



Third Quarter 2006 Results

Balancing growth and returns

9 November 2006

Key points

- **Solid business performance in third quarter in challenging interest rate environment**
- **We are expanding in markets with attractive margins...**
- **...while managing growth elsewhere to sustain value creation**
- **We invest to grow over the long term**

Highlights financial results (I)*

- Robust business performance in challenging interest rate environment
 - 3Q underlying net profit** declines 3.2% to EUR 1,654 million from EUR 1,708 million in 3Q05
 - Decline in interest rates leads to a net EUR 196 million negative variance from revaluations of strategic derivatives for which hedge accounting is not applied
 - Compared to 2Q, lower capital gains as we held off on realising gains as stock markets rallied, and lower dividend income due to seasonal patterns
 - Net profit 16.3% lower at EUR 1,571 million due to sale of DHB in 3Q06, release of tax provision in 3Q05
 - Underlying net profit up 20.0% in first nine months to EUR 5,626 million

* All figures compare third quarter 2006 with third quarter 2005 unless otherwise stated

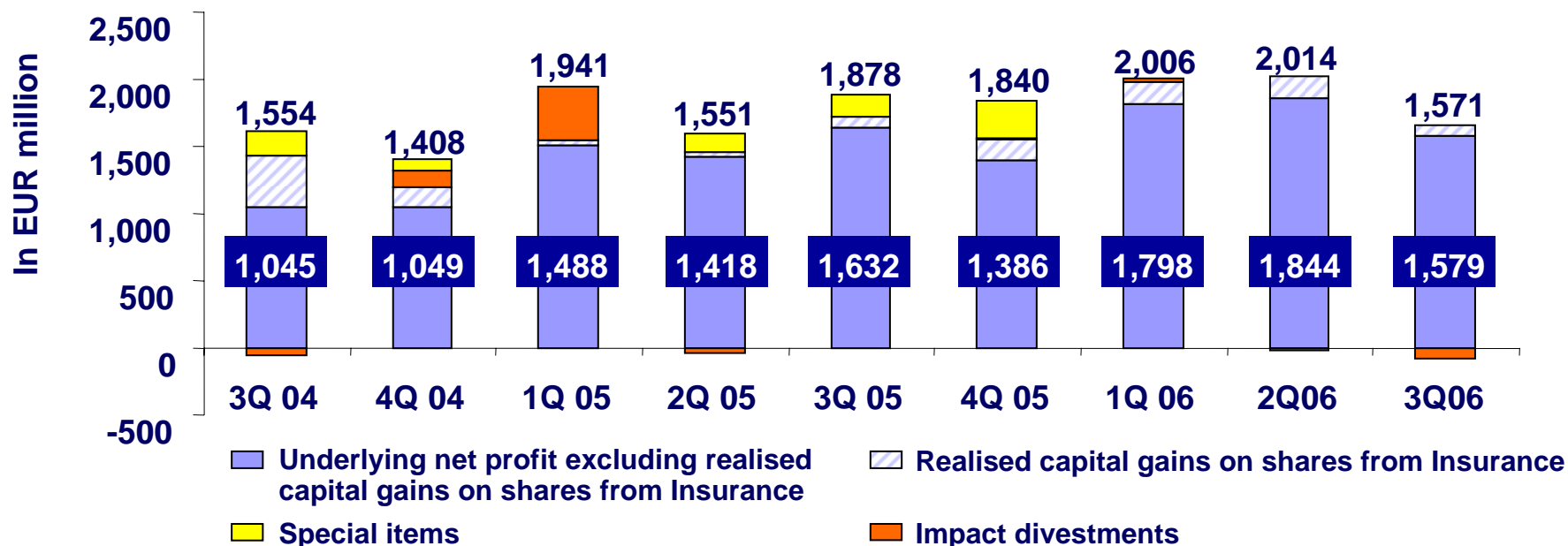
** Underlying net profit is defined as net profit excl. divestments and special items

Highlights financial results (II)*

- Value creation continues to be good as ING balances growth and returns
 - RAROC after tax for banking increases slightly to 20.5% in first nine months
 - IRR on new life business increases to 13.8% from 12.8% in first nine months
 - Value of new business from life insurance in developing markets up 22.0% to EUR 122 million in 3Q
 - US retirement services value of new business up 33.5% in first nine months. No large case sales in 3Q
- ING continues to invest for growth over the long term
 - ING Direct adds EUR 5.8 billion in mortgages in 3Q, expands U.S. business to Chicago in September
 - Life insurance sales in developing markets grow 12.9% in 3Q, driven by Central Europe and Asia

* All figures compare third quarter 2006 with third quarter 2005 unless otherwise stated

Underlying 3Q profit affected by challenging interest rate environment



- Sale of stake in Deutsche Hypothekenbank resulted in loss of EUR 83 m after tax
- Drop in long-term interest rates resulted in negative swing in fair value of derivatives
- Lower capital gains as we held off on realising gains as stock markets rallied
- Risk costs increased as releases of provisions diminished
- Business units maintained pricing discipline and continued cost control

Growth engines continue strong performance

9M2006 vs 9M2005

Life insurance developing markets

VNB +36%
IRR 19.1% 9M2006

- Strong value creation in Central Europe, in particular Poland and Hungary
- South Korea continues strong performance: premium growth +44%
- Taiwan creates good value of new business: +45%

