Fourth Quarter 2011 Results

ING Full-Year 2011 underlying net profit increased to EUR 3,675 million

Jan Hommen
CEO

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www.ing.com

BANKING - INVESTMENTS - LIFE INSURANCE - RETIREMENT SERVICES

ING Group posts higher full-year 2011 results despite challenging environment in 4Q11

ING Group 2011 underlying net profit rises 15.1% despite challenging environment in 4Q11

- FY 2011 net profit was EUR 5,766 mln, or EUR 1.52 per share, including divestments and special items

Priority in 4Q11 was de-risking and capital preservation as sovereign debt crisis deepened

- Group posted 4Q underlying net loss of EUR 516 mln, reflecting impact of de-risking, impairments, negative hedge results and VA assumption change
- Group 4Q net profit was EUR 1,186 mln, including gains on divestments and special items

Bank underlying pre-tax result amounts to EUR 793 mln in 4Q11

- Underlying pre-tax result included EUR 301 mln of impairments and EUR 109 mln in losses from de-risking
- Net interest margin rose 5 bps from 3Q11 to 142 bps, primarily due to higher Financial Markets results
- Risk costs rose to EUR 530 mln, driven by higher additions for the SME/MidCorp segment in the Benelux
- Core Tier 1 ratio stable at 9.6% despite EUR 9 bln RWA increase as a result of CRD III implementation

Insurance underlying loss before tax was EUR 1,348 mln in 4Q11

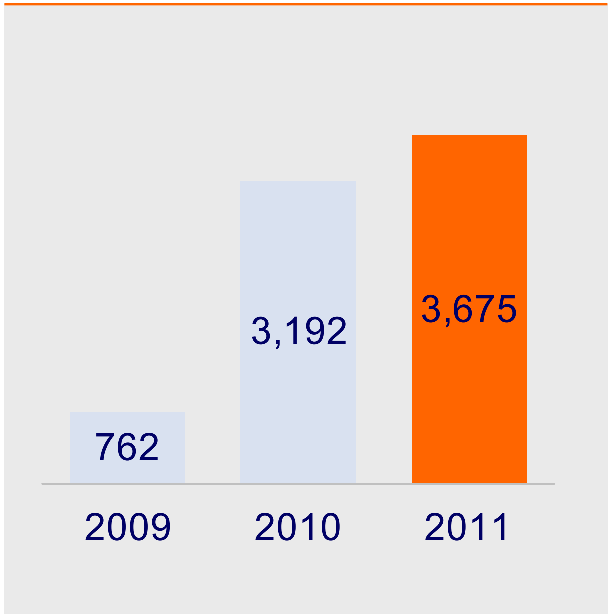
- Underlying loss included EUR 1,099 mln charge for the US Closed Block VA assumption changes
- Results also include EUR 348 mln in losses on hedges in place to protect regulatory capital, and EUR 131 mln of impairments as well as EUR 179 mln gains as a result of de-risking
- Operating result increased 20.4% from a year earlier to EUR 478 mln, supported by a higher investment spread and strong cost control

Full year 2011 underlying net profit rose 15.1% to EUR 3,675 mln

Underlying pre-tax result Bank (in EUR mln)

Underlying pre-tax result Insurance (in EUR mln)

Underlying net result ING Group (in EUR mln)



- Bank 2011 underlying pre-tax result included Greek re-impairments of EUR 588 mln and losses related to selective de-risking at ING Direct of EUR 181 mln
- Bank 2010 underlying pre-tax result included EUR 275 mln of gains on the sale of 2 Asian equity stakes
- Insurance 2011 underlying pre-tax result included Greek re-impairments of EUR 390 mln and a EUR 1,099 mln charge for US Closed Block VA assumption changes

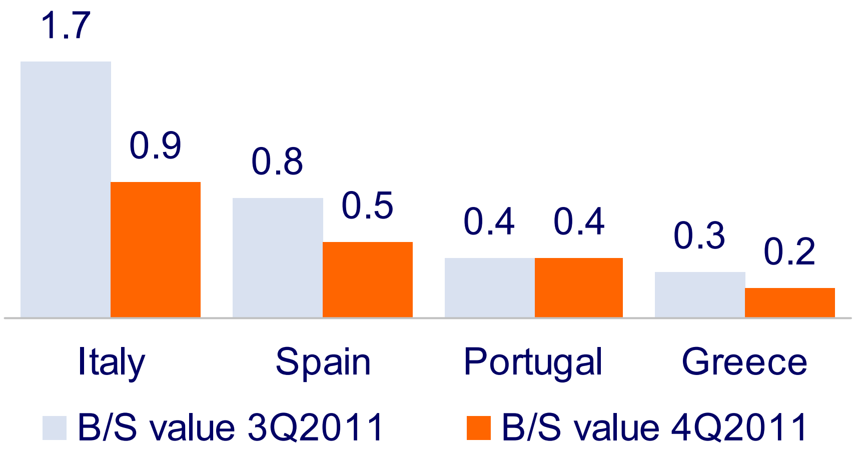
Fourth quarter 2011 results impacted by impairments and de-risking

	Bank			Insurance			Group		
	4Q11	4Q10	% Change	4Q11	4Q10*	% Change	4Q11	4Q10*	% Change
Reported underlying result before tax	793	1,428	-44.5%	-1,348	-873	n.a.	-555	554	-200.2%
Impairments									
Greek government bonds	-133			-66			-199		
Other impairments	-168	-85		-65	-4		-233	-89	
De-risking									
Realised gains/losses on de-risking	-109			179			70		
Hedging to protect regulatory capital									
Insurance				-348			-348		
Other									
Gains on equity stake (Fubon)		189						189	
US Closed block VA charge				-1,099	-975		-1,099	-975	
Separate account pension contracts				-207	-150		-207	-150	
Other	86	-15		-220	-141		-134	-156	
Adjusted underlying result before tax**	1,117	1,339	-16.6%	478	397	20.4%	1,595	1,736	-8.1%
Addition to Loan Loss provision	530	410							
Adjusted gross result	1,647	1,749	-5.8%						

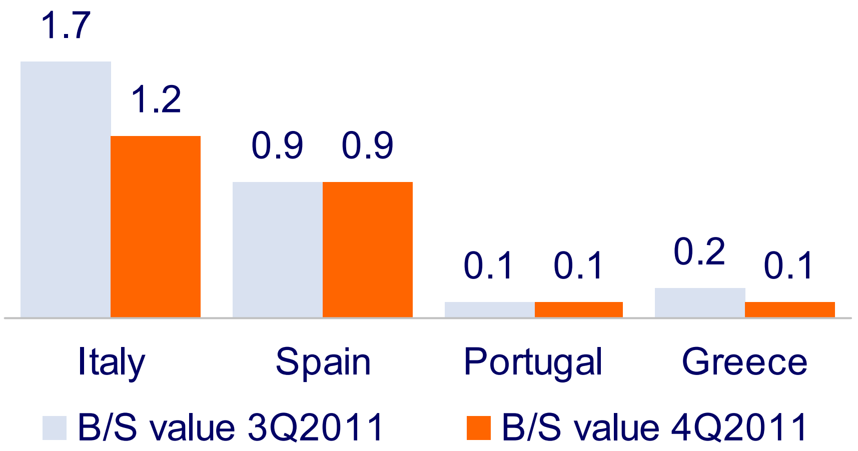
* The figures of this period have been restated to reflect the change in accounting policy, i.e., the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011.
** Is equal to Insurance operating result.

Government bond exposure to southern Europe substantially reduced

Bank: Government bond exposure (in EUR bln)*, **



Insurance: Government bond exposure (in EUR bln)*, **

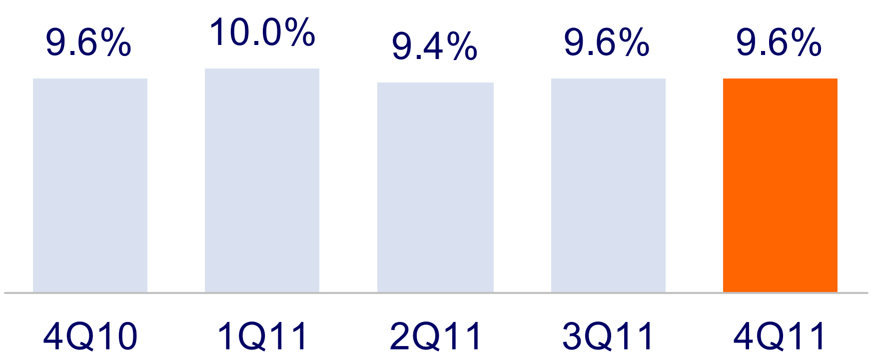


- Greek government bonds of all maturities re-impaired to the 31 December 2011 market value, which represents a write-down of approximately 80%
- Pre-tax impairment in 4Q11 on Greek government bonds of EUR 133 mln for Bank and EUR 66 mln for Insurance, bringing the total impairments on Greek government bonds to EUR 588 mln for the Bank and EUR 390 mln for Insurance
- Government bond exposure to Greece, Italy, Ireland, Portugal and Spain reduced by EUR 1.8 bln in 4Q11.

* Bank has no government bond exposure to Ireland. Insurance exposure to Ireland amounted to EUR 43 mln (B/S value) at the end of 4Q11
** All AFS, except for Bank exposure to Italy (EUR 0.8 bln AFS and EUR 0.1 bln at amortised costs on 31 Dec 2011) and Spain (EUR 0.3 bln AFS and EUR 0.2 bln at amortised costs at 31 Dec 2011).

