



Third Quarter 2008 Results

Analyst Presentation

Amsterdam – 12 November 2008
www.ing.com

BANKING · INVESTMENTS · LIFE INSURANCE · RETIREMENT SERVICES



Third Quarter 2008: Agenda

Overview

Michel Tilmant, CEO

Financial Highlights

John Hele, CFO

Risk Management

Koos Timmermans, CRO

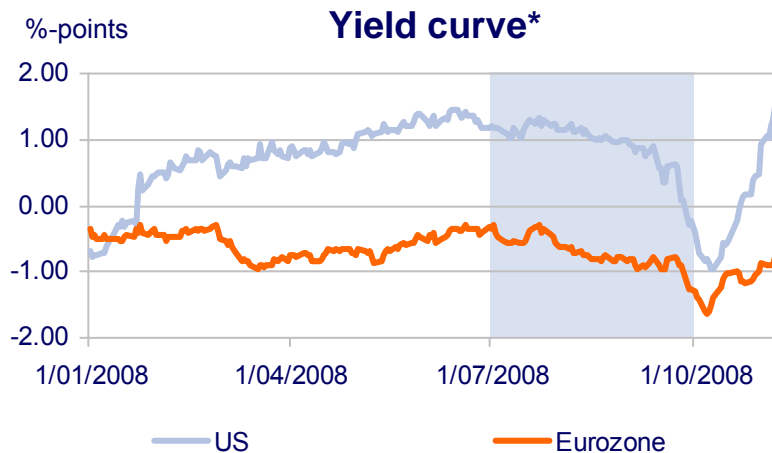
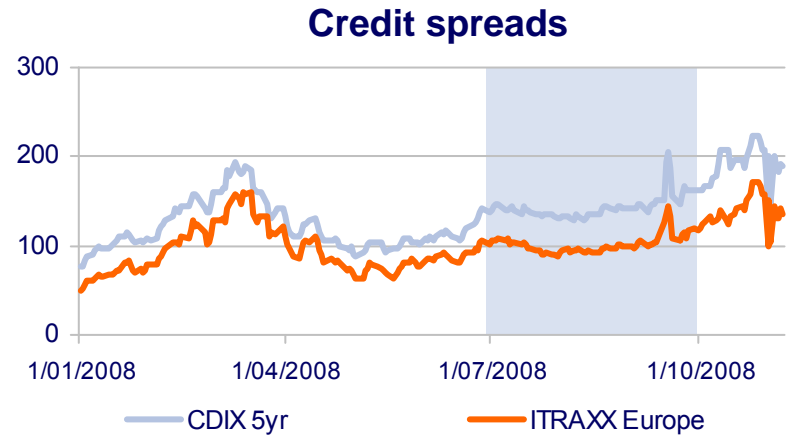
Closing Remarks

Michel Tilmant, CEO

Key Messages

- ING's third-quarter results were impacted by the market turmoil, resulting in our first ever quarterly loss, however the commercial performance of the business was resilient
- ING acted to reinforce its capital base to bring ratios into line with increased international expectations. Our capital position is strong and ratios are in line with current international standards
- The current crisis has raised fundamental questions for the financial industry, and ING will focus on reducing risk and volatility, while tightly managing expenses for a leaner environment

Market circumstances deteriorated sharply at the end of 3Q



*10yr +/- 3m

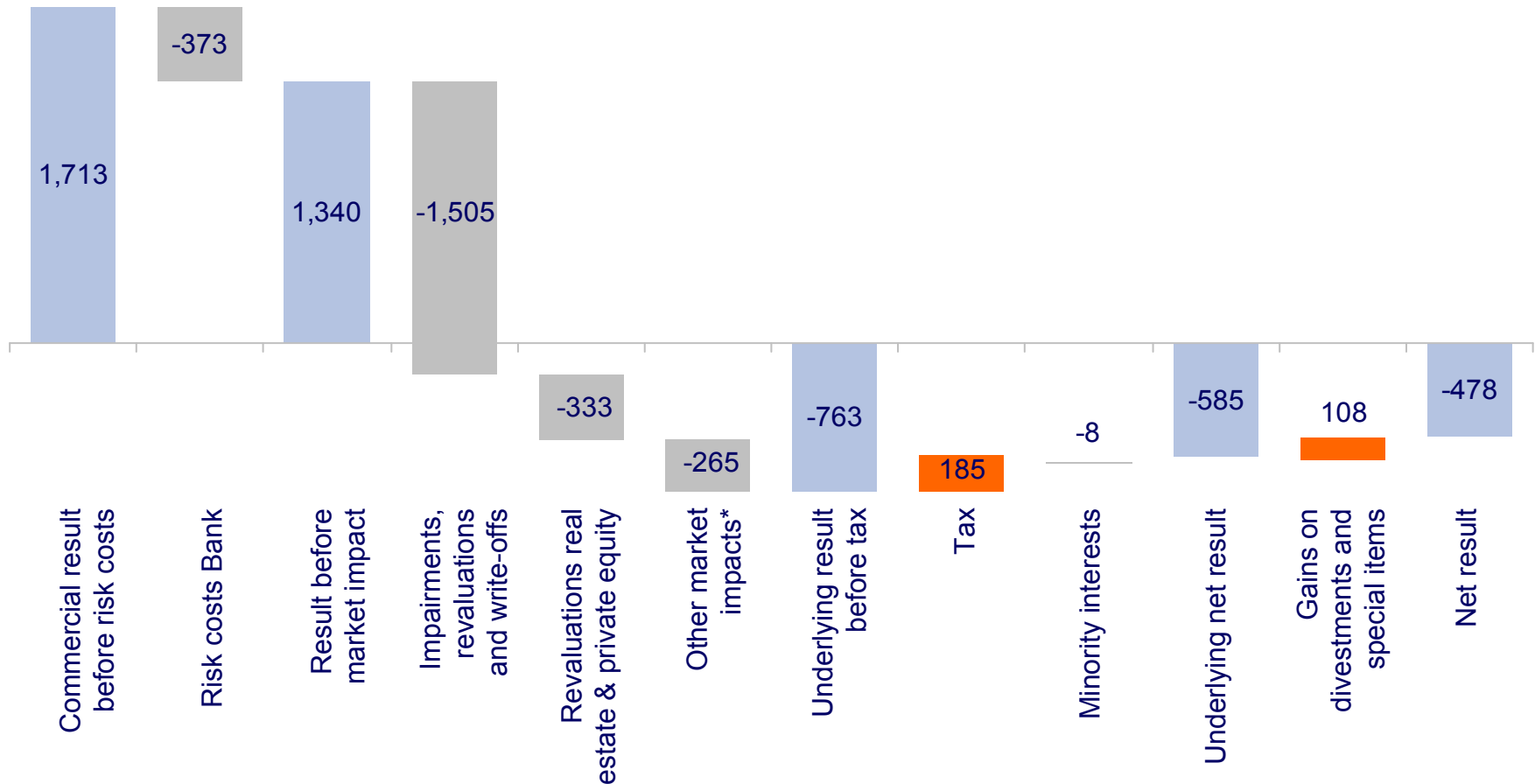


Graphs represent market data through November 7, 2008, except US S&P Case-Shiller Comp. 20



ING's earnings were affected by the volatility in the financial markets

3Q 2008 result (In EUR mln)

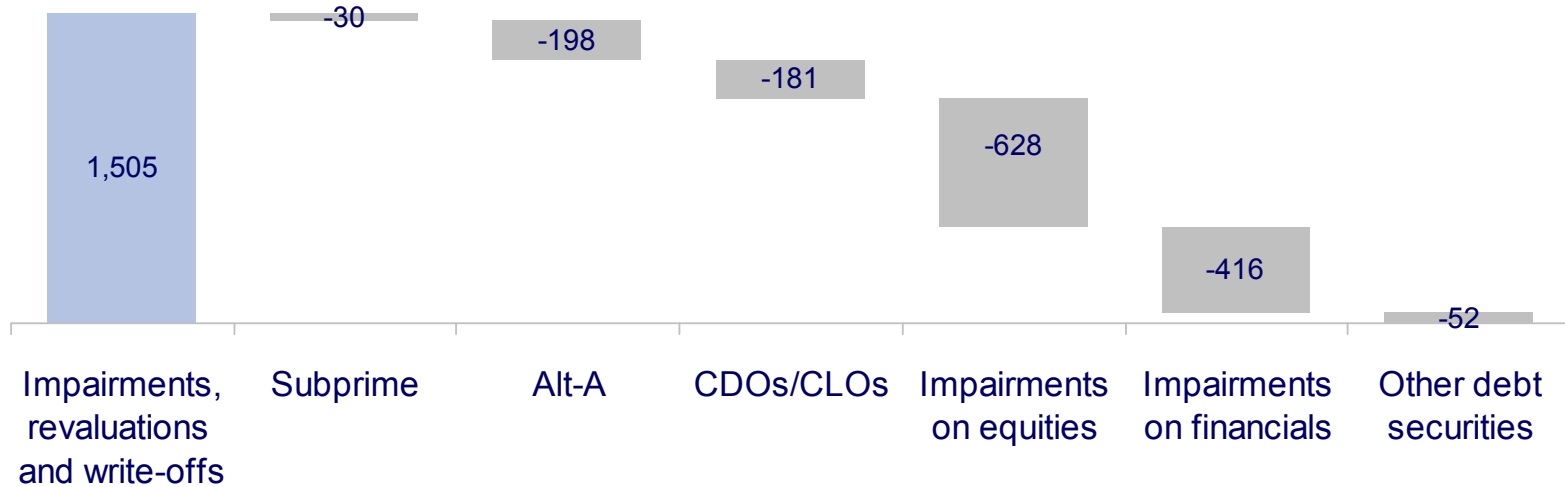


* Includes DAC unlocking, hedges on equities, equity capital gains, FX hedges and Other mark to market

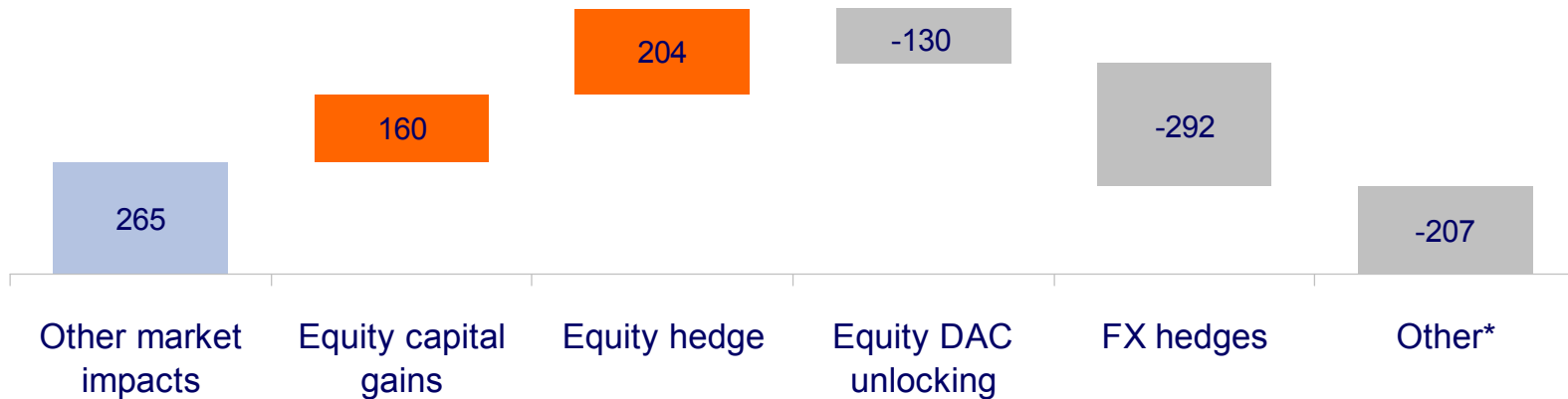


3Q impairments, revaluations and other market impacts

Impairments, revaluations and write-offs (In EUR mln)



Other market impacts (In EUR mln)

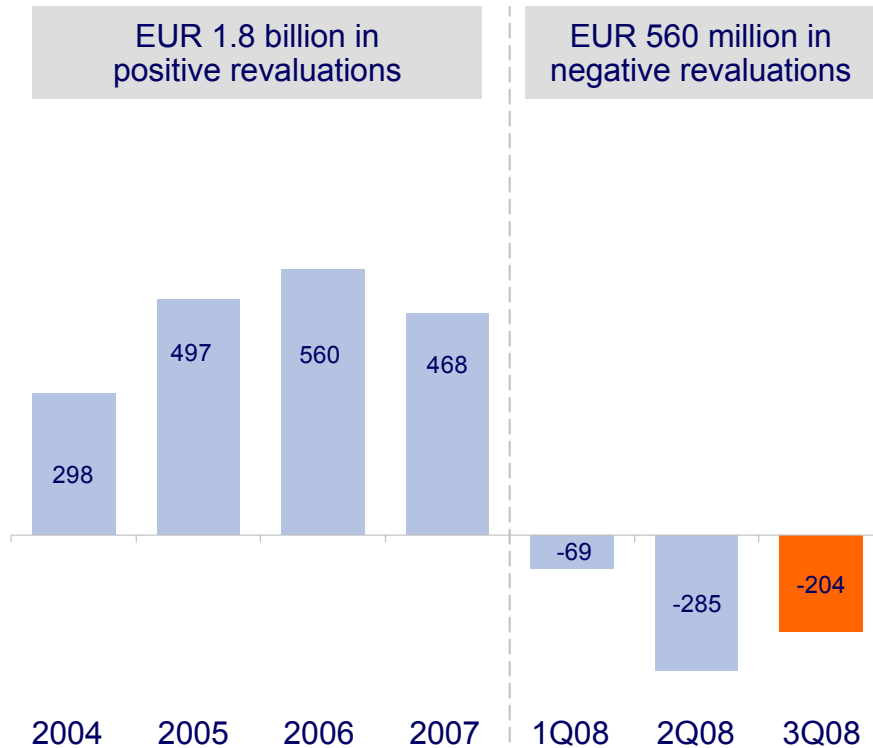


* Includes ING's share in guarantee for Iceland banks, NN account shortfall, Japan hedging