US Retirement Services

VNB +34%
Sales (APE) +12%
New sales (US basis in constant currency)* +29%

- Strong performance over nine months, despite lower sales in 3Q
- No large case sales

ING Direct

Underlying profit before tax +23%
Funds entrusted +10%
Mortgage portfolio +44%
Number of customers +22%

- Solid performance in challenging interest environment
- Continued strong growth of mortgages
- Continued investment in new business initiatives

*US retirement accumulation and payout sales only; annual and single premiums counted at 100% consistent with US market practice

South Korea: continued growth in existing business and investing in new initiatives

Established successful business

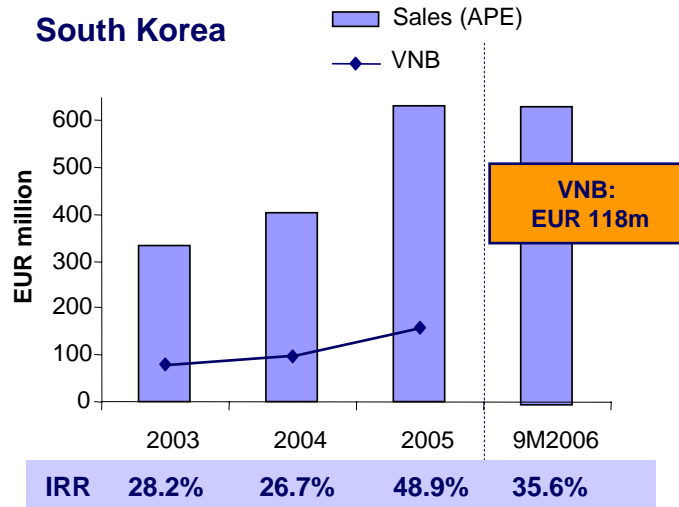
- Strong new business growth
- Highly productive tied agents; strong partnership with Kookmin Bank
- High IRRs
- Market share continues to grow
- Industry-wide regulatory changes are lowering VNB

New initiatives

- Shift to variable unit-linked products
- Innovative direct channels, for example via television home shopping and cable TV
- Third-party mutual fund sales launched in September
- Preliminary Investment Management license received

Future growth

- Corporate pensions
- Further bancassurance deregulation
- Sales via internet/outbound calling
- Rapid extension of full-time tied agents



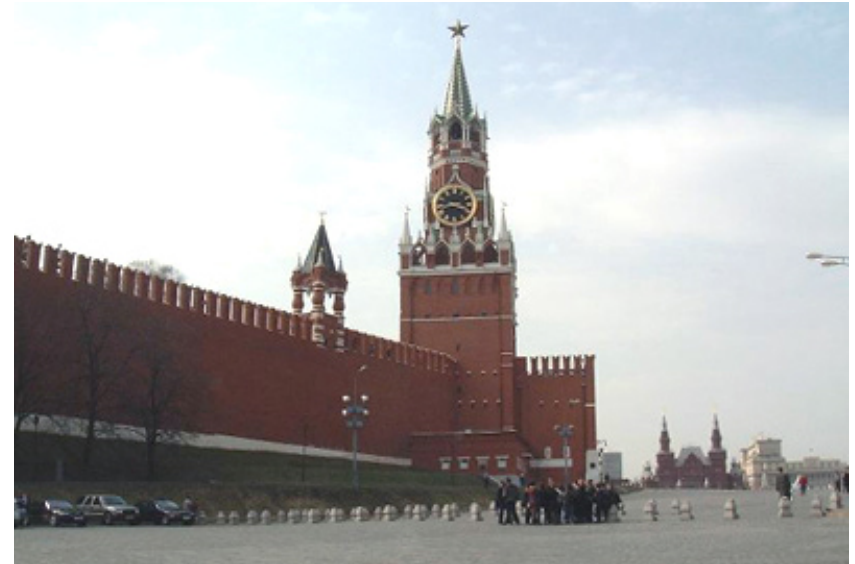
Initiative life insurance greenfield in Russia

ING will apply for license life insurance

- Russia attractive growth market: life insurance market in early stage of development, with extremely low life insurance penetration
- Logical next step to build long-term sustainable position in Russian financial services market
- Complements our existing banking and pension business in Russia, while using ING's expertise in Central Europe

Going forward:

- Apply for license 1 December 2006
- Expect to sell first products as of mid-2007, mainly savings products combined with protection, subject to regulatory approval
- Start in Moscow, expanding to St. Petersburg and other large cities
- Ambition is to become one of the top players in Russian life insurance market



Source: ING, based on external sources

ING Direct continues to invest in new growth initiatives

US business expanded to Chicago

- Marketing campaign “Cash cows have landed on Chicago Streets” launched in September 2006
- Contributing to strong growth of new clients in US
- Current footprint covers 40% of US total deposits
- Next to Chicago, ING Direct is actively marketing in Boston, New York, Baltimore, Philadelphia, Washington DC, Phoenix, Los Angeles, San Francisco



