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*

<table>
<thead>
<tr>
<th>Country</th>
<th>Life</th>
<th>Non-life</th>
<th>Pensions</th>
<th>Life</th>
<th>Non-life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>#1</td>
<td>#3</td>
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<td></td>
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<td>#7</td>
<td></td>
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<tr>
<td>Belgium</td>
<td>#6</td>
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<td>Turkey</td>
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<tr>
<td>Romania</td>
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<td>#1</td>
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</tbody>
</table>

- 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***

<table>
<thead>
<tr>
<th>Region</th>
<th>Life</th>
<th>Non-life</th>
<th>Pensions</th>
<th>Life</th>
<th>Non-life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benelux Life</td>
<td>11%</td>
<td></td>
<td></td>
<td>18%</td>
<td></td>
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<tr>
<td>Benelux Non-life</td>
<td>61%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>CRE</td>
<td></td>
<td></td>
<td></td>
<td>10%</td>
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<tr>
<td>IM</td>
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</tbody>
</table>

APE by region*

- Benelux Life: 51%
- Benelux Non-life: 49%

AuM by segment*

- Proprietary: 33%
- Retail: 43%
- Institutional: 24%

* Market positions as of 2012 and all figures for FY2012
** Excluding corporate line
*** Including 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

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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

<table>
<thead>
<tr>
<th>Organization</th>
<th>• Simplified organization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• 1,350 FTE reduction programme on track</td>
</tr>
<tr>
<td></td>
<td>• Renewed, highly motivated leadership team</td>
</tr>
</tbody>
</table>

| Capital            | • 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         | • 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  | • 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
- 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
- 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
- Attractive margin business
- Growth of third party business
- Capital generator and dividend contributor

### Robust and clean balance sheet
- 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
- 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 | EUR 35.2 bln  
| | • Individual Life EUR 11.1 bln  
| | • Group Life EUR 7.9 bln  
| | • Non-life EUR 16.2 bln  

| NN market shares and ranks | Life 20.2%, # 1  
| | • Individual Life 19.9%, #1  
| | • Group life 20.6%, #2  
| | Non-life: 9.8%, #3  

| NN key figures 2012 | • GWP: EUR 5.3 bln  
| | • Operating result: EUR 693 mln  
| | • FTE: 5,933  

| NN distribution channels | • Brokers  
| | • Bank  
| | • Tied Agents  
| | • Direct  

GWP by product FY2012

- 14% Individual Life  
- 29% Group Life*  
- 17% P&C  
- 40% D&A

Operating result NN Life and Non-life FY2012

- 15% Life  
- 85% Non-life

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

Selective

Immediate

Long term

Selectively grow in DB buy-out market
Grow in roll-over market
Capture insured and non-insured DC growth
Sound pricing and risk management in DB products
Closed book management
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

<table>
<thead>
<tr>
<th># policies (mln)</th>
<th>Life technical reserves (in EUR bln)</th>
<th>Total costs (in EUR mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.8</td>
<td>5.5</td>
<td>185</td>
</tr>
<tr>
<td>3.6</td>
<td>23.8</td>
<td>168</td>
</tr>
<tr>
<td>2009</td>
<td>2009</td>
<td>2010</td>
</tr>
<tr>
<td>2012</td>
<td>2012</td>
<td>2012</td>
</tr>
</tbody>
</table>

Creation of Individual Life closed books (NN, RVS, IVR)
Group Life reduces risk and generates capital

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

<table>
<thead>
<tr>
<th>Year</th>
<th>DB (%)</th>
<th>DC (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>87</td>
<td>13</td>
</tr>
<tr>
<td>2011*</td>
<td>69</td>
<td>31</td>
</tr>
</tbody>
</table>

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

- 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

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

<table>
<thead>
<tr>
<th>1Q2007</th>
<th>1Q2013</th>
</tr>
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<tbody>
<tr>
<td>&lt;10 mln</td>
<td>52</td>
</tr>
<tr>
<td>10-100 mln</td>
<td>11</td>
</tr>
<tr>
<td>100 mln to 1 bln</td>
<td>34</td>
</tr>
<tr>
<td>1-5 bln</td>
<td>43</td>
</tr>
<tr>
<td>&gt;5 bln</td>
<td>14</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>35</td>
<td>36</td>
<td>37</td>
<td>21</td>
</tr>
</tbody>
</table>

Number of participants (thousands)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>490</td>
<td>470</td>
<td>540</td>
<td>1,000</td>
</tr>
</tbody>
</table>
NN Life strategy translates into continued expense reductions

NN Life* administrative expenses (in EUR mln)

