

ING Spain

ING Group Investor Day 2016

Almudena Roman Dominguez, Head of Retail Banking Spain

Amsterdam • 3 October 2016

thinkforward

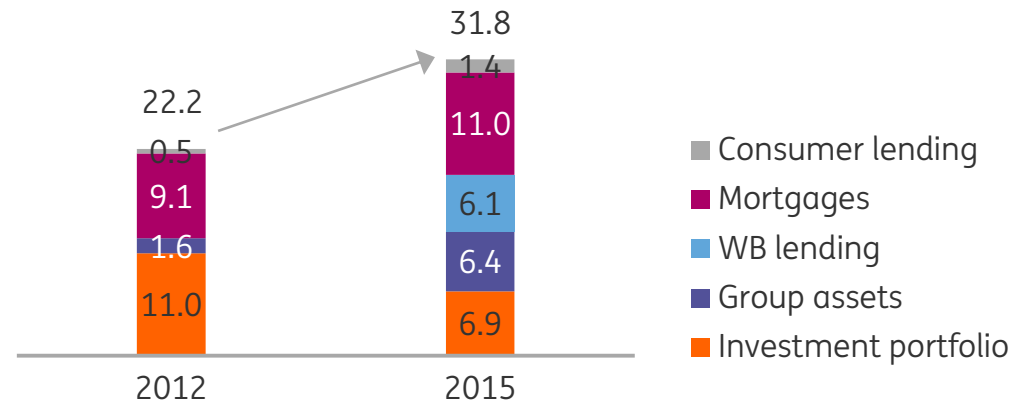


Key points

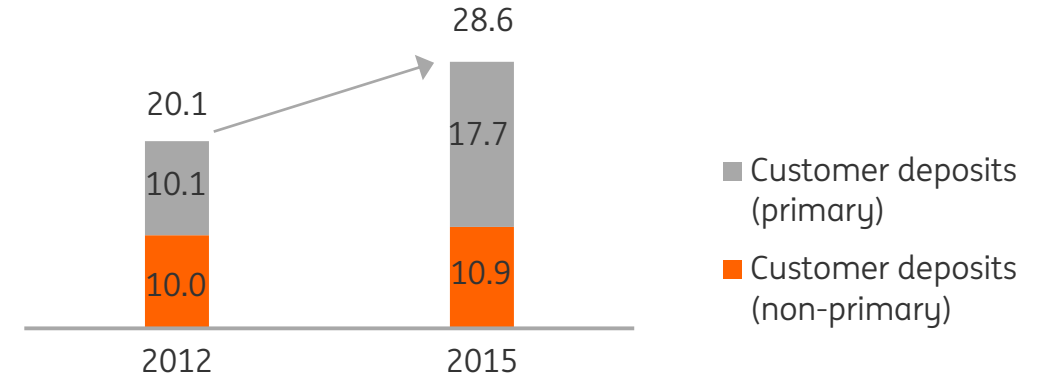
- ING Spain has achieved sustainable organic growth at a faster pace than our banking competitors
- We have an outstanding client centric approach that is reflected in our #1 NPS score and being the most recommended bank in Spain for 10 years running
- Strong loan and deposit generation have created a stable and diversified balance sheet
- Mobile interactions with customers keep increasing and offer further opportunities for growth
- Our leading innovation capabilities fulfill customers' changing needs and differentiate us from peers

Organic growth driven by strong loan and deposit generation

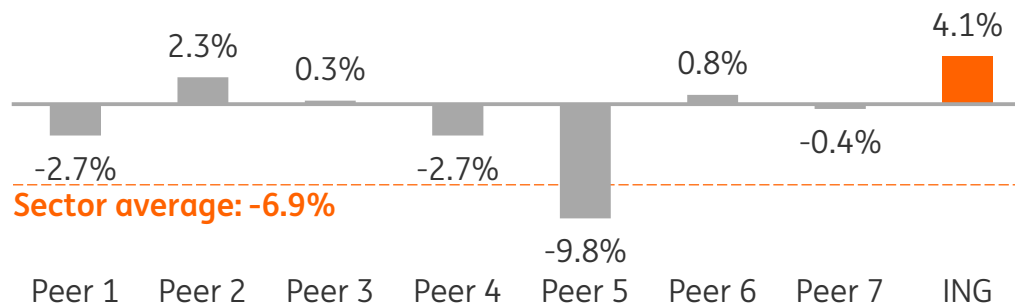
ING Spain total assets* (in EUR bln)