Introduced mortgages in United Kingdom

- Launched in October 2006
- Highly competitive mortgage offers: flexible and 2-year-fixed rate
- Challenging marketplace, with “no fees and simple offer” in line with brand position
- First indications of market response are positive
- Mortgage product fits naturally with the deposits and generates additional yield
- UK mortgage market is large: gross mortgage lending in 2005 was EUR 422 bn*



*Source: Ecwin

Mature market initiatives: Postbank

Mortgages

- Launch of budget mortgage in August 2006: simplified mortgage with reduced product options/guarantees, at competitive rates
- EUR 3 bn of applications in 10 weeks time
- Expected to support market share



Distribution

Internet

- 800,000 visitors per day
- 2.5 m online customers secure area Mijn Postbank.nl (2005: 2.3 m)
- Most visited site in the Netherlands after Google and MSN

Postbank shop

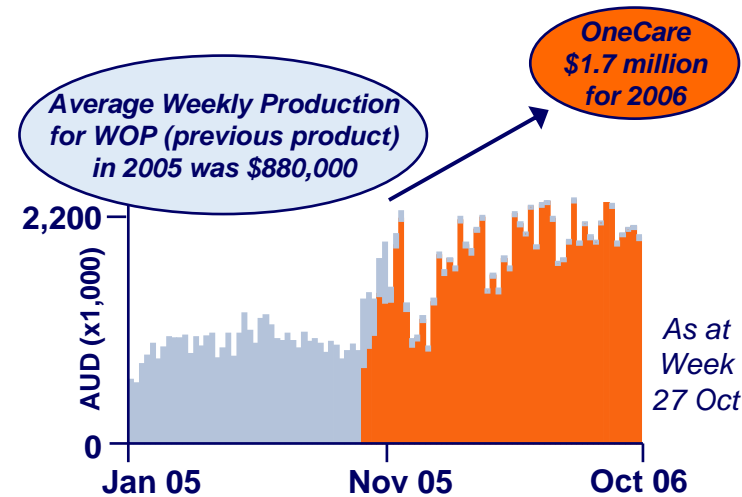
- Launch limited number of Postbank shops
- Meet customers' need for advice
- Increases Postbank visibility



ING Australia: more initiatives for growth

ING Australia: OneCare product

- Growth potential: Australians are significantly underinsured (45% have no life insurance cover)
- Leading retail risk product launched late 2005: packages in any combination different types of insurance (from life, disability to living expenses)
- Meets needs of market/customer
 - Innovative: offers new features that address current unmet needs in the market
 - Customer centric: rewards client loyalty
 - Flexible: allows clients to tailor insurance portfolio to their personal circumstances
- On track and growing rapidly: sales have doubled over the last year, making ING Australia a leader in individual life risk

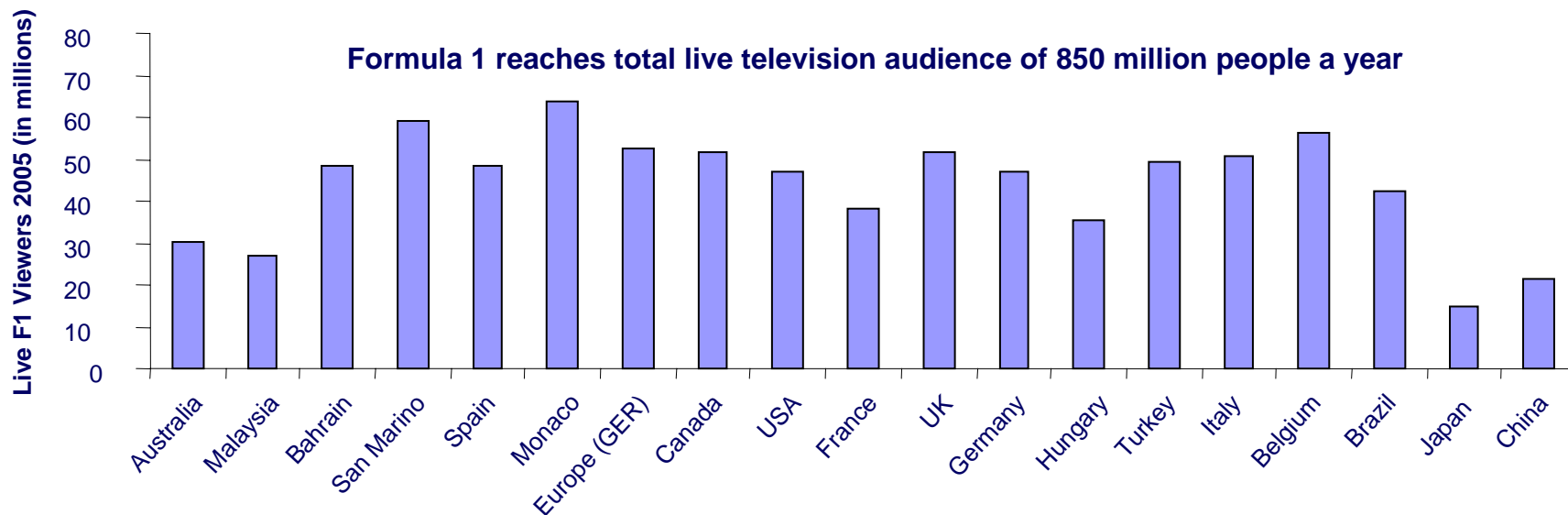


Sources: Life Risk Application Report 2006

New global branding initiative: Formula One



- ING title sponsor of the Renault Formula 1 Team, 2007-2009
- ING also on track sponsor at 13 (out of 17) F1 Grand Prix races in 2007
- F1 a strong platform to enhance brand awareness globally, bringing ING's image more in line with client reach of 60 million customers worldwide
- F1 can carry messages to broad (potential) customer base:
 - Women are as engaged as men (audience 40% women, 60% men)
 - ING is active in almost all countries where F1 races take place (15 out of 17 in 2007)
 - The average F1 viewer is ± 40 years old



