

**PRESS RELEASE**

9 May 2012

**ING posts 1Q12 underlying net profit of EUR 705 million**

- ING Group 1Q12 net profit totalled EUR 680 million, including the impact of divestments and special items
- Bank underlying result before tax increased 65.1% from 4Q11 to EUR 1,126 million, helped by lower impairments. Results include EUR -304 million of valuation adjustments (CVA/DVA) and fair value changes on own Tier 2 debt as credit spreads tightened. Excluding that impact, Bank results were down just 6.8% from a strong 1Q11
- Insurance posted an operating result of EUR 475 million, supported by a strong investment margin and higher fees and premium-based revenues. Sales rose 5.1% from 1Q11, and jumped 29.6% from 4Q11. Underlying results were impacted by losses on hedges to protect regulatory capital, leading to a pre-tax underlying loss of EUR 18 million
- Capital ratios remained strong: ING Bank's core Tier 1 ratio strengthened to 10.9%, reflecting the sale of ING Direct USA and ongoing capital generation. The Insurance IGD solvency ratio remained stable at 225%
- ING has begun discussions with the Dutch State, and together with the State will soon start discussions with the European Commission following the favourable court ruling on ING's appeal

**Chairman's Statement**

"The operating environment remained challenging in the first quarter, as the European sovereign debt crisis persisted, increasing volatility on financial markets. The impact of this environment was evident in our underlying results, which declined from a strong first quarter last year; however, earnings for both Bank and Insurance improved from the previous quarter," said Jan Hommen, CEO of ING Group.

"Bank results rose 65.1% from the fourth quarter, supported by lower impairments, despite a negative CVA/DVA adjustment in the first quarter of 2012. Expenses declined compared with both prior quarters, and loan loss provisions improved slightly from the fourth quarter, but are expected to remain elevated given the weakening economic environment in Europe. Although competition for savings remained intense, Retail Banking attracted EUR 11.4 billion in new deposits, further strengthening the funding position of ING Bank, and on professional markets the Bank raised EUR 9.2 billion of long-term funding. The capital position strengthened further with a 10.9% core Tier 1 ratio."

"Insurance results recovered from the fourth quarter, though underlying earnings continue to be impacted by mark-to-market losses on hedges to protect regulatory capital. Operating results remained solid, driven by a strong investment margin and higher fees and premium-based revenues as sales gained momentum in Asia, the US and Central Europe."

"While ING welcomed the favourable court ruling on ING's appeal against the European Commission, we remain committed to the decision to separate the banking and insurance operations, and are making good progress in preparing our Insurance and Investment Management businesses for stand-alone futures in Europe and the US."

| <b>Key Figures<sup>1</sup></b>   |        |        |         |        |        |
|--|--------|--------|---------|--------|--------|
|  | 1Q2012 | 1Q2011 | Change  | 4Q2011 | Change |
| <b>ING Group key figures (in EUR million)</b>                                  |        |        |         |        |        |
| Underlying result before tax Group   | 1,108  | 1,961  | -43.5%  | -666   |        |
| of which Bank  | 1,126  | 1,533  | -26.5%  | 682    | 65.1%  |
| of which Insurance   | -18    | 428    | -104.2% | -1,348 |        |
| Underlying net result  | 705    | 1,354  | -47.9%  | -594   |        |
| Net result   | 680    | 1,381  | -50.8%  | 1,186  | -42.7% |
| Net result per share (in EUR) <sup>2</sup>                                     | 0.18   | 0.37   | -51.4%  | 0.31   | -41.9% |
| Total assets (end of period, in EUR billion)                                   | 1,242  | 1,229  | 1.0%    | 1,279  | -2.9%  |
| Shareholders' equity (end of period, in EUR billion)                           | 48     | 40     | 18.8%   | 47     | 2.0%   |
| Underlying return on equity based on IFRS-EU equity <sup>4</sup>               | 6.0%   | 13.4%  |         | -5.2%  |        |
| <b>Banking key figures</b>   |        |        |         |        |        |
| Underlying interest margin   | 1.32%  | 1.40%  |         | 1.36%  |        |
| Underlying cost/income ratio   | 58.8%  | 56.0%  |         | 66.8%  |        |
| Underlying risk costs in bp of average RWA                                     | 59     | 34     |         | 61     |        |
| Core Tier 1 ratio  | 10.9%  | 10.0%  |         | 9.6%   |        |
| Underlying return on equity based on IFRS-EU equity <sup>4</sup>               | 8.6%   | 12.5%  |         | 5.9%   |        |
| <b>Insurance key figures</b>   |        |        |         |        |        |
| Operating result (in EUR million)  | 475    | 511    | -7.0%   | 478    | -0.6%  |
| Investment margin / life general account invested assets (in bps) <sup>3</sup> | 118    | 98     |         | 113    |        |
| Administrative expenses / operating income (Life & ING IM)                     | 41.9%  | 39.6%  |         | 42.0%  |        |
| Underlying return on equity based on IFRS-EU equity <sup>4</sup>               | -0.7%  | 5.6%   |         | -19.1% |        |

The footnotes relating to 1-4 can be found on page 14 of this press release.

Note: Underlying figures are non-GAAP measures and are derived from figures according to IFRS-EU by excluding impact from divestments and special items.

## ING GROUP CONSOLIDATED RESULTS

ING Group posted a first-quarter underlying net profit of EUR 705 million. Results improved compared with the fourth quarter for both Bank and Insurance, but were down compared with the strong first quarter of 2011. Underlying pre-tax results at ING Bank rose 65.1% sequentially to EUR 1,126 million, despite a EUR 304 million negative net impact of CVA/DVA and fair value changes on own-issued Tier 2 debt. Excluding that impact, Bank results were down just 6.8% from the first quarter of 2011. Insurance operating results were robust at EUR 475 million, down by only 0.6% from the fourth quarter, supported by higher fees and premium-based revenues and a strong investment margin. On an underlying basis, Insurance posted a quarterly loss of EUR 18 million, reflecting negative results on hedges in place to protect regulatory capital in the Benelux and the US. ING Group's net profit was EUR 680 million in the first quarter of 2012, and included special items and the gain from the divestment of ING Direct USA.

The first-quarter underlying result before tax of ING Bank was EUR 1,126 million. Results were resilient despite pressure on the interest margin and the EUR -304 million impact of CVA/DVA and fair value changes on own-issued Tier 2 debt resulting from the tightening of credit spreads. Additions to loan loss provisions remained elevated, but declined slightly from the fourth quarter of 2011. Risk costs increased sharply from the first quarter of 2011, as that quarter included sizeable releases. Operating expenses decreased slightly compared with both prior quarters, consistent with ongoing cost-containment initiatives.

Despite strong competition for savings, ING Bank attracted a net inflow of funds entrusted of EUR 5.3 billion, reflecting continued focus on optimising the balance sheet through strong deposit-generation in ING's home markets. Total lending continued to grow, despite ongoing weak demand in most segments. The net production of total lending was EUR 2.8 billion.

The operating result of ING Insurance was solid at EUR 475 million. Compared with the fourth quarter of 2011, the operating result decreased just 0.6%, as an increase in the Life operating profit was slightly mitigated by lower Non-life results. Operating results were down 7.0% year-on-year due to higher administrative expenses, a lower technical result and lower Non-life results.

The mark-to-market result on derivatives used to hedge local regulatory capital in the Netherlands and the US continued to impact the underlying results at Insurance. Insurance posted an underlying loss before tax of EUR 18 million in the first quarter, primarily due to negative results on hedges of EUR -379 million in the US Closed Block VA business and EUR -191 million in the Benelux.

Insurance sales (APE) rose 5.1% year-on-year, or 2.2% on a constant currency basis, driven by higher sales at Insurance US, Asia/Pacific, and Central & Rest of Europe. APE jumped 29.6% (26.9% excluding currency effects) from the fourth quarter of 2011, fuelled by seasonally higher sales in Asia/Pacific and higher Full Service Retirement Plan and Employee Benefits sales in the US.

The Group's quarterly net profit was EUR 680 million compared with EUR 1,381 million in the first quarter of last year and EUR 1,186 million in the previous quarter. The underlying effective tax rate was 32.5% in the first quarter. The net result included the EUR 489 million net gain on the sale of ING Direct USA, which closed on 17 February 2012. Special items after tax totalled EUR -515 million including the impact of a provision for a potential settlement with authorities in the US.

The first-quarter net profit per share was EUR 0.18. The average number of shares used to calculate earnings per share over the first quarter was 3,785 million. The Group's underlying net return on IFRS-EU equity was 6.0% for the first three months of 2012.

### Update on regulatory measures and law enforcement agencies investigations

As previously disclosed, ING Bank is in discussions with US authorities, including the Office of Foreign Assets Control ("OFAC"), concerning transactions executed by Commercial Banking until 2007 which are subject to investigation. ING Bank is cooperating fully with the ongoing investigations and is engaged in discussions to resolve these matters with the US authorities. Those discussions recently have advanced to the point where it is appropriate for ING Bank to take a provision for a potential settlement. This had an impact on the result after tax of EUR 370 million, recorded as a special item. Pending ongoing discussions with US authorities concerning these matters ING Bank is not in a position to provide further information at this time.