All capital ratios remained stable in 4Q11

ING Bank core Tier 1 ratio

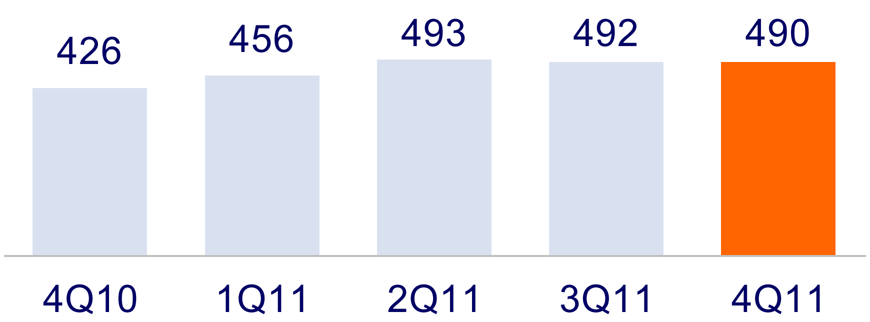


ING Insurance Solvency I ratio* (in %)

All capital ratios remain strong

- The core tier 1 ratio remained stable at 9.6% versus 4Q10 as the State repayment of EUR 3 bln and EUR 9 bln RWA impact of CRD III was offset by retained earnings including divestments
- Solvency 1 ratio at 225%, slightly down from 4Q10 and stable versus 3Q11
- RBC ratio at 490%, up from 4Q10 and stable versus 3Q11

Regulatory capital US operating companies** (RBC in %)



* In the fourth quarter of 2011, several changes have been made in the calculation of the IGD ratio. The comparative IGD numbers have been adjusted
** ING's US domiciled regulated insurance business: 4Q11 RBC ratio is preliminary and subject to change.

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ING is making good progress on EC restructuring

Delivering on EC restructuring

	Action
• Sell ING Direct USA	✓ Announced
• Sell Insurance Latin America*	✓ Completed
• Insurance/IM US	Base case IPO
• Insurance/IM Europe	Standalone future
• Insurance/IM Asia	Exploring options
• Divesting WestlandUtrecht Bank	Operationally split; exploring further options

Further streamlining

	Action
• Sell ING Real Estate Investment Management (REIM)	✓ Completed
• Sell ING Car Lease	✓ Completed

Separation and preparation for the Insurance divestment

- Bank and Insurance/IM operationally split at the end of 2010 and operational disentanglement of US and EurAsia Insurance/IM finalised at the end of 2011**
- Given uncertain economic outlook and turbulent financial markets, ING has decided to explore other options for Asian Insurance/IM businesses
- ING will continue preparations for a standalone future of the European Insurance/IM businesses, including the possibility of an IPO
- ING will continue to prepare for a base case of an IPO for US Insurance/IM businesses

Separation and preparation costs 2011 at the lower end of our expectations

- Costs related to the separation and preparation for the Insurance divestment were EUR 85 mln in 4Q11 and EUR 202 mln in FY 2011 after-tax
- Costs related to the separation and preparation Insurance divestment*** for 2012 are estimated to be at around EUR 150 mln after tax

* ING's Latin American pension, life insurance and investment management operations. Sul America is not included in this transaction
** Operational separation consists of a combination of end-state and a few remaining interim solutions, mainly IT related. ING will continue to seek to replace the remaining interim solutions with permanent solutions
*** Excluding rebranding

Next priorities: State repayment & reduction of Group Leverage

Progress 2011

- ✓ State Repayment: EUR 3 bln paid to the State in 2011. To date EUR 7 bln principal + EUR 2 bln coupons and exit premiums have been paid with a total return for the State of 17%
- ✓ Liability management transaction reduced hybrid securities by EUR 2.7 bln and resulted in a EUR 718 mln net gain, of which EUR 577 mln at Group level, which has reduced double leverage and can be used towards repaying the State

State Repayment

- Capital priorities for 2012 will continue with the State repayment and further reduce the leverage in the Group holding company
- ING remains committed to repaying the State as quickly as possible
- We aim to repay part of the remaining CT1 securities to the Dutch State this year, once we have received the proceeds from the sale of ING Direct USA, subject to economic circumstances and availability of capital
- Ideally we would like to complete the State repayment this year, however, given the ongoing crisis in the euro zone and increasing regulatory capital requirements, we need to take a cautious approach and maintain strong capital ratios in the Bank as we build towards Basel III

Liability management action and Latin American Insurance sale resulted in reduction of leverage

ING Group 31 Dec 2011

ING Bank	34	Equity	47
ING Insurance	23	CT1 securities	3
Hybrids[B]	7	Core Debt	**8**
Hybrids[I]	3	Hybrids	**9**
	67		67

Gain on Liability management transaction reduced core debt by EUR 0.5 bln to EUR 7.9 bln

Group Hybrids were reduced from EUR 12.0 bln to EUR 9.3 bln

ING Bank 31 Dec 2011

		Equity	34.4
RWA	330	Hybrids	6.9

ING Insurance 31 Dec 2011

Equity_S	33.3	Equity	23.5
		Hybrids (G)	**2.6**
		$\text{Debt}_{\text{Sub ord}}$	**1.8**
		Financial Debt	5.5
	33.3		33.3

Benelux	11.0	US	9.1
CRE	1.1	US VA	2.6
Asia/Pac.	5.8	CL/other **	2.7
ING IM *	1.0		

Total Financial leverage declined by EUR 1.2 bln in 4Q11 as proceeds from Latin American Insurance sale, partially off-set by capital injections into the subsidiaries

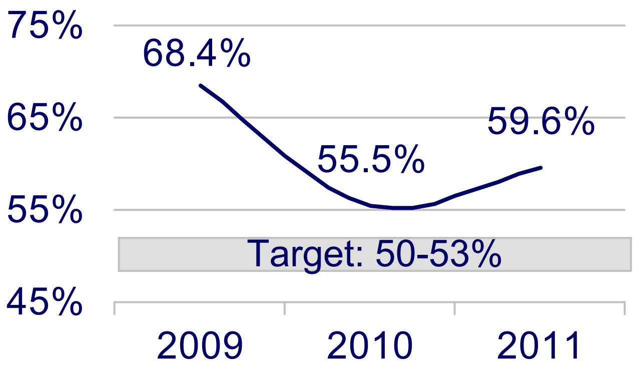
* Includes EUR 0.3 bln for IM Asia
** Includes Sul America EUR 0.4 bln, ING Re, DTA's and miscellaneous.

ING Bank

Bank made an underlying return on equity of 10.0% in 2011

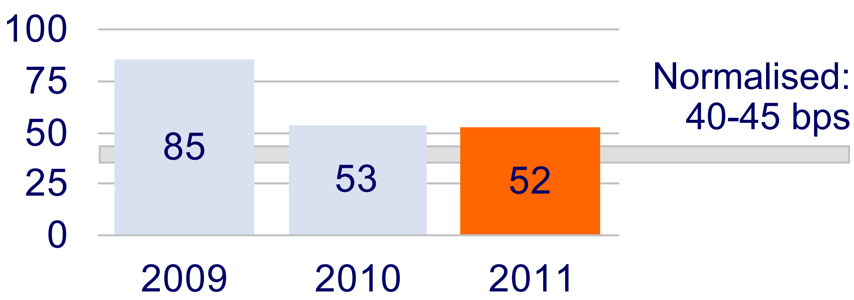
Underlying income (EUR bln)

Underlying cost/income ratio (%)

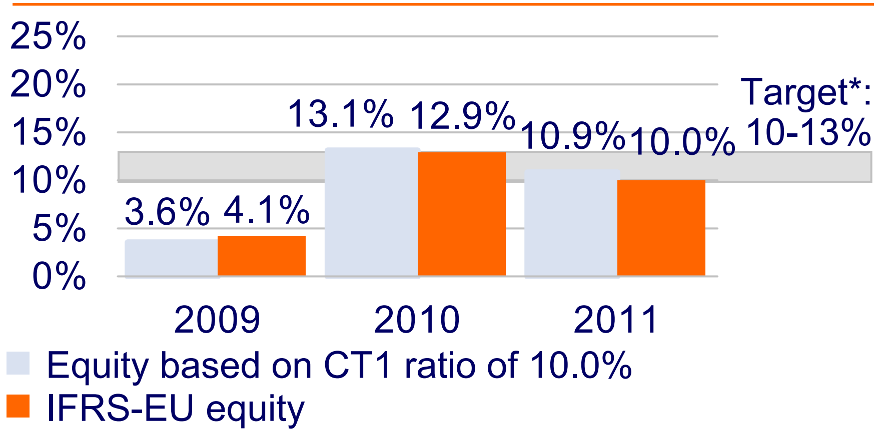


C/I ratio excl. market impacts was 55.4% in 2011

Underlying risk costs in bps of average RWA



RoE (YTD, %)



* Based on IFRS-EU equity

Fourth quarter 2011 results impacted by impairments and de-risking

Gross result

	4Q11	4Q10	% Change
Reported gross result	1,323	1,838	-28.0
Impairments			
Greek government bonds	-133		
Other debt and equity securities	-81	-30	
RED Development projects	-55	-55	
Goodwill impairment RED	-32		
De-risking			
Realised losses on de-risking ING Direct	-79		
Realised losses on de-risking RE Investments	-30		
Other			
Gains on equity stake (Fubon)		189	
Fair value change own tier 2 debt	39	-20	
Other market impacts	47	5	
Adjusted gross result	1,647	1,749	-5.8