Source: IFM

Chairman's view

- **Low long-term interest rates and flat yield curves will continue to pose challenges**
- **Strong equity and real estate markets as well as favourable claims experience in non-life insurance**
- **Releases of provisions diminished, resulting in higher net risk costs. No visible deterioration in the quality of the credit portfolio**
- **On balance, ING is well positioned to capture growth opportunities and we are confident in our ability to create value for our shareholders**

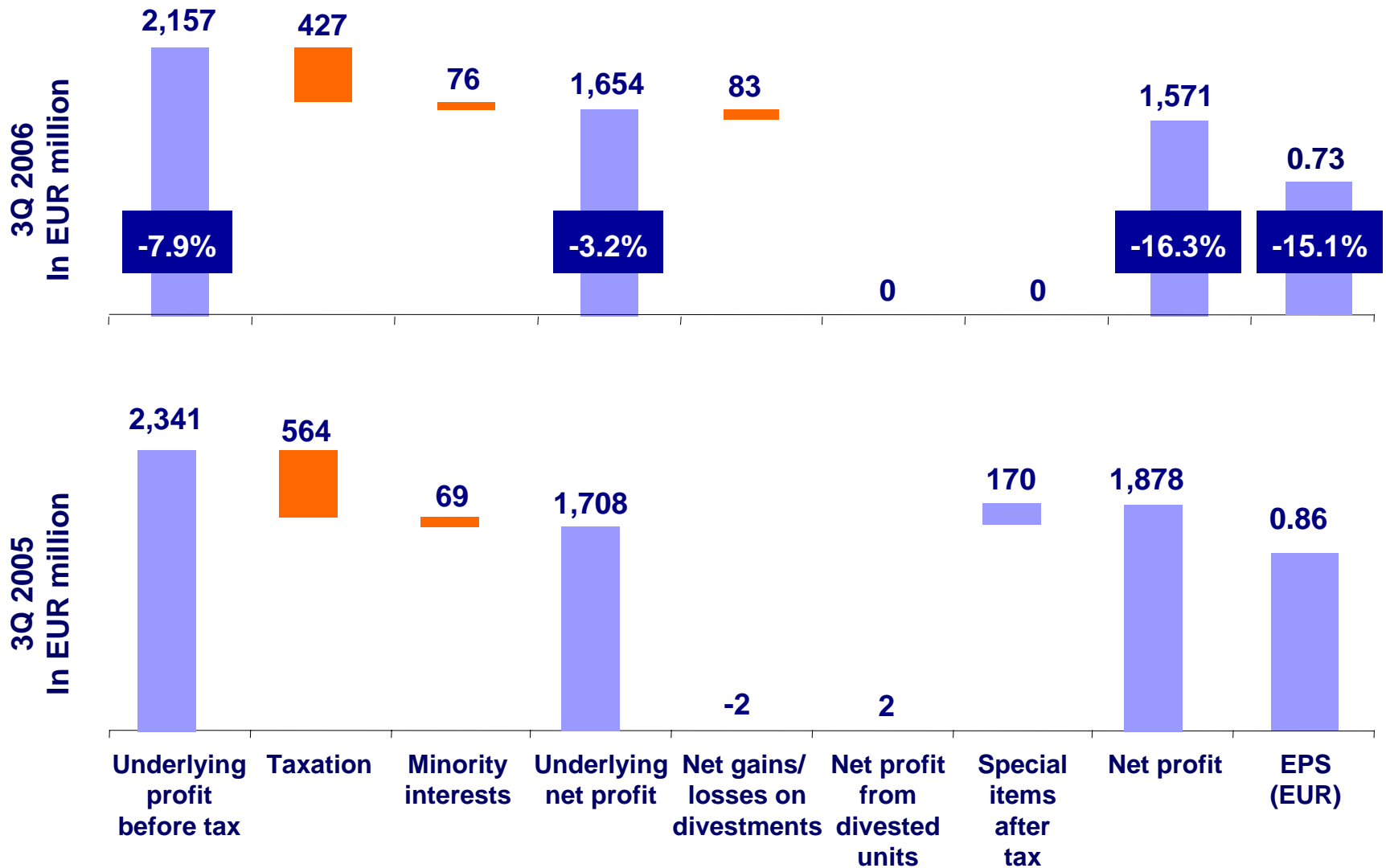


Third Quarter 2006 Results

Results by Business line

9 November 2006