ING Bank is fully committed to conducting its business with the highest levels of integrity and regulatory compliance, which includes strict compliance with all applicable laws, regulations and standards in each of the markets and jurisdictions in which it operates. Over the past years, ING Bank has significantly increased its global compliance efforts, including a major increase of the number of compliance staff, amendments of key policies and guidelines and the international rollout of several programmes for education, awareness and monitoring of sanctions and compliance issues. The ongoing discussions with authorities in the US do not involve ING's Insurance and Investment Management operations, nor Retail Banking or ING Direct.

## BANKING

### Banking key figures

|   | 1Q2012 | 1Q2011 | Change | 4Q2011 | Change |
|---|--------|--------|--------|--------|--------|
| <b>Profit and loss data (in EUR million)</b>                                |        |        |        |        |        |
| Underlying interest result  | 3,052  | 3,092  | -1.3%  | 3,114  | -2.0%  |
| Underlying income   | 3,801  | 4,037  | -5.8%  | 3,398  | 11.9%  |
| Underlying operating expenses   | 2,235  | 2,262  | -1.2%  | 2,269  | -1.5%  |
| Underlying addition to loan loss provision                                  | 441    | 242    | 82.2%  | 447    | -1.3%  |
| Underlying result before tax  | 1,126  | 1,533  | -26.5% | 682    | 65.1%  |
| <b>Key figures</b>  |        |        |        |        |        |
| Underlying interest margin  | 1.32%  | 1.40%  |        | 1.36%  |        |
| Underlying cost/income ratio  | 58.8%  | 56.0%  |        | 66.8%  |        |
| Underlying risk costs in bp of average RWA                                  | 59     | 34     |        | 61     |        |
| Risk-weighted assets (end of period, in EUR billion, adjusted for divestm.) | 300    | 283    | 6.0%   | 297    | 0.8%   |
| Underlying return on equity based on IFRS equity <sup>1</sup>               | 8.6%   | 12.5%  |        | 5.9%   |        |
| Underlying return on equity based on 10% core Tier 1 <sup>2</sup>           | 10.4%  | 15.6%  |        | 7.2%   |        |

<sup>1</sup> Annualised underlying net result divided by average IFRS-EU equity.

<sup>2</sup> Annualised underlying, after-tax return divided by average equity based on 10% core Tier 1 ratio.

The underlying result before tax of ING Bank rose 65.1% from the fourth quarter of 2011, supported by lower impairments and losses from de-risking. Results in the quarter included EUR -304 million of credit and debt valuation adjustments (CVA/DVA) and fair value changes on own Tier 2 debt as credit spreads tightened. Excluding that impact, Bank results were down just 6.8% from a strong first quarter of 2011. Income showed resilience despite pressure on the interest margin as competition for savings continued. Risk costs remained elevated, but improved slightly from the fourth quarter. Underlying operating expenses decreased slightly compared with both comparable quarters, supporting results for the first quarter of 2012.

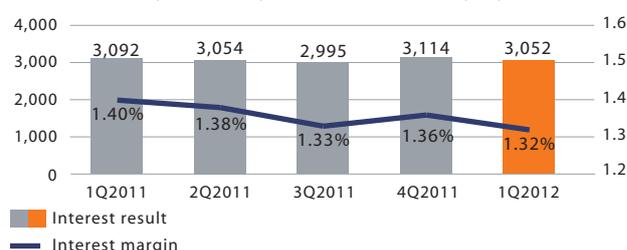
#### UNDERLYING RESULT BEFORE TAX (in EUR million)



Total underlying income decreased 5.8% from the first quarter of 2011. However, excluding the EUR 198 million net loss from CVA/DVA at Commercial Banking and the EUR 106 million of negative fair value changes on the Bank's own Tier 2 debt, underlying income rose 1.6% year-on-year. Impairments and de-risking losses diminished versus the fourth quarter of 2011, supporting an 11.9% increase in operating income. Results in the fourth quarter included EUR 133 million impairments on Greek government bonds and EUR 79 million realised losses from selective de-risking. The first quarter of 2012 included EUR 39 million of realised losses from selective de-risking. Impairments and negative fair value changes on real estate investments were negligible at EUR 6 million, while Greek government bond exchanges following the PSI programme yielded a EUR 22 million gain. Other realised gains on bonds and equities amounted to EUR 98 million.

The first-quarter underlying interest result was 1.3% lower than a year ago and down 2.0% from the previous quarter. These declines were largely related to lower interest margins on savings reflecting ongoing competition.

#### INTEREST RESULT (in EUR million) AND INTEREST MARGIN (in %)

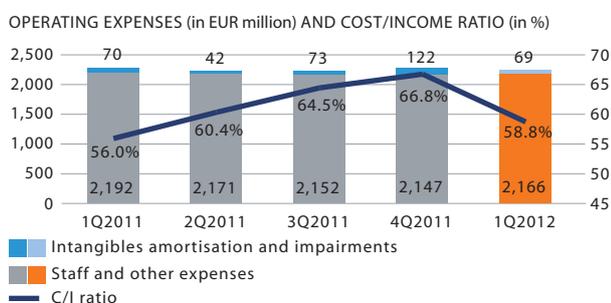


The underlying interest margin for the first quarter of 2012 was 1.32%, down from 1.36% in the fourth quarter of 2011. Approximately 3 basis points of the decline were caused by higher balances with central banks, as the majority of excess cash received from clients was placed at the ECB. Margins for savings remained under pressure, most notably in Retail Netherlands and Retail International, reflecting competition as well as a shift from variable savings to fixed-term deposits as the Bank works towards optimising its funding and the composition of local balance sheets. In Retail Belgium margins improved slightly, while in Commercial Banking margins were down slightly as demand for lending in most segments remained muted.

Despite strong competition, total funds entrusted grew by EUR 5.3 billion (adjusted for currency impacts and divestments). Retail Banking recorded EUR 11.4 billion of net inflow – with all reporting segments showing an increase – underscoring the strength of ING's deposit-gathering capabilities. The most notable inflow was in the Netherlands where EUR 4.4 billion was attracted, largely due to the continuation of a successful one-year fixed-term deposit campaign. Commercial Banking reported a net outflow in funds entrusted of EUR 6.1 billion, mainly from asset managers and corporate treasuries, while issued certificates of deposit and commercial paper rose by EUR

22 billion, partly purchased by the same clients. Total net lending production at ING Bank was EUR 2.8 billion (adjusted for currency impacts and divestments), reflecting low demand for credit. The net production of residential mortgages was EUR 1.6 billion and was primarily in Germany and Belgium. Other lending balances grew by EUR 1.2 billion, as a EUR 0.5 billion decline in Commercial Banking was more than compensated by EUR 1.8 billion of net growth in Retail Banking, mainly in Belgium.

Underlying operating expenses decreased compared with the first and fourth quarters of 2011, reflecting ongoing cost-containment measures. The 1.2% decline from the first quarter of 2011 was supported by currency effects, but it also reflects lower performance-related personnel expenses and lower marketing costs. Expenses declined 1.5% from the fourth quarter of 2011, which included EUR 46 million of impairments on software and goodwill. The quarter-on-quarter expense decline was primarily attributable to lower marketing costs, which helped to mitigate the impact of higher performance-related personnel expenses and higher charges for bank levies. The first-quarter cost/income ratio was 58.8%, or 54.0% excluding market impacts and the CVA/DVA adjustment.



Risk costs declined slightly by 1.3% from the fourth quarter of 2011, but remained elevated. Additions to loan loss provisions were EUR 441 million, up from EUR 242 million a year ago, as the first quarter of 2011 was supported by a few specific releases in Industry Lending and in the Belgian mid-corporate segment. Risk costs declined modestly compared with the fourth quarter of 2011 as lower risk costs for the mid-corporate segment in the Netherlands were offset by a provision for a CMBS position within Retail International. Risk costs at Commercial Banking were almost flat. Total risk costs in the first quarter were 59 basis points of average risk-weighted assets. For the coming quarters, ING expects risk costs to remain elevated at around these levels.

Retail Banking's underlying result before tax decreased 27% from a year ago, but increased 78% from the fourth quarter of 2011, supported by lower impairments and lower losses from de-risking. The interest result declined versus both comparable quarters, consistent with lower

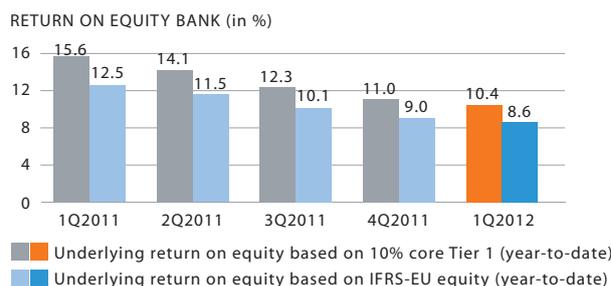
margins as competition for savings continued. Expenses edged up 1.2% year-on-year, but declined 3.4% sequentially, reflecting ongoing cost containment. Loan loss provisions remained elevated in the current quarter, mainly in business lending, but improved slightly versus the fourth quarter, particularly in the Netherlands.

