

First Quarter 2007 Results

Demonstrating resilience

Press

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CEO ING Group

Amsterdam – 16 May 2007
www.ing.com

INSURANCE - BANKING - ASSET MANAGEMENT



Key points

- First quarter results demonstrate resilience of ING's business portfolio
- Commercial momentum continues, particularly at growth engines
- Ongoing investments to support growth, in mature and developing markets
- ING plans EUR 5 billion share buyback to optimise capital structure

Continued delivery on strategy

- Underlying net profit* EUR 1,894 million, down 3.2% but flat excluding currency effects
 - All business lines grew pretax profit with the exception of Retail Banking which had a record 1Q2006
 - Strong volume growth in savings, mortgages and current accounts largely offset pressure from yield curves
 - Decline of most currencies against the euro had negative impact of EUR 61 million on net results
- Commercial momentum continues, particularly at ING's growth engines
 - ING Direct adds EUR 5.8 billion in mortgages, 707,000 new customers in the first quarter
 - Life insurance sales up 27.9% in Central Europe, 19.8% in Asia/Pacific excluding Japan
 - Net inflow of EUR 14.0 billion lifts total assets under management to EUR 619.4 billion
- ING continues to invest to support growth in mature and developing markets
 - Postbank and ING Bank to join forces under a single ING brand in the Netherlands from 2009
 - ING Direct has initiated process to obtain license in Japan and expects to launch later this year
 - Investment continues in greenfield operations in Russia, Romania, India, variable annuities in Europe
- ING plans EUR 5 billion share buyback to optimise capital structure after funding growth

Note: all figures compare first quarter 2007 with first quarter 2006 unless otherwise stated

*) Underlying net profit is defined as net profit excluding divestments and special items.



Insurance highlights

Business Lines	Underlying profit before tax
Insurance Europe <ul style="list-style-type: none"> • Increase in underlying profit driven by higher life results in all regions • Strong business growth Central Europe with accelerated product launches • Non-life results Benelux impacted by January storm 	EUR 468 m (+5.6%*)
Insurance Americas <ul style="list-style-type: none"> • Solid profit increase on the back of higher AUM • Excluding currency effects, underlying profit up 22% • Strong sales retirement services accumulation products in US • VNB declines due to lower sales and higher discount rate 	EUR 533 m (+10.1%*)
Insurance Asia/Pacific <ul style="list-style-type: none"> • Profit growth (8.9% excl. currencies) driven by South Korea and Australia • Strong growth assets under management, net inflow +33% compared with 4Q2006 • VNB negatively impacted by lower sales Japan and shift in product mix, mainly in South Korea; promising first results new SPVA product Japan 	EUR 159 m (+1.9%*)
Corporate Line Insurance <ul style="list-style-type: none"> • Negative fair value changes on interest and equity hedges • Lower result from run-off of old reinsurance business 	EUR -84 m (vs EUR 122 m**)
Total Insurance	EUR 1,076 m (-10.7%*)

*)1Q07 vs 1Q06; **) 1Q06

Banking highlights

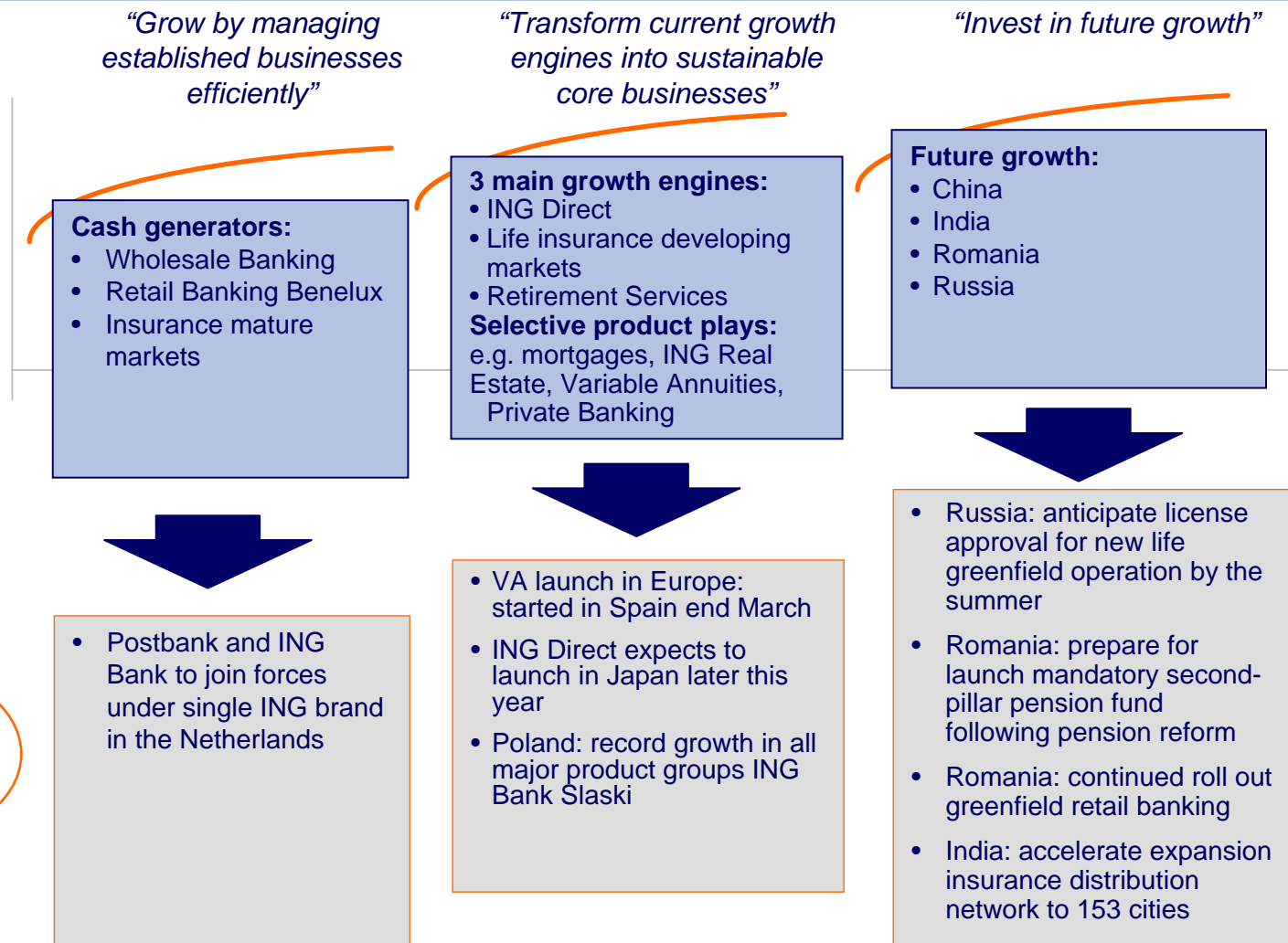
Business Lines	Underlying profit before tax
Wholesale Banking <ul style="list-style-type: none"> • Solid top line growth due to ING Real Estate and Structured Finance • Expenses impacted by compliance costs and investments to support growth • Credit environment remains benign 	EUR 737 m (+0.3%*)
Retail Banking <ul style="list-style-type: none"> • Strong volume growth Benelux; positive revenue impact mostly offset by impact flat yield curve • Good performance in developing markets (Poland, Romania, India) • Expenses impacted by outsourcing costs and investments to support growth 	EUR 539 m (-5.1%*)
ING Direct <ul style="list-style-type: none"> • Expansion of product offering and of geographical footprint helped fuel commercial growth, offsetting impact adverse interest rate environment • Funds entrusted up EUR 1.8 bn (excl. currency effects) in 1Q07, despite outflows UK • Record own-originated mortgages production of EUR 5.8 bn in 1Q07 • New payment accounts US and Spain continue to gain popularity 	EUR 165 m (+6.5%*)
Corporate Line Banking	EUR -56 m (vs EUR -20 m**)
Total Banking	EUR 1,384 m (-3.8%*)

*) 1Q07 vs 1Q06; **)1Q06

Good progress commercial growth across Group

- **ING Direct:**
 - Record own mortgage production of EUR 5.8 billion
 - 707,000 new customers added in first quarter
 - Funds entrusted up EUR 1.8 bn excluding FX impact
- **US Wealth Management:**
 - Sales of retirement services accumulation products up 17.3% on US basis
- **Life insurance developing markets:**
 - Sales Central & Rest of Europe up 27.9%
 - Sales Asia/Pacific excluding Japan up 19.8%
- **ING Real Estate:**
 - Underlying profit before tax rose 36.2% to EUR 158 million
- **Retail Banking:**
 - Strong volume growth in savings and deposits (+4%), mortgages (+9%) and current accounts (+9%) in Benelux
- **Asset Management:**
 - Net inflows EUR 14.0 bn

Consistent strategy to invest in growth

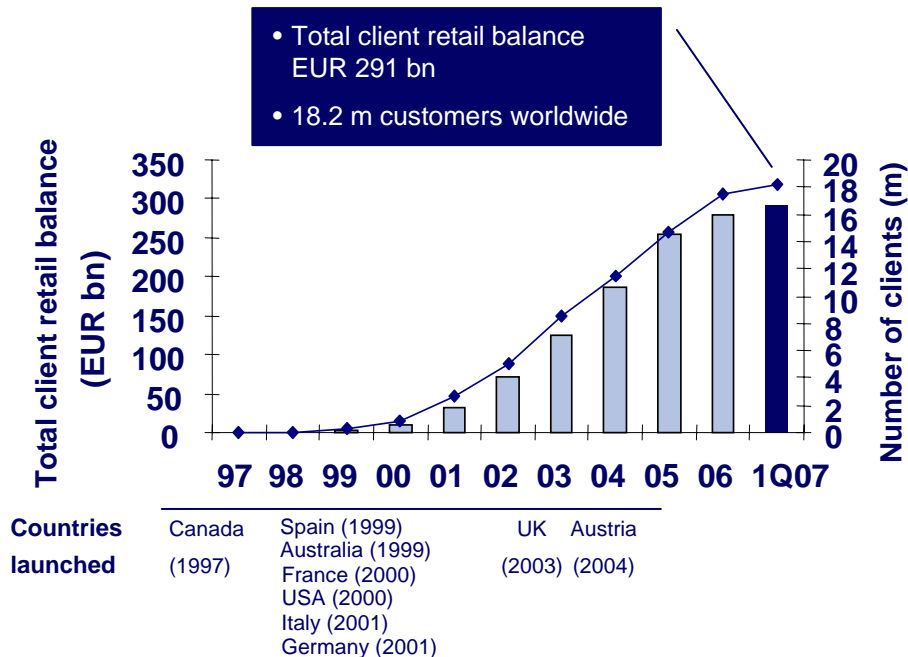


Postbank and ING Bank to join forces under single ING brand

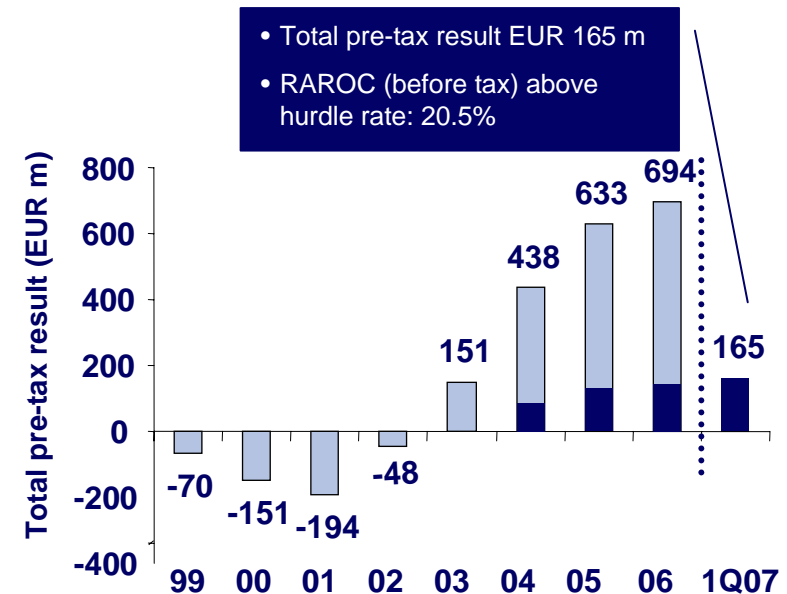
- New combination based on Postbank's successful direct business model, enhanced with access to professional advice capabilities ING Bank
- New combination will operate under ING brand as of 2009
- The leading bank in the Netherlands: combined client base of over 8 million retail customers and 600,000 business customers
- Investment will lead to improved customer service and increased operational efficiency
- Positive P&L impact as of 2009
 - Investment of EUR 890 million to deliver additional EUR 440 million in annual pre-tax earnings by 2011
 - Cost/income ratio heading below 50% in 2011
- Reduction of 2,500 FTEs over 5 year period

Ten year anniversary ING Direct with excellent results, reflecting our entrepreneurial spirit

Growth to date has been impressive...



