

ING U.S., Inc.  
Form 10-Q  
May 23, 2013

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

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FORM 10-Q  
(Mark One)

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

For the quarterly period ended March 31, 2013

OR  
 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\_\_\_\_\_

ING U.S., Inc.

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(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)

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(Former name, former address and former fiscal year, if changed since last report)

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  No

Indicate by check mark whether the registrant (1) 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  No

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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

Accelerated filer

Non-accelerated filer

Smaller reporting company

(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  No

**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: At May 21, 2013 260,769,230 shares of Common Stock, \$.01 par value, were outstanding.

ING U.S., Inc.  
 Form 10-Q for the period ended March 31, 2013

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NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Results of Operations and Financial Condition," contains statements which constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to trends in operations and financial results and the business and products of ING U.S., Inc. (the "Company"), as well as other statements including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend" and other similar expressions. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on us. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control and many of which are subject to change. These uncertainties and contingencies could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, the Company. Factors that could cause such differences include, but are not limited to, those discussed in Part I, Item 2. "Management's Discussion and Analysis of Results of Operations and Financial Condition" and Part II, Item 1A. "Risk Factors" of this Form 10-Q as well as those discussed in "Risk Factors," "Management's Discussion and Analysis of Results of Operations and Financial Condition - Trends and Uncertainties" and "Business - Closed Blocks - Closed Blocks Variable Annuity" in the Company's Prospectus dated May 1, 2013, filed with the SEC pursuant to Rule 424(b)(1) under the Securities Act of 1933, as amended (the "Securities Act"), on May 3, 2013 (the "Prospectus").

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

ING U.S., Inc.

Condensed Consolidated Balance Sheets

March 31, 2013 (Unaudited) and December 31, 2012

(In millions, except share data)

	March 31, 2013	December 31, 2012
Assets:		
Investments:		
Fixed maturities, available-for-sale, at fair value (amortized cost of \$63,469.6 at 2013 and \$62,955.4 at 2012)	\$70,622.9	\$70,910.3
Fixed maturities, at fair value using the fair value option	2,675.8	2,771.3
Equity securities, available-for-sale, at fair value (cost of \$246.5 at 2013 and \$297.9 at 2012)	282.3	340.1
Short-term investments	2,992.1	5,991.2
Mortgage loans on real estate, net of valuation allowance of \$3.9 at 2013 and at 2012	8,949.4	8,662.3
Policy loans	2,204.4	2,200.3
Limited partnerships/corporations	468.5	465.1
Derivatives	2,077.0	2,374.5
Other investments	166.7	167.0
Securities pledged (amortized cost of \$1,656.7 at 2013 and \$1,470.0 at 2012)	1,774.7	1,605.5
Total investments	92,213.8	95,487.6
Cash and cash equivalents	2,787.7	1,786.8
Short-term investments under securities loan agreements, including collateral delivered	863.5	664.0
Accrued investment income	900.8	863.5
Reinsurance recoverable	7,151.0	7,379.3
Deferred policy acquisition costs, Value of business acquired	4,019.6	3,656.3
Sales inducements to contract holders	235.5	212.7
Goodwill and other intangible assets	341.8	348.5
Other assets	1,128.2	1,362.5
Assets related to consolidated investment entities:		
Limited partnerships/corporations, at fair value	2,980.7	2,931.2
Cash and cash equivalents	1,054.8	440.8
Corporate loans, at fair value using the fair value option	4,043.1	3,559.3
Other assets	31.2	34.3
Assets held in separate accounts	103,098.3	97,667.4
Total assets	\$220,850.0	\$216,394.2

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

ING U.S., Inc.  
Condensed Consolidated Balance Sheets  
March 31, 2013 (Unaudited) and December 31, 2012  
(In millions, except share data)

