

ING Insurance

Update on preparations for the IPO of ING Insurance

Lard Friese
Member of the Management Board Insurance EurAsia

London – 19 September 2013
www.ing.com



Key points

- ING Insurance forms a unique combination of mature and growth markets
- Our strategic plans will extract the full value of our leading market positions
- We are committed to focus on customers, generate capital, grow profitably, and improve efficiency
- Our financial performance is starting to demonstrate progress
- We have an experienced leadership team, highly motivated to deliver

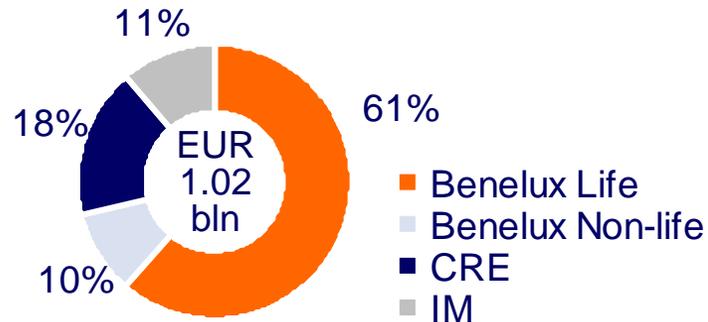
A unique combination of mature and growth businesses

Leading market positions*

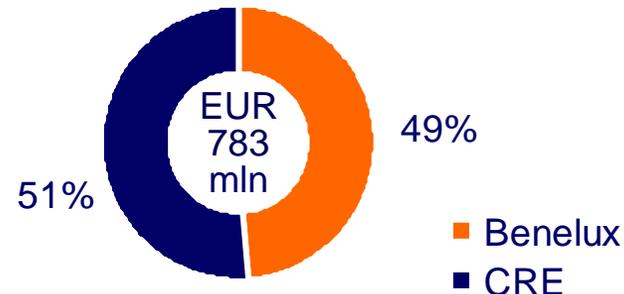
Netherlands	#1 Life #3 Non-life	Poland	#1 Pensions #7 Life
Belgium	#6 Life	Czech	#4 Life
Turkey	#6 Pensions	Hungary	#1 Life
		Romania	#1 Life #1 Pensions

- Leading positions in the large Dutch market
- Strong footprint in key CEE markets, rapid expansion in Turkey
- Well positioned to leverage scale advantage in mature markets and profitable growth in emerging markets
- Deep operating knowledge of the markets as we built these businesses ourselves
- Investment Management has a sizeable third party business and is a meaningful contributor to our operating result

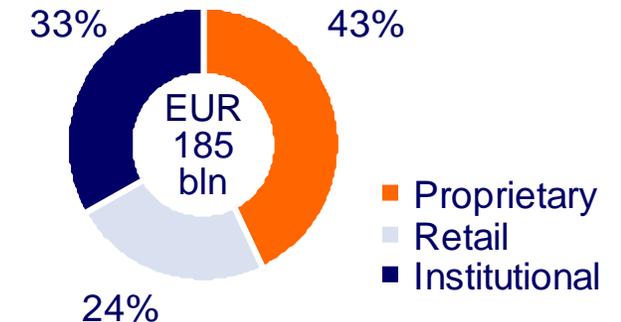
Operating result***



APE by region*



AuM by segment*



* Market positions as of 2012 and all figures for FY2012

** Excluding corporate line

Clear strategic priorities have been set for each business

Netherlands

- NN Life
- NN Non-life
- NN Bank



- Accelerate expense reductions
- Selected growth in pensions, Non-life and banking
- Active in-force book management
- Gradual shift to higher return assets

International

- Mature
- Emerging



- Accelerate profitable growth
- Continue to innovate the business model
- Restore profitability Spain and Greece

Investment Management

- In-House
- Third-Party



- Continue solid investment performance
- Grow third party business
- Improve cost to income ratio

Corporate Line

- Debt interest
- Central costs



- Reduce expenses
- Transition to standalone capital structure

Focus on long-term customer relationships

Improve efficiency

Generate capital

Our strategy focuses on customer, efficiency and capital generation

Appealing products and services

- We offer appealing and easy to understand products and services
- We focus on growing products and services in significant markets with growth potential, where we can have expertise and scale
- We are growing our fee businesses, which offer stability and require limited capital
- We are building out our third party asset management business

Multi-access distribution

- We invest in long term relationships
- We help customers buy with confidence
- We service with care and over-deliver
- We increase the efficiency of our distribution:
 - We increasingly route customers to direct servicing
 - We adopt a stricter approach to our partnerships

Efficient and effective operations

- We develop flawless processes understanding the customer journey
- We have ring-fenced our legacy books to contain cost and improve efficiency
- We continuously improve our cost profile, delivering value for money to customers and increasing profitability
- We focus relentlessly on generating capital and maintaining a solid balance sheet



A sustainable and profitable business delivering an excellent customer experience

We are transforming our business to improve operating performance

Organization	<ul style="list-style-type: none">• Simplified organization• 1,350 FTE reduction programme on track• Renewed, highly motivated leadership team
Capital	<ul style="list-style-type: none">• Strong capital generation at NN Life in 1H2013 offset by French downgrade affecting ECB AAA Curve in July• CRE capital generative beyond funding own growth• Financial leverage ING Insurance (INGV) significantly reduced
Efficiency	<ul style="list-style-type: none">• Expenses in NL reduced by 30% since 2007• Programme to deliver EUR 200 mln structural expense reduction by 2014 on track – EUR 65 mln cost savings already realised in 1H2013• Implemented business process layer in Individual Life closed book to drive efficiency and improve service• Additional cost savings are being investigated
Product and sales	<ul style="list-style-type: none">• Re-pricing and underwriting measures Non-life lead to strong improvement in operating result 1H2013• Re-pricing and changed conditions improve return and risk profile of in-force Group Life book• NN Bank merger with commercial operations of WUB completed• Successful shift to higher margin product mix in CRE• CRE sales up 22% 1H2013 vs 1H2012

ING Insurance provides an attractive investment proposition

Extract full potential from NN, the Dutch market leader	<ul style="list-style-type: none">• Leading market positions focused on customer, efficiency and capital generation• Individual Life closed book management• Group Life and Non-life re-pricing and in-force book management• Gradual shift to higher return assets• Selective investment in profitable new business and build out NN Bank platform
Attractive Insurance International growth business	<ul style="list-style-type: none">• Strong positions in key CEE markets with secular growth trend• Distribution-channel diversification and shift towards investment and protection products• Self funding and capital generator
Profitable and growing asset manager	<ul style="list-style-type: none">• Attractive margin business• Growth of third party business• Capital generator and dividend contributor
Robust and clean balance sheet	<ul style="list-style-type: none">• Clean balance sheet with limited intangibles and low investment risk• Low asset leverage• Dutch solvency marked-to-market framework fully reflects current low interest rate environment
Management committed to generate capital	<ul style="list-style-type: none">• Diverse portfolio of capital generating businesses• Withdraw capital from low return businesses, allocate to high return businesses