Commercial Banking reported a solid first quarter, with an underlying result before tax of EUR 611 million. Results in the current quarter included EUR -198 million negative valuation adjustments (CVA/DVA) resulting from higher fair values of ING's issued structured notes. Excluding that impact, the underlying profit before tax was EUR 809 million, up 4.9% versus the first quarter of 2011 and up by EUR 549 million from the fourth quarter. Expenses declined compared with both prior periods, reflecting ongoing cost containment. Loan loss provisions rose from the same quarter of last year, which included a net release in Industry Lending, and increased slightly from the fourth quarter of 2011.

The underlying loss before tax in Corporate Line Banking narrowed to EUR 101 million from EUR -120 million in the first quarter of 2011. This was despite EUR -106 million of fair value changes on part of ING Bank's own Tier 2 debt in the current quarter, due to the tightening of ING's credit spreads. The improvement in Corporate Line results from a year ago was mainly due to lower capital benefits paid to the business lines following the ING Direct USA divestment. Lower interest expenses following the liability management transactions executed in December 2011 also supported the Corporate Line result.

ING Bank's net result was EUR 831 million, including a EUR 489 million net gain on the sale of ING Direct USA. Special items after tax totalled EUR -404 million, including the impact of the provision for a potential settlement with US authorities.

The underlying return on IFRS-EU equity declined to 8.6%, mainly due to the lower quarterly result. The Ambition 2015 return on IFRS-EU equity target is 10-13%. The return on equity based on a 10% core Tier 1 ratio was 10.4%.



## INSURANCE

### Insurance key figures

|   | 1Q2012       | 1Q2011       | Change         | 4Q2011        | Change       |
|---|--------------|--------------|----------------|---------------|--------------|
| <b>Margin analysis (in EUR million)</b>   |              |              |                |               |              |
| Investment margin   | 459          | 371          | 23.7%          | 440           | 4.3%         |
| Fees and premium-based revenues   | 1,228        | 1,203        | 2.1%           | 1,104         | 11.2%        |
| Technical margin  | 141          | 196          | -28.1%         | 172           | -18.0%       |
| Income non-modelled life business   | 14           | 25           | -44.0%         | 19            | -26.3%       |
| <b>Life &amp; ING IM operating income</b>   | <b>1,843</b> | <b>1,795</b> | <b>2.7%</b>    | <b>1,735</b>  | <b>6.2%</b>  |
| Administrative expenses   | 773          | 710          | 8.9%           | 728           | 6.2%         |
| DAC amortisation and trail commissions  | 507          | 482          | 5.2%           | 483           | 5.0%         |
| <b>Life &amp; ING IM operating expenses</b>                                       | <b>1,280</b> | <b>1,191</b> | <b>7.5%</b>    | <b>1,211</b>  | <b>5.7%</b>  |
| <b>Life &amp; ING IM operating result</b>   | <b>563</b>   | <b>604</b>   | <b>-6.8%</b>   | <b>524</b>    | <b>7.4%</b>  |
| Non-life operating result   | 9            | 42           | -78.6%         | 39            | -76.9%       |
| Corporate Line operating result   | -96          | -135         |                | -86           |              |
| <b>Operating result</b>   | <b>475</b>   | <b>511</b>   | <b>-7.0%</b>   | <b>478</b>    | <b>-0.6%</b> |
| Non-operating items   | -493         | -84          |                | -1,827        |              |
| <b>Underlying result before tax</b>   | <b>-18</b>   | <b>428</b>   | <b>-104.2%</b> | <b>-1,348</b> |              |
| <b>Key figures</b>  |              |              |                |               |              |
| Administrative expenses / operating income (Life & ING IM)                        | 41.9%        | 39.6%        |                | 42.0%         |              |
| Life general account invested assets (end of period, in EUR billion) <sup>1</sup> | 157          | 149          | 5.4%           | 159           | -1.3%        |
| Investment margin / life general account invested assets (in bps) <sup>2</sup>    | 118          | 98           |                | 113           |              |
| ING IM Assets under Management (end of period, in EUR billion)                    | 327          | 304          | 7.6%           | 322           | 1.6%         |
| Underlying return on equity based on IFRS-EU equity <sup>3</sup>                  | -0.7%        | 5.6%         |                | -19.1%        |              |

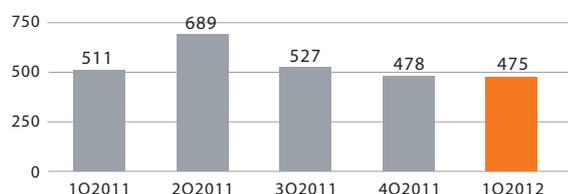
<sup>1</sup> Revised definition: the Life GA invested assets definition has been revised to better align with the investment margin on operating basis by, amongst others, excluding non-trading derivatives and revaluations on debt securities; all previous quarters have been restated

<sup>2</sup> Four-quarter rolling average

<sup>3</sup> Annualised underlying net result divided by average IFRS-EU equity

Operating results for Insurance remained robust, supported by a strong investment margin and higher fees and premium-based revenues. Sales gained momentum in Asia/Pacific, the US and Central & Rest of Europe, and were up 5.1% year-on-year. First-quarter underlying results were strongly impacted by market-related items, including negative results on hedges, as ING continued to focus on protecting regulatory capital amid volatile financial markets.

OPERATING RESULT (in EUR million)

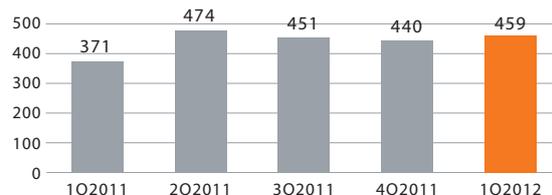


The operating result for Life Insurance and Investment Management declined 6.8% from one year ago to EUR 563 million. This was due primarily to higher administrative expenses and a lower technical margin, which together more than offset an increase in the investment margin. Compared with the fourth quarter of 2011, the operating result rose 7.4%. This was mainly attributable to higher fees and premium-based revenues and a higher investment margin, which mitigated the impact of higher administrative expenses and a lower technical margin.

The investment margin jumped 23.7% year-on-year and rose 4.3% sequentially to EUR 459 million. The increase

versus a year ago was largely driven by a higher level of general account assets and lower average crediting rates in the US, as well as higher investment margins in the Benelux and Asia/Pacific. De-risking and other investment portfolio management actions effected in the second half of 2011 had a negative impact on the investment margin in the Benelux; however, this was more than compensated by the positive impact of higher general account assets and higher operating income from real estate. Compared with the fourth quarter of 2011, the investment margin rose, mainly due to higher results in Insurance US. The four-quarter rolling average investment spread improved to 118 basis points from 98 basis points a year ago and from 113 basis points in the fourth quarter, despite the aforementioned actions undertaken in the Benelux.

INVESTMENT MARGIN (in EUR million)



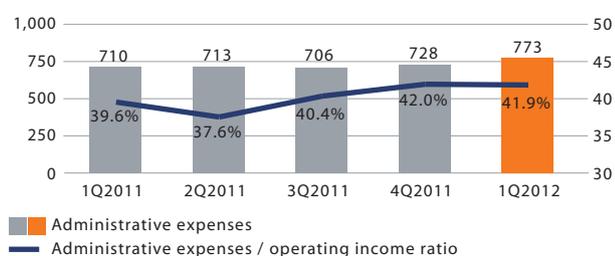
Fees and premium-based revenues rose 2.1% from the first quarter of 2011 on strong new sales and renewals in Asia/Pacific and the US. These factors more than compensated for higher hedging and reserve costs in the US Closed Block VA and lower fees in Central & Rest of Europe stemming from pension fund regulatory changes in Poland and Hungary. On a sequential basis, fees and

premium-based revenues increased 11.2%, fuelled by seasonally higher sales in Asia/Pacific (particularly in Japan COLI) and group pension renewals in the Benelux.

The technical margin was EUR 141 million, down 28.1% year-on-year and 18.0% sequentially. The decline from the first quarter of 2011 was primarily attributable to the Benelux, which recorded an addition to guarantee provisions related to group life contracts in the current quarter, compared to a release a year ago. The decrease from the fourth quarter was caused by lower technical results in the Benelux and US, which were partly mitigated by higher technical results in Central & Rest of Europe.

Life Insurance and Investment Management administrative expenses rose 8.9% to EUR 773 million from the first quarter of 2011, as that quarter included a EUR 22 million non-recurring reduction in accruals. Excluding this item, expenses rose 5.6% due to higher Solvency II project costs and the reallocation of expenses in the Benelux from Non-life to Life. Total expenses rose 6.2% sequentially, reflecting a EUR 45 million non-recurring expense reduction in the fourth quarter.

LIFE INSURANCE AND INVESTMENT MANAGEMENT ADMINISTRATIVE EXPENSES (in EUR million), AND ADMINISTRATIVE EXPENSES / OPERATING INCOME RATIO (in %)



The Non-life operating result was EUR 9 million compared with EUR 42 million in the first quarter of 2011 and EUR 39 million in the previous quarter. The year-on-year decline was caused by higher Disability & Accident claims in the Netherlands. The economic downturn led to higher claims for income protection products. In the previous quarter, high Disability & Accident claims were compensated by non-recurring positive effects in the premium and expense provisions.