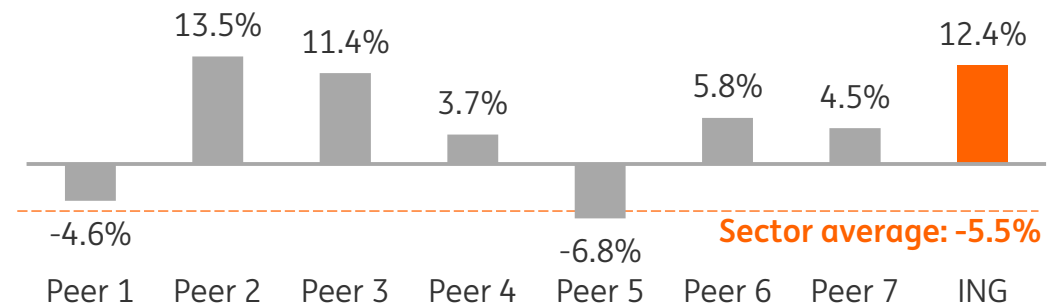
ING Spain total customer deposits (in EUR bln)



Assets CAGR 2012-2015



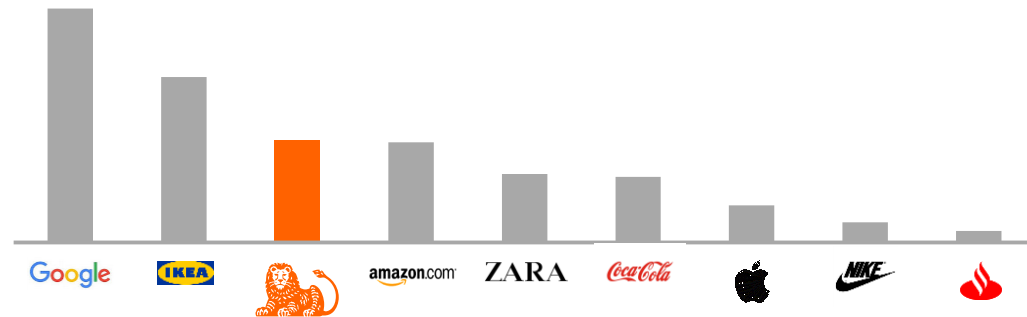
Customer deposits CAGR 2012-2015



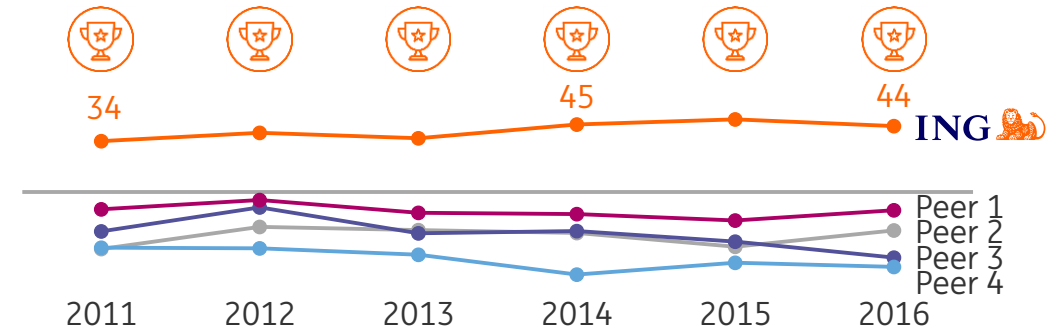
* Based on external assets (i.e. excl. intercompany assets), WB lending only visible upon introduction of One Bank Strategy (2014 for Spain)
 Peers reported: Banco Popular, Banco Sabadell, Bankia, Bankinter, BBVA, Caixabank, Santander
 Source: Company annual reports

Our client-centric approach shows in high customer satisfaction...

