ING GROUP QUARTERLY REPORT

First quarter 2012

SHARE INFORMATION

Financial calendar

- Annual General Meeting: Monday, 14 May 2012
- Publication results 2Q2012: Wednesday, 8 August 2012
- Publication results 3Q2012: Wednesday, 7 November 2012

(All dates are provisional.)

Investor relations

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Listing information

ING ordinary shares are registered shares with a par value of EUR 0.24 per share. The (depositary receipts for) ordinary shares of ING Group are listed on the exchanges of Amsterdam, Brussels and New York (NYSE).

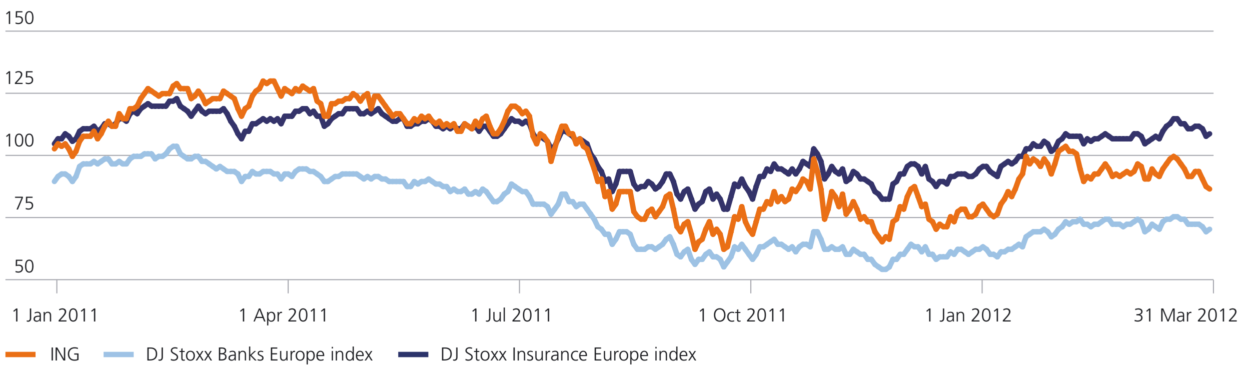
Stock exchanges	Tickers (Bloomberg, Reuters)	Security codes (ISIN, SEDOL1)
Euronext Amsterdam	INGA NA, ING.AS	NL0000303600, 7154782 NL
New York Stock Exchange	ING US, ING.N	US456837103, 2452643 US

American Depositary Receipts (ADRs)

For questions regarding your ADRs please contact the JP Morgan Depositary Receipts Team:
JPMorgan Chase & Co.
P.O. Box 64504
St. Paul, MN 55164-0504
Free phone number for US callers: (800) 990-1135
From outside the US: +1 (651) 453-2128
Global Invest Direct: (800) 428-4237
Email: jpmorgan.adr@wellsfargo.com
Internet: www.adr.com

Comparative performance of share price

1 JANUARY 2011 TO 31 MARCH 2012



OUR QUARTERLY PUBLICATIONS

This ING Group Quarterly Report contains our quarterly financial reporting and analysis, including comment on the progress of our businesses, sustainability developments and key strategic initiatives.

The following other quarterly financial publications are available at www.ing.com/investorrelations in the Results and Interim Accounts section.

Press release

The press release on ING's quarterly results contains the chairman's statement, financial highlights and key developments on the balance sheet and capital management.

Analyst presentation

The analyst presentation of ING's quarterly results contains a detailed review of the drivers of results and addresses key issues raised by analysts and investors.

ING Group Statistical Supplement

The Group Statistical Supplement contains quarterly financial data and should be read in conjunction with the ING Group Quarterly Report. The supplement is available in both PDF and Excel format.

ING Group Historical Trend Data

In addition to the Group Statistical Supplement, this document, which is available in PDF and Excel format, includes historical trend data and details of restatements.

ING Group Interim Accounts

These condensed consolidated interim accounts have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". ING publishes Interim Accounts under IAS 34, including a review report of Ernst & Young, on a quarterly basis.

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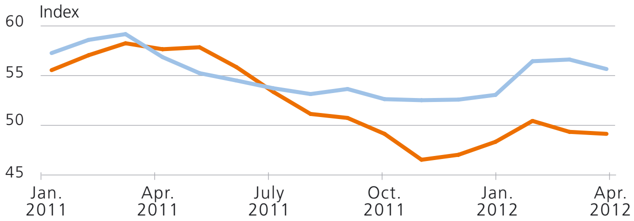
ECONOMIC ENVIRONMENT

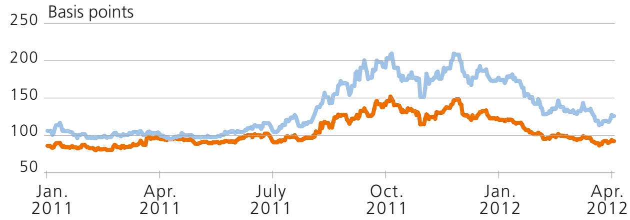
ECONOMIC ACTIVITY

- The eurozone purchasing managers' index (PMI) still points to economic contraction, despite an improvement during the first quarter of 2012. In the US, the PMI improved further in the first quarter. The US PMI is clearly above 50, indicating continued economic expansion.
- The PMIs are regarded as timely indicators of underlying trends in economic activity.



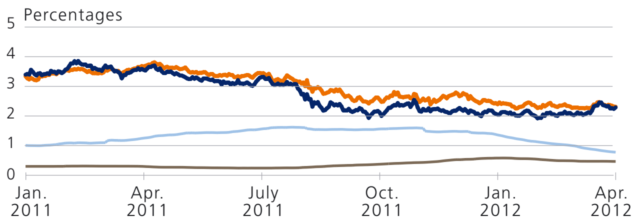
CREDIT MARKETS

- Credit sentiment improved in both the eurozone and the US. In the eurozone, tensions remained elevated. Credit spreads, as measured by the iTraxx index of investment-grade borrowers' credit-default swaps, fell. In the US, the CDX index moved lower too.



YIELD CURVE

- In the eurozone, the slope of the yield curve steepened due to a fall in short-term rates. In the US, the yield curve also steepened as a result of short-term rates nudging lower as well as higher long-term rates.

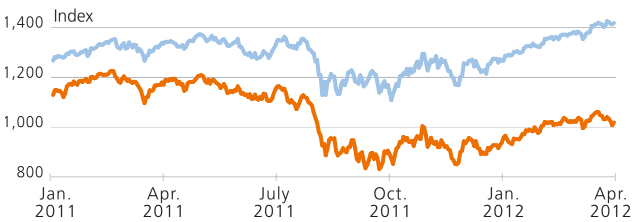


CURRENCY MARKETS

- Fears about a hard landing in the eurozone eased, pushing the EUR/USD higher during the first quarter of 2012. The euro strengthened from 1.29 at the start of the quarter to 1.33 at the end.

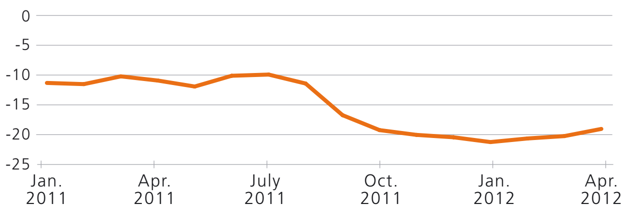
STOCK MARKETS

- Equity indices in the US and the eurozone rose in the first quarter of 2012. In the US, the S&P 500 advanced more strongly than the FTSE E300 in Europe.
- The S&P 500 ended the quarter at a level last seen before the collapse of Lehman Brothers in 2008.



CONSUMER CONFIDENCE

- In the first quarter of 2012, eurozone confidence improved slightly. The improvement in financial market sentiment and better economic news from abroad (the US in particular) have made consumers in the eurozone less gloomy about economic prospects since the end of 2011.



Source: ING Economics Department

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."

"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."

Jan Hommen
CEO of ING Group

KEY FIGURES

Group[1]

	1Q2012	1Q2011	Change	4Q2011	Change
Profit and loss data (in EUR million)					
Underlying result before tax	1,108	1,961	-43.5%	-666	
Underlying net result	705	1,354	-47.9%	-594	
Divestments, discontinued operations and special items[1]	-26	27		1,779	
Net result	680	1,381	-50.8%	1,186	-42.7%
Balance sheet data (end of period, in EUR billion)					
Total assets	1,242	1,229	1.0%	1,279	-2.9%
Shareholders' equity	48	40	18.8%	47	2.0%
Capital ratios (end of period)					
ING Group debt/equity ratio	12.7%	13.6%		12.7%	
Bank core Tier 1 ratio	10.9%	10.0%		9.6%	
Insurance IGD Solvency I ratio	225%	241%		225%	
Share information					
Net result per share (in EUR)[2]	0.18	0.37	-51.4%	0.31	-41.9%
Shareholders' equity per share (end of period, in EUR)	12.56	10.59	18.6%	12.33	1.9%
Shares outstanding in the market (average over the period, in million)	3,785	3,782		3,784	
Other data (end of period)					
Underlying return on equity based on IFRS-EU equity[6]	6.0%	13,4%		-5.2%	
Employees (FTEs, end of period, adjusted for divestments)	95,047	95,442	-0.4%	95,025	0.0%

Banking operations[1]

	1Q2012	1Q2011	Change	4Q2011	Change
Profit and loss data (underlying, in EUR million)					
Interest result	3,052	3,092	-1.3%	3,114	-2.0%
Total income	3,801	4,037	-5.8%	3,398	11.9%
Operating expenses	2,235	2,262	-1.2%	2,269	-1.5%
Addition to loan loss provision	441	242	82.2%	447	-1.3%
Result before tax	1,126	1,533	-26.5%	682	65.1%
Key figures					
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-EU equity[6]	8.6%	12.5%		5.9%	
Underlying return on equity based on 10.0% core Tier 1[3]	10.4%	15.6%		7.2%	

Insurance operations[1]

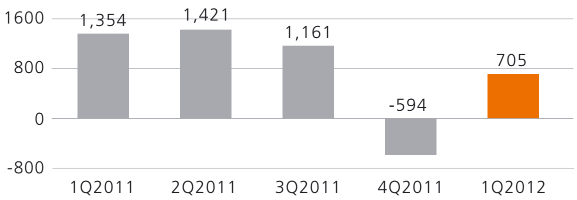
	1Q2012	1Q2011	Change	4Q2011	Change
Margin analysis (in EUR million)					
Investment margin	459	371	23.7%	440	4.3%
Fees and premium-based revenues	1,228	1,203	2.1%	1,104	11.2%
Technical margin	141	196	-28.1%	172	-18.0%
Income non-modelled life business	14	25	-44.0%	19	-26.3%
Life & ING IM operating income	**1,843**	**1,795**	**2.7%**	**1,735**	**6.2%**
Administrative expenses	773	710	8.9%	728	6.2%
DAC amortisation and trail commissions	507	482	5.2%	483	5.0%
Life & ING IM operating expenses	**1,280**	**1,191**	**7.5%**	**1,211**	**5.7%**
Life & ING IM operating result	**563**	**604**	**-6.8%**	**524**	**7.4%**
Non-life operating result	9	42	-78.6%	39	-76.9%
Corporate line operating result	-96	-135		-86	
Operating result	**475**	**511**	**-7.0%**	**478**	**-0.6%**
Non-operating items	-493	-84		-1,827	
Underlying result before tax	**-18**	**428**	**-104.2%**	**-1,348**	
Key figures					
Administrative expenses / operating income (Life & ING IM)	41.9%	39.6%		42.0%	
Life general account invested assets (end of period, in EUR billion)[4]	157	149	5.4%	159	-1.3%
Investment margin / life general account invested assets[5] (in bps)	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[6]	-0.7%	5.6%		-19.1%	

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 Underlying, after-tax return divided by average equity based on 10.0% core Tier-1 ratio (annualised).
4 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
5 Four quarter rolling average.
6 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.

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.

UNDERLYING NET RESULT (in EUR million)



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 on-going 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 on-going 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.

CONSOLIDATED BALANCE SHEET

ING Group: Consolidated balance sheet

in EUR million	31 Mar. 12	31 Dec. 11	31 Mar. 11 pro forma[1)]		31 Mar. 12	31 Dec. 11	31 Mar. 11 pro forma[1)]
Assets				**Equity**			
Cash and balances with central banks	46,587	31,194	13,552	Shareholders' equity	47,616	46,663	40,067
Amounts due from banks	50,441	45,323	55,164	Minority interests	831	777	742
Financial assets at fair value through P&L	262,863	262,722	248,631	Non-voting equity securities	3,000	3,000	5,000
Investments	219,148	217,407	208,020	**Total equity**	**51,447**	**50,440**	**45,809**
Loans and advances to customers	606,032	602,525	582,162	**Liabilities**			
Reinsurance contracts	5,632	5,870	5,542	Subordinated loans	8,687	8,858	10,213
Investments in associates	2,330	2,370	3,767	Debt securities in issue	163,968	139,861	140,145
Real estate investments	1,443	1,670	1,764	Other borrowed funds	17,727	19,684	19,661
Property and equipment	2,840	2,886	2,954	Insurance and investment contracts	281,554	278,833	262,461
Intangible assets	3,550	3,558	4,171	Amounts due to banks	69,317	72,233	78,528
Deferred acquisition costs	10,054	10,204	10,116	Customer deposits	474,533	467,547	455,884
Other assets	30,809	31,016	31,467	Financial liabilities at fair value through P&L	140,190	142,868	122,184
				Other liabilities	34,307	34,639	33,738
Total assets excl. assets held for sale	**1,241,729**	**1,216,745**	**1,167,310**	**Total liabilities excl. liabilities held for sale**	**1,190,282**	**1,164,523**	**1,122,814**
Assets held for sale		62,483	61,927	Liabilities held for sale		64,265	60,612
				Total liabilities	**1,190,282**	**1,228,788**	**1,183,426**
Total assets	**1,241,729**	**1,279,228**	**1,229,235**	**Total equity and liabilities**	**1,241,729**	**1,279,228**	**1,229,235**

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

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, higher customer lending and positive revaluations of insurance assets held for risk of policyholders. Shareholders' equity increased to EUR 48 billion (or EUR 12.56 per share), mainly as a consequence of the quarterly net profit of EUR 0.7 billion.

Cash and balances with central banks
Cash and balances with central banks increased to EUR 47 billion from EUR 31 billion at the end of December 2011, due to a further increase of overnight deposits placed with central banks. The 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 (CD/CPs) in the first quarter. This amount was largely placed with central banks.

Amounts due from/and to banks
In line with ING's strategic direction to optimise the Bank balance sheet, the net borrowing from banks decreased by EUR 8 billion to EUR 19 billion in the first quarter. Amounts due from banks increased by EUR 5 billion, at the same time, ING reduced the amount due to banks by EUR 3 billion.

Loans
Loans and advances to customers increased by EUR 4 billion to EUR 606 billion. This increase was largely driven by Retail Banking, where both mortgages and lending to (mid-) corporates rose by EUR 2 billion, each. Lending by Commercial Banking was slightly down.

Financial assets/liabilities at fair value
Financial assets at fair value through P&L remained stable at EUR 263 billion compared with the end of December 2011, as a decrease in ING Bank was offset by a similar increase at ING Insurance.

ING Bank made further progress in optimising its balance sheet in the first three months of 2012 by reducing Financial assets and liabilities at fair value through P&L. These assets were reduced by EUR 4 billion to EUR 132 billion, reflecting de-risking efforts and the restructuring of the Financial Markets platform, which resulted in lower trading securities and derivatives. Financial liabilities at fair value through P&L were reduced by EUR 3 billion to EUR 136 billion, mirroring actions on the asset side.

At Insurance, Financial assets at fair value through P&L increased by EUR 4 billion, as negative currency impacts were more than outweighted by positive revaluations of Investments for risk of policyholders (mirrored in the provision for risk of policyholders).

Debt securities in issue
Capital and money markets remained challenging in the first quarter of 2012. The improved liquidity in the market has resulted in clients placing more of their excess cash with ING. As a result debt securities in issue increased by EUR 24 billion, reflecting EUR 22 billion of higher short-term debt (CD/CPs). In the first quarter, ING Bank issued EUR 9 billion of long-term debt.

ING Group: Change in shareholders' equity

	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
in EUR million	1Q2012	4Q2011	1Q2012	4Q2011	1Q2012	4Q2011	1Q2012	4Q2011
Shareholders' equity beginning of period	**46,663**	**44,528**	**34,367**	**33,760**	**23,475**	**22,466**	**-11,179**	**-11,698**
Net result for the period	680	1,186	888	725	-147	-67	-61	528
Unrealised revaluations of equity securities	676	156	321	-13	355	169		
Unrealised revaluations of debt securities	784	-384	321	-610	463	226		
Deferred interest crediting to life policyholders	-231	-232			-231	-232		
Realised gains/losses equity securities released to P&L	-154	-6		21	-154	-27		
Realised gains/losses debt securities transferred to P&L	-71	112	-78	122	7	-10		
Change in cashflow hedge reserve	91	217	21	2	73	221	-3	-6
Other revaluations	-39	-122	-84	-75	45	-45		-2
Exchange rate differences	-890	1,115	-472	408	-403	704	-15	3
Changes in treasury shares	118						118	
Employee stock options and share plans	-10	63	10	39	14	15	-34	9
Other	-1	30	13	-12	34	55	-48	-13
Total changes	**953**	**2,135**	**940**	**607**	**56**	**1,009**	**-43**	**519**
Shareholders' equity end of period	**47,616**	**46,663**	**35,307**	**34,367**	**23,531**	**23,475**	**-11,222**	**-11,179**

ING Group: Shareholders' equity

	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
in EUR million	31 Mar. 12	31 Dec. 11	31 Mar. 12	31 Dec. 11	31 Mar. 12	31 Dec. 11	31 Mar. 12	31 Dec. 11
Share premium/capital	16,953	16,953	17,067	17,067	12,048	12,048	-12,162	-12,162
Revaluation reserve equity securities	2,826	2,304	1,568	1,247	1,198	997	60	60
Revaluation reserve debt securities	4,856	4,143	31	-212	4,849	4,379	-24	-24
Revaluation reserve crediting to life policyholders	-3,723	-3,492			-3,723	-3,492		
Revaluation reserve cashflow hedge	2,062	1,971	-800	-821	2,956	2,883	-94	-91
Other revaluation reserves	606	624	334	336	277	293	-5	-5
Currency translation reserve	-827	93	-346	208	-220	131	-261	-246
Treasury shares	-547	-665					-547	-665
Retained earnings and other reserves	25,410	24,732	17,453	16,542	6,146	6,236	1,811	1,954
Total	**47,616**	**46,663**	**35,307**	**34,367**	**23,531**	**23,475**	**-11,222**	**-11,179**

Insurance and investment contracts
Insurance and investment contracts increased by EUR 9 billion to EUR 282 billion, excluding currency effects. This increase mainly reflects an increase in the provision for risk of policyholders, mirroring the movement in the investments for risk of policyholders.

