

Voya Financial

Second Quarter 2014 Investor Presentation

August 6, 2014

RETIREMENT | INVESTMENTS | INSURANCE



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,” 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 “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, 2013 as filed with the Securities and Exchange Commission on March 10, 2014, and in our quarterly report on Form 10-Q for the three months ended March 31, 2014 as filed with the Securities and Exchange Commission on May 12, 2014.

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 August 6, 2014 and Voya Financial’s Quarterly Investor Supplement for the three months ended June 30, 2014, which are available at the Investor Relations section of Voya Financial’s website at investors.voya.com.

This presentation and the remarks made orally include certain statutory financial results of our insurance company subsidiaries for the quarter ended June 30, 2014. These results are still being finalized, and are therefore preliminary and subject to change.

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

Key Developments

 ROE Improvement	Continued progress toward 2016 Ongoing Business Adjusted Operating ROE goal of 12-13%
 Share Repurchase	An additional \$500 million authorization for share buybacks; \$289 million repurchased as of June 30, 2014 under original \$300 million authorization
 CBVA Strategic Initiatives	Enhanced Annuitization Offer prospectus supplement declared effective by the SEC Milliman outsourcing agreement executed
 Improved Rating Agency Outlook	Moody's and A.M. Best raised Voya Financial's ratings outlook to positive
 Initiating Advertising Rebranding	Approximately \$100 million advertising rebranding investment planned over the next 2.5 years

Second Quarter 2014 Financial Highlights

After-tax Operating Earnings¹	<p>\$213 million or \$0.83 per diluted share</p> <p>\$207 million or \$0.81 per diluted share ex-DAC unlocking</p>
Net Income Available to Common Shareholders¹	<p>\$246 million driven by strong Ongoing Business operating earnings</p>
Ongoing Business Adjusted Operating Earnings (pre-tax)	<p>\$346 million</p>
Ongoing Business 2Q'14 TTM² Adjusted Operating Return on Equity	<p>10.7%, up from 10.3% for 1Q'14 TTM</p>
Closed Block Variable Annuity Performance	<p>Protected regulatory and rating agency capital from market movements</p>

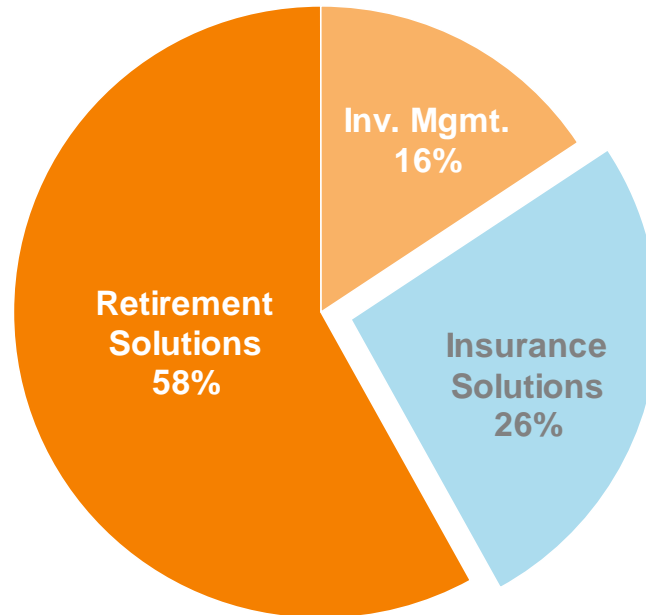
1. Voya Financial assumes a 35% tax rate on items described as "after-tax." The 35% tax rate does not reflect actual tax expenses or benefits, including the benefit from recognizing certain deferred tax assets. Net income available to common shareholders reflects the actual effective tax rate
2. Trailing twelve month calculation

Premier Franchise with Diverse Earnings

2Q'14 TTM¹ Ongoing Business Adjusted Operating Earnings Before Income Taxes²:
\$1,264 million

74% from Retirement Solutions and Investment Management

Investment Management
Prominent multi-asset, multi-channel active asset manager for institutions and individuals



Retirement Solutions
Leading provider of full service and administrative retirement products and services for organizations across all markets as well as individuals

Insurance Solutions
Top-tier provider of life insurance for individuals and comprehensive employee benefits for businesses

Access to **13 million** customers³
more than **220,000** points of distribution³
with total AUM and AUA of **\$525 billion**⁴

1. Trailing twelve months calculation
2. Ongoing Business reflects Retirement, Annuities, Investment Management, Individual Life, and Employee Benefits segments; adjustments are to exclude DAC/VOBA and other intangibles unlocking, the net gain included in operating earnings from a distribution of cash and securities in conjunction with a Lehman Brothers bankruptcy settlement and the loss recognized as a result of the decision to dispose of certain Low Income Housing tax credit partnerships as a means of exiting this asset class
3. As of December 31, 2013
4. As of June 30, 2014; includes Closed Blocks

Three Key Sources of Value



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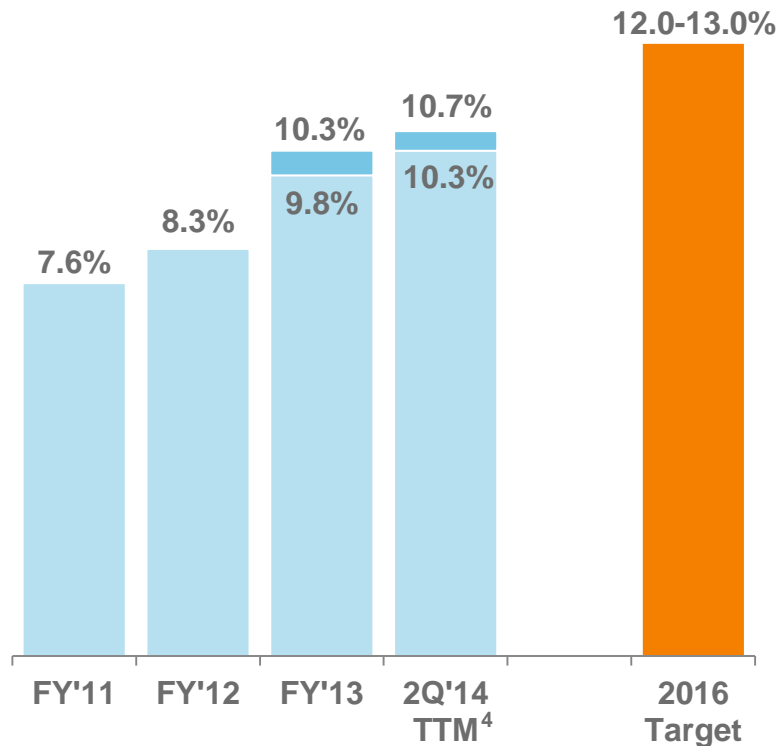
- Alain Karaoglan, Chief Operating Officer