...with a healthy P&L trend...



...and huge growth potential going forward

Four product categories:

- Savings – Deposits
- Lending – Mortgages
- Investment products – Mutual funds
- Payment accounts

Three sources of growth:

- Grow volume of established products
- Extend geographic footprint
- Broaden product range



ING Direct expects to launch operation in Japan later this year

Japan: an attractive market

2006 figures

	Germany	France	US	Japan
GDP*	2,604	1,972	13,246	4,242
(CAGR 2001-2006)**	(1.8%)	(3.5%)	(5.5%)	(0.4%)
Retail deposits*	1,664	1,042	6,670	6,504
(CAGR 2001-2006)**	(2.5%)	(4.4%)	(6.6%)	(0.2%)
Mutual funds*	663	362	4,962	552
(CAGR 2001-2006)**	(7.1%)	(2.8%)	(12.7%)	(15.5%)
Mortgages*	1,101	631	9,675	1,200
(CAGR 2001-2006)**	(1.6%)	(12.2%)	(12.9%)	(5.6%)

*) USD, at purchasing power parity

**) In local currencies

Source: Datamonitor, EcoWin, ECB, ING calculations

Highlights

- Initiated the process to obtain banking license
- In line with ING Direct's global strategy:
 - Large and attractive wealth accumulation market
 - Highly developed infrastructure for direct banking
- Japan launch will increase ING Direct's presence to countries representing around 70% of the global savings market

Share buy-back of EUR 5 billion illustrates ING's disciplined capital management

- ING intends to buy back EUR 5 billion in shares, starting in June 2007, continuing for about 12 months
- Program will enhance capital structure, reduce cost of capital and improve earnings per share
- The combination of strong earnings, refinancings to optimise the capital structure and Basel II are expected to create comfortable capital surplus, after funding of significant growth of business, small bolt-on acquisitions and an attractive dividend
- ING consistently strengthened its balance sheet over the years, and will remain within its targets to maintain a AA-rated company
- Share buyback program is conditional on company specific or market related reasons that would make the program undesirable

Solid balance sheet...



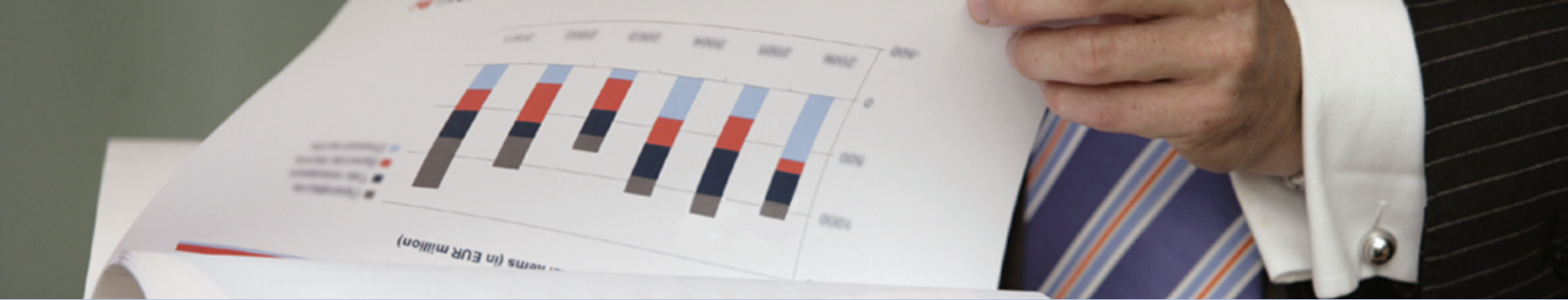
...confirmed by strong ratings

	S&P	Moody's	Fitch Ratings
ING Group	AA-	Aa2	AA-
ING Insurance			
- Short term	A-1+	P-1	
- Long term	AA-	Aa3	AA-
ING Bank			
- Short term	A-1+	P-1	F1+
- Long term	AA	Aa1	AA
- Financial strength		B	
Outlook	Stable	Stable	Stable



Looking forward

- Looking forward to the rest of the year, we do not anticipate a significant shift in the market environment.
- ING is confident that we will continue to create value for our shareholders as we invest in commercial expansion and new initiatives.



ING to reinforce position as the leading Dutch retail bank

Postbank and ING Bank to join forces under single ING brand

Eli Leenaars, Member of the Executive Board

Amsterdam – 16 May 2007
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Postbank and ING Bank to join forces under single ING brand

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- Investment will lead to improved customer service and increased operational efficiency
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 - Cost income ratio will be heading below 50% in 2011
- Reduction of 2,500 FTEs over 5 year period

Significant investment in Dutch banking market
building on existing strengths

Enhancing service to our retail customers ...

1. Leading direct bank
 - State-of-the-art internet banking services
 - Highly accessible contact (call) centres
2. Modern, low-barrier bank branches for personal advice
3. Reliable, easy-to-use, value-for-money
4. Bank with Dutch identity
 - No nonsense approach
 - Best-in-class products and processes



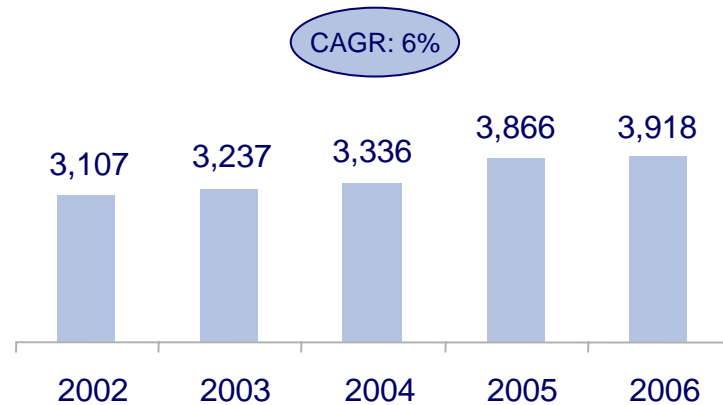
... while keeping service at high standard for our business and private banking customers

- Business and private banking customers will continue to benefit from existing personal advisors' in-depth industry knowledge (account managers, relationship managers)
- Business and private banking customers will benefit from improved internet banking services

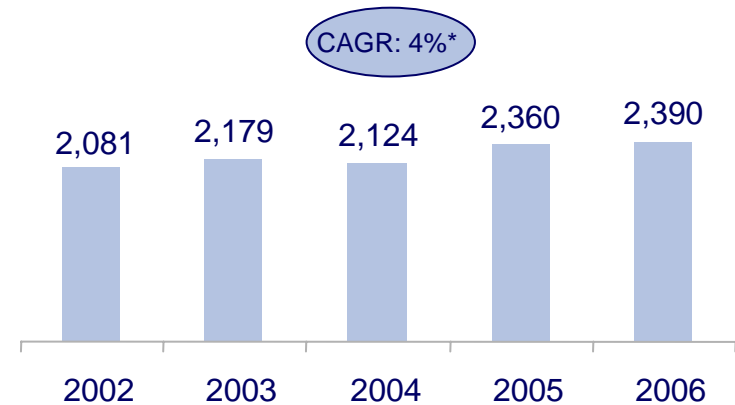


Building on strong financial performance of Postbank and ING Bank...

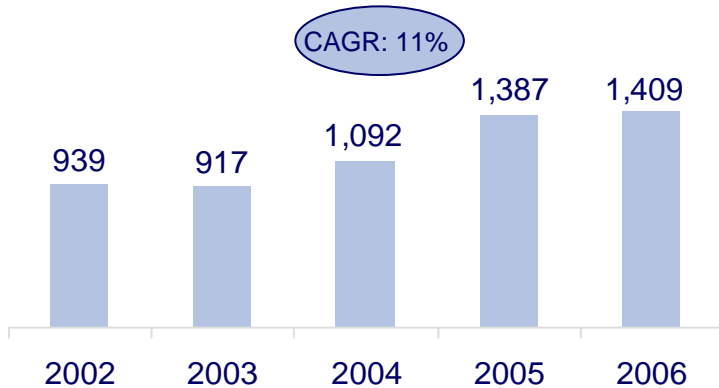
Revenue development ING Retail NL '02-'06 (EUR m)



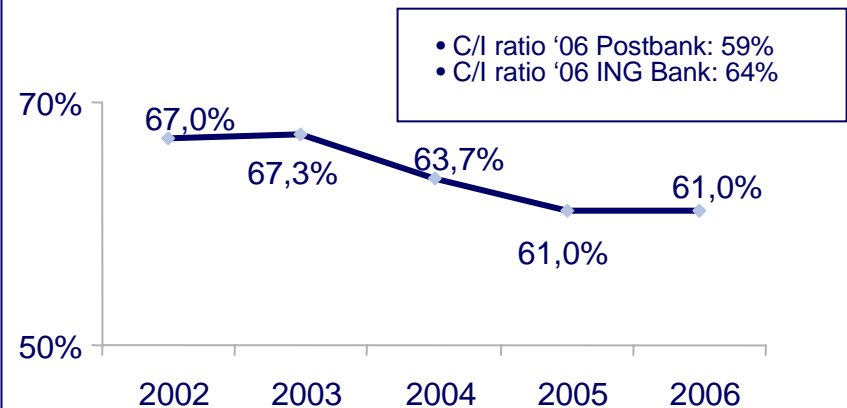
Cost development ING Retail NL '02-'06 (EUR m)



Profit development ING Retail NL '02-'06 (EUR m)