Customer deposits
Strong deposit generation at ING Bank continued in the first quarter of 2012, despite the intense competition for savings. Customer deposits and other funds on deposit rose by EUR 7 billion to EUR 475 billion, to a large part driven by strong inflows in Retail Banking, particularly in the Netherlands and Germany. Commercial Banking reported lower balances, due to lower short-term deposits from asset managers and corporate treasuries. ING Bank's funding mix remains dominated by deposits, with a loan-to-deposit ratio (excluding securities and IABF receivable) of 1.14.

Shareholders' equity
Shareholders' equity increased by EUR 1.0 billion to EUR 47.6 billion, mainly due to the quarterly net profit of EUR 0.7 billion as well as higher revaluation reserves, which were only partly offset by negative exchange rate differences. Shareholders' equity per share increased from EUR 12.33 at the end of December 2011 to EUR 12.56 on 31 March 2012.

Revaluation reserves
The Revaluation reserve of equity securities increased by EUR 0.5 billion to EUR 2.8 billion in the first quarter of 2012, reflecting a rise in equity markets. The Revaluation reserve debt securities increased from EUR 4.1 billion at 31 December 2011 to EUR 4.9 billion at the end of March 2012, mainly due to lower interest rates and lower credit spreads, which were partially offset by the related increase in technical provisions for insurance and investment contracts. The Currency translation reserve decreased by EUR 0.9 billion to EUR -0.8 billion due to the strengthening of the euro against most currencies and the sale of ING Direct USA.

Number of shares
The total number of shares outstanding in the market was 3,792 million at the end of March 2012, compared to 3,782 million at the end of December 2011. The total number of shares equals the 3,792 million outstanding in the market plus treasury shares, which decreased from 49.3 million at the end of December 2011 to 39.4 million at the end of March 2012.

CAPITAL MANAGEMENT

Capital base: ING Group			
In EUR million unless stated otherwise		31 Mar. 12	31 Dec. 11
(a)	Shareholders' equity	47,616	46,663
(b)	Core Tier 1 securities	3,000	3,000
(c)	Group hybrid capital	9,144	9,332
(d)	Group leverage (core debt)	7,970	7,917
	Total capitalisation (Bank + Insurance)	**67,730**	**66,912**
(f)	Required regulatory adjustments	-5,078	-4,626
	Group leverage (core debt)	-7,970	-7,917
(e)	**Adjusted equity (= a + b + c + f)**	**54,682**	**54,369**
	Debt/equity ratio (d/(d+e))	12.7%	12.7%
(g)	Total required capital (j+m)	39,262	40,617
	FiCo ratio (= (h+k-d)/g)	155%	149%

Capital ratios: ING Bank			
In EUR million unless stated otherwise		31 Mar. 12	31 Dec. 11
	Shareholders' equity	35,307	34,367
	Required regulatory adjustments	-2,637	-2,595
	Core Tier 1	32,670	31,772
	Hybrid Tier 1	6,717	6,850
	Total Tier 1 capital	**39,387**	**38,621**
	Other capital	8,396	8,502
(h)	**BIS Capital**	**47,783**	**47,123**
	Risk-weighted assets*	299,629	330,421
(j)	Required capital Basel II**	23,970	26,434
(j)	Required capital based on Basel I floor***	29,859	31,103
	Basel II core Tier 1 ratio	**10.9%**	**9.6%**
	Basel II Tier 1 ratio	**13.1%**	**11.7%**
	Basel II BIS ratio**	**15.9%**	**14.3%**

*) 31 December 2011 number is before divestment of ING Direct
**) required capital is the highest of the two
***) pre-floor

Capital ratios: ING Insurance			
In EUR million unless stated otherwise		31 Mar. 12	31 Dec. 11
	Shareholders' equity	23,531	23,475
	Hybrids issued by ING Group	2,417	2,604
	Hybrids issued by ING Insurance	1,726	1,726
	Required regulatory adjustments	-6,499	-6,400
(k)	**Total capital base**	**21,174**	**21,405**
(m)	EU required capital	9,403	9,515
	IGD Solvency I ratio (k/m)	**225%**	**225%**

Main credit ratings of ING at 8 May 2012	Standard & Poor's		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
ING Groep N.V.	A	Stable	A1	Under review	A	Stable
ING Bank N.V.	A+	Stable	Aa3	Under review	A+	Stable
ING Verzekeringen N.V.	A-	Negative	Baa2	Developing	A-	Negative

In February Moody's placed the credit rating for ING Group NV and ING Bank NV on review for a one notch downgrade as part of a global exercise to reflect a prolonged impact from the crisis.

ING Bank's core Tier 1 ratio further increased to 10.9% following the sale of ING Direct USA. The Insurance Group Directive Solvency I ratio and ING Group debt/equity ratio were stable at 225% and 12.7%, respectively. Further progress was made on separating the Insurance company from the Bank by successfully closing a liability management transaction. The Bank's long-term funding needs are largely covered for 2012.

ING Group
The Group debt/equity ratio remained stable at 12.7%, as shareholders' equity and Group core debt both increased slightly. The Financial Conglomerate Directive (FiCo) ratio for the Group increased to 155% from 149%.

ING Bank
ING Bank's core Tier 1 ratio increased to 10.9% from 9.6% in the previous quarter. The main reason for this increase was a reduction in risk-weighted assets of EUR 31 billion, 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 the net profit of EUR 0.9 billion to EUR 32.7 billion. The Tier 1 ratio increased from 11.7% at year-end 2011 to 13.1% at the end of March 2012.

ING Bank Funding
In the first quarter of 2012, ING Bank successfully issued EUR 9.2 billion of debt, compared to the EUR 18 billion of debt with tenor longer than one year maturing in the whole of 2012. Similarly, over the whole of 2011, ING issued EUR 23 billion versus EUR 10.7 billion maturing in 2011. As a result of this ING Bank is demonstrating its ability, in current turbulent markets, to achieve its strategic objective of further lengthening ING Banks liability profile.

ING Insurance
The Insurance Group Directive ratio (IGD) was stable at 225% as the total capital base and EU required capital decreased slightly.

Liability management transaction Insurance
ING continued to make good progress on the separation of the Insurance company from the Bank 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. senior debt securities. The exchange settled on 4 April 2012.

In April ING Insurance U.S. (ING U.S.) made an important step towards an independent future. It completed a USD 5 billion senior unsecured credit facility agreement with a syndicate of banks. The credit facility consists of a USD 3.5 billion three-year letter of credit facility and a USD 1.5 billion two-year term loan. This credit facility relies on ING U.S.'s standalone credit and does not have credit support from ING Group.

BUSINESS & 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.

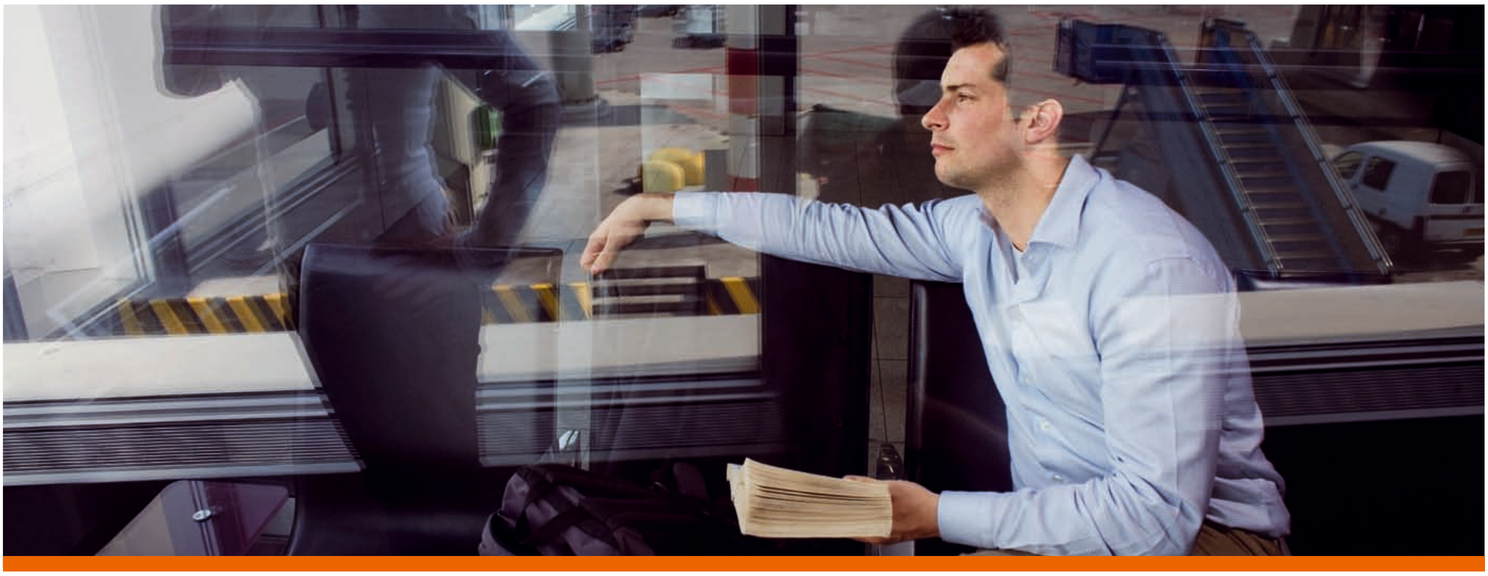
Creating a better customer experience

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.

Banking



CONSOLIDATED RESULTS

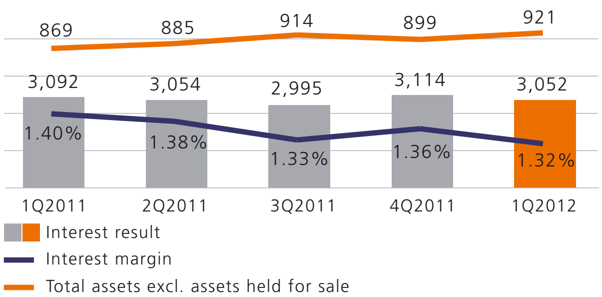
Banking: Consolidated profit and loss account					
In EUR million	1Q2012	1Q2011	Change	4Q2011	Change
Interest result	3,052	3,092	-1.3%	3,114	-2.0%
Commission income	546	587	-7.0%	485	12.6%
Investment income	125	72	73.6%	-155	
Other income	79	287	-72.5%	-46	
Total underlying income	**3,801**	**4,037**	**-5.8%**	**3,398**	**11.9%**
Staff expenses	1,301	1,333	-2.4%	1,239	5.0%
Other expenses	865	859	0.7%	908	-4.7%
Intangibles amortisation and impairments	69	70	-1.4%	122	-43.4%
Operating expenses	2,235	2,262	-1.2%	2,269	-1.5%
Gross result	**1,567**	**1,775**	**-11.7%**	**1,129**	**38.8%**
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%**
Taxation	353	428	-17.5%	158	123.4%
Minority interests	27	24	12.5%	22	22.7%
Underlying net result	**746**	**1,081**	**-31.0%**	**501**	**48.9%**
Net gains/losses on divestments	489	11		265	
Net result from divested units	0	108		58	
Special items after tax	-404	-53		428	
Net result from Banking	**831**	**1,147**	**-27.6%**	**1,253**	**-33.7%**
Client balances (in EUR billion)[1)]					
Residential Mortgages	306.8	287.6	6.7%	305.5	0.4%
Other Lending	229.8	225.6	1.9%	229.2	0.3%
Funds Entrusted	464.1	439.0	5.7%	458.0	1.3%
AUM/Mutual Funds	55.7	58.9	-5.4%	54.8	1.6%
Profitability and efficiency[1)]					
Interest margin	1.32%	1.40%		1.36%	
Cost/income ratio	58.8%	56.0%		66.8%	
Return on equity based on IFRS-EU equity	8.6%	12.5%		5.9%	
Return on equity based on 10.0% core Tier 1[2)]	10.4%	15.6%		7.2%	
Staff (FTEs end of period)	68,350	67,798	0.8%	68,251	0.1%
Risk[1)]					
Non-performing loans/total loans	2.1%	2.1%		2.0%	
Stock of provisions/provisioned loans	39.3%	37.9%		41.2%	
Risk costs in bp of average RWA	59	34		61	
Risk-weighted assets (end of period)	299,628	282,767	6.0%	297,241	0.8%
RAROC after tax	12.5%	16.0%		8.8%	
Economic Capital (average over period)	24,536	24,139	1.6%	24,350	0.8%

1) Key figures based on underlying figures except loans figures under Risk
2) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

ING Bank results were down 27% from a year ago, but improved strongly to EUR 1,126 million from EUR 682 million in the fourth quarter, despite EUR 304 million of negative net impacts from credit and debt valuation adjustments and fair value changes on ING's own Tier 2 debt in the first quarter of 2012 as credit spreads tightened. The underlying interest margin (excluding ING Direct USA) declined, mainly due to an increase of the balance sheet total due to higher cash and balances with central banks as well as margin pressure on savings. Operating expenses were down on both quarters, reflecting ongoing cost-containment efforts. Risk costs remained elevated but improved slightly from the previous quarter. Despite ongoing competition for savings,

ING Bank attracted a net inflow of funds entrusted of EUR 5.3 billion, further strengthening the Bank's funding profile.

TOTAL ASSETS (in EUR billion), INTEREST RESULT (in EUR million) AND INTEREST MARGIN (in %)



BANKING

Total underlying income

Total underlying income decreased by EUR 236 million, or 5.8%, from the first quarter of 2011 to EUR 3,801 million. However, the current quarter included a EUR 198 million net loss from credit valuation and debt valuation adjustments (CVA/DVA) in Commercial Banking/Financial Markets as well as EUR 106 million of negative fair value changes on part of the Bank's own Tier 2 debt due to the tightening of credit spreads. Excluding these items in both first quarters of 2011 and 2012, underlying income rose 1.6% year-on-year. The current quarter furthermore 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 Private Sector Initiative (PSI) yielded a EUR 22 million gain. Other realised gains on bonds and equities amounted to EUR 98 million. Compared with the fourth quarter of 2011, which included EUR 133 million of impairments on Greek government bonds and EUR 79 million of realised losses from selective de-risking, underlying income rose 11.9%.

The underlying interest result declined slightly by 1.3% from the first quarter of 2011 and was down 2.0% from the previous quarter. The decline is largely related to lower interest margins on savings, reflecting ongoing competition. The underlying interest margin in the first quarter of 2012 was 1.32%, down from 1.36% in the fourth quarter of 2011, of which approximately 3 basis points were caused by the higher balances with central banks as the majority of excess cash received from clients – reflecting improved liquidity in the market – was placed at the ECB. Margins on client balances remained under pressure, most notably in Retail Netherlands and Retail International, reflecting competition and a shift from variable savings to fixed-term deposits as the Bank optimises its funding and the composition of local balance sheets. In Retail Belgium, margins improved slightly, while margins in Commercial Banking are down slightly as demand in most segments remains subdued.

Despite strong competition, total funds entrusted (excluding the impact of currencies and divestments) rose by EUR 5.3 billion. The net inflow of funds entrusted at Retail Banking was EUR 11.4 billion, of which EUR 4.4 billion in the Netherlands, supported by the continuation of a successful one-year fixed-term deposit campaign, while the other regions also reported net inflows. Commercial Banking reported a net outflow in funds entrusted of EUR 6.1 billion, mainly from asset managers and corporate treasurers, while issued CD/CPs rose by EUR 22 billion, partly purchased by the same clients. The net production in total lending volumes was EUR 2.8 billion, reflecting continued low demand for credit. Net production in residential mortgages was EUR 1.6 billion, mostly in Germany and Belgium. Other lending balances increased by EUR 1.2 billion, as a decline of EUR 0.5 billion at Commercial Banking was more than outweighed by EUR 1.8 billion of net growth in Retail Banking, mainly in Belgium.

Commission income declined 7.0% from a year ago, but was up strongly to EUR 546 million from EUR 485 million in the fourth quarter. The decline compared to last year reflects lower fees in Commercial Banking due to lower deal activity in Industry Lending and Financial Markets. The increase versus the fourth quarter of 2011 is related to higher commercial activity in Financial Markets and seasonally strong asset management sales in Belgium.

Investment income rose to EUR 125 million from EUR 72 million in the first quarter of 2011, driven by EUR 62 million of higher realised gains on bonds, of which EUR 22 million was on the exchange of Greek government bonds. Investment income improved by EUR 280 million compared with the fourth quarter of 2011, which included EUR 133 million of Greek impairments and EUR 16 million of other losses on debt and equity securities.

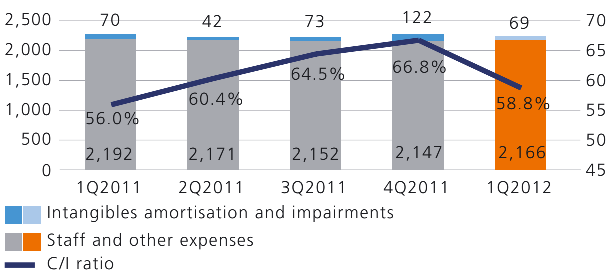
Other income declined to EUR 79 million from EUR 287 million in the first quarter of 2011, but it was up versus the fourth quarter of 2011. The decline is mainly attributable to a EUR 198 million negative impact from CVA/DVA adjustments in Commercial Banking versus a EUR 32 million positive impact in the same quarter a year ago. Negative fair value changes on part of the Bank's own Tier 2 debt, reported in the Corporate Line Bank and reflecting a tightening of ING Bank's credit spread, were EUR 106 million versus EUR 34 million negative in the first quarter of 2011. The current quarter also included EUR 36 million of losses on selective de-risking (the rest in investment income) and a EUR 35 million one-off sales result in Real Estate. Compared with the fourth quarter of 2011, Other income improved by EUR 125 million, as the negative impact of fair value changes on own-issued debt was more than offset by seasonally strong results in Financial Markets and lower losses from selective de-risking.

Operating expenses

Operating expenses declined on both quarters reflecting ongoing cost-containment measures. Underlying operating expenses were 1.2% lower than in the same quarter in 2011, partly supported by currency effects. In addition to cost control, the decline also reflected lower performance-related personnel expenses and lower marketing costs. This more than offset the impact of salary increases and bank levies. Operating expenses declined mainly in Commercial Banking and Retail Netherlands.