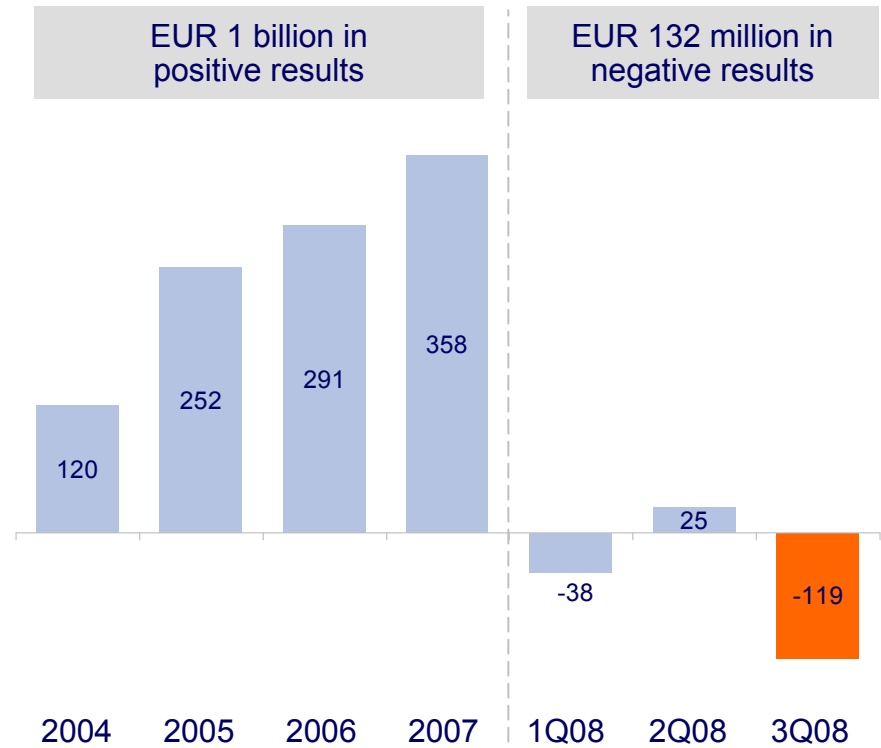


Revaluations of Real Estate and Private Equity add to volatility under IFRS since 2004

Real Estate (in EUR mln)



Private Equity (in EUR mln)



Excluding market impacts, commercial results before risk costs were stable

	Total ING Group			
in EUR million	3Q08	3Q07	9M08	9M07
Commercial result before risk costs	1,713	1,779	6,167	5,802
Impairments, etc on pressurised assets	-409	-61	-549	-61
Impairments on equity securities	-628	0	-1,021	-21
Impairments on financial institutions	-416	0	-416	0
Impairments on other debts securities	-52	-20	-90	-19
Impairments and losses	-1,505	-81	-2,076	-101
Revaluations on real estate*	-214	127	-571	456
Revaluations on private equity	-119	56	-132	321
Revaluations	-333	183	-703	777
Equity capital gains	160	599	1,018	1,858
Equity hedge	204	-2	433	-26
Equity DAC unlocking	-130	-1	-188	34
FX hedge	-292	0	-107	0
Other**	-207	-11	-248	-127
Other market impacts	-265	585	908	1,739
Risk costs Bank	-373	-69	-705	-94
Underlying result before tax	-763	2,397	3,591	8,123

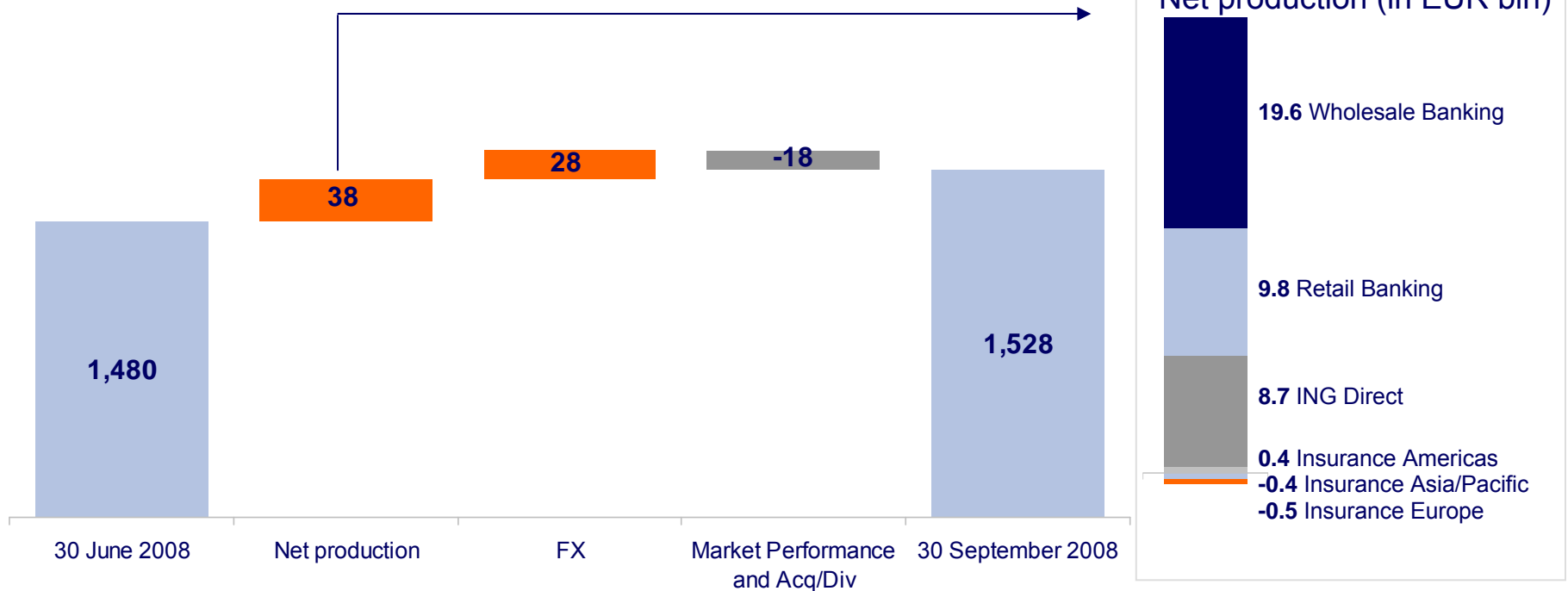
* Includes EUR 10 mln impairments on real estate development

** Includes hedges and other mark-to-market valuations



Resilient commercial growth: EUR 38 billion net production of client balances

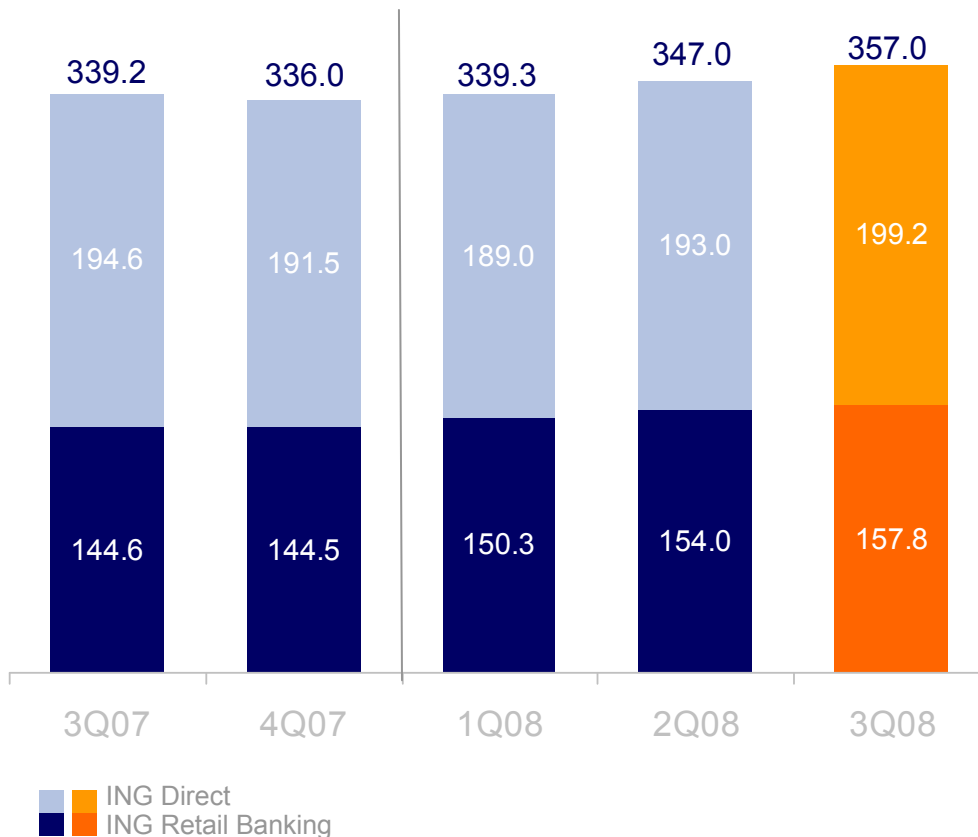
Client balances, ING Group (in EUR billion)



- Net production of client balances was EUR 38 billion, driven by EUR 12.9 billion in client savings and deposits, including EUR 6.7 billion from retail customers
- Lending growth in the banking operations totalled EUR 22.9 billion
- Total client balances increased by EUR 48 billion to EUR 1,528 billion including FX and market impacts

Retail deposits increase despite competition for savings

ING Direct and ING Retail Banking savings and deposits (EUR billion)*



Retail deposits

- Retail deposits increased by EUR 10.0 bln in 3Q, or EUR 6.7 bln excluding FX
- Volume growth in retail banking was sustained through product innovation
- Ongoing shift to term deposits puts pressure on margins
- ING Direct funds entrusted increased by EUR 2.1 billion at constant FX

* = ING Retail Banking excludes Mid-Corporates and is affected by acquisitions/divestments (acquisition ING Bank Turkey in 4Q 07 and divestment Regio Bank in 3Q 07), while ING Direct benefited from fx-effects

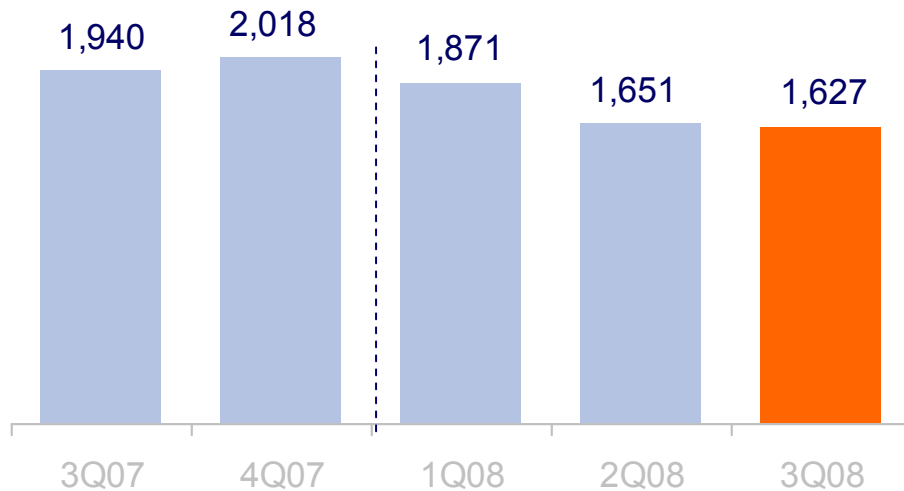


ING Direct attracted new customers in October

- In late September and the beginning of October, consumers worldwide were re-allocating their account balances among multiple financial institutions to maximise protection from government guarantees, which led to both outflows of high balances and increases in new customers
 - The rebalancing resulted in about 200,000 new clients in September (about 30% above the monthly average up to August 08), and 164,000 new clients in October
 - This supports ING Direct's continued focus on broadening its client base, aiming at a larger number of accounts with medium sized balances
-
- Active rebalancing slowed after the increase of deposit guarantee limits by governments. ING Direct is back to normal growth patterns in clients and net inflows, and funds entrusted were flat at the end of October
 - Overall, ING Direct's customer base has proven to be stable, and customers continue to put their trust in our financial solidity and strong brand

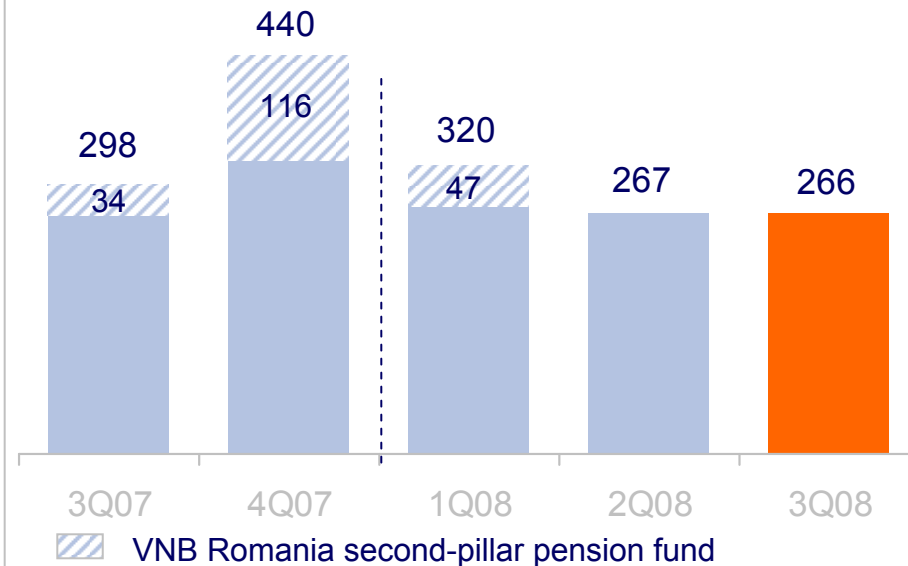
New life sales stable from previous quarter despite reduced demand for investment products

New sales (APE, in EUR million)



- Relative to 2Q08, sales were down 1.5% primarily due to lower sales of investment-linked products
- New life sales (APE) declined 16.1% (8.5% on a constant currency basis) relative to 3Q07
- Due to weakened demand for investment-linked products in Asia/Pacific
- Net flows in retirement services in US remained strong