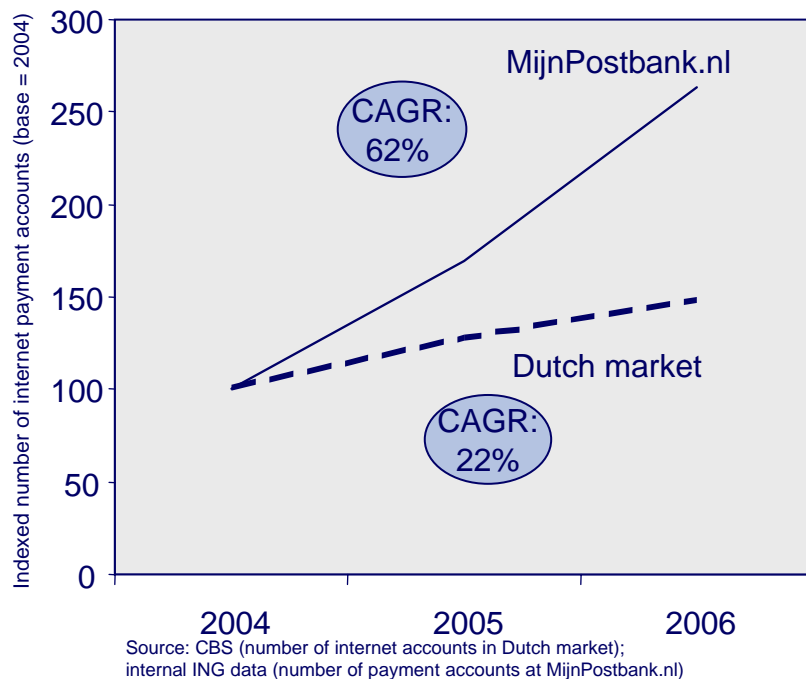
Cost/Income ratio ING Retail NL '02-'06



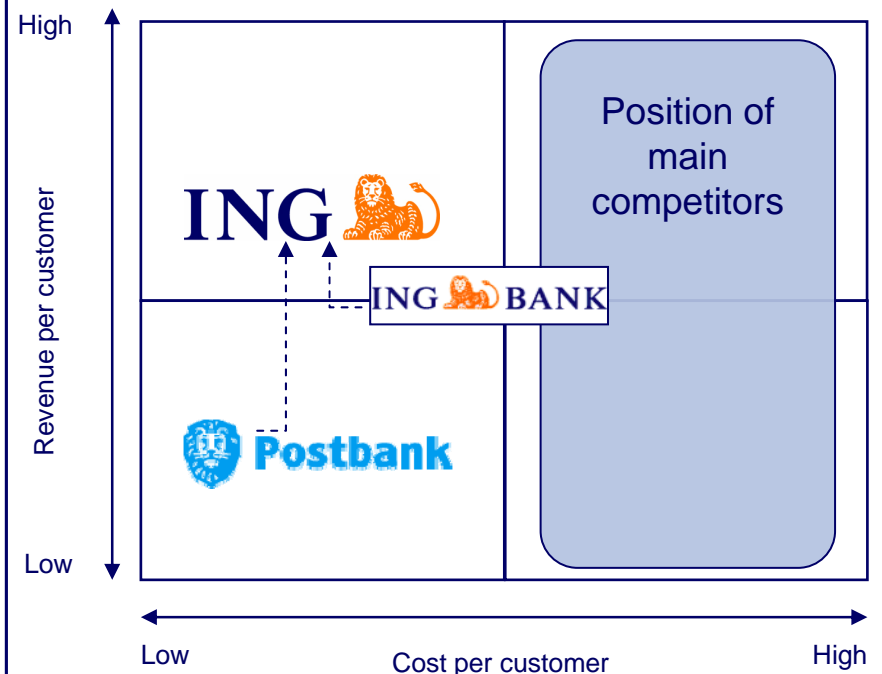
Note: ING Retail NL organisation exists since 2004. 2002 and 2003 numbers therefore have not been disclosed in this form before

... and leveraging fast changes in Dutch banking market



Strong growth of internet use in Dutch banking market (>20% p/a) and at Postbank (>60% p/a)



- Direct channels for day-to-day products
- Advice-oriented products require superior advice proposition



Based on Postbank's successful direct business model and ING Bank's professional advice capabilities...

			
Market position	Very strong position in Dutch retail market <ul style="list-style-type: none"> • Focus on mass and mass affluent • Over 7 million retail customers 	Market position	Very strong position in Dutch commercial market <ul style="list-style-type: none"> • Focus on SME • Over 150.000 SME customers
Distribution model	Direct bank model + physical network <ul style="list-style-type: none"> • 2.7 million online customers + one million views/day • Post office outlets for day-to-day transactions 	Distribution model	National branch footprint for all segments <ul style="list-style-type: none"> • Retail, SME, Corporates, Private Banking • Branches for personal advice
Key strengths	Strong "direct" proposition <ul style="list-style-type: none"> • One of most visited Dutch internet pages • Award-winning Call Center High operational efficiency <ul style="list-style-type: none"> • Market leading C/I ratio 	Key strengths	<ul style="list-style-type: none"> • Professional advice capabilities • Combined retail plus commercial bank • Personal approach

			
Market position	Very strong position in retail and commercial markets <ul style="list-style-type: none"> • Over 8 million customers • Significant share in Retail, SME and Private Banking segments 	Key strengths	Leading Dutch retail bank <ul style="list-style-type: none"> • One strong international brand (ING) • One product set and supporting IT platform • One headquarter
Distribution model	Direct model supported by national branch footprint for all segments <ul style="list-style-type: none"> • Retail, SME, Private Banking • ING branches, outlets and sales forces for day-to-day transactions and personal advice 		Reliable, easy-to-use, value-for-money Most efficient Dutch retail bank Bank account numbers will not change

... and capitalising on strong international ING Brand

World's strongest financial services brands



- ING, an international brand from Dutch soil

- ING one of nine financial services companies in the global Interbrand top 100 (# 85)

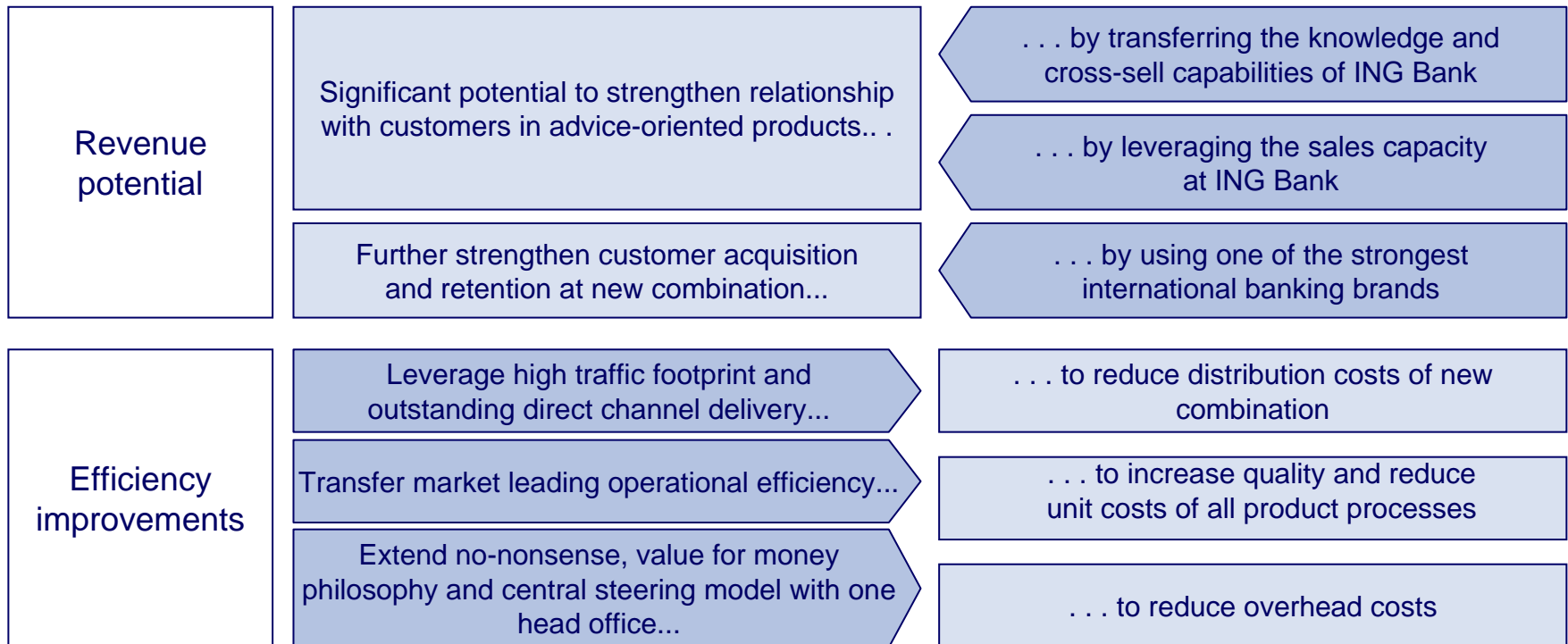
- Additional investment in global brand awareness: Formula One sponsorship

- ING businesses around the world increasingly under the single ING brand

Sources: Interbrand brand ranking, 2006



New combination creates substantial value...

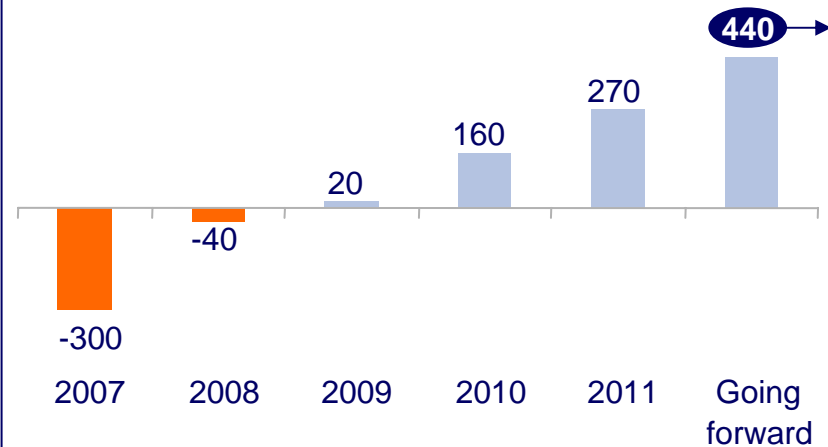


... with a significant financial impact

Financial impact (EUR million)

	2007	2008	2009	2010	2011
Cost savings	-	30	140	160	280
Additional revenues	-	40	70	120	160
Total benefits	-	70	210	280	440
P&L impact Investments	300	110	190	120	170

Pre-tax P&L impact (EUR million)



Other Key Figures

Head-count

Net FTE decrease
2,500

C/I Ratio

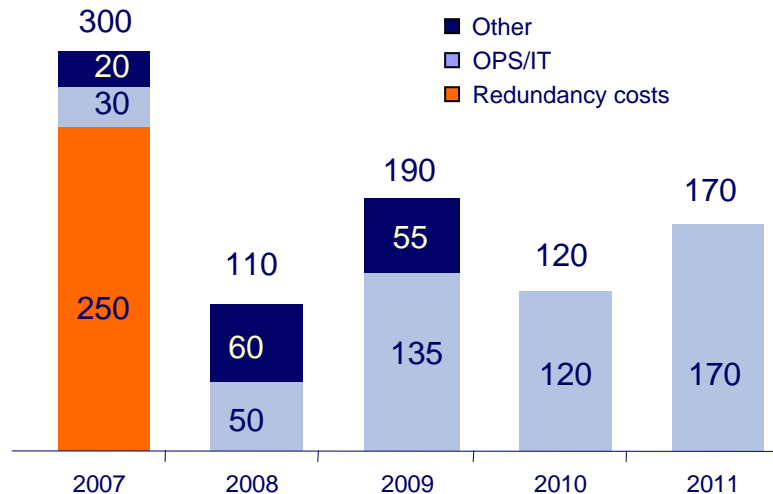
Expected below 50% in 2011

Relative financial impact

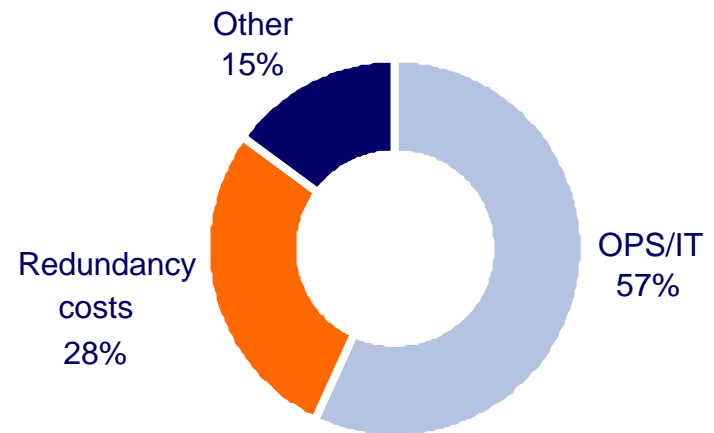
- Annual cost savings (as of 2012) 12% of combined 2006 cost base
- Incremental annual revenues (as of 2012) 4% of combined 2006 revenue base

Investments to upgrade systems and processes ...

