | 0.17 |
| Less: Adjustment due to antidilutive effect of net loss in the current period | — | — |
| **Adjusted Operating earnings, after-tax [1]** | **$ 1.13** | **$ 0.39** |

**Reconciliation of Fully Diluted Weighted Average Shares to Adjusted Operating Diluted Weighted Average Shares**

| | Three Months Ended 6/30/2018 | Three Months Ended 6/30/2017 |
|---|---|---|
| Fully Diluted weighted average shares outstanding | 173 | 188 |
| Dilutive effect of the exercise or issuance of stock based awards | — | — |
| Weighted average common shares outstanding - diluted (adjusted operating) | 173 | 188 |

**(1)** Voya Financial assumes a 32% tax rate on adjusted operating earnings and all components of adjusted operating earnings described as "after tax" for 2017. For 2018, the adjusted operating effective tax rate is based on the actual income tax expense for the current period related to Income (loss) from continuing operations, less estimated taxes on non-operating items assuming a 21% corporate tax rate and other non-operating impacts such as those related to restructuring and the Tax Cuts and Jobs Act. A 35% tax rate is applied to all non-operating items in 2017 and 21% in 2018. The 32% tax rate for 2017 adjusted operating earnings and components reflects the estimated benefit of the dividend received deduction related to the company's Retirement, Investment Management, Employee Benefits and Individual Life segments.

(2) "Other adjustments" consists of net guaranteed benefit hedging gains (losses) and related charges and adjustments; income (loss) from business exited; immediate recognition of net actuarial gains (losses) related to pension and other post-retirement benefit obligations and gains (losses) from plan amendments and curtailments; expenses associated with the rebranding of Voya Financial from ING U.S.; and restructuring expenses (severance, lease write-offs, etc.).

**Reconciliation of Book Value per Share to Book Value per Share excluding AOCI**

| | | As of June 30, 2018 | | As of June 30, 2017 |
|---|---|---|---|---|
| **Book value per share, including AOCI** | $ | 52.22 | $ | 74.30 |
| Per share impact of AOCI | | (5.82) | | (14.50) |
| **Book value per share, excluding AOCI** | $ | 46.40 | $ | 59.80 |

**Reconciliation of Investment Management Adjusted Operating Margin to Adjusted Operating Margin Excluding Investment Capital**

| | Three Months Ended | | | | | |
|---|---|---|---|---|---|---|
| (in millions USD, unless otherwise indicated) | | 6/30/2018 | | 3/31/2018 | | 6/30/2017 |
| Adjusted Operating revenues | $ | 171 | $ | 185 | $ | 204 |
| Adjusted operating expenses | | (119) | | (124) | | (119) |
| **Adjusted operating earnings before income taxes** | **$** | **52** | **$** | **61** | **$** | **85** |
| **Adjusted operating margin** | | **30.7%** | | **32.9%** | | **41.8%** |
| | | | | | | |
| Adjusted Operating revenues | $ | 171 | $ | 185 | $ | 204 |
| Less: | | | | | | |
| Investment Capital Results | | 5 | | 11 | | 35 |
| Adjusted operating revenues excluding Investment Capital | | 166 | | 174 | | 168 |
| Adjusted operating expenses | | (119) | | (124) | | (119) |
| **Adjusted operating earnings excluding Investment Capital** | **$** | **47** | **$** | **50** | **$** | **50** |
| **Adjusted operating margin excluding Investment Capital** | | **28.7%** | | **28.6%** | | **29.6%** |