

Report of the Executive Board for 2013

Simpler, stronger, sustainable

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CEO ING Group

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www.ing.com

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BANKING - INVESTMENTS - LIFE INSURANCE - RETIREMENT SERVICES





2013 in short

Our financial and non-financial performance

For customers



www.ingcb.com



Customers recommend ING to family and friends

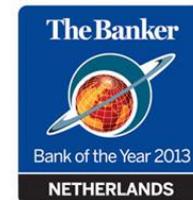
Net Promoter Score (NPS) ranking vs. local competitors (2013)



Source: ING Analysis

Awards ING Bank and NN Group 2013

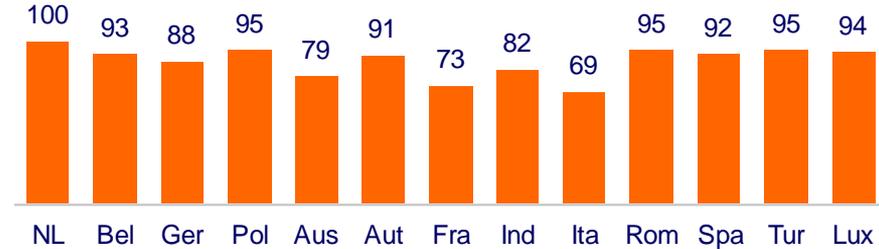
A selection of awards



ING: a strong brand

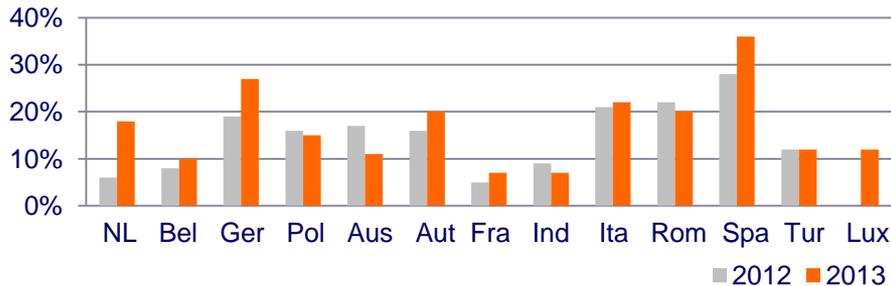
Strong brand position

Brand awareness, spontaneous + prompted (2013, %)



Source: TNS Brand Health Monitor 2013

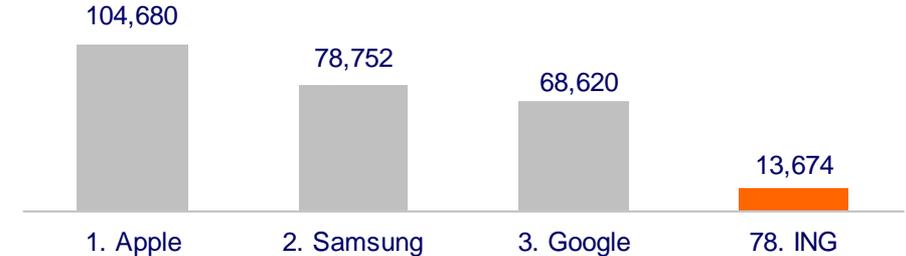
Consideration to buy ING financial services by non-customers



Source: TNS Brand Health Monitor 2013

In top 100 most valuable brands in the world

Brand value (2014, millions US dollars)



Source: Brand Finance plc, April 2014

In top 30 most valuable bank brands in the world

Brand value (2014, millions US dollars)



Source: Brand Finance plc, April 2014



ING Group: successful year in 2013, with an improved underlying net result

In EUR million

| | 2012** | 2013** | 1Q 2014 |
|---|--------|--------|---------|
| Income* | 27,116 | 26,344 | 8,403 |
| Expenses* | 23,360 | 21,945 | 7,018 |
| Result before taxation* | 3,756 | 4,400 | 1,384 |
| Taxation/third party interests* | 1,094 | 1,145 | 396 |
| Underlying net result | 2,664 | 3,255 | 988 |
| Divestments/discontinued operations/special items | 1,497 | -23 | -2,905 |
| Net result | 4,161 | 3,232 | -1,917 |

* Underlying

** The 2012 and 2013 figures have not been adjusted for the move towards fair value accounting on the reserves for the Guaranteed Minimum Death Benefits of the Japan Closed Block VA segment, which came into effect on 1 January 2014.