Netherlands

Extract full potential from leading market position

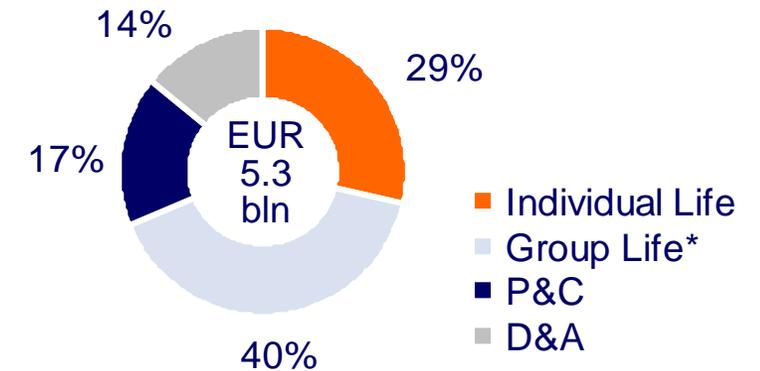
- NN is the largest player in the Dutch market with a very powerful, multi-channel brand
- Focus on customer excellence, expense reductions and capital generation
- NN Life is effectively responding to changing dynamics in the Dutch Life market
 - Continue the Individual Life closed book strategy
 - Lead the Group Life (Pension) DB – DC development and grow selectively
 - Gradually shift to higher return assets and generate capital
- NN Non-life implements measures to structurally improve profitability and grow selectively
- NN Bank is a good strategic fit with NN and complements NN's retail product offering

NN is a leading player in the Netherlands, the fifth largest insurance market in Europe

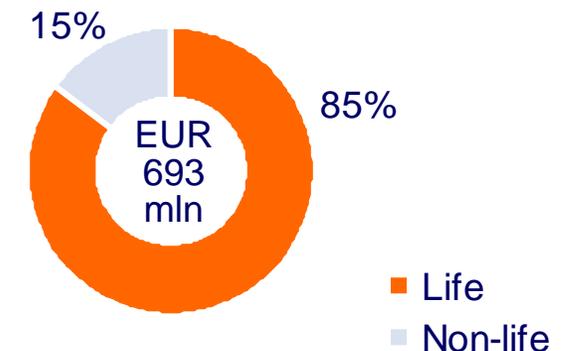
The Netherlands

GWP insurance market	<p>EUR 35.2 bln</p> <ul style="list-style-type: none"> • Individual Life EUR 11.1 bln • Group Life EUR 7.9 bln • Non-life EUR 16.2 bln
NN market shares and ranks	<p>Life 20.2%, # 1</p> <ul style="list-style-type: none"> • Individual Life 19.9%, #1 • Group life 20.6%, #2 <p>Non-life: 9.8%, #3</p>
NN key figures 2012	<ul style="list-style-type: none"> • GWP: EUR 5.3 bln • Operating result: EUR 693 mln • FTE: 5,933
NN distribution channels	<ul style="list-style-type: none"> • Brokers • Bank • Tied Agents • Direct

GWP by product FY2012



Operating result NN Life and Non-life FY2012



Figures Insurance market: YE 2012.
* includes individual pensions

NN Life is effectively responding to significant changes in the Dutch market

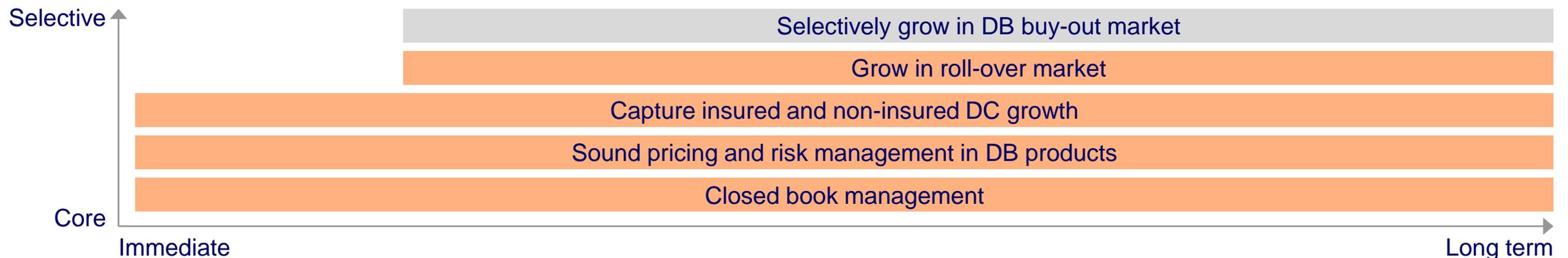
Changing dynamics in the Dutch Life market

- Difficult economic outlook, low interest rates, rising life expectancy
- Low yield environment and longevity risk drive redesigns of pension plans from DB to DC
- Customers' uncertainties strengthen need to save
- Life products are substituted by bank annuity products ('Banksparen')
- Regulatory and fiscal framework changes impacting pensions

NN is well positioned to respond to these changes...

- #1 in Individual Life and first mover in closed book market managing 3.6 mln policies and EUR 25.8 bln in assets
- Large client base in Group Life (# 2), with decades of expertise and all capabilities under one roof to deal with transition to DC:
 - NN with insured solutions (DB and DC)
 - AZL with best in class administrative and fiduciary services for company-pension funds and industry pension funds
 - PPI institution for non-insured DC
 - Investment Management a recognized international asset manager

...and capture the market opportunity



NN Life continues to execute its Individual Life closed book strategy

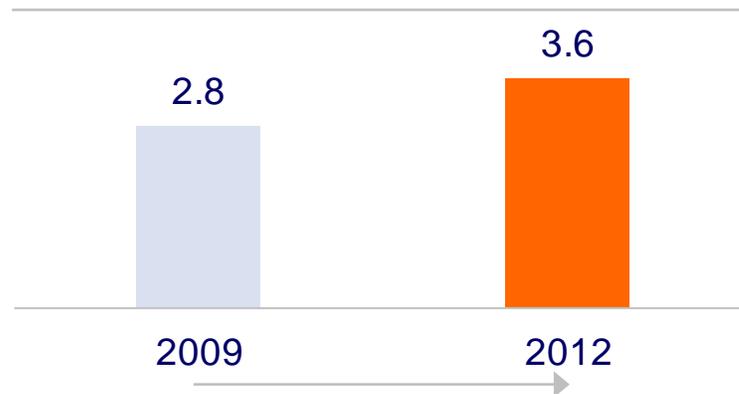
Closed book strategy has significantly increased efficiency

- Stopped most new business
- Transformed a 620 FTE sales force into 100 financial advisors
- Integrated Individual Life closed books of NN, RVS, Postbank Insurance (IVR) in NN Services
- Implemented business process layer to drive operating efficiency and improve service
- Cost reduction of 9% on the total Individual Life closed book over the period 2010-2012

And will lead to further efficiency gains over the next 5 years

- Further simplify business model to variabilise cost base
- Additional cost reduction anticipated
- Generate capital

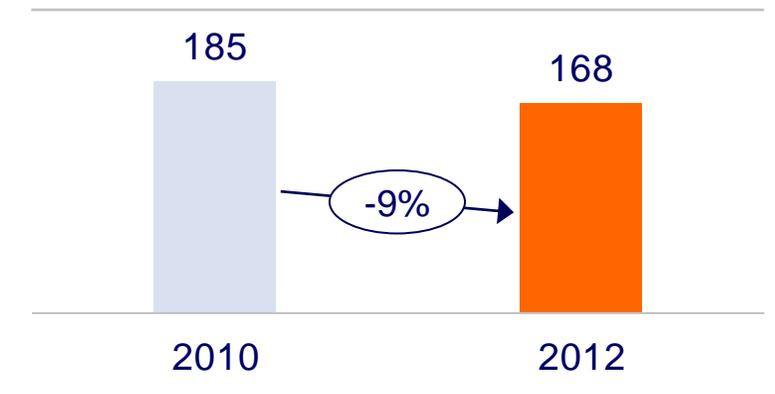
policies (mln)



