Voya Financial, Inc.
Form 10-Q
August 07, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q
(Mark One)

ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _ to _

Commission File Number: _001-35897____________________________________

Voya Financial, Inc.

(Exact name of registrant as specified in its charter)	
Delaware	52-1222820
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
230 Park Avenue	
New York, New York	10169
(Address of principal executive offices)	(Zip Code)
(212) 309-8200	
(Registrant’s telephone number, including area code)	
Securities registered pursuant to Section 12(b) of the Act:	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ý	Accelerated filer o
Non-accelerated filer o	Smaller reporting company o
(Do not check if a smaller reporting company)	

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ý

APPLICABLE ONLY TO CORPORATE ISSUERS:
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: As of July 31, 2015, 226,323,140 shares of Common Stock, $0.01 par value, were outstanding.

Voya Financial, Inc.
Form 10-Q for the period ended June 30, 2015

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For the purposes of the discussion in this Quarterly Report on Form 10-Q, the term Voya Financial, Inc. refers to Voya Financial, Inc. and the terms “Company,” “we,” “our,” and “us” refer to Voya Financial, Inc. and its subsidiaries.

NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including “Risk Factors,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 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," "Management’s Discussion and Analysis of Financial Condition and Results of Operations-Trends and Uncertainties" and "Business-Closed Blocks-CBVA" in the Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 001-35897) (the "Annual Report on Form 10-K") and "Risk Factors," in the Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (File No. 001-35897).

The risks included here are not exhaustive. Current reports on Form 8-K and other documents filed with the Securities and Exchange Commission (“SEC”) include additional factors that could affect our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements
Voya Financial, Inc.
Condensed Consolidated Balance Sheets
June 30, 2015 (Unaudited) and December 31, 2014
(In millions, except share and per share data)

	June 30, 2015	December 31, 2014 (As adjusted)
Assets:		
Investments:		
Fixed maturities, available-for-sale, at fair value (amortized cost of $64,448.5 as of 2015 and $64,045.0 as of 2014)	$68,162.5	$69,910.3
Fixed maturities, at fair value using the fair value option	3,568.1	3,564.5
Equity securities, available-for-sale, at fair value (cost of $249.0 as of 2015 and $242.0 as of 2014)	279.6	271.8
Short-term investments	1,064.5	1,711.4
Mortgage loans on real estate, net of valuation allowance of $2.8 as of 2015 and 2014	10,366.7	9,794.1
Policy loans	2,034.1	2,104.0
Limited partnerships/corporations	471.8	363.2
Derivatives	1,429.3	1,819.6
Other investments	93.3	110.3
Securities pledged (amortized cost of $906.8 as of 2015 and $1,089.3 as of 2014)	976.5	1,184.6
Total investments	88,446.4	90,833.8
Cash and cash equivalents	2,495.5	2,530.9
Short-term investments under securities loan agreements, including collateral delivered	678.9	827.0
Accrued investment income	906.8	891.7
Reinsurance recoverable	7,269.1	7,116.9
Deferred policy acquisition costs and Value of business acquired	5,089.9	4,570.9
Sales inducements to contract holders	265.6	253.6
Deferred income taxes	1,671.8	1,299.9
Goodwill and other intangible assets	266.0	284.4
Other assets	1,100.3	990.6
Assets related to consolidated investment entities:		
Limited partnerships/corporations, at fair value	4,201.9	3,727.3
Cash and cash equivalents	463.4	710.4
Corporate loans, at fair value using the fair value option	6,973.9	6,793.1
Other assets	425.1	92.4
Assets held in separate accounts	106,330.5	106,007.8
Total assets	$226,585.1	$226,930.7

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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Voya Financial, Inc.
Condensed Consolidated Balance Sheets
June 30, 2015 (Unaudited) and December 31, 2014
(In millions, except share and per share data)

	June 30, 2015	December 31, 2014 (As adjusted)
Liabilities and Shareholders' Equity:		
Future policy benefits	$15,748.5	$15,632.2
Contract owner account balances	69,844.7	69,319.5
Payables under securities loan agreements, including collateral held	1,251.4	1,445.0
Long-term debt	3,486.0	3,515.7
Funds held under reinsurance agreements	1,027.4	1,159.6
Derivatives	705.8	849.3
Pension and other postretirement provisions	789.7	826.2
Current income taxes	13.2	84.8
Other liabilities	1,169.4	1,333.2
Liabilities related to consolidated investment entities:		
Collateralized loan obligations notes, at fair value using the fair value option	6,986.6	6,838.1
Other liabilities	1,683.0	1,357.8
Liabilities related to separate accounts	106,330.5	106,007.8
Total liabilities	209,036.2	208,369.2
Shareholders' equity:		
Common stock ($0.01 par value per share; 900,000,000 shares authorized, 265,272,242 and 263,653,468 shares issued as of 2015 and 2014, respectively; 226,313,974 and 241,875,485 shares outstanding as of 2015 and 2014, respectively)	2.7	2.6
Treasury stock (at cost; 38,958,268 and 21,777,983 shares as of 2015 and 2014, respectively)	(1,570.5)	(807.0)
Additional paid-in capital	23,674.1	23,650.1
Accumulated other comprehensive income (loss)	2,109.2	3,103.7
Retained earnings (deficit):		
Appropriated-consolidated investment entities	(10.9)	20.4
Unappropriated	(9,348.8)	(9,823.6)
Total Voya Financial, Inc. shareholders' equity	14,855.8	16,146.2
Noncontrolling interest	2,693.1	2,415.3
Total shareholders' equity	17,548.9	18,561.5
Total liabilities and shareholders' equity	$226,585.1	$226,930.7

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Condensed Consolidated Statements of Operations
For the Three and Six Months Ended June 30, 2015 and 2014 (Unaudited)
(In millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014 (As adjusted)	2015	2014 (As adjusted)
Revenues:				
Net investment income	$1,134.0	$1,120.9	$2,308.6	$2,266.5
Fee income	872.4	897.3	1,772.2	1,829.1
Premiums	667.2	629.4	1,276.0	1,230.3
Net realized capital gains (losses):				
Total other-than-temporary impairments	(8.0)	(2.6)	(10.6)	(5.9)
Less: Portion of other-than-temporary impairments recognized in Other comprehensive income (loss)	0.4	(0.1)	2.7	(0.1)
Net other-than-temporary impairments recognized in earnings	(8.4)	(2.5)	(13.3)	(5.8)
Other net realized capital gains (losses)	8.1	(362.0)	(246.5)	(545.3)
Total net realized capital gains (losses)	(0.3)	(364.5)	(259.8)	(551.1)
Other revenue	105.9	110.3	208.6	215.8
Income (loss) related to consolidated investment entities:				
Net investment income	257.0	300.5	353.9	382.0
Changes in fair value related to collateralized loan obligations	(42.3)	6.2	(34.6)	2.4
Total revenues	2,993.9	2,700.1	5,624.9	5,375.0
Benefits and expenses:				
Policyholder benefits	958.8	811.2	1,845.8	1,676.2
Interest credited to contract owner account balances	490.2	494.0	974.9	987.1
Operating expenses	771.0	758.3	1,539.8	1,547.8
Net amortization of Deferred policy acquisition costs and Value of business acquired	153.1	115.7	271.2	241.8
Interest expense	56.6	47.5	104.0	95.1
Operating expenses related to consolidated investment entities:				
Interest expense	74.7	49.5	137.2	95.7
Other expense	3.3	2.9	4.5	4.0
Total benefits and expenses	2,507.7	2,279.1	4,877.4	4,647.7
Income (loss) before income taxes	486.2	421.0	747.5	727.3
Income tax expense (benefit)	119.1	6.1	164.7	36.8
Net income (loss)	367.1	414.9	582.8	690.5
Less: Net income (loss) attributable to noncontrolling interest	81.9	166.6	108.0	180.1
Net income (loss) available to Voya Financial, Inc.'s common shareholders	$285.2	$248.3	$474.8	$510.4
Net income (loss) available to Voya Financial, Inc.'s common shareholders per common share:				
Basic	$1.25	$0.98	$2.03	$1.98
Diluted	$1.24	$0.97	$2.02	$1.96
Cash dividends declared per share of common stock	$0.01	$0.01	$0.02	$0.02

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Condensed Consolidated Statements of Comprehensive Income
For the Three and Six Months Ended June 30, 2015 and 2014 (Unaudited)
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014 (As adjusted)	2015	2014 (As adjusted)
Net income (loss)	$367.1	$414.9	$582.8	$690.5
Other comprehensive income (loss), before tax:				
Unrealized gains (losses) on securities	(2,184.1)	879.1	(1,529.7)	1,989.2
Other-than-temporary impairments	3.7	8.7	9.4	24.3
Pension and other postretirement benefits liability	(3.5)	(3.5)	(6.9)	(6.9)
Other comprehensive income (loss), before tax	(2,183.9)	884.3	(1,527.2)	2,006.6
Income tax expense (benefit) related to items of other comprehensive income (loss)	(761.9)	309.1	(532.7)	703.0
Other comprehensive income (loss), after tax	(1,422.0)	575.2	(994.5)	1,303.6
Comprehensive income (loss)	(1,054.9)	990.1	(411.7)	1,994.1
Less: Comprehensive income (loss) attributable to noncontrolling interest	81.9	166.6	108.0	180.1
Comprehensive income (loss) attributable to Voya Financial, Inc.'s common shareholders	$(1,136.8)	$823.5	$(519.7)	$1,814.0

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Condensed Consolidated Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2015 (Unaudited)
(In millions)

	Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit) Appropriated	Retained Earnings (Deficit) Unappropriated	Total Voya Financial, Inc. Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
Balance as of January 1, 2015 - As adjusted	$ 2.6	$ (807.0)	$ 23,650.1	$ 3,103.7	$ 20.4	$ (9,823.6)	$ 16,146.2	$ 2,415.3	$ 18,561.5
Comprehensive income (loss):									
Net income (loss)	—	—	—	—	—	474.8	474.8	108.0	582.8
Other comprehensive income (loss), after tax	—	—	—	(994.5)	—	—	(994.5)	—	(994.5)
Total comprehensive income (loss)							(519.7)	108.0	(411.7)
Reclassification of noncontrolling interest	—	—	—	—	(31.3)	—	(31.3)	31.3	—
Common stock acquired - Share repurchase	—	(759.0)	—	—	—	—	(759.0)	—	(759.0)
Dividends on common stock	—	—	(4.7)	—	—	—	(4.7)	—	(4.7)
Share-based compensation	0.1	(4.5)	28.7	—	—	—	24.3	—	24.3
Contributions from (Distributions to) noncontrolling interest, net	—	—	—	—	—	—	—	138.5	138.5
Balance as of June 30, 2015	$ 2.7	$ (1,570.5)	$ 23,674.1	$ 2,109.2	$ (10.9)	$ (9,348.8)	$ 14,855.8	$ 2,693.1	$ 17,548.9

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Condensed Consolidated Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2014 (Unaudited)
(In millions)

	Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit) Appropriated	Retained Earnings (Deficit) Unappropriated	Total Voya Financial, Inc. Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
Balance as of January 1, 2014 - As adjusted	$ 2.6	$—	$23,563.7	$ 1,849.1	$18.4	$ (12,118.6)	$ 13,315.2	$ 2,241.8	$ 15,557.0
Comprehensive income (loss):									
Net income (loss)	—	—	—	—	—	$ 510.4	510.4	180.1	690.5
Other comprehensive income (loss), after tax	—	—	—	1,303.6	—	—	1,303.6	—	1,303.6
Total comprehensive income (loss)							1,814.0	180.1	1,994.1
Reclassification of noncontrolling interest	—	—	—	—	5.9	—	5.9	(5.9)	—
Common stock acquired - Share repurchase	—	(289.4)	—	—	—	—	(289.4)	—	(289.4)
Dividends on common stock	—	—	(5.2)	—	—	—	(5.2)	—	(5.2)
Share-based compensation	—	(14.8)	41.4	—	—	—	26.6	—	26.6
Contributions from (Distributions to) noncontrolling interest, net	—	—	—	—	—	—	—	29.2	29.2
Balance as of June 30, 2014 - As adjusted	$ 2.6	$ (304.2)	$23,599.9	$ 3,152.7	$24.3	$ (11,608.2)	$ 14,867.1	$ 2,445.2	$ 17,312.3

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Condensed Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2015 and 2014 (Unaudited)
(In millions)

	Six Months Ended June 30,	
	2015	2014
Net cash provided by operating activities	$1,483.2	$1,817.4
Cash Flows from Investing Activities:		
Proceeds from the sale, maturity, disposal or redemption of:		
Fixed maturities	5,164.6	6,095.4
Equity securities, available-for-sale	30.8	59.1
Mortgage loans on real estate	547.7	639.7
Limited partnerships/corporations	104.0	52.0
Acquisition of:		
Fixed maturities	(5,552.7)	(6,052.3)
Equity securities, available-for-sale	(38.0)	(13.5)
Mortgage loans on real estate	(1,119.5)	(818.6)
Limited partnerships/corporations	(207.4)	(170.9)
Short-term investments, net	646.9	272.2
Policy loans, net	69.9	33.3
Derivatives, net	(170.7)	(549.0)
Other investments, net	17.0	24.7
Sales from consolidated investment entities	2,440.0	1,790.0
Purchases within consolidated investment entities	(3,539.7)	(2,892.0)
Collateral received (delivered), net	(45.7)	85.2
Purchases of fixed assets, net	(24.0)	(18.9)
Net cash used in investing activities	(1,676.8)	(1,463.6)
Cash Flows from Financing Activities:		
Deposits received for investment contracts	3,628.0	3,798.5
Maturities and withdrawals from investment contracts	(3,367.2)	(4,505.2)
Repayment of debt with maturities of more than three months	(30.6)	—
Debt issuance costs	(6.8)	(16.8)
Borrowings of consolidated investment entities	832.8	191.0
Repayments of borrowings of consolidated investment entities	(404.6)	(38.7)
Contributions from (distributions to) participants in consolidated investment entities	255.0	828.0
Excess tax benefits on share-based compensation	1.5	—
Share-based compensation	(4.4)	(14.8)
Common stock acquired - Share repurchase	(740.8)	(289.4)
Dividends paid	(4.7)	(5.2)
Net cash provided by (used in) financing activities	158.2	(52.6)
Net (decrease) increase in cash and cash equivalents	(35.4)	301.2
Cash and cash equivalents, beginning of period	2,530.9	2,840.8
Cash and cash equivalents, end of period	$2,495.5	$3,142.0

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Voya Financial, Inc.
Notes to the Condensed Consolidated Financial Statements (Unaudited)
(Dollar amounts in millions, unless otherwise stated)

1. Business, Basis of Presentation and Significant Accounting Policies

Business

Voya Financial, Inc. (which changed its name from ING U.S., Inc. on April 7, 2014) and its subsidiaries (collectively the “Company”) is a financial services organization in the United States that offers a broad range of retirement services, annuities, investment management services, mutual funds, life insurance, group insurance and supplemental health products. Prior to April 20, 2015, the Company provided principal products and services in three ongoing businesses—Retirement Solutions, Investment Management and Insurance Solutions—and reported results for the ongoing businesses through five segments. Effective April 20, 2015, the Company provides principal products and services in two ongoing businesses ("Ongoing Business")—Retirement and Investment Solutions; and Insurance Solutions. This change did not affect the Company's five ongoing operating segments. The Company also has a Corporate segment, which includes the financial data not directly related to the businesses, and Closed Block segments. See the Segments Note to these Condensed Consolidated Financial Statements.

Prior to May 2013, the Company was an indirect, wholly-owned subsidiary of ING Groep N.V. (“ING Group” or “ING”), a global financial services holding company based in The Netherlands, with American Depository Shares listed on the New York Stock Exchange. In 2009, ING Group announced the anticipated separation of its global banking and insurance businesses, including the divestiture of the Company. On April 11, 2013, the Company announced plans to rebrand as Voya Financial. On May 2, 2013, the common stock of Voya Financial, Inc. began trading on the New York Stock Exchange under the symbol “VOYA.” On May 7, 2013 and May 31, 2013, Voya Financial, Inc. completed its initial public offering of common stock, including the issuance and sale by Voya Financial, Inc. of 30,769,230 shares of common stock and the sale by ING Insurance International B.V. (“ING International”), an indirect wholly owned subsidiary of ING Group and previously the sole stockholder of Voya Financial, Inc., of 44,201,773 shares of outstanding common stock of Voya Financial, Inc. (collectively, the “IPO”). On September 30, 2013, ING International transferred all of its remaining shares of Voya Financial, Inc. common stock to ING Group.

On October 29, 2013, ING Group completed a sale of 37,950,000 shares of common stock of the Company in a registered public offering (“Secondary Offering”), reducing ING Group's ownership in the Company to 57%.

In 2014, ING Group completed sales of 82,783,006 shares of common stock of Voya Financial, Inc. in three registered public offerings throughout the year (the "2014 Offerings"). In conjunction with each of these offerings, pursuant to the terms of share repurchase agreements between ING Group and Voya Financial, Inc., Voya Financial, Inc. acquired 19,447,847 shares of its common stock from ING Group (the “2014 Direct Share Repurchases”) (the 2014 Offerings and the 2014 Direct Share Repurchases collectively, the “2014 Transactions”). Upon completion of the 2014 Transactions, ING Group's ownership of Voya Financial, Inc. was reduced to approximately 19%.