3. Business Operating and Balance Sheet Metrics

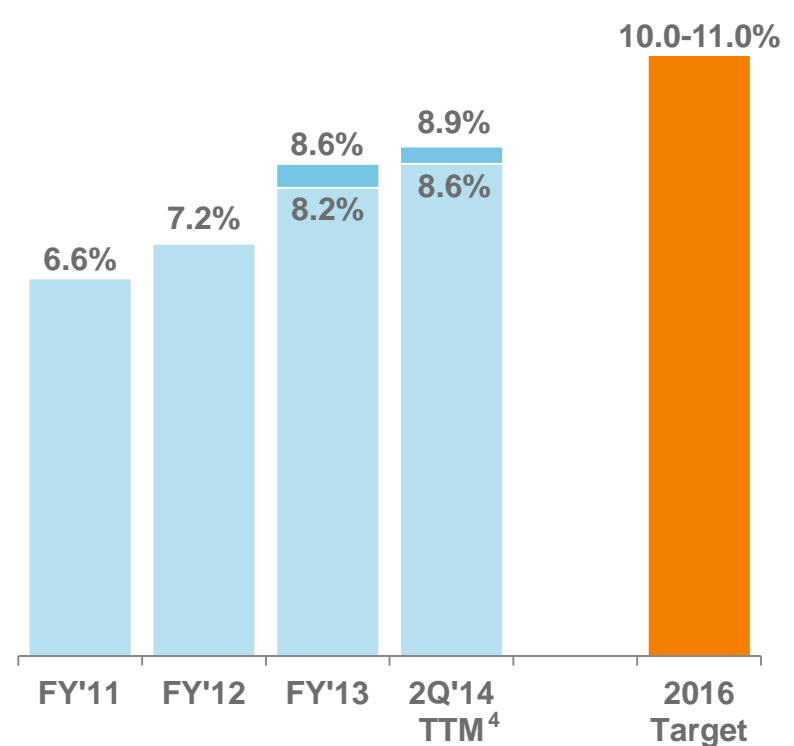
- Ewout Steenbergen, Chief Financial Officer

Ongoing Business Adjusted Operating Return on Equity and Return on Capital Remain on Track to Meet 2016 Target

Ongoing Business¹ Adjusted Operating ROE²



Ongoing Business¹ Adjusted Operating ROC³

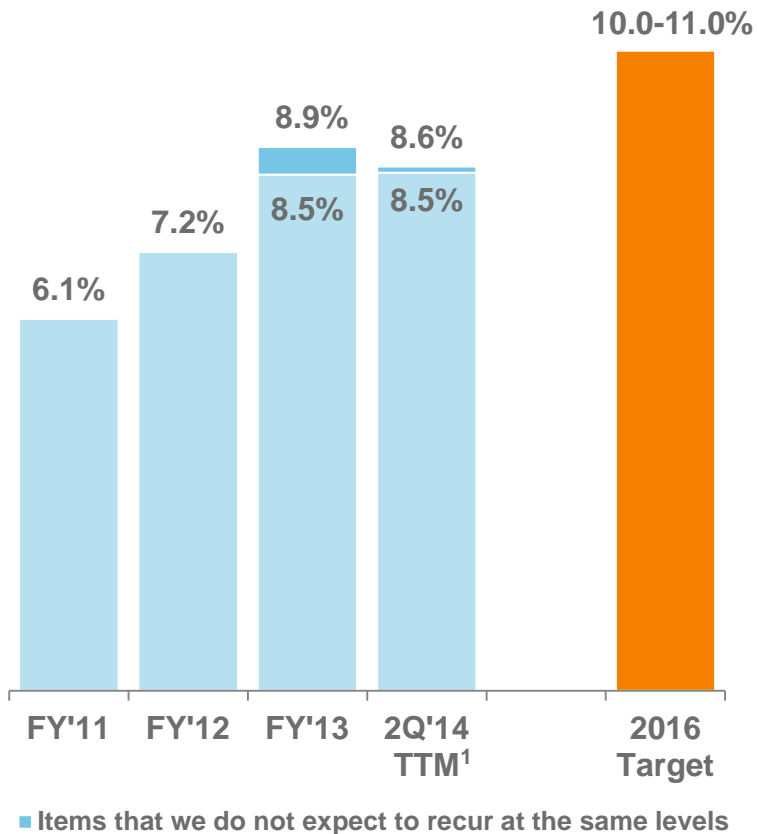


■ Items we do not expect to recur at the same levels

- 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, and the loss recognized as a result of marking low income housing tax credit partnerships to the sales price associated with their disposition. 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 35% 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 (using a pro forma effective tax rate of 35%) by average capital allocated to the Ongoing Business
- Trailing twelve months calculation

Retirement – Leading Franchise Driving Long-Term Growth and Returns

Adjusted Operating ROC



ROC Initiatives

Margin

- ❑ Adjust crediting rates in response to changes in the external rate environment
- ❑ Increase returns on Full Service business
- ❑ Improve Full Service retention rates

Growth

- ❑ Continue sales momentum in the Institutional Markets
- ❑ Grow Individual Markets business

Capital

- ❑ Execute reinsurance transactions
- ❑ Shift to capital efficient products

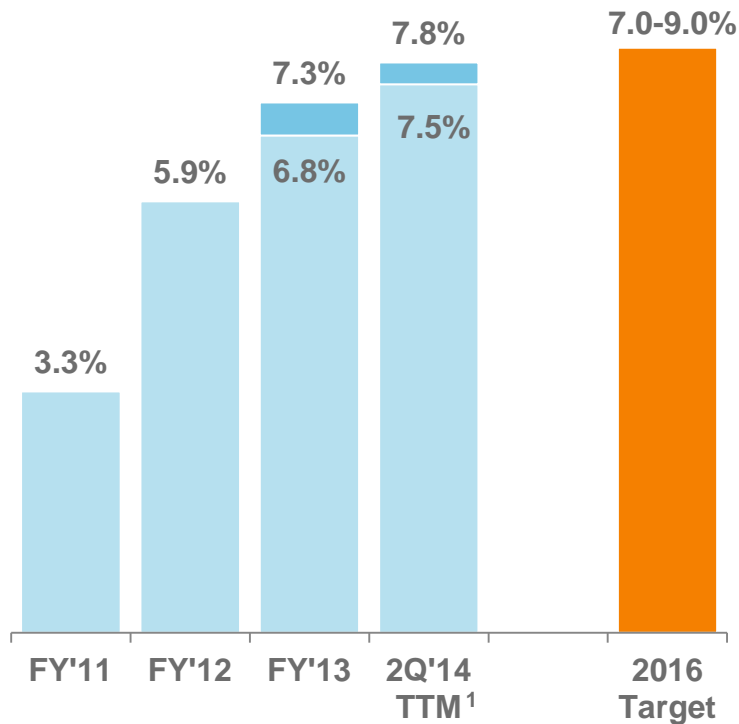
Examples of Execution

- ✓ 89% of re-priced cases retained in 2Q'14 with aggregate portfolio IRR's at or above our internal targets
- ✓ 2Q'14 third-party reinsurance transaction on a block with high GMIRs and low ROC
- ✓ Continued execution on Retirement Readiness strategy, with consecutive launch of two new components – Personal Financial Dashboard and myOrangeMoney – see a video at <http://investors.voya.com>

1. Trailing twelve months calculation

Annuities – Selective Growth While Running Off Less Profitable Business

Adjusted Operating ROC



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

ROC Initiatives

Margin

- ❑ Run off Annual Reset / Multi-Year Guarantee Annuities (products with high fixed rate crediting levels)
- ❑ Manage crediting rates

Growth

- ❑ Grow sales of higher margin Mutual Fund Custodial product sales and Fixed Indexed Annuities