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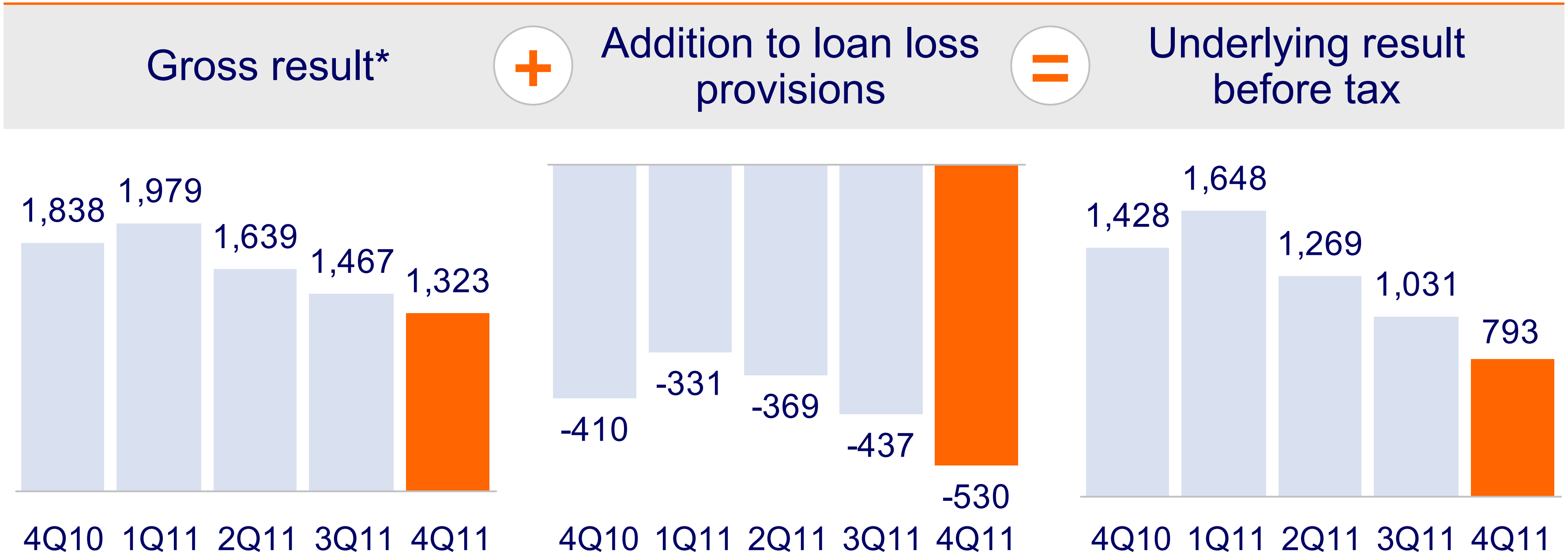
Bank result in the fourth quarter impacted by additional de-risking measures and higher risk costs

Bank results (in EUR mln)

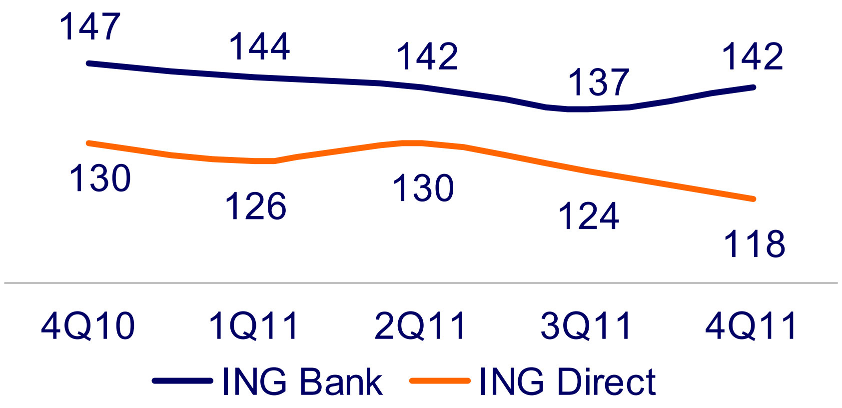


- Bank Q4 underlying pre-tax result came in at EUR 793 mln, including EUR 301 mln of impairments and EUR 109 mln in losses from de-risking
- Increase in risk costs mainly attributable to higher additions for SME/MidCorp segments

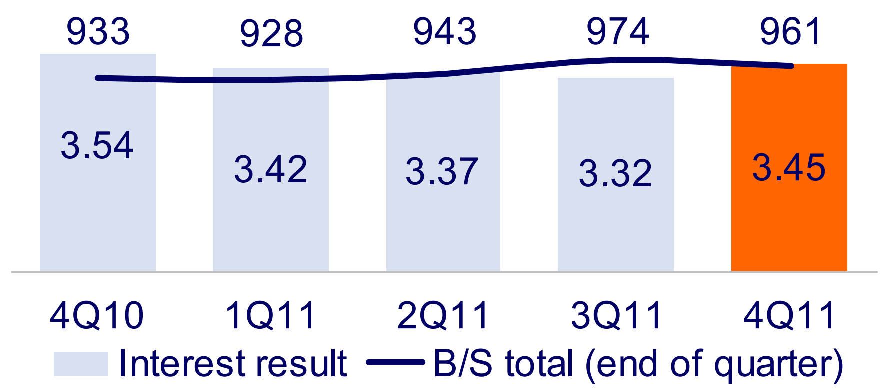
* Gross result = underlying income - underlying expenses

Net interest margin increased to 142 bps, mainly due to recovery of Financial Markets results

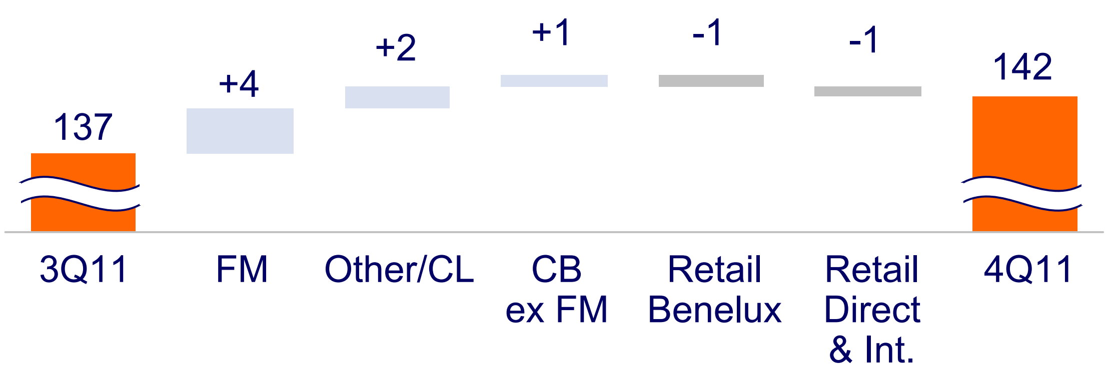
Interest margin by quarter* (in bps)



Interest result (in EUR bln)



Interest margin development (in bps)



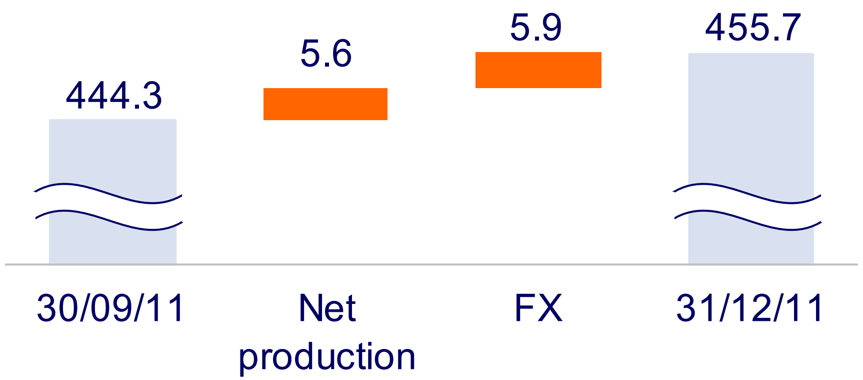
Interest result up versus 3Q11

- Strong increase in Financial Markets interest results
- In the Benelux, margins for savings under pressure, especially in NL, partly offset by higher margins on mortgages and business lending
- Margins ING Direct down due to increased competition

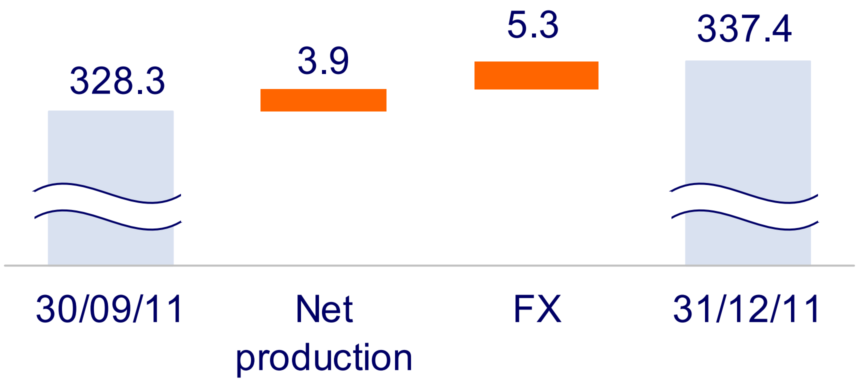
* Interest margin is defined as the Bank's total interest result divided by average total Bank assets