Life technical reserves (in EUR bln)



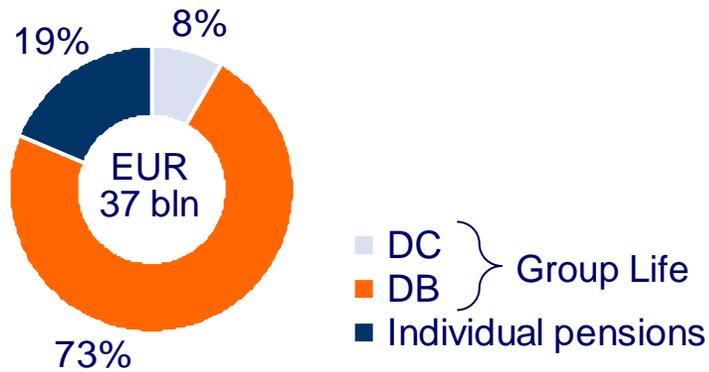
Total costs (in EUR mln)



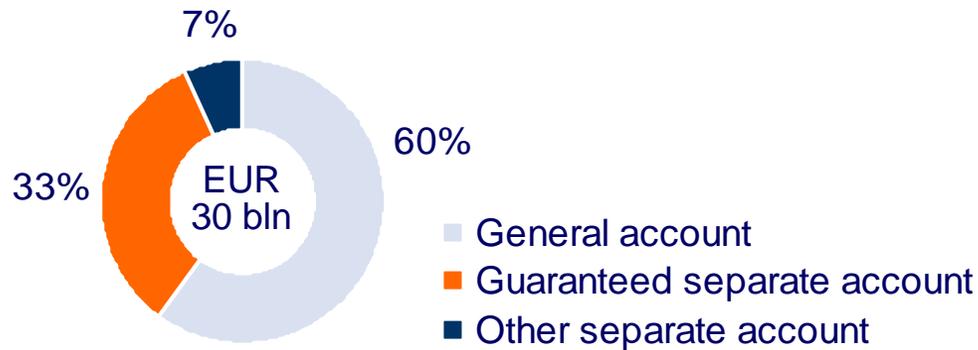
Creation of Individual Life closed books (NN, RVS, IVR)

Group Life reduces risk and generates capital

Total pension technical reserves 2Q2013



Group life technical reserves 2Q2013



Decisive management actions will reduce our risk profile and generate capital over the next five years

- Guiding existing and new customers from average career and final pay (DB) to DC pension plans over time
- For our guaranteed separate account book:
 - Changed product features, with improved asset matching and pricing based on new market reality
 - Transferred EUR 2.2 bln assets from separate accounts to the general account at contract renewal in 2012 and the first half 2013 and there is more to come
 - Modified the separate account product hedge in 3Q2013, to improve economic solvency protection and reduce hedge costs (approximately EUR 30 mln per annum)
- We will convert our DB book for small and medium sized employers to a modern DB solution with improved hedge effectiveness and pricing based on new market reality

...and improves efficiency at the same time

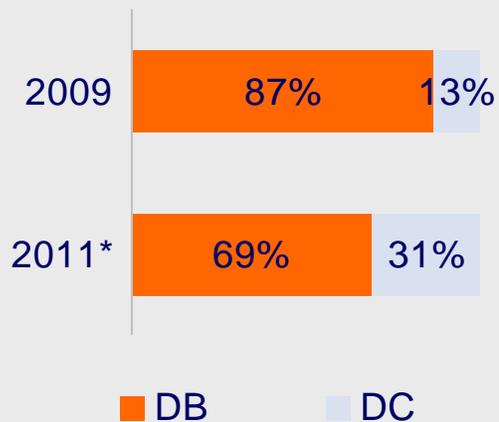
Efficiency actions

- We are rationalizing our current product-suite
- We have ring-fenced legacy books to lower cost and improve efficiency
- Within a new IT solution (SAP), we launch a standardised and focused product suite for average career and final pay (DB) pension plans, DC pension plans and roll-over
 - We are converting customers on contract date, cleaning up legacy
 - We are rolling out straight through processing, lowering manual actions
- We are improving the customer experience and lower cost through a dedicated lean six sigma blackbelt programme
- We continuously improve data quality and processes, based on 'first-time-right'

We are well positioned to capture growth in the Group pension market

Move from DB to DC

- Within the insurance sector, customers move from DB to DC
- This is driven by accounting standards, cost and the low interest rate environment
- DC portion of insured pensions more than doubled between 2009 and 2011



* Insurance accounts for 13% of total pension market
Source: DNB

Buy-out market

- Smaller company pension funds liquidate and move to insured solutions
- Number of pension funds for potential liquidation still high



Pension roll-over

- Roll-over potential in the decumulation phase will increase over time
- This is driven by the move from DB to DC and high number of retirees



- New web based DB and DC solutions will offer best in class customer experience
- AZL, IM and NN combine their strengths in a successfully introduced PPI
- New web based roll-over product
- Selectively grow in the buy-out market under strict pricing
- > 95% of our DC assets are managed by IM
- Leverage the brand

AZL delivers strong top-line fee growth

AZL is a multi client, full service pension provider for pension funds and employers

- AZL delivers pension administration, communication, actuarial, risk and legal advice
- It is showing strong growth figures in fees and participants in highly competitive and consolidating market
- Best in class in administration quality
- AZL's client oriented approach results in high client satisfactory scores: 8 on a 10 point scale and an increase in Net Promoter Score (NPS) of 23



Fee based revenues (EUR mln)