ING is a very powerful retail brand for Spanish consumers*

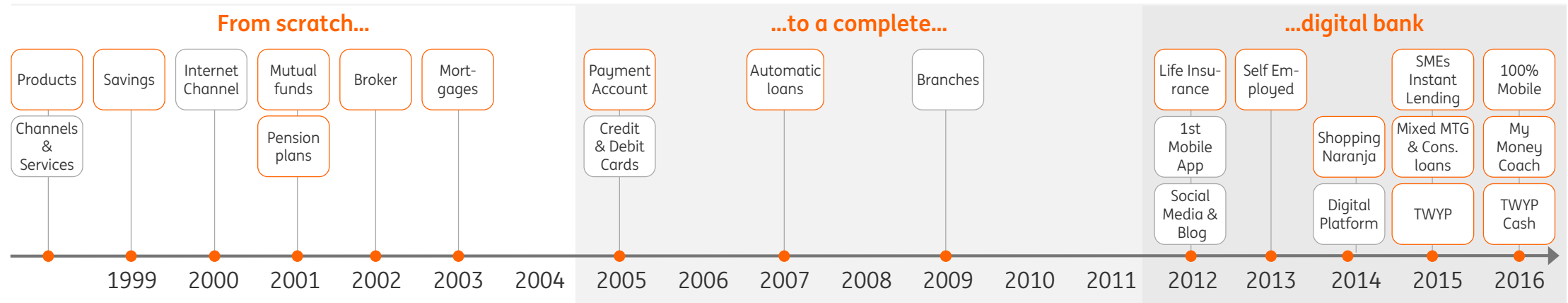


#1 NPS score and most recommended bank for 10 years



Peers reported: Bankinter, BBVA, Caixabank, Santander

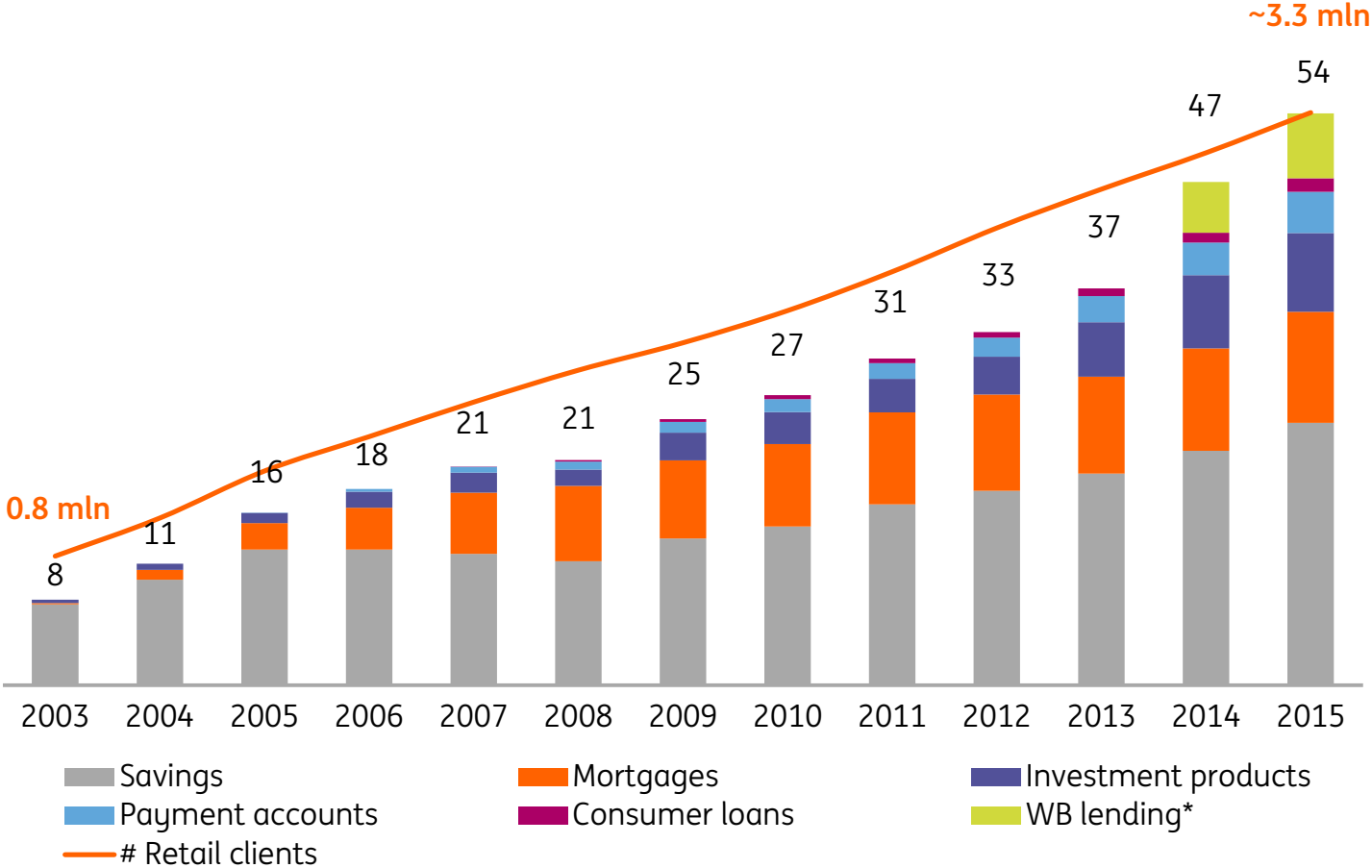
Continuous introduction of new products and channels to meet customer needs