Capital

- ❑ Execute capital efficient structures

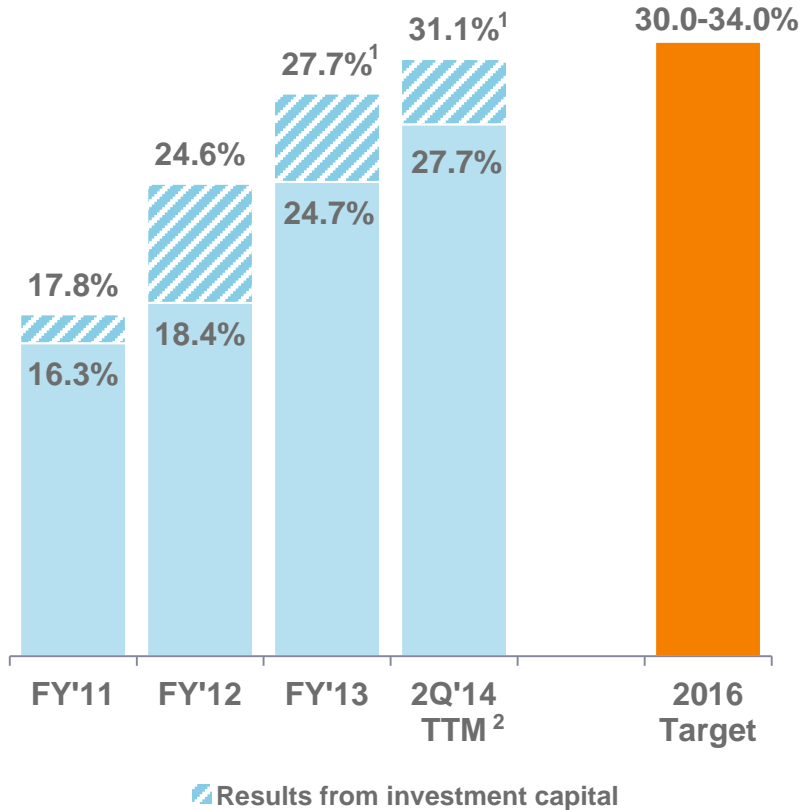
Examples of Execution

- ✓ Enhancing our FIA product suite and expanding our distribution reach with a renewed focus on the broker/dealer channel
- ✓ Filing of structured product annuity with SEC

1. Trailing twelve months calculation

Investment Management – Scalable Platform Leveraging Strong Investment Performance

Operating Margin



1. Excludes gain from Lehman Recovery

2. Trailing twelve months calculation

3. 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

Initiatives

Margin

- ❑ Improve sales force productivity
- ❑ Reduce retail outflows

Growth

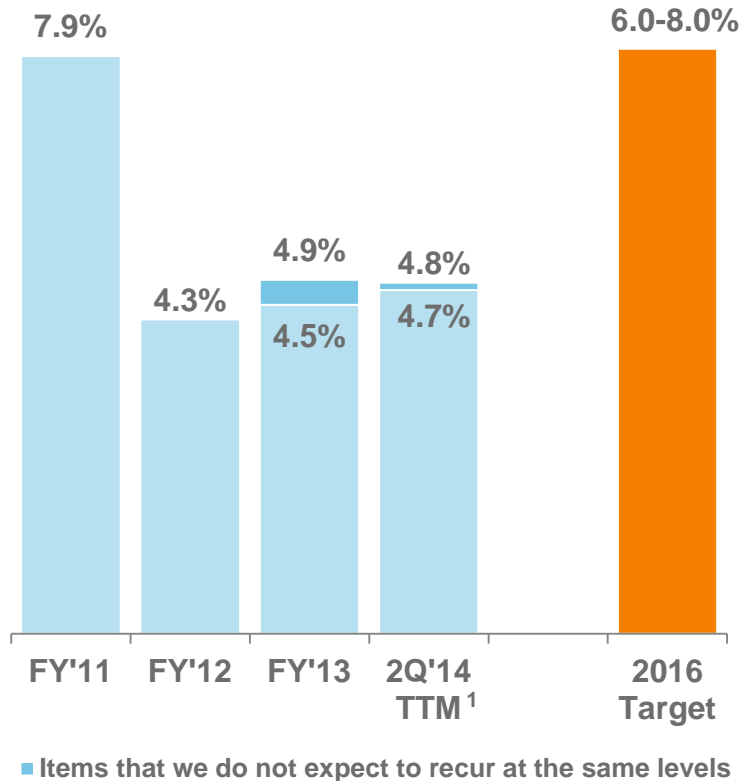
- ❑ Increase third-party business
- ❑ Grow in higher-fee asset classes
- ❑ Increase capture of Defined Contribution Investment Only (DCIO) mandates
- ❑ Replace underperforming non-Voya mutual fund sub-advisors

Examples of Execution

- ✓ 88% and 99% of fixed income assets outperformed benchmark or peer median returns as of 2Q'14 on a 3-year and 5-year basis, respectively³
- ✓ 79% and 84% of equity assets outperformed benchmark or peer median returns as of 2Q'14 on a 3-year and 5-year basis, respectively³
- ✓ Continued expense growth discipline supporting business expansion

Individual Life – Repositioning Toward More Capital Efficient Products

Adjusted Operating ROC



ROC Initiatives

Margin

- ❑ Continue to manage expenses relative to sales volume
- ❑ Manage non-guaranteed elements of in-force contracts

Capital

- ❑ Shift sales focus to indexed products
- ❑ Execute capital efficient structures

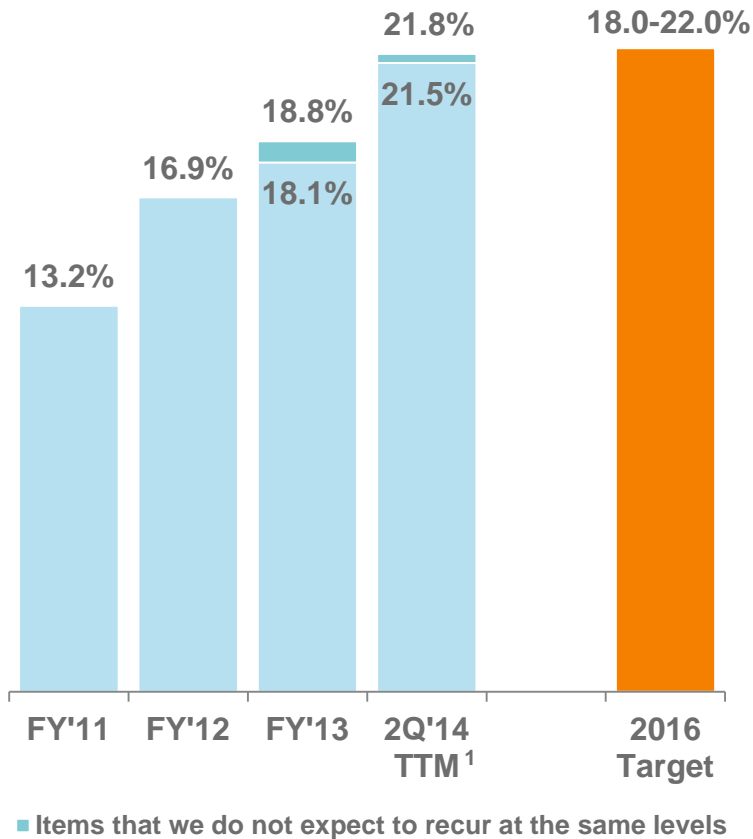
Examples of Execution

- ✓ Strong sales growth of Indexed products driven by indexed universal life focused sales meetings
- ✓ Ongoing focus on managing administrative expense levels
- ✓ Launch of Orange Pass to simplify the indexed universal life purchase process