The Corporate Line operating loss narrowed to EUR -96 million from EUR -135 million a year ago. This was mainly due to lower interest on hybrids and debt following the coupon change (from fixed to floating) on the EUR 1,250 million ING Verzekeringen N.V. hybrid and the termination of a floating to fixed interest rate swap, both in June 2011.

The first-quarter underlying result before tax for Insurance was EUR -18 million. The principal reason for this loss was a EUR 570 million negative result on hedges in the Benelux and in the US Closed Block VA business, reflecting ING's continued focus on protecting regulatory capital.

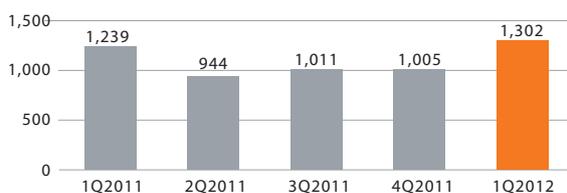
Gains/losses and impairments on investments were EUR 106 million. This included EUR 154 million of realised capital gains on public equity, which more than offset EUR 71 million of capital losses on debt securities resulting from de-risking; both were recorded in the Benelux. Central and Rest of Europe realised EUR 15 million of capital losses from sales of financial bonds in Spain and Greek sovereign bond exchanges under the PSI programme.

Revaluations were EUR -180 million, reflecting EUR -156 million of mark-to-market adjustments on equity options in place to protect regulatory capital and a EUR 58 million real estate revaluation loss – both in the Benelux – and EUR 35 million of positive revaluations on private equity investments and alternative assets in Insurance US.

Market and other impacts amounted to EUR -419 million and were primarily due to a EUR 379 million loss on hedges (net of reserve changes) in the US Closed Block VA, as the hedge programme focuses on protecting regulatory capital rather than mitigating earnings volatility. In the Benelux, a positive EUR 17 million change in the provision for guarantees on separate account pension contracts (net of hedging) partially offset a EUR 35 million loss on the macro interest rate hedges in place to protect solvency.

The net result of ING Insurance was EUR -152 million. This included EUR -111 million of special items, consisting primarily of costs related to restructuring programmes and separation expenses, and costs associated with the liability management transaction executed in March 2012.

NEW SALES (APE) FOR TOTAL INSURANCE (in EUR million)



Insurance sales (APE) rose 5.1% year-on-year, or 2.2% on a constant currency basis, with higher sales in almost all regions. Excluding currency effects, sales in Asia/Pacific jumped 15.1% on double-digit growth in Japan, Malaysia, Hong Kong and China. APE at Insurance US rose 3.6% due to higher Full Service Retirement Plan and Employee Benefits sales. Central & Rest of Europe posted a 14.0% increase in APE, driven by higher Life sales in Hungary. At Insurance Benelux, APE fell 35.9% due to lower sales from corporate pensions and individual life products in the Netherlands, as well as lower sales in Belgium. Compared with the fourth quarter of 2011, total Insurance sales rose 29.6% (up 26.9% excluding currency effects), mainly fuelled by higher Full Service Retirement Plan and Employee Benefits sales in the US, and seasonally higher sales in Asia/Pacific.

## BALANCE SHEET AND CAPITAL MANAGEMENT

| Balance Sheet and Capital Management key figures         |                  |                  |                |                |                        |                |                       |                |
|--|------------------|------------------|----------------|----------------|------------------------|----------------|-----------------------|----------------|
| End of period, in EUR million                            | ING Group        |                  | ING Bank N.V.  |                | ING Verzekeringen N.V. |                | Holdings/Eliminations |                |
|  | 31 Mar. 12       | 31 Dec. 11       | 31 Mar. 12     | 31 Dec. 11     | 31 Mar. 12             | 31 Dec. 11     | 31 Mar. 12            | 31 Dec. 11     |
| <b>Balance sheet data</b>                                |                  |                  |                |                |                        |                |                       |                |
| Financial assets at fair value through P&L               | 262,863          | 262,722          | 132,261        | 136,089        | 130,796                | 126,873        | -194                  | -240           |
| Investments  | 219,148          | 217,407          | 86,278         | 83,802         | 132,870                | 133,604        |                       |                |
| Loans and advances to customers                          | 606,032          | 602,525          | 581,022        | 577,570        | 30,080                 | 32,928         | -5,070                | -7,973         |
| Other assets   | 153,686          | 134,091          | 121,116        | 101,221        | 42,181                 | 41,981         | -9,611                | -9,111         |
| <b>Total assets excl. assets held for sale</b>           | <b>1,241,729</b> | <b>1,216,745</b> | <b>920,677</b> | <b>898,682</b> | <b>335,927</b>         | <b>335,387</b> | <b>-14,875</b>        | <b>-17,324</b> |
| Assets held for sale                                     |                  | 62,483           |                | 62,483         |                        |                |                       |                |
| <b>Total assets</b>                                      | <b>1,241,729</b> | <b>1,279,228</b> | <b>920,677</b> | <b>961,165</b> | <b>335,927</b>         | <b>335,387</b> | <b>-14,875</b>        | <b>-17,324</b> |
| Shareholders' equity                                     | 47,616           | 46,663           | 35,307         | 34,367         | 23,531                 | 23,475         | -11,222               | -11,179        |
| Minority interests                                       | 831              | 777              | 729            | 693            | 84                     | 62             | 18                    | 22             |
| Non-voting equity securities                             | 3,000            | 3,000            |                |                |                        |                | 3,000                 | 3,000          |
| <b>Total equity</b>                                      | <b>51,447</b>    | <b>50,440</b>    | <b>36,036</b>  | <b>35,060</b>  | <b>23,615</b>          | <b>23,537</b>  | <b>-8,204</b>         | <b>-8,157</b>  |
| Debt securities in issue                                 | 163,968          | 139,861          | 155,035        | 130,926        | 3,425                  | 3,436          | 5,508                 | 5,499          |
| Insurance and investment contracts                       | 281,554          | 278,833          |                |                | 281,554                | 278,833        |                       |                |
| Customer deposits/other funds on deposit                 | 474,533          | 467,547          | 485,481        | 479,363        |                        |                | -10,948               | -11,816        |
| Financial liabilities at fair value through P&L          | 140,190          | 142,868          | 136,013        | 138,864        | 4,526                  | 4,404          | -349                  | -400           |
| Other liabilities  | 130,037          | 135,414          | 108,112        | 112,687        | 22,807                 | 25,177         | -882                  | -2,450         |
| <b>Total liabilities excl. liabilities held for sale</b> | <b>1,190,282</b> | <b>1,164,523</b> | <b>884,641</b> | <b>861,840</b> | <b>312,312</b>         | <b>311,850</b> | <b>-6,671</b>         | <b>-9,167</b>  |
| Liabilities held for sale                                |                  | 64,265           |                | 64,265         |                        |                |                       |                |
| <b>Total liabilities</b>                                 | <b>1,190,282</b> | <b>1,228,788</b> | <b>884,641</b> | <b>926,105</b> | <b>312,312</b>         | <b>311,850</b> | <b>-6,671</b>         | <b>-9,167</b>  |
| <b>Total equity and liabilities</b>                      | <b>1,241,729</b> | <b>1,279,228</b> | <b>920,677</b> | <b>961,165</b> | <b>335,927</b>         | <b>335,387</b> | <b>-14,875</b>        | <b>-17,324</b> |
| <b>Capital ratios (end of period)</b>                    |                  |                  |                |                |                        |                |                       |                |
| ING Group debt/equity ratio                              | 12.7%            | 12.7%            |                |                |                        |                |                       |                |
| Bank core Tier 1 ratio                                   |                  |                  | 10.9%          | 9.6%           |                        |                |                       |                |
| Insurance IGD Solvency ratio                             |                  |                  |                |                | 225%                   | 225%           |                       |                |

ING Group's balance sheet decreased by EUR 37 billion in the first quarter to EUR 1,242 billion, primarily due to the divestment of ING Direct USA. Excluding the divestment impact and EUR 7 billion of negative currency effects, assets increased by EUR 32 billion, mainly driven by higher cash and balances with central banks and positive revaluations of investments for risk of policyholders.

Cash and balances with central banks rose in the first quarter due to a further increase of overnight deposits placed with central banks. The Long-Term Refinancing Operations (LTROs) from the ECB clearly improved liquidity in the market. Although ING did not participate in the LTROs, the Bank's commercial paper programme benefitted from the improved liquidity which resulted in a EUR 22 billion increase of certificates of deposit and commercial paper issuance in the first quarter. This amount was largely placed with central banks.

Shareholders' equity increased to EUR 48 billion (or EUR 12.56 per share), mainly due to the quarterly net profit of EUR 0.7 billion.

ING Bank's core Tier 1 ratio increased to 10.9% from 9.6% at the end of 2011. The increase was largely the result of a EUR 30.8 billion reduction in risk-weighted assets reflecting the sale of ING Direct USA, as well as de-risking efforts and restructuring of the Financial Markets platform. Core Tier 1 capital increased by EUR 0.9 billion to EUR 32.7 billion,

driven by the quarterly net profit.

The Insurance Group Directive ratio (IGD) remained stable at 225% at the end of March 2012. Both the total capital base and IFRS-EU required capital decreased slightly.

The Group debt/equity ratio remained stable at 12.7% as shareholders' equity and Group core debt both increased slightly.