* Source: Brand Tracking Jan-Aug 2016, Bufete de Marketing: "Thinking about people, not only about its own profit"

...and leads to a more sustainable and diversified balance sheet

Customer balances (in EUR bln) and customer numbers (in mln) ING Spain



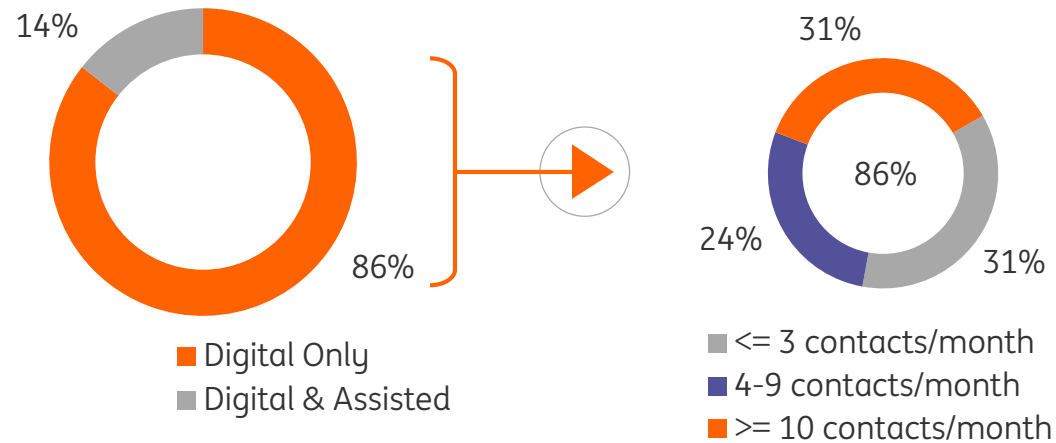
Key market shares 2Q16

| | |
|---------------------------------|------|
| Payment accounts | 5.4% |
| Customer deposits | 3.9% |
| Mortgages (portfolio) | 2.0% |
| Mortgages (new production) | 5.3% |
| Mutual funds | 1.1% |
| Pension plans | 3.0% |
| Consumer loans (portfolio) | 1.9% |
| Consumer loans (new production) | 4.3% |