P&L impact of projected investments (EUR m)



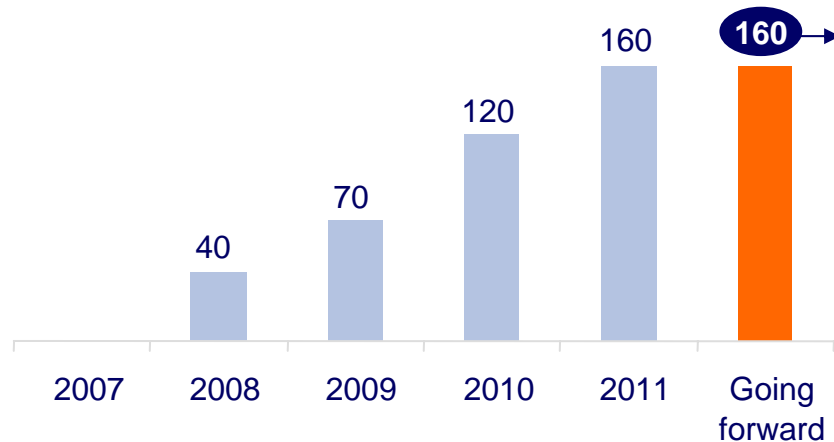
Breakdown investments (% of total)



- Total projected investments amount to EUR 890 million
- Majority of activities will be implemented in 2007 – 2009 with strong focus on executing the program
- Investments in 2007 include upfront provision for redundancy
- Investments in 2010 and 2011 consist of depreciation of the new IT systems

... and significant potential for additional revenues ...

Prudent projection incremental revenues (EUR m)



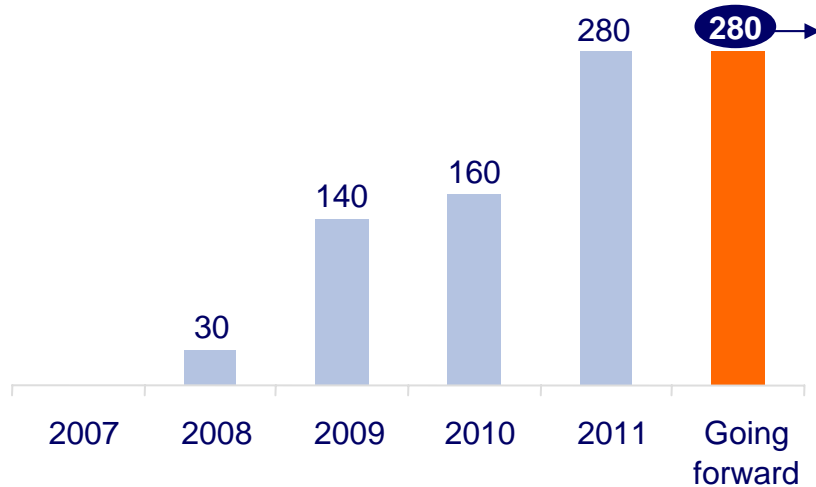
Bank shops offer significant potential:

- Average number of products for Postbank customers is currently 1.7
- First results with new Postbank shops are very encouraging; on average 350 visitors per day

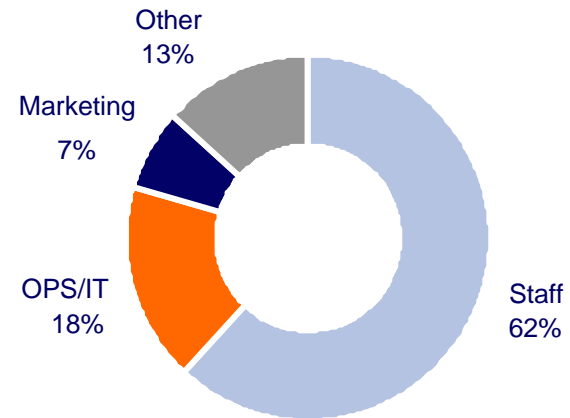
- Prudent assumption of incremental revenues (4% of combined revenue base 2006)
- New combination provides significant potential to strengthen relationship with customers in advice-oriented products
 - Enhanced services and advice capabilities to 8 million customers
 - Create professional image for advice intensive products (mortgages, insurance etc.)
 - Build on the high customer satisfaction rates at Postbank

... add up to substantial efficiency benefits

Projected cost savings (EUR million)



Breakdown of cost savings (% of total)

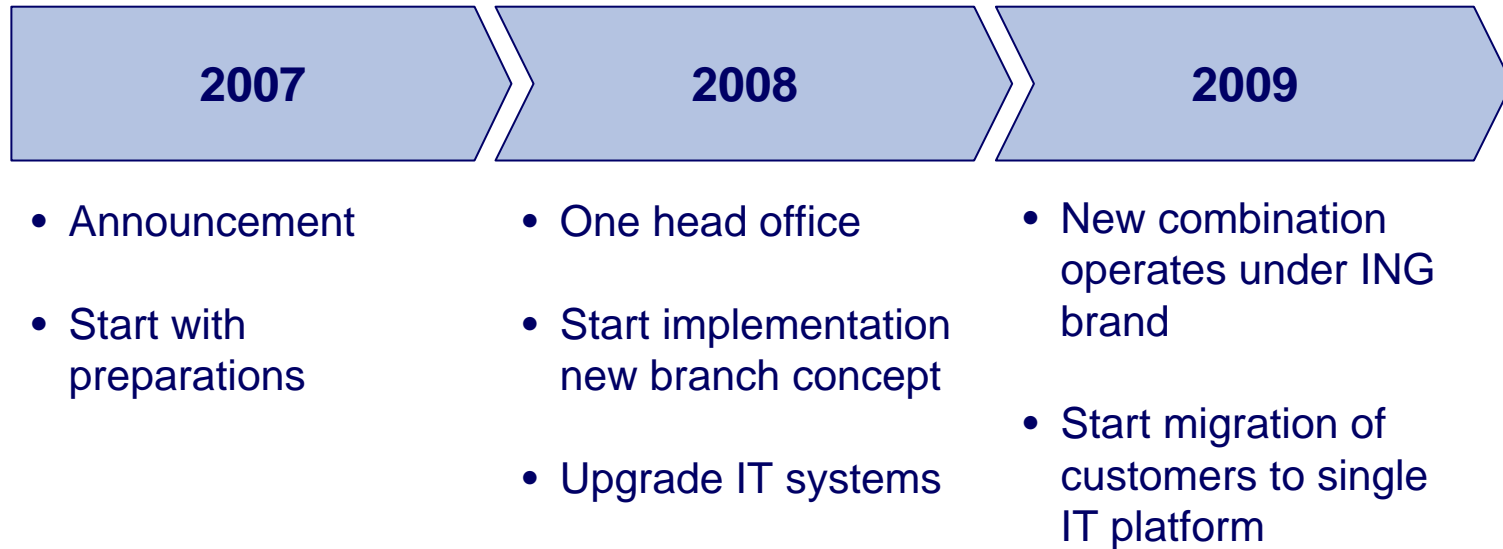


- Moving to one set of products, processes, IT platforms, to one brand and one head office provides significant cost savings
 - Migration to Postbank IT platform enables shutting down current IT systems ING Bank for e.g. payments, mortgages and internet
 - Reduction in overall headcount of 2,500 FTEs
- Savings calculated on 2006 cost base
 - Annual cost savings (as of 2012): 12% of combined 2006 cost base

Implications for the organisation

- ING is committed to invest in the Dutch banking market
- Combining two strong banks under one brand strengthens our competitive position
- Major transitional process will affect employees
- ING will seek advice from respective works councils and will develop mobility plan based on Social Plan 2007-2009
- In line with our strong social policy and social plan, ING will make every effort to help affected employees from job to job

Going forward



Conclusion

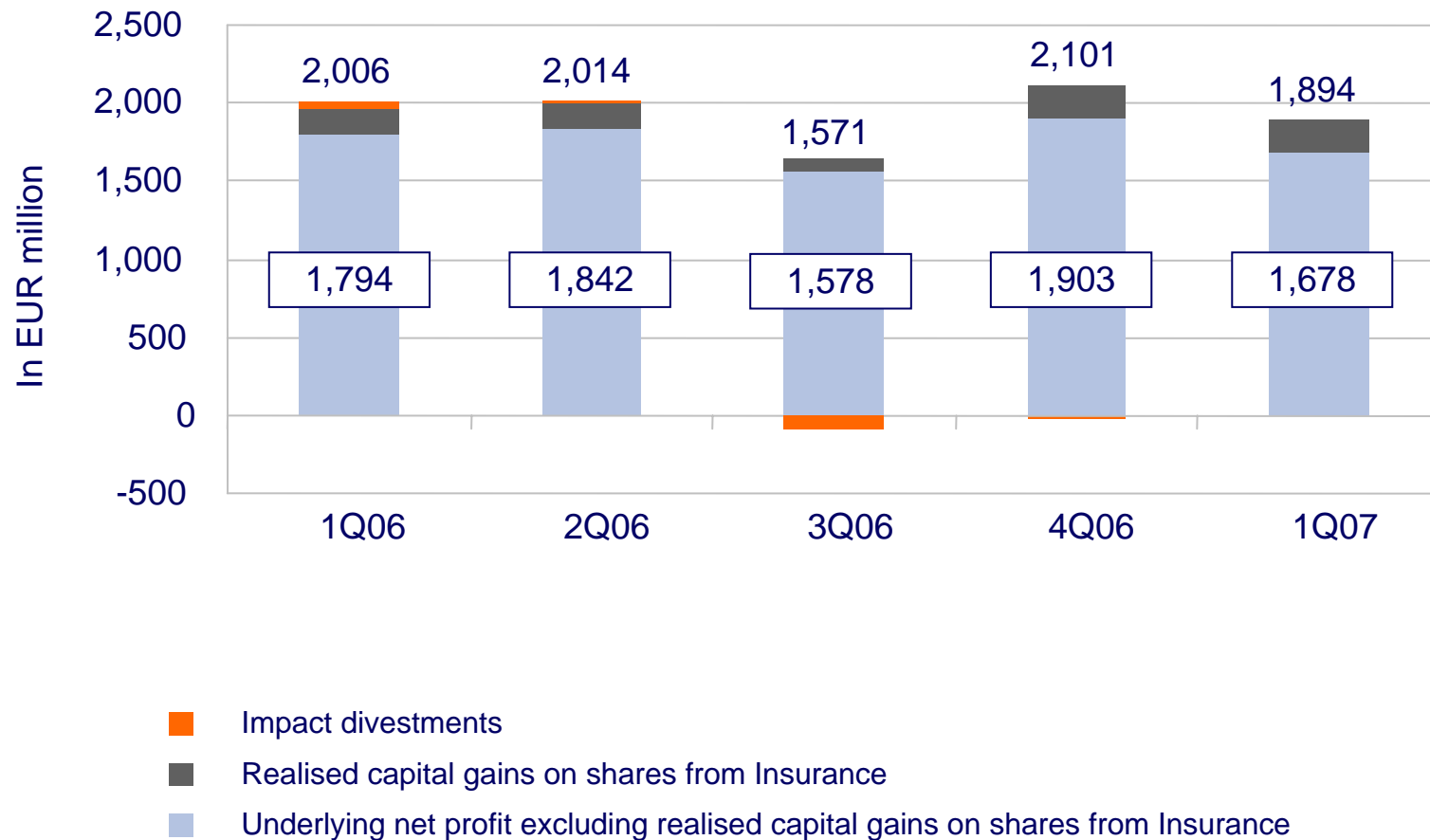
1. We are reinforcing our position as the leading Dutch bank ...
2. ... as we want to leverage on what customers want from us: easy access, reliability and value for money ...
... and take on board their needs for superior advice
3. We will act under our strong international brand ...
... combining the success of Postbank with the advisory strengths of ING Bank