Compared with the fourth quarter of 2011, underlying operating expenses declined 1.5%. The decrease was mainly due to lower marketing costs, while the fourth quarter included EUR 46 million of impairments on software and goodwill. This decrease was partly offset by higher performance-related personnel expenses and higher charges for bank levies.

OPERATING EXPENSES (in EUR million) AND COST/INCOME RATIO (in %)



In the first quarter of 2012, the number of internal staff (adjusted for divestments) rose by 99 FTEs to 68,350. Increases in Retail International, notably in India and Germany, were largely offset by declines in Commercial Banking and Retail Netherlands due to previously announced cost initiatives. The number of external staff increased by 200 FTEs in the quarter, mainly in the Netherlands.

The underlying cost/income ratio was 58.8% (or 56.8% excluding market impacts) versus 56.0% in the first quarter of 2011 and 66.8% in the fourth quarter of 2011. Excluding market impacts which already include the fair value change on own Tier 2 debt, and the CVA/DVA adjustments in Financial Markets, the cost/income ratio was 54.0% in the first quarter of 2012.

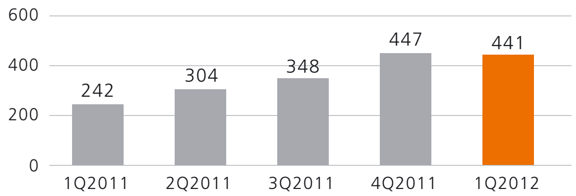
Loan loss provisions

Loan loss provisions came down somewhat from the previous quarter but remained elevated, especially in the mid-corporate and SME segments in the Benelux. Underlying risk costs were EUR 441 million, up 82.2% on the first quarter of 2011, which contained releases in Industry Lending and in the Belgian mid-corporate segment. Risk costs were down 1.3% 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. Risk costs at Commercial Banking were almost flat. Non-performing loans increased by EUR 0.6 billion to EUR 13.0 billion in the first quarter, adjusted for the divestment of ING Direct USA.

Gross additions to the loan loss provisions rose to EUR 598 million compared with EUR 463 million in the same quarter of last year, but they were down from EUR 661 million in the fourth quarter. Releases declined to EUR 157 million, from EUR 221 million and EUR 214 million in respectively the first and fourth quarter of 2011.

Underlying risk costs in the first quarter were 59 basis points of average risk-weighted assets versus 61 basis points in the previous quarter and 34 basis points in the first quarter of 2011. For the coming quarters, ING expects risk costs to remain elevated at around the current levels.

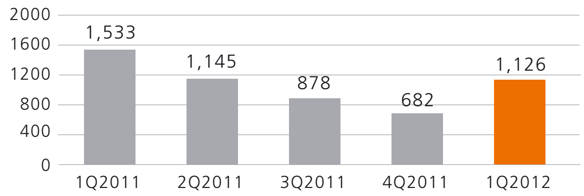
ADDITIONS TO LOAN LOSS PROVISIONS (in EUR million)



Underlying result before tax

The underlying result before tax was 26.5% lower than in the first quarter of 2011. This was mainly due to the negative impact from CVA/DVA adjustments within Commercial Banking and fair value changes on own Tier 2 debt, combined with the increase in risk costs. However, results improved strongly to EUR 1,126 million compared with EUR 682 million in the fourth quarter of 2011, almost entirely due to EUR 403 million of higher income.

UNDERLYING RESULT BEFORE TAX (in EUR million)



Net result

The underlying net result declined to EUR 746 million from EUR 1,081 million in the first quarter of 2011, but was up from EUR 501 million in the fourth quarter of 2011. The effective underlying tax rate was 31.3% against 27.9% in the first quarter of 2011 and 23.2% in the fourth quarter of 2011.

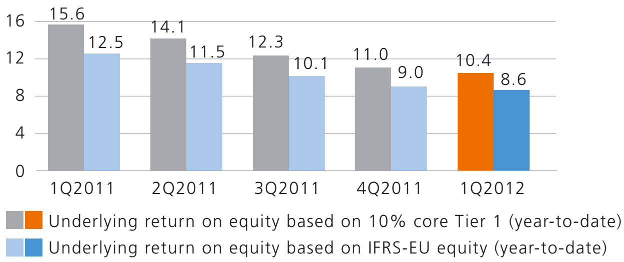
The total net result of the banking operations was EUR 831 million, including a EUR 489 million net gain on the sale of ING Direct USA. Special items after tax totalled EUR -404 million, mainly reflecting a provision for a potential settlement with authorities in the US concerning transactions subject to sanctions by the US, including ING Bank's compliance with Office of Foreign Assets Control ("OFAC") requirements. This had an impact on the Bank's result after tax of EUR 370 million.

Key metrics

Underlying risk-weighted assets (RWA) edged up 0.8% to EUR 300 billion from EUR 297 billion at year-end 2011 (adjusted for divestments). ING's stake in Capital One and the counter-guarantee to the Dutch State related to the Illiquid Assets Back-up Facility ('IABF') resulted in a EUR 9 billion increase in RWA. Despite the challenging economic conditions, risk migration resulted in only EUR 1 billion higher RWA. This was largely compensated by lower volumes in Commercial Banking, which includes the lower Market RWA following the de-risking and adaptation of the Financial Markets platform, among others, in emerging markets.

The core Tier 1 ratio strongly improved to 10.9% from 9.6% at year-end 2011 due to the sale of ING Direct USA and the first-quarter retained profit.

RETURN ON EQUITY (in %)



The underlying return on IFRS-EU equity decreased to 8.6% from 12.5% in the first quarter of 2011 due to the decline in results. The Ambition 2015 target for return on IFRS-EU equity is 10-13%. The return on equity based on a 10% core Tier 1 ratio dropped to 10.4% from 15.6% in the first quarter of 2011.

RETAIL BANKING

Retail Banking: Consolidated profit and loss account

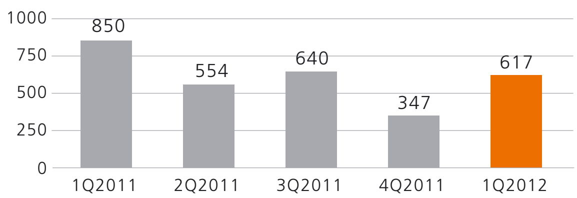
	Total Retail Banking		Retail Banking Benelux				Retail International			
			Netherlands		Belgium		Germany		Rest of World	
In EUR million	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011
Profit & loss										
Interest result	2,060	2,146	864	903	405	402	293	314	498	527
Commission 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
Total underlying income	**2,461**	**2,574**	**1,001**	**1,050**	**547**	**524**	**311**	**326**	**602**	**673**
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
Gross result	**891**	**1,023**	**410**	**449**	**187**	**170**	**146**	**170**	**148**	**234**
Addition to loan loss provision	274	173	131	78	44	18	15	34	85	43
Underlying result before tax	**617**	**850**	**280**	**371**	**143**	**152**	**131**	**136**	**63**	**191**
Client balances (in EUR billion)[1)]										
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
Profitability and efficiency[1)]										
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[2)]	11.6%	16.8%	16.8%	22.4%	19.2%	23.8%	17.1%	18.1%	2.4%	9.0%
Risk[1)]										
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

1) Key figures based on underlying figures

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

Results from Retail Banking declined 27% from a year ago, but improved strongly to EUR 617 million from EUR 347 million in the fourth quarter, supported by lower impairments and lower losses from de-risking. The interest result declined on both quarters, reflecting lower margins as competition for savings continued. Nonetheless, ING attracted EUR 11.4 billion in funds entrusted, with net inflows in all regions, as a result of a strong focus on optimising the balance sheet. Operating expenses edged up 1.2% compared with a year earlier, but were down 3.4% from the fourth quarter, reflecting ongoing cost-containment efforts. Loan loss provisions remained elevated, mainly in business lending, but declined slightly from the fourth quarter, mainly in the Netherlands.

UNDERLYING RESULT BEFORE TAX - RETAIL BANKING (in EUR million)



Underlying income decreased 4.4% to EUR 2,461 million, primarily due to lower interest results and EUR 39 million of losses related to selective de-risking. Income was 9.0% higher than in the fourth quarter, which included EUR 100 million of impairments on Greek government bonds, EUR 79 million of losses from de-risking the investment portfolio, and a EUR -45 million adjustment on derivatives related to the German mortgage book.

The interest result declined 4.0% compared with the first quarter of last year. It was down in most countries, but particularly in the Netherlands. The decline reflects intense competition for savings as well as a further focus on optimising the local balance sheets. The net production of funds entrusted was EUR 11.4 billion, of which EUR 4.4 billion was in the Netherlands. The other regions also reported net inflows. Net lending increased by EUR 3.3 billion, mainly as a result of mid-corporate lending growth in Belgium and mortgage production in Retail Germany.

Commission income was 5.9% lower at EUR 321 million, primarily due to lower asset management and securities fees given the difficult market circumstances, as well as lower insurance brokerage fees which were only partly offset by higher funds transfer fees. Commission income was up 9.2% versus the previous quarter, reflecting a traditionally strong first quarter. Investment income remained largely flat compared with a year ago, but rose strongly compared with the fourth quarter of 2011, as the effects from Greek government bonds were negligible in the first quarter of 2012. Other income decreased to EUR 79 million in this quarter from EUR 83 million in the same quarter of last year, but improved significantly from EUR -35 million in the previous quarter, which included higher losses from the selective sale of exposures in the investment portfolio as well as the adjustment on derivatives related to the German mortgage book.

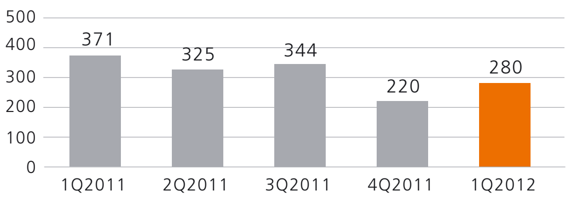
Operating expenses edged up 1.2% to EUR 1,570 million, mainly reflecting higher costs associated with the business growth, in part offset by lower personnel expenses in Retail Netherlands and lower marketing and advisory expenditure. Costs decreased 3.4% compared with the previous quarter, which included seasonally higher marketing expenses and impairment of software.

Risk costs declined slightly from the fourth quarter, but remained elevated at EUR 274 million, or 58.4% higher than a year ago. Provisioning remained high in the mid-corporate segment, particularly in the Netherlands, while risk costs for mortgages were well contained. The increase on the first quarter of last year was mainly the result of higher provisioning in the mid-corporate segment and a provision for a single CMBS position in the loans & receivables portfolio. Compared with the previous quarter, the decline in risk costs was primarily attributable to the mid-corporate segment in the Netherlands, offsetting the provision for the CMBS.

Risk-weighted assets increased by EUR 3.0 billion in the first quarter of 2012, mainly as a result of risk migration, currency effects and volume growth. The return on equity, based on 10% core Tier 1 ratio, dropped to 11.6% this quarter from 16.8% in the first quarter of 2011, due to the lower underlying results.

RETAIL NETHERLANDS

UNDERLYING RESULT BEFORE TAX - NETHERLANDS (in EUR million)



Retail Netherlands' underlying result before tax was EUR 280 million, down from EUR 371 million in the first quarter of 2011 but up from EUR 220 million in the previous quarter. Income remains under pressure as a result of competition for savings and the further optimisation of the balance sheet with a strong focus on deposit-gathering. The net production of funds entrusted was EUR 4.4 billion in the first quarter of 2012 following the successful continuation of a campaign for a one-year fixed-term deposit. Operating expenses were well controlled; they declined versus both comparable quarters and reflect only the preliminary impact from announced cost-saving measures. Risk costs remain elevated but came down from the previous quarter, which contained additions for some large business lending files.

Total underlying income was EUR 1,001 million, down 4.7% from the same quarter of 2011 and down 2.9% from the previous quarter. Margins on savings remained under pressure, reflecting continued price competition and a shift from variable savings to fixed-term deposits. Client rates remained unchanged during the quarter, while funds entrusted showed a strong net inflow of EUR 4.4 billion, of which EUR 3.0 billion was in fixed-term deposits. Mortgage production was low, reflecting uncertainty in the Dutch housing market. The portfolio remained almost flat compared with the previous quarter at slightly better margins. The margin on the business lending portfolio recovered somewhat versus the previous quarter, while production remained low given the uncertain economic environment.

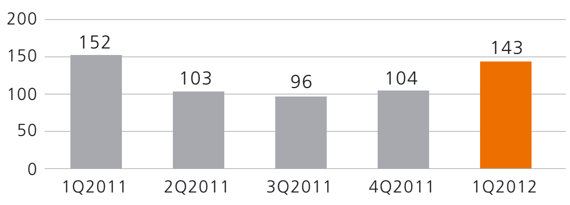
Operating expenses fell 1.7% compared with the first quarter of 2011, mainly as a consequence of lower personnel expenses (lower FTE numbers), lower advisory fees and lower depreciation expenses. Compared with the previous quarter, expenses declined 4.8%, reflecting lower marketing and depreciation expenses, while the previous quarter also contained an impairment on software of EUR 14 million for WestlandUtrecht Bank.

The additions to loan loss provisions rose to EUR 131 million versus EUR 78 million a year ago, but decreased from EUR 191 million in the previous quarter. The increase versus last year was particularly attributable to additions for specific files in the mid-corporate segment and slightly higher risk costs for mortgages. Risk costs were down versus the previous quarter, which contained some large specific files in mid-corporate and SME lending. Risk costs for mortgages were EUR 37 million compared with EUR 44 million in the previous quarter, due to incidentially higher additions in the fourth quarter of 2011 in WestlandUtrecht Bank.

Risk-weighted assets declined to EUR 49.1 billion from EUR 49.3 billion at the end of the fourth quarter of 2011.

RETAIL BELGIUM

UNDERLYING RESULT BEFORE TAX - BELGIUM (in EUR million)



Retail Belgium's underlying result before tax decreased to EUR 143 million from EUR 152 million in the same quarter of 2011, but improved strongly from EUR 104 million in the previous quarter. Income increased compared with both quarters due to higher client balances and improved margins. Operating expenses were relatively stable. Risk costs increased versus a year ago, reflecting higher additions in business lending, but they were largely stable compared with the previous quarter.

Underlying income rose 4.4% to EUR 547 million compared with the same quarter of 2011. The increase was a result of growth in client balances, higher margins (mainly on mortgages and current accounts) and higher other income. The mortgage portfolio increased by EUR 0.4 billion, while net production in other lending (mainly mid-corporates and SMEs) remained healthy at EUR 1.4 billion. The net production in funds entrusted was EUR 2.2 billion in the quarter, mainly due to current accounts inflow in the mid-corporate and SME segment. Compared with the previous quarter, underlying income increased 6.8%, as the positive impact of continuous volume growth and margin increases was strengthened by seasonally higher entrance fees on structured notes and no impairments this quarter. Client rates were largely stable during the quarter.

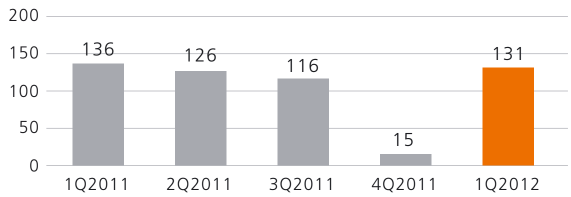
Operating expenses increased 1.7% compared with the first quarter of 2011, mainly due to higher personnel expenses (salary increases and higher FTE-number) and partly offset by lower deposit guarantee scheme contributions. Expenses declined 1.6% compared with the previous quarter, which included a provision for pre-retirement costs and higher marketing expenses.

The net addition to the loan loss provisions was largely stable at EUR 44 million compared with the fourth quarter of 2011. Risk costs were up strongly compared with the first quarter of 2011, which included releases in business lending.

Risk-weighted assets rose by EUR 0.4 billion on the previous quarter and were EUR 2.4 billion up on the first quarter of last year, largely due to portfolio growth.

RETAIL GERMANY

UNDERLYING RESULT BEFORE TAX - GERMANY (in EUR million)



Retail Banking Germany's underlying result before tax was slightly down from the first quarter of last year, but it increased strongly to EUR 131 million from EUR 15 million in the previous quarter. This increase was attributable to lower impairments and de-risking losses, while the result in the previous quarter contained a negative one-off adjustment in the valuation of derivatives related to the mortgage book.

Total underlying income fell 4.6% to EUR 311 million from EUR 326 million in the first quarter of 2011, reflecting further de-risking measures and lower margins which were only partly offset by higher client balances. Total underlying income increased from EUR 201 million in the fourth quarter of 2011, due to lower negative impact from impairments and de-risking activities as well as a one-off valuation adjustment of derivatives related to the mortgage book in the fourth quarter of 2011. The interest margin was slightly down on slightly higher client balances. Funds entrusted increased by EUR 2.5 billion, while the net production in lending was EUR 0.8 billion.

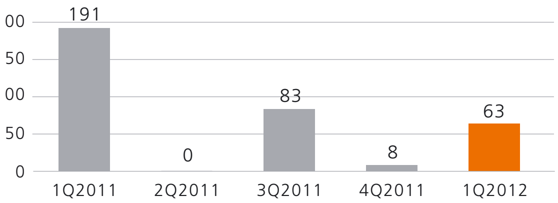
Operating expenses increased 5.8% from the first quarter of 2011 to EUR 165 million, reflecting higher operating expenses resulting from business growth (higher FTEs), partly offset by lower marketing expenses. Compared with the previous quarter, operating expenses were down 5.2%, reflecting lower marketing expenses due to year-end campaigns.

The net addition to loan loss provisions was EUR 15 million, down EUR 19 million from the same quarter of last year and due to lower new defaults. Risk costs were up EUR 4 million compared with the previous quarter.

Risk-weighted assets were EUR 21.6 billion, up EUR 1.0 billion from the previous quarter and EUR 2.2 billion compared with the first quarter of last year partly due to volume growth.

RETAIL REST OF WORLD

UNDERLYING RESULT BEFORE TAX - REST OF WORLD (in EUR million)



The Retail Banking Rest of World underlying result before tax dropped from EUR 191 million in the first quarter of last year, but it improved to EUR 63 million from EUR 8 million in the previous quarter. The decrease from a year ago was largely attributable to the European ING Direct countries due to losses on the selective sale of exposures in the investment portfolio and lower margins, which were only partly offset by higher client balances. Risk costs doubled, almost fully due to a CMBS position in the UK. The underlying result before tax was up on the previous quarter, which included EUR 54 million of impairments on Greek government bonds.