1. Trailing twelve months calculation

Employee Benefits – High Return and Capital Generation Business

Adjusted Operating ROC



ROC Initiatives

Margin

- Improve loss ratio for Stop Loss policies

Growth

- Increase persistency and sales in the Group business
- Expand the Voluntary business

Examples of Execution

- Launched pilot in June of new Stop Loss and Life renewal packet and voluntary enrollment process to improve retention
- On the distribution side, we are expanding our capabilities with consultants, brokers and technology firms to drive growth in Voluntary products.
- Supporting sales growth while maintaining expense discipline

1. Trailing twelve months calculation

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

2Q'14 Business Segment Drivers

2Q'14 relative to 1Q'14

Retirement

Higher fee income and lower seasonal expenses, offset in part by reinsurance transaction

Annuities

Higher prepayment income and favorable mortality

Investment Management

Higher fee income from higher AUM levels

Individual Life

Favorable mortality mostly driven by lower severity

Employee Benefits

Group Life mortality normalized from 1Q'14 and Stop Loss continues to be favorable

Additional Items

Annuities

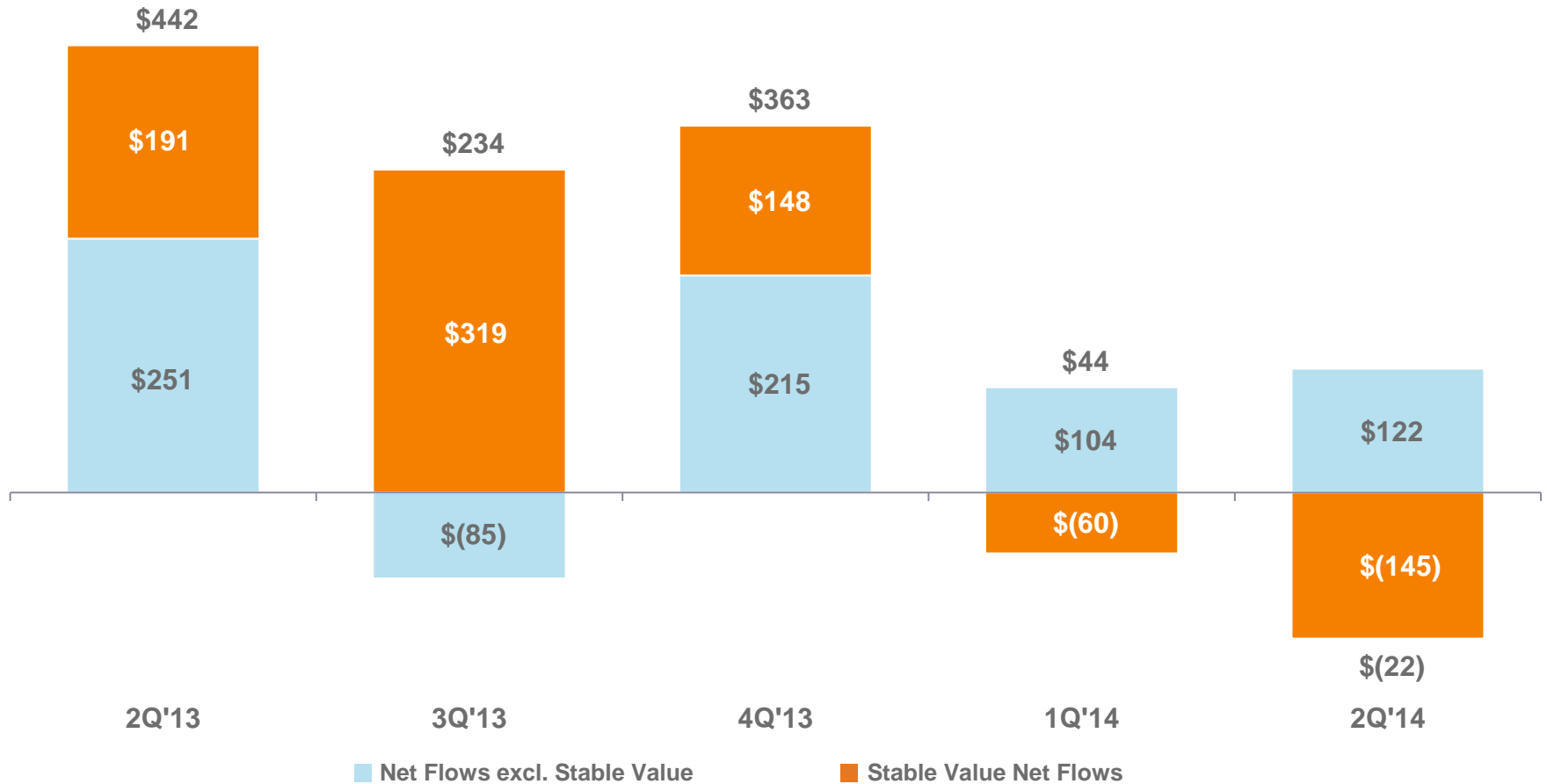
Anticipate 3Q'14 MYGA outflow of \$500-\$700 million

Investment Management

Disciplined and modest expense growth in 2H'14 as a result of re-investment in the business to support future growth

Retirement Net Flows Reflect Continued Repricing Discipline

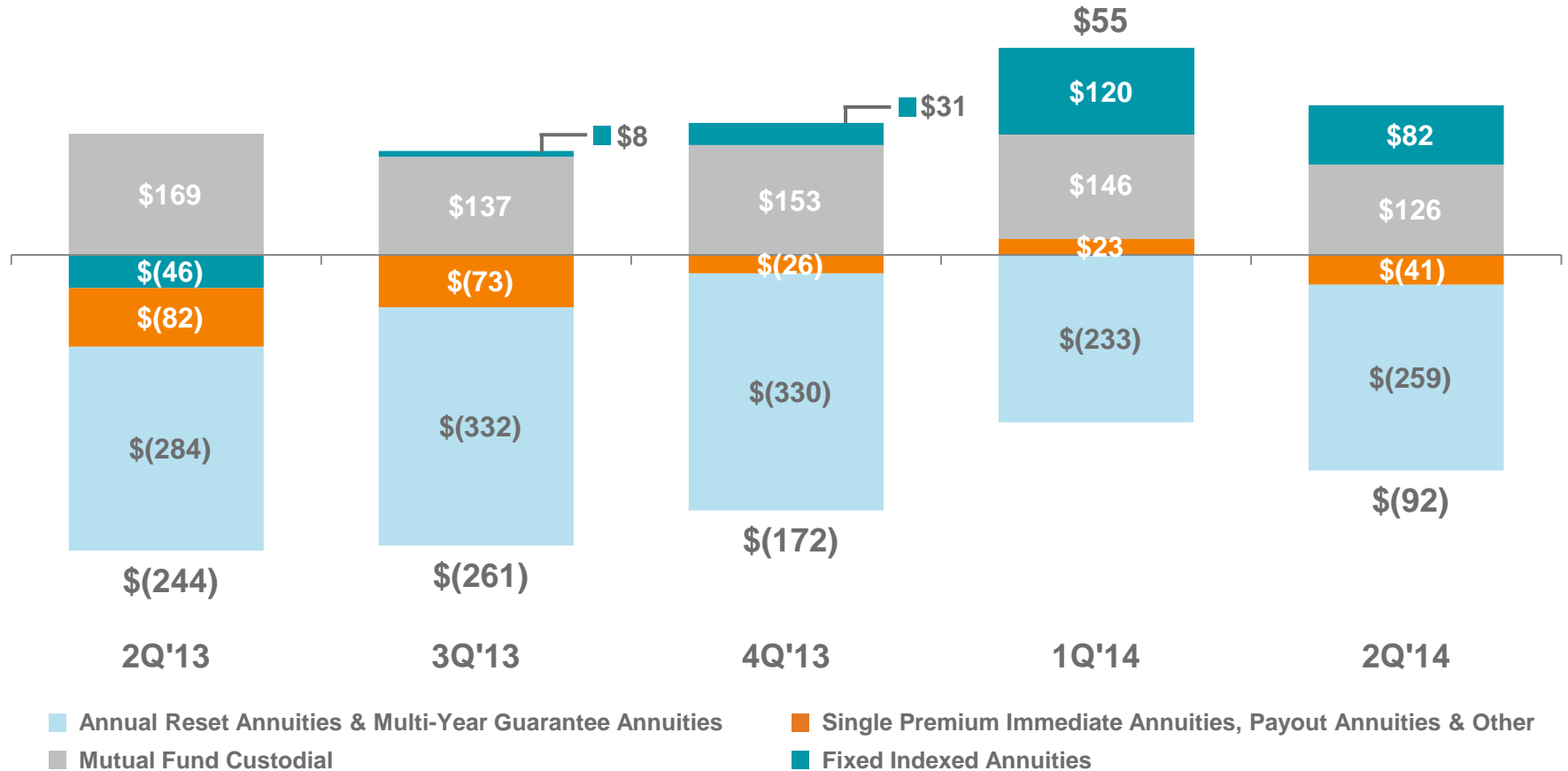
Retirement Net Flows¹ (\$ million)