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenses (EUR mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>696</td>
</tr>
<tr>
<td>2008</td>
<td>593</td>
</tr>
<tr>
<td>2009</td>
<td>485</td>
</tr>
<tr>
<td>2010</td>
<td>462</td>
</tr>
<tr>
<td>2011</td>
<td>488</td>
</tr>
<tr>
<td>2012</td>
<td>433</td>
</tr>
</tbody>
</table>

-38% decrease

• 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

* Includes IVR and RVS
Non-life profitability is being restored to historical levels

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

NN Non-life* GWP FY2012 by line of business

- **Fire**
- **Motor**
- **Income/accident**
- **Liability**
- **Other**

* Including Movir, Zicht and Mandema

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating result</th>
<th>Combined ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1,630</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>1,610</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>1,608</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>1,640</td>
<td></td>
</tr>
<tr>
<td>1H2012</td>
<td>1,080</td>
<td></td>
</tr>
<tr>
<td>1H2013</td>
<td>1,057</td>
<td></td>
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</tbody>
</table>

GWP NN Non-life* (in EUR bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>GWP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1,630</td>
</tr>
<tr>
<td>2010</td>
<td>1,610</td>
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<tr>
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<td>1,080</td>
</tr>
<tr>
<td>1H2013</td>
<td>1,057</td>
</tr>
</tbody>
</table>

ING Insurance Update - 19 September 2013
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
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)

<table>
<thead>
<tr>
<th>Product</th>
<th>4.2</th>
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</thead>
<tbody>
<tr>
<td>Mortgage loans</td>
<td></td>
</tr>
<tr>
<td>Retail savings</td>
<td>4.3</td>
</tr>
<tr>
<td>Equity</td>
<td>0.4</td>
</tr>
</tbody>
</table>

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

- 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

- 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)

- 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
- Our financial performance is starting to demonstrate progress
- We have an experienced leadership team, highly motivated to deliver
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Update on preparations for the IPO of ING Insurance

David Knibbe
CEO ING Insurance International

London – 19 September 2013
www.ing.com
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
- Life: 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%

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

* 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

<table>
<thead>
<tr>
<th></th>
<th>Poland</th>
<th>Turkey</th>
<th>Czech &amp; Slovakia</th>
<th>Belgium</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Market</strong> EUR bln</td>
<td></td>
<td></td>
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<tr>
<td>Total GWP</td>
<td>27.1</td>
<td>8.6</td>
<td>8.1</td>
<td>31.6</td>
<td>57.4</td>
</tr>
<tr>
<td>Life GWP</td>
<td>15.7</td>
<td>1.2</td>
<td>4.0</td>
<td>20.7</td>
<td>26.2</td>
</tr>
<tr>
<td>PF AUM</td>
<td>66.1</td>
<td>8.6</td>
<td>11.3</td>
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<tr>
<td><strong>Distribution channel</strong> (ING)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Direct</td>
<td>21%</td>
<td>38%</td>
<td>28%</td>
<td>100%</td>
<td>34%</td>
</tr>
<tr>
<td>Tied Agents</td>
<td>9%</td>
<td>60%</td>
<td>53%</td>
<td>100%</td>
<td>59%</td>
</tr>
<tr>
<td>Brokers</td>
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<td></td>
</tr>
<tr>
<td>Bancassurance</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Product mix</strong> (ING)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension</td>
<td>27%</td>
<td>11%</td>
<td>14%</td>
<td>12%</td>
<td>35%</td>
</tr>
<tr>
<td>Unit Linked</td>
<td>16%</td>
<td>89%</td>
<td>44%</td>
<td>75%</td>
<td>41%</td>
</tr>
<tr>
<td>Traditional Savings</td>
<td></td>
<td></td>
<td></td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Risk Protection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Source local regulators as per 2012
** Based on APE as per 2012
### Trends

<table>
<thead>
<tr>
<th>Shifts in channel mix</th>
<th>Shifts in segmentation and products</th>
<th>Need for differentiation</th>
<th>Increasing margin pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Growth in Bancassurance (BA)</td>
<td>• Growing affluent segment with more diverse needs</td>
<td>• Drive customer satisfaction, retention and loyalty</td>
<td>• Stiffer competition</td>
</tr>
<tr>
<td>• Increased distribution through brokers</td>
<td>• Increasing technological familiarity</td>
<td>• Blurring lines between banking and insurance product coverage</td>
<td>• Higher distribution costs</td>
</tr>
<tr>
<td>• Inroads by direct channel</td>
<td>• Growing demand for savings, investments and protection</td>
<td></td>
<td>• Regulatory attention: consumer protection, mandatory pensions</td>
</tr>
<tr>
<td>• Continued distribution through tied agents</td>
<td>• Need for transparency</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Our response