The net production of funds entrusted was EUR 2.3 billion, primarily led by net inflows in Australia, Italy, Turkey and Canada. The net production of retail lending was EUR 0.6 billion and mainly relates to own-originated mortgages in the UK.

Total underlying income decreased to EUR 602 million from EUR 673 million in the first quarter of last year. The decline was largely due to EUR 34 million of losses from the selective sale of exposures in the investment portfolio as well as margin compression. The lower margin reflects the low interest rate environment and is affecting several countries. This was partly offset by higher income in Turkey (reflecting improved spreads) and Poland.

Investment income increased to EUR 8 million from EUR 1 million in the same quarter of last year, and from EUR -74 million in the fourth quarter of 2011. This quarter included a small positive result on Greek government bonds versus EUR 54 million of impairments in the previous quarter. Other income was EUR 16 million versus EUR 61 million in the same quarter of last year, which among others included positive fair values on derivatives in Turkey, and EUR -8 million in the previous quarter.

Operating expenses increased 3.6% from the first quarter of 2011 to EUR 455 million, reflecting inflation and overall business growth. The increase was partly offset by lower marketing expenses. Operating expenses were down 1.9% from EUR 464 million in the previous quarter, mainly due to lower costs in Italy and Spain (end-of-year campaigns) as well as Turkey and Romania.

The net addition to loan loss provisions was EUR 85 million, up from EUR 43 million in the same quarter of last year and EUR 42 million in the previous quarter. The increase compared to both quarters is mainly due to a specific provision for a CMBS in the loans & receivables portfolio.

Risk-weighted assets at the end of the first quarter of 2012 were EUR 57.8 billion, up by EUR 2.0 billion from a year ago and up by EUR 1.8 billion from the previous quarter. The increase was mainly driven by risk migration, currency impacts and business growth.

COMMERCIAL BANKING

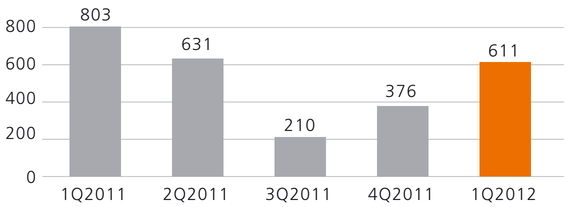
Commercial Banking: Consolidated profit and loss account

	Total Commercial Banking		Industry Lending		General Lending & Transaction Services		Financial Markets		Bank Treasury, Real Estate & Other	
In EUR million	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
Total underlying income	**1,403**	**1,534**	**477**	**511**	**382**	**366**	**274**	**455**	**269**	**201**
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
Gross result	**777**	**872**	**367**	**399**	**191**	**189**	**58**	**226**	**161**	**58**
Addition to loan loss provision	167	70	91	-16	39	67	5	1	31	18
Underlying result before tax	**611**	**803**	**276**	**415**	**153**	**122**	**52**	**225**	**130**	**40**
Client balances (in EUR billion)[1]										
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
Profitability and efficiency[1]										
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[2]	12.1%	17.6%	18.6%	26.4%	10.6%	8.4%	4.9%	25.4%	15.0%	4.7%
Risk[1]										
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

1) Key figures based on underlying figures
2) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

Commercial Banking showed a solid performance in the first quarter. The underlying result before tax was EUR 611 million, a decline of 24% from the first quarter of 2011, but up 63% compared with the previous quarter. The results included a significant negative valuation adjustment following a higher fair value of ING's issued structured notes. Excluding both credit and debt valuation adjustments (booked under Financial Markets), profit before tax was EUR 809 million, up 4.9% versus the first quarter of 2011 and up EUR 549 million versus the fourth quarter. Operating expenses declined compared with both quarters, reflecting ongoing cost containment. Loan loss provisions increased from the first quarter of 2011, which included a net release in Industry Lending, and were slightly up from the fourth quarter.

UNDERLYING RESULT BEFORE TAX - COMMERCIAL BANKING (in EUR million)



Total underlying income decreased 8.5% compared with the first quarter of 2011 due to net negative impact in Financial Markets from credit and debt valuation adjustments – more generally referred to as CVA and DVA. That had a combined negative impact of EUR 198 million compared with EUR 32 million positive a year ago and EUR 116 million positive in the previous quarter. Excluding CVA/DVA, Financial Markets income was 11.6% higher than in the first quarter of last year and total Commercial Banking income rose 6.6% compared with a year ago, supported by higher income in Bank Treasury and General Lending & Transaction Services. Compared with the fourth quarter of 2011, and adjusted for the impacts of CVA/DVA and the adoption of the OIS curve for the valuation of derivatives, income jumped 34.7%. This reflected a strong first quarter for Financial Markets, with higher client flows and an improved trading environment, coupled with EUR 111 million of capital gains on bonds, the latter almost entirely in Bank Treasury.

The interest result slipped 4.2%, reflecting a slightly lower interest margin on the lending portfolio as the repricing of loans could not entirely offset higher funding costs. Compared with the fourth quarter of 2011, the interest result decreased 7.1%, due to higher funding costs and a steepening of the short-term yield curve.

Commission income fell 10.5% from the first quarter of 2011. This was mostly visible in Industry Lending, where a decrease in new Structured Finance deals led to lower fee income, and in Financial Markets. Compared with the fourth quarter of 2011, commission income rose 12.7%, including higher fees for both Equity and Debt Capital Markets.

Investment income jumped to EUR 122 million, up 71.8% on the year before, reflecting EUR 111 million of realised gains on bonds. In the previous quarter, investment income was EUR -15 million, led by EUR 60 million of impairments, of which EUR 33 million on Greek government bonds, partly offset by EUR 46 million of capital gains.

Operating expenses were 5.4% lower than in the same quarter of 2011, due to lower performance-related staff costs and a redundancy provision booked in the prior year. Impairments on real estate development projects were stable year-on-year at EUR 59 million. Compared with the fourth quarter of 2011, expenses declined 0.5%. The cost/income ratio in the first quarter was 44.6%, up slightly from 43.1% in the first quarter of 2011 and a strong improvement from 54.0% in the last quarter of 2011.

Net additions to loan loss provisions were EUR 167 million in the first quarter of this year, the equivalent of an annualised 47 basis points of average risk-weighted assets. Net additions more than doubled from the first quarter of last year (which included a few large releases in Industry Lending) and increased 3.7% from the fourth quarter of 2011.

Risk-weighted assets (RWA) were EUR 135.4 billion, almost stable compared with the first quarter of last year, but down by EUR 9.8 billion compared with year-end 2011. The decline in the first quarter was a consequence of de-risking and the restructuring of the emerging markets activities in Financial Markets and was furthermore fuelled by lower volumes and positive risk migration.

The return on equity, based on a 10% core Tier 1 ratio, was 12.1%, an improvement on the 7.8% ROE in the previous quarter. However, it was lower than the 17.6% ROE in the same quarter of last year.

INDUSTRY LENDING

Industry Lending booked an underlying result before tax of EUR 276 million, down 33.5% from the first quarter of 2011, which included a net release of risk costs of EUR 16 million. Compared with the fourth quarter of 2011, the result before tax declined 10.4%. Income for Industry Lending decreased 6.7% compared with the first quarter of 2011. This included a decline in commission income in both Structured Finance and Real Estate Finance (REF), due to a lower level of new business. In addition, the interest margin for Structured Finance fell slightly in the quarter, and was below that of the first quarter of 2011. The interest margin for REF was stable. Compared with the fourth quarter, income declined 3.8%, primarily due to lower interest and commission income in Structured Finance. Loan volumes for Industry Lending rose by EUR 0.4 billion, or 0.5% (adjusted for foreign currency impact) compared with the previous quarter. Lending assets for Structured Finance increased by EUR 0.8 billion thanks to growth in the commodity financing business. In Real Estate Finance, where ING takes a cautious approach, the lending portfolio declined by EUR 0.5 billion. Operating expenses were 2.7% lower than in the same quarter of last year but 4.8% higher than in the fourth quarter. The cost/income remained low at 23.1%. Net additions to loan loss provisions were EUR 91 million, of which EUR 45 million were for REF, mainly in the Netherlands and Spain. In the comparable quarter of 2011, Industry Lending showed an exceptional net release in risk costs of EUR 16 million, due to releases from prior provisions in Structured Finance and only limited additions for REF. Compared with the previous quarter, risk costs rose by EUR 8 million, entirely due to Structured Finance. Net additions to loan losses for REF diminished by EUR 3 million.

GENERAL LENDING AND TRANSACTION SERVICES

General Lending and Transaction Services posted an underlying result before tax of EUR 153 million, up 25.4% on the same quarter of 2011, primarily supported by lower risk costs for General Lending. Compared with the fourth quarter of 2011, the pre-tax result was up 0.7%. Total income rose 4.4% from the prior year, mainly driven by higher margins in the trade finance business (for both letters of credit and trade loans) and a strong performance of Bank Mendes Gans, which offers liquidity management and treasury information services to multinationals. The income of General Lending was stable, with little change in both volume of loan assets and margins. Income from Payments & Cash Management (PCM) increased slightly on the back of higher interest margins and a EUR 1.6 billion net inflow in funds entrusted. Compared with the fourth quarter, income was flat. Higher revenues from Trade Finance Services were offset by lower income from Leasing and PCM, while General Lending income was stable. As announced in January, ING continues to invest to enhance its product capabilities, particularly in PCM, Supply Chain Finance / Working Capital Solutions and Trade Finance. That is reflected in the 7.9% cost growth year-on-year, and a 3.2% increase in costs from the fourth quarter.

FINANCIAL MARKETS

The underlying result before tax for Financial Markets was EUR 52 million in the first quarter of this year, a decrease of 76.9% versus the first quarter of last year and down 52.7% versus the fourth quarter of 2011. Results were heavily impacted by EUR 337 million from negative debt valuation adjustments (DVA) as a result of the rapid tightening of spreads on ING's own structured notes. As spreads on counterparties narrowed at a much slower pace, this was only partly compensated by positive credit valuation adjustments (CVA) and DVA on derivatives of EUR 139 million. Excluding a total CVA/DVA impact of EUR -198 million this quarter, a positive EUR 32 million impact in the first quarter of 2011 and a EUR 116 million positive impact in the fourth quarter, the result before tax rose 29.5% compared with a year ago and was up EUR 256 million from the fourth quarter.

Excluding CVA/DVA, income was 11.6% higher than a year ago, driven by strong results from the developed markets rates and credits business. Operating expenses fell 5.2% from the first quarter of 2011, despite an EUR 8 million increase in bank levies. Continued de-risking and the restructuring of the emerging markets activities helped to achieve a EUR 5.2 billion reduction in risk-weighted assets in the quarter.

BANK TREASURY, REAL ESTATE AND OTHER

The underlying result before tax for Bank Treasury, Real Estate and Other was EUR 130 million, up from EUR 40 million in the same quarter a year earlier and compared to a loss of EUR 193 million in the fourth quarter. Income rose 33.8% to EUR 269 million compared with a year ago, helped by capital gains on bonds in the ALM book and a gain of EUR 35 million in ING Real Estate on the sale of a project in Poland. This was partly offset by higher interest expenses for Bank Treasury, due to higher funding costs and a steepening of the yield curve for shorter tenors. While the first quarter of this year was a strong quarter due to the aforementioned reasons, the fourth quarter showed a loss in ALM. In the fourth quarter, ING adopted a discounting curve for the valuation of derivatives that reflects the Overnight Indexed Swap ('OIS') instead of the Euribor rate. This had a negative impact on income of EUR 139 million. In addition, the fourth quarter of 2011 included EUR 46 million of negative revaluations in the Real Estate Investment Portfolio; these were partly related to the sale of investments as part of ING's strategy to reduce the portfolio.

Funds entrusted declined by EUR 7.2 billion, as lower deposits from asset managers and corporate treasurers were more than offset by a EUR 22 billion increase of issued commercial paper and certificates of deposits, partly purchased by the same clients. The net cash proceed was largely placed with central banks.

Operating expenses fell 24.5% compared with a year ago, reflecting a redundancy provision booked in the same quarter of last year and further cost reductions in the Real Estate and the General Lease entities that have been placed in run-off. Impairments on real estate development projects were stable at EUR 59 million. Operating expenses declined 6.9% on the previous quarter. Net additions to loan loss provisions were EUR 31 million, up from EUR 18 million in the previous year, and mainly related to the General Lease activities in Italy and Spain. Compared with the previous quarter, risk costs were 3.1% lower.

CORPORATE LINE BANKING

Corporate Line Banking: Underlying result before tax		
In EUR million	1Q2012	1Q2011
Income on capital surplus	108	70
Solvency costs	-36	-43
Financing charges	-69	-87
Amortisation intangible assets	-7	-8
Fair value changes own Tier 2 debt	-106	-34
FX-results, fair value hedging and other	38	8
Total Capital Management	-72	-93
Other	-29	-27
Underlying result before tax	**-101**	**-120**

The Corporate Line Banking posted an underlying loss before tax of EUR 101 million compared with EUR -120 million in the same quarter of last year.

'Income on capital surplus' rose by EUR 38 million to EUR 108 million due to lower benefits paid to the business lines as income on allocated equity following a decline in average economic capital as a result of the sale of ING Direct USA. 'Financing charges' were EUR 18 million lower, reflecting a decline in interest expenses following the liability management transactions executed in December 2011.

'Fair value changes on part of ING Bank's own Tier 2 debt' were EUR 106 million negative due to the tightening in ING's credit spread, compared to EUR 34 million negative in the first quarter of 2011.

'FX-results, fair value hedging and other' increased by EUR 30 million to EUR 38 million. This was mainly due to other fair value changes which were EUR 25 million positive, up EUR 19 million on the first quarter of 2011.

The result of 'Other' remained largely unchanged at EUR -29 million.

Compared with the fourth quarter of 2011, which included a EUR 32 million goodwill impairment related to ING Real Estate Development, the underlying result before tax decreased by EUR 60 million from EUR -41 million in the previous quarter, largely related to fair value changes turning negative.

CONSOLIDATED BALANCE SHEET

ING Bank N.V.: Consolidated balance sheet

in EUR million	31 Mar. 12	31 Dec. 11	31 Mar. 11 restated[1)] pro forma
Assets			
Cash and balances with central banks	43,894	28,112	10,307
Amounts due from banks	50,441	45,323	55,163
Financial assets at fair value through P&L	132,261	136,089	128,099
- trading assets	119,059	123,176	119,611
- non-trading derivatives	10,166	10,076	5,418
- other	3,035	2,838	3,070
Investments	86,278	83,802	88,762
- debt securities available-for-sale	73,889	72,469	76,192
- debt securities held-to-maturity	7,579	8,868	9,885
- equity securities available-for-sale	4,810	2,466	2,684
Loans and advances to customers	581,022	577,570	557,890
- securities at amortised cost and IABF	29,758	31,449	36,942
- customer lending	551,264	546,121	520,948
Investments in associates	835	827	1,300
Real estate investments	264	435	526
Property and equipment	2,398	2,417	2,490
Intangible assets	1,765	1,743	1,995
Other assets	21,519	22,363	22,307
Total assets excl. assets held for sale	**920,677**	**898,681**	**868,839**
Assets held for sale	-	62,483	58,668
Total assets	**920,677**	**961,165**	**927,507**

	31 Mar. 12	31 Dec. 11	31 Mar. 11 restated[1)] pro forma
Equity			
Shareholders' equity	35,307	34,367	34,869
Minority interests	729	693	617
Total equity	**36,036**	**35,060**	**35,486**
Liabilities			
Subordinated loans	16,473	18,408	19,087
Debt securities in issue	155,035	130,926	130,739
Amounts due to banks	69,317	72,233	78,528
Customer deposits and other funds on deposit	485,481	479,363	462,019
- savings accounts	298,500	291,516	283,720
- credit balances on customer accounts	119,134	114,361	118,723
- corporate deposits	59,435	61,990	49,935
- other	8,413	11,496	9,641
Financial liabilities at fair value through P&L	136,013	138,864	120,277
- trading liabilities	104,823	107,682	97,333
- non-trading derivatives	17,552	18,161	10,881
- other	13,638	13,021	12,063
Other liabilities	22,323	22,045	22,448
Total liabilities excl. liabilities held for sale	**884,641**	**861,840**	**833,098**
Liabilities held for sale	-	64,265	58,923
Total liabilities	**884,641**	**926,105**	**892,022**
Total equity and liabilities	**920,677**	**961,165**	**927,507**

1) Adjusted for transfer ING Direct USA and Car Lease to assets / liabilities held for sale

ING Bank's balance sheet was reduced by EUR 40 billion to EUR 921 billion, as a EUR 62 billion decline from the sale of ING Direct USA was partially offset by a EUR 16 billion increase in cash and balances held with central banks. This increase was related to clients placing excess cash with ING following the LTRO. ING made further progress in optimising the balance sheet in the first quarter, with asset growth matched by growth in funds entrusted, reduced trading positions and ING Bank's successful issuance of EUR 9 billion of long-term debt. The asset leverage ratio declined to 26.1 from 28.0 at year-end 2011, while the loan-to-deposit ratio remained stable at 1.14.

Cash and balances with central banks

Cash and balances with central banks increased to EUR 44 billion from EUR 28 billion at the end of December 2011, due to a further increase of overnight deposits placed with central banks. The 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 (CD/CPs) in the first quarter. This amount was largely placed with central banks.

Amounts due from and to banks

In line with ING's strategy to optimise the balance sheet, the net borrowing from banks decreased by EUR 8 billion to EUR 19 billion in the first quarter. Amounts due from banks increased by EUR 5 billion, while at the same time ING reduced the amount due to banks by EUR 3 billion.

Loans

Loans and advances to customers increased by EUR 3 billion to EUR 581 billion. Customer lending rose by EUR 5 billion, fully at Retail Banking, while Commercial Banking had a slight decline. Securities at amortised cost and IABF declined by EUR 2 billion due to repayments, run-off and selective de-risking.

Financial assets/liabilities at fair value

In the first quarter of 2012, ING made further progress in optimising the balance sheet with a reduction in financial assets and liabilities at fair value through P&L. These assets were reduced by EUR 4 billion to EUR 132 billion reflecting de-risking efforts and the restructuring of the Financial Markets platform, resulting in lower trading securities and derivatives (reported under trading assets). Financial liabilities at fair value through P&L were reduced by EUR 3 billion to EUR 136 billion, mirroring actions on the asset side.