1. Excludes recordkeeping

Annuities Growing in Mutual Fund Custodial and Fixed Indexed Products, Running Off Less Profitable Business

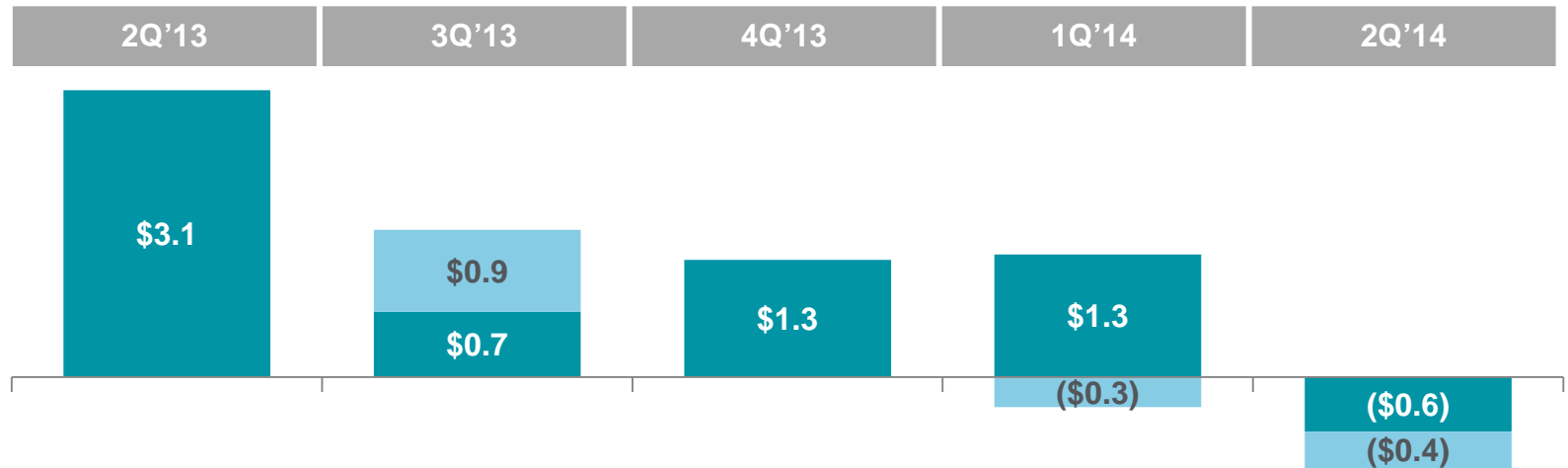
Annuities Net Flows¹ (\$ million)



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

Investment Management Sourced Net Flows in 2Q'14 Driven By Institutional Mandate Variability

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



	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14
Sub-Advisor Replacements	\$0.5	\$0.9	\$0.0	\$4.7	\$0.0
Investment Management VA Net Flows	\$(0.6)	\$(0.6)	\$(0.7)	\$(0.8)	\$(0.9) ²
Total	\$3.1	\$1.8	\$0.6	\$4.9	\$(1.9)