Funds Entrusted increased by EUR 8.1 bln in the fourth quarter

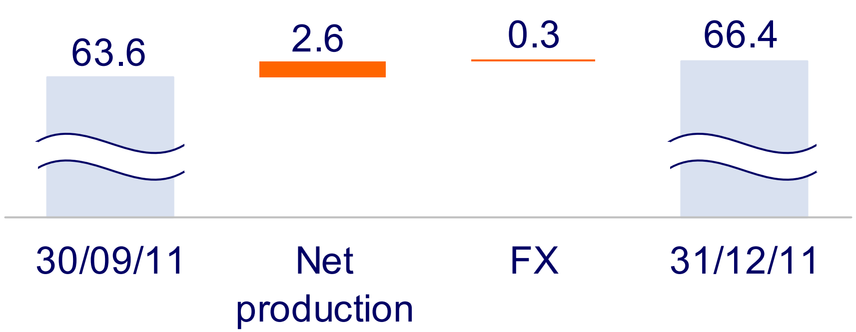
Funds entrusted Retail Bank (EUR bln)*



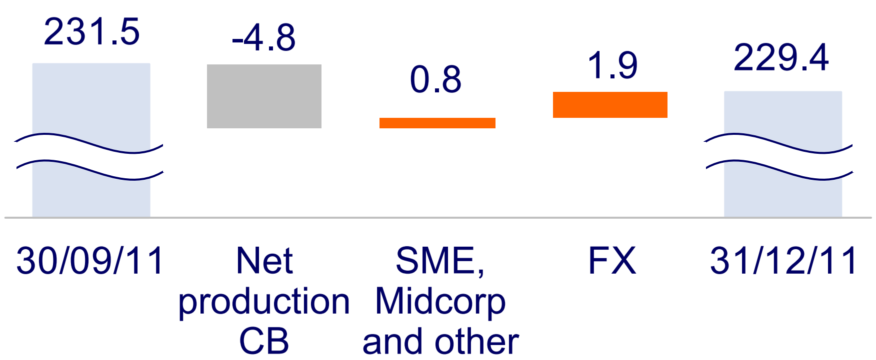
Residential mortgages (EUR bln)*



Funds entrusted Commercial Bank (EUR bln)



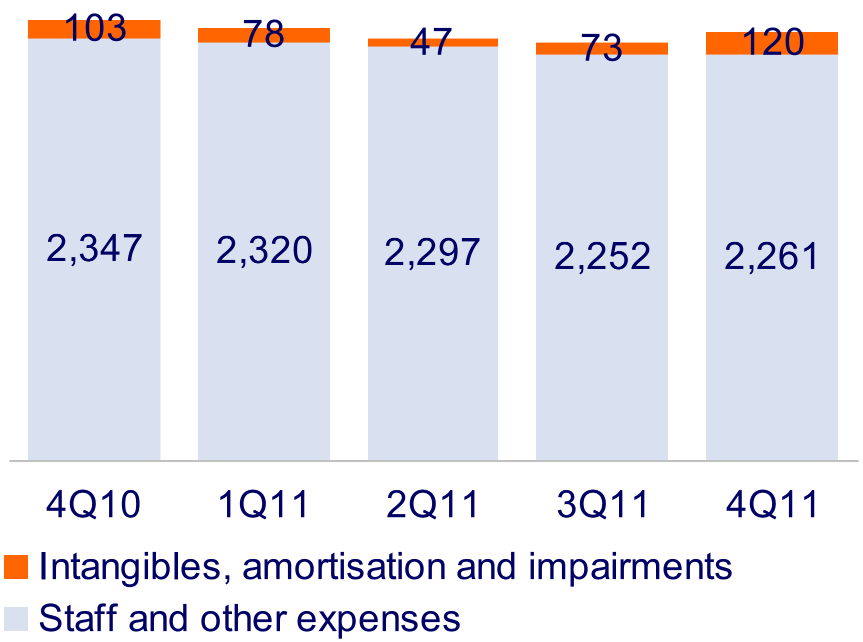
Corporate and other lending (EUR bln)*



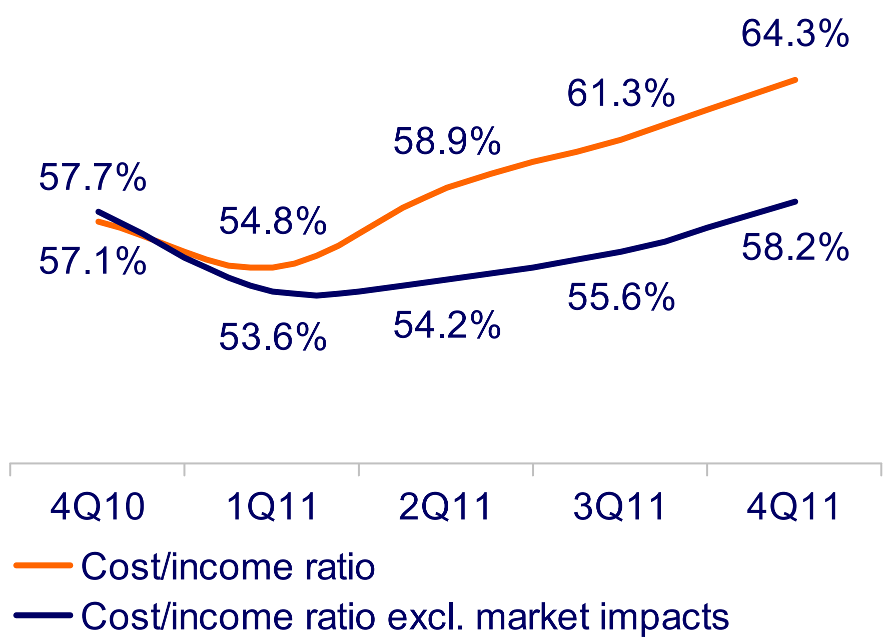
* Including ING Direct USA: at 31 December, residential mortgages (EUR 31.9 bln), other lending (EUR 0.1 bln) and funds entrusted (EUR 64.1 bln)

Expenses down from 4Q10, but up from 3Q11 on higher marketing costs and impairments of software and goodwill

Operating expenses (EUR mln)



Underlying cost/income ratio (%)



- Expenses decreased from 4Q10 as a result of ongoing cost control
- Expenses increased 2.4% from 3Q11 due to higher marketing costs resulting from year-end campaigns in several countries and impairments of goodwill and software
- Cost/income ratio, adjusted for market impacts, was 58.2% in 4Q11

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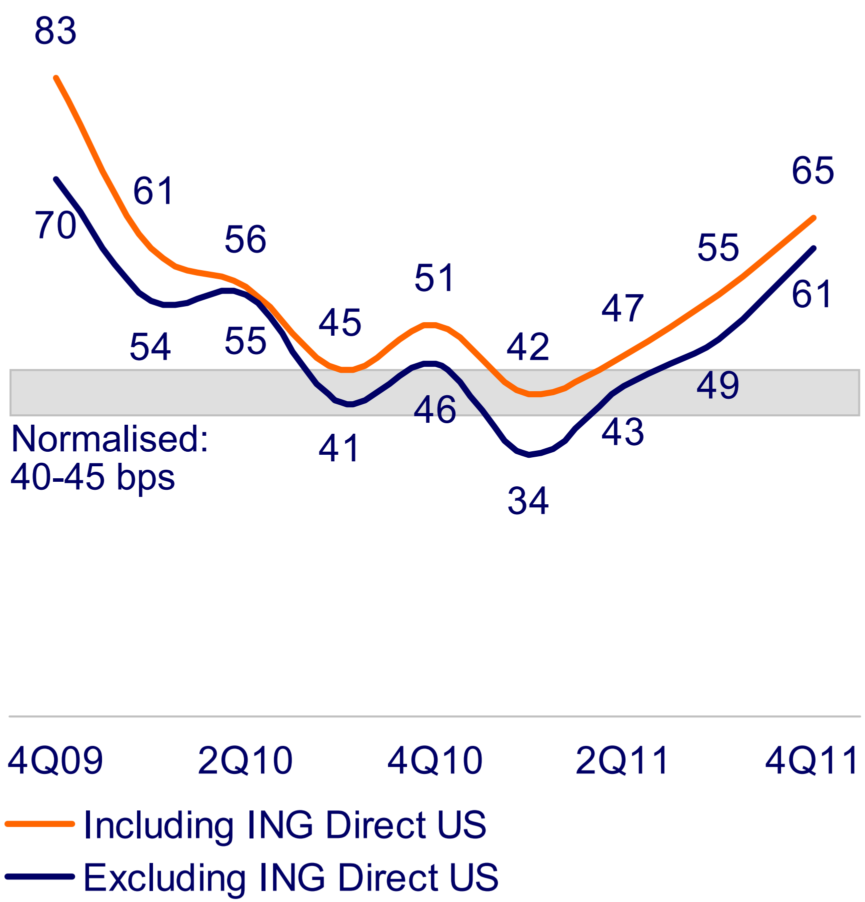
The weakening economic environment is becoming evident in higher risk costs