Certain of the statements contained herein are statements of future expectations and other forward-looking statements. These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those in such statements due to, among other things, (i) general economic conditions, in particular economic conditions in ING's core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates (viii) general competitive factors, (ix) changes in laws and regulations, (x) changes in the policies of governments and/or regulatory authorities. ING assumes no obligation to update any forward-looking information contained in this document.

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Appendix

Development of net profit



All business units grow pre-tax profit, except for Retail Banking which had record 1Q06

- Expanding our business franchise in challenging environment
- Net results influenced by strong Euro (EUR 61 million impact)
- Swing in Corporate Lines EUR 242 million mainly caused by volatile items

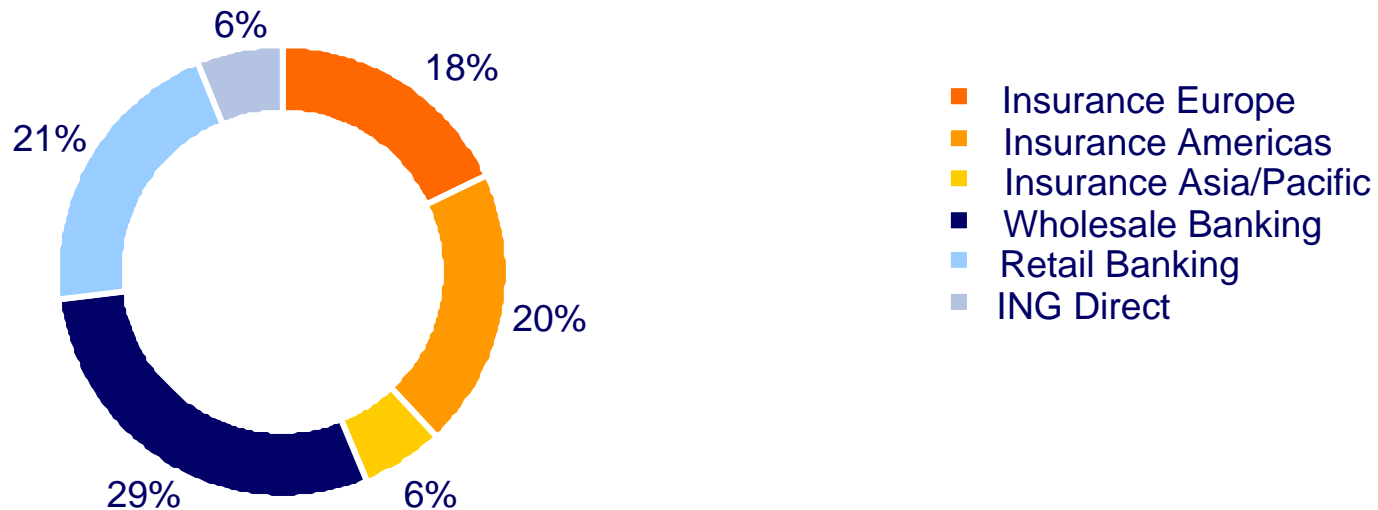
We are managing a number of key challenges:

- New products/distribution in Insurance with good IRRs
- Expanding volumes/products to offset narrowing interest rate margin in Banking
- Containing expenses while investing for growth

Underlying profit before tax	1Q2007	1Q2006	Change
Insurance Europe	468	443	5.6%
Insurance Americas	533	484	10.1%
Insurance Asia/Pacific	159	156	1.9%
Corporate Line Insurance	-84	122	
Underlying profit before tax from Insurance	1,076	1,205	-10.7%
Wholesale Banking	737	735	0.3%
Retail Banking	539	568	-5.1%
ING Direct	165	155	6.5%
Corporate Line Banking	-56	-20	
Underlying profit before tax from Banking	1,384	1,438	-3.8%
Underlying profit before tax	2,460	2,643	-6.9%

Profit distribution

Contribution of business lines in 1Q07*



* Profit before tax, excludes component 'Other' in Banking and Insurance

Continued strong capital position

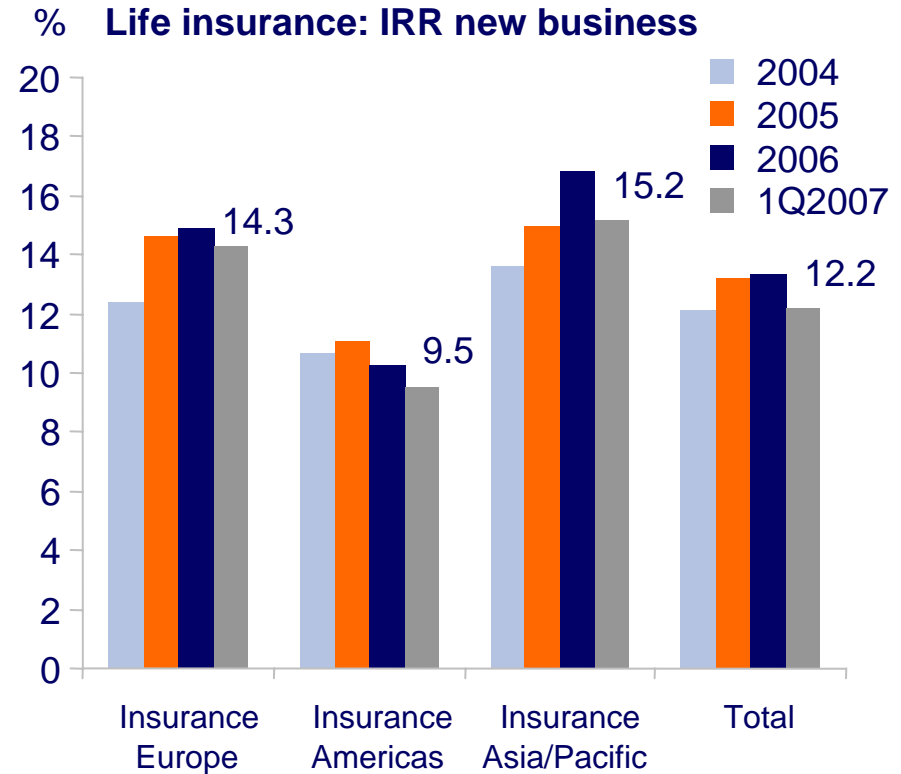
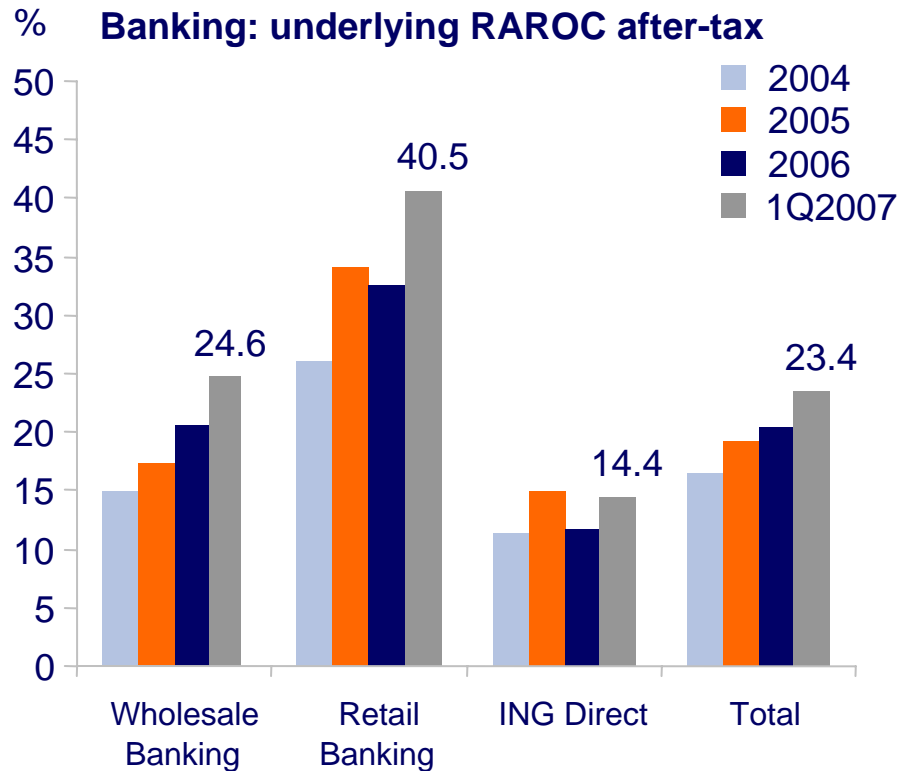
	31/3/07	31/12/06
ING Group		
Balance sheet total (EUR bn)	1,282	1,226
Capital and reserves (EUR bn)	40.1	38.3
Capital and reserves per share (EUR)	18.56	17.78
Debt/equity ratio Group	8.5%	9.0%
Net revaluation reserve (EUR bn)		
Shares	6.6	5.2
Fixed income securities	2.4	2.8
Insurance		
Debt/equity ratio insurance	15.5%	14.2%
Capital Coverage ratio	277%	274%
Banking		
BIS ratio	11.00%	11.02%
Tier-1 ratio	7.66%	7.63%
Risk Weighted Assets (EUR bn)	333.7	337.9

Net impact divestments and special items

Net impact divestments and special items (in EUR million)