On March 9, 2015, ING Group completed a sale of 32,018,100 shares of common stock of Voya Financial, Inc. in a registered public offering (the “March 2015 Offering”). Also on March 9, 2015, pursuant to the terms of a share repurchase agreement between ING Group and Voya Financial, Inc., Voya Financial, Inc. acquired 13,599,274 shares of its common stock from ING Group (the “March 2015 Direct Share Repurchase”) (the March 2015 Offering and the March 2015 Direct Share Repurchase collectively, the “March 2015 Transactions”). Upon completion of the March 2015 Transactions, ING Group has exited its stake in Voya Financial, Inc. common stock. ING Group continues to hold warrants to purchase up to 26,050,846 shares of Voya Financial, Inc. common stock at an exercise price of $48.75, in each case subject to adjustments. As a result of the completion of the March 2015 Transactions, ING Group has satisfied the provisions of its agreement with the European Union regarding the divestment of its U.S. insurance and investment operations, which required ING Group to divest 100% of its ownership interest in Voya Financial, Inc. together with its subsidiaries by the end of 2016.

Basis of Presentation

The accompanying Condensed Consolidated Financial Statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) and are unaudited. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Condensed Consolidated Financial

Statements and the reported amounts of revenues and expenses during the reporting period. Those estimates are inherently subject to change and actual results could differ from those estimates.

The Condensed Consolidated Financial Statements include the accounts of Voya Financial, Inc. and its subsidiaries, as well as partnerships (voting interest entities ("VOEs")) in which the Company has control and variable interest entities ("VIEs") for which the Company is the primary beneficiary. See the Consolidated Investment Entities Note to these Condensed Consolidated Financial Statements. Intercompany transactions and balances have been eliminated.

The accompanying Condensed Consolidated Financial Statements reflect adjustments (including normal, recurring adjustments) necessary to present fairly the financial position of the Company as of June 30, 2015, its results of operations and comprehensive income for the three and six months ended June 30, 2015 and 2014, and its changes in shareholders' equity and statements of cash flows for the six months ended June 30, 2015 and 2014, in conformity with U.S. GAAP. Interim results are not necessarily indicative of full year performance. The December 31, 2014 Consolidated Balance Sheet is from the audited Consolidated Financial Statements included in the Company's Annual Report on Form 10-K, filed with the SEC. Therefore, these unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K.

Revision of Previously Issued Financial Statements

As part of the Company's ongoing process of validating actuarial models, the Company identified improper inputs to the calculation of the estimated fair value of the embedded derivative in certain of its guaranteed minimum withdrawal benefits with life payouts ("GMWBL") products. The products are included in the Company's Closed Block Variable Annuity ("CBVA") segment, and are no longer offered by the Company. The errors affected the Company's U.S. GAAP financial statements for periods prior to and including the three months ended March 31, 2015, and did not impact regulatory or rating agency capital. The errors did not affect our variable annuity policyholders in any manner.

Based on an analysis of quantitative and qualitative factors in accordance with SEC Staff Accounting Bulletins 99 and 108, the Company concluded that these errors were not material to the consolidated financial position, results of operations or cash flows as presented in the Company's quarterly and annual financial statements that have been previously filed in the Company's Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. As a result, amendment of such reports is not required. In preparing its financial statements for the three and six months ended June 30, 2015, the Company has made appropriate revisions to its financial statements for historical periods. Such changes are reflected in the financial results for the three and six months ended June 30, 2014 and as of December 31, 2014 included in these interim financial statements and will also be reflected in the historical financial results included in the Company's subsequent quarterly and annual consolidated financial statements.

The correction results in changes to the liabilities with the corresponding tax effects as follows:
(a) Liabilities: Lower Future policy benefits, with the change recorded in Other net realized capital gains (losses).
(b) Assets: Lower Deferred income taxes (after considering the impacts of valuation allowances), with the change recorded as Income tax expense (benefit).

The following tables quantify the prior period impact of this revision.

Balance Sheets:

	December 31, 2014			December 31, 2013		
	As originally reported	Effect of change	As adjusted	As originally reported	Effect of change	As adjusted
Deferred income taxes	$1,320.6	$(20.7)	$1,299.9	$162.1	$—	$162.1
Future policy benefits	15,691.2	(59.0)	15,632.2	14,098.4	(43.0)	14,055.4
Retained earnings (deficit) - Unappropriated	(9,861.9)	38.3	(9,823.6)	(12,161.6)	43.0	(12,118.6)

Voya Financial, Inc.
Notes to the Condensed Consolidated Financial Statements (Unaudited)
(Dollar amounts in millions, unless otherwise stated)

Statements of Operations:

	Three Months Ended June 30, 2014			Six Months Ended June 30, 2014		
	As originally reported	Effect of change	As adjusted	As originally reported	Effect of change	As adjusted
Other net realized capital gains (losses)	$(364.0)	$2.0	$(362.0)	$(551.3)	$6.0	$(545.3)
Income tax expense (benefit)	6.1	—	6.1	36.8	—	36.8
Net income (loss)	412.9	2.0	414.9	684.5	6.0	690.5
Net income (loss) available to Voya Financial, Inc.'s common shareholders	246.3	2.0	248.3	504.4	6.0	510.4
Net income (loss) available to Voya Financial, Inc.'s common shareholders per share:						
Basic	$0.97	$0.01	$0.98	$1.96	$0.02	$1.98
Diluted	$0.96	$0.01	$0.97	$1.94	$0.02	$1.96

	Three Months Ended March 31, 2015		
	As originally reported	Effect of change	As adjusted
Other net realized capital gains (losses)	$(259.6)	$5.0	$(254.6)
Income tax expense (benefit)	44.7	0.9	45.6
Net income (loss)	211.6	4.1	215.7
Net income (loss) available to Voya Financial, Inc.'s common shareholders	185.5	4.1	189.6
Net income (loss) available to Voya Financial, Inc.'s common shareholders per share:			
Basic	$0.78	$0.02	$0.80
Diluted	$0.77	$0.02	$0.79

Additionally, the impact of this revision to Income (loss) before income taxes was $16.0, $(2.0) and $17.0 for the years ended December 31, 2014, 2013 and 2012, respectively.

Certain of the prior period line items in the condensed consolidated statements of comprehensive income, cash flows and shareholders' equity were immaterially affected by the revision of previously issued financial statements. All of the line item changes in the condensed consolidated statements of cash flows were included in the operating activities section. There were no changes to the condensed consolidated statements of comprehensive income and condensed consolidated statements of shareholders' equity, except for the effects of the changes described above.

Adoption of New Pronouncements

Repurchase Agreements
In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-11, "Transfers and Servicing (Accounting Standards Codification ("ASC") Topic 860): Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures" ("ASU 2014-11"), which (1) changes the accounting for

repurchase-to-maturity transactions to secured borrowing accounting, and (2) requires separate accounting for a transfer of a financial asset executed with a repurchase agreement with the same counterparty. This will result in secured borrowing accounting for the repurchase agreement. The amendments also require additional disclosures for certain transactions accounted for as a sale and for repurchase agreements, securities lending transactions and repurchase-to-maturity transactions that are accounted for as secured borrowings.

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The provisions of ASU 2014-11 were adopted by the Company on January 1, 2015, with the exception of disclosure amendments for repurchase agreements, securities lending transactions and repurchase-to-maturity transactions that are accounted for as secured borrowings, which were adopted April 1, 2015. The adoption of the January 1, 2015 provisions had no effect on the Company's financial condition, results of operations or cash flows. The April 1, 2015 disclosure provisions are included in the Investments (excluding Consolidated Investment Entities) Note to these Condensed Consolidated Financial Statements.

Discontinued Operations and Disposals

In April 2014, the FASB issued ASU 2014-08, "Presentation of Financial Statements (ASC Topic 205) and Property, Plant, and Equipment (ASC Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity" ("ASU 2014-08"), which requires the disposal of a component of an entity to be reported in discontinued operations if the disposal represents a strategic shift that has, or will have, a major effect on the entity's operations and financial results. The component should be reported in discontinued operations when it meets the criteria to be classified as held for sale, is disposed of by sale or is disposed of other than by sale.

The amendments also require additional disclosures about discontinued operations, including disclosures about an entity's significant continuing involvement with a discontinued operation and disclosures for a disposal of an individually significant component of an entity that does not qualify for discontinued operations.

The provisions of ASU 2014-08 were adopted prospectively by the Company on January 1, 2015. The adoption had no effect on the Company's financial condition, results of operations or cash flows.

Future Adoption of Accounting Pronouncements

Short-Duration Contracts

In May 2015, the FASB issued ASU 2015-09, "Financial Services - Insurance (ASC Topic 944): Disclosures about Short-Duration Contracts" ("ASU 2015-09"), which requires insurance entities to disclose, for annual reporting periods, information about the liability for unpaid claims and claim adjustment expenses and about significant changes in methodologies and assumptions used to calculate the liability for unpaid claims and claims adjustment expenses. The standard also requires entities to disclose, for annual and interim reporting periods, a rollforward of the liability for unpaid claims and claim adjustment expenses.

The provisions of ASU 2015-09 are effective, retrospectively, for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016, with early adoption permitted. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2015-09.

Investments That Calculate Net Asset Value

In May 2015, the FASB issued ASU 2015-07, "Fair Value Measurement (ASC Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)" ("ASU 2015-07"), which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. In addition, the standard limits certain disclosures to investments for which the entity has elected to measure the fair value using the practical expedient, rather than for all investments that are eligible to be measured at fair value using the net asset value per share.

The provisions of ASU 2015-07 are effective, retrospectively, for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years, with early adoption permitted. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2015-07.

Internal-Use Software

In April 2015, the FASB issued ASU 2015-05, "Intangibles - Goodwill and Other-Internal-Use Software (ASC Subtopic 350-40): Customer’s Accounting for Fees Paid in a Cloud Computing Arrangement" ("ASU 2015-05"), which clarifies that customers should account for software licenses included in cloud computing arrangements (ex. software as a service) consistent with the acquisition of other software licenses. If the arrangement does not include a software license, the customer should account for the arrangement as a service contract.

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The provisions of ASU 2015-05 are effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted. The amendments can be applied prospectively or retrospectively. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2015-05.

Defined Benefit Plans

In April 2015, the FASB issued ASU 2015-04, "Compensation - Retirement Benefits (ASC Topic 715): Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets" ("ASU 2015-04"), which permits remeasurement of defined benefit plan assets and obligations resulting from the occurrence of a significant event using the month-end that is closest to the date of the event.

The provisions of ASU 2015-04 are effective, prospectively, for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years, with early adoption permitted. The Company does not expect ASU 2015-04 to have an impact.

Debt Issuance Costs

In April 2015, the FASB issued ASU 2015-03, "Interest - Imputation of Interest (ASC Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs" ("ASU 2015-03"), which requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability.

The provisions of ASU 2015-03 are effective, retrospectively, for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years, with early adoption permitted. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2015-03.

Consolidation

In February 2015, the FASB issued ASU 2015-02, "Consolidation (ASC Topic 810): Amendments to the Consolidation Analysis" ("ASU 2015-02"), which:

- Modifies the evaluation of whether limited partnerships and similar legal entities are VIEs or VOEs, including the requirement to consider the rights of all equity holders at risk to determine if they have the power to direct the entity's most significant activities.
- Eliminates the presumption that a general partner should consolidate a limited partnership. Limited partnerships and similar entities will be VIEs unless the limited partners hold substantive kick-out rights or participating rights.
- Affects the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships.
- Provides a new scope exception for registered money market funds and similar unregistered money market funds, and ends the deferral granted to investment companies from applying the VIE guidance.

The provisions of ASU 2015-02 are effective for annual periods, and for interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted, using either a retrospective or modified retrospective approach. The Company is currently in the process of determining the impact of the adoption of the provisions of ASU 2015-02.

Going Concern

In August 2014, the FASB issued ASU 2014-15, “Presentation of Financial Statements-Going Concern (ASC Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern” (“ASU 2014-15”), which requires management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity’s ability to continue as a going concern within one year after the date that the financial statements are issued. The provisions of ASU 2014-15 will not affect a company's financial condition, results of operations, or cash flows, but require disclosure if management determines there is substantial doubt, including management’s plans to alleviate or mitigate the conditions or events that raise substantial doubt.

The provisions of ASU 2014-15 are effective for annual periods ending after December 15, 2016, and annual and interim periods thereafter. The Company does not expect ASU 2014-15 to have an impact.

Collateralized Financing Entities

In August 2014, the FASB issued ASU 2014-13, “Consolidation (ASC Topic 810): Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity” (“ASU 2014-13”), which allows an entity to elect to measure the financial assets and financial liabilities of a consolidated collateralized financing entity using either:

- ASC Topic 820, whereby both the financial assets and liabilities are measured using the requirements of ASC Topic 820, with any difference reflected in earnings and attributed to the reporting entity in the statement of operations.
- The measurement alternative, whereby both the financial assets and liabilities are measured using the more observable of the fair value of the financial assets and the fair value of the financial liabilities.

The provisions of ASU 2014-13 are effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted. The Company is currently in the process of determining the impact of the adoption of the provisions of ASU 2014-13.

Share-based Payments

In June 2014, the FASB issued ASU 2014-12, “Compensation-Stock Compensation (ASC Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period“ (“ASU 2014-12”), which requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition and should not be reflected in estimating the grant-date fair value of the award. Compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved.

The provisions of ASU 2014-12 are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. The amendments can be applied prospectively or retrospectively. The Company does not expect ASU 2014-12 to have an impact on its financial condition or results of operations, as the guidance is consistent with that previously applied.

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers (ASC Topic 606)” (“ASU 2014-09”), which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized when, or as, the entity satisfies a performance obligation under the contract. The standard also requires disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

In July 2015, the FASB voted to amend the effective date of ASU 2014-09 to fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Early adoption is permitted as of the original effective date, which is January 1, 2017. The provisions of ASU 2014-09 are effective retrospectively. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2014-09.

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2. Investments (excluding Consolidated Investment Entities)

Fixed Maturities and Equity Securities

Available-for-sale and fair value option ("FVO") fixed maturities and equity securities were as follows as of June 30, 2015:

	Amortized Cost	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Embedded Derivatives[2]	Fair Value	OTTI[3]
Fixed maturities:						
U.S. Treasuries	$2,773.9	$457.8	$0.1	$—	$3,231.6	$—
U.S. Government agencies and authorities	375.8	44.9	—	—	420.7	—
State, municipalities and political subdivisions	839.4	20.5	19.3	—	840.6	—
U.S. corporate public securities	32,483.1	1,989.2	423.1	—	34,049.2	9.6
U.S. corporate private securities	6,201.0	288.8	83.9	—	6,405.9	—
Foreign corporate public securities and foreign governments[1]	8,183.2	389.8	144.5	—	8,428.5	—
Foreign corporate private securities[1]	7,425.0	414.9	34.3	—	7,805.6	—
Residential mortgage-backed securities:						
Agency	4,648.9	415.2	15.8	64.3	5,112.6	0.4
Non-Agency	864.2	149.3	7.4	39.0	1,045.1	53.5
Total Residential mortgage-backed securities	5,513.1	564.5	23.2	103.3	6,157.7	53.9
Commercial mortgage-backed securities	3,808.6	188.2	9.1	—	3,987.7	6.7
Other asset-backed securities	1,320.3	73.7	14.4	—	1,379.6	6.4
Total fixed maturities, including securities pledged	68,923.4	4,432.3	751.9	103.3	72,707.1	76.6
Less: Securities pledged	906.8	85.3	15.6	—	976.5	—
Total fixed maturities	68,016.6	4,347.0	736.3	103.3	71,730.6	76.6
Equity securities:						
Common stock	198.6	0.5	0.2	—	198.9	—
Preferred stock	50.4	30.3	—	—	80.7	—
Total equity securities	249.0	30.8	0.2	—	279.6	—
	$68,265.6	$4,377.8	$736.5	$103.3	$72,010.2	$76.6

Total fixed maturities and equity
securities investments

(1) Primarily U.S. dollar denominated.

(2) Embedded derivatives within fixed maturity securities are reported with the host investment. The changes in fair value of embedded derivatives are reported in Other net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.

(3) Represents Other-than-Temporary-Impairments ("OTTI") reported as a component of Other comprehensive income (loss).

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Available-for-sale and FVO fixed maturities and equity securities were as follows as of December 31, 2014:

	Amortized Cost	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Embedded Derivatives[2]	Fair Value	OTTI[3]
Fixed maturities:						
U.S. Treasuries	$3,279.0	$625.9	$0.9	$—	$3,904.0	$—
U.S. Government agencies and authorities	376.1	59.8	—	—	435.9	—
State, municipalities and political subdivisions	659.5	35.4	0.5	—	694.4	—
U.S. corporate public securities	31,415.6	3,067.8	139.7	—	34,343.7	10.2
U.S. corporate private securities	6,009.9	411.4	24.2	—	6,397.1	—
Foreign corporate public securities and foreign governments[1]	7,975.0	515.3	101.1	—	8,389.2	—
Foreign corporate private securities[1]	7,556.6	515.3	16.9	—	8,055.0	—
Residential mortgage-backed securities:						
Agency	4,983.3	421.0	13.0	72.5	5,463.8	0.4
Non-Agency	989.4	168.9	8.6	43.3	1,193.0	62.1
Total Residential mortgage-backed securities	5,972.7	589.9	21.6	115.8	6,656.8	62.5
Commercial mortgage-backed securities	3,916.3	273.3	1.4	—	4,188.2	6.7
Other asset-backed securities	1,538.1	74.3	17.3	—	1,595.1	6.6
Total fixed maturities, including securities pledged	68,698.8	6,168.4	323.6	115.8	74,659.4	86.0
Less: Securities pledged	1,089.3	109.2	13.9	—	1,184.6	—
Total fixed maturities	67,609.5	6,059.2	309.7	115.8	73,474.8	86.0
Equity securities:						
Common stock	191.5	0.5	0.2	—	191.8	—
Preferred stock	50.5	29.5	—	—	80.0	—
Total equity securities	242.0	30.0	0.2	—	271.8	—
Total fixed maturities and equity securities investments	$67,851.5	$6,089.2	$309.9	$115.8	$73,746.6	$86.0

(1) Primarily U.S. dollar denominated.
(2) Embedded derivatives within fixed maturity securities are reported with the host investment. The changes in fair value of embedded derivatives are reported in Other net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.