Group profits third quarter 2006

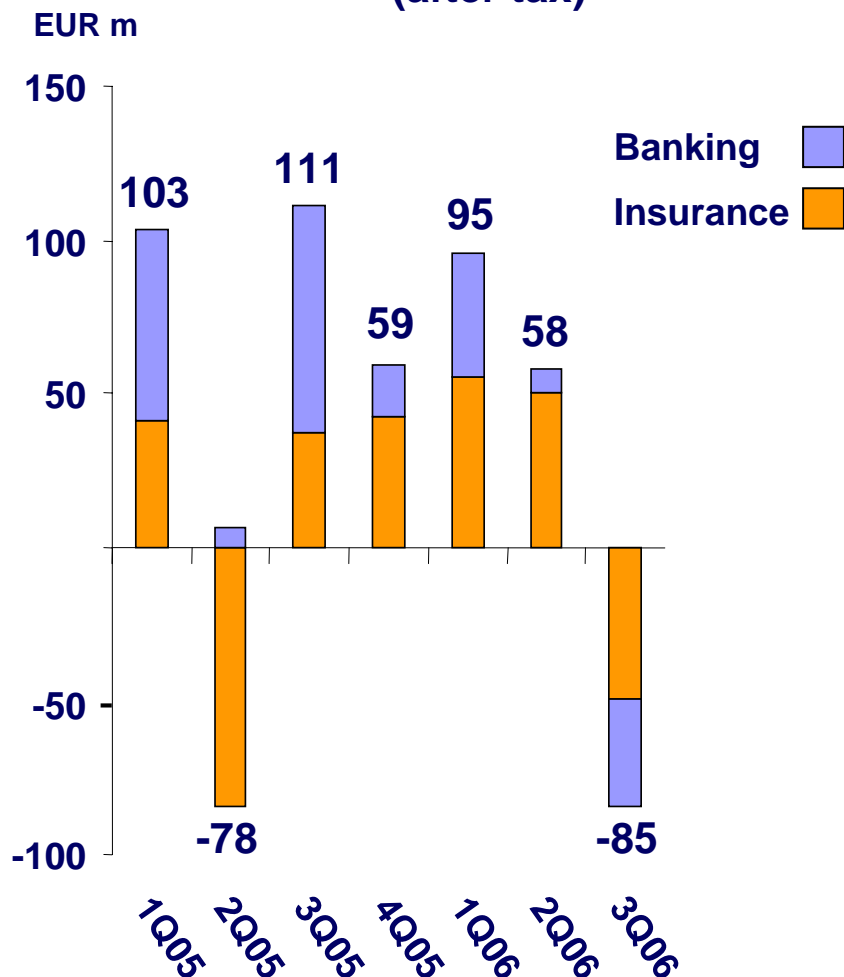


Net impact divestments and special items

In EUR million		3Q 06	3Q 05	%-change
Underlying net profit		1,654	1,708	-3.2%
1) Divestments	Individual life reinsurance trans.		13	
	Profit from divested units		1	
	Insurance operations	0	14	
	Sale Baring Asset Management		-15	
	Sale Deutsche Hypothekenbank	-83		
	Profit from divested units		1	
	Banking operations	-83	-14	
Total ING Group		-83	0	
2) Special items	Tax releases Insurance		170	
	Insurance operations	0	170	
	Banking operations	0	0	
	Total ING Group	0	170	
Net Profit		1,571	1,878	-16.3%