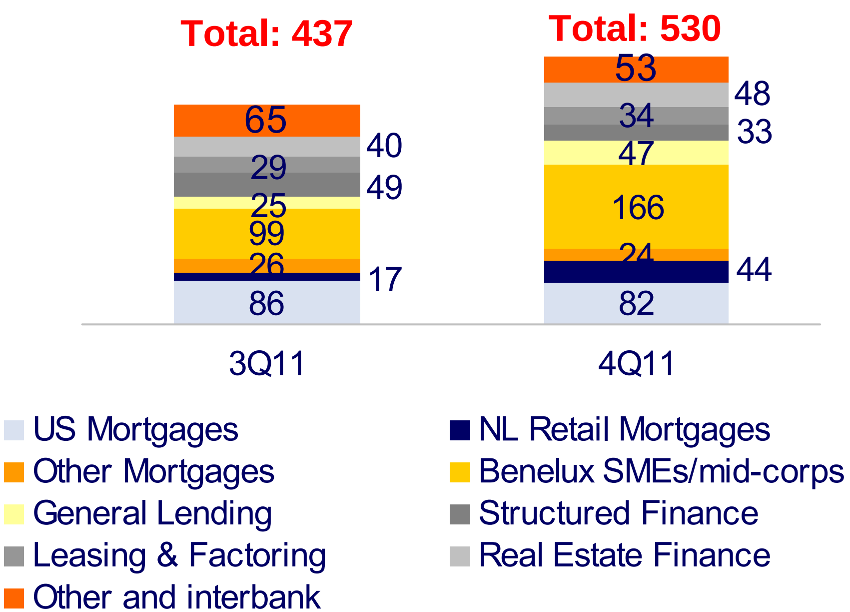
Additions to loan loss provisions (bps average RWA)



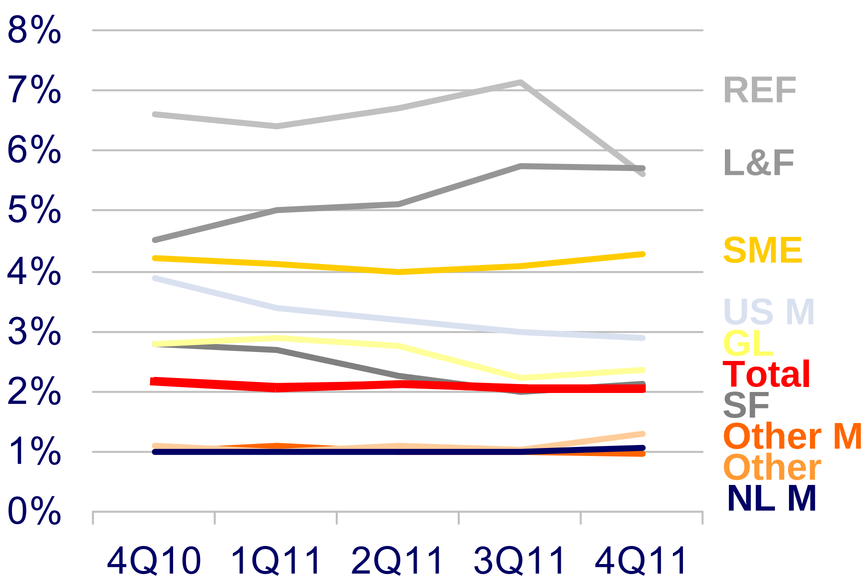
- Net addition to loan loss provisions of EUR 530 mln or 65 bps of average RWA in 4Q11
- Excluding ING Direct USA, net additions to loan losses were 61 bps in 4Q11
- Given the uncertain economic environment, we expect loan loss provisions to remain elevated at around these levels for the coming quarters

Non-performing loan ratio remained stable at 2.0%

Risk cost per segment (EUR mln)



NPLs: stable at 2.0%*

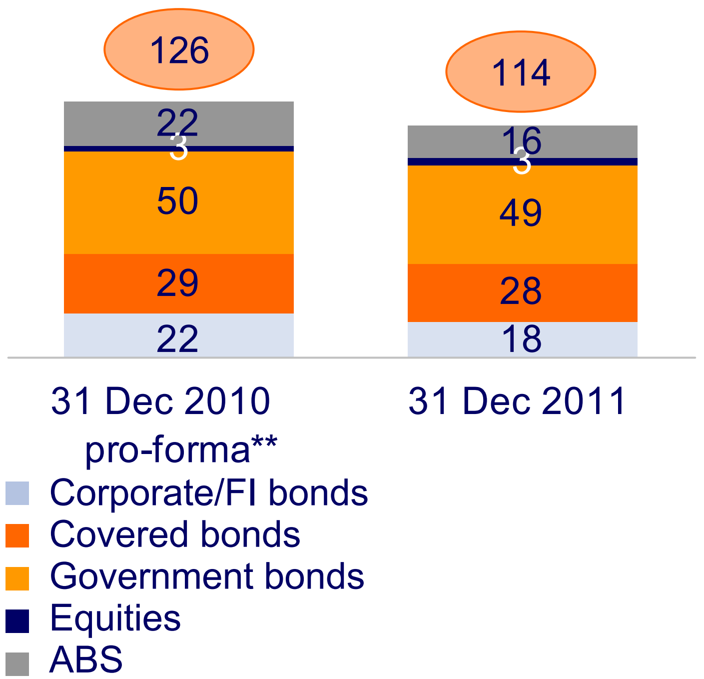


- Risk costs increased due to higher additions for the mid-corp and SME in the Benelux, some specific files in General lending as well as the Dutch mortgage portfolio
- NPL ratio stable at 2.0% with REF showing a relatively strong decline offset by a slightly higher NPL ratio for SMEs/Mid-Corporates, Structured Finance and General Lending

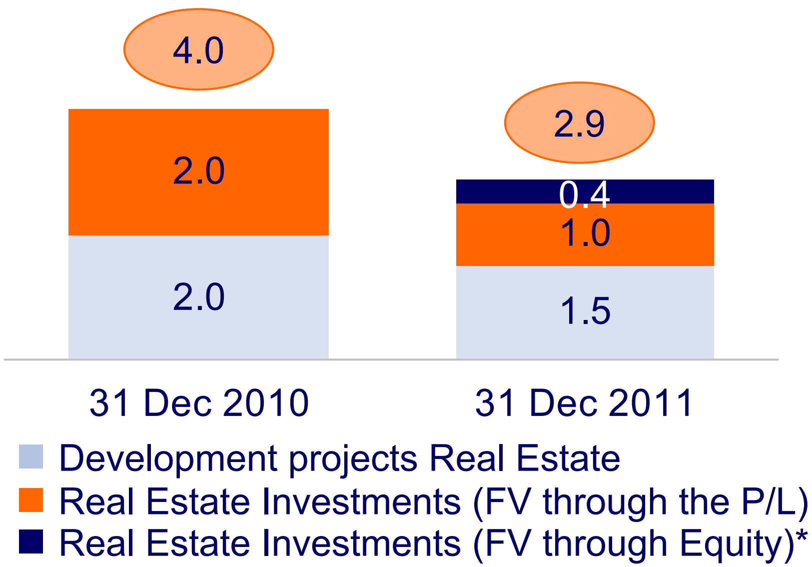
* NPLs = 90+ days delinquencies and loss expected

ING's de-risking of the balance sheet has continued

Total investments (in EUR bln)*



ING's Real estate exposure (EUR bln)



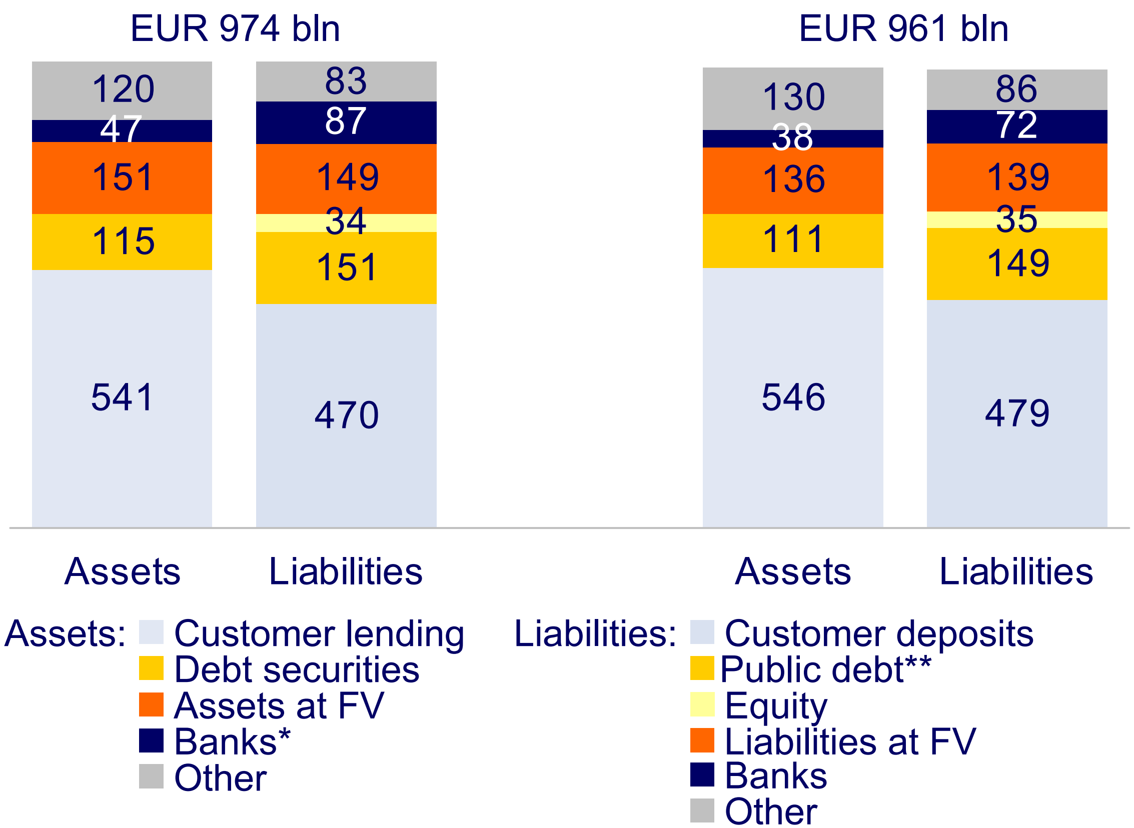
- Further decline of investment portfolio mainly due to decline in ABS securities, Financial Institution bonds and southern European government bonds
- Realised losses on selective de-risking at ING Direct amounted to EUR 79 mln in 4Q11 and EUR 181 mln in FY 2011