The Bank's long-term funding needs are largely covered for 2012. ING Bank has EUR 18 billion of debt with tenor longer than one year maturing in 2012. In the first quarter, the Bank successfully issued EUR 9.2 billion of long-term debt. In 2011, ING Bank issued EUR 23 billion of long-term debt versus EUR 10.7 billion maturing in 2011.

ING continued to make good progress in the separation of the Insurance company by proactively addressing asset disposal clauses in three senior debt securities issued by ING Verzekeringen N.V. with a total nominal value of EUR 2.6 billion. The clauses on the senior debt securities were successfully changed on 30 March 2012. Sixty-four percent of the securities have been exchanged for a total of EUR 1.7 billion of ING Groep N.V. securities. The exchange settled on 4 April 2012.

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## BUSINESS AND SUSTAINABILITY HIGHLIGHTS

Sustainability forms an integral part of ING's corporate strategy. ING's sustainability approach focuses on achieving long-term business success for both ING and our clients while contributing towards economic development, a healthy environment and a stable society.

### 'ING in Society 2011' report

In April 2012, ING published the 12th 'ING in Society' report. It shows how the economic, social and environmental aspects of its business (banking, insurance and investment management) are interconnected. The report gives more in-depth information on ING's environmental, social and risk (ESR) policies and guidelines, and provides numerous examples of how they are applied in day-to-day practice. Of particular interest is a detailed overview of the composition of ING's businesses, including our exposure to different sectors in the economy.

ING aims to be transparent and accountable about its activities in the field of sustainability, and to continuously engage with its most important stakeholders. New in this year's report is therefore a detailed overview of the expectations of its main stakeholders and ING's positions on the most material issues. The report also presents ING's views on various topics that were subject to heated public debate in 2011, and which were of concern to its stakeholders. These include, among others, the future of finance and remuneration in banking.

### Key highlights from the 2011 report:

- ING was again included in the 2011 DJSI World Index and the FTSE4Good
- Sustainability function now directly reports to ING's CEO
- In 2011, ING operated 100% carbon neutral. ING has been carbon neutral since 2007
- The absolute amount of carbon emissions from ING's operations decreased by 25% in 2011 compared to 2007
- ING IM introduced a new fund, the 'ING Sustainable Credit Fund'
- Partnership with UNICEF extended for three years
- In 2011, 118,101 children were provided with access to quality education through the ING-UNICEF partnership
- The percentage of women in the ING Management Council increased from 14.9% in 2010 to 16.2% in 2011

### Our definition of sustainability

For ING, sustainability means contributing to positive, long-term change in society. ING believes that the best way to do this is by being good at what we do: namely, by providing high-quality products and services that meet the needs and expectations of our customers and help them achieve a secure financial future.

ING's commitment to sustainability also entails taking responsibility for the impact of our products and services, promoting sustainable finance, and continuing to invest in the communities where we do business.

ING is stepping up our efforts to provide innovative financial solutions to some of today's most pressing social funding and investment challenges, including the transition to more renewable sources of energy and the financing of the healthcare system, among others. At year-end 2011, 33% of ING's project finance energy portfolio was in renewable energy projects and we expect to increase that share to 50% in the next 12 to 18 months. When considering new investment opportunities, our research teams in the ING Economics Department actively explore sustainable business opportunities. A variety of studies have been published on sustainability and the impact of sustainability-related topics on the mainstream economy.

### Creating a better customer experience

ING is continuously working to better align its services and business operations with the interests and needs of its customers. ING screens its entire product portfolio against stricter criteria for good customer care. Based on this screening, the Group simplified many products and improved its transparency. Moreover, ING invests to improve its customers' financial capabilities, for example by demonstrating how to obtain a better insight into their personal financial situation and to simplify their financial decision-making.

In 2011, ING published a study called 'Consumer Resourcefulness', which explored the financial attitudes and behaviour of global consumers. Based on this research, ING introduced several new online tools, calculators and worksheets in the first quarter of 2012 that enable consumers to calculate their savings goals and retirement plans and gain more insight into their own financial situation. Another example of how ING has created a better customer experience based on customer feedback is at ING Life in Poland, which now guarantees the payout of life insurance within 24 hours of filing a claim. In January 2012, ING Bank of Beijing Life in China was named "the most reliable company of 2011" by *National Business Daily*, a newspaper.

Customer satisfaction is high on ING's agenda. The Net Promoter Score (NPS), a methodology that measures customer loyalty, is one of the ways ING assesses customer satisfaction. By putting a strong focus on customers' daily experience and gathering feedback at critical moments of truth in the relationship, NPS helps ING to continuously improve processes and services. ING Direct business units have been using NPS since 2009 to benchmark themselves against local competitors. Since then, ING's other retail units also began using NPS to measure themselves against local competitors. At the end of March 2012, ING Direct in Canada, France and Italy, and ING-DiBa in Germany all ranked number one in their markets versus local competitors. ING Direct Australia and Retail Netherlands ranked first in their respective markets according to the most recent NPS data available as of year-end 2011.

# APPENDIX 1 ING GROUP: CONSOLIDATED PROFIT AND LOSS ACCOUNT

| ING Group: Consolidated profit and loss account      |                          |                     |               |                     |                 |                     |
|--|--------------------------|---------------------|---------------|---------------------|-----------------|---------------------|
| in EUR million                                       | Total Group <sup>1</sup> |                     | Total Banking |                     | Total Insurance |                     |
|  | 1Q2012                   | 1Q2011 <sup>2</sup> | 1Q2012        | 1Q2011 <sup>2</sup> | 1Q2012          | 1Q2011 <sup>2</sup> |
| Gross premium income                                 | 8,248                    | 8,207               |               |                     | 8,248           | 8,207               |
| Interest result Banking operations                   | 3,042                    | 3,089               | 3,052         | 3,092               |                 |                     |
| Commission income                                    | 903                      | 964                 | 546           | 587                 | 357             | 377                 |
| Total investment & other income                      | -504                     | 1,490               | 204           | 359                 | -682            | 1,224               |
| <b>Total underlying income</b>                       | <b>11,688</b>            | <b>13,750</b>       | <b>3,801</b>  | <b>4,037</b>        | <b>7,923</b>    | <b>9,809</b>        |
| Underwriting expenditure                             | 6,777                    | 8,204               |               |                     | 6,777           | 8,204               |
| Staff expenses                                       | 1,850                    | 1,829               | 1,301         | 1,333               | 549             | 496                 |
| Other expenses                                       | 1,301                    | 1,283               | 865           | 859                 | 437             | 425                 |
| Intangibles amortisation and impairments             | 69                       | 70                  | 69            | 70                  |                 |                     |
| Operating expenses                                   | 3,220                    | 3,182               | 2,235         | 2,262               | 986             | 920                 |
| Interest expenses Insurance operations               | 136                      | 155                 |               |                     | 172             | 251                 |
| Addition to loan loss provisions                     | 441                      | 242                 | 441           | 242                 |                 |                     |
| Other  | 6                        | 5                   |               |                     | 6               | 5                   |
| <b>Total underlying expenditure</b>                  | <b>10,580</b>            | <b>11,789</b>       | <b>2,675</b>  | <b>2,504</b>        | <b>7,941</b>    | <b>9,381</b>        |
| <b>Underlying result before tax</b>                  | <b>1,108</b>             | <b>1,961</b>        | <b>1,126</b>  | <b>1,533</b>        | <b>-18</b>      | <b>428</b>          |
| Taxation   | 360                      | 574                 | 353           | 428                 | 7               | 146                 |
| Minority interests                                   | 43                       | 33                  | 27            | 24                  | 16              | 9                   |
| <b>Underlying net result</b>                         | <b>705</b>               | <b>1,354</b>        | <b>746</b>    | <b>1,081</b>        | <b>-41</b>      | <b>274</b>          |
| Net gains/losses on divestments                      | 489                      | 11                  | 489           | 11                  |                 |                     |
| Net result from divested units                       |                          | 105                 |               | 108                 |                 | -3                  |
| Net result from discontinued operations <sup>2</sup> |                          | 28                  |               |                     |                 | 28                  |
| Special items after tax                              | -515                     | -117                | -404          | -53                 | -111            | -64                 |
| <b>Net result</b>                                    | <b>680</b>               | <b>1,381</b>        | <b>831</b>    | <b>1,147</b>        | <b>-152</b>     | <b>234</b>          |

<sup>1</sup> Including intercompany eliminations

<sup>2</sup> The underlying results of the Group and Banking Operations exclude the results of ING Direct USA, as these results were transferred to the "Net result from divested units". The results of Insurance Latin America have been transferred to "Net result from discontinued operations".