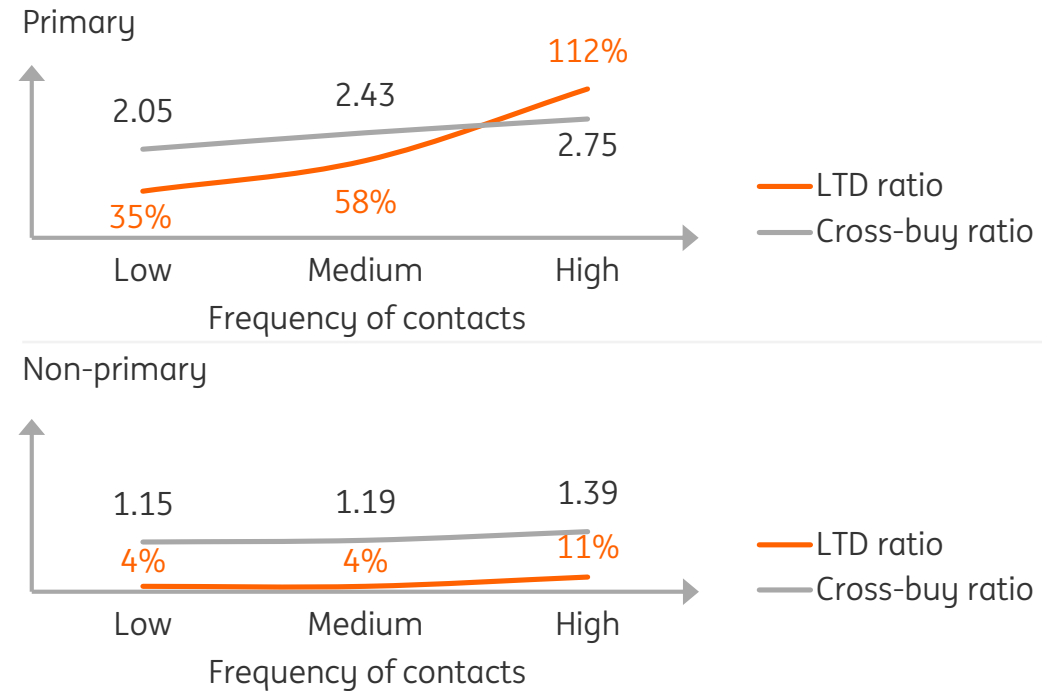
* WB lending only visible upon introduction of One Bank strategy

Our primary strategy will benefit further from digitalisation

Total client contacts are increasingly 'digital only'...



...while there is strong correlation between business performance and client contacts



