ING CORPORATE COMMUNICATIONS

PRESS RELEASE

Amsterdam, 7 December 2011

ING to take EUR 0.9-1.1 billion 4Q charge on US Insurance Closed Block VA assumption review

As reported in ING's third quarter results of 3 November 2011, ING has been conducting a comprehensive assumptions review for the Insurance US Closed Block Variable Annuity (VA) business.

The review shows current US policyholder behaviour for Closed Block VA policies sold predominantly between 2003 and 2009 diverges from earlier assumptions made by ING, particularly given the ongoing volatility and challenging market circumstances.

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 in line with US policyholder experience and reflect to a much greater degree the market volatility of recent years. In conjunction, ING Insurance US is adjusting hedging to reflect the revised assumptions.

Based on preliminary and unaudited figures, the assumption changes will result in an estimated earnings charge of between EUR 0.9 and 1.1 billion against fourth-quarter results of the US Closed Block VA. 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.

ING decided in early 2009 to terminate the sale of these VA policies. Since then, ING has taken decisive action to reduce risk, leverage and expenses. These actions include reducing deferred acquisition costs, strengthening reserves, expanding the hedging programs and increasing transparency by reporting the US Closed Block VA as a separate business alongside the ongoing ING Insurance US businesses.

"Our new management team in the US Insurance business is taking decisive steps to address legacy issues, improve results and prepare the business for its standalone future," said Jan Hommen, CEO of ING Group. "The actions announced today reflect necessary steps taken in the context of ongoing market turbulence and the impact that has on US policyholder behaviour."

As a result of the developments announced today, the Insurance Group Directive (IGD) ratio for ING Insurance is expected to decrease by an estimated 12 percentage-points, but will remain strong at approximately 230%. Likewise, the estimated consolidated risk-based capital (RBC) ratio for the Insurance US operating subsidiaries is expected to decline from 492% as of 30 September 2011, but to remain comfortably above our 425% target following these assumptions changes. ING plans to provide a contingent funding facility of approximately EUR 1.1 billion to its US insurance business to ensure ongoing compliance with US regulatory requirements. ING Insurance US will continue to work on improving its overall regulatory capital position through retained earnings, further derisking and changes in asset allocation. Its core retirement, insurance, and investment management businesses continue to perform as planned.

Today's announcement about the US Closed Block VA business has no material impact on the results of ING Bank or of ING Insurance EurAsia. ING continues to prepare its Insurance/Investment Management (IM) businesses for a base case of two IPOs, one for its US Insurance and IM activities and one for its European and Asian Insurance and IM businesses.

ING has completed a separate annual review of the policyholder behaviour assumptions for the VA Japan business, which has resulted in non-material adjustments.

ING will report its fourth-quarter 2011 results on 9 February 2012.

Analyst conference call and webcast

ING will hold an analyst conference call on 7 December 2011 at 12:00 CET. Members of the investment community can listen in to the conference call at +31 20 794 8500 (NL), +44 207 190 1537 (UK) or +1 480 629 9676 (US) and via live audio webcast at www.ing.com.

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ING PROFILE

ING is a global financial institution of Dutch origin, offering banking, investments, life insurance and retirement services to meet the needs of a broad customer base. Going forward, we will concentrate on our position as an international retail, direct and commercial bank, while creating an optimal base for an independent future for our insurance and investment management operations

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