## APPENDIX 2 ING GROUP: CONSOLIDATED BALANCE SHEET

| ING Group: Consolidated balance sheet                    |                  |                  |                                   |                |                |                                   |                      |                |                                   |                       |                |                                   |
|--|------------------|------------------|-----------------------------------|----------------|----------------|-----------------------------------|----------------------|----------------|-----------------------------------|-----------------------|----------------|-----------------------------------|
| in EUR million   | ING Group        |                  |                                   | ING Bank NV    |                |                                   | ING Verzekeringen NV |                |                                   | Holdings/eliminations |                |                                   |
|  | 31 Mar. 12       | 31 Dec. 11       | 31 Mar. 11 <sup>1</sup> pro forma | 31 Mar. 12     | 31 Dec. 11     | 31 Mar. 11 <sup>1</sup> pro forma | 31 Mar. 12           | 31 Dec. 11     | 31 Mar. 11 <sup>1</sup> pro forma | 31 Mar. 12            | 31 Dec. 11     | 31 Mar. 11 <sup>1</sup> pro forma |
| <b>Assets</b>  |                  |                  |                                   |                |                |                                   |                      |                |                                   |                       |                |                                   |
| Cash and balances with central banks                     | 46,587           | 31,194           | 13,552                            | 43,894         | 28,112         | 10,307                            | 12,172               | 11,577         | 7,364                             | -9,479                | -8,495         | -4,119                            |
| Amounts due from banks                                   | 50,441           | 45,323           | 55,164                            | 50,441         | 45,323         | 55,163                            |                      |                |                                   |                       |                |                                   |
| Financial assets at fair value through P&L               | 262,863          | 262,722          | 248,631                           | 132,261        | 136,090        | 128,099                           | 130,796              | 126,873        | 122,160                           | -193                  | -241           | -1,628                            |
| Investments  | 219,148          | 217,407          | 208,020                           | 86,278         | 83,803         | 88,762                            | 132,870              | 133,605        | 119,259                           |                       |                |                                   |
| Loans and advances to customers                          | 606,032          | 602,525          | 582,162                           | 581,022        | 577,569        | 557,890                           | 30,080               | 32,928         | 30,025                            | -5,070                | -7,972         | -5,753                            |
| Reinsurance contracts                                    | 5,632            | 5,870            | 5,542                             |                |                |                                   | 5,632                | 5,870          | 5,542                             |                       |                |                                   |
| Investments in associates                                | 2,330            | 2,370            | 3,767                             | 835            | 827            | 1,300                             | 1,477                | 1,526          | 2,473                             | 17                    | 17             | -6                                |
| Real estate investments                                  | 1,443            | 1,670            | 1,764                             | 264            | 435            | 526                               | 902                  | 954            | 960                               | 277                   | 281            | 278                               |
| Property and equipment                                   | 2,840            | 2,886            | 2,954                             | 2,398          | 2,417          | 2,490                             | 442                  | 469            | 464                               |                       |                |                                   |
| Intangible assets  | 3,550            | 3,558            | 4,171                             | 1,765          | 1,743          | 1,995                             | 1,950                | 1,972          | 2,332                             | -165                  | -157           | -156                              |
| Deferred acquisition costs                               | 10,054           | 10,204           | 10,116                            |                |                |                                   | 10,054               | 10,204         | 10,116                            |                       |                |                                   |
| Other assets   | 30,809           | 31,016           | 31,467                            | 21,519         | 22,363         | 22,307                            | 9,552                | 9,410          | 10,084                            | -261                  | -758           | -924                              |
| <b>Total assets excl. assets held for sale</b>           | <b>1,241,729</b> | <b>1,216,745</b> | <b>1,167,310</b>                  | <b>920,677</b> | <b>898,682</b> | <b>868,839</b>                    | <b>335,927</b>       | <b>335,387</b> | <b>310,777</b>                    | <b>-14,875</b>        | <b>-17,324</b> | <b>-12,308</b>                    |
| Assets held for sale                                     |                  | 62,483           | 61,927                            |                | 62,483         | 58,668                            |                      |                | 3,259                             |                       |                |                                   |
| <b>Total assets</b>                                      | <b>1,241,729</b> | <b>1,279,228</b> | <b>1,229,235</b>                  | <b>920,677</b> | <b>961,165</b> | <b>927,507</b>                    | <b>335,927</b>       | <b>335,387</b> | <b>314,036</b>                    | <b>-14,875</b>        | <b>-17,324</b> | <b>-12,308</b>                    |
| <b>Equity</b>  |                  |                  |                                   |                |                |                                   |                      |                |                                   |                       |                |                                   |
| Shareholders' equity                                     | 47,616           | 46,663           | 40,067                            | 35,307         | 34,367         | 34,869                            | 23,531               | 23,475         | 18,955                            | -11,222               | -11,179        | -13,757                           |
| Minority interests                                       | 831              | 777              | 742                               | 729            | 693            | 617                               | 84                   | 62             | 124                               | 18                    | 22             |                                   |
| Non-voting equity securities                             | 3,000            | 3,000            | 5,000                             |                |                |                                   |                      |                |                                   | 3,000                 | 3,000          | 5,000                             |
| <b>Total equity</b>                                      | <b>51,447</b>    | <b>50,440</b>    | <b>45,809</b>                     | <b>36,036</b>  | <b>35,060</b>  | <b>35,486</b>                     | <b>23,615</b>        | <b>23,537</b>  | <b>19,079</b>                     | <b>-8,204</b>         | <b>-8,157</b>  | <b>-8,756</b>                     |
| <b>Liabilities</b>                                       |                  |                  |                                   |                |                |                                   |                      |                |                                   |                       |                |                                   |
| Subordinated loans                                       | 8,687            | 8,858            | 10,213                            | 16,473         | 18,408         | 19,087                            | 4,173                | 4,367          | 4,295                             | -11,959               | -13,917        | -13,169                           |
| Debt securities in issue                                 | 163,968          | 139,861          | 140,145                           | 155,035        | 130,926        | 130,739                           | 3,425                | 3,436          | 3,901                             | 5,508                 | 5,499          | 5,505                             |
| Other borrowed funds                                     | 17,727           | 19,684           | 19,661                            |                |                |                                   | 6,849                | 7,307          | 7,686                             | 10,878                | 12,377         | 11,975                            |
| Insurance and investment contracts                       | 281,554          | 278,833          | 262,461                           |                |                |                                   | 281,554              | 278,833        | 262,461                           |                       |                |                                   |
| Amounts due to banks                                     | 69,317           | 72,233           | 78,528                            | 69,317         | 72,233         | 78,528                            |                      |                |                                   |                       |                |                                   |
| Customer deposits and other funds on deposits            | 474,533          | 467,547          | 455,884                           | 485,481        | 479,364        | 462,019                           |                      |                |                                   | -10,948               | -11,817        | -6,135                            |
| Financial liabilities at fair value through P&L          | 140,190          | 142,868          | 122,184                           | 136,013        | 138,864        | 120,277                           | 4,526                | 4,404          | 3,396                             | -349                  | -400           | -1,489                            |
| Other liabilities  | 34,307           | 34,639           | 33,738                            | 22,323         | 22,045         | 22,448                            | 11,785               | 13,503         | 11,529                            | 199                   | -909           | -239                              |
| <b>Total liabilities excl. liabilities held for sale</b> | <b>1,190,282</b> | <b>1,164,523</b> | <b>1,122,814</b>                  | <b>884,641</b> | <b>861,840</b> | <b>833,098</b>                    | <b>312,312</b>       | <b>311,850</b> | <b>293,268</b>                    | <b>-6,671</b>         | <b>-9,167</b>  | <b>-3,552</b>                     |
| Liabilities held for sale                                |                  | 64,265           | 60,612                            |                | 64,265         | 58,923                            |                      |                | 1,689                             |                       |                |                                   |
| <b>Total liabilities</b>                                 | <b>1,190,282</b> | <b>1,228,788</b> | <b>1,183,426</b>                  | <b>884,641</b> | <b>926,105</b> | <b>892,021</b>                    | <b>312,312</b>       | <b>311,850</b> | <b>294,957</b>                    | <b>-6,671</b>         | <b>-9,167</b>  | <b>-3,552</b>                     |
| <b>Total equity and liabilities</b>                      | <b>1,241,729</b> | <b>1,279,228</b> | <b>1,229,235</b>                  | <b>920,677</b> | <b>961,165</b> | <b>927,507</b>                    | <b>335,927</b>       | <b>335,387</b> | <b>314,036</b>                    | <b>-14,875</b>        | <b>-17,324</b> | <b>-12,308</b>                    |

<sup>1</sup> Adjusted for transfer of ING Direct USA, ING Car Lease and ING Insurance Latin America to assets/liabilities held for sale.