Debt securities in issue

Capital and money markets remained challenging in the first quarter of 2012. The improved liquidity in the market has resulted in clients placing more of their excess cash with ING. As a result, debt securities in issue increased by EUR 24 billion, reflecting EUR 22 billion of higher short-term debt (CD/CPs). In the first quarter, ING Bank issued EUR 9 billion of long-term debt.

Customer deposits

Deposits continued to grow strongly in the first quarter of 2012, despite the intense competition for savings. Customer deposits and other funds on deposits rose by EUR 6 billion to EUR 485 billion, largely driven by strong net inflows in Retail Banking. Individual savings accounts increased by EUR 7 billion, driven by net inflows in the Netherlands and Germany. Credit balances on customer accounts were up by EUR 5 billion. These increases were partly offset by lower short-term deposits from asset managers and corporate treasurers at Commercial Banking. ING's funding mix remains dominated by deposits, with a loan-to-deposit ratio (excluding securities and IABF receivable) at 1.14.

Shareholders' equity

Shareholders' equity increased by EUR 0.9 billion to EUR 35.3 billion due to the retained net profit. The asset leverage ratio (defined as total assets divided by shareholders' equity) decreased to 26.1 from 28.0 at year-end 2011 largely as a result of the divestment of ING Direct USA.

RISK MANAGEMENT

ING Bank continued to selectively de-risk its balance sheet in the first quarter, including sales of Spanish covered bonds, ABS securities and Real Estate investments, as it works towards optimising local balance sheets ahead of Basel III. Furthermore, market risk-weighted assets were reduced following the restructuring of Financial Markets' activities in emerging markets. Own-originated loans continued to perform relatively well, with non-performing loans at 2.1% and risk costs flat compared with the fourth quarter. Nonetheless, loan loss provisions are expected to remain elevated for the coming quarters given the weak economic environment in Europe. The Bank's liquidity and funding position improved further, supported by strong net inflows of funds entrusted and the issuance of EUR 9.2 billion in long-term debt in the quarter.

Loan portfolio ING Bank

ING Bank: Loan portfolio

in EUR million	31 Mar 2012	31 Dec 2011
Residential Mortgages	314,151	312,554
(Mid)-Corporates, SMEs and other	231,011	228,972
Governments	11,226	9,539
Securities at amortised cost and IABF	29,758	31,449
Provision for loan losses (loans and advances)	-5,124	-4,944
Total loans and advances to customers	**581,022**	**577,570**

Loans and advances to customers increased EUR 3 billion to EUR 581 billion in the first quarter of 2012. The gross customer lending (i.e. excluding provisions and securities at amortised cost and IABF) rose by EUR 5 billion. The increase is due to growth in mortgages and higher lending to both (mid-)corporates/SMEs and governments. Securities at amortised cost continued their declining trend mainly due to repayments, run-off and selective de-risking. The Illiquid Assets Back-up Facility (IABF) declined by EUR 1 billion to EUR 8 billion.

Risk costs

ING Bank added EUR 441 million to the loan loss provisions in the first quarter of 2012, slightly down from the previous quarter when risk costs were EUR 447 million (adjusted for divestments). Within the mid-corporate and SME segments in the Benelux risk costs declined, but remained at an elevated level. This compensated for the higher net additions in Retail Rest of World, due to a specific provision for a CMBS position, while the risk costs at Commercial Banking were almost flat.

Gross additions to the loan loss provisions were EUR 598 million whereas releases amounted to EUR 157 million. This translated into (annualised) 59 basis points of average risk weighted assets (RWA) versus 61 basis points in the previous quarter (adjusted for divestments).

ING Bank: Stock of provisions

in EUR million	1Q2012	4Q2011
Provisions, beginning of period	4,950	4,775
Increases	598	661
Releases	-157	-214
Write-offs	-245	-286
Other	-7	14
Provisions, end of period *	**5,139**	**4,950**

* Stock of provision excluding ING Direct USA and including provisions for amounts due from banks (end-of-March EUR 16 million)

Non-performing loans (NPL) as a percentage of total loans and amounts due from banks increased slightly to 2.1% from 2.0% at the end of December (adjusted for divestments). Non-performing loans rose to EUR 13.0 billion from EUR 12.5 billion at year-end. The increase of non-performing loans was mainly driven by Commercial Banking, Structured Finance in particular. The non-performing loans in the Dutch mortgage portfolio increased slightly, and the NPL ratio was 1.2%. Non-performing loans in SMEs/mid-corporates remained flat at an elevated level.

The coverage ratio, defined as the stock of loan loss provisions divided by non-performing loans decreased to 39% compared with 40% at the end of December 2011 (adjusted for divestments). The overall coverage ratio is an average of unsecured loans, for which the ratio is relatively high, and loans with high collateral values (such as the Dutch mortgage portfolio), for which the coverage ratio is relatively low.

Securities portfolio

ING Bank: Debt and equity securities*

in EUR billion	31 Mar 2012	31 Dec 2011
Government bonds	57.0	49.2
Covered bonds	27.2	27.8
Financial Institutions	15.4	16.5
Corporate bonds	1.5	1.5
ABS	15.8	16.1
US RMBS	0.6	0.6
Non-US RMBS	10.6	10.7
CMBS	1.3	1.3
CDO/CLO	0.4	0.5
Other ABS	2.9	3.0
Subtotal debt securities	**117.0**	**111.1**
Equity securities	4.8	2.5
Total investments	**121.8**	**113.5**

* Figures exclude trading positions and assets held for sale but include securities classified as Loans & Receivables

The value of the securities portfolio was EUR 121.8 billion at the end of March, of which EUR 117.0 billion was in debt securities and EUR 4.8 billion in equity securities. The EUR 2.3 billion increase in equity securities during the first quarter is due to the Capital One stock received as part of the proceeds of the ING Direct USA sale.

The debt securities revaluation reserve after tax turned positive to EUR 31 million compared with EUR -445 million (excluding ING Direct USA) at the end of the previous quarter due to interest rate and credit spread developments.

Government bonds increased EUR 7.8 billion during the first quarter of 2012, largely due to restructuring of the IABF (exchanging part of the government receivable for bonds) and including a further build-up of a Basel III eligible liquidity buffer. Bonds issued by Financial Institutions declined EUR 1.1 billion, following a reduction of central bank bonds in especially Poland. Covered bonds declined as part of the portfolio matured, including Cedulas. ING Bank continued to manage its asset-backed securities (ABS) portfolio downwards in the first quarter of 2012. Compared with the end of December, the ABS exposure declined EUR 0.3 billion to EUR 15.8 billion mainly following selective de-risking.

Greece, Italy, Ireland, Portugal and Spain

Greece, Italy, Ireland, Portugal and Spain have either applied for support from the European Financial Stability Fund ('EFSF') or received support from the ECB via government bond purchases in the secondary market. At 31 March 2012, ING Bank's balance sheet value of Government bonds, unsecured Financial institutions' bonds, Asset-backed Securities, Corporate bonds and Covered bonds to Greece, Italy, Ireland, Portugal and Spain and the related pre-tax revaluation reserve in equity was as follows:

ING Bank: Greece, Italy, Ireland, Portugal and Spain

All amounts in EUR million	31-Mar-12		31-Dec-11	
	Balance Sheet value	Pre-tax revaluation reserve	Balance Sheet value	Pre-tax revaluation reserve
Greece				
Government bonds	25	-8	151	0
Asset-backed Securities	90	-3	93	-3
Italy				
Government bonds	1,014	-146	923	-224
Financial Institutions	668	-14	710	-41
ABS	1,079	-50	1,143	-56
Corporate bonds	32	-1	30	-2
Covered bonds	221	3	204	-14
Ireland				
Financial Institutions	171		200	-1
Asset-backed Securities	1,329	-69	1,380	-72
Covered bonds	364	-14	362	-15
Portugal				
Government bonds	447	-187	438	-211
Financial Institutions	31	-7	78	-15
Asset-backed Securities	209	-16	214	-14
Corporate bonds	186	-13	193	-10
Covered bonds	133	-40	110	-62
Spain				
Government bonds	478	-88	494	-85
Financial Institutions	49	-3	180	-6
Asset-backed Securities	3,583	-111	3,690	-120
Corporate bonds			103	
Covered bonds	15,154	-189	16,171	-214
Total	**25,263**	**-956**	**26,867**	**-1,165**

Of the total 31 March 2012 balance sheet value of EUR 25.263 million debt securities, EUR 21.095 million was reported at amortised cost and EUR 4.168 million was reported as available for sale.

In March 2012, the agreement under the Private Sector Initiative ('PSI') to exchange Greek Government bonds into new instruments was executed. Under this exchange, ING received new listed Greek Government bonds, listed European Financial Stability Facility ('EFSF') notes and listed GDP-linked securities issued by Greece. Furthermore, ING received listed Short-term EFSF notes in discharge of all unpaid interest. All exchanged bonds were derecognised and the new instruments were recognised at their fair value as available for sale investments, except for the GDP-linked securities which are classified as derivatives. The exchange resulted in a gain of EUR 22 million in the first quarter of 2012, being the difference between amortised cost (net of cumulative impairments) of the exchanged bonds and the fair value of the new instruments at the time of the exchange. This result is included in 'Investment income'.

The Spanish covered bonds decreased by EUR 1.0 billion in the first quarter of 2012 to EUR 15.2 billion due to maturities and sales.

Real estate exposure

ING Bank: real estate exposure

in EUR billion	31 Mar 2012	31 Dec 2011
Real Estate investments (FV through the P&L)	0.8	1.0
Real Estate investments (FV through equity)	0.4	0.4
Real Estate property in own use (FV through equity)	1.2	1.2
Development projects Real Estate	1.4	1.5
Exposure ING Bank	**3.9**	**4.1**

The real estate exposure of ING Bank declined to EUR 3.9 billion from EUR 4.1 billion at year- end mainly due to the sale of real estate investments and impairments. The fair value changes reflected in the P&L were EUR -1 million, compared with EUR -46 million in the fourth quarter of 2011.

ING Bank had EUR 1.4 billion of real estate development projects at the end of the first quarter, down from EUR 1.5 billon at 31 December 2011. Impairments were EUR 59 million, slightly up from EUR 55 million in the previous quarter, but flat year-on-year.

Market risk

ING Commercial Bank: Consolidated VaR trading books

in EUR billion	Minimum	Maximum	Average	Quarter-end
Foreign Exchange	1.3	5.9	2.7	2.0
Equities	4.0	8.2	5.7	6.3
Interest rate	7.8	19.9	12.7	10.4
Credit Spread	3.2	6.4	5.1	3.6
Diversification			-10.0	-2.9
Total VaR[1]	**10.0**	**27.2**	**16.2**	**19.4**

1) The total VaR for the columns Minimum and Maximum cannot be calculated by taking the sum of the individual components since the observations for both the individual markets as well as for total VaR may occur on different dates.

The average Value-at-Risk (VaR) declined by EUR 4 million to EUR 16 million in the first quarter of 2012 driven by a reduction of trading positions following the announced adaptation and derisking of the Financial Markets platform. The overnight VaR for ING Bank's trading portfolio ranged from EUR 10 million to EUR 27 million.

Liquidity risk

The capital markets and money markets remained challenging in the first quarter of 2012, but improved after the LTROs. ING continued to have access to funding at acceptable pricing and the tenors lengthened compared with previous quarters. Funds entrusted growth developed favourably, especially witnessed by the solid net inflow at Retail Banking. In the first quarter, ING Bank issued EUR 9.2 billion long-term debt, largely replacing maturing securities.

Throughout the credit and liquidity crisis, ING has maintained its liquidity position within conservative internal targets. ING Bank's loan-to-deposit ratio, excluding securities that are recorded at amortised costs in loans and advances and the IABF government receivable, remained stable at 1.14.

ING Bank has improved its total eligible collateral position at market value to EUR 224 billion, compared to EUR 192 billion in December 2011.

Risk-weighted assets

Underlying risk-weighted assets (RWA) rose 0.8% to EUR 300 billion from EUR 297 billion at year-end 2011 (adjusted for divestments). Currency effects were limited during the first quarter.

The stake in Capital One and the counter-guarantee to Dutch State related to the Illiquid Assets Back-up Facility (IABF) combined resulted in a EUR 9 billion increase in RWA. Despite the challenging economic conditions, risk migration resulted in only EUR 1 billion higher RWA.

This was largely compensated by reduced volumes in especially Commercial Banking which included lower MRWA following the de-risking and adaptation of the Financial Markets platform, among others, in the emerging markets.

The composition of ING Bank's RWA at 31 March 2012 was as follows: Credit RWA: 84.5%, Operational RWA: 11.8%, and Market RWA: 3.7%.

Insurance

CONSOLIDATED RESULTS

Insurance: Consolidated profit and loss account					
In EUR million	1Q2012	1Q2011	Change	4Q2011	Change
Gross premium income	8,248	8,207	0.5%	6,463	27.6%
Commission income	357	377	-5.3%	374	-4.5%
Total investment and other income	-682	1,224	-155.7%	1,008	-167.7%
Total underlying income	**7,923**	**9,809**	**-19.2%**	**7,844**	**1.0%**
Underwriting expenditure	6,777	8,204	-17.4%	8,025	-15.6%
Operating expenses	986	920	7.2%	961	2.6%
Interest expenses	172	251	-31.5%	199	-13.6%
Other	6	5	20.0%	7	-14.3%
Total underlying expenditure	**7,941**	**9,381**	**-15.4%**	**9,192**	**-13.6%**
Underlying result before tax	**-18**	**428**	**-104.2%**	**-1,348**	**n.a.**
of which life insurance	69	455	-84.8%	-1,326	n.a.
of which non-life insurance	-2	23	-108.7%	28	-107.1%
of which investment management	49	54	-9.3%	47	4.3%
of which corporate line	-134	-104	n.a.	-96	n.a.
Taxation	7	146	-95.2%	-261	n.a.
Minority interests	16	9	77.8%	8	100.0%
Underlying net result	**-41**	**274**	**-115.0%**	**-1,095**	**n.a.**
Net gains/losses on divestments	-	-		1,023	
Net results from divested units	-0	-3		0	
Net results from discontinued operations	-	28		29	
Special items after tax	-111	-64		-25	
Net result	**-152**	**234**	**-165.0%**	**-68**	**n.a.**
Insurance - Margin analysis					
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%
Life & ING IM operating income	**1,843**	**1,795**	**2.7%**	**1,735**	**6.2%**
Administrative expenses	773	710	8.9%	728	6.2%
DAC amortisation and trail commissions	507	482	5.2%	483	5.0%
Life & ING IM expenses	**1,280**	**1,191**	**7.5%**	**1,211**	**5.7%**
Life & ING IM operating result	**563**	**604**	**-6.8%**	**524**	**7.4%**
Non-life operating result	9	42	-78.6%	39	-76.9%
Corporate Line operating result	-96	-135	n.a.	-86	n.a.
Operating result	**475**	**511**	**-7.0%**	**478**	**-0.6%**
Gains/losses and impairments	106	-126		16	
Revaluations	-180	85		-282	
Market & other impacts	-419	-43		-1,561	
Underlying result before tax	**-18**	**428**	**-104.2%**	**-1,348**	**n.a.**
Life Insurance - New business figures					
Single premiums	2,732	2,985	-8.5%	2,827	-3.4%
Annual premiums	1,029	941	9.4%	723	42.3%
New sales (APE)	1,302	1,239	5.1%	1,005	29.6%
Life & ING IM - Key figures					
Administrative expenses / operating income	41.9%	39.6%		42.0%	
Life general account invested assets (end of period, in EUR billion)[1]	157	149	5.4%	159	-1.3%
Investment margin / Life general account invested assets (in bps)[2]	118	98		113	
Client balances (end of period, in EUR billion)	408	372	9.7%	398	2.5%
ING IM Assets under Management (end of period, in EUR billion)	327	304	7.6%	322	1.6%
Other key figures					
Administrative expenses (total)	905	845	7.1%	882	2.6%
Return on equity[3]	-0.7%	5.6%		-19.1%	
Employees (FTEs, end of period)	26,697	27,644	-3.4%	26,774	-0.3%

1 Revised definition: the Life GA invested assets definition has been revised to better align with the investment margin on an operating basis by, amongst others, excluding non-trading derivatives and revaluations on debt securities; all prior quarters have been restated
2 Four-quarter rolling average
3 Annualised underlying net result divided by average IFRS-EU equity

INSURANCE

Operating results remained robust at EUR 475 million, supported by a strong investment margin and higher fees and premium-based revenues. New sales (APE) gained momentum in Asia/Pacific, the US and Central and Rest of Europe, and were up by 5.1% compared with the first quarter a year ago. Underlying results for Insurance in the first quarter were strongly impacted by market-related items, including negative results on hedges, as ING continued to focus on protecting regulatory capital against the impact of volatile financial markets.

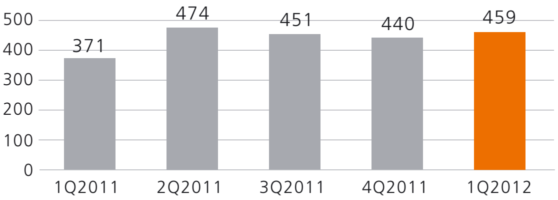
The total underlying result before tax for Insurance was EUR -18 million, reflecting negative results on hedges of EUR -379 million in the US Closed block VA and EUR -191 million in the Benelux to protect capital. They were partially offset by EUR 154 million of capital gains on the sale of public equities in the Benelux.

The operating result for ING Insurance declined to EUR 475 million from EUR 511 million in the first quarter of 2011, down 7.0%, or 9.5% excluding currency effects, as a result of higher administrative expenses, a lower technical result and lower non-life results. Compared with the fourth quarter of 2011, the operating result decreased 0.6% (2.5% excluding currency effects), as lower non-life results were partly offset by higher life operating results.

Life insurance and investment management

The operating result from Life Insurance and Investment Management was EUR 563 million, 6.8% lower than in the first quarter of 2011 (9.2% lower excluding currency effects). This decrease was attributable to higher administrative expenses and a lower technical margin, which was partially offset by a higher investment margin. Compared with the fourth quarter of 2011, the Life & ING IM operating result increased 7.4% (5.8% excluding currency effects). This increase was due to higher fees and premium-based revenues and a higher investment margin, partly offset by higher administrative expenses and a lower technical margin.