* Total investments includes securities in 'Amounts due from Banks' and 'Loans and advances' totalling EUR 30 billion as of 31 December 2011 and excludes Securities classified as assets held for sale

** Adjusted for transfer of ING Direct USA to assets held for sale

Quality of balance sheet improved in 4Q11

30 September 2011 **31 December 2011**



Optimisation

- Balance sheet reduction in 4Q11 mainly due to lower trading assets (repos and trading securities) and amounts due from banks
- The funding profile further improved with customer deposits increasing by EUR 10 bln and long-term debt increasing by EUR 3 bln, offsetting a decline of EUR 3 bln in short-term debt*
- Loan-to-deposit ratio improved in the fourth quarter to 1.14
- Leverage ratio declines to 28. Closing the divestment of ING Direct USA will further decrease the balance sheet by about EUR 62 bln bringing the leverage ratio to 26

* Excluding reclassified securities (part of debt securities)
** Long-term debt increased from EUR 76 bln at 30 September 2011 to EUR 79 bln at 31 December 2011, short-term debt declined from EUR 55 bln at 30 September 2011 to EUR 52 bln at 31 December 2011 and subordinated debt declined from 20 bln at 31 September 2011 to EUR 18 bln at 31 December 2011

Change of Banking external reporting structure as of the first quarter of 2012

Quarterly Report

Total Banking

Retail Banking

- Netherlands
- Belgium
- Germany
- Rest of the world

Commercial Banking

- Industry Lending
- General Lending & Transaction Services
- Financial Markets
- Real Estate & Other

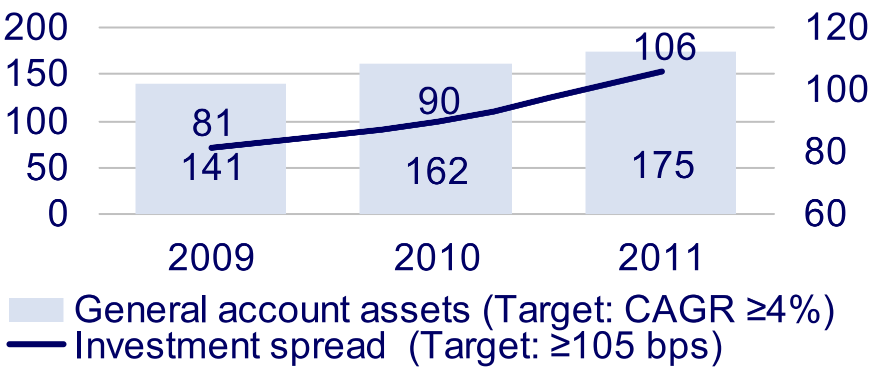
Corporate Line

- As announced at the Investor Day in January, we will introduce new segments for Banking in the 2012 reporting
- The Historical Trend Data document will include a split of the profit and loss on a geographical basis (with Retail and Commercial Banking combined)
- A restated Historical Trend Data document will be available on www.ing.com one month prior to the 1Q 2012 results

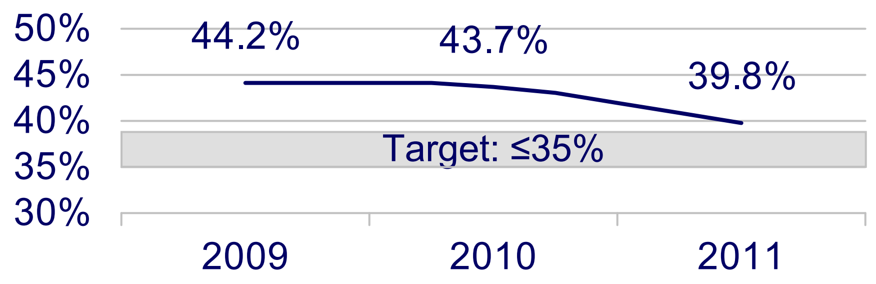
ING Insurance

Insurance operations showing progress on Ambition 2013 in a very challenging economic environment

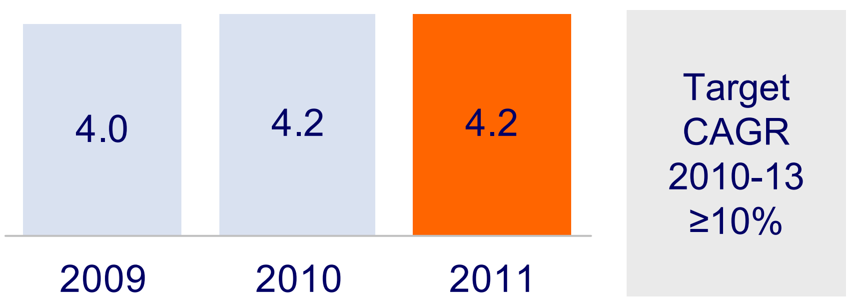
Life general account (EUR bln) and investment spread*,** (bps)



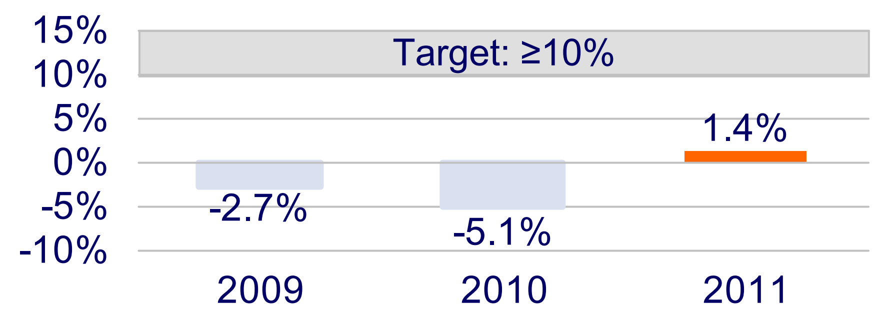
Life & IIM administrative expenses / Life & IIM operating income** (%)



APE** (EUR bln)



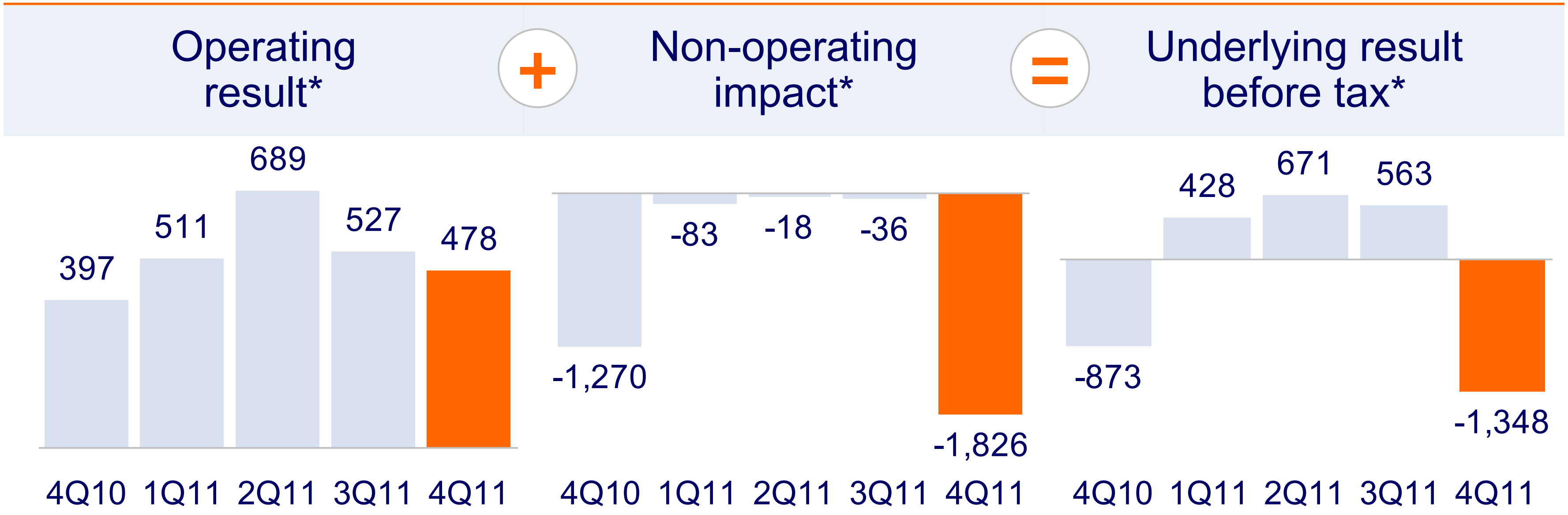
RoE**,*** (YTD, %)



* Four-quarter rolling average
** Insurance 2009, 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance Latin America which was booked in discontinued operations until closing.
*** Annualised underlying net result divided by average IFRS-EU equity. (For Insurance, the 2010 quarterly results are adjusted for the after-tax allocated cost of Group core debt.).