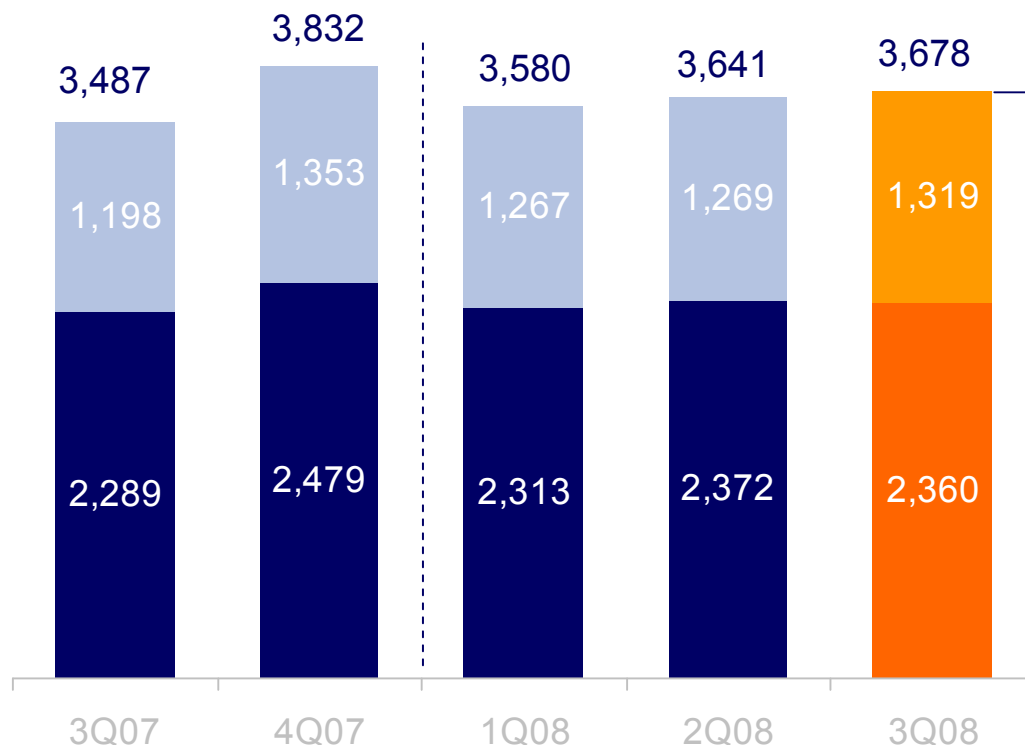
Value new business (in EUR million)



- VNB decreased 10.7% (3.3% on a constant currency basis) from 3Q07 but was flat excluding the Romanian pension fund launched in 3Q07.
- In Asia/Pacific, VNB down with decline in sales
- VNB up 22.7% (excluding currencies) in Americas
- Increase in Central Europe, driven by pension sales in Poland


Expenses under control


Recurring operating expenses (EUR million)



Recurring operating expenses (3Q08 vs 3Q07):

- Up 5.5% ING Group
- Up 3.1% in mature businesses
- Up 10.1% in growth businesses

 Growth businesses = Insurance Central & Rest of Europe; US Wealth Management; Insurance Asia/Pacific; ING Real Estate; ING Direct; Retail Banking (outside Benelux)

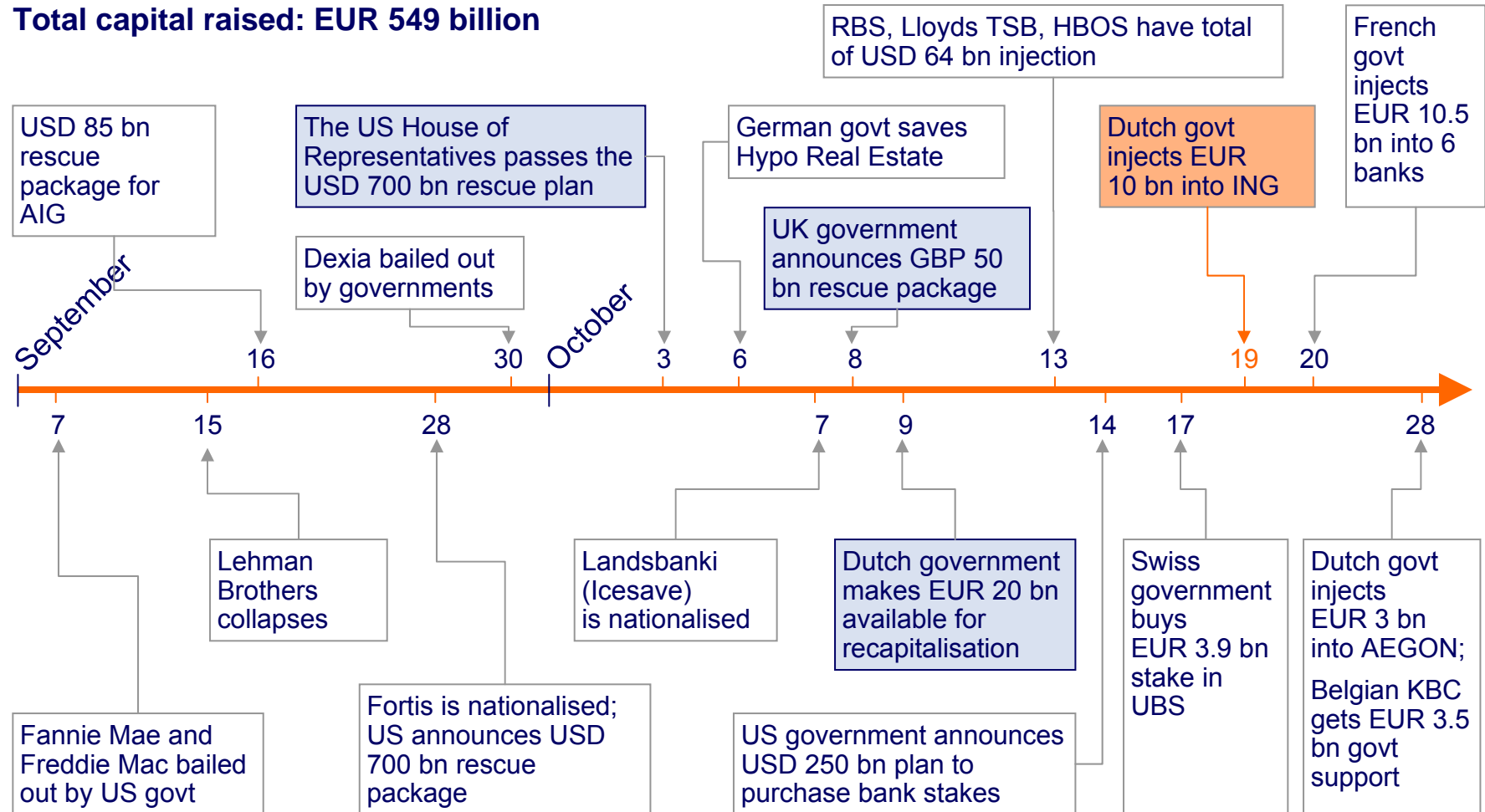
 Mature businesses = Insurance Europe (Benelux); Insurance Americas (excl. US Wealth Management); Corporate Line Insurance; Wholesale Banking (excl. ING Real Estate); Retail Banking (Benelux); Corporate Line Banking

Key Messages

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- The current crisis has raised fundamental questions for the financial industry, and ING will focus on reducing risk and volatility, while tightly managing expenses for a leaner environment

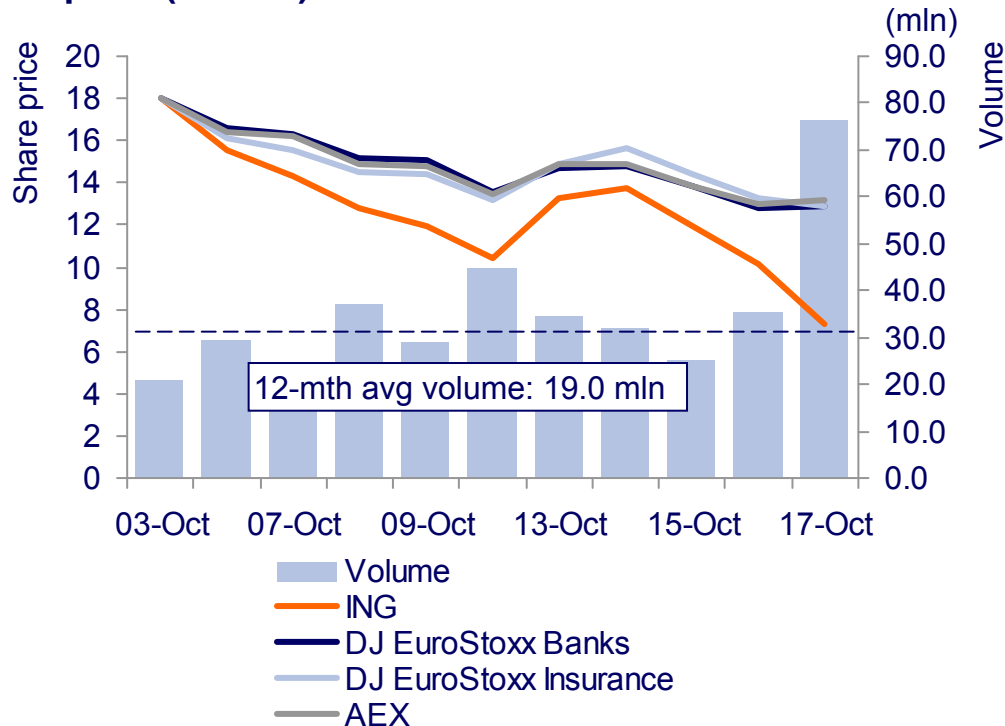
Recapitalisation and government support raised expected capital levels for financial institutions

Total capital raised: EUR 549 billion



ING considered various options to increase capital into line with new international standards

Share price performance of ING Rebased at ING share price (in EUR)



Considerations in capital raising

- The 'bar was raised' as government injections lifted Tier-1 ratios in UK, US
- ING's share price came under pressure in October as the crisis deepened and banks were forced to recapitalise
- ING considered various options to increase capital, but any transaction would have to be large, quick, and possible to complete in one transaction
- An accelerated equity offering or rights issue were not pursued because:
 - A transaction of this size would have been difficult to complete given the market dislocation
 - A rights issue would have taken much longer to complete
 - It would have been very dilutive for existing shareholders at the existing stock price

ING's capital injection from the Dutch state prevented dilution of existing share capital

- ING announced on Sunday, 19th October that it had reached an agreement with the Dutch State to issue non-voting Core Tier-1 securities of EUR 10 bln to the Dutch State

Key merits

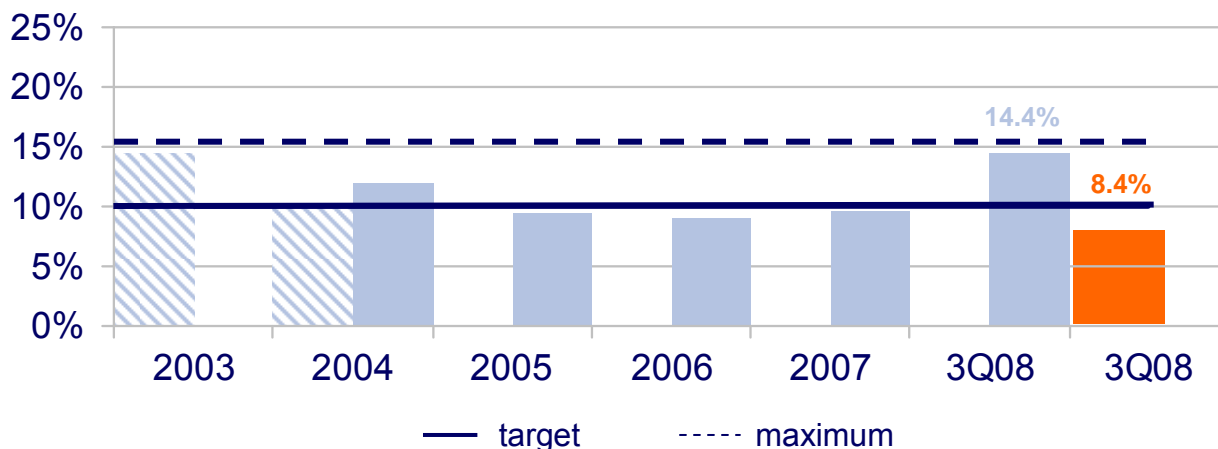
- ✓ Qualifies as Core Capital for Dutch Central Bank
- ✓ No dilution of existing share capital
- ✓ Rapid execution
- ✓ Flexibility as to coupon payment and security redemption
- ✓ Simplicity vs. dual (equity + core capital) structure and no government ownership

The instrument

- ING issues non-voting perpetual Core Tier-1 securities for a total consideration of EUR 10 bln
- The securities rank pari passu with common equity, have no voting rights and are non-tax deductible
- The coupon is non-cumulative and is only payable if a dividend is paid on common shares
- The instrument is dilutive of earnings for existing shareholders but does not dilute share capital
- ING has the right at its sole discretion, only with prior DNB approval, to buy back all or some of the securities at any time at 150% of their issue price
- The securities are convertible at any time after 3 years at ING's option on a 1 for 1 basis into common shares. When and if this option is exercised by ING, the Dutch State can then opt for redemption at EUR 10 per security in cash

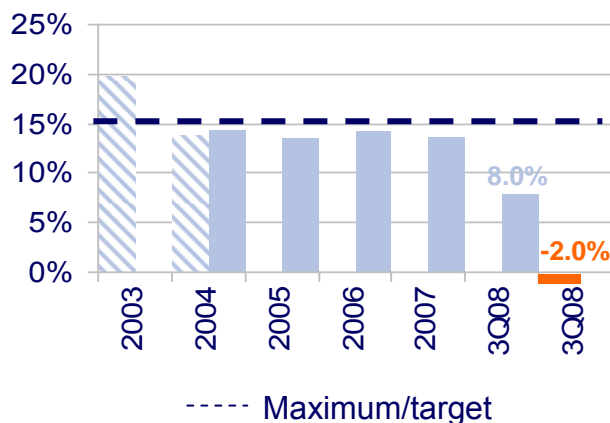
After EUR 10 billion injection, capital ratios meet current international standards

ING Group D/E ratio

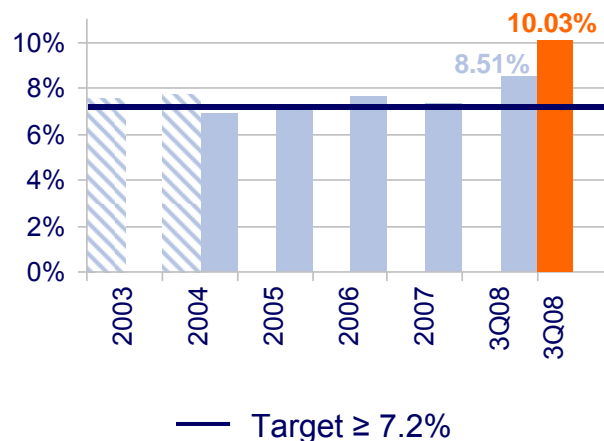


- Ultimate capital targets will be assessed going forward in cooperation with the rating agencies to maintain an AA rating

ING Insurance D/E ratio



ING Bank Tier-1 ratio



 Dutch GAAP
 IFRS
 pro forma after EUR 10 bln injection

Dividend outlook

- Final dividend waived for 2008, leaving total dividend over this year at EUR 0.74 per share
- Following the capital injection from the Dutch state, ING maintains full discretion to determine its dividend on ordinary shares
- A first payment of interest in 2009 of EUR 0.425 per security
- If ING pays any future dividends, the state will receive the highest of: EUR 0.85 (8.5%) coupon, or
 - 110% of dividend paid on ordinary shares over 2009
 - 120% of dividend paid on ordinary shares over 2010
 - 125% of dividend paid on ordinary shares over 2011 and afterwards
- ING will take a balanced and prudent approach, weighing the market conditions, ING's capital position and cash generation
- We will maintain flexibility and weigh the interests of shareholders for an attractive dividend as well as the interest to buy back the securities from the Dutch state

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The crisis has raised some fundamental questions for the financial industry...