■ Investment Management Sourced

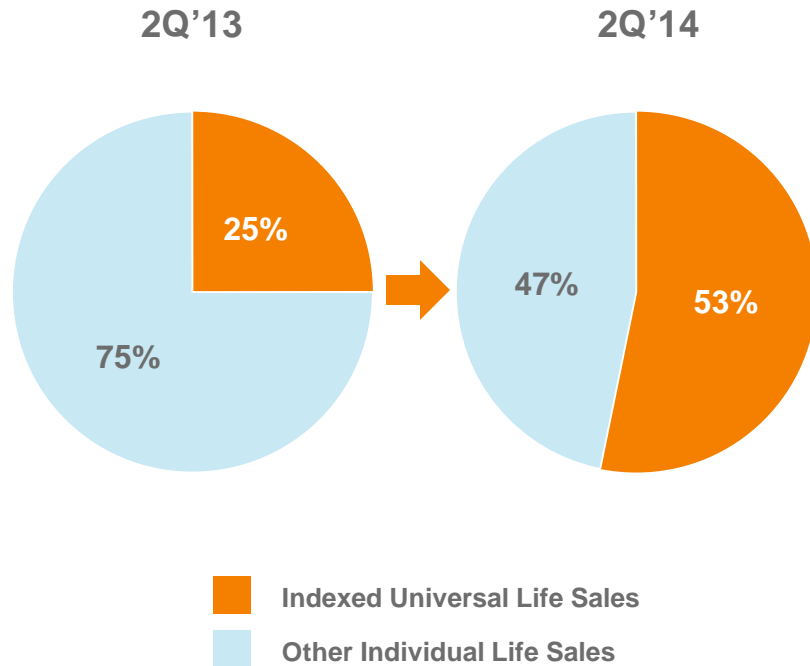
■ Affiliate Sourced

1. Excludes General Account

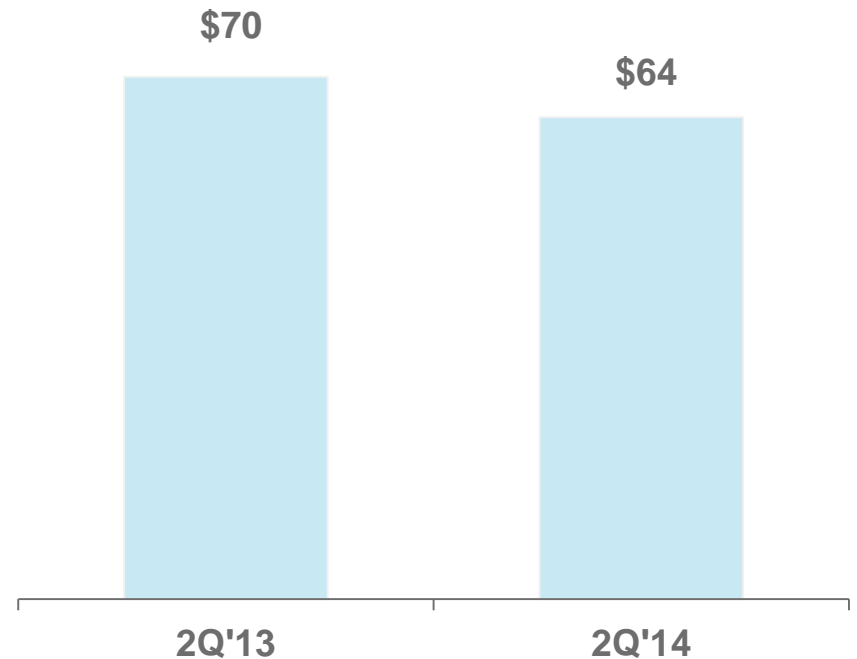
2. Total Closed Block Variable Annuity net flows were \$1.3 billion in 2Q'14, of that \$0.9 billion were managed by Investment Management

Individual Life Sales and Expenses Reflecting Business Repositioning

Indexed Universal Life Sales Expanding

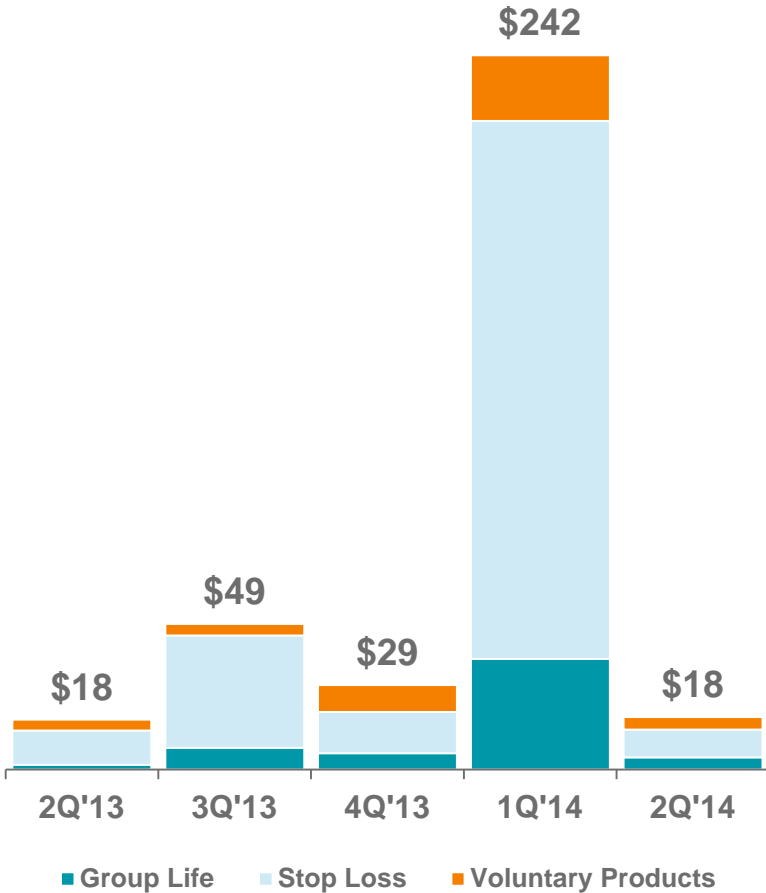


Continued Administrative Expense Focus (\$ million)

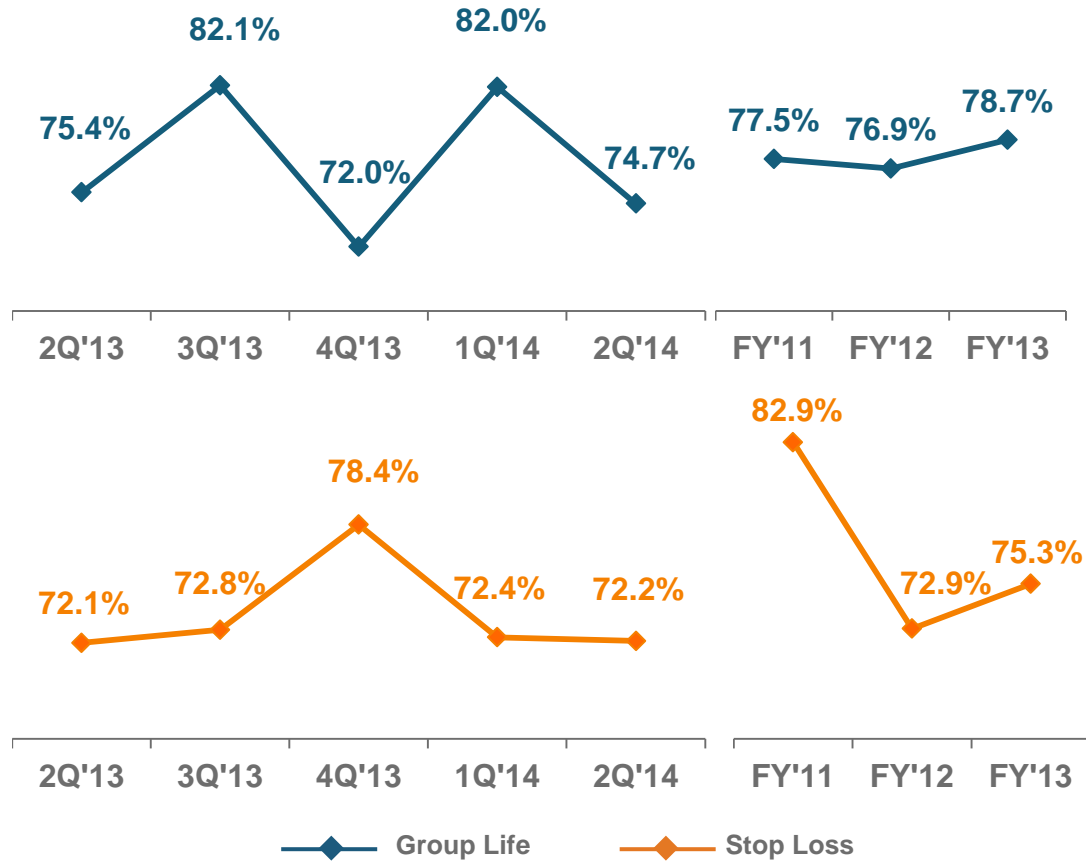


Employee Benefits Loss Ratios for Group Life and Stop Loss Remained Favorable

Sales¹
(\$ million)



Loss Ratios
(%)