'Digital only' customers are more active and more satisfied

3x number of interactions

+20% customer satisfaction

+50% cross-buy

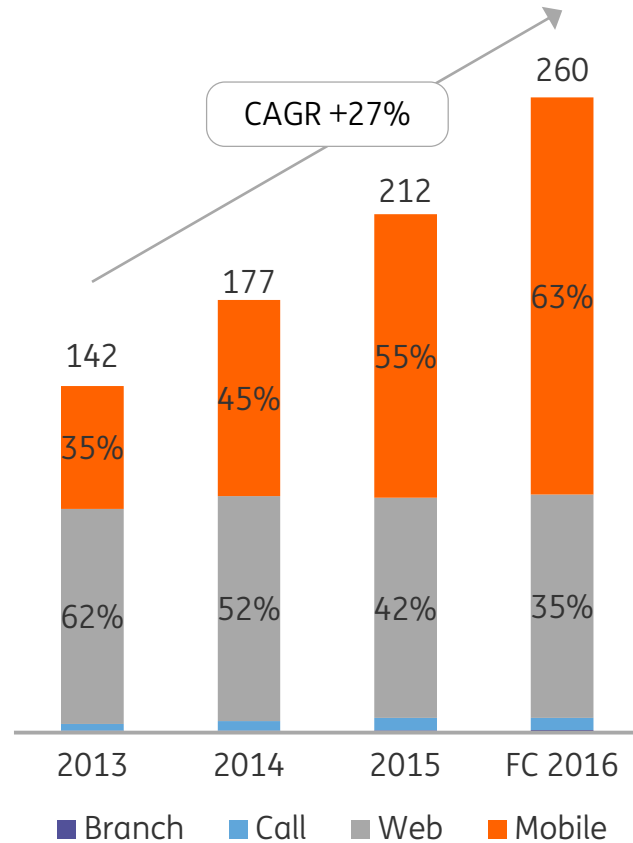
+25% value to ING

Source: ING Spain 1H16 data

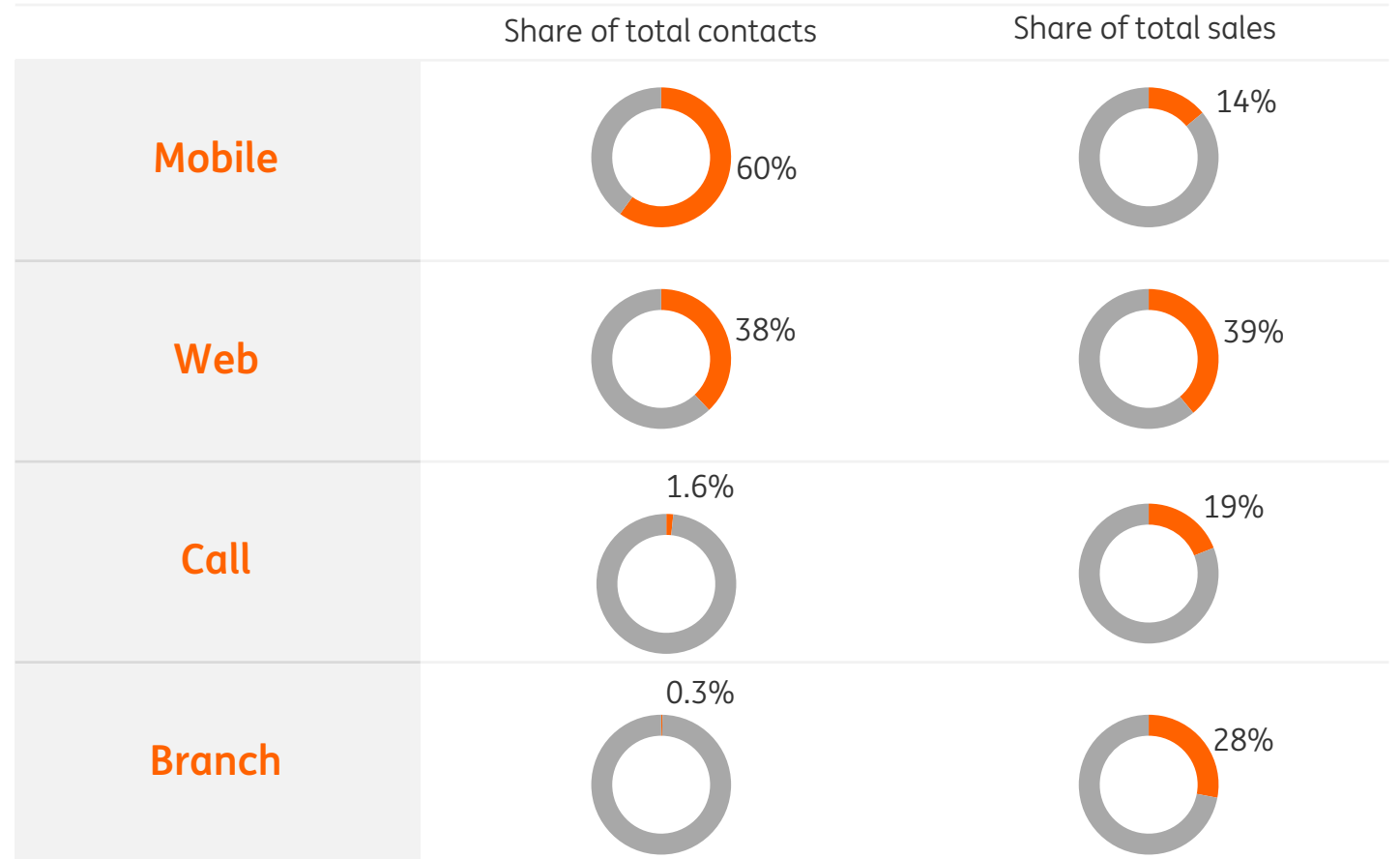
Mobile traffic in Spain continues to gain pace...

Mobile traffic grows rapidly...