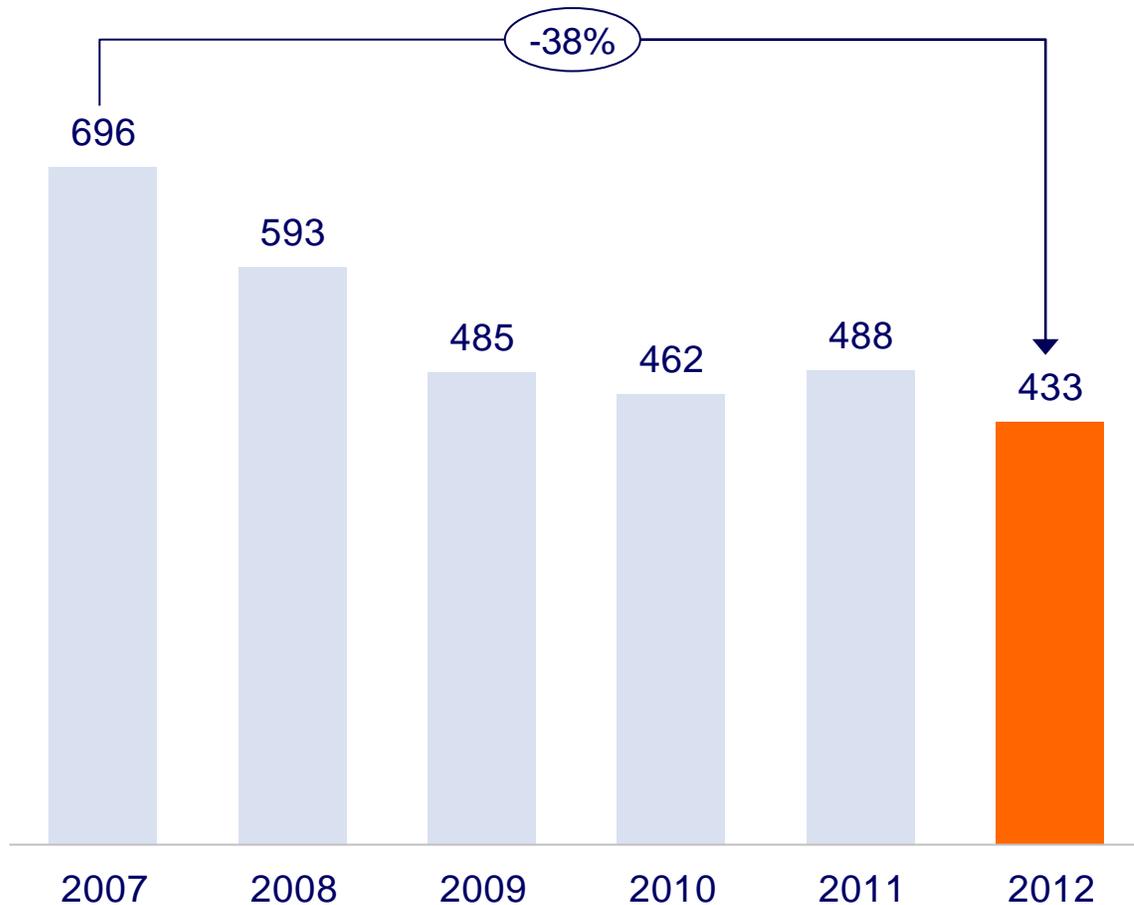


Number of participants (thousands)



NN Life strategy translates into continued expense reductions

NN Life* administrative expenses (in EUR mln)



* Includes IVR and RVS

- NN Life has reduced its administrative expenses by 38% since 2007 driven by a strong reduction in FTEs
- The realisation of continued cost savings in 2011 and 2012 have been offset by higher regulatory costs
- Pension costs are volatile driven by changes in the discount rate
- Further expense reductions will be driven by:
 - Closed book Individual Life
 - Transformation Group Life
 - More efficient operations
 - Simplified organization

Non-life profitability is being restored to historical levels

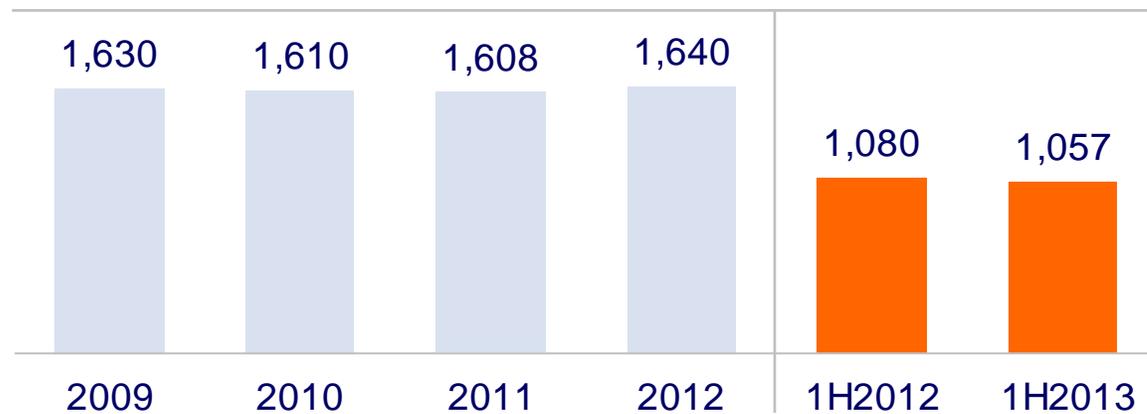
NN Non-life* operating result (in EUR mln)



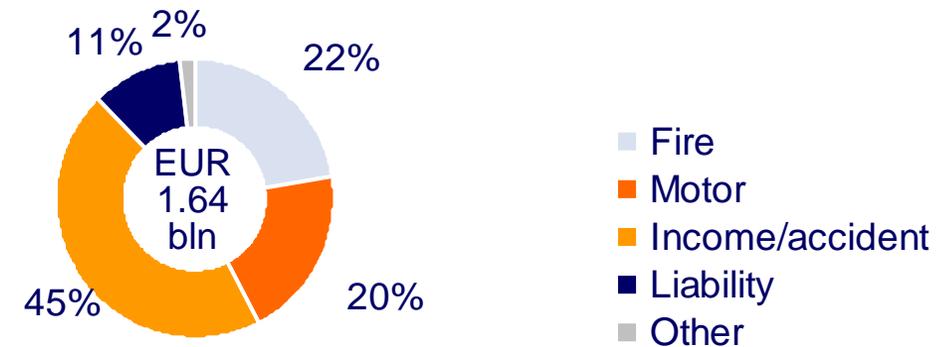
NN Non-life performance to improve gradually following actions taken

- Non-life in the Netherlands is a diversified block of business
- GWP has been stable around EUR 1.6 bln over the past few years
- Profitability in recent years impacted by Group Income and Accident (D&A) and motor
- Results in D&A improved in 1H2013 as decisive actions taken in 2012 are starting to materialise
- Measures are taken to structurally improve NN Non-life combined ratio

GWP NN Non-life* (in EUR bln)



NN Non-life* GWP FY2012 by line of business



* Including Movir, Zicht and Mandema

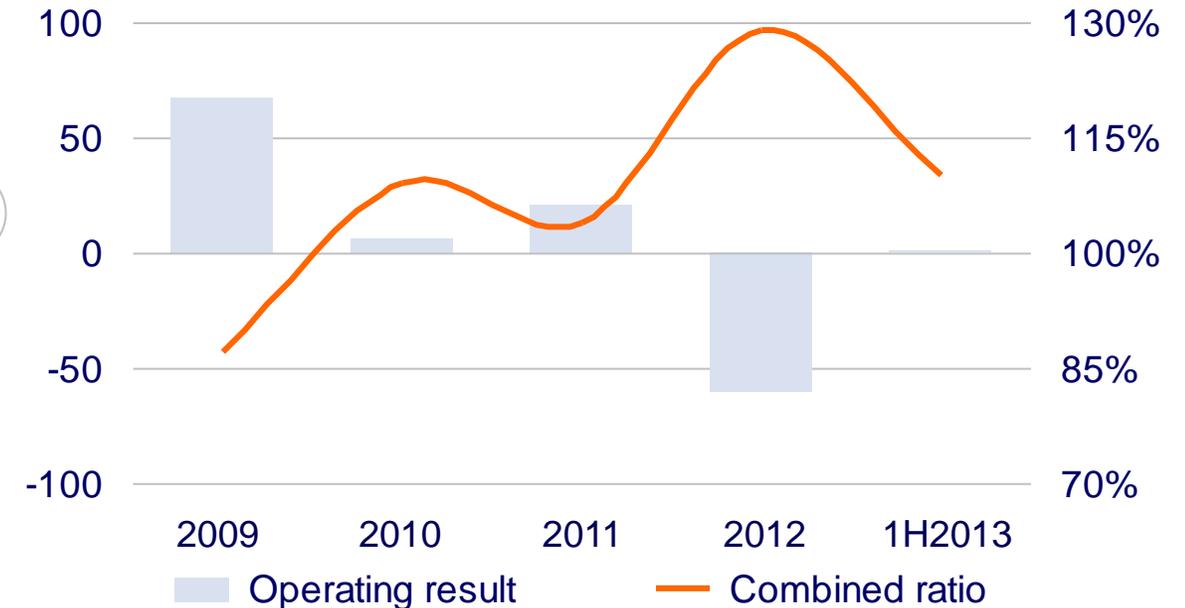
Group Income protection combined ratio to improve on measures taken

We took decisive action in 2012 to address high claims in Group Income protection...