INVESTMENT MARGIN (in EUR million)

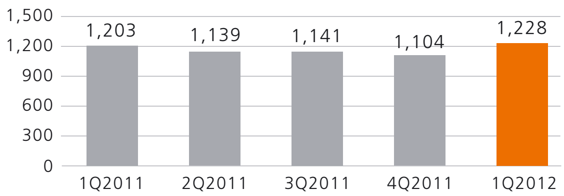


The investment margin was EUR 459 million, up 23.7% from the first quarter of 2011 and up 4.3% from the previous quarter. The year-on-year increase was largely driven by higher general account assets and lower average crediting rates in the US, as well as higher investment margins in Insurance Benelux and Asia/Pacific. De-risking and other portfolio management actions taken in the second half of 2011 had a negative impact on the investment margin for the Benelux in this quarter, but 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 increased, mainly due to higher results in Insurance US.

The four-quarter rolling average investment spread improved to 118 basis points from 98 basis points in the first quarter of 2011, and from 113 basis points in the fourth quarter of 2011, despite the negative impact of the aforementioned de-risking actions in the Benelux. The investment spread for the stand-alone first quarter of 2012 increased to 116 basis points from 111 basis points in the previous quarter, as the increase in the Life Investment margin outweighed the small increase in the average Life general account invested assets.

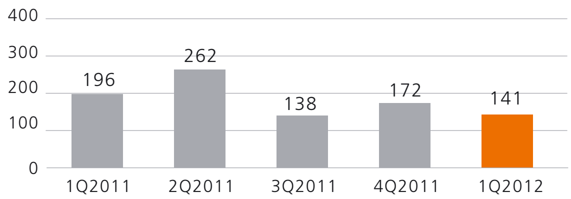
The calculation of the investment spread has been rebased, reflecting a revision in the definition of the Life general account invested assets to better align with the investment margin on an operating basis by, amongst others, excluding non-trading derivatives and revaluations on debt securities. All prior quarters have been restated. The impact on the first quarter of 2012 was an 8 basis points increase in the four-quarter rolling average investment spread.

FEES AND PREMIUM-BASED REVENUES (in EUR million)



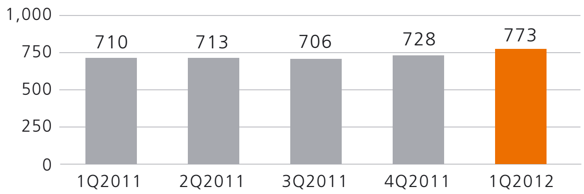
Fees and premium-based revenues rose 2.1% to EUR 1,228 million compared with the first quarter of 2011, but were 0.7% lower excluding currency effects. Strong new sales and renewals in Asia/Pacific and Insurance US, were offset by higher hedging and reserve costs in the US Closed Block VA and lower fees in Central & Rest of Europe stemming from pension fund regulatory changes in Poland and Hungary. Compared with the fourth quarter of 2011, fees and premium-based revenues increased 11.2%, driven by seasonally higher sales in Asia/Pacific, especially in the Japan COLI business, and higher sales in the Benelux, reflecting renewals and sales of group pension contracts in the first quarter.

TECHNICAL MARGIN (in EUR million)



The technical margin decreased to EUR 141 million from EUR 196 million in the first quarter of 2011, mainly due to lower results in the Benelux and the US, and partially offset by favourable claims experience in the Japan COLI business. The decline in the Benelux was mainly attributable to an addition to guarantee provisions related to group life contracts in the first quarter of 2012, while the first quarter of 2011 included a release of these provisions. In the US, the technical margin declined primarily as a consequence of lower reinsurance recoveries on individual life claims. Compared with the previous quarter, the technical margin was down by EUR 31 million due to lower results in the Benelux and the US. This was partly compensated by higher technical results in Central & Rest of Europe as a consequence of increased surrenders.

ADMINISTRATIVE EXPENSES (in EUR million)



Life & ING IM administrative expenses were EUR 773 million, up 8.9% from the first quarter of 2011 (6.9% excluding currency effects), which included a non-recurring EUR 22 million reduction in accruals in the US. Excluding that item, life administrative expenses rose 3.6% excluding currency effects, due to higher project costs for Solvency II and a reallocation of expenses in the Benelux from Non-life to Life. Compared with the previous quarter, expenses were up 6.2% (4.5% excluding currency effects), mainly as a result of a non-recurring EUR 45 million expense reduction following a change in ING's US employee pension plan (reflected in both Insurance US and ING IM) in the fourth quarter of 2011. The ratio of administrative expenses to operating income was 41.9%, a deterioration from the first quarter of 2011 (39.6%), as the increase in administrative expenses exceeded the rise in operating income.

DAC amortisation and trail commissions increased to EUR 507 million, up 5.2% from the first quarter of 2011, or an increase of 2.2% excluding currency effects. Compared with the fourth quarter of 2011, DAC amortisation and trail commissions rose 5.0%, or 3.0% excluding currency effects. The increases were largely caused by higher operating income that is subject to DAC amortisation in the US.

Non-life result

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. In the previous quarter, high Disability & Accident claims were compensated by non-recurring positive effects in the premium and expense provisions.

Corporate Line

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. Compared with the fourth quarter of 2011, the operating result declined by EUR 10 million, as a decrease in the corporate reinsurance result was only partly offset by higher results from Sul America.

Underlying result before tax

The underlying result before tax was EUR -18 million, down from EUR 428 million in the first quarter of 2011. The decline was due to the lower operating result and a higher impact of market-related items in the first quarter of 2012, most notably EUR 570 million of negative results on hedges to protect regulatory capital. Compared with the fourth quarter of 2011, the underlying result before tax improved from EUR -1,348 million, which included a EUR 1,099 million charge related to a change in actuarial assumptions for the US Closed Block VA business.

Gains/losses and impairments on investments were EUR 106 million versus EUR -126 million in the first quarter of 2011 and EUR 16 million in the previous quarter. The result for the current quarter 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, all in the Benelux. Furthermore, Central and Rest of Europe realised capital losses of EUR 15 million on the sale of financial bonds in Spain and Greek sovereign debt.

Revaluations showed a result of EUR -180 million compared with EUR 85 million in the first quarter of 2011 and EUR -282 million in the fourth quarter of 2011. The current quarter included a EUR 156 million loss from mark-to-market adjustments on equity options in place to protect regulatory capital and a EUR 58 million revaluation loss on real estate, both in the Benelux. In addition, the current quarter included 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 compared with EUR -43 million in the same quarter of 2011 and EUR -1,561 million in the fourth quarter. The result of this quarter reflected a EUR 379 million loss on hedges (net of reserve changes) in the US Closed Block VA business as the hedge programme is focused on protecting regulatory capital. The current quarter also included a positive EUR 17 million change in the provision for guarantees on separate account pension contracts (net of hedging) and a EUR 35 million loss on the macro interest rate hedges that are in place to protect solvency, both in the Benelux.

Net result

The net result was EUR -152 million compared to a net profit of EUR 234 million in the first quarter of 2011 and EUR -68 million in the fourth quarter of 2011. The current quarter included EUR -111 million of special items, which mainly reflect costs related to restructuring programmes, separation expenses and the financial impact of the liability management transaction executed on 30 March 2012.

Sales

New sales amounted to EUR 1,302 million of annual premium equivalent (APE), up 5.1% on the first quarter of 2011. Excluding currency impact, APE increased 2.2% due to higher sales in Asia/Pacific, the US and Central and Rest of Europe, and were partly offset by lower sales in the Benelux.

On a constant currency basis, sales from Asia/Pacific were 15.1% higher, driven by double-digit growth in Japan, Malaysia, Hong Kong and China. New sales from Insurance US increased 3.6% in the first quarter compared to the first quarter of 2011 due to higher Full Service Retirement Plan and Employee Benefit sales, partially offset by deliberate lower Stable Value and Fixed Annuity sales. Central and Rest of Europe reported 14.0% higher sales, predominantly due to higher Life sales in Hungary. Sales from Insurance Benelux fell by EUR 71 million, down 35.9% from the same quarter of 2011. This decrease was due to lower sales from corporate pensions and individual life products in the Netherlands and lower sales in Belgium.

Compared with the previous quarter, sales rose 29.6%, or 26.9% excluding currency effects, mainly attributable to seasonally higher sales in Asia/Pacific, as well as higher Full Service Retirement Plan sales and seasonally higher Employee Benefits sales in the US.

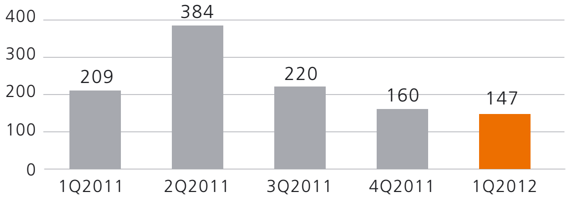
INSURANCE

Insurance: Breakdown by business area	Benelux		Central & Rest of Europe		United States		US Closed Block VA		Asia/Pacific		ING IM	
In EUR million	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011	1Q2012	1Q2011
Investment margin	144	119	11	13	264	216	6	7	34	14	1	1
Fees and premium-based revenues	174	165	110	120	287	268	25	57	411	376	220	217
Technical margin	36	78	46	40	-8	23	9	7	59	47	-	-
Income non-modelled life business	-0	10	5	3	0	-0	-0	0	10	12	0	-0
Life & ING IM operating income	**354**	**373**	**171**	**177**	**543**	**507**	**40**	**71**	**514**	**449**	**221**	**218**
Administrative expenses	156	139	82	82	221	182	24	21	114	113	175	172
DAC amortisation and trail commissions	58	65	56	48	173	151	36	36	183	181	1	1
Life & ING IM expenses	**213**	**204**	**138**	**130**	**395**	**333**	**60**	**57**	**298**	**294**	**176**	**173**
Life & ING IM operating result	**140**	**169**	**33**	**47**	**149**	**174**	**-20**	**14**	**217**	**156**	**45**	**45**
Non-life operating result	6	40	1	1	-	-	-	-	1	1	-	-
Operating result	**147**	**209**	**34**	**48**	**149**	**174**	**-20**	**14**	**218**	**157**	**45**	**45**
Gains/losses and impairments	70	-111	-16	-8	18	-40	16	6	13	20	-0	5
Revaluations	-207	9	1	-	35	43	-1	3	1	-1	4	5
Market & other impacts	-18	-93	-	-	-11	8	-379	39	17	2	-	-
Underlying result before tax	**-8**	**14**	**19**	**40**	**191**	**184**	**-384**	**61**	**249**	**177**	**49**	**54**
Life Insurance - New business figures												
Single premiums	444	732	204	245	1,880	1,900	-	0	204	107	-	-
Annual premiums	83	125	86	73	360	320	-	-	500	423	-	-
New sales (APE)	127	198	106	97	548	510	-	0	520	434	-	-
Key figures												
Gross premium income	2,635	2,944	535	599	2,848	2,730	104	118	2,125	1,811	-	-
Adm. expenses / operating income (Life & ING IM)	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)[1]	60	59	7	8	59	56	4	4	26	22	-	-
Investment margin / Life general account invested asset (in bps)[2]	117	85	95	96	161	144	58	17	38	27	-	-
Provision for life insurance & investm. contracts for risk policyholder (end of period)	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)	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)	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)	243	233	84	83	221	182	24	21	116	114	175	172

1 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
2 Four-quarter rolling average

INSURANCE BENELUX

OPERATING RESULT - BENELUX (in EUR million)



Results from Insurance Benelux continued to be impacted by de-risking measures and negative hedge results as the company prioritised preserving regulatory capital given the volatile market environment. In the first quarter of 2012, Insurance Benelux reported an underlying loss of EUR 8 million, reflecting EUR 191 million of negative results on hedges, EUR 67 million of losses related to de-risking and EUR 58 million of negative revaluations on real estate. These items were partially offset by EUR 154 million of capital gains on the sale of public equities.

The operating result declined to EUR 147 million from EUR 209 million in the first quarter of 2011, and from EUR 160 million in the previous quarter. The decline from both quarters is mainly attributable to a lower technical margin and lower non-life results. Furthermore, administrative expenses were higher than in the prior- year quarter.

The life investment margin held up well, rising 21.0% from EUR 119 million in the first quarter of 2011, despite de-risking and other investment portfolio management actions that were taken in the second half of 2011. The increase in the life investment margin was mainly attributable to higher general account assets, higher operating income from real estate, including real estate dividends, and incidentally higher settlement results, which more than compensated the lower income on bonds. Compared to the previous quarter, the investment margin remained flat as the negative impact of de-risking was offset by the impact of higher volumes and higher private equity results. The investment spread, calculated as a four-quarter rolling average, improved to 117 basis points from 85 basis points in the first quarter of 2011 and 114 basis points in the fourth quarter of 2011. Despite the increase in the first quarter, the de-risking actions are expected to reduce the full year 2012 investment spread by 10 to 15 basis points.

Fees and premium-based revenues rose to EUR 174 million from EUR 165 million in the first quarter of 2011. The inclusion of AZL, the pension administration company (modelled as of the first quarter of 2012), contributed EUR 10 million, with a corresponding reduction in non-modelled income. On a comparable basis, fees and premium-based revenues remained flat. Compared with the fourth quarter of 2011, fees and premium-based revenues were EUR 42 million higher because annual premiums of corporate pensions are typically received and recognised in the first quarter of the year.

The technical margin decreased to EUR 36 million from EUR 78 million in the first quarter of 2011 and EUR 56 million in the fourth quarter of 2011. This decline was mainly attributable to an addition to guarantee provisions related to group life contracts in the first quarter of 2012, while the first quarter of 2011 included a release of these provisions.

Life administrative expenses were EUR 156 million, up 12.2% from a year ago, but down 7.7% from the previous quarter. The increase compared with last year primarily arose from a reallocation of expenses from Non-life to Life following organisational changes. Total administrative expenses (Life and Non-life) increased 4.3%, due to Solvency II project costs and higher recurring costs related to NN Bank. The decline from the previous quarter was due to marketing campaigns, and a provision for IT expenses related to processing the unit-linked compensation programme in the Netherlands, both of which occurred in the fourth quarter of 2011. The ratio of Life administrative expenses to operating income increased to 44.1% from 37.3% in the first quarter of 2011 as a result of lower Life operating income and higher Life administrative expenses.

DAC amortisation and trail commissions were lower at EUR 58 million compared with EUR 65 million in the first quarter of 2011, reflecting lower commissions in line with lower gross premium income. DAC amortisation and trail commissions were higher in the first quarter of 2012 than in the fourth quarter of 2011, reflecting seasonally higher gross premium income in the first quarter.

The non-life operating result decreased to EUR 6 million compared with EUR 40 million in the first quarter of 2011 and EUR 37 million in the fourth quarter of 2011. This decrease was primarily due to higher claims in Disability & Accident (D&A) in the Netherlands. The downturn of the economy has had a negative effect on the claims development of Income Protection products. Measures have been taken to regain profitability in the D&A segment, including premium increases and investments in prevention services.

The impact of market volatility and de-risking is primarily evident in the non-operating items. The underlying result before tax decreased to EUR -8 million from EUR 14 million in the first quarter of 2011 from EUR -98 million in the fourth quarter of 2011.

Gains/losses and impairments were EUR 70 million versus EUR -111 million in the first quarter of 2011 and EUR 173 million in the fourth quarter of 2011. The positive result in the first quarter of 2012 was due to EUR 154 million of capital gains on public equities, partly offset by EUR 67 million of losses related to de-risking by selling Portuguese government bonds and Italian financial institutions bonds.

Revaluations were EUR -207 million compared with EUR 9 million in the first quarter of 2011 and EUR -184 million in the fourth quarter of 2011. The current quarter included EUR 156 million of negative revaluations on equity options following the rise in equity markets, as well as negative real estate revaluations of EUR 58 million. The equity options are in place to protect local regulatory capital in the Netherlands. The negative revaluations on the equity options were offset by realised gains on equities reported under gains/losses and impairments.

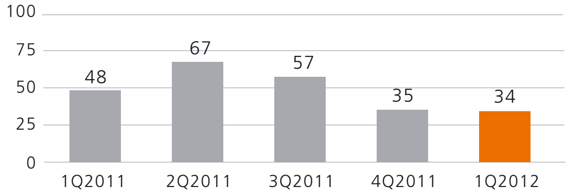
Market & other impacts were EUR -18 million in the first quarter of 2012, compared to EUR -93 million in the first quarter of 2011, and consisted of a EUR 17 million positive change in the provision for guarantees on separate account pension contracts (net of hedging) and a EUR 35 million loss on macro interest rate hedges that are in place to protect solvency capital. In the fourth quarter of 2011, market & other impacts were EUR -247 million, reflecting amongst others the volatility of the separate account provision.

New sales (APE) decreased in the first quarter to EUR 127 million from EUR 198 million in the first quarter of 2011. This was attributable to lower sales from corporate pensions and individual life products in the Netherlands, and lower sales of traditional savings products in Belgium. The decline in sales in corporate pensions reflects both a lower volume of contracts eligible for renewal as well as a focus on value in the single premium pension business. New Sales (APE) increased from EUR 97 million in the fourth quarter of 2011, as a large part of corporate pension premium income is recognised in the first quarter.

In October 2011, NN introduced three new bank products for pension savings (‘banksparen’) to meet consumers’ increasing demand for simple, flexible and low-cost savings products. The total funds entrusted to NN Banksparen accounts has grown to EUR 145 million. Sales of ‘banksparen’ products are not captured in APE.

INSURANCE CENTRAL AND REST OF EUROPE

OPERATING RESULT - CENTRAL AND REST OF EUROPE (in EUR million)



Macro-economic challenges, especially in Greece and Spain, and regulatory changes in Hungary and Poland continued to put pressure on the results of Central and Rest of Europe. Nevertheless, ING posted strong growth in life insurance sales in the region. Expenses continued to be elevated due to ongoing projects for Solvency II and the establishment of a regional IT organisation.

The operating result declined to EUR 34 million from EUR 48 million in the first quarter of 2011, reflecting lower fees from pension funds due to regulatory changes in Poland and Hungary, higher DAC amortisation and trail commissions due to higher life sales, and higher administrative expenses due to project costs. Compared with the previous quarter, the operating result declined 2.9%, mainly due to a lower investment margin in the life business.

The investment margin declined to EUR 11 million, down 15.4% compared with last year and down 45% from the previous quarter. The decline was mainly due to lower investment yields as a result of de-risking measures taken last year and the Greek Private Sector Initiative (PSI) debt exchange. The depreciation of the euro versus the Hungarian forint in the quarter further contributed to the decline.

Fees and premium-based revenues fell to EUR 110 million from EUR 120 million in the first quarter of 2011, down 8.3%. The decline reflects EUR 7 million of lower fees on the life business as higher-margin portfolios mature and are replaced by lower-margin products. The decline is also partly due to regulatory changes to pension funds in Hungary and Poland, which led to a decrease of EUR 3 million. Compared with the fourth quarter of 2011, fees and premium-based revenues remained flat.