(3) Represents OTTI reported as a component of Other comprehensive income (loss).

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The amortized cost and fair value of fixed maturities, including securities pledged, as of June 30, 2015, are shown below by contractual maturity. Actual maturities may differ from contractual maturities as securities may be restructured, called or prepaid. Mortgage-backed securities ("MBS") and Other asset-backed securities ("ABS") are shown separately because they are not due at a single maturity date.

	Amortized Cost	Fair Value
Due to mature:		
One year or less	$1,803.3	$1,825.8
After one year through five years	12,607.6	13,257.7
After five years through ten years	20,249.3	20,720.6
After ten years	23,621.2	25,378.0
Mortgage-backed securities	9,321.7	10,145.4
Other asset-backed securities	1,320.3	1,379.6
Fixed maturities, including securities pledged	$68,923.4	$72,707.1

The investment portfolio is monitored to maintain a diversified portfolio on an ongoing basis. Credit risk is mitigated by monitoring concentrations by issuer, sector and geographic stratification and limiting exposure to any one issuer.

As of June 30, 2015 and December 31, 2014, the Company did not have any investments in a single issuer, other than obligations of the U.S. Government and government agencies, with a carrying value in excess of 10% of the Company's condensed consolidated Shareholders' equity.

The following tables set forth the composition of the U.S. and foreign corporate securities within the fixed maturity portfolio by industry category as of the dates indicated:

	Amortized Cost	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Fair Value
June 30, 2015				
Communications	$3,947.5	$317.0	$37.0	$4,227.5
Financial	7,643.0	526.6	45.8	8,123.8
Industrial and other companies	31,596.3	1,496.4	483.2	32,609.5
Utilities	8,645.3	600.0	80.1	9,165.2
Transportation	1,602.2	98.7	22.2	1,678.7
Total	$53,434.3	$3,038.7	$668.3	$55,804.7
December 31, 2014				
Communications	$3,934.5	$512.4	$5.7	$4,441.2
Financial	7,568.1	729.3	7.6	8,289.8
Industrial and other companies	30,055.8	2,109.3	231.0	31,934.1
Utilities	9,046.3	959.9	19.7	9,986.5
Transportation	1,494.1	151.9	3.9	1,642.1
Total	$52,098.8	$4,462.8	$267.9	$56,293.7

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Fixed Maturities and Equity Securities

The Company's fixed maturities and equity securities are currently designated as available-for-sale, except those accounted for using the FVO. Available-for-sale securities are reported at fair value and unrealized capital gains (losses) on these securities are recorded directly in Accumulated other comprehensive income (loss) (“AOCI”) and presented net of related changes in Deferred policy acquisition costs (“DAC”), Value of business acquired (“VOBA”) and Deferred income taxes. In addition, certain fixed maturities have embedded derivatives, which are reported with the host contract on the Condensed Consolidated Balance Sheets.

The Company has elected the FVO for certain of its fixed maturities to better match the measurement of assets and liabilities in the Condensed Consolidated Statements of Operations. Certain collateralized mortgage obligations (“CMOs”), primarily interest-only and principal-only strips, are accounted for as hybrid instruments and valued at fair value with changes in the fair value recorded in Other net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.

The Company invests in various categories of CMOs, including CMOs that are not agency-backed, that are subject to different degrees of risk from changes in interest rates and defaults. The principal risks inherent in holding CMOs are prepayment and extension risks related to significant decreases and increases in interest rates resulting in the prepayment of principal from the underlying mortgages, either earlier or later than originally anticipated. As of June 30, 2015 and December 31, 2014, approximately 46.9% and 44.4%, respectively, of the Company's CMO holdings, such as interest-only or principal-only strips, were invested in those types of CMOs that are subject to more prepayment and extension risk than traditional CMOs.

Public corporate fixed maturity securities are distinguished from private corporate fixed maturity securities based upon the manner in which they are transacted. Public corporate fixed maturity securities are issued initially through market intermediaries on a registered basis or pursuant to Rule 144A under the Securities Act of 1933 (the "Securities Act") and are traded on the secondary market through brokers acting as principal. Private corporate fixed maturity securities are originally issued by borrowers directly to investors pursuant to Section 4(a)(2) of the Securities Act, and are traded in the secondary market directly with counterparties, either without the participation of a broker or in agency transactions.

Repurchase Agreements

The Company engages in dollar repurchase agreements with mortgage-backed securities ("dollar rolls") and repurchase agreements with other collateral types to increase its return on investments and improve liquidity. Such arrangements meet the requirements to be accounted for as financing arrangements. The Company also enters into reverse repurchase agreements. These transactions involve a purchase of securities and an agreement to sell substantially the same securities as those purchased. As of June 30, 2015 and December 31, 2014, the Company did not have any securities pledged in dollar rolls, repurchase agreement transactions or reverse repurchase agreements.

Securities Lending

The Company engages in securities lending whereby certain securities from its portfolio are loaned to other institutions, through a lending agent, for short periods of time. The Company has the right to approve any institution with whom the lending agent transacts on its behalf. Initial collateral, primarily cash, is required at a rate of 102% of the market value of the loaned securities. The lending agent retains the collateral and invests it in short-term liquid assets on behalf of the Company. The market value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market value of the loaned securities fluctuates. The lending agent indemnifies the Company against losses resulting from the failure of a counterparty to return securities pledged where collateral is insufficient to cover the loss. As of June 30, 2015 and December 31, 2014, the fair value of loaned securities was $396.8 and $545.9, respectively, and is included in Securities pledged on the Condensed Consolidated Balance Sheets. As of June 30, 2015 and December 31, 2014, collateral retained by the lending agent and invested in short-term liquid assets on the Company's behalf was $413.2 and $563.9, respectively, and is recorded in Short-term investments under securities loan agreements, including collateral delivered on the Condensed Consolidated Balance Sheets. As of June 30, 2015 and December 31, 2014, liabilities to return collateral of $413.2 and $563.9, respectively, is included in Payables under securities loan agreements, including collateral held on the Condensed Consolidated Balance Sheets.

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The following table sets forth borrowings under securities lending transactions by class of collateral pledged for the dates indicated:

	June 30, 2015	December 31, 2014
U.S. Treasuries	$—	$205.4
U.S. Government agencies and authorities	—	17.3
U.S. corporate public securities	226.9	216.7
Foreign corporate public securities and foreign governments	186.3	124.5
Payables under securities loan agreements	$413.2	$563.9

The Company's securities lending activities are conducted on an overnight basis, and all securities loaned can be recalled at any time. The Company does not offset assets and liabilities associated with its securities lending program.

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Unrealized Capital Losses

Unrealized capital losses (including noncredit impairments), along with the fair value of fixed maturity securities, including securities pledged, by market sector and duration were as follows as of June 30, 2015:

	Six Months or Less Below Amortized Cost		More Than Six Months and Twelve Months or Less Below Amortized Cost		More Than Twelve Months Below Amortized Cost		Total	
	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses
U.S. Treasuries	$16.5	$0.1	$—	$—	$—	$—	$16.5	$0.1
U.S. Government agencies and authorities	—	—	—	—	—	—	—	—
State, municipalities and political subdivisions	494.5	18.7	—	—	1.3	0.6	495.8	19.3
U.S. corporate public securities	9,179.6	349.5	411.4	39.1	456.6	34.5	10,047.6	423.1
U.S. corporate private securities	1,352.2	63.4	45.9	4.1	59.0	16.4	1,457.1	83.9
Foreign corporate public securities and foreign governments	2,265.6	66.3	412.3	56.7	235.2	21.5	2,913.1	144.5
Foreign corporate private securities	864.3	24.6	47.7	5.7	24.3	4.0	936.3	34.3
Residential mortgage-backed	342.7	4.9	62.8	1.2	376.5	17.1	782.0	23.2
Commercial mortgage-backed	344.0	7.6	4.2	0.5	2.2	1.0	350.4	9.1
Other asset-backed	82.4	0.2	14.1	— *	211.7	14.2	308.2	14.4
Total	$14,941.8	$535.3	$998.4	$107.3	$1,366.8	$109.3	$17,307.0	$751.9

* Less than $0.1.

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Notes to the Condensed Consolidated Financial Statements (Unaudited)
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Unrealized capital losses (including noncredit impairments), along with the fair value of fixed maturity securities, including securities pledged, by market sector and duration were as follows as of December 31, 2014:

	Six Months or Less Below Amortized Cost		More Than Six Months and Twelve Months or Less Below Amortized Cost		More Than Twelve Months Below Amortized Cost		Total	
	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses	Fair Value	Unrealized Capital Losses
U.S. Treasuries	$81.1	$0.1	$—	$—	$42.1	$0.8	$123.2	$0.9
U.S. Government agencies and authorities	6.4	— *	—	—	—	—	6.4	— *
State, municipalities and political subdivisions	43.0	0.1	—	—	1.6	0.4	44.6	0.5
U.S. corporate public securities	2,138.6	60.7	46.5	3.4	2,421.5	75.6	4,606.6	139.7
U.S. corporate private securities	339.3	4.3	29.8	0.2	286.9	19.7	656.0	24.2
Foreign corporate public securities and foreign governments	1,411.3	72.5	37.8	1.2	601.0	27.4	2,050.1	101.1
Foreign corporate private securities	458.0	8.1	—	—	67.6	8.8	525.6	16.9
Residential mortgage-backed	319.6	1.7	59.9	1.0	645.7	18.9	1,025.2	21.6
Commercial mortgage-backed	120.7	0.5	3.1	0.9	—	—	123.8	1.4
Other asset-backed	126.4	0.2	6.4	— *	232.1	17.1	364.9	17.3
Total	$5,044.4	$148.2	$183.5	$6.7	$4,298.5	$168.7	$9,526.4	$323.6

* Less than $0.1.

Of the unrealized capital losses aged more than twelve months, the average market value of the related fixed maturities was 92.6% and 96.2% of the average book value as of June 30, 2015 and December 31, 2014, respectively.

(Dollar amounts in millions, unless otherwise stated)

Unrealized capital losses (including noncredit impairments) in fixed maturities, including securities pledged, for instances in which fair value declined below amortized cost by greater than or less than 20% for consecutive months as indicated in the tables below, were as follows as of the dates indicated:

	Amortized Cost		Unrealized Capital Losses		Number of Securities	
	< 20%	> 20%	< 20%	> 20%	< 20%	> 20%
June 30, 2015						
Six months or less below amortized cost	$15,565.2	$138.3	$548.3	$32.6	1,244	16
More than six months and twelve months or less below amortized cost	957.2	50.9	77.5	12.7	121	6
More than twelve months below amortized cost	1,339.1	8.2	77.9	2.9	314	5
Total	$17,861.5	$197.4	$703.7	$48.2	1,679	27
December 31, 2014						
Six months or less below amortized cost	$5,162.1	$117.8	$140.2	$26.5	537	16
More than six months and twelve months or less below amortized cost	324.3	— *	19.7	— *	68	1
More than twelve months below amortized cost	4,237.2	8.6	134.1	3.1	493	7
Total	$9,723.6	$126.4	$294.0	$29.6	1,098	24

* Less than $0.1.

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Unrealized capital losses (including noncredit impairments) in fixed maturities, including securities pledged, by market sector for instances in which fair value declined below amortized cost by greater than or less than 20% were as follows as of the dates indicated:

	Amortized Cost		Unrealized Capital Losses		Number of Securities	
	< 20%	> 20%	< 20%	> 20%	< 20%	> 20%
June 30, 2015						
U.S. Treasuries	$16.6	$—	$0.1	$—	3	—
U.S. Government agencies and authorities	—	—	—	—	—	—
State, municipalities and political subdivisions	513.1	2.0	18.6	0.7	70	3
U.S. corporate public securities	10,470.7	—*	423.1	—*	818	2
U.S. corporate private securities	1,471.0	70.0	67.7	16.2	57	2
Foreign corporate public securities and foreign governments	2,945.6	112.0	117.5	27.0	274	9
Foreign corporate private securities	970.6	—	34.3	—	39	—
Residential mortgage-backed	801.0	4.2	21.2	2.0	300	7
Commercial mortgage-backed	356.3	3.2	8.1	1.0	33	1
Other asset-backed	316.6	6.0	13.1	1.3	85	3
Total	$17,861.5	$197.4	$703.7	$48.2	1,679	27
December 31, 2014						
U.S. Treasuries	$124.1	$—	$0.9	$—	8	—
U.S. Government agencies and authorities	6.4	—	—*	—	1	—
State, municipalities and political subdivisions	44.1	1.0	0.2	0.3	9	1
U.S. corporate public securities	4,737.5	8.8	137.6	2.1	383	3
U.S. corporate private securities	635.2	45.0	13.7	10.5	31	1
Foreign corporate public securities and foreign governments	2,115.0	36.2	93.1	8.0	219	5
Foreign corporate private securities	521.5	21.0	12.6	4.3	20	1
Residential mortgage-backed	1,042.8	4.0	19.5	2.1	321	8
Commercial mortgage-backed	121.2	4.0	0.5	0.9	17	1
Other asset-backed	375.8	6.4	15.9	1.4	89	4
Total	$9,723.6	$126.4	$294.0	$29.6	1,098	24

* Less than $0.1.

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The following tables summarize loan-to-value, credit enhancement and fixed floating rate details for residential mortgage-backed securities ("RMBS") and Other ABS in a gross unrealized loss position as of the dates indicated:

	Loan-to-Value Ratio			
	Amortized Cost		Unrealized Capital Losses	
June 30, 2015	< 20%	> 20%	< 20%	> 20%
RMBS and Other ABS[1]				
Non-agency RMBS > 100%	$5.2	$—	$0.2	$—
Non-agency RMBS > 90% - 100%	24.4	—	1.1	—
Non-agency RMBS 80% - 90%	49.4	—	2.4	—
Non-agency RMBS < 80%	289.9	4.4	15.4	1.1
Agency RMBS	643.8	3.9	14.0	1.8
Other ABS (Non-RMBS)	104.9	1.9	1.2	0.4
Total RMBS and Other ABS	$1,117.6	$10.2	$34.3	$3.3

	Credit Enhancement Percentage			
	Amortized Cost		Unrealized Capital Losses	
June 30, 2015	< 20%	> 20%	< 20%	> 20%
RMBS and Other ABS[1]				
Non-agency RMBS 10% +	$294.3	$4.1	$15.1	$0.9
Non-agency RMBS > 5% - 10%	20.3	—	0.4	—
Non-agency RMBS > 0% - 5%	27.4	—	0.7	—
Non-agency RMBS 0%	26.9	0.3	2.9	0.2
Agency RMBS	643.8	3.9	14.0	1.8
Other ABS (Non-RMBS)	104.9	1.9	1.2	0.4
Total RMBS and Other ABS	$1,117.6	$10.2	$34.3	$3.3

	Fixed Rate/Floating Rate			
	Amortized Cost		Unrealized Capital Losses	
June 30, 2015	< 20%	> 20%	< 20%	> 20%
Fixed Rate	$666.3	$2.5	$13.7	$0.7
Floating Rate	451.3	7.7	20.6	2.6
Total	$1,117.6	$10.2	$34.3	$3.3

[1] For purposes of this table, subprime mortgages are included in Non-agency RMBS categories.

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	Loan-to-Value Ratio			
	Amortized Cost		Unrealized Capital Losses	
December 31, 2014	< 20%	> 20%	< 20%	> 20%
RMBS and Other ABS[1]				
Non-agency RMBS > 100%	$5.0	$—	$0.3	$—
Non-agency RMBS > 90% - 100%	35.7	—	1.7	—
Non-agency RMBS 80% - 90%	109.0	0.3	5.2	0.1
Non-agency RMBS < 80%	291.5	4.6	15.8	1.0
Agency RMBS	835.9	3.6	11.1	1.9
Other ABS (Non-RMBS)	141.5	1.9	1.3	0.5
Total RMBS and Other ABS	$1,418.6	$10.4	$35.4	$3.5

	Credit Enhancement Percentage			
	Amortized Cost		Unrealized Capital Losses	
December 31, 2014	< 20%	> 20%	< 20%	> 20%
RMBS and Other ABS[1]				
Non-agency RMBS 10% +	$325.7	$4.5	$17.9	$0.9
Non-agency RMBS > 5% - 10%	18.4	—	0.8	—
Non-agency RMBS > 0% - 5%	51.1	—	0.9	—
Non-agency RMBS 0%	46.0	0.4	3.4	0.2
Agency RMBS	835.9	3.6	11.1	1.9
Other ABS (Non-RMBS)	141.5	1.9	1.3	0.5
Total RMBS and Other ABS	$1,418.6	$10.4	$35.4	$3.5

	Fixed Rate/Floating Rate			
	Amortized Cost		Unrealized Capital Losses	
December 31, 2014	< 20%	> 20%	< 20%	> 20%
Fixed Rate	$817.2	$2.3	$12.3	$0.7
Floating Rate	601.4	8.1	23.1	2.8
Total	$1,418.6	$10.4	$35.4	$3.5

[1] For purposes of this table, subprime mortgages are included in Non-agency RMBS categories.