- Results in 2012 were affected by high claims experience and reserve strengthening in Income and Accident (D&A) due to the weak economy in the Netherlands
- Decisive actions were taken in 2012:
 - Significant premium increases
 - “En-bloc” adjustment of policy terms for majority of Group disability products
 - Claims processes further improved in order to stimulate reintegration
 - Strengthened reserves in relation to prior year claims by approximately EUR 160 mln over the period 2011-1H2013
- Although the future disability trend remains sensitive to the economy, overall we expect a gradual recovery of disability results over the next two years based on measures taken

...which are starting to yield a positive effect

Group Income protection



Further actions taken to improve performance and grow selectively

Further actions to improve total NN Non-life combined ratio

- Individual D&A, fire and motor retail: improve underwriting performance by premium increases, adjusting conditions, disciplined underwriting, and improving claims handling
- Improve operational efficiency and reduce cost by converting portfolios to single target platforms with standardized products for all channels and brands
- Increase focus and profitability through product rationalization in P&C: discontinue small & loss-making portfolios in non target client segments
- Develop new product propositions
- Strengthen distribution strategy to efficiently use our current distribution channels
- Effectively capture the growth opportunities on a selective basis



- Improved underwriting performance, operational efficiency, and portfolio rationalisation aimed at structural improvement of combined ratios

NN Bank will complement product range of NN

Transfer of WUB to NN Bank completed

- Nationale-Nederlanden Bank received a banking license in 2011 to enter the tax-advantaged bank annuity ('banksparen') market
- The merger of the commercial operations of WestlandUtrecht Bank with NN Bank on 1 July has complemented and accelerates the NN Bank strategy
- NN Bank is fully CRD IV compliant with a CT1 ratio of >12% and a leverage ratio of >3.5% as at 1 July 2013

NN Bank pro-forma 1 July 2013 (in EUR bln)

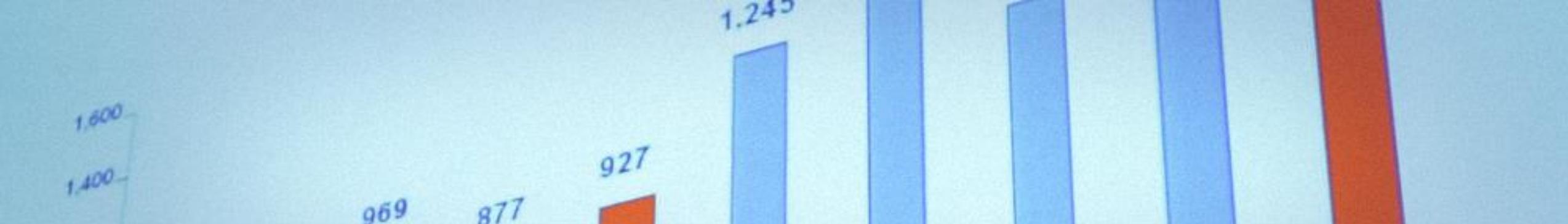
Mortgage loans	4.2
Retail savings	4.3
Equity	0.4

NN Bank is a good strategic fit with NN and complements NN's retail product offering

Product provider	<ul style="list-style-type: none"> • NN Bank will offer a range of complementary products (mortgages, savings accounts, 'banksparen', investments, consumer credit) to the existing life and Non-life insurance products of NN
Mortgage Servicer	<ul style="list-style-type: none"> • NN Bank will be servicing all NN-originated mortgage loan portfolios (EUR 25 bln as at 1 July 2013), including the strategic mortgage portfolio on the balance sheet of NN Life and the remaining NN mortgage book at WestlandUtrecht Bank (ING Bank)
Distributor of all NN products	<ul style="list-style-type: none"> • The strong NN brand and customer base provide an attractive opportunity for NN Bank • NN Bank distributes all NN retail products

Wrap up

- ING Insurance forms a unique combination of mature and growth markets
- Our strategic plans will extract the full value of our leading market positions
- We are committed to focus on customers, generate capital, grow profitably, and improve efficiency
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CEO ING Insurance International

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Attractive International businesses provide growth opportunity and strong cash generation

- Very strong regional footprint and brand, organically built
- Strategic focus on expanding life and third pillar pension business via multi distribution strategy
- Double-digit growth in new business with focus on protection and investment products
- Tight cost control
- Accelerate portfolio development by improving the customer experience
- Strong capital generation beyond organic growth opportunities

Strong regional footprint built organically

Market shares and rankings (in GWP)

Poland ('95)

- Pension: #1 -24% market share
- Life: #7 - 5% market share

Czech ('92)

- Pension: #6 - 10% market share
- Life: #4 -11% market share

Slovakia ('96)

- Pension: VPF* #1 - 37% market share
MPF** #4 - 11% market share
- Life #5 - 7% market share

Hungary ('91)

- Pension: MPF**** #1 -32%
VPF #6 – 7% market share
- Life: #1 - 14% market share

Belgium ('07)

- Life: #6 – 3% market share
- Non-life: #13 – 2% market share

Luxembourg ('94)

- Life: #11 - 3% market share

Romania ('97)

- Pension: MPF #1 - 38%
market share VPF #1 - 47%
market share
- Life: #1 - 33% market share

Spain ('78)

- Life: #14 - 2% market share***

Greece ('82)

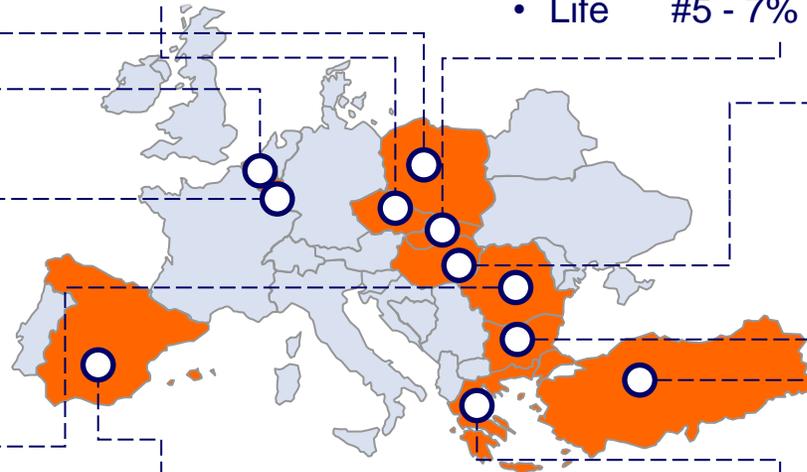
- Life: #2-16% market share

Bulgaria ('06)

- Pension: MPF #6 - 10% / VPF
#3 - 12% market share
- Life: #7 - 6% market share

Turkey ('09)