	March 31, 2013	December 31, 2012
<b>Liabilities and Shareholder's Equity:</b>		
Future policy benefits	\$ 15,061.5	\$ 15,493.6
Contract owner account balances	70,813.6	70,562.1
Payables under securities loan agreement, including collateral held	1,348.8	1,509.8
Short-term debt	321.2	1,064.6
Long-term debt	3,440.8	3,171.1
Funds held under reinsurance agreements	1,170.8	1,236.6
Derivatives	1,670.6	1,944.2
Pension and other post-employment provisions	906.6	903.2
Current income taxes	13.2	11.7
Deferred income taxes	921.6	1,042.7
Other liabilities	1,231.3	1,604.2
<b>Liabilities related to consolidated investment entities:</b>		
Collateralized loan obligations notes, at fair value using the fair value option	4,448.1	3,829.4
Other liabilities	804.7	292.4
Liabilities related to separate accounts	103,098.3	97,667.4
<b>Total liabilities</b>	<b>205,251.1</b>	<b>200,333.0</b>
<b>Shareholder's equity:</b>		
Common stock (900,000,000 shares authorized, 230,079,120 issued and 230,000,000 outstanding, net of 79,120 of Treasury shares; \$0.01 par value per share )	2.3	2.3
Additional paid-in capital	22,909.9	22,917.6
Accumulated other comprehensive income	3,452.8	3,710.7
<b>Retained earnings (deficit):</b>		
Appropriated-consolidated investment entities	0.2	6.4
Unappropriated	(12,974.1	) (12,762.1 )
<b>Total ING U.S., Inc. shareholder's equity</b>	<b>13,391.1</b>	<b>13,874.9</b>
Noncontrolling interest	2,207.8	2,186.3
<b>Total shareholder's equity</b>	<b>15,598.9</b>	<b>16,061.2</b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ 220,850.0</b>	<b>\$ 216,394.2</b>

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

ING U.S., Inc.  
Condensed Consolidated Statements of Operations  
For the Three Months Ended March 31, 2013, and 2012 (Unaudited)  
(In millions, except per share data)

	Three Months Ended March 31,	
	2013	2012
Revenues:		
Net investment income	\$ 1,198.7	\$ 1,277.4
Fee income	891.9	889.0
Premiums	471.9	461.6
Net realized gains (losses):		
Total other-than-temporary impairments	(11.6	) (7.3
Less: Portion of other-than-temporary impairments recognized in Other comprehensive income (loss)	(0.6	) (0.4
Net other-than-temporary impairments recognized in earnings	(11.0	) (6.9
Other net realized capital gains (losses)	(863.8	) (1,243.0
Total net realized capital gains (losses)	(874.8	) (1,249.9
Other revenue	95.6	89.0
Income (loss) related to consolidated investment entities:		
Net investment income (loss)	44.2	34.9
Changes in fair value related to collateralized loan obligations	(8.9	) (16.7
Total revenues	1,818.6	1,485.3
Benefits and expenses:		
Policyholder benefits	540.5	448.1
Interest credited to contract owner account balance	520.9	570.1
Operating expenses	759.1	759.4
Net amortization of deferred policy acquisition costs and value of business acquired	130.5	173.7
Interest expense	44.4	24.3
Operating expenses related to consolidated investment entities:		
Interest expense	36.8	22.2
Other expense	0.7	0.4
Total benefits and expenses	2,032.9	1,998.2
Income (loss) before income taxes	(214.3	) (512.9
Income tax expense	11.2	7.9
Net income (loss)	(225.5	) (520.8
Less: Net income (loss) attributable to noncontrolling interest	(13.5	) (15.6
Net income (loss) available to ING U.S., Inc.'s common shareholder	\$(212.0	) \$(505.2
Net income (loss) available to ING U.S., Inc.'s common shareholder per common share	\$(0.92	) \$(2.20

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

ING U.S., Inc.  
 Condensed Consolidated Statements of Comprehensive Income  
 For the Three Months Ended March 31, 2013, and 2012 (Unaudited)  
 (In millions)

	Three Months Ended March 31,		
	2013	2012	
Net income (loss)	\$ (225.5	) \$ (520.8	)
Other comprehensive income (loss), before tax:			
Unrealized gains/(losses) on securities	(399.9	) (75.7	)
Other-than-temporary impairments	10.9	12.8	)
Pension and other postretirement benefits liability	(3.5	) (3.8	)
Other comprehensive income (loss), before tax	(392.5	) (66.7	)
Income tax (benefit) related to items of other comprehensive income (loss)	(134.6	) (58.7	)
Other comprehensive income (loss), after tax	(257.9	) (8.0	)
Comprehensive income (loss)	(483.4	) (528.8	)
Less: Comprehensive income (loss) attributable to the noncontrolling interest	(13.5	) (15.6	)
Comprehensive income (loss) attributable to ING U.S., Inc.'s common shareholder	\$ (469.9	) \$ (513.2	)

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



ING U.S., Inc.