Investments with fair values less than amortized cost are included in the Company's other-than-temporary impairments analysis. Impairments were recognized as disclosed in the “Evaluating Securities for Other-Than-Temporary Impairments” section below. The Company evaluates non-agency RMBS and ABS for "other-than-temporary impairments" each quarter based on actual and projected cash flows, after considering the quality and updated loan-to-value ratios reflecting current home prices of underlying collateral, forecasted loss severity, the payment priority within the tranche structure of the security and amount of any credit enhancements. The Company's assessment of current levels of cash flows compared to estimated cash flows at the time the securities were acquired (typically pre-2008) indicates the amount and the pace of projected cash flows from the underlying collateral has generally been lower and slower, respectively. However, since cash flows are typically projected at a trust level, the impairment review incorporates the security's position within the trust structure as well as credit enhancement remaining in the trust to determine whether an impairment is warranted. Therefore, while lower and slower cash flows will impact the trust, the effect on the valuation of a particular security within the trust will also be dependent upon the trust structure. Where the assessment continues to project full recovery of principal and interest on schedule, the Company has not recorded an impairment. Based on this analysis, the Company determined that the remaining investments in an unrealized loss position were not other-than-temporarily impaired and therefore no further other-than-temporary impairment was necessary.

Troubled Debt Restructuring

The Company invests in high quality, well performing portfolios of commercial mortgage loans and private placements. Under certain circumstances, modifications are granted to these contracts. Each modification is evaluated as to whether a troubled debt restructuring has occurred. A modification is a troubled debt restructuring when the borrower is in financial difficulty and the creditor makes concessions. Generally, the types of concessions may include reducing the face amount or maturity amount of the debt as originally stated, reducing the contractual interest rate, extending the maturity date at an interest rate lower than current market interest rates and/or reducing accrued interest. The Company considers the amount, timing and extent of the concession granted in determining any impairment or changes in the specific valuation allowance recorded in connection with the troubled debt restructuring. A valuation allowance may have been recorded prior to the quarter when the loan is modified in a troubled debt restructuring. Accordingly, the carrying value (net of the specific valuation allowance) before and after modification through a troubled debt restructuring may not change significantly, or may increase if the expected recovery is higher than the pre-modification recovery assessment. For the six months ended June 30, 2015, the Company had no new troubled debt restructurings for private placement bonds or commercial mortgage loans. For the year ended December 31, 2014, the Company had no new troubled debt restructurings for private placement bonds and one new troubled debt restructuring for commercial mortgage loans with a pre-modification and post-modification carrying value of $1.9.

As of June 30, 2015, the Company held 13 commercial mortgage troubled debt restructured loans with a carrying value of $37.5. Of these 13 loans, 12 were restructured in August 2013 with a pre-modification and post modification carrying value of $60.0. These loans represent what remains of an initial portfolio of 20 restructures with a pre-modification and post modification carrying value of $88.6. This portfolio of loans is comprised of cross-defaulted, cross-collateralized individual loans, which are owned by the same sponsor. Between the date of the troubled debt restructurings and June 30, 2015, this portfolio of loans has repaid $53.3 in principal.

As of June 30, 2015 and December 31, 2014, the Company did not have any commercial mortgage loans or private placements modified in a troubled debt restructuring with a subsequent payment default.

Mortgage Loans on Real Estate

The Company's mortgage loans on real estate are all commercial mortgage loans held for investment, which are reported at amortized cost, less impairment write-downs and allowance for losses. The Company diversifies its commercial mortgage loan portfolio by geographic region and property type to reduce concentration risk. The Company manages risk when originating commercial mortgage loans by generally lending only up to 75% of the estimated fair value of the underlying real estate. Subsequently, the Company continuously evaluates mortgage loans based on relevant current information including a review of loan-specific credit quality, property characteristics and market trends. Loan performance is monitored on a loan specific basis through the review of submitted appraisals, operating statements, rent revenues and annual inspection reports, among other items. This review ensures properties are performing at a consistent and acceptable level to secure the debt. The components to evaluate debt service coverage are received and reviewed at least annually to determine the level of risk.

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The following table summarizes the Company's investment in mortgage loans as of the dates indicated:

	June 30, 2015	December 31, 2014
Commercial mortgage loans	$10,369.5	$9,796.9
Collective valuation allowance for losses	(2.8)	(2.8)
Total net commercial mortgage loans	$10,366.7	$9,794.1

There were no impairments taken on the mortgage loan portfolio for the three and six months ended June 30, 2015 and 2014.

The following table summarizes the activity in the allowance for losses for commercial mortgage loans for the periods indicated:

	June 30, 2015	December 31, 2014
Collective valuation allowance for losses, balance at January 1	$2.8	$3.8
Addition to (reduction of) allowance for losses	—	(1.0)
Collective valuation allowance for losses, end of period	$2.8	$2.8

The carrying values and unpaid principal balances of impaired mortgage loans were as follows as of the dates indicated:

	June 30, 2015	December 31, 2014
Impaired loans without allowances for losses	$42.5	$72.8
Less: Allowances for losses on impaired loans	—	—
Impaired loans, net	$42.5	$72.8
Unpaid principal balance of impaired loans	$43.9	$75.3

The following table presents information on restructured loans as of the dates indicated:

	June 30, 2015	December 31, 2014
Troubled debt restructured loans	$37.5	$65.5

The Company defines delinquent mortgage loans consistent with industry practice as 60 days past due. The Company's policy is to recognize interest income until a loan becomes 90 days delinquent or foreclosure proceedings are commenced, at which point interest accrual is discontinued. Interest accrual is not resumed until the loan is brought current.

There were no mortgage loans in the Company's portfolio in process of foreclosure or in arrears with respect to principal and interest as of June 30, 2015 and December 31, 2014.

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The following tables present information on the average investment during the period in impaired loans and interest income recognized on impaired and troubled debt restructured loans for the periods indicated:

	Three Months Ended June 30,	
	2015	2014
Impaired loans, average investment during the period (amortized cost) [1]	$44.5	$88.8
Interest income recognized on impaired loans, on an accrual basis [1]	0.7	1.2
Interest income recognized on impaired loans, on a cash basis [1]	0.7	1.2
Interest income recognized on troubled debt restructured loans, on an accrual basis	0.5	1.0

	Six Months Ended June 30,	
	2015	2014
Impaired loans, average investment during the period (amortized cost) [1]	$57.6	$88.9
Interest income recognized on impaired loans, on an accrual basis [1]	1.6	2.5
Interest income recognized on impaired loans, on a cash basis [1]	1.7	2.2
Interest income recognized on troubled debt restructured loans, on an accrual basis	1.3	2.2

[1] Includes amounts for Troubled debt restructured loans.

Loan-to-value ("LTV") and debt service coverage ("DSC") ratios are measures commonly used to assess the risk and quality of mortgage loans. The LTV ratio, calculated at time of origination, is expressed as a percentage of the amount of the loan relative to the value of the underlying property. A LTV ratio in excess of 100% indicates the unpaid loan amount exceeds the underlying collateral. The DSC ratio, based upon the most recently received financial statements, is expressed as a percentage of the amount of a property's net income to its debt service payments. A DSC ratio of less than 1.0 indicates that a property's operations do not generate sufficient income to cover debt payments. These ratios are utilized as part of the review process described above.

The following table presents the LTV ratios as of the dates indicated:

	June 30, 2015[1]	December 31, 2014[1]
Loan-to-Value Ratio:		
0% - 50%	$1,386.4	$1,460.6
> 50% - 60%	2,599.3	2,261.6
> 60% - 70%	5,862.9	5,514.8
> 70% - 80%	503.6	541.3
> 80% and above	17.3	18.6
Total Commercial mortgage loans	$10,369.5	$9,796.9

[1] Balances do not include collective valuation allowance for losses.

The following table presents the DSC ratios as of the dates indicated:

	June 30, 2015[1]	December 31, 2014[1]
Debt Service Coverage Ratio:		
Greater than 1.5x	$7,443.2	$7,096.2
> 1.25x - 1.5x	1,706.9	1,392.1
> 1.0x - 1.25x	847.2	906.7

Less than 1.0x	310.3	385.9
Commercial mortgage loans secured by land or construction loans	61.9	16.0
Total Commercial mortgage loans	$10,369.5	$9,796.9

(1) Balances do not include collective valuation allowance for losses.

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Properties collateralizing mortgage loans are geographically dispersed throughout the United States, as well as diversified by property type, as reflected in the following tables as of the dates indicated:

	June 30, 2015[1]			December 31, 2014[1]		
	Gross Carrying Value	% of Total		Gross Carrying Value	% of Total	
Commercial Mortgage Loans by U.S. Region:						
Pacific	$2,649.2	25.5	%	$2,395.9	24.6	%
South Atlantic	2,272.3	21.9	%	2,028.0	20.7	%
Middle Atlantic	1,429.4	13.8	%	1,402.0	14.3	%
West South Central	1,171.4	11.3	%	1,147.7	11.7	%
East North Central	1,035.7	10.0	%	1,030.8	10.5	%
Mountain	867.1	8.4	%	832.2	8.5	%
West North Central	505.4	4.9	%	514.0	5.2	%
East South Central	208.5	2.0	%	249.3	2.5	%
New England	230.5	2.2	%	197.0	2.0	%
Total Commercial mortgage loans	$10,369.5	100.0	%	$9,796.9	100.0	%

[1] Balances do not include collective valuation allowance for losses.

	June 30, 2015[1]			December 31, 2014[1]		
	Gross Carrying Value	% of Total		Gross Carrying Value	% of Total	
Commercial Mortgage Loans by Property Type:						
Retail	$3,717.1	35.8	%	$3,408.4	34.8	%
Industrial	2,363.8	22.8	%	2,283.0	23.3	%
Apartments	1,823.0	17.6	%	1,680.7	17.2	%
Office	1,406.5	13.6	%	1,246.5	12.7	%
Hotel/Motel	399.3	3.9	%	382.7	3.9	%
Mixed Use	106.2	1.0	%	346.5	3.5	%
Other	553.6	5.3	%	449.1	4.6	%
Total Commercial mortgage loans	$10,369.5	100.0	%	$9,796.9	100.0	%

[1] Balances do not include collective valuation allowance for losses.

The following table sets forth the breakdown of mortgages by year of origination as of the dates indicated:

	June 30, 2015[1]	December 31, 2014[1]
Year of Origination:		
2015	$1,090.5	$—
2014	1,933.2	1,940.9
2013	2,106.0	2,137.5
2012	1,618.3	1,642.8
2011	1,437.5	1,533.5
2010	247.2	251.0
2009 and prior	1,936.8	2,291.2

Total Commercial mortgage loans	$10,369.5	$9,796.9

(1) Balances do not include collective valuation allowance for losses.

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Evaluating Securities for Other-Than-Temporary Impairments

The Company performs a regular evaluation, on a security-by-security basis, of its available-for-sale securities holdings, including fixed maturity securities and equity securities in accordance with its impairment policy in order to evaluate whether such investments are other-than-temporarily impaired.

The following tables identify the Company's credit-related and intent-related impairments included in the Condensed Consolidated Statements of Operations, excluding impairments included in Other comprehensive income (loss) by type for the periods indicated:

	Three Months Ended June 30,			
	2015		2014	
	Impairment	No. of Securities	Impairment	No. of Securities
U.S. corporate public securities	$—	—	$—	—
Foreign corporate public securities and foreign governments[1]	6.2	2	1.7	5
Foreign corporate private securities[1]	1.4	1	—	—
Residential mortgage-backed	0.6	31	0.8	38
Commercial mortgage-backed	0.2	1	—	—
Other asset-backed	—	—	—	* 2
Equity	—	—	—	—
Total	$8.4	35	$2.5	45

[1] Primarily U.S. dollar denominated.
* Less than $0.1.

	Six Months Ended June 30,			
	2015		2014	
	Impairment	No. of Securities	Impairment	No. of Securities
U.S. corporate public securities	$1.0	3	$0.4	1
Foreign corporate public securities and foreign governments[1]	7.0	3	1.7	5
Foreign corporate private securities[1]	1.4	1	—	—
Residential mortgage-backed	3.5	45	2.4	52
Commercial mortgage-backed	0.2	1	0.2	2
Other asset-backed	0.1	1	0.1	2
Equity	0.1	1	1.0	2
Total	$13.3	55	$5.8	64

[1] Primarily U.S. dollar denominated.

The above tables include $7.9 and $10.3 of write-downs related to credit impairments for the three and six months ended June 30, 2015, respectively, in Other-than-temporary impairments, which are recognized in the Condensed Consolidated Statements of Operations. The remaining $0.5 and $3.0 in write-downs for the three and six months ended June 30, 2015, respectively, are related to intent impairments.

The above tables include $0.5 and $3.6 of write-downs related to credit impairments for the three and six months ended June 30, 2014, respectively, in Other-than-temporary impairments, which are recognized in the Condensed Consolidated Statements of Operations. The remaining $2.0 and $2.2 in write-downs for the three and six months ended June 30, 2014, respectively, are related to intent impairments.

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The following tables summarize these intent impairments, which are also recognized in earnings, by type for the periods indicated:

	Three Months Ended June 30,			
	2015		2014	
	Impairment	No. of Securities	Impairment	No. of Securities
U.S. corporate public securities	$—	—	$—	—
Foreign corporate public securities and foreign governments[1]	0.3	1	1.7	5
Foreign corporate private securities[1]	—	—	—	—
Residential mortgage-backed	—	*2	0.3	7
Commercial mortgage-backed	0.2	1	—	—
Other asset-backed	—	—	—	—
Equity	—	—	—	—
Total	$0.5	4	$2.0	12

* Less than 0.1
[1] Primarily U.S. dollar denominated.

	Six Months Ended June 30,			
	2015		2014	
	Impairment	No. of Securities	Impairment	No. of Securities
U.S. corporate public securities	$1.0	3	$—	—
Foreign corporate public securities and foreign governments[1]	1.1	2	1.7	5
Foreign corporate private securities[1]	—	—	—	—
Residential mortgage-backed	0.6	4	0.3	7
Commercial mortgage-backed	0.2	1	0.2	2
Other asset-backed	0.1	1	—	—
Equity	—	—	—	—
Total	$3.0	11	$2.2	14

[1] Primarily U.S. dollar denominated.

The Company may sell securities during the period in which fair value has declined below amortized cost for fixed maturities or cost for equity securities. In certain situations, new factors, including changes in the business environment, can change the Company's previous intent to continue holding a security. Accordingly, these factors may lead the Company to record additional intent related capital losses.

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The following tables identify the amount of credit impairments on fixed maturities for which a portion of the OTTI loss was recognized in Other comprehensive income (loss) and the corresponding changes in such amounts for the periods indicated:

	Three Months Ended June 30,	
	2015	2014
Balance at April 1	$84.5	$112.5
Additional credit impairments:		
On securities not previously impaired	—	—
On securities previously impaired	0.5	0.5
Reductions:		
Increase in cash flows	0.2	—
Securities sold, matured, prepaid or paid down	4.6	9.0
Balance at June 30	$80.2	$104.0

	Six Months Ended June 30,	
	2015	2014
Balance at January 1	$86.8	$114.2
Additional credit impairments:		
On securities not previously impaired	—	1.1
On securities previously impaired	2.8	1.5
Reductions:		
Increase in cash flows	0.8	—
Securities sold, matured, prepaid or paid down	8.6	12.8
Balance at June 30	$80.2	$104.0

Net Investment Income

The following table summarizes Net investment income for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Fixed maturities	$983.0	$992.3	$1,979.4	$1,977.1
Equity securities, available-for-sale	1.1	3.6	3.8	7.4
Mortgage loans on real estate	126.1	119.0	258.9	234.3
Policy loans	27.4	28.1	55.6	56.1
Short-term investments and cash equivalents	0.7	0.7	1.6	1.5
Other	(2.3)	(21.9)	13.0	(7.8)
Gross investment income	1,136.0	1,121.8	2,312.3	2,268.6
Less: Investment expenses	2.0	0.9	3.7	2.1
Net investment income	$1,134.0	$1,120.9	$2,308.6	$2,266.5

As of June 30, 2015 and December 31, 2014, the Company had $8.3 and $0.1, respectively, of investments in fixed maturities that did not produce net investment income. Fixed maturities are moved to a non-accrual status when the investment defaults.

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Interest income on fixed maturities is recorded when earned using an effective yield method, giving effect to amortization of premiums and accretion of discounts. Such interest income is recorded in Net investment income in the Condensed Consolidated Statements of Operations.

Net Realized Capital Gains (Losses)

Net realized capital gains (losses) comprise the difference between the amortized cost of investments and proceeds from sale and redemption, as well as losses incurred due to the credit-related and intent-related other-than-temporary impairment of investments. Realized investment gains and losses are also primarily generated from changes in fair value of embedded derivatives within product guarantees and fixed maturities, changes in fair value of fixed maturities recorded at FVO and changes in fair value including accruals on derivative instruments, except for effective cash flow hedges. The cost of the investments on disposal is generally determined based on first-in-first-out ("FIFO") methodology.