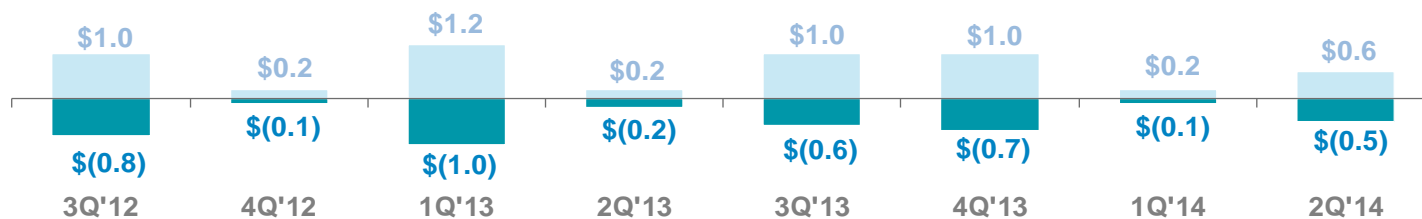


1. Refer to the 2Q'14 Quarterly Investor Supplement for sales figures by product

Active Hedge Program in Closed Block Variable Annuity

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

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



Net Impact (\$ billion)

\$0.2	\$0.1	\$0.2	\$0.0	\$0.4	\$0.3	\$0.1	\$0.1
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2Q'14 Results

- Estimated available resources of \$4.6 billion
- Estimated Guaranteed LB Statutory reserves of \$2.6 billion
- Living Benefit NAR of \$2.6 billion
- Net Flows of \$(1.3) billion, annualized 11.5% of beginning of period assets

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	-	-	-	50	150	200	50	(50)
U.S. GAAP Earnings Before Income Taxes	900	500	100	(200)	(500)	(700)	(350)	200

- These sensitivities illustrate the estimated impact of the indicated shocks beginning on the first market trading day following June 30, 2014, 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, 2014 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.

Proactive Management Actions in CBVA

1 Enhanced Annuitization Offer prospectus supplement declared effective by the SEC in July

- Enhancement Offer applies to the 2005 Guaranteed Minimum Income Benefit Rider Series *
- Those annuitizing during the 60 day Offer window will receive a 10% increase in GMIB Benefit Base

Offer May Benefit Contract Owners and Voya

Potential Benefits to Contract Owners include:

- Opportunity to receive income prior to the end of the waiting period
- Potential for increased amount of guaranteed income
- Surrender charges waived if applicable

Potential benefits to Voya Financial include:

- May reduce risk and cost of providing guarantees under the GMIB Rider
- Enhances understanding of policyholder behavior
- Provides insight for consideration of additional actions or programs to further reduce risk

Initiative Overview

- **MAY 2014**
Prospectus Supplement filed with SEC
State filing process commenced
- **JULY 2014**
Prospectus Supplement declared effective on July 21st
Majority of state approvals received
- **AUGUST 2014**
Remaining state approvals expected to be received
- **SEPTEMBER 2014**
Commencement of 60 day election window
- **MID-NOVEMBER 2014**
Annuitization election takes effect

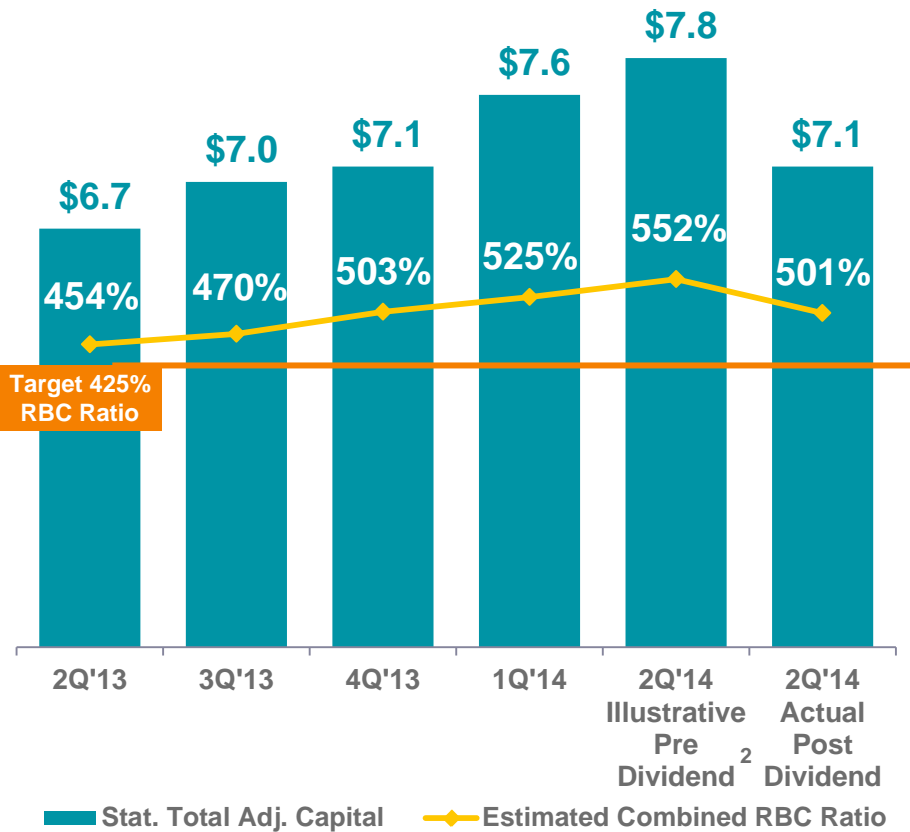
2 Milliman outsourcing agreement executed

- Innovative approach to creating a more variable cost structure for a run-off block

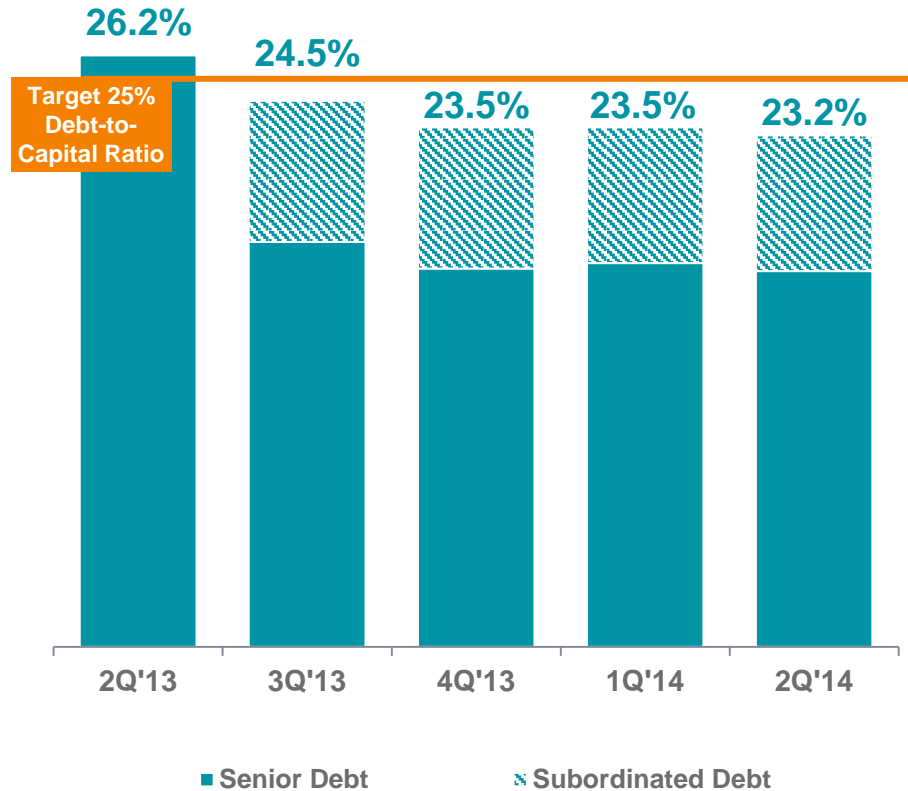
* 2005 GMIB Rider Series includes approximately 36,000 contracts and \$3.7 billion of account value as of June 30, 2014