Condensed Consolidated Statements of Changes in Shareholder's Equity

For the Three Months Ended March 31, 2013 and 2012 (Unaudited)

(In millions)

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained (Deficit) Earnings Appropriated	Retained (Deficit) Earnings Unappropriated	Total ING U.S., Inc. Shareholder's Equity	Noncontrolling Interest	Total Shareholder's Equity
Balance at January 1, 2013	\$ 2.3	\$ 22,917.6	\$ 3,710.7	\$ 6.4	\$ (12,762.1 )	\$ 13,874.9	\$ 2,186.3	\$ 16,061.2
Comprehensive income (loss):								
Net income (loss)	—	—	—	—	(212.0 )	(212.0 )	(13.5 )	(225.5 )
Other comprehensive income (loss), after tax	—	—	(257.9 )	—	—	(257.9 )	—	(257.9 )
Total comprehensive income (loss)						(469.9 )	(13.5 )	(483.4 )
Reclassification of noncontrolling interest		—	—	(6.2 )	—	(6.2 )	6.2	—
Employee related benefits	—	(7.7 )	—	—	—	(7.7 )	—	(7.7 )
Contribution from (Distribution to) noncontrolling interest, net	—	—	—	—	—	—	28.8	28.8
Balance at March 31, 2013	\$ 2.3	\$ 22,909.9	\$ 3,452.8	\$ 0.2	\$ (12,974.1 )	\$ 13,391.1	\$ 2,207.8	\$ 15,598.9

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained (Deficit) Earnings Appropriated	Retained (Deficit) Earnings Unappropriated	Total ING U.S., Inc. Shareholder's Equity	Noncontrolling Interest	Total Shareholder's Equity
Balance at January 1, 2012	\$ 2.3	\$ 22,865.2	\$ 2,595.0	\$ 126.5	\$ (13,235.1 )	\$ 12,353.9	\$ 1,572.2	\$ 13,926.1
Comprehensive income (loss):								
Net income (loss)	—	—	—	—	(505.2 )	(505.2 )	(15.6 )	(520.8 )
Other comprehensive income (loss), after tax	—	—	(8.0 )	—	—	(8.0 )	—	(8.0 )
Total comprehensive income (loss)						(513.2 )	(15.6 )	(528.8 )
Reclassification of noncontrolling interest	—	—	—	(16.7 )	—	(16.7 )	16.7	—

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Employee related benefits	—	5.9	—	—	—	5.9	—	5.9
Contribution from (Distribution to) noncontrolling interest, net	—	—	—	—	—	—	59.6	59.6
Balance at March 31, 2012	\$ 2.3	\$ 22,871.1	\$ 2,587.0	\$ 109.8	\$ (13,740.3 )	\$ 11,829.9	\$ 1,632.9	\$ 13,462.8

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

ING U.S., Inc.  
Condensed Consolidated Statements of Cash Flows  
For the Three Months Ended March 31, 2013, and 2012 (Unaudited)  
(In millions)

	Three Months Ended March 31,	
	2013	2012
Net cash (used in) provided by operating activities	\$(28.4	) \$324.3
Cash Flows from Investing Activities:		
Proceeds from the sale, maturity, disposal or redemption of:		
Fixed maturities	4,455.8	5,838.7
Equity securities, available-for-sale	28.4	23.5
Mortgage loans on real estate	318.3	316.3
Loan - Dutch State obligation	—	145.3
Limited partnerships/corporations	18.0	63.1
Acquisition of:		
Fixed maturities	(4,802.8	) (4,233.3
Equity securities, available-for-sale	(9.4	) (9.9
Mortgage loans on real estate	(581.4	) (553.9
Limited partnerships/corporations	(9.8	) (77.3
Short-term investments, net	2,999.1	499.4
Policy loans, net	(4.1	) 39.8
Derivatives, net	(1,089.6	) (1,171.2
Other investments, net	11.8	(0.1
Sales from consolidated investment entities	573.8	181.5
Purchase of consolidated investment entities	(613.8	) (380.0
Collateral received (delivered), net	(360.5	) (209.4
Purchases of fixed assets, net	(6.6	) (8.2
Other, net	—	(0.2
Net cash provided by investing activities	927.2	464.1
Cash Flows from Financing Activities:		
Deposits received for investment contracts	\$2,936.2	\$4,251.2
Maturities and withdrawals from investment contracts	(2,996.6	) (4,918.2
Proceeds from issuance of debt with maturities of more than three months	1,000.6	43.9
Repayment of debt with maturities of more than three months	(1,304.6	) (47.6
Short-term debt	(169.7	) 129.1
Debt issuance costs	(6.5	) —
Contributions from participants in consolidated investment entities	642.7	392.2
Net cash (used in) provided by financing activities	102.1	(149.4
Net increase in cash and cash equivalents	1,000.9	639.0
Cash and cash equivalents, beginning of period	1,786.8	638.0
Cash and cash equivalents, end of period	\$2,787.7	\$1,277.0
Supplemental cash flow information:		
Income taxes paid, net	\$(3.2	) \$(2.2
Interest paid	55.1	29.4