Total contacts per channel (in mln)



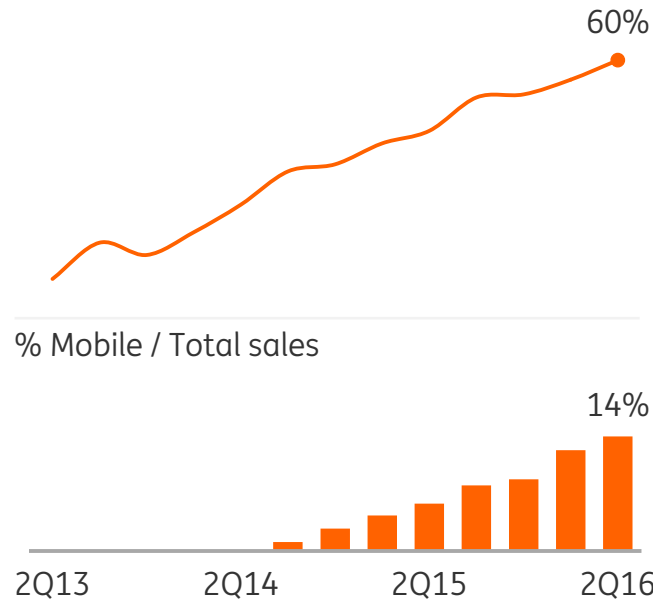
...and reflects significant sales potential



...and is continuously accounting for a larger share of sales

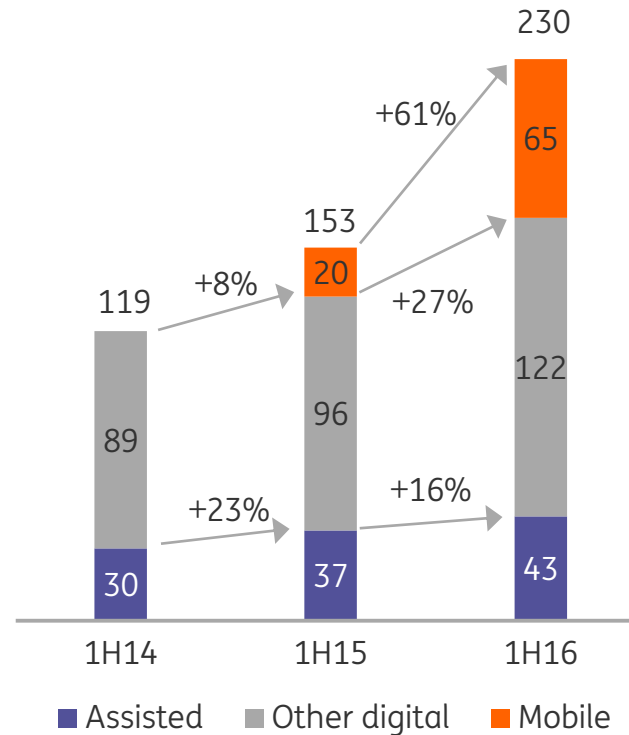
Mobile is becoming the channel of choice...