## APPENDIX 3 RETAIL BANKING: CONSOLIDATED PROFIT AND LOSS ACCOUNT

| Retail Banking: Consolidated profit and loss account     |                      |              |                        |              |            |            |                      |            |               |            |
|--|----------------------|--------------|------------------------|--------------|------------|------------|----------------------|------------|---------------|------------|
| in EUR million   | Total Retail Banking |              | Retail Banking Benelux |              |            |            | Retail International |            |               |            |
|  |                      |              | Netherlands            |              | Belgium    |            | Germany              |            | Rest of World |            |
|  | 1Q2012               | 1Q2011       | 1Q2012                 | 1Q2011       | 1Q2012     | 1Q2011     | 1Q2012               | 1Q2011     | 1Q2012        | 1Q2011     |
| Interest result  | 2,060                | 2,146        | 864                    | 903          | 405        | 402        | 293                  | 314        | 498           | 527        |
| Commission income  | 321                  | 341          | 123                    | 124          | 92         | 98         | 26                   | 34         | 80            | 84         |
| Investment income  | 1                    | 4            | -2                     | 1            | 0          | 2          | -6                   | 0          | 8             | 1          |
| Other income   | 79                   | 83           | 16                     | 21           | 49         | 22         | -2                   | -22        | 16            | 61         |
| <b>Total underlying income</b>                           | <b>2,461</b>         | <b>2,574</b> | <b>1,001</b>           | <b>1,050</b> | <b>547</b> | <b>524</b> | <b>311</b>           | <b>326</b> | <b>602</b>    | <b>673</b> |
| Staff and other expenses                                 | 1,567                | 1,548        | 587                    | 598          | 360        | 354        | 165                  | 156        | 455           | 439        |
| Intangibles amortisation and impairments                 | 3                    | 3            | 3                      | 3            | 0          | 0          | 0                    | 0          | 0             | 0          |
| Operating expenses                                       | 1,570                | 1,551        | 591                    | 601          | 360        | 354        | 165                  | 156        | 455           | 439        |
| <b>Gross result</b>                                      | <b>891</b>           | <b>1,023</b> | <b>410</b>             | <b>449</b>   | <b>187</b> | <b>170</b> | <b>146</b>           | <b>170</b> | <b>148</b>    | <b>234</b> |
| Addition to loan loss provision                          | 274                  | 173          | 131                    | 78           | 44         | 18         | 15                   | 34         | 85            | 43         |
| <b>Underlying result before tax</b>                      | <b>617</b>           | <b>850</b>   | <b>280</b>             | <b>371</b>   | <b>143</b> | <b>152</b> | <b>131</b>           | <b>136</b> | <b>63</b>     | <b>191</b> |
| <b>Client balances (in EUR billion)<sup>1</sup></b>      |                      |              |                        |              |            |            |                      |            |               |            |
| Residential Mortgages                                    | 306.8                | 287.6        | 141.9                  | 139.7        | 29.3       | 26.4       | 57.3                 | 52.5       | 78.4          | 69.0       |
| Other Lending  | 94.2                 | 88.0         | 41.5                   | 42.3         | 32.1       | 27.8       | 3.5                  | 2.9        | 17.2          | 14.9       |
| Funds Entrusted  | 403.6                | 381.6        | 111.2                  | 103.2        | 73.5       | 70.4       | 90.0                 | 87.0       | 128.9         | 120.9      |
| AUM/Mutual Funds   | 55.3                 | 58.6         | 15.9                   | 16.8         | 25.5       | 27.9       | 6.1                  | 6.3        | 7.8           | 7.5        |
| <b>Profitability and efficiency<sup>1</sup></b>          |                      |              |                        |              |            |            |                      |            |               |            |
| Cost/income ratio  | 63.8%                | 60.3%        | 59.0%                  | 57.2%        | 65.8%      | 67.6%      | 53.1%                | 47.9%      | 75.5%         | 65.3%      |
| Return on equity based on 10.0% core Tier 1 <sup>2</sup> | 11.6%                | 16.8%        | 16.9%                  | 22.4%        | 19.2%      | 23.8%      | 17.1%                | 18.1%      | 2.4%          | 9.0%       |
| <b>Risk<sup>1</sup></b>                                  |                      |              |                        |              |            |            |                      |            |               |            |
| Risk costs in bp of average RWA                          | 74                   | 48           | 106                    | 63           | 87         | 39         | 28                   | 70         | 60            | 31         |
| Risk-weighted assets (end of period)                     | 149,008              | 143,297      | 49,108                 | 50,029       | 20,471     | 18,072     | 21,595               | 19,383     | 57,834        | 55,813     |

<sup>1</sup> Key figures based on underlying figures

<sup>2</sup> Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

## APPENDIX 4 COMMERCIAL BANKING: CONSOLIDATED PROFIT AND LOSS ACCOUNT

| Commercial Banking: Consolidated profit and loss account |                          |              |                  |            |  |            |                   |            |                                    |            |
|--|--------------------------|--------------|------------------|------------|--|------------|-------------------|------------|------------------------------------|------------|
| in EUR million   | Total Commercial Banking |              | Industry Lending |            | General Lending & Transaction Services |            | Financial Markets |            | Bank Treasury, Real Estate & Other |            |
|  | 1Q2012                   | 1Q2011       | 1Q2012           | 1Q2011     | 1Q2012                                 | 1Q2011     | 1Q2012            | 1Q2011     | 1Q2012                             | 1Q2011     |
| Interest result  | 905                      | 945          | 375              | 399        | 289                                    | 276        | 205               | 200        | 36                                 | 70         |
| Commission income  | 222                      | 248          | 112              | 125        | 87                                     | 76         | 20                | 37         | 3                                  | 10         |
| Investment income  | 122                      | 71           | 6                | 9          | -1                                     | 2          | -2                | 33         | 119                                | 27         |
| Other income   | 153                      | 271          | -16              | -21        | 7                                      | 12         | 51                | 186        | 111                                | 94         |
| <b>Total underlying income</b>                           | <b>1,403</b>             | <b>1,534</b> | <b>477</b>       | <b>511</b> | <b>382</b>                             | <b>366</b> | <b>274</b>        | <b>455</b> | <b>269</b>                         | <b>201</b> |
| Staff and other expenses                                 | 567                      | 603          | 110              | 113        | 191                                    | 177        | 217               | 229        | 49                                 | 84         |
| Intangibles amortisation and impairments                 | 59                       | 59           | 0                | 0          | 0                                      | 0          | 0                 | 0          | 59                                 | 59         |
| Operating expenses                                       | 626                      | 662          | 110              | 113        | 191                                    | 177        | 217               | 229        | 108                                | 143        |
| <b>Gross result</b>                                      | <b>777</b>               | <b>872</b>   | <b>367</b>       | <b>399</b> | <b>191</b>                             | <b>189</b> | <b>58</b>         | <b>226</b> | <b>161</b>                         | <b>58</b>  |
| Addition to loan loss provision                          | 167                      | 70           | 91               | -16        | 39                                     | 67         | 5                 | 1          | 31                                 | 18         |
| <b>Underlying result before tax</b>                      | <b>611</b>               | <b>803</b>   | <b>276</b>       | <b>415</b> | <b>153</b>                             | <b>122</b> | <b>52</b>         | <b>225</b> | <b>130</b>                         | <b>40</b>  |
| <b>Client balances (in EUR billion)<sup>1</sup></b>      |                          |              |                  |            |  |            |                   |            |                                    |            |
| Residential Mortgages                                    |                          |              |                  |            |  |            |                   |            |                                    |            |
| Other Lending  | 135.6                    | 137.6        | 77.2             | 76.5       | 48.1                                   | 50.2       | 1.9               | 3.0        | 8.4                                | 8.0        |
| Funds Entrusted  | 60.5                     | 57.4         | 1.5              | 2.1        | 35.5                                   | 34.8       | 3.0               | 4.6        | 20.5                               | 15.9       |
| AUM/Mutual Funds   | 0.4                      | 0.3          | 0.0              | 0.0        | 0.0                                    | 0.0        | 0.0               | 0.0        | 0.4                                | 0.3        |
| <b>Profitability and efficiency<sup>1</sup></b>          |                          |              |                  |            |  |            |                   |            |                                    |            |
| Cost/income ratio  | 44.6%                    | 43.1%        | 23.1%            | 22.0%      | 50.0%                                  | 48.4%      | 79.0%             | 50.4%      | 40.1%                              | 71.0%      |
| Return on equity based on 10.0% core Tier 1 <sup>2</sup> | 12.1%                    | 17.6%        | 18.6%            | 26.4%      | 10.6%                                  | 8.4%       | 4.9%              | 25.4%      | 15.0%                              | 4.7%       |
| <b>Risk<sup>1</sup></b>                                  |                          |              |                  |            |  |            |                   |            |                                    |            |
| Risk costs in bp of average RWA                          | 47                       | 20           | 81               | -14        | 34                                     | 56         | 6                 | 1          | 93                                 | 50         |
| Risk-weighted assets (end of period)                     | 135,352                  | 135,837      | 44,037           | 46,434     | 44,811                                 | 47,462     | 33,441            | 27,298     | 13,063                             | 14,644     |