Insurance result strongly impacted by the EUR 1,099 mln charge for the US Closed Block VA

Insurance result (in EUR mln)

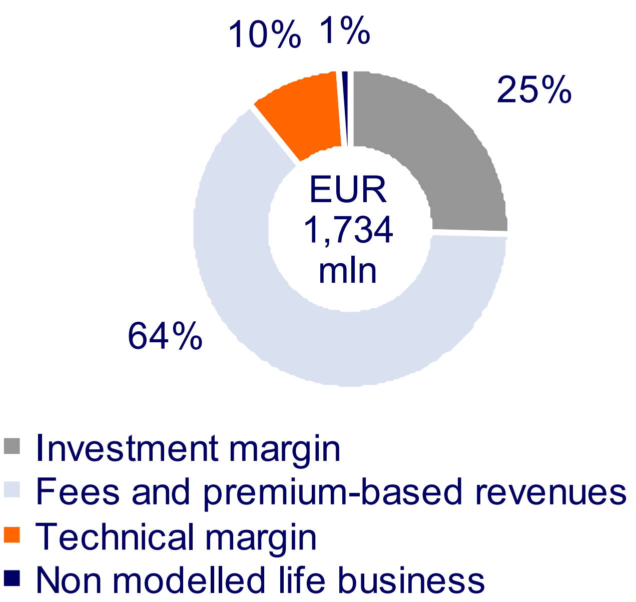


- Operating result up by 20.4% from 4Q10, reflecting a higher investment margin and lower administrative expenses
- Operating result down by 9.3% from 3Q11 due to lower fees and premium-based revenues and modestly higher administrative expenses
- The underlying result before tax included the previously announced charge of EUR 1,099 mln related to a change in actuarial assumptions for the US Closed Block VA and losses on hedges

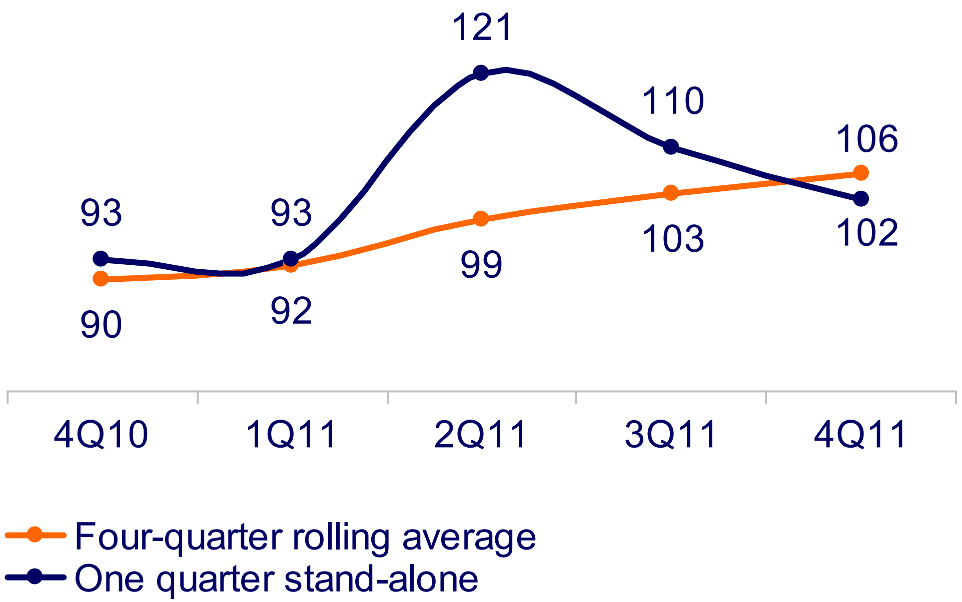
* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance Latin America which is booked in discontinued operations until closing.

Investment spread on a four-quarter rolling average increased to 106 bps

Life and ING IM operating income, 4Q11



Investment spread (in bps) Life GA

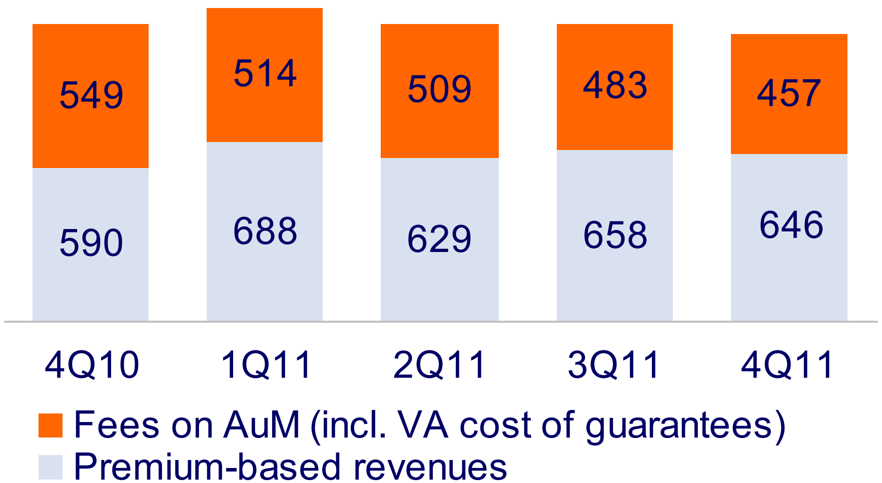


- Investment spread on a four-quarter rolling average increased to 106 bps
- The investment spread in the stand-alone fourth quarter decreased to 102 bps, in part due to de-risking measures mainly taken in the second half of 2011
- As a result, the investment spread is expected to decline gradually in 2012

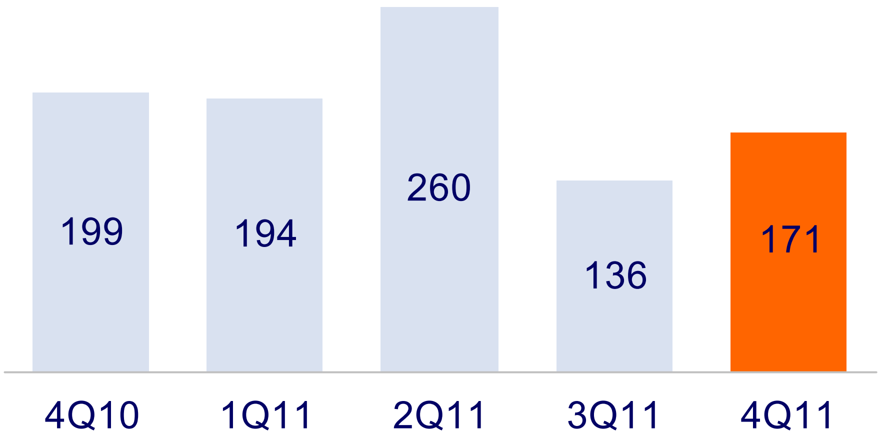
Fees and premium-based revenues decreased primarily due to lower fee income

Life Insurance & ING Investment Management (IM)

Fees and premium-based revenues (in EUR mln)



Technical margin (in EUR mln)

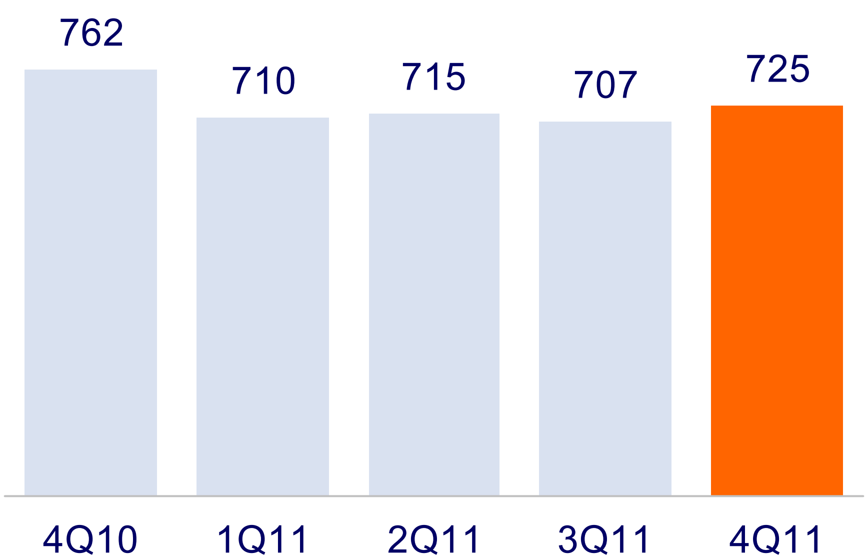


- Fees and premium-based revenues decreased by 3.2% from 4Q10 and decreased by 3.3% from 3Q11, primarily due to lower fee income
- Cost of VA guarantees increased to EUR 225 mln, from EUR 192 mln in 3Q11

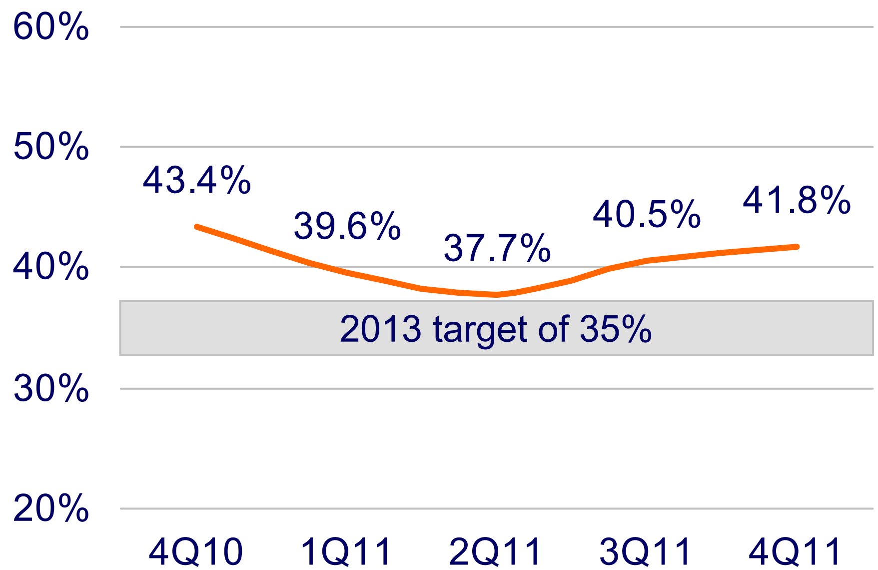
- The technical margin was EUR 35 mln up versus 3Q11, mainly due to improved mortality and morbidity results in Japan and Korea.
- 3Q11 included an addition to guarantee provisions in the Benelux