Estimated Combined RBC Ratio¹ Strengthened 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 AOCI³



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

2. Pro forma to exclude the effects of upstreaming \$722 million in ordinary dividends to the holding company in 2Q'14; this does not take into account any related impacts to deferred tax assets

3. 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

Robust Capital Position

Holding Company Liquidity¹ (\$ million)

\$879

\$450 Liquidity
Target

6/30/14

Corporate & Closed Blocks GAAP Capital (\$ million)

\$2,825

\$1,082

\$879

\$490

\$374

6/30/14

- Estimated Statutory Surplus in Excess of 425% RBC Level
- Holding Co Working Capital
- Other²
- Statutory Surplus Supporting Other Closed Blocks

Share Buybacks (\$ million)

Additional \$500 Authorization

Previous \$300 Authorization

\$259
repurchased

3/31/14

\$289
repurchased

6/30/14

1. Target of 24-month holding company liquidity represents \$450 million; holding company liquidity includes cash and cash equivalents
2. Primarily reflects certain intangible and tax assets net of certain corporate liabilities

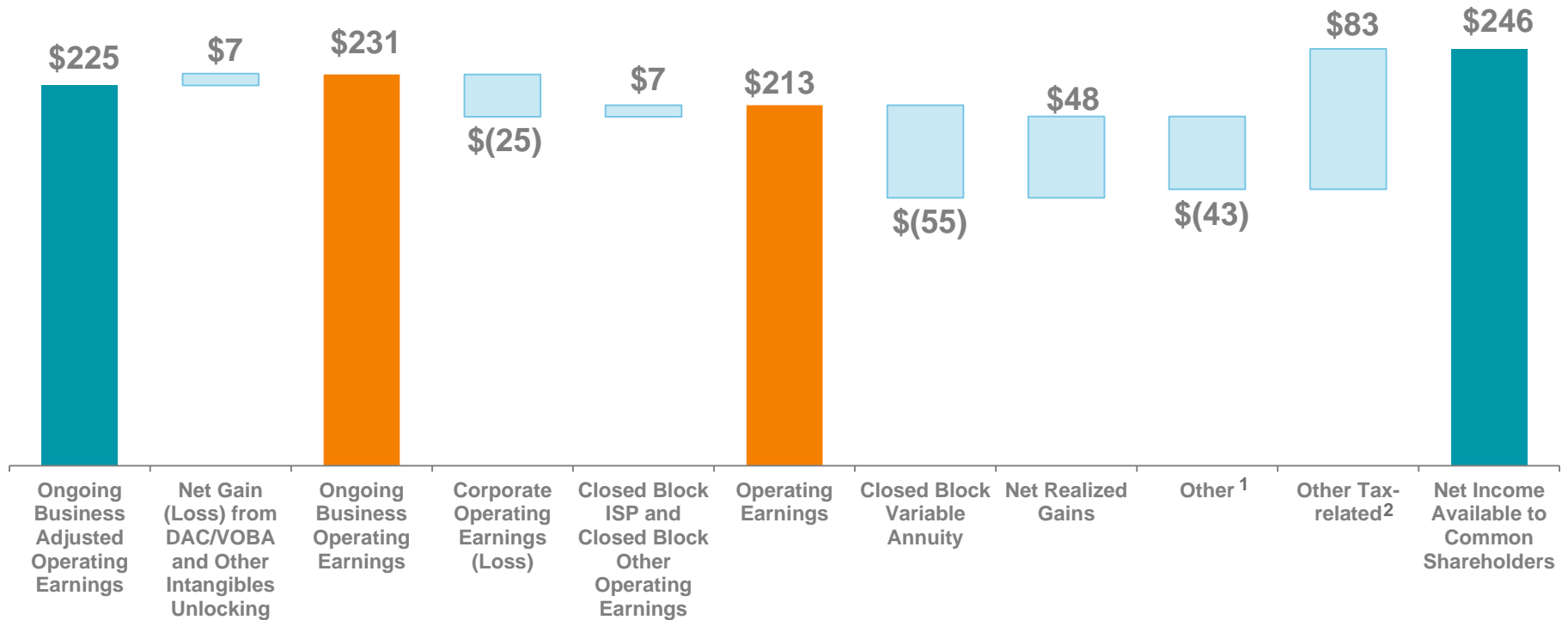
- 1 Premier Franchise with Leading Positions in Attractive Markets**
- 2 Experienced Management Team With a Goal of 400-500 bps ROE Improvement from 2012 to 12-13% in 2016**
- 3 Solid Foundation Based on a Re-Capitalized and De-Risked Balance Sheet**



Appendix

Reconciliation of 2Q'14 Ongoing Business Adjusted Operating Earnings to Net Income

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



1. Other 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. 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 rate of 35% used to calculate operating earnings. The difference is primarily driven by changes in tax valuation allowances

Diversified Drivers of Operating Revenues

Net Underwriting Gain (Loss) and Other Revenue

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

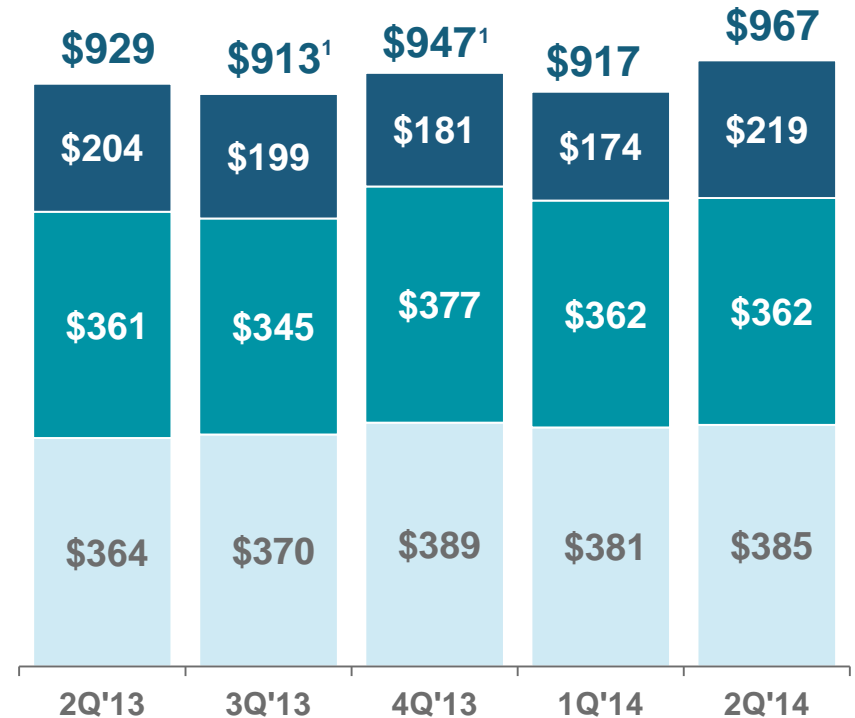
Investment Spread and Other Investment Income

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 Revenues (\$ millions)



1. Excludes the net gain from the Lehman bankruptcy settlement and the loss recognized as a result of marking low income housing tax credits partnerships to the sales price associated with their disposition in 3Q'13 and 4Q'13

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 Carried interest is minimal 			<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 Income on alternatives is usually lower 			

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



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