- Pension: #6 VPF - 6% market share
- Life: #15 - 2%



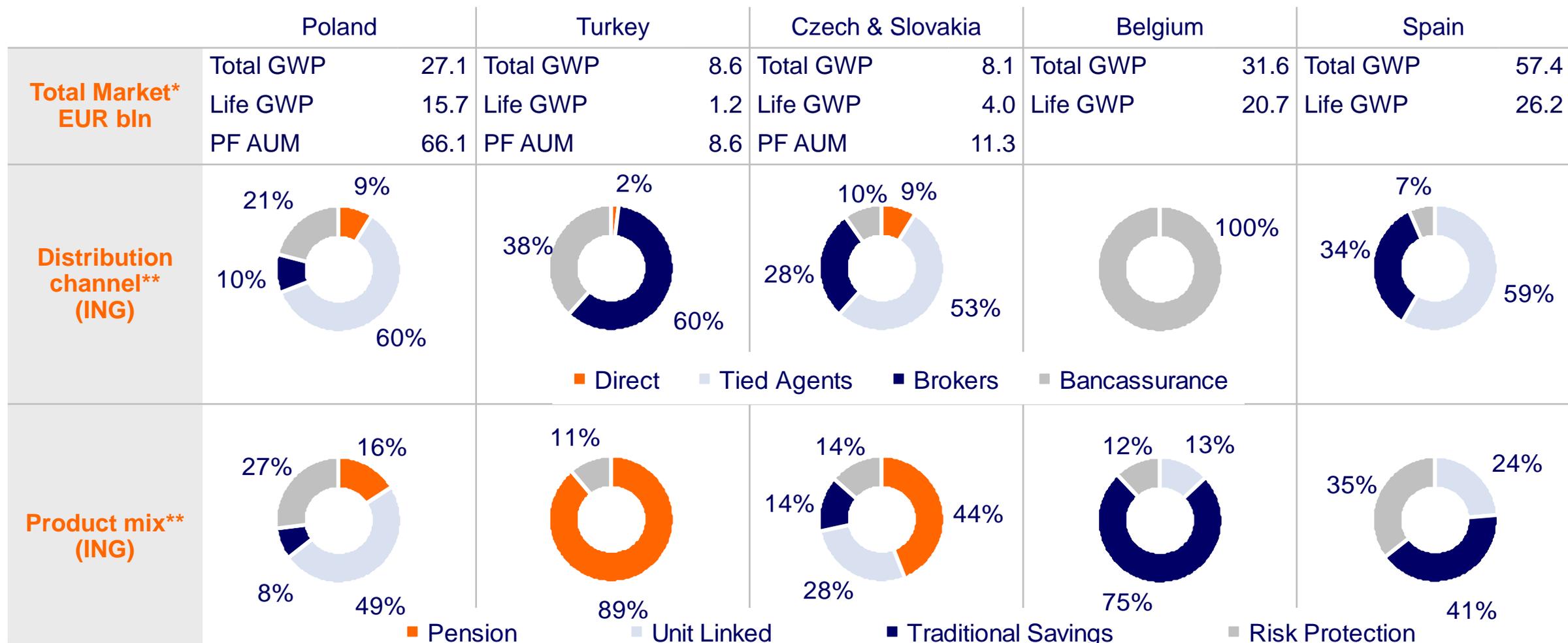
* VPF: Voluntary Pension Fund,

** MPF: Mandatory Pension Fund,

*** Spanish Life market remains dominated by banks with a joined market share of about 75%,

**** Entire Hungarian MPF market shrank with about 96% in Q1 2011, due to new regulation

Diversified distribution and product mix in mature and growth markets



* Source local regulators as per 2012

** Based on APE as per 2012

Accelerate profitable growth strategy and strong capital generation

Trends

<p>Shifts in channel mix</p>	<ul style="list-style-type: none"> • Growth in Bancassurance (BA) • Increased distribution through brokers • Inroads by direct channel • Continued distribution through tied agents
<p>Shifts in segmentation and products</p>	<ul style="list-style-type: none"> • Growing affluent segment with more diverse needs • Increasing technological familiarity • Growing demand for savings, investments and protection • Need for transparency
<p>Need for differentiation</p>	<ul style="list-style-type: none"> • Drive customer satisfaction, retention and loyalty • Blurring lines between banking and insurance product coverage
<p>Increasing margin pressure</p>	<ul style="list-style-type: none"> • Stiffer competition • Higher distribution costs • Regulatory attention: consumer protection, mandatory pensions



Our response

<p>Multi-channel distribution and access</p>	<ul style="list-style-type: none"> • Enhance value of current and new preferred BA partnerships • Selective broker growth in Czech Republic, Turkey and Poland • Direct sales in Czech Republic, Spain, Slovakia and Poland • Roll out best practice model for Tied Agents
<p>Launch new products and focus on protection and wealth management</p>	<ul style="list-style-type: none"> • Building customer-focused value proposition • Focus on low capital intensive products • Expanding protection offer
<p>Improve Customer experience</p>	<ul style="list-style-type: none"> • Establish framework to proactively manage customer experience • Customer Self-Service Model
<p>Cost efficiency and capital generation</p>	<ul style="list-style-type: none"> • Maintain cost discipline and improve costs efficiency • Strong capital generation beyond organic growth opportunities

Operating result and capital generation holding up well despite income pressure

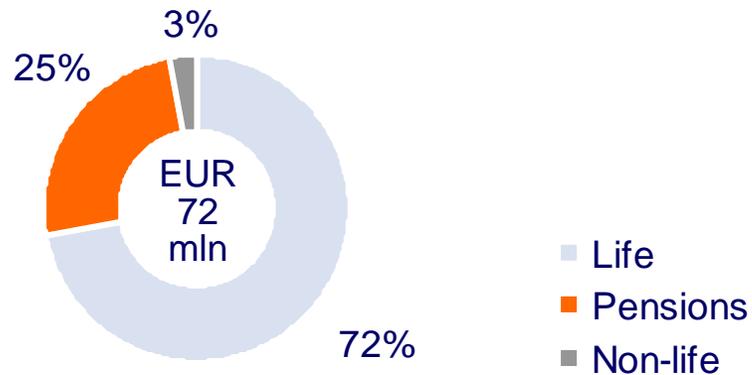
CRE operating result (EUR mln)



Operating result

- Low interest rate environment and regulatory changes in second-pillar pensions have put pressure on operating results
- Sovereign debt crisis has impacted results Spain and Greece
- Operating result predominantly generated from Life business
- CRE continues to be cash generative beyond funding own growth

CRE operating result 1H2013



CRE net capital upstream (dividends minus injections)



- 2012 excludes capital injection in Greece of EUR 180 mln due to sovereign debt crisis

Strong growth Life and third-pillar pensions sales

Poland	<ul style="list-style-type: none"> Life business continues to perform well, accounting for approximately 50% of Polish profits Reduction in premium contributions and ban on client acquisition 2011/12 Recently announced the second pillar pension reform with potential negative impact
Hungary	<ul style="list-style-type: none"> Government quasi nationalized the mandatory pensions 2010 Renewed focus on Life products
Czech Republic	<ul style="list-style-type: none"> Pension reform 2013 shifted from third to second pillar Negative impact on operating profit due to lower fees
Turkey	<ul style="list-style-type: none"> Strong growth in Turkey third-pillar pensions driven by regulatory incentives and by sales channel investments Successful bancassurance distribution

Life sales outweigh pensions, with Turkey being the exception (CRE APE EUR mln)



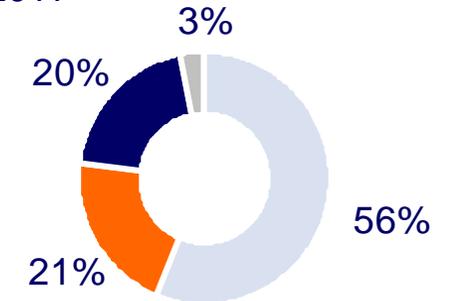
- New sales across the region have continued to grow despite second-pillar pension fund regulatory changes
- Shift to Life and third-pillar pension products have more than offset the impact from lower pensions sales
- Sales grew 22% in 1H2013 vs 1H2012 mainly driven by strong sales in Turkey third-pillar pensions
- Leading market positions remain in tact