Customers' basic need to save has been reinforced by the crisis

More than ever, customers want a financial partner they can trust

Volatility

- Markets have become increasingly volatile
- This is exacerbated by asymmetric accounting for assets vs. liabilities
- At the same time customers want stability and guarantees

Managing this earnings volatility while shielding our customers from market risks has implications for both products and accounting

Capital

- The perceived capital requirements for financial institutions has increased substantially
- At the same time ING sees a return to a more national approach to capital requirements

This will put pressure on returns going forward, and raises the need for a renewed international approach from regulators

Profit Growth

- Profit growth for the financial industry has outpaced GDP and other industries since the 1980s
- Following the current market pressure, growth for the industry is likely to be more in line with GDP growth

This requires a sharper attention to cost containment to sustain earnings growth going forward

...leading to the following priorities

Customers

- Comfort customers and adapt products to meet their needs

Focus

- Reduce complexity: simplify and focus on the fundamentals

Capital

- Strengthen capital: EUR 10 billion injection from Dutch state

Risk

- Reduce risk: sale of Taiwan reduces interest rate exposure

Volatility

- Reduce dependency on financial markets: equity, real estate

Costs

- Tightly manage costs in leaner operating environment

Insurance: priorities for managing through the current environment



Insurance Europe

- Proactively manage equity risk exposure in the Netherlands through conservative portfolio management and hedging
- Continue to focus on expense reduction
- Slowdown investments in new Greenfields
- In Central Europe, focus on distribution efficiency and the pension business
- Focus on customers and protecting market share



Insurance Americas

- Manage capital consumption
- Purchase credit protection
- Increased focus on risk-protection products and fixed annuities
- Expense containment
- Capitalise on the IT capabilities of CitiStreet and integrate with existing Retirement Services business
- Focus on customers and protect market share



Insurance Asia/Pacific

- Evolving product portfolio to meet shifts in customer preferences,
- Focus on distribution: strengthening the bank channel and growing tied agency force
- Proactive expense management
- Continuing focus on risk management & talent development
- Managing transition of ING Life Taiwan
- Focus on customers and protect market share

Bank: priorities for managing through the current environment



Wholesale Banking

- Increased focus on core franchise such as Netherlands and Belgium
- Heightened vigilance on counterparty/corporate risk
- Increase margins further and lock in high-value product mandates with clients
- Steps taken to limit growth in lending assets
- Reducing cost base in disrupted markets
- Focus on customers and protect market share



Retail Banking

- Accelerating restructuring in the Netherlands and Belgium
- Focus on increasing savings deposits in the Netherlands and Belgium
- Protecting margins in mortgages over market share
- Repricing Mid Corporates
- Combining of ING Bank and Postbank well on track for external launch in 1Q09
- Visibility is increasing as the rebranding has started
- Focus on customers and protect market share



ING Direct

- Increased promotional activities to fuel savings growth
- Growing savings and mortgages in balance
- Controlled expansion of product range to retain and attract customers
- Shortening duration of assets where appropriate to increase repricing flexibility
- Focus on customers and protect market share

Looking forward

- The third quarter was extremely challenging for financial institutions
- Financial markets deteriorated rapidly toward the end of the quarter, with steep declines in equity markets, widening credit spreads, declining property prices and the failure of several banks
- In these increasingly turbulent times, ING acted proactively to reinforce its capital base after the Dutch government made funds available to help stabilise the financial system and create a level playing field internationally
- The financial services industry is about trust, and as our customers face uncertain times it is essential that they have no reason to be concerned about the strength of ING as their financial partner

As we approach the end of 2008, markets continue to be turbulent, so we expect pressure on asset prices to continue to impact results in the fourth quarter, while weakening economic conditions will put pressure on results into 2009

Our priority is to sustain commercial momentum by remaining focused on our customers, while managing our risks, capital and expense base with the discipline that these exceptional times require

Third Quarter 2008: Agenda

Overview

Michel Tilmant, CEO

Financial Highlights

John Hele, CFO

Risk Management

Koos Timmermans, CRO

Closing Remarks

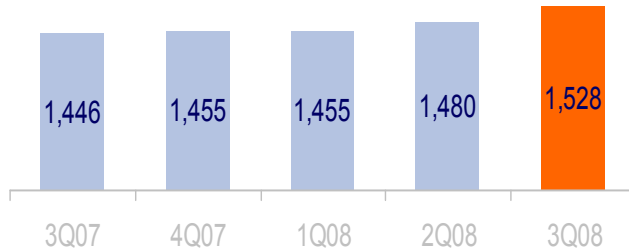
Michel Tilmant, CEO

Financial Highlights Third Quarter 2008

- Key Performance Indicators
- Market environment and impact on results
- Variable annuity hedging & guarantees

ING Group KPIs: Sound increase in Client Balances, but income and result impacted by financial crisis

Client balances (in EUR bln)



- Net production of client balances EUR 38 bln in 3Q
- Including FX and market impacts, total client balances up EUR 48 bln
- Production driven by banking (EUR 12.9 bln savings and deposits, EUR 22.9 bln lending)
- Net inflows insurance flat as growth in Insurance Americas was offset by outflows in Insurance Europe and Insurance Asia/Pacific

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter

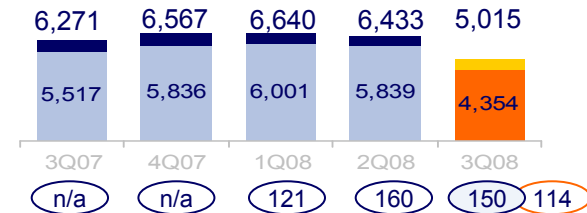
(bps)

■ Non-life

■ Banking, Investments, Life insurance, Retirement Services

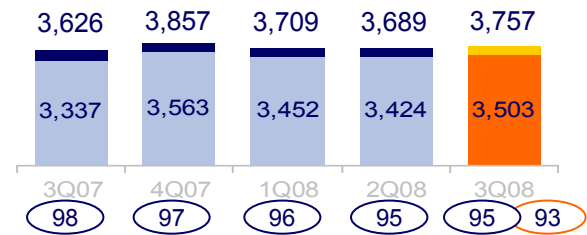
Operating Income (EUR mln)

- Operating income decreased mainly due to lower technical margins, and lower investment margins as asset balances decreased
- Operating income Banking decreased mainly due to impairments & negative revaluations



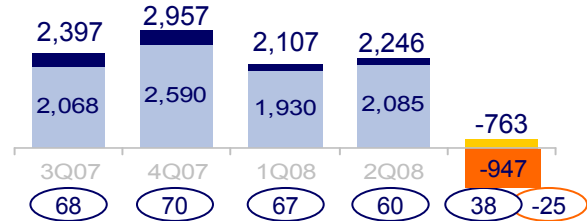
Operating Expenses (EUR mln)

- Operating expenses Bank and Life in bps of Client balances was equal to the previous quarter



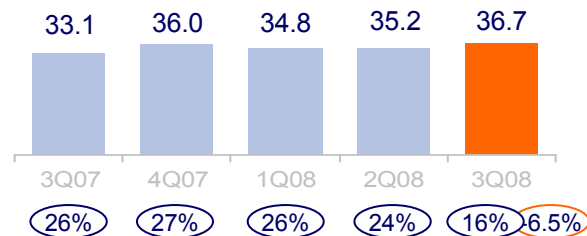
Underlying Result before tax (EUR mln)

- Underlying result before tax is trending downwards due to the impact of deteriorating financial markets and higher capital gains on equities in 2007



Economic Capital (EUR bln)

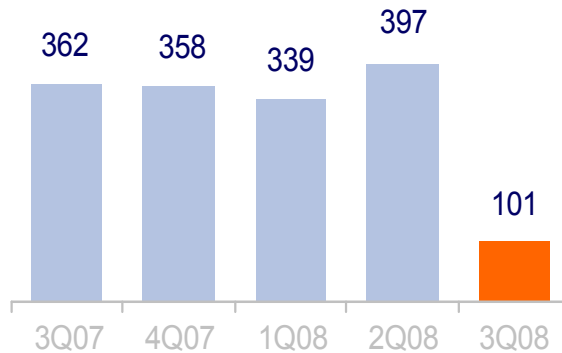
- ROEC declined sharply due to a loss in 3Q2008 and the diminishing positive influence of the capital gains in 2007 in the rolling four-quarter trend



Insurance: Financial markets downturn reduces investment income

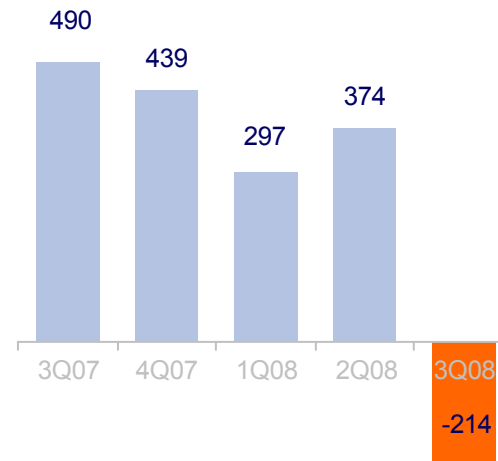
Underlying result before tax (in EUR million)

Insurance Europe



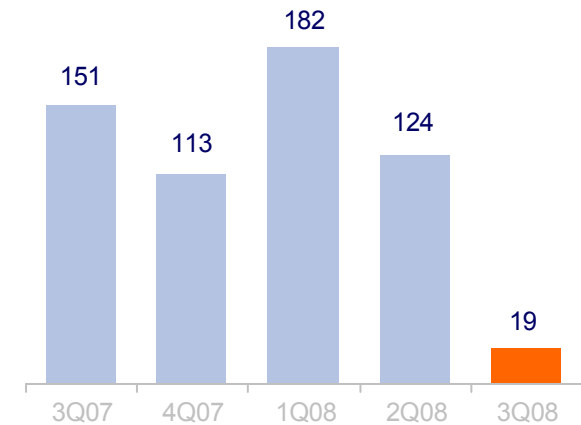
- Underlying result before tax down 72.1% due to asset revaluations (EUR 181 mln)
- Pension flows in Central & Rest of Europe increase 48.9%
- Operating expenses decline 6.5% on cost containment measures, particularly in the Netherlands

Insurance Americas



- Market turmoil triggers underlying loss of EUR 214 million
- Net credit- and interest-related losses of EUR 365 million
- Equity-related DAC unlocking of EUR -130 million
- VNB up 22.7% excluding currencies

Insurance Asia/Pacific



- Result before tax declined 87.4% to EUR 19 million, primarily due to faltering financial markets
- Sales decline 28.7% as market declines reduce demand for investment products
- Agreement to sell ING Life Taiwan

Insurance: Margin analysis for Total Life Insurance

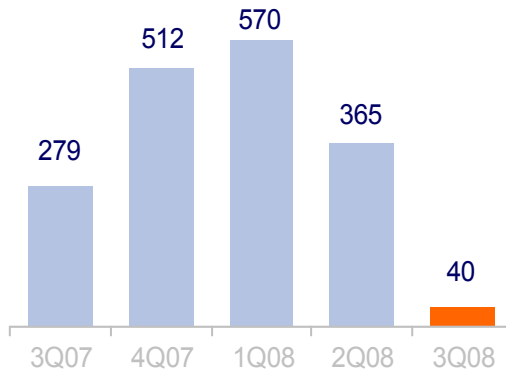
Insurance Total (in EUR mln)	3Q08	2Q08	1Q08	4Q07	3Q07
Investment margin	569	569	624	698	609
Fees and premium-based revenue	1,229	1,202	1,239	1,282	1,210
Technical margin	83	281	208	89	190
Income non-modelled business*	-153	23	11	75	15
Operating income	1,729	2,074	2,081	2,144	2,024
Expenses	-1,561	-1,442	-1,526	-1,535	-1,437
Operating result before tax	167	632	556	609	586
Investment variances	-898	353	-31	831	379
Underlying result before tax	-730	985	524	1,439	966

* = Insurance Europe: Netherlands servicing & brokerage (including AZL, IPS, NN Assurantiekantoren, NN HB), Luxembourg, Bulgaria and Russia; Insurance Americas: Brazil; Insurance Asia Pacific: Japan SPVA, KB Life, Taiwan, New Zealand, Thailand, China and India

Banking: Commercial growth despite increased competition

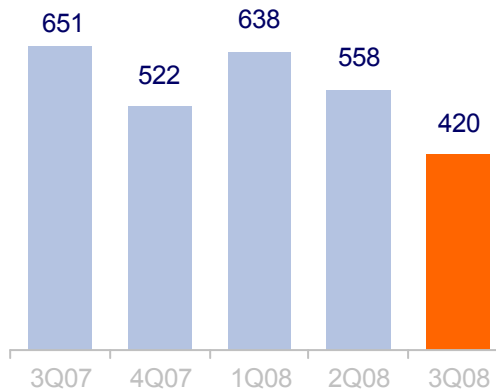
Underlying result before tax (in EUR million)