Interest rate movements lead to substantial accounting volatility

**Fair value changes on strategic derivatives
(after tax)**



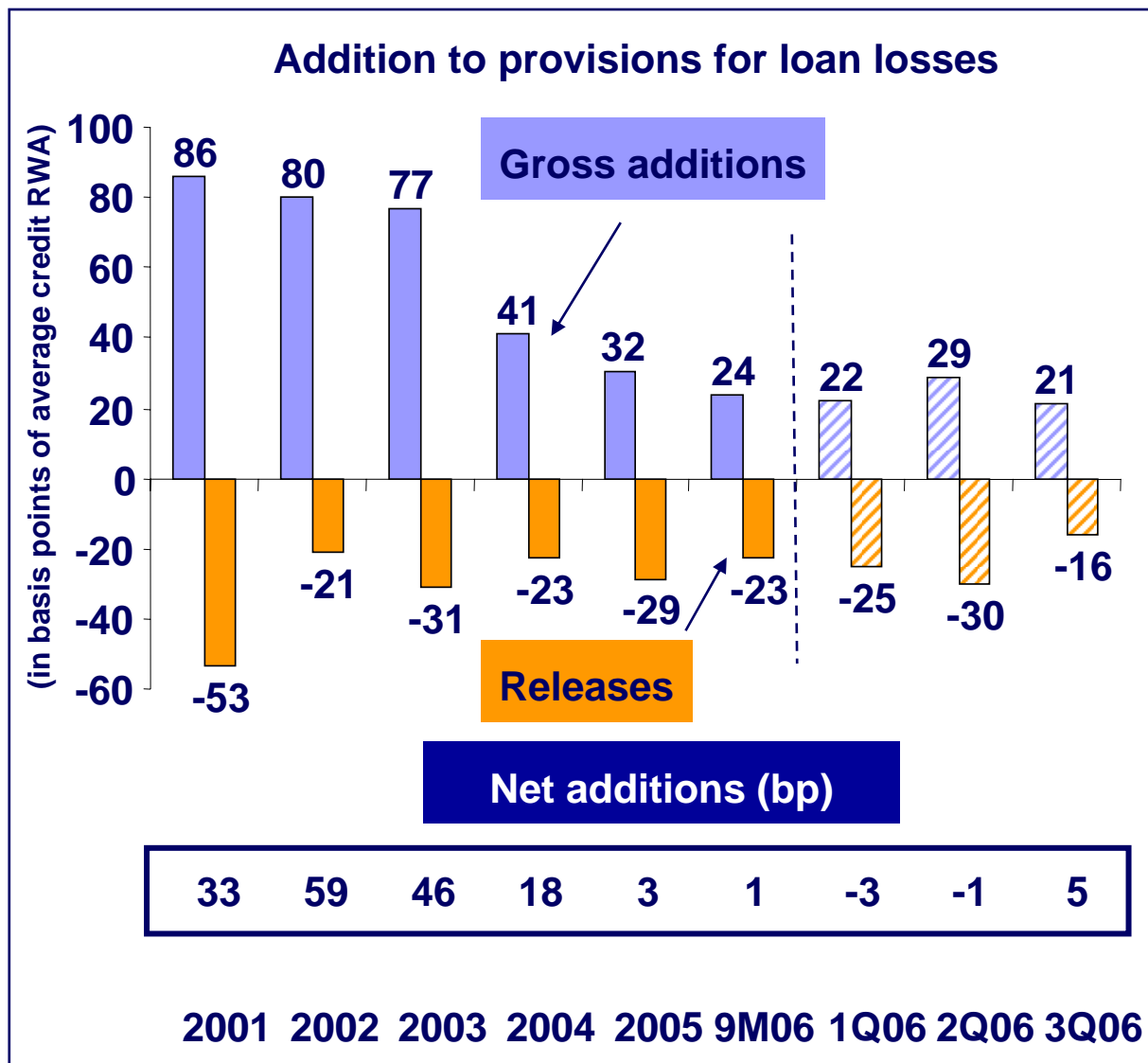
Breakdown fair value changes on strategic derivatives*

	3Q06	2Q06	3Q05
Swap core debt/other	-70	72	53
Tax	-21	22	16
Total Insurance (after tax)	-49	50	37
Valuation results non-trading derivatives	-51	11	106
Tax	-15	3	32
Total Banking (after tax)	-36	8	74
Total ING Group (after tax)	-85	58	111

* Best estimates

- IFRS introduced substantial accounting volatility
- Business will continue to be managed on economics

Net risk costs up, but still low



Credit environment remains benign with historically low additions to loan loss provisions...

...however, releases are gradually diminishing

We expect more normalised net risk cost levels in future periods

Insurance activities

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Premium income	10,992	11,440	-3.9
Operating expenses	1,219	1,321	-7.7
Profit before tax	1,025	1,103	-7.1
Net profit	821	793	3.5

VNB: EUR 202 m (+0%)

IRR (9M06): 13.8% (9M05: 12.8%)

New sales (APE): EUR 1,561 m
from EUR 1,608 m

Combined ratio (9M06): 91.0% (9M05: 93.0%)

AuM (end of period): EUR 429.9 bn
(EUR 411.8 bn end 2Q06)

- Insurance underlying profit before tax declined 7.1% due to lower life result, in part compensated by higher non-life result
- Life result -13.0% impacted by valuations of derivatives and lower gains on equities
- Non-life result +8.6% mainly due to NL and Belgium, while Canada was lower
- Premium declined 3.9% due to US, Japan and Belgium
- Strong life premium growth in developing countries: South Korea (+43%), Central Europe (+17%) and Latin America (+32%)
- VNB flat due to US; IRR improves 100bps to 13.8%
- Expenses decreased 7.7%, in part supported by provision releases in NL

Insurance Europe

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Premium income	2,348	2,478	-5.2
Operating expenses	376	472	-20.3
Profit before tax	540	465	16.1

VNB: EUR 66 m (+13.8%)

IRR (9M06): 15.3% (9M05: 14.0%)

New sales (APE): EUR 210 m
from EUR 211 m

Combined ratio (9M06): 88.8% (9M05: 94.3%)

AuM (end of period): EUR 153.0 bn
(EUR 144.6 bn end 2Q06)

- Underlying profit before tax increased 16.1% driven by NL and Central Europe
- Life result improved 11.7% supported by lower expenses and higher investment results in NL and strong business growth in Central Europe
- Profit Belgium negatively impacted by change in commission structure with ING Bank Belgium
- Non-life result improved 34.4% driven by lower expenses and higher dividend income in NL and lower claims in Belgium
- Life premiums down 5.5% due to NL and Belgium, partly offset by Hungary and Poland
- Cost savings in NL are progressing; new investments in systems will be made
- Improved value creation as VNB and IRR increased, particularly in Central Europe

ING Insurance

Europe

Americas

Asia/
Pacific

Insurance Americas

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Premium income	5,802	5,997	-3.3
Operating expenses	607	603	0.7
Profit before tax	512	569	-10.0

VNB: EUR 43 m (-27.1%)

IRR (9M06): 11.2% (9M05: 11.0%)

New sales (APE): EUR 805 m
from EUR 802 m

Combined ratio (9M06): 91.9% (9M05: 91.5%)