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

ING U.S., 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

ING U.S., Inc. 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, guaranteed investment contracts, and funding agreements.

In 2009, ING Groep N.V. ("ING Group" or "ING") announced the anticipated separation of its global banking and insurance businesses, including the divestiture of the Company. On May 7, 2013, ING U.S., Inc. completed the offering of 65,192,307 shares of its common stock, including the issuance and sale by ING U.S., 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 ING U.S., Inc. of 34,423,077 shares of outstanding common stock of ING U.S., Inc. (collectively, the "IPO"). Following the IPO, ING International owns 75% of the outstanding common stock of ING U.S., Inc. (before any exercise of the underwriters' option to acquire from ING International up to an additional 9,778,846 shares of ING U.S., Inc. common stock). ING International is a wholly owned subsidiary of ING Verzekeringen N.V. ("ING V"), which is a wholly owned subsidiary of ING Insurance Topholding N.V., which is a wholly owned subsidiary of ING Group, the ultimate parent company. ING is a global financial services holding company based in The Netherlands, with American Depository Shares listed on the New York Stock Exchange under the symbol "ING."

On April 11, 2013, the Company announced plans to rebrand in the future as Voya Financial. The Voya Financial identity is reflected in the Company's new ticker symbol (NYSE: VOYA).

The Company provides its principal products and services in three businesses (Retirement Solutions, Investment Management and Insurance Solutions) and reports results through five ongoing operating segments, including Retirement, Annuities, Investment Management, Individual Life and Employee Benefits. 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.

### Basis of Presentation

On April 10, 2013, the Company's Board of Directors authorized the total number of shares of all classes of stock which the Company has the authority to issue to be 1,000,000,000, of which 900,000,000 shares, par value \$0.01 per share, are designated as common stock and a 100,000,000 shares, par value \$0.01 per share, are designated as preferred stock. In addition, the Company's Board of Directors authorized a 2,295.248835-for-1 split of the Company's common stock. These actions were subsequently approved by the Company's sole stockholder on April 10, 2013 and effected on April 11, 2013, resulting in 230,079,120 shares of common stock issued, including 79,120 of Treasury shares, and 230,000,000 shares of common stock outstanding and held by ING International, prior to the IPO. The accompanying Condensed Consolidated Financial Statements and Notes to Condensed Consolidated

Financial Statements give retroactive effect to the stock split for all periods presented. There are no preferred shares issued or outstanding.

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 ING U.S., 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.

ING U.S., Inc.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in millions, unless otherwise stated)

Certain immaterial reclassifications have been made to prior year financial information to conform to the current year classifications. Intercompany transactions and balances have been eliminated.

The accompanying Condensed Consolidated Financial Statements reflect all adjustments (including normal, recurring adjustments) necessary to present fairly the financial position of the Company as of March 31, 2013, its results of operations, comprehensive income, changes in shareholder's equity and cash flows for the three months ended March 31, 2013 and 2012, in conformity with U.S. GAAP. Interim results are not necessarily indicative of full year performance. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements included in the Company's prospectus dated May 1, 2013, filed with the SEC pursuant to Rule 424(b)(1) under the Securities Act of 1933, as amended (the "Securities Act") on May 3, 2013 (the "Prospectus").

#### Adoption of New Pronouncements

##### Disclosures about Offsetting Assets and Liabilities

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-11, "Balance Sheet (Accounting Standards Codification ("ASC") Topic 210): Disclosures about Offsetting Assets and Liabilities" ("ASU 2011-11"), which requires an entity to disclose both gross and net information about instruments and transactions eligible for offset in the statement of financial position, as well as instruments and transactions subject to an agreement similar to a master netting arrangement. In addition, the standard requires disclosure of collateral received and posted in connection with master netting agreements or similar arrangements.