Net realized capital gains (losses) were as follows for the periods indicated:

	Three Months Ended June 30,	
	2015	2014
Fixed maturities, available-for-sale, including securities pledged	$(4.9)	$30.9
Fixed maturities, at fair value option	(159.8)	(16.0)
Equity securities, available-for-sale	(0.3)	0.8
Derivatives	(469.5)	(233.3)
Embedded derivative - fixed maturities	(10.8)	(3.9)
Embedded derivative - product guarantees	643.9	(168.6)
Other investments	1.1	25.6
Net realized capital gains (losses)	$(0.3)	$(364.5)
After-tax net realized capital gains (losses)	$(0.2)	$(242.8)

	Six Months Ended June 30,	
	2015	2014
Fixed maturities, available-for-sale, including securities pledged	$(5.8)	$44.6
Fixed maturities, at fair value option	(178.0)	(34.9)
Equity securities, available-for-sale	(0.4)	17.9
Derivatives	(391.3)	(179.5)
Embedded derivative - fixed maturities	(12.6)	(7.2)
Embedded derivative - product guarantees	326.8	(419.7)
Other investments	1.5	27.7
Net realized capital gains (losses)	$(259.8)	$(551.1)
After-tax net realized capital gains (losses)	$(168.9)	$(358.5)

Proceeds from the sale of fixed maturities and equity securities, available-for-sale and the related gross realized gains and losses, before tax, were as follows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Proceeds on sales	$1,662.1	$2,305.3	$2,777.8	$3,800.2

Gross gains	22.1	65.5	32.5	105.2
Gross losses	18.6	36.3	31.0	56.1

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Notes to the Condensed Consolidated Financial Statements (Unaudited)
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3. Derivative Financial Instruments

The Company enters into the following types of derivatives:

Interest rate caps: The Company uses interest rate cap contracts to hedge the interest rate exposure arising from duration mismatches between assets and liabilities. Interest rate caps are also used to hedge interest rate exposure if rates rise above a specified level. Such increases in rates will require the Company to incur additional expenses. The future payout from the interest rate caps fund this increased exposure. The Company pays an upfront premium to purchase these caps. The Company utilizes these contracts in non-qualifying hedging relationships.

Interest rate swaps: Interest rate swaps are used by the Company primarily to reduce market risks from changes in interest rates and to alter interest rate exposure arising from mismatches between assets and/or liabilities. Interest rate swaps are also used to hedge the interest rate risk associated with the value of assets it owns or in an anticipation of acquiring them. Using interest rate swaps, the Company agrees with another party to exchange, at specified intervals, the difference between fixed rate and floating rate interest payments, calculated by reference to an agreed upon notional principal amount. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made to/from the counterparty at each due date. The Company utilizes these contracts in qualifying hedging relationships as well as non-qualifying hedging relationships.

Foreign exchange swaps: The Company uses foreign exchange or currency swaps to reduce the risk of change in the value, yield or cash flows associated with certain foreign denominated invested assets. Foreign exchange swaps represent contracts that require the exchange of foreign currency cash flows against U.S. dollar cash flows at regular periods, typically quarterly or semi-annually. The Company utilizes these contracts in qualifying hedging relationships as well as non-qualifying hedging relationships.

Credit default swaps: Credit default swaps are used to reduce credit loss exposure with respect to certain assets that the Company owns or to assume credit exposure on certain assets that the Company does not own. Payments are made to, or received from, the counterparty at specified intervals. In the event of a default on the underlying credit exposure, the Company will either receive a payment (purchased credit protection) or will be required to make a payment (sold credit protection) equal to the par minus recovery value of the swap contract. The Company utilizes these contracts in non-qualifying hedging relationships.

Total return swaps: The Company uses total return swaps as a hedge against a decrease in variable annuity account values, which are invested in certain indices. Using total return swaps, the Company agrees with another party to exchange, at specified intervals, the difference between the economic risk and reward of assets or a market index and the LIBOR rate, calculated by reference to an agreed upon notional principal amount. No cash is exchanged at the onset of the contracts. Cash is paid and received over the life of the contract based upon the terms of the swaps. The Company utilizes these contracts in non-qualifying hedging relationships.

Currency forwards: The Company uses currency forward contracts to hedge policyholder liabilities associated with the variable annuity contracts which are linked to foreign indices. The currency fluctuations may result in a decrease in account values, which would increase the possibility of the Company incurring an expense for guaranteed benefits in excess of account values. The Company utilizes these contracts in non-qualifying hedging relationships.

Forwards: The Company uses forward contracts to hedge certain invested assets against movement in interest rates, particularly mortgage rates. The Company uses To Be Announced mortgage-backed securities as an economic hedge against rate movements. The Company utilizes forward contracts in non-qualifying hedging relationships.

Futures: Futures contracts are used to hedge against a decrease in certain equity indices. Such decreases may result in a decrease in variable annuity account values which would increase the possibility of the Company incurring an expense for guaranteed benefits in excess of account values. The Company also uses futures contracts as a hedge against an increase in certain equity indices. Such increases may result in increased payments to the holders of the fixed index annuity ("FIA") contracts. The Company also uses interest rate futures contracts to hedge its exposure to market risks due to changes in interest rates. The Company enters into exchange traded futures with regulated futures commissions that are members of the exchange. The Company also posts initial and variation margins, with the exchange, on a daily basis. The Company utilizes exchange-traded futures in non-qualifying hedging relationships.

Swaptions: A swaption is an option to enter into a swap with a forward starting effective date. The Company uses swaptions to hedge the interest rate exposure associated with the minimum crediting rate and book value guarantees embedded in the retirement products that the Company offers. Increases in interest rates will generate losses on assets that are backing such liabilities. In certain instances, the Company locks in the economic impact of existing purchased swaptions by entering into offsetting written swaptions. Swaptions are also used to hedge against an increase in the interest rate benchmarked crediting strategies within FIA contracts. Such increases may result in increased payments to contract holders of FIA contracts and the interest rate swaptions offset this increased exposure. The Company pays a premium when it purchases the swaption. The Company utilizes these contracts in non-qualifying hedging relationships.

Options: The Company uses put options to manage the equity, interest rate and equity volatility risk of the economic liabilities associated with certain variable annuity minimum guaranteed benefits and/or to mitigate certain rebalancing costs resulting from increased volatility. The Company also uses call options to hedge against an increase in various equity indices. Such increases may result in increased payments to the holders of the FIA contracts. The Company pays an upfront premium to purchase these options. The Company utilizes these options in non-qualifying hedging relationships.

Variance swaps: The Company uses variance swaps to manage equity volatility risk on the economic liabilities associated with certain minimum guaranteed living benefits and/or to mitigate certain rebalancing costs resulting from increased volatility. An increase in the equity volatility results in higher valuations of such liabilities. In an equity variance swap, the Company agrees with another party to exchange amounts in the future, based on the changes in equity volatility over a defined period. The Company utilizes equity variance swaps in non-qualifying hedging relationships.

Managed custody guarantees ("MCGs"): The Company issues certain credited rate guarantees on variable fixed income portfolios that represent stand-alone derivatives. The market value is partially determined by, among other things, levels of or changes in interest rates, prepayment rates and credit ratings/spreads.

Embedded derivatives: The Company also invests in certain fixed maturity instruments and has issued certain annuity products that contain embedded derivatives whose market value is at least partially determined by, among other things, levels of or changes in domestic and/or foreign interest rates (short-term or long-term), exchange rates, prepayment rates, equity rates or credit ratings/spreads. In addition, the Company has entered into coinsurance with funds withheld arrangements, which contain embedded derivatives.

The Company's use of derivatives is limited mainly to economic hedging to reduce the Company's exposure to cash flow variability of assets and liabilities, interest rate risk, credit risk, exchange rate risk and market risk. It is the Company's policy not to offset amounts recognized for derivative instruments and amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral arising from derivative instruments executed with the same counterparty under a master netting arrangement, which provides the Company with the legal right of offset.

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The notional amounts and fair values of derivatives were as follows as of the dates indicated:

	June 30, 2015			December 31, 2014		
	Notional Amount	Asset Fair Value	Liability Fair Value	Notional Amount	Asset Fair Value	Liability Fair Value
Derivatives: Qualifying for hedge accounting[1]						
Cash flow hedges:						
Interest rate contracts	$674.0	$80.8	$1.8	$736.0	$114.6	$—
Foreign exchange contracts	174.7	35.9	—	174.7	25.3	—
Fair value hedges:						
Interest rate contracts	562.4	0.9	12.4	566.4	2.4	13.4
Derivatives: Non-qualifying for hedge accounting[1]						
Interest rate contracts	66,455.2	883.0	524.0	66,474.0	1,108.0	563.2
Foreign exchange contracts	1,225.2	56.7	40.0	1,373.1	45.3	26.8
Equity contracts	24,415.4	335.8	91.1	21,165.7	483.1	209.9
Credit contracts	4,266.3	36.2	36.5	4,221.0	40.9	36.0
Embedded derivatives and Managed custody guarantees:						
Within fixed maturity investments	N/A	103.3	—	N/A	115.8	—
Within annuity products	N/A	—	3,351.0	N/A	—	3,600.6
Within reinsurance agreements	N/A	—	70.4	N/A	—	139.6
Managed custody guarantees	N/A	—	—	N/A	—	—
Total		$1,532.6	$4,127.2		$1,935.4	$4,589.5

[1] Open derivative contracts are reported as Derivatives assets or liabilities on the Condensed Consolidated Balance Sheets at fair value.
N/A - Not Applicable

The maximum length of time over which the Company is hedging its exposure to the variability in future cash flows for forecasted anticipatory hedge transactions is through the fourth quarter of 2016.

Based on the notional amounts, a substantial portion of the Company's derivative positions was not designated or did not qualify for hedge accounting as part of a hedging relationship as of June 30, 2015 and December 31, 2014. The Company utilizes derivative contracts mainly to hedge exposure to variability in cash flows, interest rate risk, credit risk, foreign exchange risk and equity market risk. The majority of derivatives used by the Company are designated as product hedges, which hedge the exposure arising from insurance liabilities or guarantees embedded in the contracts the Company offers through various product lines. These derivatives do not qualify for hedge accounting as they do not meet the criteria of being "highly effective" as outlined in ASC Topic 815, but do provide an economic hedge, which is in line with the Company's risk management objectives. The Company also uses derivatives contracts to hedge its exposure to various risks associated with the investment portfolio. The Company does not seek hedge accounting treatment for certain of these derivatives as they generally do not qualify for hedge accounting due to the criteria required under the portfolio hedging rules outlined in ASC Topic 815. The Company also uses credit default swaps coupled with other investments in order to produce the investment characteristics of otherwise permissible investments that do not qualify as effective accounting hedges under ASC Topic 815.

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Although the Company has not elected to net its derivative exposures, the notional amounts and fair values of Over-The-Counter ("OTC") and cleared derivatives excluding exchange traded contracts and forward contracts (To Be Announced mortgage-backed securities) are presented in the tables below as of the dates indicated:

	June 30, 2015		
	Notional Amount	Asset Fair Value	Liability Fair Value
Credit contracts	$4,266.3	$36.2	$36.5
Equity contracts	16,536.8	332.6	85.8
Foreign exchange contracts	1,399.9	92.6	40.0
Interest rate contracts	62,069.1	964.5	538.2
		1,425.9	700.5
Counterparty netting[1]		(573.2)	(573.2)
Cash collateral netting[1]		(637.9)	(49.9)
Securities collateral netting[1]		(8.4)	(37.1)
Net receivables/payables		$206.4	$40.3

[1] Represents the netting of receivable balances with payable balances, net of collateral, for the same counterparty under eligible netting agreements.

	December 31, 2014		
	Notional Amount	Asset Fair Value	Liability Fair Value
Credit contracts	$4,221.0	$40.9	$36.0
Equity contracts	13,576.1	378.4	201.7
Foreign exchange contracts	1,547.8	70.6	26.8
Interest rate contracts	67,776.4	1,225.0	576.6
		1,714.9	841.1
Counterparty netting[1]		(721.3)	(721.3)
Cash collateral netting[1]		(661.1)	(35.9)
Securities collateral netting[1]		(158.9)	(46.9)
Net receivables/payables		$173.6	$37.0

[1] Represents the netting of receivable balances with payable balances, net of collateral, for the same counterparty under eligible netting agreements.

Collateral

Under the terms of the OTC Derivative International Swaps and Derivatives Association, Inc. ("ISDA") agreements, the Company may receive from, or deliver to, counterparties collateral to assure that terms of the ISDA agreements will be met with regard to the Credit Support Annex ("CSA"). The terms of the CSA call for the Company to pay interest on any cash received equal to the Federal Funds rate. To the extent cash collateral is received and delivered, it is included in Payables under securities loan agreements, including collateral held and Short-term investments under securities loan agreements, including collateral delivered, respectively, on the Condensed Consolidated Balance Sheets and is reinvested in short-term investments. Collateral held is used in accordance with the CSA to satisfy any obligations. Investment grade bonds owned by the Company are the source of noncash collateral posted, which is reported in Securities pledged on the Condensed Consolidated Balance Sheets. As of June 30, 2015, the Company held $538.1 and $51.4 of net cash collateral related to OTC derivative contracts and cleared derivative contracts, respectively. As of December 31, 2014, the Company held $515.8 and $119.1 of net cash collateral related to OTC derivative contracts and cleared derivative contracts, respectively. In addition, as of June 30, 2015, the Company delivered $579.7 of securities and held $8.9 securities as collateral. As of December 31, 2014, the Company delivered $638.7 of securities and held $159.3 securities as collateral.

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Net realized gains (losses) on derivatives were as follows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Derivatives: Qualifying for hedge accounting[1]				
Cash flow hedges:				
Interest rate contracts	$0.7	$0.1	$0.9	$0.3
Foreign exchange contracts	0.5	0.6	1.0	1.0
Fair value hedges:				
Interest rate contracts	0.6	(7.4)	(4.1)	(12.6)
Derivatives: Non-qualifying for hedge accounting[2]				
Interest rate contracts	(419.8)	156.7	(182.7)	360.9
Foreign exchange contracts	(29.3)	(1.3)	36.7	(3.0)
Equity contracts	(24.2)	(382.1)	(242.0)	(527.0)
Credit contracts	2.0	0.1	(1.1)	0.9
Embedded derivatives and Managed custody guarantees:				
Within fixed maturity investments[2]	(10.8)	(3.9)	(12.6)	(7.2)
Within annuity products[2]	643.0	(168.7)	326.7	(419.8)
Within reinsurance agreements[3]	93.2	(64.7)	69.3	(81.4)
Managed custody guarantees[2]	0.9	0.1	0.1	0.1
Total	$256.8	$(470.5)	$(7.8)	$(687.8)

[1] Changes in value for effective fair value hedges are recorded in Other net realized capital gains (losses). Changes in fair value upon disposal for effective cash flow hedges are amortized through Net investment income and the ineffective portion is recorded in Other net realized capital gains (losses) in the Condensed Consolidated Statements of Operations. For the three and six months ended June 30, 2015 and 2014, ineffective amounts were immaterial.
[2] Changes in value are included in Other net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.
[3] Changes in value are included in Policyholder benefits in the Condensed Consolidated Statements of Operations.

Credit Default Swaps

The Company has entered into various credit default swaps. When credit default swaps are sold, the Company assumes credit exposure to certain assets that it does not own. Credit default swaps may also be purchased to reduce credit exposure in the Company's portfolio. Credit default swaps involve a transfer of credit risk from one party to another in exchange for periodic payments. As of June 30, 2015, the fair values of credit default swaps of $36.2 and $36.5 were included in Derivatives assets and Derivatives liabilities, respectively, on the Condensed Consolidated Balance Sheets. As of December 31, 2014, the fair values of credit default swaps of $40.9 and $36.0 were included in Derivatives assets and Derivatives liabilities, respectively, on the Condensed Consolidated Balance Sheets. As of June 30, 2015 and December 31, 2014, the maximum potential future net exposure to the Company was $1.7 billion, net of purchased protection of $500.0 on credit default swaps. These instruments are typically written for a maturity period of 5 years and contain no recourse provisions. If the Company's current debt and claims paying ratings were downgraded in the future, the terms in the Company's derivative agreements may be triggered, which could negatively impact overall liquidity.

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4. Fair Value Measurements (excluding Consolidated Investment Entities)

Fair Value Measurement

The Company categorizes its financial instruments into a three-level hierarchy based on the priority of the inputs to the valuation technique, pursuant to ASU 2011-04, “Fair Value Measurements (ASC Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP” (“ASU 2011-04”). The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3), as described in the Fair Value Measurements (excluding Consolidated Investment Entities) Note in the Consolidated Financial Statements in Part II, Item 8. of the Company's 2014 Annual Report on Form 10-K. If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument.

When available, the estimated fair value of financial instruments is based on quoted prices in active markets that are readily and regularly obtainable. When quoted prices in active markets are not available, the determination of estimated fair value is based on market standard valuation methodologies, including discounted cash flow methodologies, matrix pricing or other similar techniques.