AuM (end of period): EUR 199.6 bn
(EUR 193.8 bn end 2Q06)

- Underlying profit before tax declined 10.0% caused by lower investment-related gains
- Excluding lower investment-related gains, US profit rose 18.0% at constant currency rates, supported by higher fee income from growth in AuM
- Profit Canada declined but combined ratio of 87.1% remains strong
- Premiums flat at constant currency rates, as higher non-life premiums were offset by lower life premiums
- VNB declined 27.1% in 3Q06, caused by additional regulatory reserves in US individual life, which will be recovered over the next few quarters
- VNB increased by 18.8% for 9M06 at constant currency rates led by US retirement services and annuities
- IRR remained strong at 11.2% driven by both US and Latin America

ING Insurance



Insurance Asia/Pacific

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Premium income	2,869	2,960	-3.1
Operating expenses	238	232	2.6
Profit before tax	168	113	48.7

VNB: EUR 93 m (+9.4%)

IRR (9M06): 17.1% (9M05: 14.3%)

New sales (APE): EUR 546 m
from EUR 595 m

AuM (end of period): EUR 77.3 bn
(EUR 73.4 bn end 2Q06)

- Underlying profit increased strongly by 48.7%
- Japan profit boosted mainly due to profit from hedging strategy in single premium variable annuity business
- South Korea profit slightly down due to one-off adjustments and loss on bonds
- Life premiums declined 3.1%, as lower SPVA sales in Japan offset strong growth in all other markets
- VNB improvement driven by Taiwan and Australia, while revised lapse assumptions and lower SPVA sales led to lower VNB in Japan
- IRR improved in all major markets
- Reserve adequacy in Taiwan reduced to EUR 253 m from EUR 432 m at end of June

ING Insurance

Europe

Americas

Asia/
Pacific

Banking activities

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Total income	3,397	3,422	-0.7
Operating expenses	2,220	2,173	2.2
Additions to loan loss provisions	45	11	
Profit before tax	1,132	1,238	-8.6
Net profit	833	915	-9.0

Underlying C/I ratio: 65.4% from 63.5%

Risk costs: 5 bps from 2 bps

RWAs: EUR 332.0 bn (EUR 313.9 bn)

Underlying RAROC after tax: 20.5% in 9M06 (9M05: 20.4%)

Econ. cap: EUR 15.8 bn in 9M06 (9M05: EUR 14.7 bn)

- Underlying profit before tax declined -8.6%, impacted by negative revaluations on derivatives and higher risk costs
- Drop in long-term interest rates resulted in negative revaluations of derivatives
- Strong performance ING Real Estate (underlying profit before tax +77.0%), supported by successful sale of completed development projects
- ING Direct profit remained strong led by mortgage production
- Continued underlying income growth in mortgages and savings
- Decrease in interest margin reflecting the flat yield curve environment and some pressure on client margins
- Efficiency under control, while investments in strong business growth in ING Direct and ING Real Estate continue
- Risk costs remained low as credit environment is still benign; releases gradually diminished
- RAROC improved slightly as capital was allocated to higher return areas

Wholesale Banking

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Total income	1,339	1,326	1.0
Operating expenses	821	791	3.8
Additions to loan loss provisions	-9	-26	
Profit before tax	527	561	-6.1

Underlying C/I ratio: 61.3% from 59.7%

Risk costs: -3 bps from -5 bps

RWAs: EUR 157.5 bn (EUR 162.9 bn)

Underlying RAROC after tax: 20.8% in 9M06 (9M05: 18.1%)

Econ. cap: EUR 8.1 bn in 9M06 (9M05: EUR 8.3 bn)

- Underlying profit declined, as modest income growth was offset by lower releases of loan loss provisions
- Financial Markets unfavourably impacted by revaluations of derivatives
- Profit ING Real Estate boosted by development and investment management; Real Estate AuM increased from EUR 43 to 55 bn
- Credit environment remains benign resulting in net releases of risk costs (-3bp), but releases diminished
- Expenses under control, but impacted by high compliance costs
- RAROC (after tax) improved to 20.8% driven by higher returns from ING Real Estate and improved capital efficiency of the Wholesale Banking activities
- Divestment of Deutsche Hypothekenbank

Retail Banking

Profit & loss account (underlying)

In EUR million	Q306	Q305	% change
Total income	1,472	1,508	-2.4
Operating expenses	973	1,001	-2.8
Additions to loan loss provisions	26	6	
Profit before tax	473	501	-5.6

Underlying C/I ratio: 66.1% from 66.4%

Risk costs: 11 bps from 3 bps

RWAs: EUR 97.7 bn (EUR 89.6 bn)

Underlying RAROC after tax: 33.0% in 9M06
(9M05: 34.0%)

Econ. cap: EUR 4.0 bn in 9M06
(9M05: EUR 3.3 bn)

- Underlying profit declined 5.6% due to flattening yield curves and increased risk costs
- In mortgages, ING's choice not to sacrifice margins for market share led to a temporary decline in market share of new production in NL; since 3Q margins and share of new production are returning to previous levels; other market shares holding up well
- Income in Poland rose 15.1%, driven by savings and current accounts
- Private banking profit posted 13.0% growth, particularly in Asia
- Lower expenses reflecting tight expense control, while higher compliance and redundancy costs were offset by a release from employee benefits provisions
- C/I ratio further improved to 66.1%
- Risk costs up to more normalised levels, after incidentally low levels in 3Q05
- Romania's number of outlets grew to 104 and number of clients to 248,000