In January 2013, the FASB issued ASU 2013-01, "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities" ("ASU 2013-01"), which clarifies that the scope of ASU 2011-11 applies to derivatives accounted for in accordance with ASU Topic 815, Derivatives and Hedging, including bifurcated embedded derivatives, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions that are either offset in accordance with Section 210-20-45 or Section 815-10-45 or subject to an enforceable master netting arrangement or similar agreement.

The provisions of ASU 2013-01 and ASU 2011-11 were adopted retrospectively by the Company on January 1, 2013. The adoption had no effect on the Company's financial condition, results of operations, or cash flows as the pronouncement only pertains to additional disclosure. The disclosures required by ASU 2011-11 and ASU 2013-01 are included in the Derivative Financial Instruments Note to these Condensed Consolidated Financial Statements.

##### Disclosures about Amounts Reclassified out of AOCI

In January 2013, the FASB issued ASU 2013-02, "Comprehensive Income (ASC Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income" ("ASU 2013-02"), which requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its

entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts.

The provisions of ASU 2013-02 were adopted by the Company on January 1, 2013. The adoption had no effect on the Company's financial condition, results of operations, or cash flows as the pronouncement only pertains to additional disclosure. The disclosures required by ASU 2013-02, including comparative period disclosures, are included in the Accumulated Other Comprehensive Income Note to these Condensed Consolidated Financial Statements.

#### Future Adoption of Accounting Pronouncements

##### Joint and Several Liability Arrangements

In February 2013, the FASB issued ASU 2013-04, "Liabilities (ASC Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date" ("ASU 2013-04"), which requires an entity to measure obligations resulting from joint and several liable arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date, as the sum of (1) the amount the reporting entity agreed

ING U.S., Inc.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in millions, unless otherwise stated)

to pay on the basis of its arrangement among its co-obligors and (2) any additional amount it expects to pay on behalf of its co-obligors. ASU 2013-04 also requires an entity to disclose the nature and amount of the obligation, as well as other information about those obligations.

The provisions of ASU 2013-04 are effective for years, and interim periods within those years, beginning after December 15, 2013. The amendments should be applied retrospectively for those obligations resulting from joint and several liability arrangements that exist at the beginning of an entity's year of adoption. The Company is currently in the process of determining the impact of adoption of the provisions of ASU 2013-04.



ING U.S., Inc.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

(Dollar amounts in millions, unless otherwise stated)

## 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 March 31, 2013:

	Amortized Cost	Gross Unrealized Capital Gains	Gross Unrealized Capital Losses	Embedded Derivatives <sup>(2)</sup>	Fair Value	OTTI <sup>(3)</sup>
Fixed maturities:						
U.S. Treasuries	\$5,186.3	\$575.2	\$4.0	\$—	\$5,757.5	\$—
U.S. government agencies and authorities	642.0	67.5	—	—	709.5	—
State, municipalities and political subdivisions	288.6	29.2	—	—	317.8	—
U.S. corporate securities	34,082.4	3,770.8	93.3	—	37,759.9	13.0
Foreign securities: <sup>(1)</sup>						
Government	1,072.1	93.3	9.3	—	1,156.1	—
Other	13,601.1	1,393.9	41.1	—	14,953.9	—
Total foreign securities	14,673.2	1,487.2	50.4	—	16,110.0	—
Residential mortgage-backed securities:						
Agency	4,941.3	578.7	17.0	138.0	5,641.0	1.1
Non-Agency	1,489.8	194.9	46.9	74.1	1,711.9	130.4
Total Residential mortgage-backed securities	6,431.1	773.6	63.9	212.1	7,352.9	131.5
Commercial mortgage-backed securities	4,301.4	515.8	4.0	—	4,813.2	4.4
Other asset-backed securities	2,197.1	116.7	53.2	(8.0 )	2,252.6	14.2
Total fixed maturities, including securities pledged	67,802.1	7,336.0	268.8	204.1	75,073.4	163.1
Less: Securities pledged	1,656.7	126.1	8.1	—	1,774.7	—
Total fixed maturities	66,145.4	7,209.9	260.7	204.1	73,298.7	163.1
Equity securities:						
Common stock	192.6	0.3	0.2	—	192.7	—
Preferred stock	53.9	35.7	—	—	89.6	—
Total equity securities	246.5	36.0	0.2	—	—	—