Bank operations

In EUR million

| | 2012 | 2013 | 1Q 2014 |
|---|--------|--------|---------|
| Income* | 14,313 | 15,305 | 3,818 |
| Expenses* | 10,759 | 10,982 | 2,642 |
| Result before taxation* | 3,554 | 4,323 | 1,176 |
| Taxation/third party interests* | 1,104 | 1,168 | 346 |
| Underlying net result | 2,450 | 3,155 | 830 |
| Divestments/discontinued operations/special items | 684 | -124 | -566 |
| Net result | 3,134 | 3,031 | 264 |

* Underlying

NN Group

In EUR million

| | 2012* | 2013* | 1Q 2014 |
|---|-------|-------|---------|
| Operating result ongoing business | 833 | 886 | 274 |
| Non-operating items ongoing business | -779 | -229 | -28 |
| Japan Closed Block VA | 105 | -669 | -36 |
| Divestments/discontinued operations/special items | 319 | 95 | -583 |
| Result before tax | 478 | 83 | -372 |
| Taxation/ third party interests | 10 | 35 | -85 |
| Net result | 468 | 48 | -287 |

* The 2012 and 2013 figures have not been adjusted for the move towards fair value accounting on the reserves for the Guaranteed Minimum Death Benefits of the Japan Closed Block VA segment, which came into effect on 1 January 2014.

ING share price shows considerable increase in 2013

Relative performance ING-share 2013 and 1Q 2014



Source: Bloomberg data





Restructuring

Separation of banking and insurance substantially completed

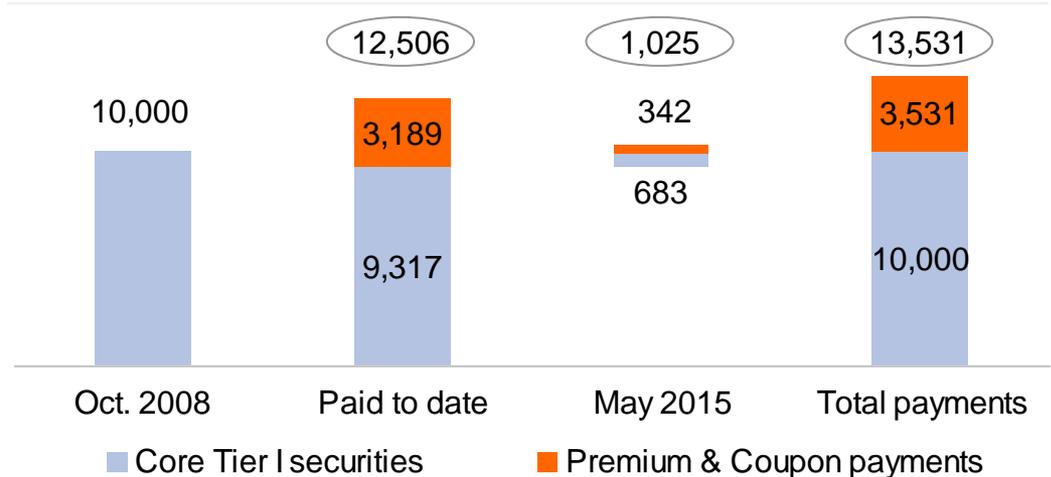
- Successful IPO of Voya Financial (ING U.S.). ING's stake reduced and deconsolidated; currently 43%
- Divestment of our Asian insurance and investment management operations largely complete
- Agreement with the EC on revised timelines for the European and Japanese Insurance divestments (NN Group)
- Japan Life included in the base case IPO
- NN Group on track in its preparations for intended base case IPO in 2014
- Reduced stake in SulAmerica to 10%
- Remaining Group core debt covered by market value Voya Financial, SulAmerica and (pre-)IPO revenues NN Group

Group restructuring on track to become a pure Bank

Repayment of Dutch State

- Unwinding of IABF agreed upon in 2013 and completed early 2014
- Tranches of repayment to Dutch State in November 2013 and March 2014. Total paid brought to EUR 12.5 billion
- ING reduced the Dutch State guaranteed funding by EUR 3.6 billion to EUR 2.5 billion at year-end 2013. The remaining bonds matured in March 2014

Final payment to the Dutch State due ultimately in May 2015
(in EUR mln)



ING made another payment to the Dutch State in 1Q14

- ING paid EUR 1,225 mln on 31 March 2014
- Final payment to Dutch State due ultimately in May 2015

Simpler, stronger, sustainable



NN Group: predominantly European insurance and investment management company

Milestones in 2013:

- Presentation of the company: the future brand name NN, its business, scope, strategy, capital framework, executive team and corporate values
- These steps show further momentum in preparations for the base case IPO of NN Group

Milestones in 2014:

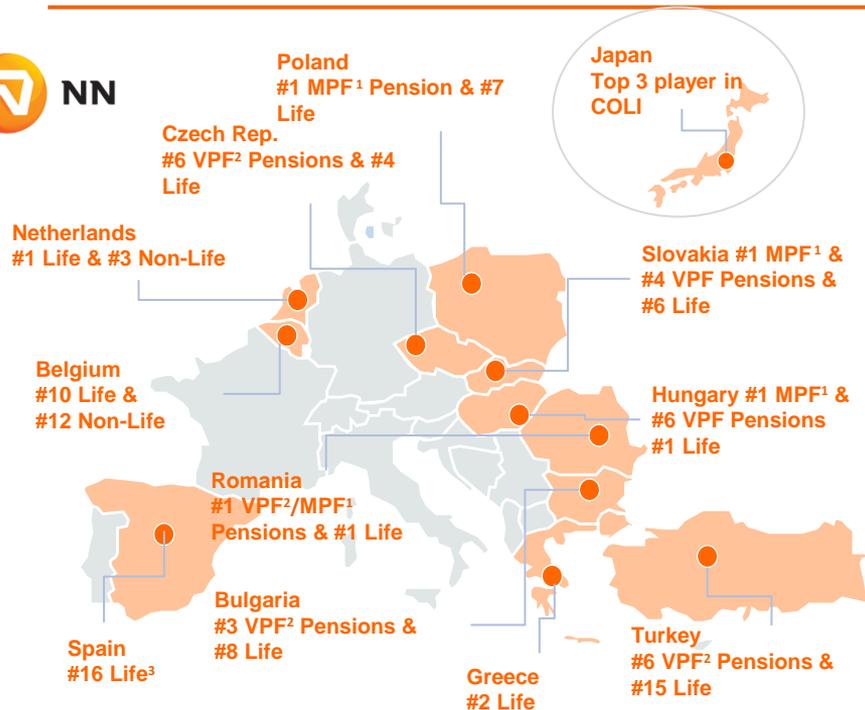
- Legal name: NN Group N.V.
- Successful issuance of EUR 1 billion in subordinated debt by NN Group
- ING Group secured important investments close to EUR 1.3 bln into NN Group ahead of intended IPO
- NN Group capital structure finalised and all NN Group entities will be well capitalised at intended IPO



NN Group
is ready
for the future

Leading Dutch insurer with strong European footprint, and attractive Japanese business

Our presence



Note: Other countries not included above are Luxembourg (#11 Life)

1. MPF: Mandatory Pension Fund (2nd pillar); 2. VPF: Voluntary Pension Fund (3rd pillar); 3. Spanish Life market remains dominated by banks

Our business

- Strong business positions with international presence
- Investment management presence in 18 countries
- Deep operating knowledge of the markets as market positions were built organically
- Unified international business culture, with best practice sharing across geographies
- New sales life insurance APE of EUR 1.2 bln (2013)
- Shareholders' equity of EUR 14.2 bln as at 31 December 2013

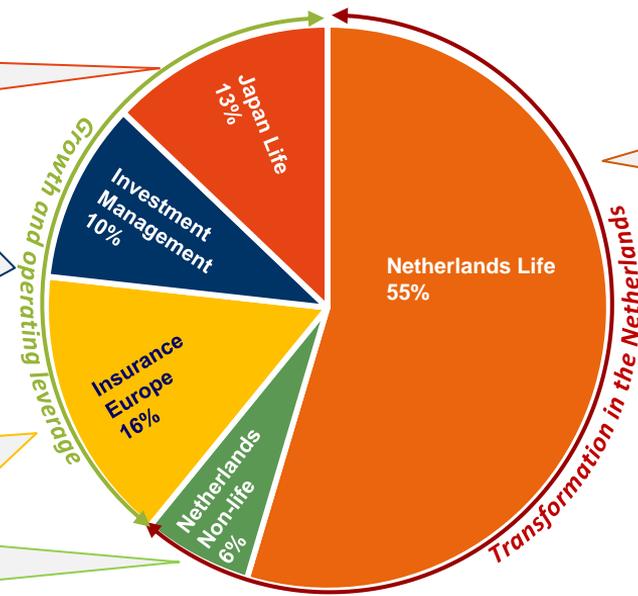
Diversified business mix with strong presence in a number of European markets and Japan