Wholesale Banking



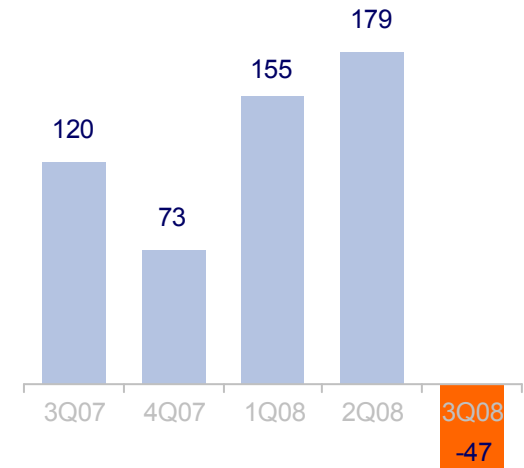
- Result before tax down 85.7% due to credit related markdowns and impairments (EUR 211 mln), real estate revaluations (EUR 88 mln)
- General Lending and Structured Finance benefited from higher demand for credit
- Risk costs increase to EUR 195 million, including EUR 72 million related to Icelandic Banks

Retail Banking



- Growth of savings/deposits in the Benelux
- Continued pressure on margins as a result of liquidity crisis
- ING Bank Turkey negatively affected by fair value changes on derivatives (EUR 41 mln)
- Risk costs increase to EUR 93 million on inclusion of Turkey and mid-corporates in Benelux

ING Direct

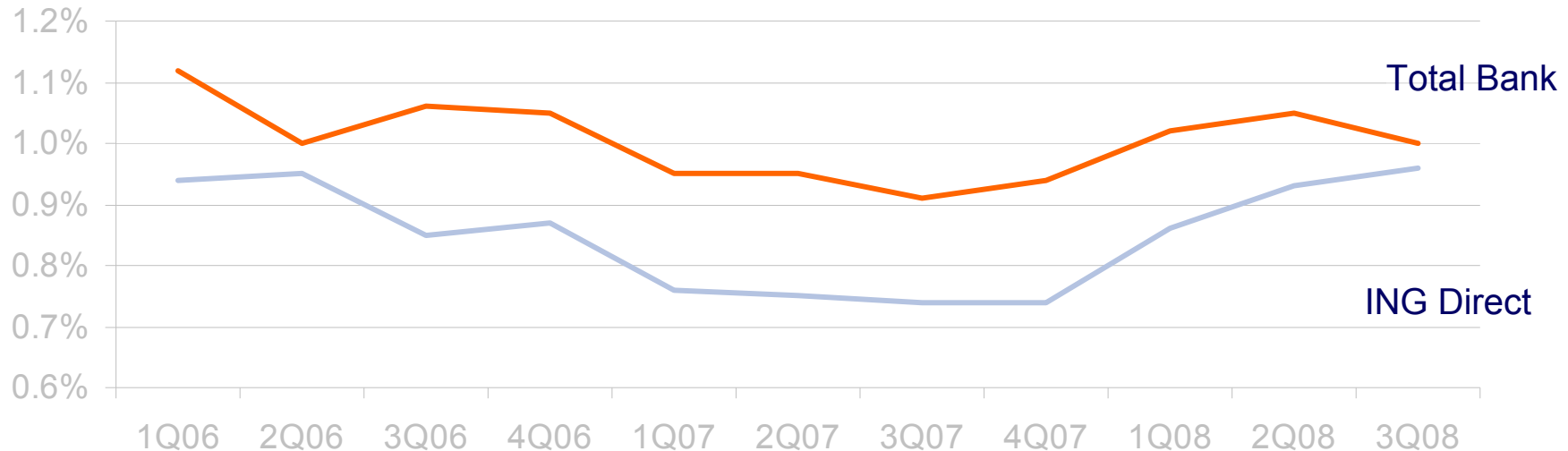


- Client retail balances up EUR 7.0 billion and 455,000 new clients
- Impairments of EUR 217 million due to unprecedented events in the quarter
- Excluding impairments, result before tax up 42% on 3Q2007
- Risk costs increase to EUR 85 million on US and Germany



Interest rates: interest margin healthy at 1.00%

ING Interest margins by quarter



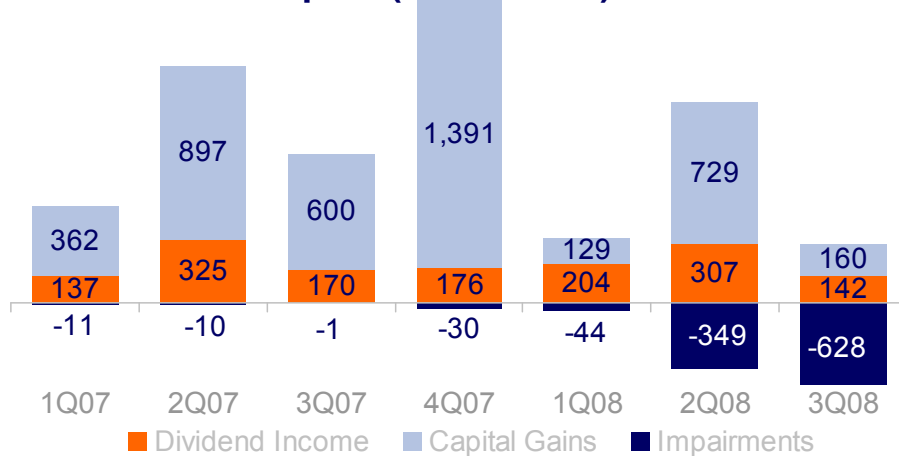
- Compared with 3Q07 total interest margin improved 9 bps to 1.00% mainly due to higher margin at ING Direct and inclusion of ING Bank Turkey
- The total interest margin was down 5 bps compared with 2Q08 as higher margins at ING Direct and on new lending were offset by pressure on retail margins
- Improvement in the US interest rate environment drives recovery in interest margin at ING Direct to 0.96% from 0.74% in 3Q07 and 0.93% in 2Q08

Financial Highlights Third Quarter 2008

- Key Performance Indicators
- Market environment and impact on results
- Variable annuity hedging & guarantees

Equity markets: sustained equity market declines trigger impairments

Pre-tax P&L impact (in EUR mln)



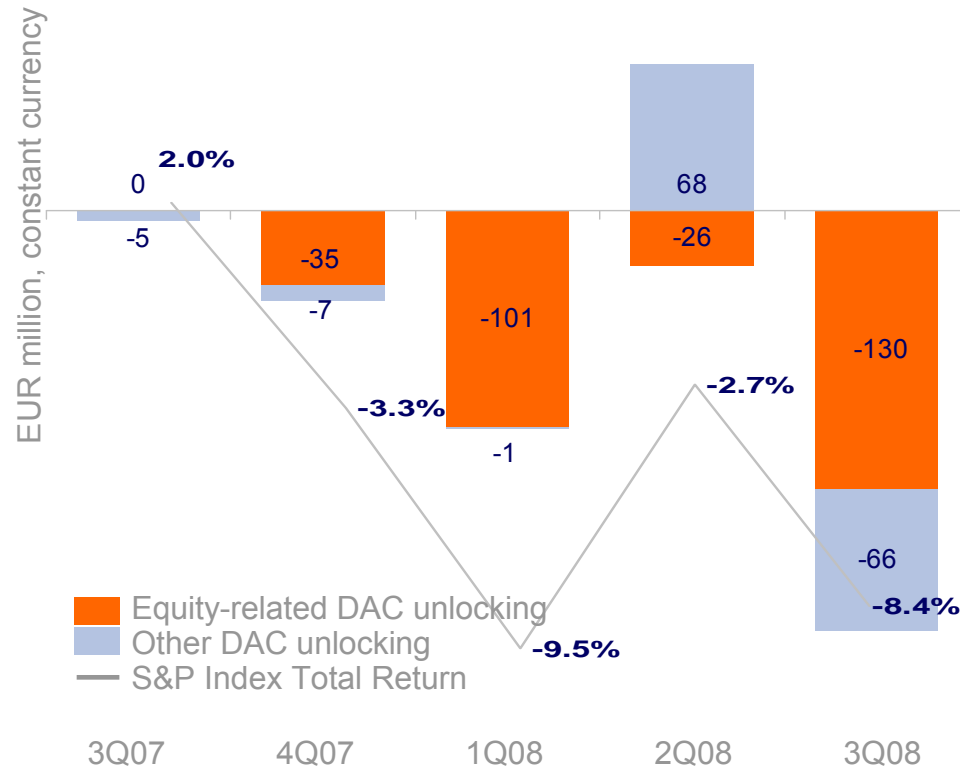
Market value shares at 30 Sep 2008

In EUR million	Insurance	Bank	Total
Shares with direct public equity exposure	6,538	2,033	8,571
Hedged	2,450	0	2,450
Net exposure shares	4,088	2,033	6,121
Revaluation reserve pre-tax	449	901	1,350

- ING realised EUR 160 million in pre-tax capital gains in 3Q08
- That was offset by EUR 628 million of impairments on equities as markets sustained their declines
- 3Q07 included EUR 600 million in equity capital gains including EUR 455 million on part of ING's stake in ABN Amro
- Equity markets at Oct. 15 levels would trigger a further EUR 303 million of equity impairments

Equity markets: P&L impact from DAC unlocking in the US

DAC unlocking



- In 3Q08, US results included EUR -130 million equity-related DAC unlocking as markets declined and fund performance lagged
- In 3Q08, other DAC unlocking was mainly due to higher hedging costs in the annuity business
- DAC is charged to underwriting expenditures in proportion to the actual and future Estimated Gross Profits (EGP) over the life of the block of business
- Current (actual) and future separate-account fund performance are critical inputs to EGP
- Equity-related DAC unlocking arises when fund performance differs from long-term equity market growth assumption of 2.25% per quarter
- ING does not apply a “corridor”, ING US uses full DAC unlocking, with adjustments through the P&L each quarter
- S&P 500 index performance is a good indicator of the P&L volatility caused by equity-related DAC unlocking
- At October 15th levels, when the S&P was at 908 points, equity-related DAC unlocking would be EUR -273 million

Fair values of RMBS shifted to “Level C” pricing due to lack of market prices

IFRS “ABC” fair value hierarchy:

A = reference to published price quotations in an active market

B = valuation technique supported by observable market data

C = valuation technique not supported by observable market inputs

IFRS fair value hierarchy – ING Group 3Q08 (in EUR mln)

	A	B	C	Total
Total,	367,710	153,700	28,658	550,068
of which:				
Subprime RMBS	44	15	2,154	2,213
Alt-A RMBS	435	71	20,208	20,714
CDOs	4,447	287	0	4,734

- ING has EUR 550 billion of financial assets measured at fair value. The vast majority of which is based on published price quotations
- In the third quarter there was a shift for Alt-A and subprime RMBS to Level C
- To a large extent, ING still bases RMBS prices on independent vendor pricing services
- Illiquid market conditions have led to more dependence by these vendors on models to determine the fair value due to lack of observable market prices
- ING did not apply any accounting change on Alt-A or Subprime portfolios in 3Q08

Financial Highlights Third Quarter 2008

- Key Performance Indicators
- Market environment and impact on results
- Variable annuity hedging & guarantees

Despite market volatility, ING's SPVA hedge programs have been largely effective

- The US and Japan have the major blocks of SPVAs with guarantees. There are small blocks in the Netherlands, Hungary, Poland and Spain
- Dynamic hedging programs in the US and in Japan hedge a substantial portion of the risk posed by the guaranteed benefits due to movements in the equity markets. Japan also hedges interest rate and currency risks
- The hedge programs have proven to be effective, even in volatile markets
- The risk of unhedged equity volatility lies primarily in the cost of dynamically rebalancing the portfolio. As actual volatility increases, the cost of rebalancing the hedges increases
- Poor equity performance is a risk to profitability as future fee income is reduced
- Reported new business profitability above ING's hurdles while reflecting current, higher volatility and low interest rates

The majority of ING's exposure to equity movements in the US VA business are hedged

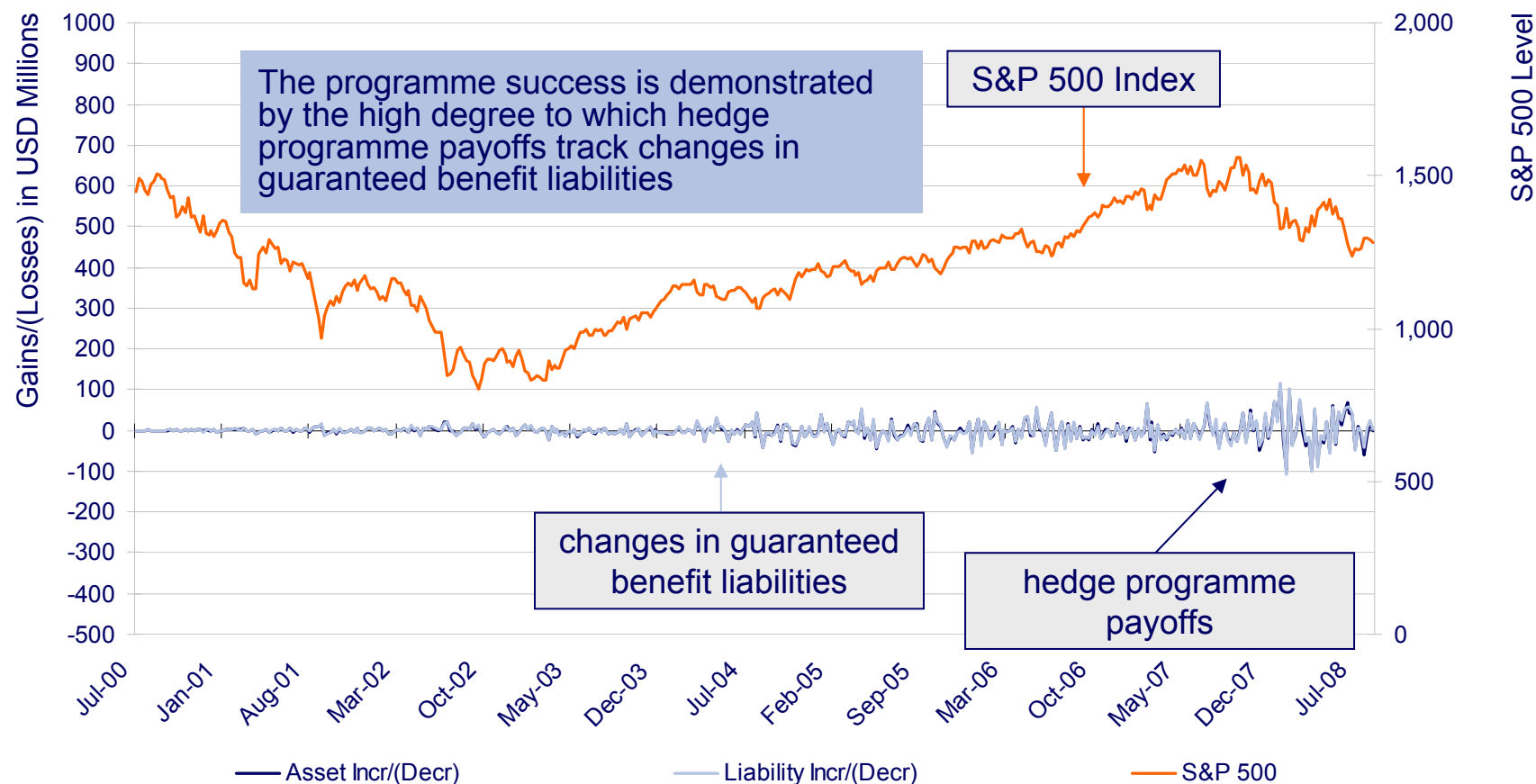
USFS SPVA Guaranteed Benefits (As of 9/30, USD Millions)