The technical margin increased to EUR 46 million from EUR 40 million in the same quarter of last year. This increase mainly reflects higher surrender results due to the economic crisis in Greece and regulatory changes on mortgages in Hungary. Compared to the last quarter of 2011, the technical margin increased 27.8%, again mainly due to the higher surrender results in Greece and Hungary.

Life administrative expenses remained flat at EUR 82 million compared with both the first quarter of last year and the fourth quarter. However, excluding currency effects, expenses were 6.4% higher than the comparable quarter of last year due to higher project costs for Solvency II and the establishment of a regional IT organisation. The first quarter of 2011 included the annual financial institutions tax in Hungary, which was EUR 16 million and EUR 14 million in the current quarter. Administrative expenses decreased 1.2% from EUR 83 million in the previous quarter.

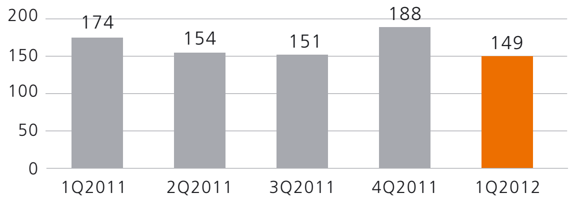
DAC amortisation and trail commissions increased to EUR 56 million from EUR 48 million in the same quarter of last year, due to higher commissions paid, which is in line with higher life sales.

The underlying result before tax was EUR 19 million, down from EUR 40 million in the same quarter a year ago. This decline is due to the lower operating result, as well as higher losses and impairments. The current quarter reflects EUR 8 million of realised losses from the execution of the Greek PSI debt exchange and EUR 7 million of losses on the sale of financial institutions bonds in Spain. The underlying result before tax improved from the previous quarter, which had a loss of EUR 93 million. That loss reflected further impairments on Greek government bonds as well as the losses on sales of Italian government bonds and Portuguese financial institutions bonds.

New sales (APE) increased to EUR 106 million from EUR 97 million in the same quarter of last year, up 9.3%, or 14.0% excluding currency effects. This increase was driven by higher life insurance sales in all markets in the region. Life insurance sales was boosted by 31.7% excluding currency effects. The main reasons for this increase were continued strong sales of a short-term life product in Hungary (which was introduced in the previous quarter) and a new single premium unit-linked product in Greece. A new group contract in Spain and new distribution agreements with banks in Poland also contributed to higher life sales. Pension sales fell 18.2% compared to the first quarter of 2011 to EUR 27 million due to the regulatory changes in Poland and Hungary. Pension sales were up elsewhere in the region, mainly in Turkey. Compared with the fourth quarter of 2011, APE increased 2.9% excluding currency effects, mainly as a result of the sale of a new group contract in Spain.

INSURANCE UNITED STATES

OPERATING RESULT - UNITED STATES (in EUR million)



Insurance US delivered solid operating results in the first quarter of 2012. This was driven by a favourable investment margin, supported by a disciplined approach to crediting rates, and higher fees and premium-based revenues. Administrative expenses continued to reflect strong cost control, but were higher relative to both the first quarter of 2011 and the fourth quarter of 2011, when administrative expenses were reduced by non-recurring items.

The operating result for Insurance US decreased to EUR 149 million from EUR 174 million in the first quarter of 2011 and EUR 188 million in the fourth quarter of 2011, down 17.7% and 22.0%, respectively, excluding currency effects. The primary reason for the decline was a non-recurring expense reduction of respectively EUR 22 million and EUR 26 million in the first and fourth quarters of 2011. A strong increase in the investment margin in the current quarter was dampened by a lower technical margin.

The investment margin was EUR 264 million, an increase of 17.8% from the first quarter of 2011 and up 11.8% from the fourth quarter of 2011, excluding currency effects. The increase over both quarters was primarily due to higher general account assets in the Retirement business, partially due to customer transfers from equity accounts, lower average crediting rates, and higher prepayment fees.

Fees and premium-based revenues were EUR 287 million, up 3.2% from the first quarter of 2011 and up 1.8% from the fourth quarter of 2011, excluding currency effects. The increase over the first quarter of last year was primarily due to higher premium-based revenues, in part due to the growth in the term life business, and higher fee income, due to strong net flows in the full service retirement business and higher equity market levels. This increase was partially offset by customer transfers from equity accounts to fixed account options and a reduction in recordkeeping assets. A corresponding reduction in recordkeeping expenses helped to mitigate the decrease in fees.

The technical margin was EUR -8 million, down from EUR 23 million in the first quarter of 2011 and EUR 17 million in the fourth quarter of 2011. This decline on both quarters was due primarily to lower reinsurance recoveries on individual life claims. The decrease from the first quarter of 2011 also reflects a reduction in the amortisation of the deferred gain on the 2010 sale of the Group Reinsurance business, lower disability results in the Employee Benefits business, and higher letter of credit costs.

Administrative expenses were EUR 221 million, an increase of 17.5% from the first quarter of 2011 and of 24.0% from the fourth quarter of 2011, both excluding currency effects. The primary reason for the increase versus both comparable quarters was a non-recurring expense reduction of EUR 22 million in the first quarter of 2011 and of EUR 26 million in the fourth quarter of 2011. The current quarter also reflects higher expenses due to the timing of certain annual spending, such as advertising. It also reflects lower expenses due to a reduction in the number of recordkeeping staff.

DAC amortisation and trail commissions were EUR 173 million, an increase of 10.8% from the first quarter of 2011 and up 3.6% from the fourth quarter of 2011, excluding currency effects. The change over both quarters was primarily due to changes in the operating income subject to DAC amortisation.

The underlying result before tax increased to EUR 191 million from EUR 184 million in the first quarter of 2011 and EUR 105 million in the fourth quarter of 2011. Excluding currency effects, the results in the current quarter were essentially flat on the prior year as lower impairments, credit losses and higher gains on securities sold offset the lower operating results. The increase over the fourth quarter of 2011 reflects an improvement in impairments, credit losses and revaluations.

Gains/losses and impairments improved to EUR 18 million from EUR -40 million in the first quarter of 2011 and EUR -50 million in the fourth quarter of 2011. The increase over the first quarter of 2011 was primarily driven by lower impairments and credit losses as well as an increase in gains on securities sold. The fourth quarter of 2011 was adversely impacted by EUR 33 million of losses on the sale of commercial mortgage-backed securities.

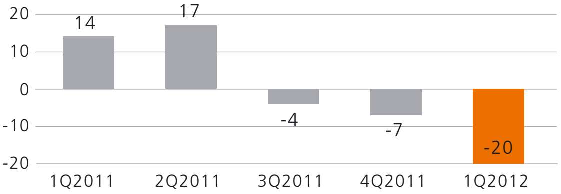
Revaluations were EUR 35 million versus EUR 43 million in the first quarter of 2011 and EUR -65 million in the fourth quarter of 2011. Results in the fourth quarter of 2011 reflect negative revaluations on private equity and alternative assets, primarily due to the decline in equity markets in the third quarter of 2011. Results for most private equities and alternative assets are reported on a one-quarter lag.

Market and other impacts were EUR -11 million compared with EUR 8 million in the first quarter of 2011 and EUR 32 million in the fourth quarter of 2011. The loss in the current quarter was primarily due to DAC amortisation on investment gains for the quarter, partially offset by positive DAC unlocking in the Retirement business due to the rise in equity markets during the quarter. The fourth quarter of 2011 reflected favourable DAC unlocking of EUR 70 million, partially offset by non-recurring reserve increases.

New sales (APE) were EUR 548 million, which were 3.6% higher than in the first quarter of 2011 and 19.4% higher than in the fourth quarter of 2011, excluding currency effects. Sales of Full Service Retirement Plans were 10% higher than in the first quarter of 2011 and Employee Benefit sales were 21% higher, replacing the lower Stable Value and Fixed Annuity sales due to prudent pricing actions given current interest rate levels. Individual Life sales were flat on the prior year. The increase over the fourth quarter of 2011 was primarily driven by an increase in Employee Benefit sales. Typically, more than half of Employee Benefit sales for the year occur during the first quarter.

INSURANCE US CLOSED BLOCK VA

OPERATING RESULT - US CLOSED BLOCK VA (in EUR million)



The rise in equity markets during the quarter contributed to a loss in the underlying result, in line with the earnings sensitivity provided with the fourth quarter 2011 results and is offset by favourable impacts to regulatory capital and reserve adequacy. The hedge programme focuses on protecting regulatory capital rather than mitigating earnings volatility.

The operating result for the US Closed Block VA was EUR -20 million versus EUR 14 million in the first quarter of 2011, mainly attributable to lower fees and premium-based revenues. The operating result decreased from EUR -7 million in the fourth quarter of 2011, due to the elimination of the DAC balance in the fourth quarter of 2011 as well as a lower investment margin, which was partly offset by increased fees and premium-based revenues.

The investment margin of EUR 6 million compares to EUR 7 million in the first quarter of 2011 and EUR 14 million in the fourth quarter of 2011. The decrease from the fourth quarter of 2011 reflects lower asset levels backing lower reserves due to rising equity markets in the first quarter.

Fees and premium-based revenues were EUR 25 million versus EUR 57 million in the first quarter of 2011, reflecting higher hedge and reserve costs, and EUR 11 million in the fourth quarter of 2011. The decrease from the first quarter of 2011 was due to lower fee income and higher hedge and reserve costs. The lower fee income was due to lower AuM levels due to negative net flows, which were only partially offset by market-related growth for the 12 months ending 31 March 2012. The higher hedge and reserve costs are due to higher notional balances on equity derivatives and higher reserve levels, which have increased, primarily due to the assumption changes in the fourth quarter of 2011. The increase over the fourth quarter of 2011 was due to increasing fee income and decreasing hedge and reserve costs, primarily due to higher equity markets and lower volatility.

The technical margin was EUR 9 million for the current quarter versus EUR 7 million in the first quarter of 2011 and EUR 10 million in the fourth quarter of 2011. The current quarter reflects a non-recurring reserve release, partially offset by higher letter of credit costs. The fourth quarter of 2011 also reflected a non-recurring reserve reduction.

Administrative expenses were EUR 24 million, up EUR 3 million over the first quarter of 2011 and EUR 4 million higher than in the fourth quarter of 2011. The increase over both quarters was primarily due to a shift in technology and finance costs between the US Closed Block VA and Insurance US.

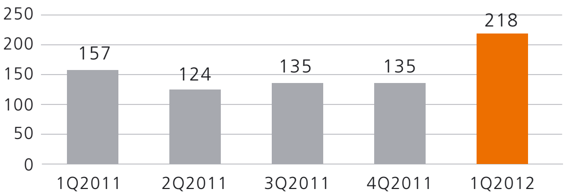
DAC amortisation and trail commissions were EUR 36 million, which was flat compared to EUR 36 million in the first quarter of 2011 but up from EUR 22 million in the fourth quarter of 2011. The increase over the fourth quarter of 2011 was primarily due to the elimination of the DAC balance in the fourth quarter. The interest on DAC was greater than the DAC amortisation in the fourth quarter of 2011; hence the elimination of the DAC balance resulted in a decrease of operating results.

The underlying result before tax was EUR -384 million compared to EUR 61 million in the first quarter of 2011 and EUR -1,368 million in the fourth quarter of 2011. The current quarter reflects a EUR 379 million loss on hedges, net of reserve changes, as the hedge programme is focused on protecting regulatory capital rather than mitigating earnings volatility. The loss of EUR 1,368 million in the fourth quarter of 2011 reflects a charge of EUR 1,099 million related to policyholder behaviour refinements and a loss of EUR 258 million on hedges, net of reserve changes.

Gains/losses and impairments were EUR 16 million versus EUR 6 million in the first quarter of 2011 and nil in the fourth quarter of 2011. Revaluations in the current quarter were EUR -1 million compared to EUR 3 million in the first quarter of 2011 and EUR -2 million in the fourth quarter of 2011. Market and other impacts were EUR -379 million compared with EUR 39 million in the first quarter of 2011 and EUR -1,360 million in the fourth quarter of 2011.

INSURANCE ASIA/PACIFIC

OPERATING RESULT - ASIA/PACIFIC (in EUR million)



Insurance Asia/Pacific posted a very strong increase in both operating result and underlying result compared with both the previous quarter and the first quarter of last year. Higher sales and growth in premium income drove fee revenue higher. The investment margin also rose, supported by growth in general account assets as well as investments in longer-dated bonds. At the same time, structural cost control kept life administrative expenses flat compared to a year ago, leading to an improvement of the ratio of life administrative expenses to operating income to 22.2%. Strong results for the quarter were supported by favorable non-recurring items.

The operating result increased to EUR 218 million in the first quarter of 2012 from EUR 157 million a year earlier, up 39.1% (or

32.5% excluding currency impacts). Compared with the fourth quarter of 2011, the operating result rose 61.5% (or 59.3% excluding currency impacts).

The investment margin rose to EUR 34 million from EUR 14 million a year ago, mainly attributable to the growth in general account assets in Korea as well as higher yields on longer-term bonds in Japan. A non-recurring benefit of EUR 5 million also contributed to the investment margin in the current quarter. The investment margin was EUR 8 million higher than in the fourth quarter of 2011, primarily driven by the non-recurring item as well as higher interest income.

Fees and premium-based revenues rose 9.3% (or 4.0%, excluding currency effects), to EUR 411 million from a year earlier. The main reason for this increase was growth in premium income, particularly in Japan, Malaysia and Hong Kong. In these countries, premium income growth was driven by renewal premiums from the in-force businesses and strong new sales. Compared with the fourth quarter of 2011, fees and premium-based revenues grew 13.9% (or 12.5% excluding currency effects), mainly due to the seasonality of the Japan COLI business.

The technical margin rose to EUR 59 million from EUR 47 million in the first quarter of 2011 and EUR 54 million in the fourth quarter of 2011. The increase was mainly due to favorable claims experience in the Japan COLI business. The first quarter of 2011 also included a tsunami provision (IBNR) of EUR 4 million, which was fully released in the fourth quarter of 2011.

The income non-modelled life business decreased to EUR 10 million from EUR 12 million in the first quarter of 2011. This was mainly due to ING Pacific Life, which was divested in the second quarter of 2011.

Ongoing cost control kept life administrative expenses stable at EUR 114 million, comparable with a year ago. They decreased 5.0% (or 6.6% excluding currency effects) from EUR 120 million in the previous quarter. The current quarter included a non-recurring provision release of EUR 5 million, whereas the fourth quarter of 2011 included higher project expenses. The ratio of life administrative expenses to operating income improved to 22.2% in the current quarter compared with 25.2% a year ago.

DAC amortisation and trail commissions were EUR 183 million compared with EUR 181 million a year ago. They decreased 7.5% from the previous quarter mainly due to a non-recurring adjustment of EUR -10 million in the current quarter.

The underlying result before tax rose to EUR 249 million compared with EUR 177 million in the first quarter of 2011, up 40.7% (or 33.5% excluding currency effects). Total non-operating items were EUR 31 million, mainly arising from capital gains on short-term bonds in Malaysia, as well as positive DAC unlocking in Japan as a result of asset price recovery.

New sales rose 15.1% excluding currency effects to EUR 520 million, driven by double-digit growth in Japan, Malaysia, Hong Kong and China. Compared with the fourth quarter of 2011, new sales increased 45.0% excluding currency effects, due in part to seasonality.

On 27 April 2012 the National Tax Authority in Japan announced a rule change affecting the tax deductibility of the COLI cancer business with immediate effect. The tax deductibility of premiums for all new policies issued after the implementation date has been reduced to 50%. The renewal premiums on existing business in-force will continue to be fully tax deductible. This tax rule change is expected to reduce demand of COLI cancer products and impact new sales. However, ING Life Japan had anticipated this change and has been actively diversifying its product offering to reduce its dependency on the COLI cancer product. It recorded a significant increase in sales of other COLI products in the first quarter of 2012, which accounted for 38% of new sales, up from 21% in the first quarter a year ago.

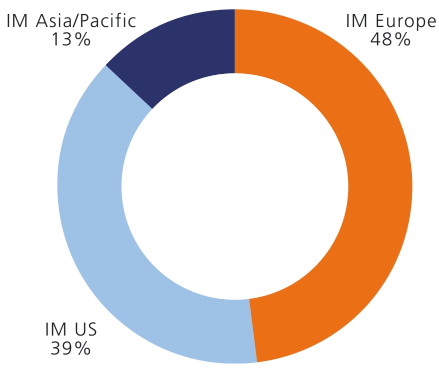
ING INVESTMENT MANAGEMENT

ING Investment Management: Key figures

	1Q2012	4Q2011	1Q2011
Operating result (in EUR million)	45	53	45
of which Europe & Asia	27	28	28
of which US	18	25	17
Assets under Management (in EUR billion)	327.2	321.7	303.7
of which Proprietary	150.1	153.0	136.9
of which Retail	85.2	78.8	83.1
of which Institutional	92.0	89.9	83.8
Net inflow (in EUR billion)	2.1	-0.8	3.9
Fees and premium based revenues / average AUM (annualised in bps)	27	27	28
Administrative expenses / operating income	79.2%	75.3%	78.9%

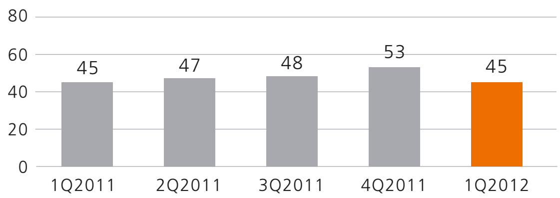
Assets under management (AuM) at ING Investment Management (ING IM) increased to EUR 327.2 billion from EUR 321.7 billion at the end of the 2011. The EUR 5.5 billion increase was the result of positive market performance (EUR 8.3 billion) and positive net flows (EUR 2.1 billion), partly offset by negative currency impacts (EUR -4.8 billion). The positive net flows were mainly driven by inflows from retail clients in the US.

ING IM: AuM BY REGION



The operating result remained flat at EUR 45 million compared with the first quarter of 2011 as higher administrative expenses, resulting from currency effects, were fully offset by higher fee income, also the result of currency effects. Compared with the fourth quarter of 2011, the operating result decreased by EUR 8 million from EUR 53 million. This decrease was attributable to higher administrative expenses, which more than offset the higher fee income.