ING Banking



ING Direct

Profit & loss account (underlying)

In EUR million	3Q06	3Q05	% change
Total income	583	560	4.1
Operating expenses	380	350	8.6
Additions to loan loss provisions	28	31	
Profit before tax	175	179	-2.2

Underlying C/I ratio: 65.2% from 62.5%

Risk costs: 13 bps from 19 bps

RWAs: EUR 87.2 bn (EUR 70.0 bn)

Underlying RAROC after tax: 11.8% in 9M06
(9M05: 15.5%)

Econ. cap: EUR 3.4 bn in 9M06
(9M05: EUR 3.0 bn)

- Profit remained strong, despite challenging interest rate environment
- ING Direct added 631,000 new customers, bringing the total to 17.1 m
- Record mortgage growth of EUR 5.8 bn
- Funds entrusted grew EUR 3.2 bn to EUR 200.2 bn
- Strong recovery of net inflow of EUR 1.0 bn in funds entrusted in Spain
- Lower US profits as a result of increase in client rates, an inverse yield curve and increased competition
- ING Direct launched marketing campaign in Chicago and mortgages in UK
- Interest margin narrowed to 0.85% from 0.90% in 2Q, as client rates were raised in all countries to maintain a solid value proposition for customers

Profit distribution

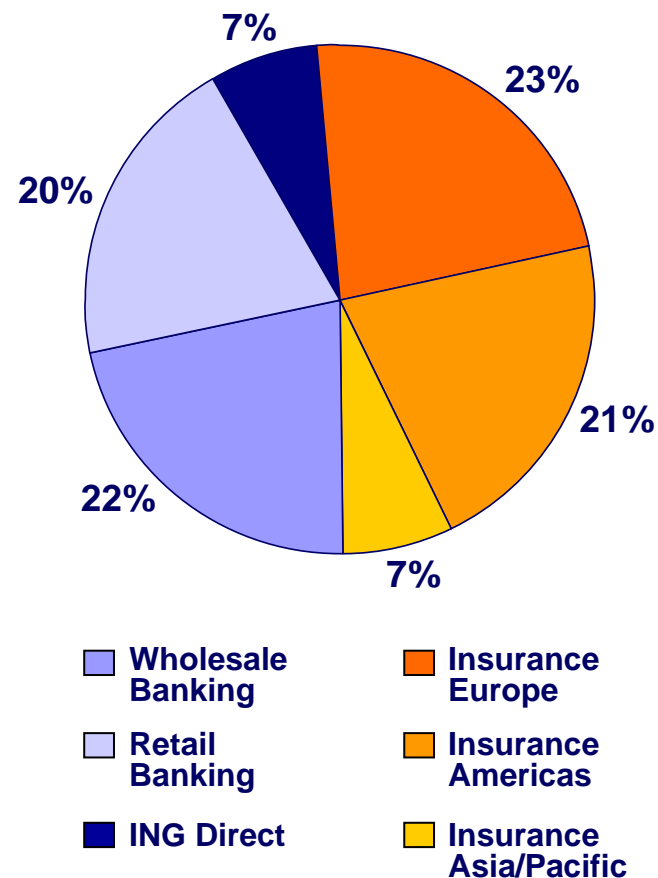
Underlying profit before tax

in EUR million	3Q06	3Q05	% change
Insurance	1,025	1,103	-7.1
Europe	540	465	16.1
Americas	512	569	-10.0
Asia / Pacific	168	113	48.7
Other*	-195	-44	
Banking	1,132	1,238	-8.6
Wholesale Banking	527	561	-6.1
Retail Banking	473	501	-5.6
ING Direct	175	179	-2.2
Other**	-43	-3	
Total ING Group	2,157	2,341	-7.9

* The deterioration of Other insurance results in 3Q06 results mainly due to negative revaluations on derivatives used to hedge interest paid on core debt and lower realised gains on shares.

** Other banking results deteriorated in 3Q06 compared to 3Q05, when results were positively impacted by the implementation of the fair value option under IFRS for market-making in ING bonds

Contribution of business lines in 3Q06*



* Excludes component 'Other' in Banking and Insurance

Continued strong capital position

ING GROUP

Balance sheet total (EUR bn)
Capital and reserves (EUR bn)
Capital and reserves per share (EUR)

Debt/equity ratio Group

Net revaluation reserve (EUR bn)

- Shares
- Fixed income securities

INSURANCE

Debt/equity ratio insurance
Capital Coverage ratio

BANKING

BIS ratio
Tier-1 ratio
RWAs (EUR bn)

30/09/06

30/06/06

1,221
36.7
17.05

1,221
33.2
15.40

9.4%
9.97%

4.7
3.6
4.1
1.3

13.0%
256%
12.0%
257%

11.02%
7.48%
332.0
10.92%
7.32%
342.6

Key points

- **Solid business performance in third quarter in challenging interest rate environment**
- **We are expanding in markets with attractive margins...**
- **...while managing growth elsewhere to sustain value creation**
- **We invest to grow over the long term**

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