<sup>1</sup> Key figures based on underlying figures

<sup>2</sup> Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

## APPENDIX 5 INSURANCE: MARGIN ANALYSIS AND KEY FIGURES

| Insurance: Margin analysis and key figures  |               |                      |            |            |                          |            |               |            |                    |           |              |            |            |            |                |             |
|---|---------------|----------------------|------------|------------|--------------------------|------------|---------------|------------|--------------------|-----------|--------------|------------|------------|------------|----------------|-------------|
| In EUR million  | ING Insurance |                      | Benelux    |            | Central & Rest of Europe |            | United States |            | US Closed Block VA |           | Asia/Pacific |            | ING IM     |            | Corporate Line |             |
|   | 1Q2012        | 1Q2011               | 1Q2012     | 1Q2011     | 1Q2012                   | 1Q2011     | 1Q2012        | 1Q2011     | 1Q2012             | 1Q2011    | 1Q2012       | 1Q2011     | 1Q2012     | 1Q2011     | 1Q2012         | 1Q2011      |
| Investment margin   | 459           | 371                  | 144        | 119        | 11                       | 13         | 264           | 216        | 6                  | 7         | 34           | 14         | 1          | 1          |                |             |
| Fees and premium-based revenues   | 1,228         | 1,203                | 174        | 165        | 110                      | 120        | 287           | 268        | 25                 | 57        | 411          | 376        | 220        | 217        |                |             |
| Technical margin  | 141           | 196                  | 36         | 78         | 46                       | 40         | -8            | 23         | 9                  | 7         | 59           | 47         | -          | -          |                |             |
| Income non-modelled life business   | 14            | 25                   | -0         | 10         | 5                        | 3          | 0             | -0         | -0                 | 0         | 10           | 12         | 0          | -0         |                |             |
| <b>Life &amp; ING IM operating income</b>   | <b>1,843</b>  | <b>1,795</b>         | <b>354</b> | <b>373</b> | <b>171</b>               | <b>177</b> | <b>543</b>    | <b>507</b> | <b>40</b>          | <b>71</b> | <b>514</b>   | <b>449</b> | <b>221</b> | <b>218</b> |                |             |
| Administrative expenses   | 773           | 710                  | 156        | 139        | 82                       | 82         | 221           | 182        | 24                 | 21        | 114          | 113        | 175        | 172        |                |             |
| DAC amortisation and trail commissions  | 507           | 482                  | 58         | 65         | 56                       | 48         | 173           | 151        | 36                 | 36        | 183          | 181        | 1          | 1          |                |             |
| <b>Life &amp; ING IM expenses</b>   | <b>1,280</b>  | <b>1,191</b>         | <b>213</b> | <b>204</b> | <b>138</b>               | <b>130</b> | <b>395</b>    | <b>333</b> | <b>60</b>          | <b>57</b> | <b>298</b>   | <b>294</b> | <b>176</b> | <b>173</b> |                |             |
| <b>Life &amp; ING IM operating result</b>   | <b>563</b>    | <b>604</b>           | <b>140</b> | <b>169</b> | <b>33</b>                | <b>47</b>  | <b>149</b>    | <b>174</b> | <b>-20</b>         | <b>14</b> | <b>217</b>   | <b>156</b> | <b>45</b>  | <b>45</b>  |                |             |
| Non-life operating result   | 9             | 42                   | 6          | 40         | 1                        | 1          | -             | -          | -                  | -         | 1            | 1          | -          | -          |                |             |
| Corporate Line operating result   | -96           | -135                 |            |            |                          |            |               |            |                    |           |              |            |            |            | -96            | -135        |
| <b>Operating result</b>   | <b>475</b>    | <b>511</b>           | <b>147</b> | <b>209</b> | <b>34</b>                | <b>48</b>  | <b>149</b>    | <b>174</b> | <b>-20</b>         | <b>14</b> | <b>218</b>   | <b>157</b> | <b>45</b>  | <b>45</b>  | <b>-96</b>     | <b>-135</b> |
| Gains/losses and impairments  | 106           | -126                 | 70         | -111       | -16                      | -8         | 18            | -40        | 16                 | 6         | 13           | 20         | -0         | 5          | 4              | 3           |
| Revaluations  | -180          | 85                   | -207       | 9          | 1                        | -          | 35            | 43         | -1                 | 3         | 1            | -1         | 4          | 5          | -13            | 27          |
| Market & other impacts  | -419          | -43                  | -18        | -93        | -                        | -          | -11           | 8          | -379               | 39        | 17           | 2          | -          | -          | -29            | 2           |
| <b>Underlying result before tax</b>   | <b>-18</b>    | <b>428</b>           | <b>-8</b>  | <b>14</b>  | <b>19</b>                | <b>40</b>  | <b>191</b>    | <b>184</b> | <b>-384</b>        | <b>61</b> | <b>249</b>   | <b>177</b> | <b>49</b>  | <b>54</b>  | <b>-134</b>    | <b>-104</b> |
| <b>Life Insurance - New business figures</b>  |               |                      |            |            |                          |            |               |            |                    |           |              |            |            |            |                |             |
| Single premiums   | 2,732         | 2,985                | 444        | 732        | 204                      | 245        | 1,880         | 1,900      | -                  | 0         | 204          | 107        | -          | -          | -              | -           |
| Annual premiums   | 1,029         | 941                  | 83         | 125        | 86                       | 73         | 360           | 320        | -                  | -         | 500          | 423        | -          | -          | -              | -           |
| New sales (APE)   | 1,302         | 1,239                | 127        | 198        | 106                      | 97         | 548           | 510        | -                  | 0         | 520          | 434        | -          | -          | -              | -           |
| <b>Key figures</b>  |               |                      |            |            |                          |            |               |            |                    |           |              |            |            |            |                |             |
| Gross premium income  | 8,248         | 8,207                | 2,635      | 2,944      | 535                      | 599        | 2,848         | 2,730      | 104                | 118       | 2,125        | 1,811      | -          | -          | 0              | 6           |
| Adm. expenses / operating income (Life & ING IM)  | 41.9%         | 39.6%                | 44.1%      | 37.3%      | 48.0%                    | 46.3%      | 40.7%         | 35.9%      | 60.0%              | 29.6%     | 22.2%        | 25.2%      | 79.2%      | 78.9%      |                |             |
| Life general account invested assets (end of period, in EUR billion) <sup>1</sup>       | 157           | 149                  | 60         | 59         | 7                        | 8          | 59            | 56         | 4                  | 4         | 26           | 22         | -          | -          | -              | -           |
| Investment margin / Life general account invested asset (in bps) <sup>2</sup>           | 118           | 98                   | 117        | 85         | 95                       | 96         | 161           | 144        | 58                 | 17        | 38           | 27         | -          | -          | -              | -           |
| Provision for life insurance & investm. contracts for risk policyholder (end of period) | 121,612       | 116,591 <sup>3</sup> | 22,710     | 22,084     | 3,675                    | 3,813      | 39,722        | 35,908     | 32,982             | 33,541    | 22,523       | 21,103     | -          | -          | -              | -           |
| Net production client balances (in EUR billion)   | -1.7          | 1.4                  | 0.3        | -0.1       | 0.0                      | 0.4        | -0.5          | -0.7       | -0.7               | -0.7      | 0.4          | 0.2        | -1.2       | 2.4        | -              | -           |
| Client balances (end of period, in EUR billion)   | 407.9         | 371.6                | 70.8       | 70.1       | 27.2                     | 29.2       | 103.5         | 92.9       | 33.8               | 34.2      | 46.8         | 42.1       | 125.8      | 103.0      | -              | -           |
| Administrative expenses (total)   | 905           | 845                  | 243        | 233        | 84                       | 83         | 221           | 182        | 24                 | 21        | 116          | 114        | 175        | 172        | 43             | 39          |

<sup>1</sup> Revised definition: the Life GA invested assets definition has been revised to better align with the investment margin on operating basis by, amongst others, excluding non-trading derivatives and revaluations on debt securities; all previous quarters have been restated

<sup>2</sup> Four-quarter rolling average

<sup>3</sup> 1Q2011 includes EUR 143 million for Latin America

## ENQUIRIES

### Investor enquiries

T: +31 20 576 6396

E: investor.relations@ing.com

### Press enquiries

T: +31 20 576 5000

E: media.relations@ing.com

### Investor conference call, media conference call and webcast

Jan Hommen, Patrick Flynn, Wilfred Nagel and Matt Rider will discuss the results in an analyst and investor conference call on 9 May 2012 at 9:00 CET. Members of the investment community can join the conference call at +31 20 794 8500 (NL), +44 207 190 1537 (UK) or +1 480 629 9676 (US) and via live audio webcast at [www.ing.com](http://www.ing.com).

### Additional information is available in the following documents on [www.ing.com](http://www.ing.com):

- ING Group Quarterly Report
- ING Group Statistical Supplement
- ING Group Historical Trend Data
- ING Group Analyst Presentation
- Condensed consolidated interim financial information for the period ended 31 March 2012

A media conference call will be held on 9 May 2012 at 11:00 CET. Journalists can join the conference call at +31 20 794 8500 (NL) or +44 20 7190 1537 (UK).

## DISCLAIMER

ING Group's Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU').

In preparing the financial information in this document, the same accounting principles are applied as in the 2011 ING Group Annual Accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including developing markets, (3) consequences of a potential (partial) break-up of the euro, (4) the implementation of ING's restructuring plan to separate banking and insurance operations, (5) changes in the

availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations, (14) changes in the policies of governments and/or regulatory authorities, (15) conclusions with regard to purchase accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit-ratings, (18) ING's ability to achieve projected operational synergies and (19) the other risks and uncertainties detailed in the Risk Factors section contained in the most recent annual report of ING Groep N.V. Any forward-looking statements made by or on behalf of ING speak only as of the date they are made, and, ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.

Notes from the front page table:

1 The underlying results of the Group and Banking Operations exclude the results of ING Direct USA, as these results were transferred to the "Net result from divested units". The results of Insurance Latin America have been transferred to "Net result from discontinued operations".

2 Result per share differs from IFRS earnings per share in respect of attributions to the Core Tier 1 securities.

3 Four quarter rolling average.

4 Annualised underlying net result divided by average IFRS-EU equity.

Note: Underlying figures are non-GAAP measures and are derived from figures according to IFRS-EU by excluding impact from divestments and special items.