	Account Value	Net Amount at Risk	NAR Externally Reinsured	NAR Retained	NAR Hedged	Statutory Reserves
Guaranteed Living Benefits						
10-year Accumulation Benefits	496	25	0	25	25	15
20-Year Accumulation Benefits	72	14	0	14	14	19
Withdrawal Benefit (GMWB)	1,325	55	0	55	55	46
Income Benefit (GMIB)	16,000	4,369	0	4,369	4,369	511
Life Pay/Life Pay Plus	10,088	1,919	0	1,919	1,919	146
Guaranteed Minimum Death Benefits						
Return of Premium	18,885	1,975	41	1,934	1,915	70
Ratchet	9,583	2,328	477	1,851	1,720	86
Roll-up	3,290	2,041	1,088	953	175	345
Combo	12,805	4,148	25	4,123	1,214	465
Total USFS Guaranteed Benefits	44,563	16,874	1,631	15,243	11,406	1,705

- The Net Amount at Risk (NAR) represents the difference between the current benefit base and the account value. Over time, lapses, partial withdrawals, mortality, interest and equity growth will determine the eventual cash benefits
- Statutory reserves, prescribed by local authorities are USD 1.7 billion. The Market Consistent Value of these potential future benefits less future fees is USD 2.7 billion. The difference is largely attributable to a market consistent assumption that limits equity growth to the current swap rates whereas the statutory view allows consideration of equity risk premia
- Dynamic delta hedge of equity exposure using S&P and other market Index futures. Hedge payoffs offset any increase/decrease in liability. The costs associated with rebalancing the portfolio are reflected in product pricing
- A portion of the GMDB guarantees are left unhedged because hedge costs as calculated exceed capital costs
- Interest rate and equity volatility are not hedged because of the high cost of hedging
- Profitability, as measured by IRR, is 14.6% in the third quarter. This reflects current higher volatility and lower interest rates, grading into long-term volatility of 17.8% and interest rates of 4.5%

Hedges in the US dynamic hedging program, launched in 2000, has successfully tracked liabilities

Weekly Hedge Programme Performance



Fall in equity markets has manageable impact on required capital and IFRS earnings

Date	S&P 500 Index	Capital Injection (EUR bln)	IFRS Earnings 4Q Impact (EUR mln, Pre-Tax)
30 September 2008	1,166	n/a	n/a
31 October 2008 (-16.9%)	969	0.4	(180)
30 September less 30%	815	0.6	(310)

Capital Injections

- ING Insurance can downstream capital to the Americas while staying within 15% Debt/Equity ratio limit. A EUR 770 million capital injection from ING Insurance to Insurance Americas at 30 September would have increased the D/E ratio for ING Insurance from 8.05% to 10.50%
- As the S&P 500 declines, an injected capital amount is determined to restore the capital to the level required by rating agencies, equal to the greater of the S&P required capital and 325% Risk Based Capital

IFRS earnings impact

- Variable Annuity equity-related DAC unlocking is the primary earnings sensitivity
- IFRS liabilities for guarantees more than offset by the equity hedges, partially offsetting the impact of the DAC unlocking
- Actual tracking error and losses due to volatility will have potential other impacts on IFRS earnings

Japan hedges vast majority of exposure to changes in equities, interest rates and currency

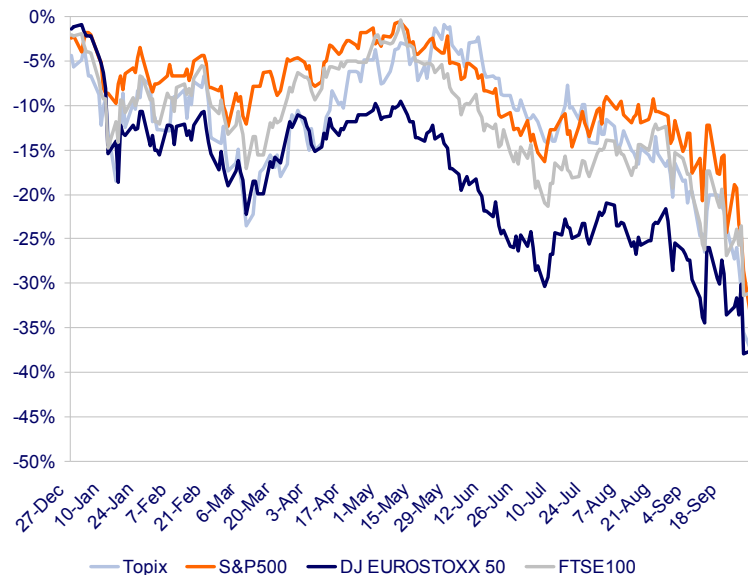
Japan SPVA Guaranteed Benefits (in EUR million)

	Account Value	Net Amount at Risk	% NAR Externally Reinsured	% NAR Hedged	Reserve
Guaranteed Living Benefits					
Accumulation Benefits	9,657	1,352	0%	More than 95%	836
Withdrawal Benefits	23	6	0%	More than 95%	Nil
Income Benefits	161	21	0%	0%	Nil
Guaranteed Minimum Death Benefits					
Return of Premium	2,429	146	0%	More than 95%	131
Ratchet	1,272	204	0%	More than 95%	30
Total Japan Guaranteed Benefits	13,542	1,729			997

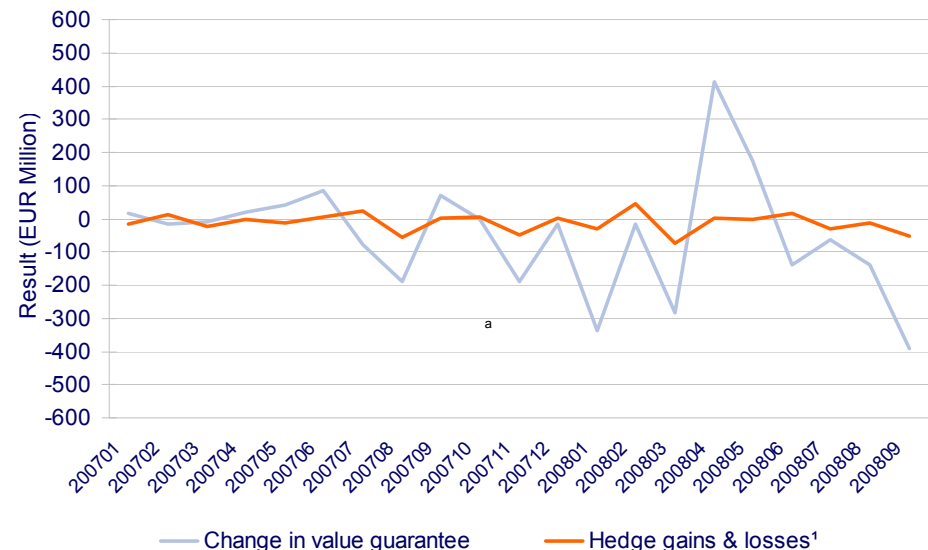
- Reserves held on the guaranteed benefits of EUR 1.0 billion compares to the Market Consistent Value of future benefits associated with the Net Amount at Risk, less future fees, of EUR 1.2 billion at 30 September
- Dynamic delta hedge of equity, fixed income and FX risk using market Index futures. Interest rate risk ("rho") is fully hedged using swaps and forward contracts
- Equity and FX delta hedges are rebalanced daily with intra-day trades if assets and liabilities move outside a pre-prescribed range. Fixed income delta and rho are rebalanced weekly with intra-week trades if assets and liabilities move outside a pre-prescribed range
- Implied volatility and asset-based fee income are not hedged
- Counter-party risk is managed in accordance with ING's guidelines and limits. Only transactions with qualified counterparties are entered into
- Profitability of Smart Design 1-2-3 sold in the quarter was 54bp of single premium, reflecting 30 September implied equity volatility of 20-25% and 10 year spot rate of 1.73%

Japan's hedge programme has been largely effective through volatile markets

Financial markets have been volatile and declining in the recent past...



...and the hedge programme has been effective in smoothing the economic gains and losses



The hedging programme has gone a long way in smoothing out the amplitude of volatility

While the hedge programme was 82% effective in the quarter, extraordinary market volatility resulted in direct hedge losses of EUR 93 million

* = reflects hedge programme performance relative to the hedge objective

Third Quarter 2008: Agenda

Overview

Michel Tilmant, CEO

Financial Highlights

John Hele, CFO

Risk Management

Koos Timmermans, CRO

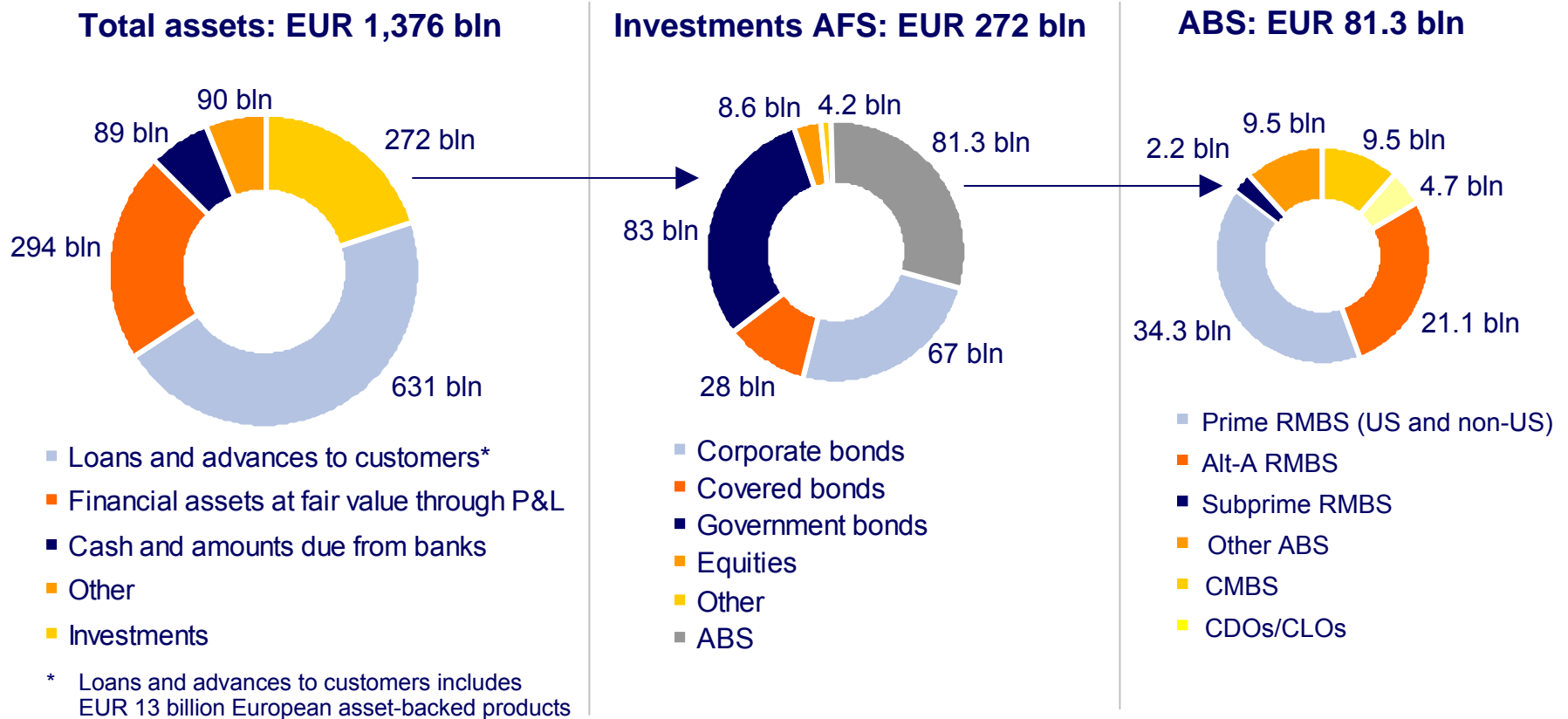
Closing Remarks

Michel Tilmant, CEO

Risk Management

- The balance sheet
- Originated loans
- Investment portfolio: corporate bonds, Alt-A RMBS, other
- Liquidity
- Key messages