- Top 3 player in Japanese COLI market⁴
- Strong earnings and stable cash flow

- International asset manager with EUR 174 bln AuM as at 31 December 2013
- 62% of revenues is derived from third party retail and institutional customers

- Top 3 player in CEE⁵ in the life and pension market
- Good margins, self-funded with substantial cash generation
- Exposure to higher growth markets⁶

- Top 3 Dutch Non-life insurer; 10% market share³
- Improving profitability and cash generation



- Market leader in Dutch Life; 20% market share³
- Large closed book of individual life business
- Scale player in pensions market
- Managed for cash

NN Group ongoing business operating result before tax (2013)¹: EUR 905 mln

Percentages based on total of EUR 1,279 mln, excluding Other² (-EUR 373 mln)

1. Ongoing business excludes Japan Closed Block VA (EUR 80mln); 2. 'Other' consists of NN Bank, NN Re, results of the holding company (i.e. company costs, funding costs) and other results (i.e. corporate legacy)); 3. By GWP (2012), Source: DNB; 4. By APE (2012), Source: NN Group; 5. By APE (2013), includes Poland, Czech Republic, Bulgaria, Hungary, Romania, Slovakia, Baltics, Balkans, Russia, Ukraine and Turkey (Source: NN Group); 6. Exposure to CEE markets with higher GDP and GWP growth compared to Western Europe



The banking industry is going through a period of unprecedented change



Agility towards change is the only way to secure a sustainable, competitive customer franchise in this new landscape

ING Bank has a unique starting position

Effective business model

- Strong deposit gatherer across Europe
- Leading 'direct-first' bank in Europe
- Client-focused Commercial Bank supported by leading Industry Lending franchise

Track record of delivery

- Disciplined cost management
- Solid balance sheet
- Consistent capital generator

Significant upside potential

- Mix of mature and growth businesses
- Increasingly strong positions in 'challenger' countries
- Well placed to benefit from the European Banking Union

Market Leaders

Netherlands, Belgium/Luxembourg

Challengers

Germany/Austria, Spain, Italy, France and Australia

Growth Markets

Poland, Turkey, Romania and business units in Asia

Commercial Banking International Network & Global Franchises

Our Purpose

We believe all sustainable progress is driven by people with the imagination and determination to improve their future and the futures of those around them.

We empower people and organisations to realise their own vision for a better future - however modest or grand.

**EMPOWERING PEOPLE TO STAY A STEP AHEAD,
IN LIFE AND IN BUSINESS.**

Purpose

Empowering people to stay a step ahead in life and in business

Customer Promise

Clear and easy Anytime, anywhere Empower Keep getting better

Strategy

Creating a differentiating customer experience

Simplify and streamline Operational excellence Performance culture Lending capabilities

Value Creation roadmap is tailored to current market positions

2013 – 2017 roadmap

| | Market leaders | Challengers | Growth markets | ING Bank 2017 |
|---------------|----------------|-------------|----------------|---|
| Income | + | ++ | ++ | ~4% loan growth and margin improvement |
| Costs | - | + | + | Flat till 2015. Thereafter depending on income growth |
| C/I | - | - | - | 50-53% |
| RoE | + | + | + | 10-13% |

| | |
|---|---|
|  |  |
| Manage for dividend | Manage for sustainable profitable growth |

We confirm our targets for 2017 and intend to resume dividend payments to shareholders over the financial year 2015

| | Ambition 2017 | Guidance |
|---------------------------------|---------------|---|
| CET-1 (CRD IV) | >10% | <ul style="list-style-type: none"> Target fully loaded CET1 ratio remains >10% but it is prudent to maintain a comfortable buffer above the minimum to absorb regulatory changes and potential volatility |
| Leverage | ~4% | <ul style="list-style-type: none"> Approximately 4% leverage; awaiting final regulations |
| C/I | 50-53% | <ul style="list-style-type: none"> Aim to reach 50-53% cost/income ratio in 2016. Over time, improve further towards the bottom end of the range. |
| RoE (IFRS-EU equity) | 10-13% | <ul style="list-style-type: none"> RoE target range maintained at 10-13% based on IFRS-EU equity (absorbing capital buffer) |
| Dividend pay-out | >40% | <ul style="list-style-type: none"> Target dividend pay-out >40% First payment over the financial year 2015 |

Conclusion

Disclaimer

Important legal information

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

The financial information in this document is partly derived from audited 2013 Annual Accounts and partly from unaudited 1Q2014 ING Group Interim Accounts. Financial information not derived from these documents is also unaudited. Small differences are possible 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 details in the Risk Factors section 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.

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