Increase distribution productivity and reach through multichannel access

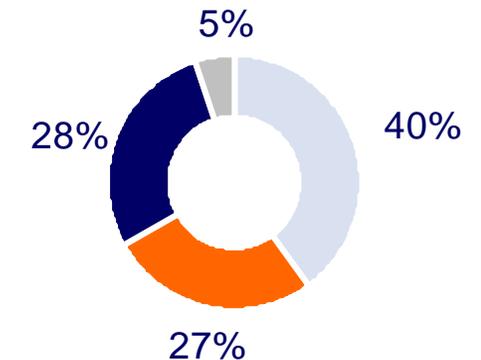
Tied Agent	<ul style="list-style-type: none"> • Focussed on improved productivity and retention of tied agents • Initial impact of initiatives has been positive
Broker	<ul style="list-style-type: none"> • Selective broker growth in Czech Republic, Turkey, and Poland • Doubling of Turkish sales representatives
Bancassurance	<ul style="list-style-type: none"> • ING has partnerships with 14 different banks, in some cases in multiple markets such as GE Money Bank and Piraeus Bank • This includes long term agreements with ING Bank, our main bank partner • We will deepen preferred banking partnerships and improve the productivity of current relationships
Direct	<ul style="list-style-type: none"> • Large part of direct sales currently generated in Poland • Direct servicing being implemented in most business units • ING Slovakia first company to sell pensions via this channel • Innovative value proposition for women (service / support + term) in Czech Republic and Spain: "For You"

Multi-channel proposition CRE

APE, FY2011



APE, 1H2013



Long term partnership with ING Bank offers attractive growth opportunities

Entity	Deposit & loans: market shares and rank	# retail clients (mm)	# branches
Bank Slaski	<ul style="list-style-type: none"> • 7.4% (deposits) • 4.8% (loans) • #5 (deposits); #6 (loans) 	3.1	439
ING Bank Turkey	<ul style="list-style-type: none"> • 1.7% (deposits)¹ • 2.3% (loans)¹ • #12 (deposits); #11 (loans) 	4.7 ¹	306
ING Romania	<ul style="list-style-type: none"> • 5.2% (deposits) • 4.2% (loans) • #7 (deposits); #11 (loans) 	1.0	188
ING Belgium	<ul style="list-style-type: none"> • 12.9% (deposits) • 13.1% (loans) • #4 (deposits & loans) 	2.7	779
ING Direct Spain	<ul style="list-style-type: none"> • FuM c. EUR 32 bln • >#20 (deposits & loans) 	2.7	28



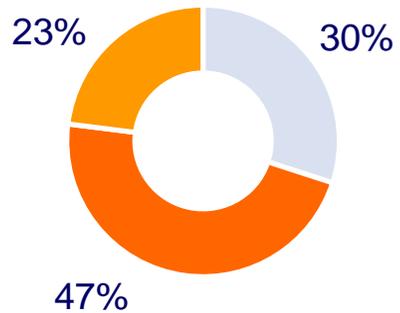
Note: As of YE2012
¹ As of March 31, 2013



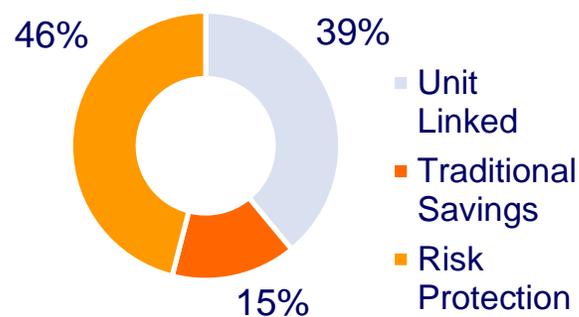
Cost control and shifting product mix to mitigate external challenges

CRE Life product mix

FY2011



1H2013



Growth of higher margin Life products

- Successful shift in product mix towards higher margin products like investment and risk protection products

CRE administrative expenses (EUR mln)

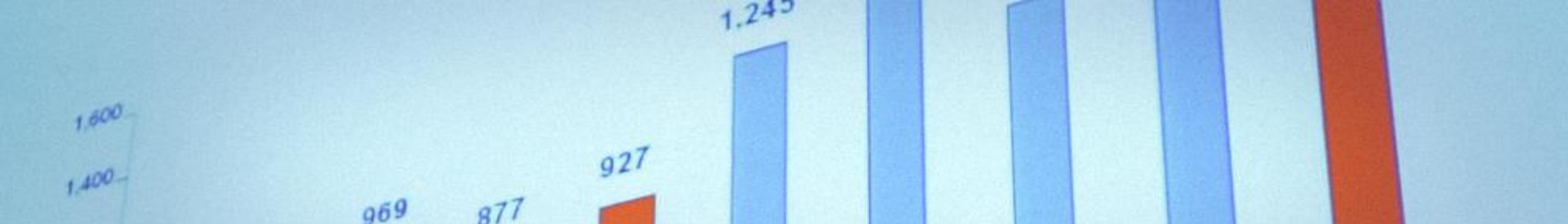


Tight expense control

- Tight expense control has led to downward trend in expenses despite growth in Turkey
- Savings originate from both local business units and regional shared services

Attractive International businesses provide growth opportunity and strong cash generation

- Very strong regional footprint and brand, organically built
- Strategic focus on expanding life and third pillar pension business via multi distribution strategy
- Double-digit growth in new business with focus on protection and investment products
- Tight cost control
- Accelerate portfolio development by improving the customer experience
- Strong capital generation beyond organic growth opportunities



ING Insurance

Update on preparations for the IPO of ING Insurance

Stan Beckers
CEO ING Investment Management

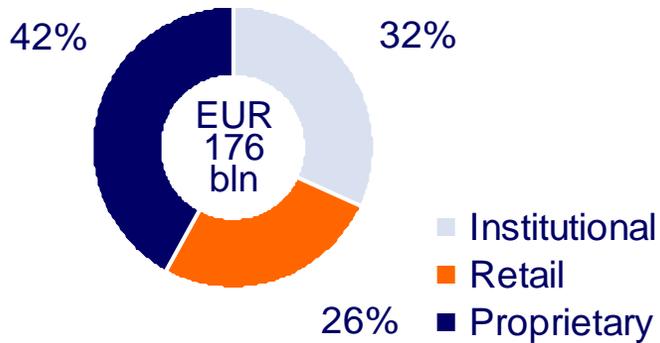
London – 19 September 2013
www.ing.com

Investment Management is profitable and growing

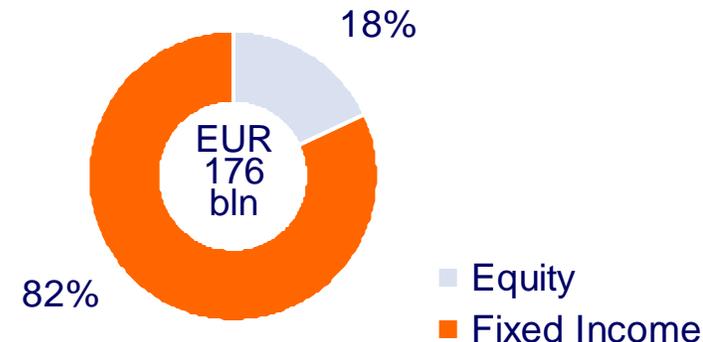
- Investment Management (IM) has a strong position in home markets and CEE
- Global investment capabilities and distribution reach
- Scalable platform with capacity to leverage cost base further with more revenue
- Focus on growing third party business
- Strong capital generator