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The following table presents the Company's hierarchy for its assets and liabilities measured at fair value on a recurring basis as of June 30, 2015:

	Level 1	Level 2	Level 3	Total
Assets:				
Fixed maturities, including securities pledged:				
U.S. Treasuries	$2,627.9	$603.7	$—	$3,231.6
U.S. Government agencies and authorities	—	420.7	—	420.7
State, municipalities and political subdivisions	—	840.6	—	840.6
U.S. corporate public securities	—	33,978.3	70.9	34,049.2
U.S. corporate private securities	—	5,439.0	966.9	6,405.9
Foreign corporate public securities and foreign governments[1]	—	8,409.0	19.5	8,428.5
Foreign corporate private securities[1]	—	7,356.7	448.9	7,805.6
Residential mortgage-backed securities	—	6,061.2	96.5	6,157.7
Commercial mortgage-backed securities	—	3,987.7	—	3,987.7
Other asset-backed securities	—	1,343.2	36.4	1,379.6
Total fixed maturities, including securities pledged	2,627.9	68,440.1	1,639.1	72,707.1
Equity securities, available-for-sale	222.9	—	56.7	279.6
Derivatives:				
Interest rate contracts	0.2	964.5	—	964.7
Foreign exchange contracts	—	92.6	—	92.6
Equity contracts	3.2	255.0	77.6	335.8
Credit contracts	—	25.2	11.0	36.2
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	4,180.4	52.5	6.0	4,238.9
Assets held in separate accounts	101,348.9	4,981.6	—	106,330.5
Total assets	$108,383.5	$74,811.5	$1,790.4	$184,985.4
Percentage of Level to total	58.6 %	40.4 %	1.0 %	100.0 %
Liabilities:				
Derivatives:				
Annuity product guarantees:				
FIA	$—	$—	$1,953.5	$1,953.5
GMAB/GMWB/GMWBL[2]	—	—	1,305.5	1,305.5
Stabilizer and MCGs	—	—	92.0	92.0
Other derivatives:				
Interest rate contracts	—	538.2	—	538.2
Foreign exchange contracts	—	40.0	—	40.0
Equity contracts	5.3	85.8	—	91.1
Credit contracts	—	14.7	21.8	36.5
Embedded derivative on reinsurance	—	70.4	—	70.4
Total liabilities	$5.3	$749.1	$3,372.8	$4,127.2

[1] Primarily U.S. dollar denominated.
[2] Guaranteed minimum accumulation benefits ("GMAB"), Guaranteed minimum withdrawal benefits ("GMWB") and Guaranteed minimum withdrawal benefits with life payouts ("GMWBL").

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The following table presents the Company's hierarchy for its assets and liabilities measured at fair value on a recurring basis as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Fixed maturities, including securities pledged:				
U.S. Treasuries	$3,262.0	$642.0	$—	$3,904.0
U.S. Government agencies and authorities	—	435.9	—	435.9
State, municipalities and political subdivisions	—	694.4	—	694.4
U.S. corporate public securities	—	34,239.9	103.8	34,343.7
U.S. corporate private securities	—	5,418.3	978.8	6,397.1
Foreign corporate public securities and foreign governments(1)	—	8,375.7	13.5	8,389.2
Foreign corporate private securities(1)	—	7,619.8	435.2	8,055.0
Residential mortgage-backed securities	—	6,562.6	94.2	6,656.8
Commercial mortgage-backed securities	—	4,166.2	22.0	4,188.2
Other asset-backed securities	—	1,585.0	10.1	1,595.1
Total fixed maturities, including securities pledged	3,262.0	69,739.8	1,657.6	74,659.4
Equity securities, available-for-sale	215.5	—	56.3	271.8
Derivatives:				
Interest rate contracts	—	1,225.0	—	1,225.0
Foreign exchange contracts	—	70.6	—	70.6
Equity contracts	104.7	296.6	81.8	483.1
Credit contracts	—	30.9	10.0	40.9
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	4,924.8	138.5	6.0	5,069.3
Assets held in separate accounts	100,692.4	5,313.1	2.3	106,007.8
Total assets	$109,199.4	$76,814.5	$1,814.0	$187,827.9
Percentage of Level to total	58.1 %	40.9 %	1.0 %	100.0 %
Liabilities:				
Derivatives:				
Annuity product guarantees:				
FIA	$—	$—	$1,970.0	$1,970.0
GMAB/GMWB/GMWBL	—	—	1,527.7	1,527.7
Stabilizer and MCGs	—	—	102.9	102.9
Other derivatives:				
Interest rate contracts	—	576.6	—	576.6
Foreign exchange contracts	—	26.8	—	26.8
Equity contracts	8.2	201.7	—	209.9
Credit contracts	—	16.3	19.7	36.0
Embedded derivative on reinsurance	—	139.6	—	139.6
Total liabilities	$8.2	$961.0	$3,620.3	$4,589.5

(1)Primarily U.S. dollar denominated.

Valuation of Financial Assets and Liabilities at Fair Value

Certain assets and liabilities are measured at estimated fair value on the Company's Condensed Consolidated Balance Sheets. The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The exit price and the transaction (or entry) price will be the same at initial recognition in many circumstances. However, in certain cases, the transaction price may not represent fair value. The fair value of a liability is based on the amount that would be paid to transfer a liability to a third-party with an equal credit standing. Fair value is required to be a market-based measurement that is determined based on a hypothetical transaction at the measurement date, from a market participant's perspective. The Company considers three broad valuation techniques when a quoted price is unavailable: (i) the market approach, (ii) the income approach and (iii) the cost approach. The Company determines the most appropriate valuation technique to use, given the instrument being measured and the availability of sufficient inputs. The Company prioritizes the inputs to fair valuation techniques and allows for the use of unobservable inputs to the extent that observable inputs are not available.

The Company utilizes a number of valuation methodologies to determine the fair values of its financial assets and liabilities in conformity with the concepts of "exit price" and the fair value hierarchy as prescribed in ASC Topic 820. Valuations are obtained from third-party commercial pricing services, brokers and industry-standard, vendor-provided software that models the value based on market observable inputs. The valuations obtained from third-party commercial pricing services are non-binding. The Company reviews the assumptions and inputs used by third-party commercial pricing services for each reporting period in order to determine an appropriate fair value hierarchy level. The documentation and analysis obtained from third-party commercial pricing services are reviewed by the Company, including in-depth validation procedures confirming the observability of inputs. The valuations are reviewed and validated monthly through the internal valuation committee price variance review, comparisons to internal pricing models, back testing to recent trades or monitoring of trading volumes.

Fixed maturities: The fair values for actively traded marketable bonds are determined based upon the quoted market prices and are classified as Level 1 assets. Assets in this category primarily include certain U.S. Treasury securities.

For fixed maturities classified as Level 2 assets, fair values are determined using a matrix-based market approach, based on prices obtained from third-party commercial pricing services and the Company's matrix and analytics-based pricing models, which in each case incorporate a variety of market observable information as valuation inputs. The market observable inputs used for these fair value measurements, by fixed maturity asset class, are as follows:

U.S. Treasuries: Fair value is determined using third-party commercial pricing services, with the primary inputs being stripped interest and principal U.S. Treasury yield curves that represent a U.S. Treasury zero-coupon curve.

U.S. government agencies and authorities, State, municipalities and political subdivisions: Fair value is determined using third-party commercial pricing services, with the primary inputs being U.S. Treasury yield curves, trades of comparable securities, credit spreads off benchmark yields and issuer ratings.

U.S. corporate public securities, Foreign corporate public securities, and foreign governments: Fair value is determined using third-party commercial pricing services, with the primary inputs being benchmark yields, trades of comparable securities, issuer ratings, bids and credit spreads off benchmark yields.

U.S. corporate private securities and Foreign corporate private securities: Fair values are determined using a matrix and analytics-based pricing model. The model incorporates the current level of risk-free interest rates, current corporate credit spreads, credit quality of the issuer and cash flow characteristics of the security. The model also considers a liquidity spread, the value of any collateral, the capital structure of the issuer, the presence of guarantees, and prices and quotes for comparably rated publicly traded securities.

RMBS, CMBS and ABS: Fair value is determined using third-party commercial pricing services, with the primary inputs being credit spreads off benchmark yields, prepayment speed assumptions, current and forecasted loss severity, debt service coverage ratios, collateral type, payment priority within tranche and the vintage of the loans underlying the security.

Transfers in and out of Level 1 and 2

There were no securities transferred between Level 1 and Level 2 for the three and six months ended June 30, 2015 and 2014. The Company's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.

Level 3 Financial Instruments

The fair values of certain assets and liabilities are determined using prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement (i.e., Level 3 as defined by ASC Topic 820), including but not limited to liquidity spreads for investments within markets deemed not currently active. These valuations, whether derived internally or obtained from a third-party, use critical assumptions that are not widely available to estimate market participant expectations in valuing the asset or liability. In addition, the Company has determined, for certain financial instruments, an active market is such a significant input to determine fair value that the presence of an inactive market may lead to classification in Level 3. In light of the methodologies employed to obtain the fair values of financial assets and liabilities classified as Level 3, additional information is presented below.

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The following tables summarize the change in fair value of the Company's Level 3 assets and liabilities and transfers in and out of Level 3 for the periods indicated:

	Three Months Ended June 30, 2015										
	Fair Value as of April 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Fixed maturities, including securities pledged:											
U.S. Government agencies and authorities	$—	$ —	$ —	$ —	$ —	$—	$ —	$ —	$ —	$—	$ —
U.S. corporate public securities	114.6	—	(0.3)	—	—	—	(0.5)	—	(42.9)	70.9	—
U.S. corporate private securities	995.0	0.2	(21.2)	55.8	—	—	(62.9)	—	—	966.9	0.2
Foreign corporate public securities and foreign governments[1]	15.4	(5.9)	1.7	—	—	—	(0.6)	12.3	(3.4)	19.5	(5.9)
Foreign corporate private securities[1]	487.1	(1.4)	(2.3)	—	—	—	(43.7)	9.2	—	448.9	(1.4)
Residential mortgage-backed securities	109.2	(2.9)	(1.6)	—	—	—	(0.3)	—	(7.9)	96.5	(3.0)
Commercial mortgage-backed securities	—	—	—	—	—	—	—	—	—	—	—
Other asset-backed securities	9.3	—	0.1	29.0	—	—	(0.5)	—	(1.5)	36.4	—
Total fixed maturities including securities pledged	1,730.6	(10.0)	(23.6)	84.8	—	—	(108.5)	21.5	(55.7)	1,639.1	(10.1)

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	Three Months Ended June 30, 2015 (continued)										
	Fair Value as of April 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Equity securities, available-for-sale	$58.2	$ —	$ (1.5)	$ —	$ —	$—	$ —	$ —	$ —	$56.7	$ —
Derivatives:											
Product guarantees:											
FIA[2]	(2,015.6)	58.5	—	—	(53.1)	—	56.7	—	—	(1,953.5)	—
GMAB/GMWB/GMWBL[2]	(1,796.0)	528.1	—	—	(37.8)	—	0.2	—	—	(1,305.5)	—
Stabilizer and MCGs[2]	(148.1)	57.3	—	—	(1.2)	—	—	—	—	(92.0)	—
Other derivatives, net	72.6	(7.1)	—	11.0	—	—	(9.7)	—	—	66.8	(5.9)
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	6.0	—	—	—	—	—	—	—	—	6.0	—
Assets held in separate accounts[5]	0.6	—	—	—	—	—	—	—	(0.6)	—	—

[1] Primarily U.S. dollar denominated.
[2] All gains and losses on Level 3 liabilities are classified as realized gains (losses) for the purpose of this disclosure because it is impracticable to track realized and unrealized gains (losses) separately on a contract-by contract basis. These amounts are included in Other net realized gains (losses) in the Condensed Consolidated Statements of Operations.
[3] The Company's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.
[4] For financial instruments still held as of June 30, amounts are included in Net investment income and Total net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.
[5] The investment income and realized gains (losses) and change in unrealized gains (losses) included in net income for separate account assets are offset by an equal amount for separate account liabilities, which results in a net zero impact on Net income (loss) for the Company.

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	Six Months Ended June 30, 2015										
	Fair Value as of January 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Fixed maturities, including securities pledged:											
U.S. Government agencies and authorities	$—	$ —	$ —	$ —	$ —	$—	$ —	$ —	$ —	$—	$ —
U.S. corporate public securities	103.8	—	(1.8)	—	—	—	(1.7)	14.0	(43.4)	70.9	—
U.S. corporate private securities	978.8	0.4	(17.4)	140.8	—	—	(171.3)	35.6	—	966.9	0.4
Foreign corporate public securities and foreign governments[1]	13.5	(5.9)	(0.1)	—	—	—	(3.2)	15.2	—	19.5	(5.9)
Foreign corporate private securities[1]	435.2	(0.8)	(1.9)	8.9	—	—	(55.3)	62.8	—	448.9	(1.4)
Residential mortgage-backed securities	94.2	(5.4)	(1.9)	—	—	—	(0.4)	12.6	(2.6)	96.5	(5.4)
Commercial mortgage-backed securities	22.0	—	—	—	—	—	—	—	(22.0)	—	—
Other asset-backed securities	10.1	—	0.1	29.0	—	—	(0.6)	—	(2.2)	36.4	—
Total fixed maturities including securities pledged	1,657.6	(11.7)	(23.0)	178.7	—	—	(232.5)	140.2	(70.2)	1,639.1	(12.3)

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Six Months Ended June 30, 2015 (continued)

	Fair Value as of January 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Equity securities, available-for-sale	$56.3	$ (0.1)	$ 0.5	$ —	$ —	$—	$ —	$ —	$ —	$56.7	$ (0.1)
Derivatives:											
Product guarantees:											
FIA[2]	(1,970.0)	12.8	—	—	(93.6)	—	97.3	—	—	(1,953.5)	—
GMAB/GMWB/GMWBL[2]	(1,527.7)	300.8	—	—	(78.9)	—	0.3	—	—	(1,305.5)	—
Stabilizer and MCGs[2]	(102.9)	13.2	—	—	(2.3)	—	—	—	—	(92.0)	—
Other derivatives, net	72.1	(6.7)	—	19.3	—	—	(17.9)	—	—	66.8	(5.3)
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	6.0	—	—	—	—	—	—	—	—	6.0	—
Assets held in separate accounts[5]	2.3	—	—	—	—	—	—	—	(2.3)	—	—

[1] Primarily U.S. dollar denominated.
[2] All gains and losses on Level 3 liabilities are classified as realized gains (losses) for the purpose of this disclosure because it is impracticable to track realized and unrealized gains (losses) separately on a contract-by contract basis. These amounts are included in Other net realized gains (losses) in the Condensed Consolidated Statements of Operations.
[3] The Company's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.
[4] For financial instruments still held as of June 30, amounts are included in Net investment income and Total net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.
[5] The investment income and realized gains (losses) and change in unrealized gains (losses) included in net income for separate account assets are offset by an equal amount for separate account liabilities, which results in a net zero impact on Net income (loss) for the Company.

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	Three Months Ended June 30, 2014										
	Fair Value as of April 1	Total Realized/Unrealized Gains (Losses) Included in:		Purchases	Issuances	Sales	Settlements	Transfers into Level 3(3)	Transfers out of Level 3(3)	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings(4)
		Net Income	OCI								
Fixed maturities, including securities pledged:											
U.S. Government agencies and authorities	$7.2	$ —	$ —	$ —	$ —	$—	$ —	$ —	$ (7.2)	$—	$ —
U.S. corporate public securities	151.0	(0.7)	1.5	36.9	—	(4.3)	(4.5)	14.2	—	194.1	(0.1)
U.S. corporate private securities	417.7	(0.1)	(0.2)	81.6	—	—	(17.7)	130.7	—	612.0	(0.1)
Foreign corporate public securities and foreign governments(1)	17.4	—	(1.3)	—	—	—	—	—	—	16.1	—
Foreign corporate private securities(1)	113.3	—	(1.6)	94.0	—	—	(7.5)	202.5	(36.0)	364.7	—
Residential mortgage-backed securities	104.4	(3.7)	(0.2)	1.1	—	—	(0.4)	—	(1.6)	99.6	(3.7)
Commercial mortgage-backed securities	24.9	—	—	—	—	—	—	—	(24.9)	—	—
Other asset-backed securities	42.2	0.8	(0.8)	—	—	—	(1.4)	—	(29.3)	11.5	0.7
Total fixed maturities including securities pledged	878.1	(3.7)	(2.6)	213.6	—	(4.3)	(31.5)	347.4	(99.0)	1,298.0	(3.2)

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	Three Months Ended June 30, 2014 (continued)										
	Fair Value as of April 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Equity securities, available-for-sale	$57.1	$ —	$ 0.1	$ —	$ —	$—	$ —	$ —	$ —	$57.2	$ —
Derivatives:											
Product guarantees:											
FIA[2]	(1,808.0)	(118.8)	—	—	(43.1)	—	35.2	—	—	(1,934.7)	—
GMAB/GMWB/GMWBL[2]	(1,096.3)	(36.9)	—	—	(38.3)	—	0.2	—	—	(1,171.3)	—
Stabilizer and MCGs[2]	(18.0)	(12.9)	—	—	(1.1)	—	—	—	—	(32.0)	—
Other derivatives, net	67.1	26.1	—	8.8	—	—	(23.8)	—	—	78.2	10.5
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	—	—	—	—	—	—	—	—	—	—	—
Assets held in separate accounts[5]	17.9	0.1	—	0.1	—	(2.2)	—	—	—	15.9	—

(1) Primarily U.S. dollar denominated.
(2) All gains and losses on Level 3 liabilities are classified as realized gains (losses) for the purpose of this disclosure because it is impracticable to track realized and unrealized gains (losses) separately on a contract-by contract basis. These amounts are included in Other net realized gains (losses) in the Condensed Consolidated Statements of Operations.
(3) The Company's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.
(4) For financial instruments still held as of June 30, amounts are included in Net investment income and Total net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.
(5) The investment income and realized gains (losses) and change in unrealized gains (losses) included in net income for separate account assets are offset by an equal amount for separate account liabilities, which results in a net zero impact on Net income (loss) for the Company.