<table>
<thead>
<tr>
<th>Multi-channel distribution and access</th>
<th>Launch new products and focus on protection and wealth management</th>
<th>Improve Customer experience</th>
<th>Cost efficiency and capital generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enhance value of current and new preferred BA partnerships</td>
<td>• Building customer-focused value proposition</td>
<td>• Establish framework to proactively manage customer experience</td>
<td>• Maintain cost discipline and improve costs efficiency</td>
</tr>
<tr>
<td>• Selective broker growth in Czech Republic, Turkey and Poland</td>
<td>• Focus on low capital intensive products</td>
<td>• Customer Self-Service Model</td>
<td>• Strong capital generation beyond organic growth opportunities</td>
</tr>
<tr>
<td>• Direct sales in Czech Republic, Spain, Slovakia and Poland</td>
<td>• Expanding protection offer</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Operating result and capital generation holding up well despite income pressure

**CRE operating result (EUR mln)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>1H2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>206</td>
<td>184</td>
<td>80</td>
<td>72</td>
</tr>
</tbody>
</table>

**CRE operating result 1H2013**

- **Life**: 72%
- **Pensions**: 3%
- **Non-life**: 25%

**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 net capital upstream (dividends minus injections)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>80</td>
<td>127</td>
<td>50</td>
</tr>
</tbody>
</table>

- 2012 excludes capital injection in Greece of EUR 180 mln due to sovereign debt crisis
**Strong growth Life and third-pillar pensions sales**

<table>
<thead>
<tr>
<th>Country</th>
<th>Key Points</th>
</tr>
</thead>
</table>
| Poland       | • 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      | • Government quasi nationalized the mandatory pensions 2010  
• Renewed focus on Life products |
| Czech Republic | • Pension reform 2013 shifted from third to second pillar  
• Negative impact on operating profit due to lower fees |
| Turkey       | • Strong growth in Turkey third-pillar pensions driven by regulatory incentives and by sales channel investments  
• Successful bancassurance distribution |

<table>
<thead>
<tr>
<th>Year</th>
<th>Pensions</th>
<th>Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>111</td>
<td>245</td>
</tr>
<tr>
<td>2012</td>
<td>120</td>
<td>277</td>
</tr>
<tr>
<td>1H2012</td>
<td>51</td>
<td>142</td>
</tr>
<tr>
<td>1H2013</td>
<td>99</td>
<td>135</td>
</tr>
</tbody>
</table>

- 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

<table>
<thead>
<tr>
<th>Tied Agent</th>
<th>Broker</th>
<th>Bancassurance</th>
<th>Direct</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Focussed on improved productivity and retention of tied agents</td>
<td>• Selective broker growth in Czech Republic, Turkey, and Poland</td>
<td>• ING has partnerships with 14 different banks, in some cases in multiple markets such as GE Money Bank and Piraeus Bank</td>
<td>• Large part of direct sales currently generated in Poland</td>
</tr>
<tr>
<td>• Initial impact of initiatives has been positive</td>
<td>• Doubling of Turkish sales representatives</td>
<td>• This includes long term agreements with ING Bank, our main bank partner</td>
<td>• Direct servicing being implemented in most business units</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• We will deepen preferred banking partnerships and improve the productivity of current relationships</td>
<td>• ING Slovakia first company to sell pensions via this channel</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Innovative value proposition for women (service / support + term) in Czech Republic and Spain: “For You”</td>
</tr>
</tbody>
</table>

Multi-channel proposition CRE
APE, FY2011

- Tied agent: 56%
- Broker: 3%
- Bancassurance: 20%
- Direct: 21%

APE, 1H2013

- Tied agent: 28%
- Broker: 5%
- Bancassurance: 27%
- Direct: 40%
Long term partnership with ING Bank offers attractive growth opportunities

<table>
<thead>
<tr>
<th>Entity</th>
<th>Deposit &amp; loans: market shares and rank</th>
<th># retail clients (mm)</th>
<th># branches</th>
</tr>
</thead>
</table>
| Bank Slaski             | • 7.4% (deposits)  
• 4.8% (loans)  
• #5 (deposits); #6 (loans) | 3.1                   | 439        |
| ING Bank Turkey         | • 1.7% (deposits)\(^1\)  
• 2.3% (loans)\(^1\)  
• #12 (deposits); #11 (loans) | 4.7\(^1\)            | 306        |
| ING Romania             | • 5.2% (deposits)  
• 4.2% (loans)  
• #7 (deposits); #11 (loans) | 1.0                   | 188        |
| ING Belgium             | • 12.9% (deposits)  
• 13.1% (loans)  
• #4 (deposits & loans) | 2.7                   | 779        |
| ING Direct Spain        | • 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