ING's balance sheet contains a conservative selection of well-diversified assets



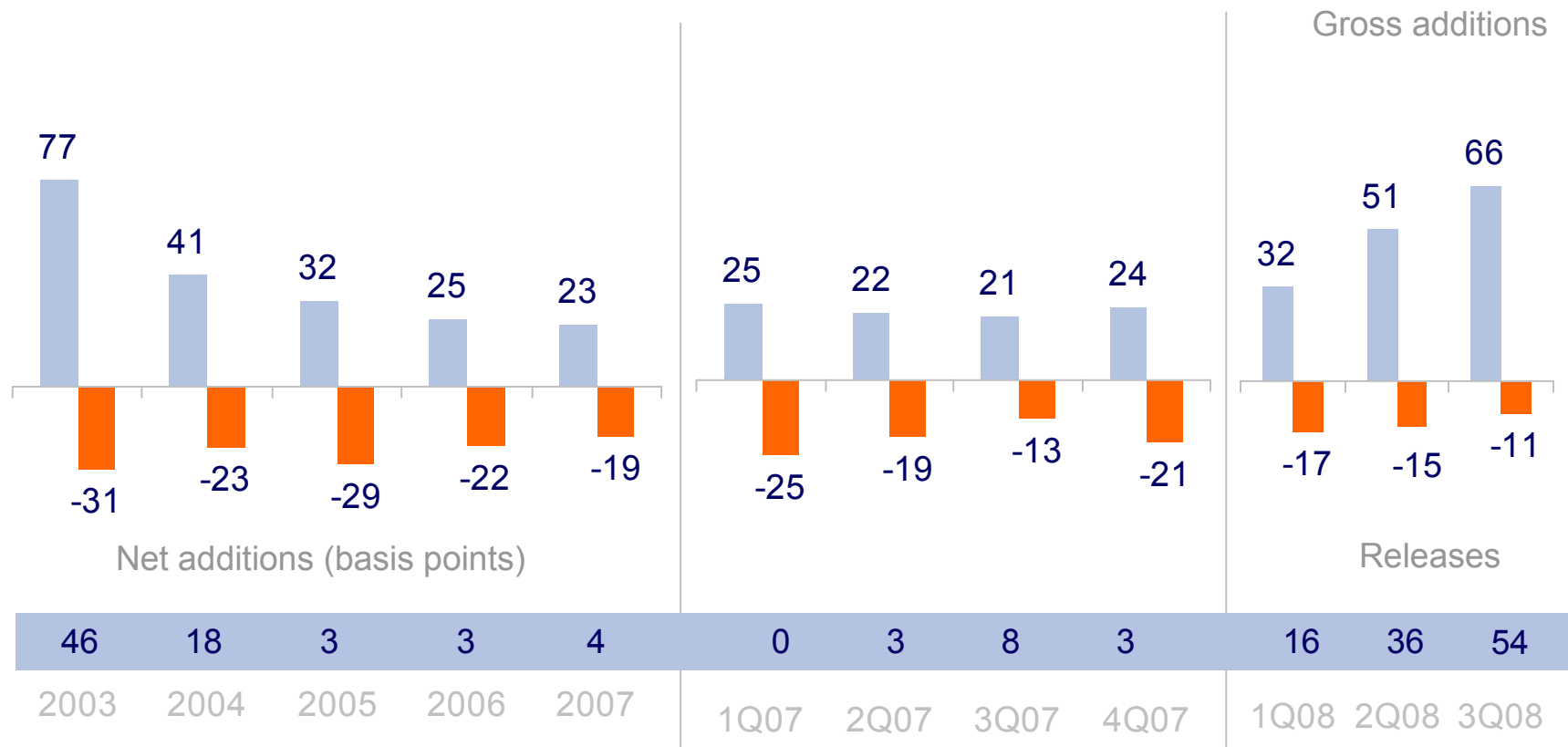
ING's balance sheet is well diversified, with three major blocks: own-originated loans, assets at fair value through P&L and investments

Risk Management

- The balance sheet
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Actual risk costs exceeded through-the-cycle losses for the first time since 2003

Addition to provisions for loan losses (in basis points of average credit RWA)



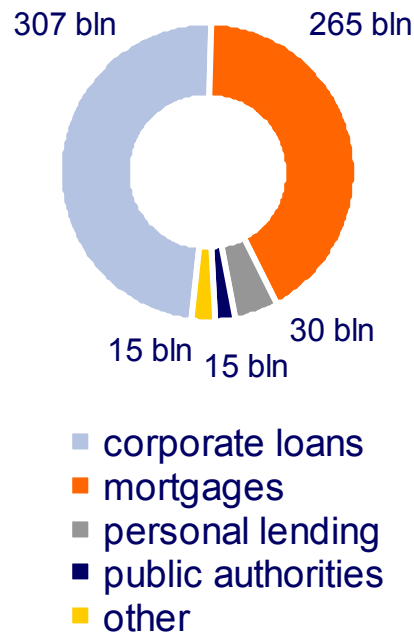
Basel I: expected over the cycle risk costs 20-25 bps

Basel II: 40-45 bps

ING Bank's core loan book performs well despite increase in risk costs to 54 bps

- General policy: trade-off between quality of borrower and taking collateral, borrower has at least high rating or a high degree of high-quality collateral
- Loan book consists of two main blocks: well rated or collateralised corporate loans and mortgages

EUR 631 billion loans to customers



ING Bank's risk costs increased

	(EUR mln)	bps
Mortgages	88	13
Corporate Loans	75	11
Icelandic banks	72	10
Structured Finance	48	7
Other Loans	90	13
Total	373	54

Originated mortgages: non-performing loans relatively stable, except for US

- Non-performing mortgage loans (NPLs, or 90+ days delinquencies) are relatively stable in own originated mortgage portfolio
- Exception is the US, where NPLs increased from 1.3% to 1.9%
- Dutch mortgages: NPLs remain low, while the interest margin is 71 bps (on the total stock of originated mortgages)

ING Bank's residential mortgages portfolio

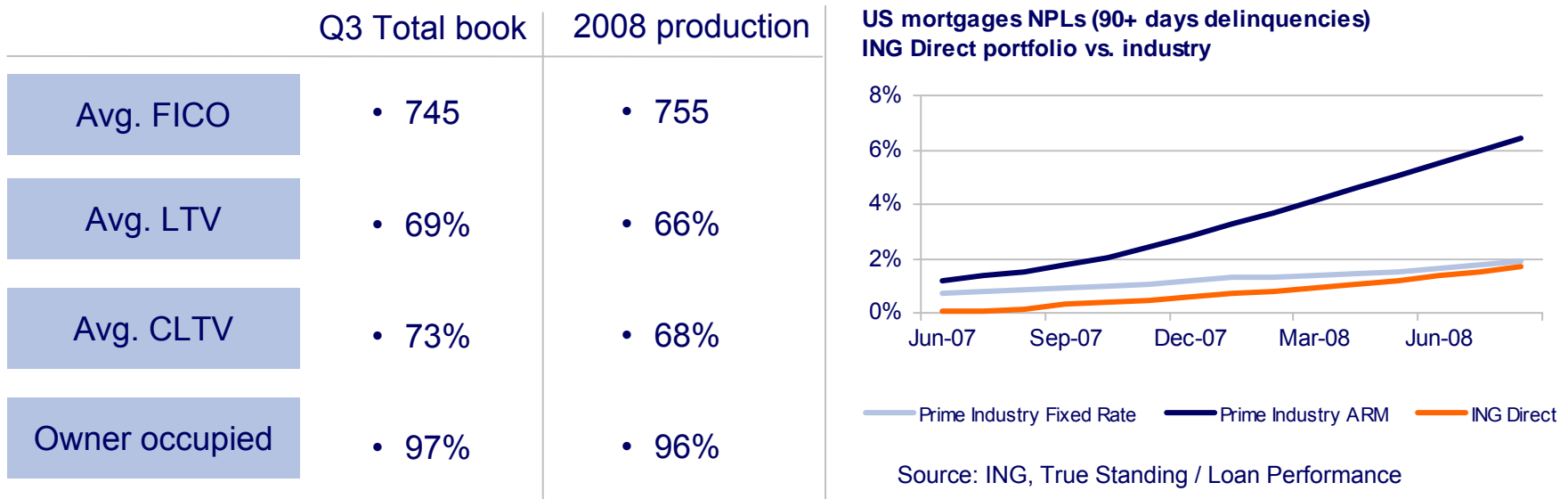
	Outstanding (EUR bn), Q3 2008	Average LTV, Q3 2008	NPL (%), Q3 2008	NPL (%), Q2 2008	NPL (%), Q1 2008
Netherlands	130.5	80%	0.9%	1.0%	1.0%
Germany	40.7	75%	0.8%	0.7%	0.7%
United States	23.0	69%	1.9%	1.3%	0.9%
Belgium, Lux	20.7	85%	1.8% *	1.8% *	1.8% *
Australia	19.2	68%	0.5%	0.4%	0.4%
Canada	14.8	77%	0.2%	0.2%	0.2%
Spain	7.7	56%	0.2%	0.1%	0.1%
Italy	4.6	54%	0.1%	0.1%	0.0%
United Kingdom	1.6	38%	0.0%	0.0%	0.0%
Poland	1.1	67%	0.2%	0.3%	0.3%
Turkey	0.9	52%	0.7%	0.5%	0.5%
Romania	0.4	63%	0.1%	0.1%	0.0%
Total	264.8	76%	0.9%	0.9%	0.9%

* In Belgium non-performing mortgage loans remain on the book for longer than three years, while in most other countries the NPLs are written down after 3 years, as per ING policy. Therefore the percentage NPLs tends to be higher in Belgium



ING Direct US benefits from prudent mortgage underwriting

EUR 23 billion US residential mortgages of which majority is hybrid ARMs (5/1)*



- ING Direct's non-performing loans (90+ day delinquent) rose to 1.9% at the end of September. This compares to the latest available US industry average of 6.4% for prime ARMs (30 August 2008)
- Strict underwriting and monitoring policies: average LTV 69%, and 97% are to owner-occupiers
- The 2008 (YTD) production shows that continued refinement of ING Direct's credit policy further improved the profile of the mortgages

* own-originated portfolio is 100% Hybrid ARMs, with the majority being 5-year hybrids (5-year fixed rate and 25 year variable with annual resets)

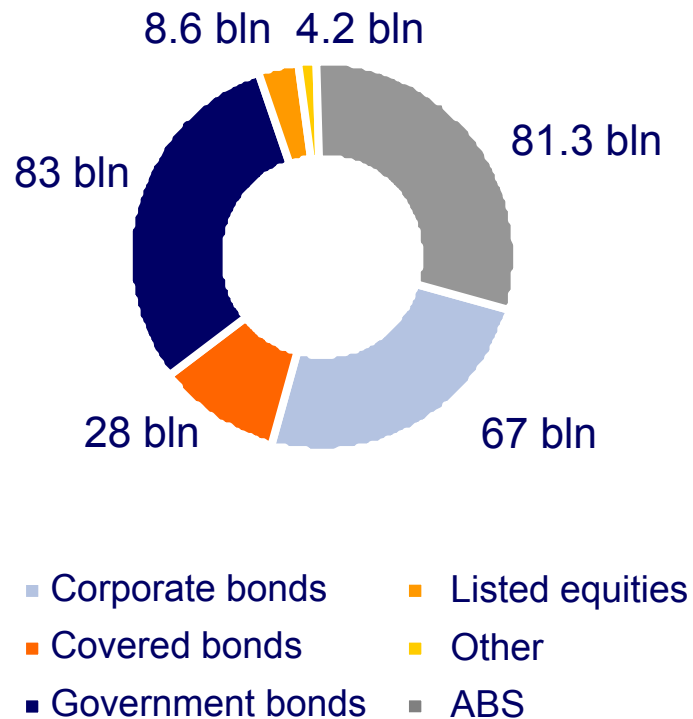


Risk Management

- The balance sheet
- Originated loans
- Investment portfolio: corporate bonds, Alt-A RMBS, other
- Liquidity
- Key messages

ING's investment portfolio: high-quality fixed income securities

Investments AFS: EUR 272 bln



- Investments: 97% fixed income, 3% equity
- Credit spread widening has a negative impact on the fair value of corporate bonds and ABS
- After-tax revaluation reserve fixed income portfolio declined in 3Q by EUR 3.3 billion to – EUR 11.4 billion
- ING's direct equity exposure is EUR 8.6 billion of which EUR 2.5 billion is hedged
- Positive after-tax revaluation reserve equity securities EUR 1.4 billion at 30 September, down from EUR 2.7 at 30 June

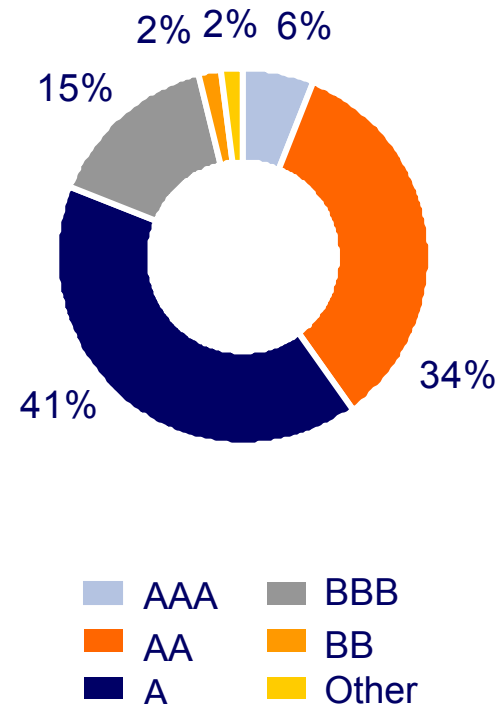
Other = fixed income and real estate mutual funds, preference shares and private equity

96% corporate bonds and financial institutions bonds are investment grade

ING Group's corporate and financials bonds

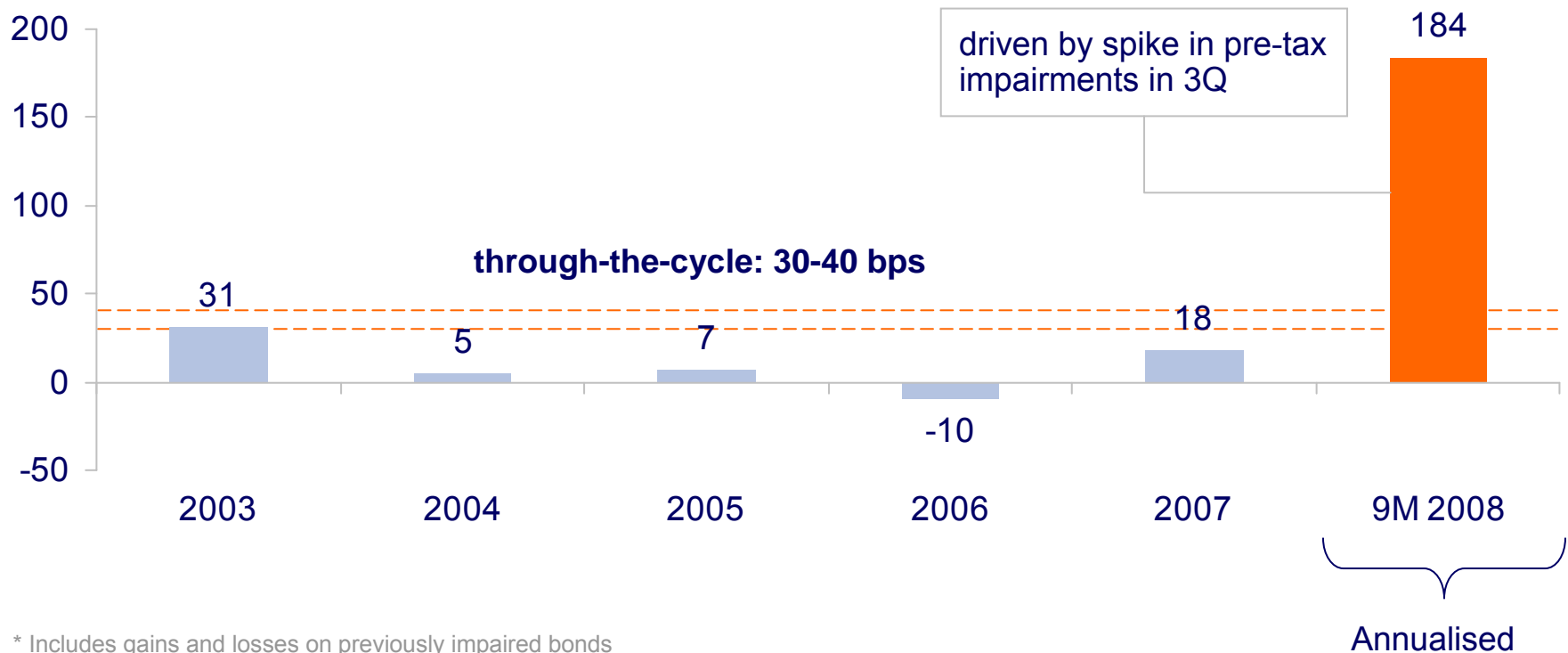
- Total AFS portfolio EUR 67 billion at 30 September 2008
- Vast majority held in Insurance US and in ING Direct
- 96% is investment grade and 81% rated in A to AAA range
- Overweight in financial institutions, but negligible exposure to subordinated bonds and US investment banks
- Underweight in airlines and automotives