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	Six Months Ended June 30, 2014										
	Fair Value as of January 1	Total Realized/Unrealized Gains (Losses) Included in:		Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
		Net Income	OCI								
Fixed maturities, including securities pledged:											
U.S. Government agencies and authorities	$ 14.4	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ (14.4)	$ —	$ —
U.S. corporate public securities	129.0	(0.8)	4.9	50.2	—	(4.3)	(8.2)	26.3	(3.0)	194.1	(0.1)
U.S. corporate private securities	327.5	(0.1)	3.0	176.3	—	—	(24.1)	129.4	—	612.0	(0.1)
Foreign corporate public securities and foreign governments[1]	19.2	—	(2.8)	—	—	—	(0.3)	—	—	16.1	—
Foreign corporate private securities[1]	135.1	—	5.6	94.0	—	—	(7.5)	198.5	(61.0)	364.7	—
Residential mortgage-backed securities	98.6	(6.5)	0.5	1.1	—	—	(0.8)	8.8	(2.1)	99.6	(6.5)
Commercial mortgage-backed securities	—	—	—	—	—	—	—	—	—	—	—
Other asset-backed securities	59.2	3.5	(2.9)	—	—	—	(19.0)	—	(29.3)	11.5	1.4
Total fixed maturities including securities pledged	783.0	(3.9)	8.3	321.6	—	(4.3)	(59.9)	363.0	(109.8)	1,298.0	(5.3)

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	Six Months Ended June 30, 2014 (continued)										
	Fair Value as of January 1	Total Realized/Unrealized Gains (Losses) Included in: Net Income	OCI	Purchases	Issuances	Sales	Settlements	Transfers into Level 3[3]	Transfers out of Level 3[3]	Fair Value as of June 30	Change In Unrealized Gains (Losses) Included in Earnings[4]
Equity securities, available-for-sale	$55.3	$ (0.9)	$ 2.9	$ —	$ —	$ (0.1)	$ —	$ —	$ —	$ 57.2	$ (0.9)
Derivatives:											
Product guarantees:											
FIA[2]	(1,736.7)	(161.2)	—	—	(93.4)	—	56.6	—	—	(1,934.7)	—
GMAB/GMWB/GMWBL[2]	(865.9)	(228.8)	—	—	(76.9)	—	0.3	—	—	(1,171.3)	—
Stabilizer and MCGs[2]	—	(29.7)	—	—	(2.3)	—	—	—	—	(32.0)	—
Other derivatives, net	80.3	27.1	—	16.2	—	—	(45.4)	—	—	78.2	(2.1)
Cash and cash equivalents, short-term investments and short-term investments under securities loan agreements	—	—	—	—	—	—	—	—	—	—	—
Assets held in separate accounts[5]	13.1	0.1	—	5.9	—	(3.2)	—	—	—	15.9	—

[1] Primarily U.S. dollar denominated.
[2] All gains and losses on Level 3 liabilities are classified as realized gains (losses) for the purpose of this disclosure because it is impracticable to track realized and unrealized gains (losses) separately on a contract-by contract basis. These amounts are included in Other net realized gains (losses) in the Condensed Consolidated Statements of Operations.
[3] The Company's policy is to recognize transfers in and transfers out as of the beginning of the reporting period.
[4] For financial instruments still held as of June 30, amounts are included in Net investment income and Total net realized capital gains (losses) in the Condensed Consolidated Statements of Operations.
[5] The investment income and realized gains (losses) and change in unrealized gains (losses) included in net income for separate account assets are offset by an equal amount for separate account liabilities, which results in a net zero impact on Net income (loss) for the Company.

For the three and six months ended June 30, 2015 and 2014, the transfers in and out of Level 3 for fixed maturities and equity securities, as well as separate accounts, were due to the variation in inputs relied upon for valuation each quarter. Securities that are primarily valued using independent broker quotes when prices are not available from one of the commercial pricing services are reflected as transfers into Level 3. When securities are valued using more widely available information, the securities are transferred out of Level 3 and into Level 1 or 2, as appropriate.

Significant Unobservable Inputs

Quantitative information about the significant unobservable inputs used in the Company's Level 3 fair value measurements of its annuity product guarantees is presented in the following sections and table.

The Company's Level 3 fair value measurements of its fixed maturities, equity securities available-for-sale and equity and credit derivative contracts are primarily based on broker quotes for which the quantitative detail of the unobservable inputs is neither provided nor reasonably corroborated, thus negating the ability to perform a sensitivity analysis. The Company performs a review of broker quotes by performing a monthly price variance comparison and back tests broker quotes to recent trade prices.

Significant unobservable inputs used in the fair value measurements of GMABs, GMWBs and GMWBLs include long-term equity and interest rate implied volatility, correlations between the rate of return on policyholder funds and between interest rates and equity returns, nonperformance risk, mortality and policyholder behavior assumptions, such as benefit utilization, lapses and partial withdrawals. Such inputs are monitored quarterly.

Significant unobservable inputs used in the fair value measurements of FIAs include nonperformance risk and policyholder behavior assumptions, such as lapses and partial withdrawals. Such inputs are monitored quarterly.

The significant unobservable inputs used in the fair value measurement of the Stabilizer embedded derivatives and MCG derivative are interest rate implied volatility, nonperformance risk, lapses and policyholder deposits. Such inputs are monitored quarterly.

Following is a description of selected inputs:

Equity / Interest Rate Volatility: A term-structure model is used to approximate implied volatility for the equity indices and swap rates for GMAB, GMWB and GMWBL fair value measurements and swap rates for the Stabilizer and MCG fair value measurements. Where no implied volatility is readily available in the market, an alternative approach is applied based on historical volatility.

Correlations: Integrated interest rate and equity scenarios are used in GMAB, GMWB and GMWBL fair value measurements to better reflect market interest rates and interest rate volatility correlations between equity and fixed income fund groups and between equity fund groups and interest rates. The correlations are based on historical fund returns and swap rates from external sources.

Nonperformance Risk: For the estimate of the fair value of embedded derivatives associated with the Company's product guarantees, the Company uses a blend of observable, similarly rated peer company credit default swap spreads, adjusted to reflect the credit quality of the individual insurance company subsidiary that issued the guarantee and the priority of policyholder claims.

Actuarial Assumptions: Management regularly reviews actuarial assumptions, which are based on the Company's experience and periodically reviewed against industry standards. Industry standards and Company experience may be limited on certain products.

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The following table presents the unobservable inputs for Level 3 fair value measurements as of June 30, 2015:

	Range[1]			
Unobservable Input	GMWB/GMWBL	GMAB	FIA	Stabilizer/MCGs
Long-term equity implied volatility	15% to 25%	15% to 25%	—	—
Interest rate implied volatility	0.1% to 18%	0.1% to 18%	—	0.1% to 7.4%
Correlations between:				
Equity Funds	48% to 98%	48% to 98%	—	—
Equity and Fixed Income Funds	-38% to 62%	-38% to 62%	—	—
Interest Rates and Equity Funds	-32% to 4%	-32% to 4%	—	—
Nonperformance risk	0.15% to 1.3%	0.15% to 1.3%	0.15% to 1.3%	0.15% to 1.3%
Actuarial Assumptions:				
Benefit Utilization	85% to 100% [2]	—	—	—
Partial Withdrawals	0% to 10%	0% to 10%	0% to 5%	—
Lapses	0.08% to 24% [3][4]	0.08% to 31% [3][4]	0% to 60% [3]	0% to 50% [5]
Policyholder Deposits[6]	—	—	—	0% to 65% [5]
Mortality	— [7]	— [7]	— [8]	—

[1] Represents the range of reasonable assumptions that management has used in its fair value calculations.
[2] Those policyholders who have elected systematic withdrawals are assumed to continue taking withdrawals. As a percent of account value, 35% are taking systematic withdrawals. Of those policyholders who are not taking withdrawals, the Company assumes that 85% will begin systematic withdrawals after a delay period. The utilization function varies by policyholder age and policy duration. Interactions with lapse and mortality also affect utilization. The utilization rate for GMWB and GMWBL tends to be lower for younger contract owners and contracts that have not reached their maximum accumulated GMWB and GMWBL benefit amount. There is also a lower utilization rate, though indirectly, for contracts that are less "in the money" (i.e., where the notional benefit amount is in excess of the account value) due to higher lapses. Conversely, the utilization rate tends to be higher for contract owners near or beyond retirement age and contracts that have accumulated their maximum GMWB or GMWBL benefit amount. There is also a higher utilization rate, though indirectly, for contracts which are highly "in the money." The chart below provides the GMWBL account value by current age group and average expected delay times from the associated attained age group as of June 30, 2015 (account value amounts are in $ billions).

	Account Values			
Attained Age Group	In the Money	Out of the Money	Total	Average Expected Delay (Years)*
< 60	$2.6	$0.1	$2.7	9.2
60-69	6.6	0.2	6.8	4.6
70+	5.6	0.1	5.7	2.8
	$14.8	$0.4	$15.2	5.3

* For population expected to withdraw in future. Excludes policies taking systematic withdraws and 15% of policies the Company assumes will never withdraw.

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(3) Lapse rates tend to be lower during the contractual surrender charge period and higher after the surrender charge period ends; the highest lapse rates occur in the year immediately after the end of the surrender charge period.
(4) The Company makes dynamic adjustments to lower the lapse rates for contracts that are more "in the money." The table below shows an analysis of policy account values according to whether they are in or out of the surrender charge period and to whether they are "in the money" or "out of the money" as of June 30, 2015 (account value amounts are in $ billions).

	Moneyness	GMAB Account Value		Lapse Range	GMWB/GMWBL Account Value	Lapse Range
During Surrender Charge Period						
	In the Money**	$—	*	0.08% to 8.2%	$6.6	0.08% to 6.3%
	Out of the Money	—	*	0.41% to 12%	0.2	0.36% to 7%
After Surrender Charge Period						
	In the Money**	$—	*	2.5% to 21%	$8.2	1.7% to 21%
	Out of the Money	0.1		12.3% to 31%	0.8	5.6% to 24%

* Less than $0.1.
** The low end of the range corresponds to policies that are highly "in the money." The high end of the range corresponds to the policies that are close to zero in terms of "in the moneyness."
(5) Stabilizer contracts with recordkeeping agreements have a different range of lapse and policyholder deposit assumptions from Stabilizer (Investment only) and MCG contracts as shown below:

	Percentage of Plans		Overall Range of Lapse Rates	Range of Lapse Rates for 85% of Plans	Overall Range of Policyholder Deposits	Range of Policyholder Deposits for 85% of Plans
Stabilizer (Investment Only) and MCG Contracts	88	%	0-25%	0-15%	0-40%	0-15%
Stabilizer with Recordkeeping Agreements	12	%	0-50%	0-25%	0-65%	0-30%
Aggregate of all plans	100	%	0-50%	0-25%	0-65%	0-30%

(6) Measured as a percentage of assets under management or assets under administration.
(7) The mortality rate is based on the Annuity 2000 Basic table with mortality improvements.
(8) The mortality rate is based on the 2012 Individual Annuity Mortality Basic table with mortality improvements.

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The following table presents the unobservable inputs for Level 3 fair value measurements as of December 31, 2014:

	Range[1]							
Unobservable Input	GMWB/GMWBL		GMAB		FIA		Stabilizer/MCGs	
Long-term equity implied volatility	15% to 25%		15% to 25%		—		—	
Interest rate implied volatility	0.2% to 16%		0.2% to 16%		—		0.2% to 7.6%	
Correlations between:								
Equity Funds	49% to 98%		49% to 98%		—		—	
Equity and Fixed Income Funds	-38% to 62%		-38% to 62%		—		—	
Interest Rates and Equity Funds	-32% to -4%		-32% to -4%		—		—	
Nonperformance risk	0.13% to 1.1%		0.13% to 1.1%		0.13% to 1.1%		0.13% to 1.1%	
Actuarial Assumptions:								
Benefit Utilization	85% to 100%	(2)	—		—		—	
Partial Withdrawals	0% to 10%		0% to 10%		0% to 5 %		—	
Lapses	0.08% to 24%	(3)(4)	0.08% to 31%	(3)(4)	0% to 60%	(3)	0% to 50%	(5)
Policyholder Deposits[6]	—		—		—		0% to 65%	(5)
Mortality	—	(7)	—	(7)	—	(8)	—	

(1) Represents the range of reasonable assumptions that management has used in its fair value calculations.

(2) Those policyholders who have elected systematic withdrawals are assumed to continue taking withdrawals. As a percent of account value, 33% are taking systematic withdrawals. Of those policyholders who are not taking withdrawals, the Company assumes that 85% will begin systematic withdrawals after a delay period. The utilization function varies by policyholder age and policy duration. Interactions with lapse and mortality also affect utilization. The utilization rate for GMWB and GMWBL tends to be lower for younger contract owners and contracts that have not reached their maximum accumulated GMWB and GMWBL benefit amount. There is also a lower utilization rate, though indirectly, for contracts that are less “in the money” (i.e., where the notional benefit amount is in excess of the account value) due to higher lapses. Conversely, the utilization rate tends to be higher for contract owners near or beyond retirement age and contracts that have accumulated their maximum GMWB or GMWBL benefit amount. There is also a higher utilization rate, though indirectly, for contracts which are highly “in the money.” The chart below provides the GMWBL account value by current age group and average expected delay times from the associated attained age group as of December 31, 2014 (account value amounts are in $ billions).

	Account Values			
Attained Age Group	In the Money	Out of the Money	Total	Average Expected Delay (Years)*
< 60	$2.4	$0.5	$2.9	9.5
60-69	6.2	1.0	7.2	4.9
70+	5.2	0.5	5.7	3.1
	$13.8	$2.0	$15.8	5.8

* For population expected to withdraw in future. Excludes policies taking systematic withdraws and 15% of policies the Company assumes will never withdraw.

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(3) Lapse rates tend to be lower during the contractual surrender charge period and higher after the surrender charge period ends; the highest lapse rates occur in the year immediately after the end of the surrender charge period.

(4) The Company makes dynamic adjustments to lower the lapse rates for contracts that are more "in the money." The table below shows an analysis of policy account values according to whether they are in or out of the surrender charge period and to whether they are "in the money" or "out of the money" as of December 31, 2014 (account value amounts are in $ billions).

	Moneyness	GMAB Account Value		Lapse Range	GMWB/GMWBL Account Value	Lapse Range
During Surrender Charge Period						
	In the Money**	$—	*	0.08% to 8.2%	$6.7	0.08% to 6.3%
	Out of the Money	—	*	0.41% to 12%	1.2	0.36% to 7%
After Surrender Charge Period						
	In the Money**	$—	*	2.5% to 21%	$7.2	1.7% to 21%
	Out of the Money	0.1		12.3% to 31%	1.4	5.6% to 24%

* Less than $0.1.
** The low end of the range corresponds to policies that are highly "in the money." The high end of the range corresponds to the policies that are close to zero in terms of "in the moneyness."

(5) Stabilizer contracts with recordkeeping agreements have a different range of lapse and policyholder deposit assumptions from Stabilizer (Investment only) and MCG contracts as shown below:

	Percentage of Plans		Overall Range of Lapse Rates	Range of Lapse Rates for 85% of Plans	Overall Range of Policyholder Deposits	Range of Policyholder Deposits for 85% of Plans
Stabilizer (Investment Only) and MCG Contracts	87	%	0-30%	0-15%	0-45%	0-15%
Stabilizer with Recordkeeping Agreements	13	%	0-50%	0-25%	0-65%	0-25%
Aggregate of all plans	100	%	0-50%	0-25%	0-65%	0-25%

(6) Measured as a percentage of assets under management or assets under administration.
(7) The mortality rate is based on the Annuity 2000 Basic table with mortality improvements.
(8) The mortality rate is based on the 2012 Individual Annuity Mortality Basic table with mortality improvements.

Generally, the following will cause an increase (decrease) in the GMAB, GMWB and GMWBL embedded derivative fair value liabilities:

- An increase (decrease) in long-term equity implied volatility
- An increase (decrease) in interest rate implied volatility
- An increase (decrease) in equity-interest rate correlations
- A decrease (increase) in nonperformance risk
- A decrease (increase) in mortality

- An increase (decrease) in benefit utilization
- A decrease (increase) in lapses

Changes in fund correlations may increase or decrease the fair value depending on the direction of the movement and the mix of funds. Changes in partial withdrawals may increase or decrease the fair value depending on the timing and magnitude of withdrawals.

Generally, the following will cause an increase (decrease) in the FIA embedded derivative fair value liability:

- A decrease (increase) in nonperformance risk
- A decrease (increase) in lapses

Generally, the following will cause an increase (decrease) in the derivative and embedded derivative fair value liabilities related to Stabilizer and MCG contracts:

- An increase (decrease) in interest rate implied volatility

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- A decrease (increase) in nonperformance risk
- A decrease (increase) in lapses
- A decrease (increase) in policyholder deposits

The Company notes the following interrelationships:

- Higher long-term equity implied volatility is often correlated with lower equity returns, which will result in higher in-the-moneyness, which in turn, results in lower lapses due to the dynamic lapse component reducing the lapses. This increases the projected number of policies that are available to use the GMWBL benefit and may also increase the fair value of the GMWBL.

- Generally, an increase (decrease) in benefit utilization will decrease (increase) lapses for GMWB and GMWBL.

- Generally, an increase (decrease) in interest rate volatility will increase (decrease) lapses of Stabilizer and MCG contracts due to dynamic participant behavior.