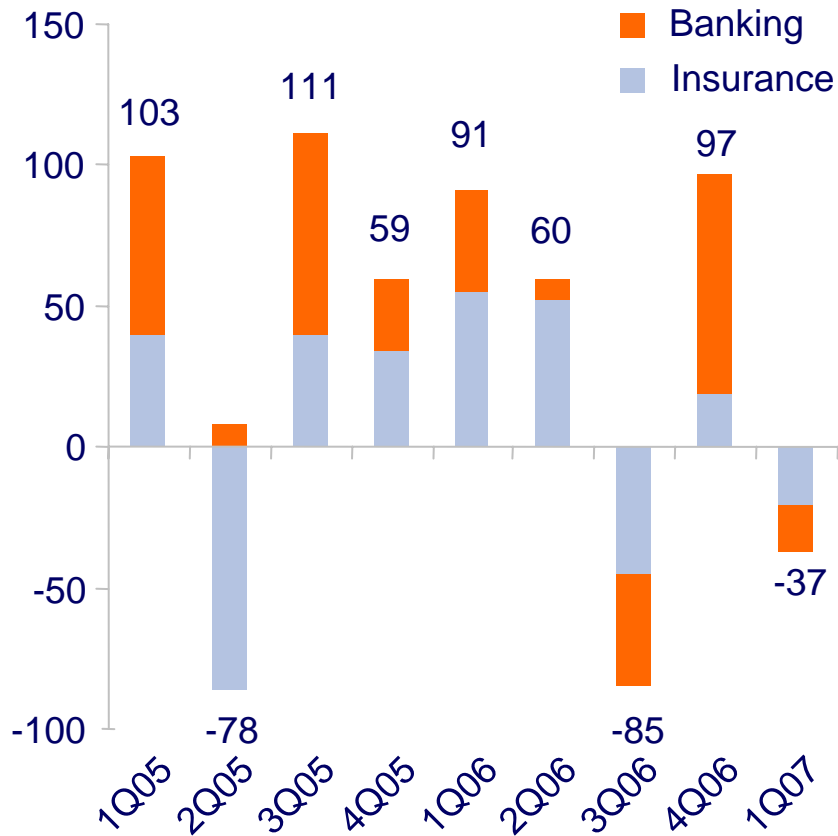
		1Q07	1Q06	% Change
Underlying net profit		1,894	1,957	-3.2%
Divestments	Unwinding Piraeus		19	
	Australia non-life		11	
	Net gains/losses on divestments		30	
	Net profit from divested units		19	
	Total impac divestments		49	
Net profit		1,894	2,006	-5.6%

Returns at good levels in all lines of business



Interest rate movements lead to substantial accounting volatility

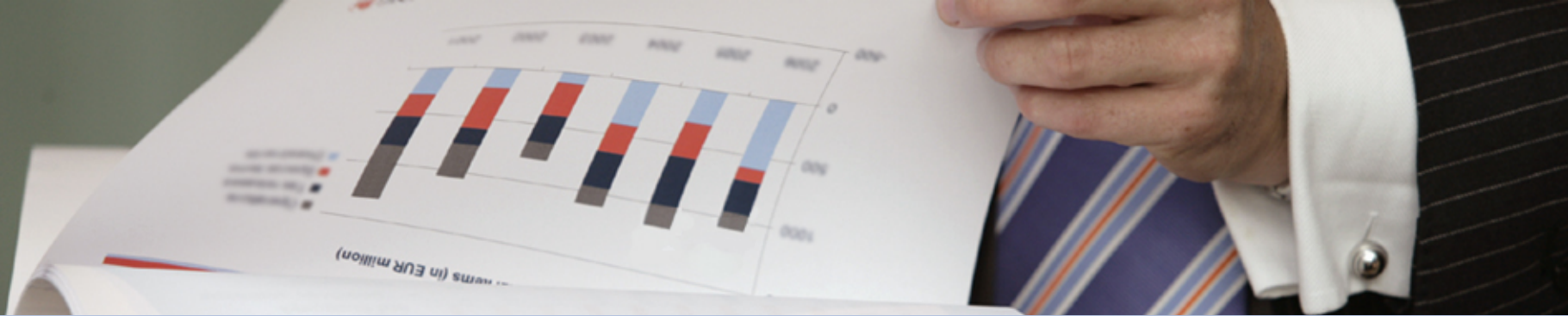
Fair value changes on derivatives
(in EUR million, after tax)



Breakdown fair value changes on derivatives
(in EUR million, best estimates)

	1Q07	4Q06	1Q06
Swap core debt/other	-30	27	79
Tax	-9	8	24
Total Insurance (after tax)	-21	19	55
Valuation results non-trading derivatives	-22	112	51
Tax	-6	34	15
Total Banking (after tax)	-16	78	36
Total ING Group (after tax)	-37	97	91

- IFRS introduced substantial accounting volatility
- Business will continue to be managed on economics



Insurance

First Quarter 2007 Results

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Insurance Europe: strong growth in Central Europe

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q06	% change
Premium income	3,449	3,236	6.6
Operating expenses	475	437	8.7
Profit before tax	468	443	5.6

VNB: EUR 53 m (flat)

IRR: 14.3% (1Q06: 14.4%)

New life sales (APE): EUR 231 m from EUR 204 m

Combined ratio: 81.1% (76.8%)

AuM (end of period): EUR 164 bn (EUR 158 bn 4Q06)

- Increase in underlying profit driven by higher life results in all regions
- Strong growth in Central Europe: life profit +13.4%; APE +27.9%; VNB +34.6%
- Life result in the Netherlands up 12.1% due to lower provisioning for guaranteed pension contracts
- Non-life result down 15.9% after January storm claims in Belgium and the Netherlands
- Rise in operating expenses due to business growth Central Europe and higher external staffing NL
- 17 new products and 20 riders approved for introduction in Central Europe in first quarter
- VNB Netherlands down, mitigated by strong development in Central Europe; IRR Netherlands (11.1%) well above hurdle rate



Insurance Americas: solid profit increase on the back of higher AuM

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q06	% change
Premium income	5,430	6,196	-12.4
Operating expenses	608	629	-3.3
Profit before tax	533	484	10.1

VNB: EUR 33 m (-54.2%)

IRR: 9.5% (11.6%)

New life sales (APE): EUR 886 m from EUR 990 m

Combined ratio: 104.4% (98.1%)

AuM (end of period): EUR 204 bn (EUR 203 bn 4Q06)

- Solid increase underlying profit before tax despite challenging market conditions and negative currency effects; US and Canadian dollar weakened (-10%); excluding currency effects, results up 22.0%
- Excluding investment-related gains and currency effects, US profit rose 24.6%, due to higher fee income supported by 14.0% increase in assets under management
- Sales of retirement services accumulation products increased 17.3% on a US basis; flat stock markets in 1Q07 made sales of variable annuities challenging
- Profit Canada down 9.8% excluding currency effects due to higher claims and lower investment gains
- Excluding currency effects, premiums down 3.3% on weaker annuity sales in US
- Decline VNB due to lower sales US, currency effects (EUR 3 m) and higher discount rate (year-end 2006)
- IRR declined to 9.5%, reflecting redundant reserves in individual life and lower fixed annuity spreads in US; IRRs in variable annuity and retirement services remained strong
- On-shore captives expected to be in place by end of 2Q07



Insurance Asia/Pacific: growth driven by South Korea, Australia and assets under management

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q06	% change
Premium income	2,748	3,088	-11.0
Operating expenses	259	238	8.8
Profit before tax	159	156	1.9

VNB: EUR 82 m (-33.9%)

IRR: 15.2% (17.1%)

New life sales (APE): EUR 567 m from EUR 577 m

AuM (end of period): EUR 90 bn (EUR 84 bn 4Q06)

- Profit growth impacted by currency effects; excl. currency effects profit up 8.9% driven by higher volumes in South Korea, growth fee income Australia and investment management business, particularly Taiwan
- Japan: results negatively impacted by hedge loss on SPVA portfolio; sales down due to competitive pressure and overall decline SPVA market; successful introduction new SPVA product in April
- Strong growth life premiums in South Korea (33.2%), Australia/ New Zealand (29.5%) and India (48.4%)
- Expense growth reflects continued investments to support growth in South Korea, Australia and India
- Lower VNB due to lower sales Japan and shift in product mix, mainly in South Korea
- Reserve adequacy in Taiwan at EUR 337 million at end 1Q07 (end 2006: EUR 298 million)
- Negative impact strength Euro: EUR 10 million on 1Q profit, EUR 7 m on VNB and EUR 39 million on APE



Variable Annuities: a new generation life insurance product

Demographics

- Rising life expectancy with longevity risk
- Less births, more aging
- Strained state-funded pension plans
- Products don't fit needs

Equity returns

Guarantee

Protection

Liquidity

Roll-out in Europe:

- Strong expertise in the US and Japan in variable annuities with guarantees
- Creation of global VA team to coordinate efforts of roll out and leverage best practices
- For Europe, centralised VA team in place to design and roll out variable annuities in selected markets
- Successful launch Single Premium Variable Annuity at end of March 2007 in Spain
- Second European country to follow in 3 months

Japan:

- New SPVA product launched in Japan on 2 April, received favourable response from distributors. ING's market share increased strongly from March to April and the trend accelerated in May.

Indian life business showing strong growth and gaining momentum

	1Q2007	4Q2006	% Change	1Q2006	% Change
No. of Cities (end of period)	153	110	39%	70	118%
No. of agents	33,733	26,441	28%	18,735	80%
Customer Acquisition (‘000s)	93.5	51	83%	51	83%

- Life Industry registered significant growth: 5 year CAGR ~25%
- India Vysya Life's APE market share increased to 1.1% in 1Q07¹ from 0.8% in 4Q06
- ING India Vysya Life's presence (number of cities), as a part of acceleration plan, has doubled since 3Q06
- Strong growth in customer acquisition - with ramp up in distribution capacity

¹ For the period Jan-Feb 2007, March figures yet to be released

ING changes its reserve adequacy policy

Old situation

- 50% reserve adequacy test evaluated at an individual business unit

New situation

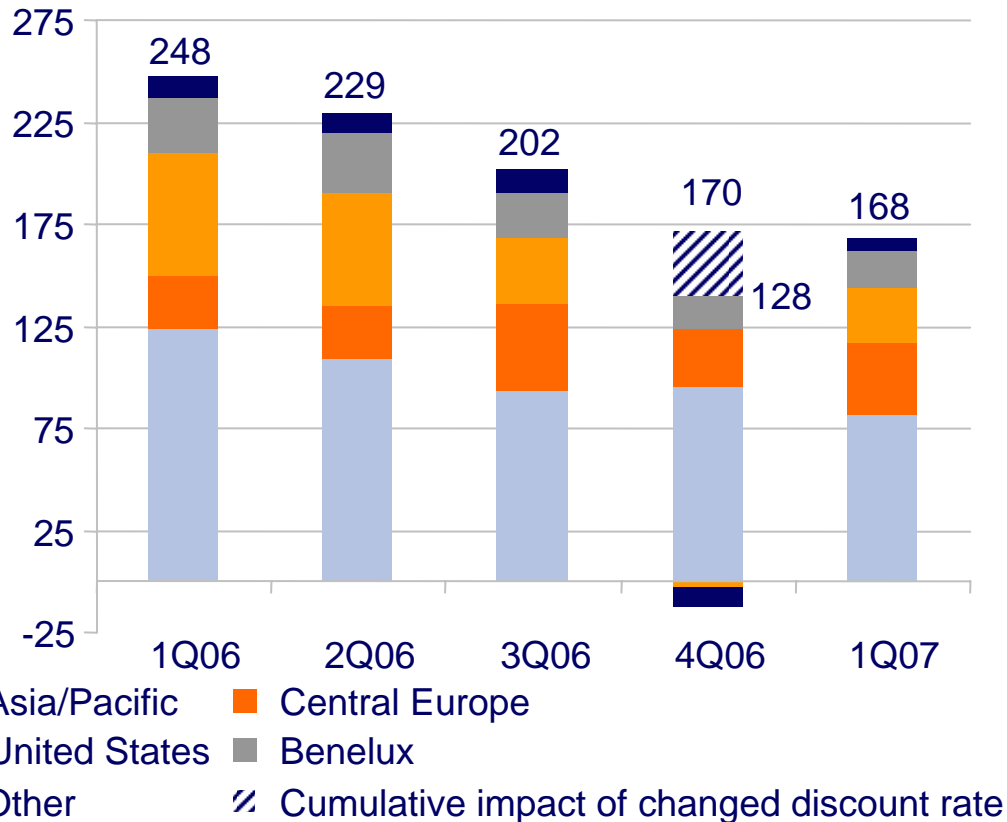
- 50% reserve adequacy test is now evaluated at an individual business line rather than business unit
 - Immediate reserve strengthening through profit and loss is only required if inadequacies exist at the 50% confidence level at a business line
- The new policy aligns the level at which reserve adequacy is evaluated with the level at which performance is measured and segments are reported
- This change of policy has been approved by our external auditors