OPERATING RESULT - ING IM (in EUR million)



Fees and premium-based revenues increased to EUR 220 million from EUR 217 million in the first quarter of 2011, fully attributable to positive currency effects. On a constant currency basis, fees and premium-based revenues declined by EUR 1 million, as the impact of growth in AuM was offset by a shift from equity to fixed income assets where average fees are lower. In the first quarter of 2012, the annualised ratio of fees to average AuM declined to 27 basis points, compared to 28 basis points in the first quarter of 2011. Fees and premium-based revenues increased 3.3% from EUR 213 million in the fourth quarter of 2011, driven by higher AuM balances and positive currency effects. The annualised ratio of fees to average AuM remained flat at 27 basis points compared with the fourth quarter of 2011.

The increase in administrative expenses, from EUR 172 million in the first quarter of 2011 to EUR 175 million in the current quarter, was fully attributable to currency effects. On a constant currency basis, administrative expenses fell 0.6% reflecting strong cost control. Compared with the previous quarter, expenses increased 8.0%, or 6.1% excluding currency effects, due entirely to a EUR 11 million non-recurring expense release in the US in the fourth quarter of 2011.

The underlying result before tax declined to EUR 49 million from EUR 54 million in the first quarter of 2011. This decline was mainly attributable to EUR 5 million of realised gains on the sale of seed capital investments in Europe in the first quarter of 2011. Compared with the fourth quarter of 2011, the underlying result before tax was EUR 2 million higher. The lower operating result in the current quarter was more than outweighted by an improvement in revaluations of US private equity investments, which were EUR -6 million in the fourth quarter of 2011 and EUR 4 million in the current quarter.

CORPORATE LINE INSURANCE

Corporate Line Insurance		
in EUR million	1Q2012	1Q2011
Interest on hybrids and debt	-80	-104
Amortisation intangible assets	-2	-5
Investment income & fees (ING Insurance holding)	-5	7
Capital Management	-88	-102
Results from reinsurance run-off portfolios	0	0
Other	-8	-34
Operating result	**-96**	**-135**
Gains/losses and impairments	4	3
Revaluations	-13	27
Market and other impacts	-29	2
Underlying result before tax	**-134**	**-104**

The Corporate Line Insurance operating result improved to EUR -96 million from EUR -135 million in the first quarter of 2011. The Corporate Line Insurance mainly consists of items related to Capital Management and other insurance results. Corporate Line Insurance also includes ING Life Japan's SPVA guaranteed benefits (which are reinsured to ING Reinsurance) and the associated hedges that correspond to those benefits.

The result of Capital Management activities improved to EUR -88 million in the first quarter of 2012 from EUR -102 million in the first quarter of 2011. Interest on hybrids and debt improved as the coupon on the EUR 1,250 million hybrid of ING Verzekeringen N.V. changed from fixed to floating as of June 2011. In addition, there were improvements in the result following termination of interest rate swaps, which converted floating rates to fixed rates, near the end of the second quarter of 2011.

The 'Other' result of EUR -8 million improved from EUR -34 million in the first quarter of 2011. The improvement was driven by an increase in the result of ING's share in the Brazilian insurer Sul America to EUR 36 million in the current quarter versus EUR 27 million in the first quarter of 2011, as well as positive results on a liability reinsurance contract and improved investment results at ING Reinsurance.

Revaluations amounted to EUR -13 million this quarter versus EUR 27 million in the first quarter of 2011. This line reflects the changes in the market value of interest and currency-related derivative positions. Market and other impacts of EUR -29 million decreased from EUR 2 million in the first quarter of 2011 due to lower results from the internally reinsured Japanese SPVA guaranteed benefits.

CONSOLIDATED BALANCE SHEET

ING Verzekeringen N.V.: Consolidated balance sheet

in EUR million	31 Mar. 12	31 Dec. 11	31 Mar. 11 pro forma[1]
Assets			
Cash and balances with central banks	12,172	11,577	7,364
Financial assets at fair value through P&L	130,796	126,873	122,160
- trading assets	553	534	619
- Non-trading derivatives	6,018	7,285	3,236
- Investments for risk of policyholders	121,593	116,438	115,946
- other	2,632	2,616	2,361
Investments	132,870	133,604	119,259
- debt securities available-for-sale	126,163	126,765	112,183
- equity securities available-for-sale[2]	6,707	6,839	7,076
Loans and advances to customers	30,080	32,928	30,025
Reinsurance contracts	5,632	5,870	5,542
Investments in associates[2]	1,477	1,526	2,473
Real estate investments	902	954	960
Property and equipment	442	469	464
Intangible assets	1,950	1,972	2,332
Deferred acquisition costs	10,054	10,204	10,116
Other assets	9,552	9,410	10,084
Total assets excl. assets held for sale	**335,927**	**335,387**	**310,777**
Assets held for sale			3,259
Total assets	**335,927**	**335,387**	**314,036**

in EUR million	31 Mar. 12	31 Dec. 11	31 Mar. 11 pro forma[1]
Equity			
Shareholders' equity	23,531	23,475	18,955
Minority interests	84	62	124
Total equity	**23,615**	**23,537**	**19,079**
Liabilities			
Subordinated loans	4,173	4,367	4,295
Debt securities in issue	3,425	3,436	3,901
Other borrowed funds	6,849	7,307	7,686
Insurance and investment contracts	281,554	278,833	262,461
- life insurance provisions	150,193	152,506	136,032
- non-life insurance provisions	3,921	3,506	3,913
- provision for risk of policyholders	121,612	116,563	116,448
- other	5,828	6,259	6,067
Financial liabilities at fair value through P&L	4,526	4,404	3,396
- non-trading derivatives	4,526	4,404	3,396
Other liabilities	11,785	13,503	11,529
Total liabilities excl. liabilities held for sale	**312,312**	**311,850**	**293,268**
Liabilities held for sale			1,689
Total liabilities	**312,312**	**311,850**	**294,957**
Total equity and liabilities	**335,927**	**335,387**	**314,036**

1) Adjusted for transfer of ING Latin America to assets/liabilities held for sale
2) Certain real estate funds have been reclassified from investments in associates to equity securities available-for-sale, as a result of the sale of ING Real Estate Investment Management in 2011.

ING Insurance's balance sheet increased by EUR 7.1 billion excluding currency effects. This was mainly due to an increase of Investments for risk of policyholders, which is mirrored in the provision for risk of policyholders.

Assets

At comparable exchange rates, Financial assets at fair value through P&L increased by EUR 7.5 billion, mainly driven by positive revaluations of Investments for risk of policyholders. These positive revaluations are reflected in the provision for risk of policyholders on the liability side of the balance sheet.

Debt securities available-for-sale increased by EUR 1.9 billion, excluding currency effects, due to EUR 1.3 billion of additional investments and EUR 0.6 billion of positive revaluations.

Loans and advances to customers decreased by EUR 2.6 billion, excluding currency effects, due to a decline in deposits of EUR 2.4 billion with ING Bank, of which EUR 1 billion was due to a shift to short-term deposits.

Liabilities

Insurance and investment contracts increased by EUR 9.1 billion to EUR 281.6 billion, excluding currency effects. This was mainly reflected a EUR 8.7 billion increase in the provision for risk of policyholders, which mirrored the movement in the investments for risk of policyholders.

Shareholders' equity

Shareholders' equity remained stable compared to the fourth quarter of 2011. A net increase of EUR 0.5 billion as a result of positive revaluations on the investment portfolio was offset by EUR 0.4 billion in exchange rate differences and a EUR 0.1 billion negative result.

Compared to the first quarter of 2011 Shareholders' equity increased by EUR 4.6 billion due to EUR 3.2 billion positive revaluations on the investment portfolio, EUR 0.6 billion exchange rate differences and EUR 0.8 billion net profit development

RISK MANAGEMENT

ING Insurance continued to take a conservative approach amid volatile market circumstances in the first quarter. Selective de-risking measures were taken, including sales of equity securities, financial institution bonds and Portuguese government bonds. Protecting regulatory capital remains a priority over the mitigation of P&L volatility. The sensitivity of earnings to market movements remains significant, but has markedly improved from year-end 2011, driven in large part by a positive development in the US Closed Block VA reserve adequacy position.

Credit risk

ING Insurance: General account

In EUR billion	1Q2012	4Q2011
Government bonds	55.6	54.7
Corporate bonds	44.3	45.3
Covered bonds	1.2	1.1
Financial institutions	11.7	11.7
RMBS and other ABS	15.8	16.4
- US agency RMBS	5.1	5.4
- US prime RMBS	1.3	1.4
- US Alt-A RMBS	0.3	0.3
- US subprime RMBS	0.7	0.8
- Non-US RMBS	4.9	5.0
- CDO/CLO	0.7	0.7
- Other ABS	2.9	2.8
CMBS	4.4	4.6
Public equities	3.0	3.2
Real estate equities[1]	1.5	1.5
Other equities	2.2	2.1
Real estate[2]	1.8	1.9
Cash	12.2	11.6
Mortgages	14.1	14.1
Other loans	9.4	12.2
Other	8.9	10.1
Total	186.2	190.5

1) Certain real estate funds have been reclassified from 'real estate' to 'real estate equity', as a result of the sale of ING Real Estate Investment Management in 2011.
2) EUR 0.3 billion property in own use is no longer reflected in the Credit Risk table.

The general account decreased by EUR 4.3 billion, due primarily to the depreciation of the US dollar and the Japanese yen.

'Government bonds' increased by EUR 0.9 billion, mainly due to investments in German, Austrian, Belgian, Finnish and Korean bonds (EUR 1.8 billion). This increase was partly offset by a EUR 0.9 billion reduction in US government bonds.

'Corporate bonds' decreased, mainly due to the appreciation of the euro against the US dollar.

'Financial institutions' exposure remained flat as selective sales of financial institutions bonds were offset by the purchase of senior and covered financial institutions bonds and positive revaluations in the Benelux. In the US, bond prices remained relatively stable.

'RMBS and other ABS' decreased by EUR 0.6 billion. The main reasons were EUR 0.3 billion sales and the appreciation of the euro against the US dollar.

'CMBS' decreased by EUR 0.2 billion, mainly due to sales, while the impact of the depreciation of the US dollar against the euro was offset by higher market values.

'Public equities' decreased by EUR 0.2 billion, as EUR 0.3 billion reduction within the Benelux was only partially offset by positive revaluations.

'Cash' increased from EUR 11.6 billion to EUR 12.2 billion, reflecting a shift from 'other loans' of EUR 1.0 billion, offset by reduced collateral positions.

'Other loans' decreased by EUR 2.8 billion. This was mainly due to a EUR 2.4 billion decrease in deposits with ING Bank, of which EUR 1.0 billion is due to a shift to shorter-term deposits, which are reflected in 'Cash'.

The 'Other' category is predominantly composed of derivatives. The EUR 1.2 billion decrease is related to embedded mark-to-market movements in equity, foreign exchange and interest rate derivatives, which are used for hedging purposes.

Greece, Italy, Ireland, Portugal and Spain

Greece, Italy, Ireland, Portugal and Spain have either applied for support from the European Financial Stability Fund ('EFSF') or received support from the ECB via government bond purchases in the secondary market. At 31 March 2012, ING Bank's balance sheet value of Government bonds, unsecured Financial institutions' bonds, Asset-backed Securities, Corporate bonds and Covered bonds to Greece, Italy, Ireland, Portugal and Spain and the related pre-tax revaluation reserve in equity was as follows:

ING Insurance: Greece, Italy, Ireland, Portugal and Spain				
All amounts in EUR million	31-Mar-12		31-Dec-11	
	Balance Sheet value	Pre-tax revaluation reserve	Balance Sheet value	Pre-tax revaluation reserve
Greece				
Government bonds	26	-1	104	
Corporate bonds	6		6	
Italy				
Government bonds	1,294	-62	1,207	-219
Financial Institutions	134	-10	135	-47
Asset-backed Securities	486	-3	533	-5
Corporate bonds	916	34	916	-6
Covered bonds	18		22	-1
Ireland				
Government bonds	48	-6	43	-10
Asset-backed Securities	178		187	
Corporate bonds	440	29	462	27
Covered bonds	10		9	-1
Portugal				
Government bonds	33	-31	95	-88
Financial Institutions	59	-5	47	-17
Asset-backed Securities	281		282	
Corporate bonds	101	-20	102	-30
Spain				
Government bonds	852	-126	866	-118
Financial Institutions	167	-19	182	-32
Asset-backed Securities	342		350	
Corporate bonds	541	14	623	3
Covered bonds	645	-40	619	-66
Total	**6,577**	**-246**	**6,790**	**-610**

Of the total 31 March 2012 balance sheet value of EUR 6,577 million debt securities, EUR 1,230 million was reported at amortised cost and EUR 5,347 million was reported as available for sale.

In March 2012, the agreement under the Private Sector Initiative ('PSI') to exchange Greek Government bonds into new instruments was executed. Under this exchange, ING received new listed Greek Government bonds, listed European Financial Stability Facility ("EFSF") notes and Listed GDP-linked securities issued by Greece. Furthermore, ING received listed Short-term EFSF notes in discharge of all unpaid interest. All exchanged bonds were derecognised and the new instruments were recognised at their fair value as available for sale investments, except for the GDP-linked securities which are classified as derivatives. The exchange resulted in a loss of EUR 7 million in the first quarter of 2012, being the difference between amortised cost (net of cumulative impairments) of the exchanged bonds and the fair value of the new instruments at the time of the exchange.

Market risk

The sharp decrease in the sensitivity of earnings to rising interest rates was driven by the improvement in the reserve adequacy of the US Closed Block VA during the quarter. The decrease in the sensitivity of earnings to falling interest rates reflects a variety of changes including a smaller parallel shock for euro denominated interest rates and modelling refinements in various regions.

Earnings sensitivities for market risks (full-year impact)		
In EUR million	1Q2012	4Q2011
Interest Rates +30%[1]	-145	-483[2]
Interest Rates -30%[1]	105	168[2]
Equity -25%	806	-277[2]
Equity +25%	-687	-811
Implied Volatility (interest rates +30%, equity 1-3yr +30%)	-128	-116[2]
Real Estate -15%	-762	-782
Foreign Exchange -10%	-169	-155

1) Parallel shock based on 30% move in 10 year swap rate; US uses a shock of 100 bps;
2) Interest rate and equity implied volatility is taken out of interest rate and equity sensitivities and are shown in a separate line.

Equity sensitivities are mainly driven by the US Closed Block VA business and Japanese SPVA guaranteed benefits (reflected in the Corporate Line) with smaller, offsetting impacts in the Benelux and Insurance US. The variable annuity businesses tend to produce counterintuitive gains in falling equity markets and losses in rising equity markets due to a focus on protecting regulatory capital rather than mitigating earnings volatility. The change in the sensitivity to falling equity markets during the quarter was driven by the improvement in the reserve adequacy of the US Closed Block VA.

Insurance and other risks

Insurance risks such as mortality, longevity, morbidity and P&C claims result from the pricing and acceptance of insurance contracts.

Through scenario analysis, ING Insurance measures the sensitivity of pre-tax earnings of the insurance operations to an adverse change of the insurance risk factors over a one-year period.

Earnings sensitivities in this section are defined on a shock scenario at the 90% confidence level on pre-tax IFRS-EU earnings, projected one year forward from the calculation date.

Earnings sensitivities for Insurance risks (full-year impact)		
In EUR million	1Q2012	4Q2011
Mortality	-41	-43
Morbidity	-144	-144
P&C	-77	-76

The sensitivities present figures after diversification between the different insurance risks and after diversification across business units. The largest earnings sensitivity to mortality risk arises in Asia/Pacific, with slightly smaller contributions in the other regions. Earnings sensitivity to morbidity risk (sickness, disability, accidental death, workers' compensation, medical insurance and long-term care insurance) is also present in all regions, with the largest contribution from the Benelux. The results reported on morbidity products in the Netherlands are within our 90% confidence interval. The earnings sensitivity for P&C risk is mainly concentrated in the Benelux. The overall exposure to insurance risks did not change significantly during the first quarter of 2012.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

ING Group: Consolidated profit and loss account

	Total Group[1]		Total Banking		Total Insurance	
in EUR million	1Q2012	1Q2011[2]	1Q2012	1Q2011[2]	1Q2012	1Q2011[2]
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
Total underlying income	**11,688**	**13,750**	**3,801**	**4,037**	**7,923**	**9,809**
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 provision	441	242	441	242		
Other	6	5			6	5
Total underlying expenditure	**10,580**	**11,789**	**2,675**	**2,504**	**7,941**	**9,381**
Underlying result before tax	**1,108**	**1,961**	**1,126**	**1,533**	**-18**	**428**
Taxation	360	574	353	428	7	146
Minority interests	43	33	27	24	16	9
Underlying net result	**705**	**1,354**	**746**	**1,081**	**-41**	**274**
Net gains/losses on divestments	489	11	489	11		
Net result from divested units		105		108		-3
Net result from discontinued operations		28				28
Special items after tax	-515	-117	-404	-53	-111	-64
Net result	**680**	**1,381**	**831**	**1,147**	**-152**	**234**

ING Group: Consolidated profit and loss account

	Total Group[1]		Total Banking		Total Insurance	
in EUR million	1Q2012	4Q2011[2]	1Q2012	4Q2011[2]	1Q2012	4Q2011[2]
Gross premium income	8,248	6,463			8,248	6,463
Interest result Banking operations	3,042	3,058	3,052	3,114		
Commission income	903	859	546	485	357	374
Total investment & other income	-504	824	204	-202	-682	1,008
Total underlying income	**11,688**	**11,204**	**3,801**	**3,398**	**7,923**	**7,844**
Underwriting expenditure	6,777	8,025			6,777	8,025
Staff expenses	1,850	1,725	1,301	1,239	549	486
Other expenses	1,301	1,384	865	908	437	476
Intangibles amortisation and impairments	69	122	69	122		
Operating expenses	3,220	3,230	2,235	2,269	986	962
Interest expenses Insurance operations	136	161			172	199
Addition to loan loss provision	441	447	441	447		
Other	6	7			6	7
Total underlying expenditure	**10,580**	**11,870**	**2,675**	**2,716**	**7,941**	**9,192**
Underlying result before tax	**1,108**	**-666**	**1,126**	**682**	**-18**	**-1,348**
Taxation	360	-103	353	158	7	-261
Minority interests	43	30	27	22	16	8
Underlying net result	**705**	**-594**	**746**	**501**	**-41**	**-1,095**
Net gains/losses on divestments	489	1,288	489	265		1,023
Net result from divested units		59		58		
Net result from discontinued operations		29				29
Special items after tax	-515	403	-404	428	-111	-25
Net result	**680**	**1,186**	**831**	**1,253**	**-152**	**-68**

1 Including intercompany eliminations
2 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".

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.

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