Investment Management has a strong position in Benelux and CEE

AuM: type of client at 2Q2013



AuM: Asset class at 2Q2013

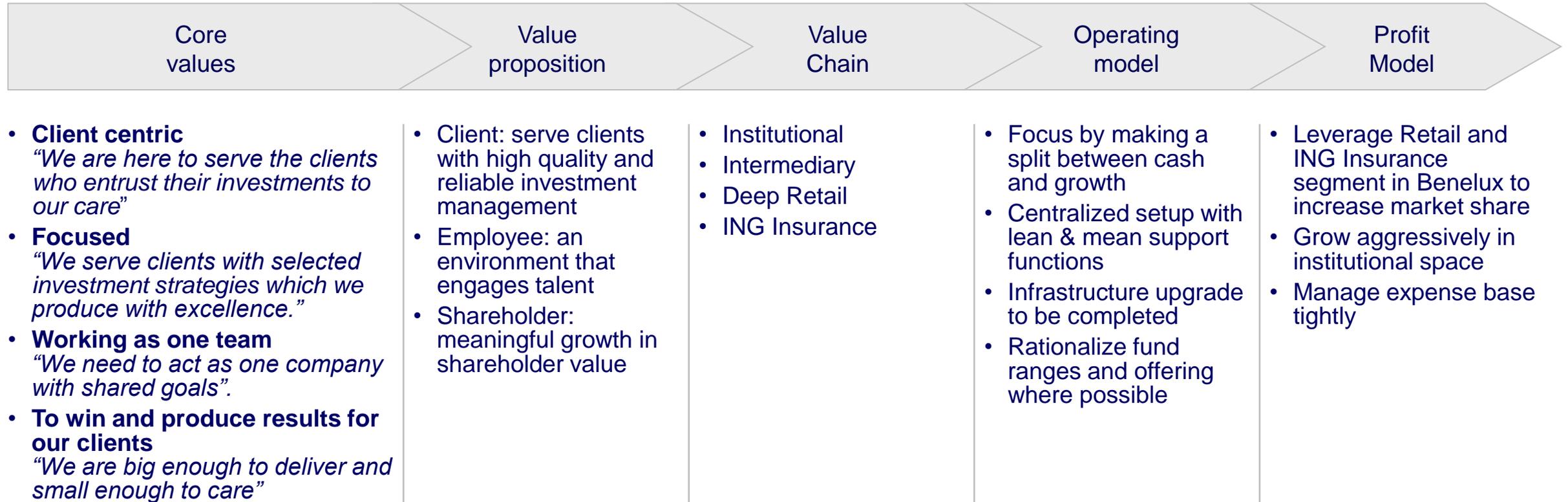


- EUR 176 bln in assets under management at 2Q13
- EUR 38 bln assets under administration
- Operating across Europe, and extending global reach

Key competitive strengths of Investment Management

- ✓ Strong client reach/distribution foothold, especially in “home markets” (i.e. Benelux) – through both affiliated and third-party channels
- ✓ Unique skills and experience in insurance asset management and fiduciary solutions for pension funds – leading position in NL and actively leveraging in other markets
- ✓ Global investment capabilities enabling superior performance in asset classes with high relevance in current investment climate (e.g. EMD, HY, contrarian and sustainable equity)
- ✓ Extensive reach into Central and Eastern Europe with EUR >10 bln in AuM and particularly strong presence in Poland
- ✓ Top 20 market position in terms of AuM in a still very fragmented European asset management market
- ✓ State of the art and scalable infrastructure platform

Investment Management has built its profit model on its core values



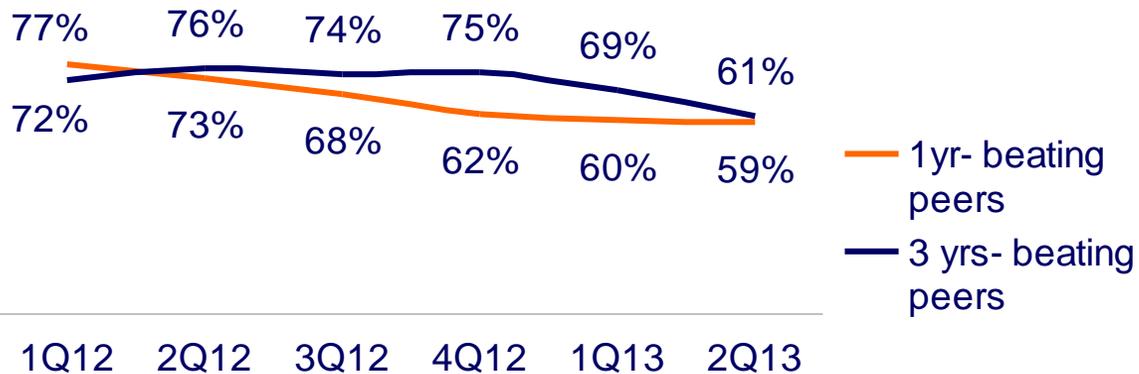
Investment Management operates a scalable platform with capacity to leverage cost base further with more revenue

Our investment performance is recognized in the industry

Fund performance vs benchmark



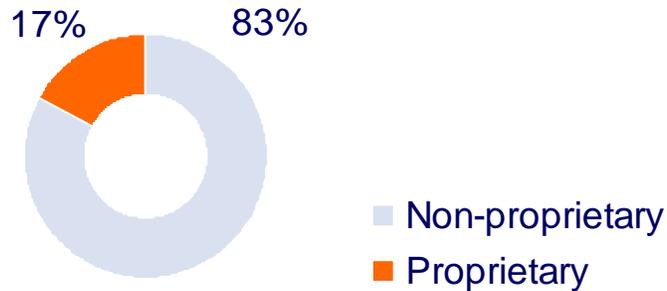
Fund performance vs peers



- Distinct offering in Fixed Income, Equity and Multi Asset strategies, managed through 9 boutiques.
- 289 investment professionals spread globally
- Our performance is recognized by the industry by a number of awards and prizes (Lipper, Morningstar)
- With >40% of our funds having 4 and 5 Morningstar rating we're well above industry average of 32.5%
- Steady and important contributor to Insurance overall profitability

Investment Management will grow revenues by focusing on third-party business

Fee income on AuM 1H2013



Assets under Management (in EUR bln)



To successfully grow the top line, IM is focusing to deliver in 4 specific areas

1. General Account: continue to build on our already successful track record
2. Closely cooperate with Insurance in conquering DC-space with PPI offering
3. Maintain and expand Retail asset base in an open architecture and 'rebate free' environment
4. Aggressively grow third-party business outside our home markets, such as
 - Expand fiduciary offering to sustain leading position in the Netherlands and export capabilities to Germany
 - Extend sovereign wealth offering in Middle East and Asia
 - Leverage Institutional sales capabilities in Western Europe and Nordics
 - Further build our partnerships with private banks amongst others in Switzerland and Latin America

...and continues to provide steady profits and strong capital generation

Operating result before tax (in EUR mln)



- IM has historically provided recurring and steady profitability, despite unfavourable market conditions
- Capital generation has been strong in past years including upstream of excess capital in the Benelux in 2012

Positive capital generation (in EUR mln)



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 2Q2013 ING Group Interim Accounts.

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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