Impact

- 90% reserve adequacy policy for Group as whole remains unchanged
- The reserve adequacy was EUR 337 million (57%) for Taiwan and EUR 3.2 billion for Asia/Pacific at a 50% confidence level at March 31st, 2007
- Reserve strengthening program in Taiwan will continue under the new policy
- Change will have no economic impact; accounting change reduces potential P&L volatility

Value New Business

Value New Business



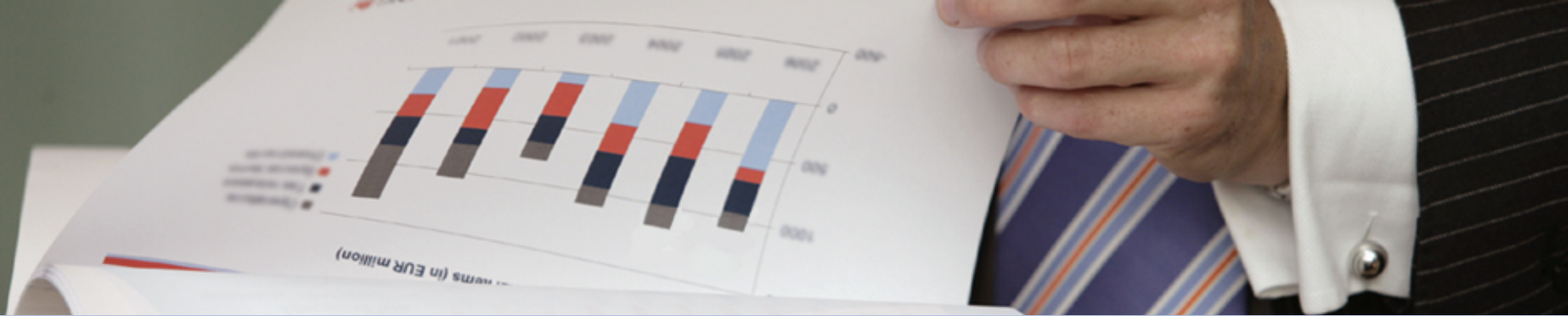
- VNB based on increased discount rate end 2006
- Asia/Pacific: strong value new business in Australia, offset by Japan
 - Lower sales in Japan; new VA product launched in April
- Central Europe: growth in sales and increased margins
- United States: lower sales and impact of weakening of dollar
 - On-shore captives expected to be in place end 2Q2007
- Netherlands: reduced sales and margins, reflecting increased competition

New products, business initiatives and on-shore captive should improve VNB going forward

Corporate Line Insurance

In EUR m	1Q06	2Q06	3Q06	4Q06	1Q07
Interest on core debt	-117	-131	-126	-108	-117
Gains on equities	121	99	12	148	123
Fair value changes derivatives	61	54	-70	23	-23
Gains on old reinsurance contracts	30	-17	12	11	-20
Other	27	-7	-23	-54	-47
Total	122	-2	-195	20	-84

- **Interest on Core debt:**
Relatively stable
- **Gains on equities:**
Dependent on market opportunities
- **Fair value changes derivatives:**
Dependent on interest and equity markets
- **Gain on old reinsurance contracts:**
Dependent on experience of portfolio
- **Other:**
Inter company financing expenses and other



Banking

First Quarter 2007 Results

INSURANCE - BANKING - ASSET MANAGEMENT



Wholesale Banking: solid top-line growth driven by ING Real Estate and Structured Finance

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q06	% change	
Total income	1,580	1,474	7.2	Underlying C/I ratio: 56.0% from 54.1%
Operating expenses	884	797	10.9	Risk costs: -10 bps from -16 bps
Additions to loan loss provisions	-41	-58		RWAs: EUR 163.1 bn (EUR 166.4 bn)
Profit before tax	737	735	0.3	Underlying RAROC after tax: 24.6% in 1Q07 (1Q06: 24.2%)
				Econ. cap: EUR 7.7 bn in 1Q07 (1Q06: EUR 8.0 bn)

- Stable earnings (+0.3%) as strong income growth is largely offset by higher expenses and smaller release of risk costs
- Income growth due to strong growth at ING Real Estate (+27.2%) and Structured Finance (+13.6%) and improved trading conditions
- Lower interest result (-12.1%) reflecting negative impact of flat yield curve on General Lending & PCM and the ALM book within Financial Markets more than offset by sharp increase in investment income
- Expenses impacted by compliance costs and growth in ING Real Estate, Structured Finance, Financial Markets and Leasing & Factoring and higher project costs (e.g. SEPA)
- Benign credit environment resulting in net release of EUR 41 m from risk provisions (1Q06: EUR 58 m)
- RAROC (after tax) remains high at 24.6% due to focus on capital efficiency while growing the business in high return products



Retail Banking: volume growth offsets impact flat yield curve

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q06	% change	
Total income	1,627	1,567	3.8	Underlying C/I ratio: 65.1% from 62.3%
Operating expenses	1,060	977	8.5	Risk costs: 11 bps from 9 bps
Additions to loan loss provisions	28	22		RWAs: EUR 103.3 bn (EUR 96.2 bn)
Profit before tax	539	568	-5.1	Underlying RAROC after tax: 40.5% in 1Q07 (1Q06: 39.3%)
				Econ. cap: EUR 3.9 bn in 1Q07 (1Q06: EUR 3.9 bn)

- Postbank and ING Bank to join forces under single ING brand in the Netherlands
- Robust profit (EUR 539 m), down 5.1% from record 1Q06, but up 21.4% from 4Q06
- In Benelux, strong volume growth in savings and deposits (+4%), mortgages (+9%) and current accounts (+9%) but positive revenue impact mostly offset by impact of flat yield curve
- Profit ING Bank Slaski increased strongly; record growth in all major product groups; ING Vysya Bank turn-around impact visible
- Private Banking (especially Asia) continues strong growth
- Retail Banking greenfield in Romania continues strong growth to 309,000 clients
- Total underlying expenses up 8.5% due to allocation refinements, compliance costs and outsourcing in NL; excluding these items, expenses up 5.6% driven by investments to support growth
- Total RAROC (after tax) 40.5% due to continued pricing discipline sustaining high returns



ING Direct: strong commercial growth

Profit & loss account (underlying) (in EUR million)

	1Q07	1Q05	% change	
Total income	561	568	-1.2	Underlying C/I ratio: 68.3% from 69.9%
Operating expenses	383	397	-3.5	Risk costs: 7 bps from 8 bps
Additions to loan loss provisions	12	16		RWAs: EUR 72.1 bn (EUR 79.9 bn)
Profit before tax	165	155	6.5	Underlying RAROC after tax: 14.4% in 1Q07 (1Q06: 11.5%)
				Econ. cap: EUR 2.9 bn in 1Q07 (1Q06: EUR 3.1 bn)

- Underlying profit before tax +6.5% as expansion of product offering and 707,000 new customers added in 1Q07 fuel commercial growth
- Record own-originated mortgages production of EUR 5.8 bn leading to EUR 74.6 bn portfolio
- Higher results in all euro-zone countries and Australia. Results in US and Canada impacted by inverted yield curve, though growth continued reflected in increase in new customers, residential mortgages and funds entrusted
- Underlying profit before tax Germany +29% supported by strong growth of mortgages
- Funds entrusted increased by EUR 1.8 bn (excluding currency effects) to EUR 197.0 bn as continued outflow in UK was offset by strong growth in US, France, Italy, Germany and Austria
- New payment accounts in US and Spain continue to gain popularity; by end of March 115,000 accounts opened in US and 125,000 in Spain
- Initiation of process to obtain banking license in Japan; expect to launch operation later this year



ING Direct UK

- EUR 4.4 bln net outflows in funds entrusted in 1Q (excluding currency effect), primarily due to a minority of rate sensitive customers:
- Net outflows concentrated on clients with a balance of over EUR 50,000.
 - The vast majority of customers have stayed with us as they value our simple, straightforward and no catches approach to financial services
 - New clients and the majority of existing clients contribute positively to growth. On balance, in 1Q 9,000 new clients joined ING Direct UK
- Outflows have decreased considerably
- 2% of clients left ING Direct UK in 1Q07, which is only slightly above the natural attrition rate
- The new mortgage business is growing rapidly and within six months after launch EUR 0.9 billion of business has been written
- ING Direct UK announced it would raise its client rate by 25 basis points to 5.0% from 1 June 2007, following the latest increase by the Bank of England; 5.0% is now the lowest rate that we offer UK customers

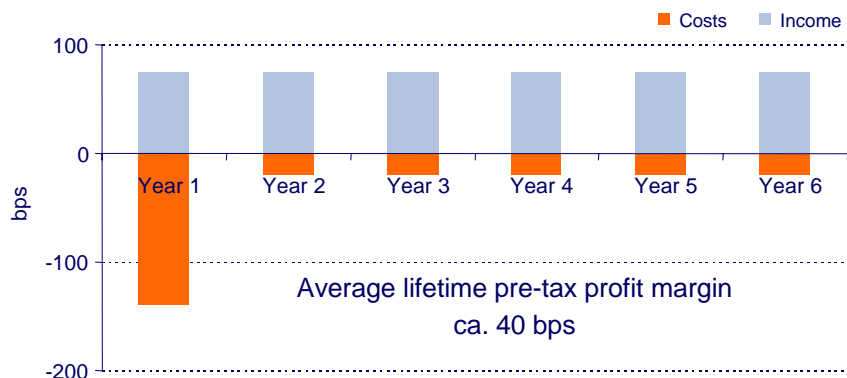
ING Direct: mortgage profitability

Mortgage Profitability vs RMBS

Margin	ca. 80 bps	(vs RMBS)
Maintenance cost	ca. 10 bps	
Loan Loss provisioning	ca. 10 bps	
<u>Acquisition cost</u>	ca. 20 bps*	
Profit Margin vs RMBS	ca. 40 bps	