% Mobile / Total contacts

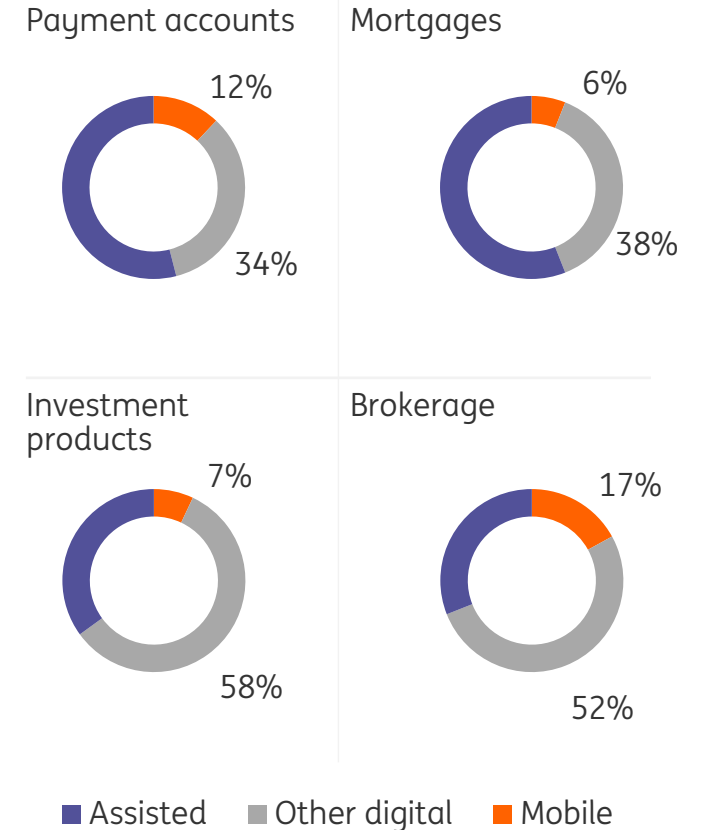


...enabling growth of consumer lending...

Gross production (in EUR mln)



...and contributing significantly to our primary bank strategy



- Currently, **17% of new customers** are acquired through mobile and **1 out of 4** of clients are **mobile-only** users

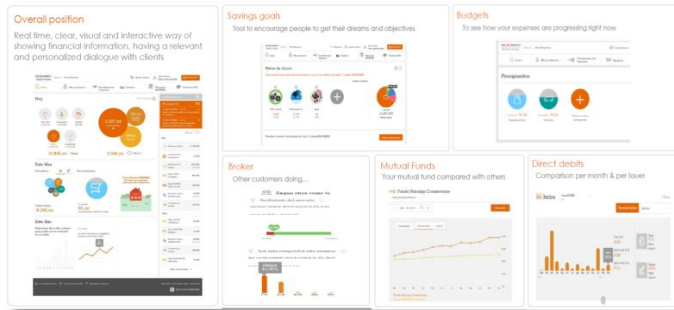
As mobile redefines the primary customer relationship...

| | Non-primary relationship | | Primary relationship - not mobile | | Primary relationship - mobile |
|---|--------------------------|-----------|-----------------------------------|-----------|-------------------------------|
| Contacts per client per month | 4.5 | → X 1.6 → | 7.4 | → X 2.5 → | 18.2 |
| Lending sales per 1,000 clients | 1.4 | → X 3.6 → | 5.0 | → X 3.4 → | 16.8 |
| Investment sales per 1,000 clients | 1.3 | → X 1.8 → | 2.3 | → X 1.6 → | 3.7 |
| Promoters | 37% | → X 1.2 → | 44% | → X 1.0 → | 45% |

...we continuously innovate to empower our customers

Digital Platform

- Delivering seamless customer experience on mobile, tablet and PC



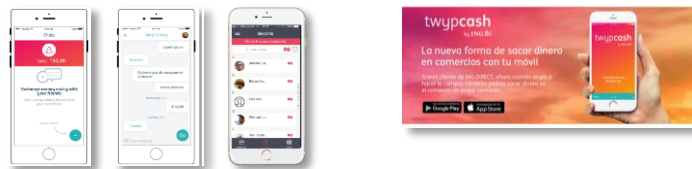
Instant Lending

- Using screen scraping tools to capture information from clients' other bank accounts for a behavioural risk assessment



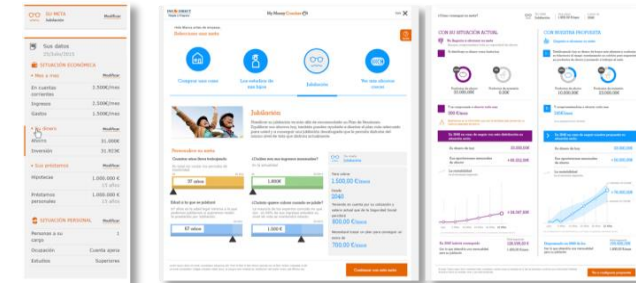
Twyp and Twyp Cash

- Twyp: enhancing payment experience via innovation
- Twyp Cash: introducing new ways to get cash



My Money Coach

- First digital financial advisor for customers, launched in June 2016



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'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2015 ING Group consolidated annual accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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