Life & ING IM administrative expenses/operating income ratio was 41.8%

Life & IM administrative expenses* (EUR mln)



Life & IM administrative expenses/operating income ratio* (%)



- Administrative expenses down 4.9% from 4Q10, mainly due to ongoing cost control as well as a one-off expense reduction due to a change in ING's US employee pension plan
- Administrative expenses up by a moderate 2.5% from 3Q11
- Administrative expenses/operating income ratio was 41.8% in 4Q11

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

Underlying result strongly impacted by charge for US Closed Block VA and market volatility

Underlying pre-tax result 4Q11 (in EUR million)

Operating result	**478**
US Closed Block VA assumption changes	-1,099
Losses on hedges to protect regulatory capital*	-348
Realised gains/losses from de-risking and other investment portfolio management actions	179
Change in provision for guarantees on separate account pension contracts (net of hedging)	-207
Other non-operating items due to market volatility**	-351
Underlying pre-tax result	**-1,348**

Managing through turbulent financial markets

- Non-operating items include the previously announced charge for US Closed Block VA assumption changes
- As market conditions remained challenging, ING continued to place priority on the protection of regulatory capital and further de-risking of the balance sheet. Consequently, gains on hedges in 3Q were largely reversed in 4Q, while the negative impact of de-risking in the fourth quarter was more than offset by realised gains on other securities
- Given the accounting asymmetry, and absent of any material changes in hedging strategy, further IFRS earnings volatility could be expected in 1Q 2012

* Of which EUR -222m is for Insurance Benelux (EUR -182m related to equity options and EUR -40m macro interest hedges) and EUR -126m for US Closed Block VA

** Includes liability hedge result US Closed Block VA (EUR-132m), re-impairments on Greek government bonds (EUR 66m) and impairments on equities (EUR 65m).

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US Closed Block VA assumption changes

US Closed Block VA Assumption Change Recap

- As announced in December, ING conducted a comprehensive assumptions review for the Insurance US Closed Block Variable Annuity (VA) business during the fourth quarter resulting in a EUR 1,099 mln earnings charge
- The review included both pre-crisis and post-crisis experience and showed US policyholder behaviour for Closed Block VA policies diverged from earlier assumptions made by ING, particularly the sensitivity of the policyholder behaviour to the in-the-moneyness of their guarantees
- The assumptions for the US Closed Block VA were updated for lapses, mortality, annuitisation, and utilisation rates, with the most significant revision coming from the adjustments of lapse assumptions
- The revisions bring the assumptions more into line with US policyholder experience and reflect to a much greater degree the market volatility of recent years
- Policyholder behaviour is influenced by many factors making it very difficult to predict, which is why assumptions are reviewed on an annual basis. It is impossible to predict future changes in assumptions with absolute certainty, as they will depend on the experience that is actually observed. However, ING has clearly made a big step forward
- The impact of the assumption adjustments includes a charge to restore the reserve adequacy to the 50% confidence level for the US Closed Block VA in line with ING’s IFRS-based accounting policy

Actions Taken in 2010 and 2011 have Strengthened Balance Sheet and Increased Transparency in our Closed Block VA

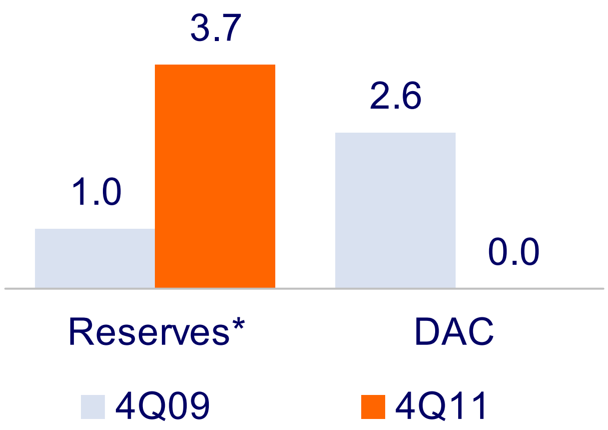
Objective	Actions Taken
1. Improve closed block transparency	✓ VA block became a separate business line
2. Reduce DAC balance and have the overall amortisation rate in line with peers	✓ Reduced DAC balance to zero
3. Strengthen the VA balance sheet and align accounting with US peers	✓ Adopted towards fair value accounting for GMWB
4. Additional hedging of interest rate risk	✓ Implemented additional Rho hedging at year-end 2010
5. Address policyholder behavior assumptions	✓ Refined assumptions resulted in liability strengthening

ING terminated sales of VA with living benefits in 2009

Impact on Future Results

- Strengthened VA balance sheet
- Improved future earnings as a result of DAC write-down and reserve increase

In EUR bln



* Of which EUR 3.1 billion for Living Benefits

US Closed Block VA largely consists of Guaranteed Minimum Income and Withdrawal Benefits

As of 31 Dec 2011 (in EUR billion)

	Account Value	Living Benefits IFRS Reserve	Hedging	
			Target	**Market Risk Hedged**
Guaranteed Minimum Income Benefit	11.3	1.0	Economic Claims	Delta (Equity)
Guaranteed Minimum Withdrawal Benefit	11.7	2.0	Towards Fair Value Reserve	Delta (Equity) Full Rho (Interest Rate)
Other Living Benefits	0.9	0.1	Towards Fair Value Reserve	Delta (Equity) Full Rho (Interest Rate)
No Living Benefits (GMDB only)	8.7	n/a	Economic Claims	Delta (Equity)
Total	32.6	3.1		
Living Benefits NAR *	4.5			

Hedge Program

- Equity market risk is hedged for all benefits; priority is protection of regulatory capital
- Interest rate hedging is aligned with the sensitivity of the base IFRS reserves
  - Not-hedged for GMIB or GMDB as reserves are insensitive to interest rate movements
  - Hedged for GMWB and other living benefits

* ING has adopted a revised Net Amount at Risk (NAR) methodology for GMIB and GMWB. Under the new methodology, the NAR for GMIB and GMWB is calculated as the present value of guaranteed income. It assumes 100% immediate annuitisation / utilisation and no lapses. As with the IFRS reserves, the GMWB NAR methodology reflects current market interest rates. The discount rates used in the GMIB NAR methodology grade from current rates to long-term best estimates.

US Closed Block VA earnings volatility follows from hedges focused on protecting regulatory capital

Estimated IFRS-EU earnings sensitivities to market movements during 1Q2012

In EUR million	Equity Market					
Baseline is 31 Dec 2011	**-25%**	**-15%**	**-5%**	**+5%**	**+15%**	**+25%**
Earnings sensitivity before RAT Policy Impact	750	500	100	-250	-600	-900
RAT Policy Impact (RAT50)	-950	-600	-200	0	0	0
Total estimated Post Refinement Earnings Sensitivity	-200	-100	-100	-250	-600	-900
Improvement in RAT 50 Sufficiency	*-*	*-*	*-*	*200*	*600*	*950*

- Equity hedge results will continue to cause IFRS earnings volatility as the primary focus is on protecting regulatory capital
- Additional charges to restore reserves to the 50% confidence level may be necessary in down equity scenarios
- Reserve adequacy is expected to improve in rising equity scenarios, but this will generally not result in an immediate earnings impact
- Earnings sensitivities may change significantly for future quarters based on changes in market conditions over time

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Wrap up

Wrap up

ING Group 2011 underlying net profit rises 15.1% despite challenging environment in 4Q11

- FY 2011 net profit was EUR 5,766 mln, or EUR 1.52 per share, including divestments and special items

Priority in 4Q11 was de-risking and capital preservation as sovereign debt crisis deepened

- Group posted 4Q underlying net loss of EUR 516 mln, reflecting impact of de-risking, impairments, negative hedge results and VA assumption change
- Group 4Q net profit was EUR 1,186 mln, including gains on divestments and special items

Bank underlying pre-tax result amounts to EUR 793 mln in 4Q11

- Underlying pre-tax result included EUR 301 mln of impairments and EUR 109 mln in losses from de-risking
- Net interest margin rose 5 bps from 3Q11 to 142 bps, primarily due to higher Financial Markets results
- Risk costs rose to EUR 530 mln, driven by higher additions for the SME/MidCorp segment in the Benelux
- Core Tier 1 ratio stable at 9.6% despite EUR 9 bln RWA increase as a result of CRD III implementation

Insurance underlying loss before tax was EUR 1,348 mln in 4Q11

- Underlying loss included EUR 1,099 mln charge for the US Closed Block VA assumption changes
- Results also include EUR 348 mln in losses on hedges in place to protect regulatory capital, and EUR 131 mln of impairments as well as EUR 179 mln gains as a result of de-risking
- Operating result increased 20.4% from a year earlier to EUR 478 mln, supported by a higher investment spread and strong cost control

Disclaimer

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

In preparing the financial information in this document, the same accounting principles are applied as in the 3Q2011 ING Group Interim Accounts. The Financial statements for 2011 are in progress and may be subject to adjustments from subsequent events. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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