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Other Financial Instruments

The carrying values and estimated fair values of the Company's financial instruments as of the dates indicated:

	June 30, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Fixed maturities, including securities pledged	$72,707.1	$72,707.1	$74,659.4	$74,659.4
Equity securities, available-for-sale	279.6	279.6	271.8	271.8
Mortgage loans on real estate	10,366.7	10,882.9	9,794.1	10,286.6
Policy loans	2,034.1	2,034.1	2,104.0	2,104.0
Limited partnerships/corporations	471.8	471.8	363.2	363.2
Cash, cash equivalents, short-term investments and short-term investments under securities loan agreements	4,238.9	4,238.9	5,069.3	5,069.3
Derivatives	1,429.3	1,429.3	1,819.6	1,819.6
Other investments	93.3	103.4	110.3	120.4
Assets held in separate accounts	106,330.5	106,330.5	106,007.8	106,007.8
Liabilities:				
Investment contract liabilities:				
Funding agreements without fixed maturities and deferred annuities[1]	49,957.8	54,717.3	49,791.9	55,112.4
Funding agreements with fixed maturities and guaranteed investment contracts	1,494.6	1,474.5	1,593.0	1,564.8
Supplementary contracts, immediate annuities and other	2,817.7	2,990.7	2,535.3	2,706.2
Derivatives:				
Annuity product guarantees:				
FIA	1,953.5	1,953.5	1,970.0	1,970.0
GMAB/GMWB/GMWBL	1,305.5	1,305.5	1,527.7	1,527.7
Stabilizer and MCGs	92.0	92.0	102.9	102.9
Other derivatives	705.8	705.8	849.3	849.3
Long-term debt	3,486.0	3,812.7	3,515.7	3,875.4
Embedded derivatives on reinsurance	70.4	70.4	139.6	139.6

[1] Certain amounts included in Funding agreements without fixed maturities and deferred annuities are also reflected within the Annuity product guarantees section of the table above.

The following disclosures are made in accordance with the requirements of ASC Topic 825 which requires disclosure of fair value information about financial instruments, whether or not recognized at fair value on the Condensed Consolidated Balance Sheets, for which it is practicable to estimate that value. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates, in many cases, could not be realized in immediate settlement of the instrument.

ASC Topic 825 excludes certain financial instruments, including insurance contracts and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company.

The following valuation methods and assumptions were used by the Company in estimating the fair value of the following financial instruments, which are not carried at fair value on the Condensed Consolidated Balance Sheets:

Mortgage loans on real estate: The fair values for mortgage loans on real estate are estimated on a monthly basis using discounted cash flow analyses and rates currently being offered in the marketplace for similar loans to borrowers with similar credit ratings. Loans with similar characteristics are aggregated for purposes of the calculations. Mortgage loans on real estate are classified as Level 3.

Policy loans: The fair value of policy loans approximates the carrying value of the loans. Policy loans are collateralized by the cash surrender value of the associated insurance contracts and are classified as Level 2.

Limited partnerships/corporations: The fair value for these investments, primarily private equity fund of funds and hedge funds, is based on actual or estimated Net Asset Value (“NAV”) information, as provided by the investee and are classified as Level 3.

Other investments: Primarily Federal Home Loan Bank (“FHLB”) stock, which is carried at cost and periodically evaluated for impairment based on ultimate recovery of par value and is classified as Level 1.

Investment contract liabilities:

Funding agreements without fixed maturities and deferred annuities: Fair value is estimated as the mean present value of stochastically modeled cash flows associated with the contract liabilities taking into account assumptions about contract holder behavior. The stochastic valuation scenario set is consistent with current market parameters and discount is taken using stochastically evolving risk-free rates in the scenarios plus an adjustment for nonperformance risk. Margins for non-financial risks associated with the contract liabilities are also included. These liabilities are classified as Level 3.

Funding agreements with fixed maturities and guaranteed investment contracts: Fair value is estimated by discounting cash flows, including associated expenses for maintaining the contracts, at rates, that are risk-free rates plus an adjustment for nonperformance risk. These liabilities are classified as Level 2.

Supplementary contracts and immediate annuities: Fair value is estimated as the mean present value of the single deterministically modeled cash flows associated with the contract liabilities discounted using stochastically evolving short risk-free rates in the scenarios plus an adjustment for nonperformance risk. The valuation is consistent with current market parameters. Margins for non-financial risks associated with the contract liabilities are also included. These liabilities are classified as Level 3.

Long-term debt: Estimated fair value of the Company’s long-term debt is based upon discounted future cash flows using a discount rate approximating the current market rate, incorporating nonperformance risk. Long-term debt is classified as Level 2.

Fair value estimates are made at a specific point in time, based on available market information and judgments about various financial instruments, such as estimates of timing and amounts of future cash flows. Such estimates do not reflect any premium or discount that could result from offering for sale at one time the Company’s entire holdings of a particular financial instrument, nor do they consider the tax impact of the realization of unrealized capital gains (losses). In many cases, the fair value estimates cannot be substantiated by comparison to independent markets, nor can the disclosed value be realized in immediate settlement of the instruments. In evaluating the Company’s management of interest rate, price and liquidity risks, the fair values of all assets and liabilities should be taken into consideration, not only those presented above.

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5. Deferred Policy Acquisition Costs and Value of Business Acquired

The following tables present a rollforward of DAC and VOBA for the periods indicated:

	2015		
	DAC	VOBA	Total
Balance as of January 1, 2015	$3,890.9	$680.0	$4,570.9
Deferrals of commissions and expenses	171.9	5.2	177.1
Amortization:			
Amortization	(352.6)	(77.2)	(429.8)
Interest accrued[1]	116.0	42.6	158.6
Net amortization included in Condensed Consolidated Statements of Operations	(236.6)	(34.6)	(271.2)
Change in unrealized capital gains/losses on available-for-sale securities	342.8	270.3	613.1
Balance as of June 30, 2015	$4,169.0	$920.9	$5,089.9

	2014		
	DAC	VOBA	Total
Balance as of January 1, 2014	$4,316.1	$1,035.5	$5,351.6
Deferrals of commissions and expenses	188.2	6.4	194.6
Amortization:			
Amortization	(313.4)	(88.8)	(402.2)
Interest accrued[1]	115.7	44.7	160.4
Net amortization included in Condensed Consolidated Statements of Operations	(197.7)	(44.1)	(241.8)
Change in unrealized capital gains/losses on available-for-sale securities	(507.5)	(285.7)	(793.2)
Balance as of June 30, 2014	$3,799.1	$712.1	$4,511.2

[1] Interest accrued at the following rates for DAC: 1.5% to 7.5% during 2015 and 0.6% to 7.4% during 2014. Interest accrued at the following rates for VOBA: 3.5% to 7.5% during 2015 and 4.1% to 7.5% during 2014.

6. Share-based Incentive Compensation Plans

ING U.S., Inc. 2013 Omnibus Employee Incentive Plan and Voya Financial, Inc. 2014 Omnibus Employee Incentive Plan

The Company has provided equity-based compensation awards to its employees under the ING U.S., Inc. 2013 Omnibus Employee Incentive Plan (the “2013 Omnibus Plan”) and the Voya Financial, Inc. 2014 Omnibus Employee Incentive Plan (the "2014 Omnibus Plan"). At inception of the 2013 Omnibus Plan, a total of 7,650,000 shares of Company common stock were reserved and available for issuance under the plan. As of June 30, 2015, common stock reserved and available for issuance under the 2013 Omnibus Plan was 189,684 shares.

The 2014 Omnibus Plan was adopted by the Company's Board of Directors and approved by shareholders in 2014, and has substantially the same terms as the 2013 Omnibus Plan, except for certain changes intended to allow certain performance-based compensation awards to comply with the criteria for tax deductibility set forth in Section 162(m) of the Internal Revenue Code. The 2014 Omnibus Plan provides for 17,800,000 shares of common stock to be available for issuance as equity-based compensation awards. As of June 30, 2015, common stock reserved and available for issuance under the 2014 Omnibus Plan was 15,727,628 shares.

The 2013 Omnibus Plan and the 2014 Omnibus Plan (together, the “Omnibus Plans”) each permit the granting of a wide range of equity-based awards, including restricted stock units (“RSUs”), which represent the right to receive a number of shares of Company common stock upon vesting; restricted stock, which are shares of Company stock that are issued subject to sale and transfer restrictions until the vesting conditions are met; performance share units (“PSUs”), which are RSUs subject to certain performance-based vesting conditions, and under which the number of shares of common stock delivered upon vesting varies with the level of achievement of performance criteria; and stock options. Grants of equity-based awards under the Omnibus Plans are made by the Compensation and Benefits Committee (the “Committee”) of the Board of Directors of the Company, and are subject to such terms and conditions as the Committee may determine, including in respect of vesting and forfeiture, subject to certain limitations provided in the Omnibus Plans. Equity-based awards under the Omnibus Plans may carry dividend equivalent rights, pursuant to which notional dividends accumulate on unvested equity awards and are paid, in cash, upon vesting. Awards made under the Omnibus Plans, to date, have included dividend equivalent rights. Dividend equivalents are credited to the recipient and are paid only to the extent the applicable performance criteria and service conditions are met.

During the six months ended June 30, 2015, grants of equity awards to the Company's employees consisted solely of RSUs and PSUs awarded under the 2014 Omnibus Plan. PSUs awarded during the six months ended June 30, 2015 entitle recipients to receive, upon vesting, a number of shares of common stock that ranges from 0% to 150% of the number of PSUs awarded, depending on the level of achievement of the specified performance conditions. The establishment and the achievement of performance objectives are determined and approved by the Committee. Except under certain termination conditions, RSUs and PSUs vest no earlier than one year from the date of the award and no later than three years from the date of the award. In the case of retirement (as defined in the award agreement), awards vest depending on the employee’s age and years of service subject to the satisfaction of any applicable performance criteria.

If an award under the Omnibus Plans is forfeited, expired, terminated or otherwise lapses, the shares of Company common stock underlying that award will again become available for issuance. Shares withheld by the Company to pay employee taxes, or which are withheld by or tendered to the Company to pay the exercise price of stock options (or are repurchased from an option holder by the Company with proceeds from the exercise of stock options) are not available for reissuance.

As of June 30, 2015, there were no stock options issued or outstanding under the Omnibus Plans.

Deal Incentive Awards: Upon closing of the IPO, RSUs were granted to employees of the Company under the 2013 Omnibus Plan in connection with Deal Incentive Awards. Deal Incentive Awards are conditional agreements to grant equity awards to certain employees of the Company, upon the closing of the IPO or upon the satisfaction of certain other conditions. RSUs granted in connection with Deal Incentive Awards are subject to certain vesting conditions, lockup period and other holding requirements.

Due to the completion of the March 2015 Offering, the remaining 70,880 RSUs vested and were issued during the six months ended June 30, 2015.

Voya Financial, Inc. 2013 Omnibus Non-Employee Director Incentive Plan

The Company offers equity-based awards to Voya Financial, Inc. non-employee directors under the Voya Financial, Inc. 2013 Omnibus Non-Employee Director Incentive Plan (“2013 Director Plan”), which the Company adopted in connection with the IPO. A total of 288,000 shares of Company common stock may be issued under the 2013 Director Plan. The material terms of the 2013 Director Plan are substantially consistent with the material terms of the Omnibus Plans described above.

Non-Employee Director Service Grants: In March of 2015, the Company granted 16,008 RSUs to the non-employee directors then serving on the Board. These awards vest one-third on each of the first, second and third anniversary of the grant date, in each case provided that the grantee remains a director of the Company on the relevant vesting date, and provided that no shares will be delivered in connection with the RSUs until such time as the director's service on the Board is terminated. On April 13, 2015, the Company granted an additional 1,875 RSUs to a non-employee director in connection with his election to the board.

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Voya Financial, Inc. 2014 Employee Phantom Stock Plan

During 2014, the Company provided certain of its non-executive employees with cash-settled awards under the Voya Financial, Inc. 2014 Employee Phantom Stock Plan (the "Phantom Plan"). Awards made under the Phantom Plan were designed to provide grantees with an economic benefit that is equivalent to an analogous grant under the Omnibus Plans; however the Company must deliver cash, and may not deliver equity, upon vesting of such awards. Awards were granted in the form of phantom RSUs and phantom PSUs, each of which was designed to mirror the value of an equity-settled RSU or PSU awarded under the Omnibus Plans, with the cash settlement value determined based on the closing price of a share of Company common stock on the New York Stock Exchange on the trading day immediately preceding the date such award vests. As of June 30, 2015, the Company had 110,777 phantom RSUs and 59,838 phantom PSUs, respectively, outstanding to its employees.

ING Group Equity-Based Plans

Prior to the IPO, employees of the Company received equity-based compensation in the form of ING Group equity awards, pursuant to equity compensation plans adopted by ING Group. These plans included:

Long-term Sustainable Performance Plan: In 2012 and 2013 employees of the Company received ING Group-based equity awards under the Long-Term Sustainable Performance Plan ("LSPP") of ING Group. LSPP awards made to Company employees are settled by delivery of ING Group American Depository Receipts ("ADRs").

LSPP awards to employees of the Company provided in 2013 were, upon the closing of the IPO, converted into Company-based equity awards under the 2013 Omnibus Plan. Outstanding awards made in 2012 were not converted. The PSUs were considered granted upon the establishment and communication of the performance measures for the applicable performance period by the Committee, which is generally carried out during the first quarter of each year, although awards in respect of the 2013 performance year were not granted until the second quarter of that year.

LSPP awards provided to the Company's employees in 2012 were not converted and have continued to vest according to the terms of their original grant, with substantially all such awards having vested during or prior to the first quarter of 2015.

Equity Compensation Plan: In 2012 and 2013, certain employees of the Company (principally those employed within the Investment Management segment) received equity-based awards under the ING America Insurance Holdings, Inc. Equity Compensation Plan (the "Equity Compensation Plan"). Awards made under the Equity Compensation Plan are settled in the form of ING Group ADRs.

Equity Compensation Plan awards to employees of the Company provided in 2013 were, upon the closing of the IPO, converted into Company-based equity awards under the 2013 Omnibus Plan. These awards are subject to a three-year vesting period provided that the participant is still employed by the Company on the relevant vesting date.

Compensation Cost

The Company measures the cost of the share-based awards at their grant date fair value, based upon the market value of the stock, and recognizes that cost over the vesting period. Differences in actual versus expected experience or changes in expected forfeitures are recognized in the period of change. Compensation expense is principally related to the granting of PSUs and RSUs and is recognized in Operating expenses in the Condensed Consolidated Statements of Operations.

The liability related to the awards made under the Phantom Plan is recorded within Other liabilities. Unlike equity-settled awards, which have a fixed grant-date fair value, the fair value of unvested cash-settled awards is remeasured at the end of each reporting period until the awards vest.

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As a result of the reduction of ING Group's ownership in Voya Financial, Inc. to approximately 43% on March 25, 2014, those ING Group equity awards that were not converted to equity awards of Voya Financial, Inc. are no longer deemed to be granted to employees of ING Group. Therefore, beginning on March 25, 2014, the compensation cost is remeasured at each reporting date until the awards vest. The remeasured cost is recognized prospectively on a pro-rata basis equal to the proportion of service provided by the award recipients as nonemployees to the total requisite service period of the award. The corresponding amount for the 2012 ING Group LSPP awards, which are settled through the issuance of new ING Group equity securities, is recorded as a capital contribution. The corresponding amount for the 2012 Equity Compensation Plan awards, which are settled through the delivery of ING Group ADRs acquired by the Company in the secondary market, is recorded as a liability. The impact of the remeasurement of the compensation cost of these awards for the three and six months ended June 30, 2015 and 2014 was immaterial.

The following table summarizes share-based compensation expense, which includes expenses related to awards granted under the Omnibus Plans, Director Plan, Phantom Plan and ING Group share-based compensation plans for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
RSUs[1]	$14.0	$12.5	$26.7	$19.5
RSUs - Deal incentive awards	—	—	2.1	5.6
PSU awards[2]	8.9	12.1	26.0	31.3
Phantom Plan	1.0	1.2	3.3	1.5
Share-based compensation expense	$23.9	$25.8	$58.1	$57.9
Income tax benefit[3]	8.4	—	20.3	—
After-tax share-based compensation expense	$15.5	$25.8	$37.8	$57.9

[1] This table includes compensation expense of $0.1 and $0.8 for the three and six months ended June 30, 2015, respectively, related to ING Group RSU awards. In addition, this table includes compensation expense of $1.9 and $3.7 for the three and six months ended June 30, 2014, respectively, related to ING Group RSU awards.
[2] This table includes immaterial compensation expense for the three months ended June 30, 2015 and $7.9 for the six months ended June 30, 2015, related to ING Group PSU awards. In addition, this table includes compensation expense of $6.1 and $16.7 for the three and six months ended June 30, 2014, respectively, related to ING Group PSU awards.
[3] The Company recognized no income tax benefit due to valuation allowances for the three and six months ended June 30, 2014. See the Income Taxes Note to these Condensed Consolidated Financial Statements for additional information.

Awards Outstanding

The following table summarizes the number of awards under the Omnibus Plans for the period indicated:

	RSUs		RSUs-Deal Incentive Awards		PSU Awards	
(awards in millions)	Number of Awards	Weighted Average Grant Date Fair Value	Number of Awards	Weighted Average Grant Date Fair Value	Number of Awards	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2014	3.2	$28.80	—	$—	0.6	$37.01
	N/A	N/A	N/A	N/A		

Adjustment for PSU
performance factor