<table>
<thead>
<tr>
<th>FY2011</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>23%</td>
<td>46%</td>
</tr>
<tr>
<td>30%</td>
<td>39%</td>
</tr>
<tr>
<td>47%</td>
<td>15%</td>
</tr>
</tbody>
</table>

- Unit Linked
- Traditional
- Savings
- Risk Protection

CRE administrative expenses (EUR mln)

<table>
<thead>
<tr>
<th>2011</th>
<th>2012</th>
<th>1H2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>308</td>
<td>285</td>
<td>150</td>
<td>135</td>
</tr>
</tbody>
</table>

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

Tight expense control
- Tight expense control has lead 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

- Institutional: 42%
- Retail: 32%
- Proprietary: 26%

AuM: Asset class at 2Q2013

- Equity: 18%
- Fixed Income: 82%

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

• EUR 176 bln in assets under management at 2Q13
• EUR 38 bln assets under administration
• Operating across Europe, and extending global reach
**Investment Management has built its profit model on its core values**

<table>
<thead>
<tr>
<th>Core values</th>
<th>Value proposition</th>
<th>Value Chain</th>
<th>Operating model</th>
<th>Profit Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Client centric</strong>&lt;br&gt;“We are here to serve the clients who entrust their investments to our care”</td>
<td><strong>Client:</strong> serve clients with high quality and reliable investment management&lt;br&gt;<strong>Employee:</strong> an environment that engages talent&lt;br&gt;<strong>Shareholder:</strong> meaningful growth in shareholder value</td>
<td><strong>Institutional</strong>&lt;br&gt;<strong>Intermediary</strong>&lt;br&gt;<strong>Deep Retail</strong>&lt;br&gt;<strong>ING Insurance</strong></td>
<td><strong>Focus by making a split between cash and growth</strong>&lt;br&gt;<strong>Centralized setup with lean &amp; mean support functions</strong>&lt;br&gt;<strong>Infrastructure upgrade to be completed</strong>&lt;br&gt;<strong>Rationalize fund ranges and offering where possible</strong></td>
<td><strong>Leverage Retail and ING Insurance segment in Benelux to increase market share</strong>&lt;br&gt;<strong>Grow aggressively in institutional space</strong>&lt;br&gt;<strong>Manage expense base tightly</strong></td>
</tr>
<tr>
<td><strong>Focused</strong>&lt;br&gt;“We serve clients with selected investment strategies which we produce with excellence.”</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Working as one team</strong>&lt;br&gt;“We need to act as one company with shared goals”.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>To win and produce results for our clients</strong>&lt;br&gt;“We are big enough to deliver and small enough to care”</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Investment Management operates a scalable platform with capacity to leverage cost base further with more revenue**
Our investment performance is recognized in the industry

- 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

Fund performance vs benchmark

<table>
<thead>
<tr>
<th>1Q12</th>
<th>2Q12</th>
<th>3Q12</th>
<th>4Q12</th>
<th>1Q13</th>
<th>2Q13</th>
</tr>
</thead>
<tbody>
<tr>
<td>79%</td>
<td>73%</td>
<td>71%</td>
<td>73%</td>
<td>71%</td>
<td>65%</td>
</tr>
<tr>
<td>67%</td>
<td>46%</td>
<td>57%</td>
<td>63%</td>
<td>51%</td>
<td>63%</td>
</tr>
</tbody>
</table>

- 1yr- beating benchmark
- 3 yrs- beating benchmark

Fund performance vs peers

<table>
<thead>
<tr>
<th>1Q12</th>
<th>2Q12</th>
<th>3Q12</th>
<th>4Q12</th>
<th>1Q13</th>
<th>2Q13</th>
</tr>
</thead>
<tbody>
<tr>
<td>77%</td>
<td>76%</td>
<td>74%</td>
<td>75%</td>
<td>69%</td>
<td>61%</td>
</tr>
<tr>
<td>72%</td>
<td>73%</td>
<td>68%</td>
<td>62%</td>
<td>60%</td>
<td>59%</td>
</tr>
</tbody>
</table>

- 1yr- beating peers
- 3 yrs- beating peers

www.ing-presentations.intranet
Investment Management will grow revenues by focusing on third-party business

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

- 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

**Operating result before tax (in EUR mln)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result</td>
<td>124</td>
<td>109</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Half-year</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result</td>
<td>60</td>
<td>72</td>
</tr>
</tbody>
</table>

**Positive capital generation (in EUR mln)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>73</td>
<td>105</td>
</tr>
</tbody>
</table>
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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