*Marketing, commissions, operational acquisition costs

Indicative Mortgages P&L



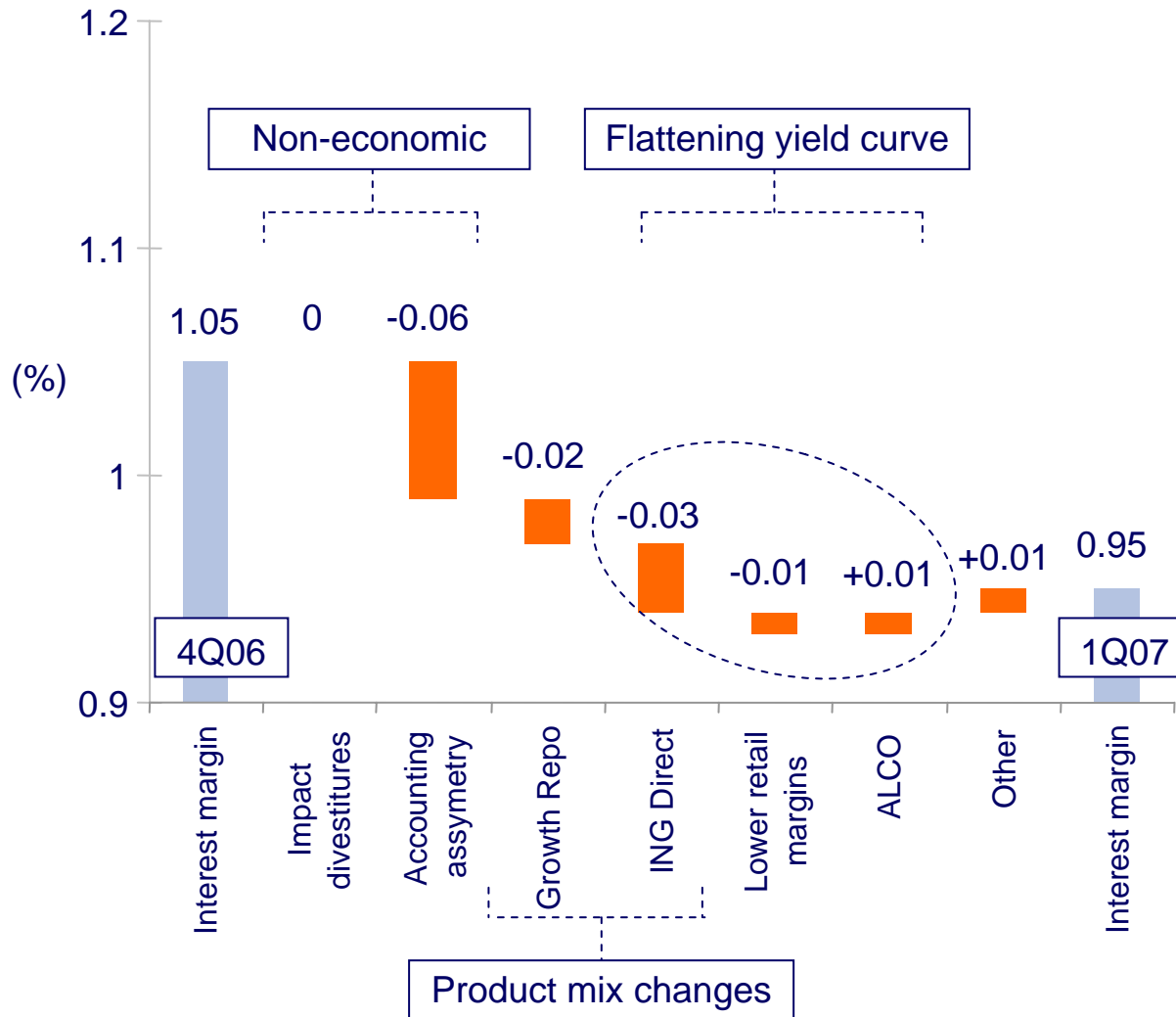
Year 1 P&L heavily impacted by upfront costs of about 140 bps

Mortgages profitability

- Mortgages have a more stable margin with a higher return than RMBS
- Mortgages over the lifetime adds ca. 40 bps additional profit margin
- Growing the mortgage business requires significant investments (140 bps) in the first year
- The speed of growth of the Mortgage portfolio determines the overall Mortgage profitability

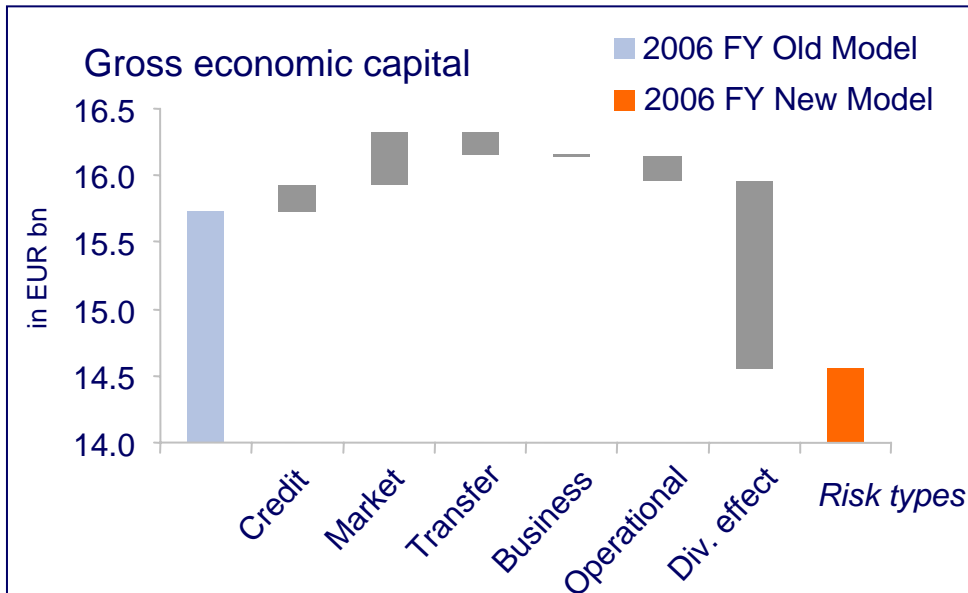
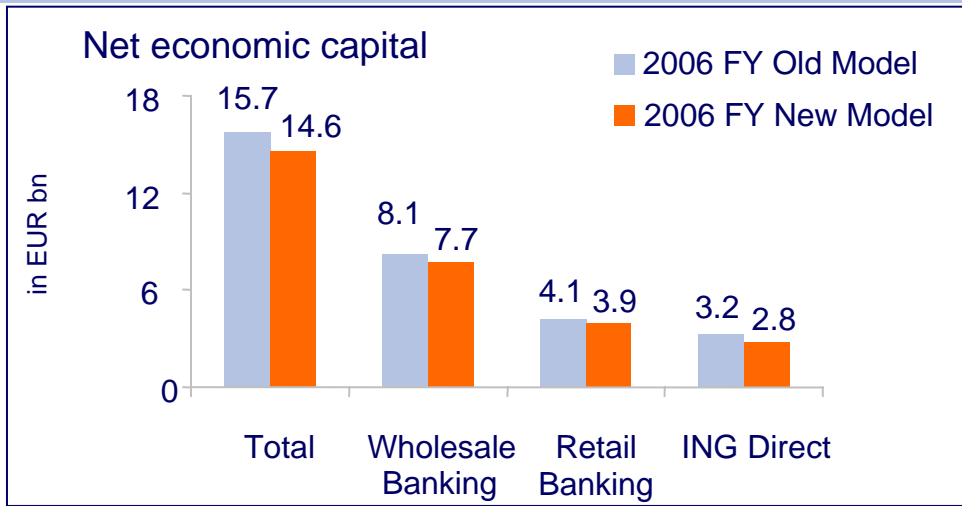
Interest margins impacted by flattening of yield curve and accounting asymmetry

Interest margin: 1Q07 versus 4Q06



- **Wholesale Banking:**
Impacted by IFRS accounting asymmetry with offsetting items in investment and other income, while volume growth offset economic margin pressure
- **Retail Banking:**
Strong volume growth, mitigated by impact of flattening of yield curve and shift to term deposits
- **ING Direct:**
Increased client rates in many countries in rising interest environment with flat yield curves; strong growth mortgages

Economic capital under new methodology benefits from increased diversification effects



What has changed?

Credit risk:

- Risk drivers based on Basel II compliant models
- Uses the actual tenor of loans (used to assume one year)
- Recognises country and industry concentrations
- Bottom-up calculation: aggregated from individual transactions
- Economic Value-based, including risk-adjusted time value of money

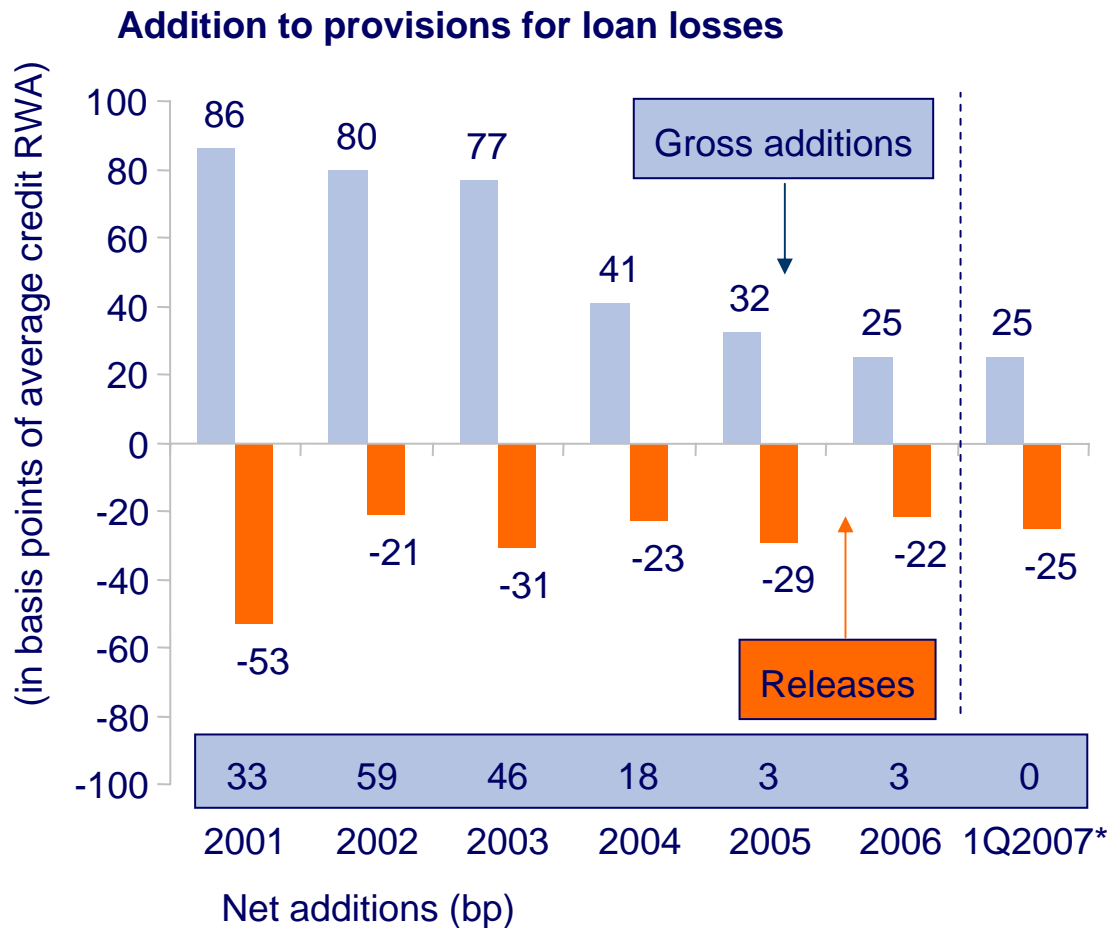
Other:

- Diversification method updated
- Modelling dynamics of client behaviour for mortgages

Expected loss CRWA in basis points

	2006 FY Old Model	2006 FY New Model
Wholesale Banking	28	34
Retail Banking	28	28
ING Direct	17	14
Banking Total	25	28

Credit environment continues to be benign



* Annualised

- Net risk costs were nil as ING continued to benefit from benign credit environment and releases of old provisions
- Risk costs remained well below the normalised level of 25-30 basis points