By rating (3Q 2008)



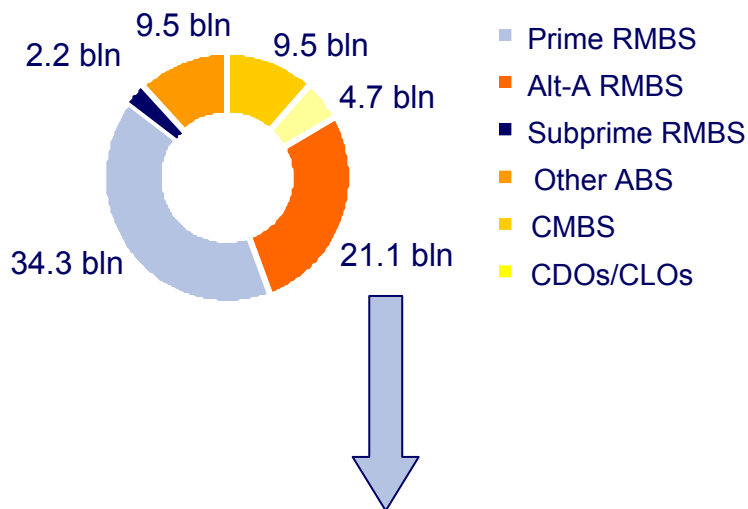
Through-the-cycle pre-tax impairments US Insurance corporate bonds around 35 bps

ING Insurance US: pre-tax impairments in bps of portfolio of corporate and financial institutions bonds *



93% of ING's ABS portfolio is rated AAA

ABS: EUR 81.3 bln



- High rated asset-backed securities portfolio: 93% AAA rated, 6% AA, 1% A
- Fair value 86.3% at 30 September
- EUR 409 million pre-tax loss in 3Q as small estimated credit losses translated into significant IFRS impairments due to subdued market prices

Alt-A RMBS: EUR 21.1 billion

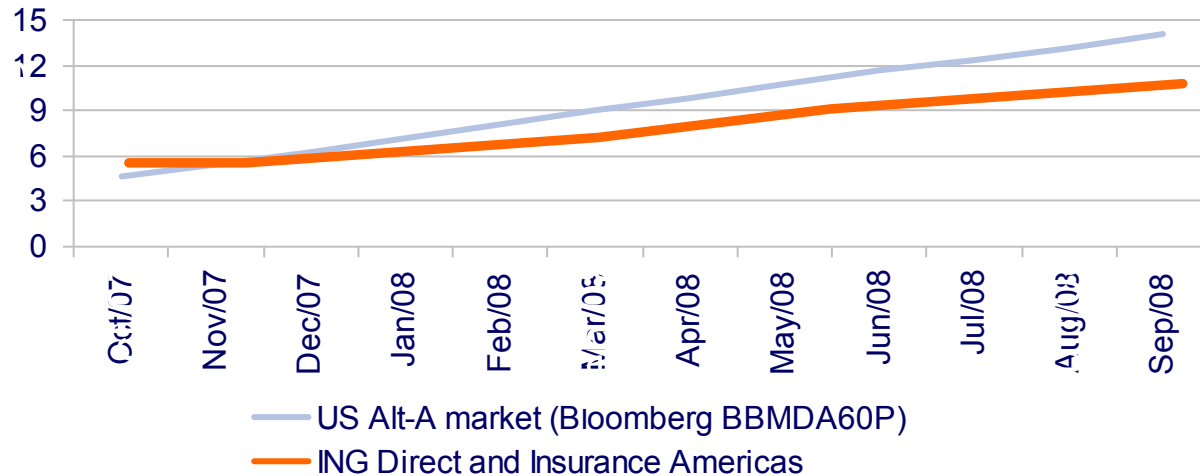


Majority Alt-A RMBS held in ING Direct

In Wholesale Banking Alt-A RMBS is mainly in AFS, only EUR 42 million is in the trading book

ING's Alt-A RMBS have lower delinquencies than the market

US Alt-A delinquency rates (% 60+ days, foreclosure and real estate owned)



Source: Bloomberg, ING

Alt-A mortgages underlying ING's Alt-A RMBS structurally outperform the US Alt-A market in terms of delinquencies

ING's Alt-A RMBS compares favourable to the Alt-A market in terms of owner-occupancy, LTVs and FICO scores

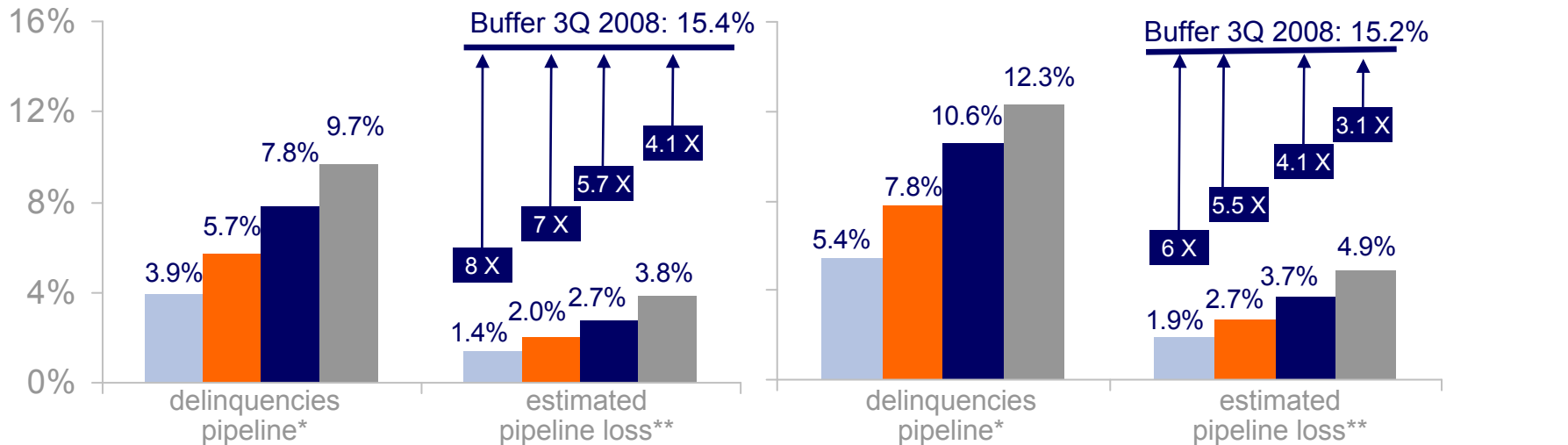
If ING Direct would apply a narrow definition of Alt-A (low doc > 50% and LTV > 70% and FICO 640-730), EUR 11 billion shifts to prime RMBS, while EUR 7 billion remains classified Alt-A RMBS

Alt-A mortgage delinquency rate increased in 3Q, albeit at a decelerated pace

- Alt-A delinquencies increased but the pace decelerated in 3Q. The slower pace of new delinquencies is most apparent in the 2006 vintage
- ING now applies an 40% loss-given-default (LGD) to 2006 and 2007 vintages, reflecting loss severity experiences and the decline in US house prices
- Average coverage ratio of credit enhancement over estimated pipeline loss** declined from 5.7 times at 30 June 2008 to 4.1 times at 30 September

ING Direct's Alt-A RMBS and underlying mortgages

Total portfolio



* = sum of 60+ day delinquencies, bankruptcies, foreclosures, real estate owned in underlying mortgages

** = 100% delinquencies pipeline * 40% loss given default 2006/07 vintages (35% for older vintages)



ING's Direct's Alt-A RMBS portfolio

- 74% of the Alt-A portfolio are fixed and long-dated hybrid mortgages with a relatively stable market price around 90%
- 24% of the portfolio are adjustable rate mortgages (ARMs) with a payment option to negatively amortise ("NegAm"). These RMBS have an average market price of 52%, down from 63% at 30 June
- The total pre-tax negative revaluation is EUR 6.1 billion as valuations are hampered by credit spreads and illiquidity discounts

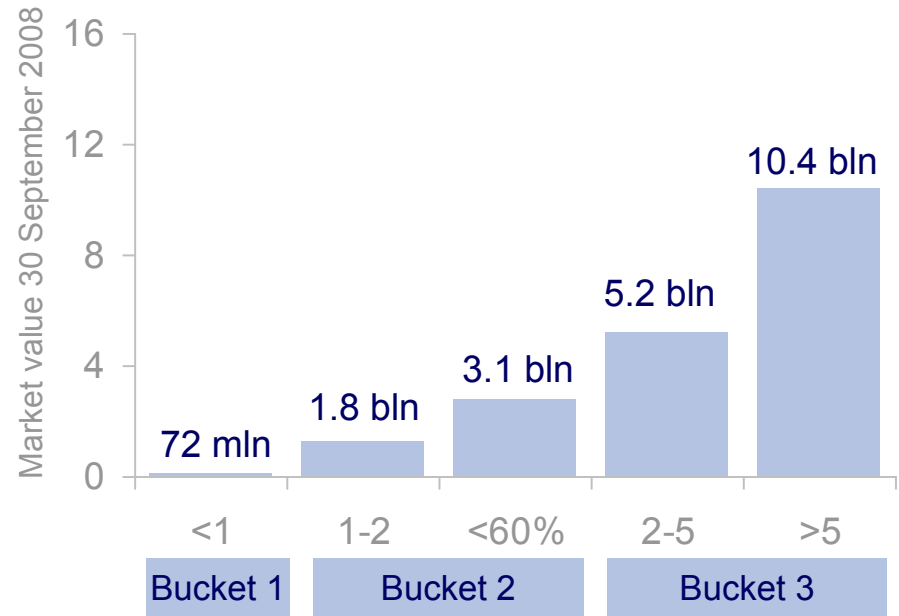
<i>(Amounts in EUR million)</i>	pre-2005	2005	2006	2007	Total	%	LTV	FICO	CE	FV
Notional value	2,961	6,267	5,055	9,872	24,155					
Unrealised gains/losses	-240	-1,096	-1,255	-3,504	-6,096					
Market value	2,715	5,145	3,772	6,291	17,924		71	723	15.4%	76%
Vintage in % total	15%	29%	21%	35%	100%					
Fixed rate	1,170	1,947	1,470	1,647	6,234	35%	66	730	7.0%	91%
Long-dated hybrid	1,282	2,662	1,454	1,614	7,012	39%	67	732	10.4%	88%
Short-dated hybrid, ARMs	99			231	330	2%	70	715	20.5%	75%
Option ARMs (NegAm)	164	537	848	2,798	4,347	24%	79	710	26.9%	52%
Market Value	2,715	5,145	3,772	6,291	17,924	100%	71	723	15.4%	76%

Alt-A RMBS: small estimated credit loss triggers EUR 198 million pre-tax impairments at Group

Impairments: coverage ratio (= credit enhancement / estimated pipeline loss)

1	Coverage ratio < 1: bond should be impaired to the market value <u>unless</u> there is compelling objective evidence to the contrary
2	$1 \leq \text{Coverage ratio} < 2$ OR fair value below 60%: bond not impaired <u>unless</u> cash flow and qualitative analysis indicate contrary
3	Coverage ratio ≥ 2 : bond not impaired <u>unless</u> cash flow and qualitative analysis indicate to the contrary

ING Direct and Insurance Americas Alt-A RMBS



This majority of the Alt-A impairments were in NegAm Alt-A with fair value <60%

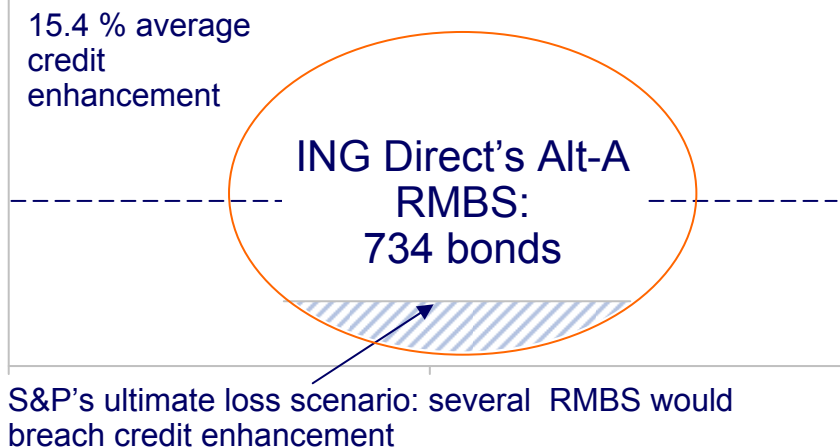
Pipeline loss = LGD x Pipeline delinquencies

All bonds in buckets 1 and 2 are subject to detailed cash flow analysis

S&P's ultimate loss projections now predict EUR 500 million credit loss ING Direct's Alt-A RMBS

- On September 25, S&P's doubled its ultimate loss projections for 2006/2007 fixed and long-dated hybrid Alt-A. The drivers are increasing delinquencies in 1H 2008 and lower house prices
- S&P's ultimate loss projection for fixed 2007 is 12.3%, against 14.8% for NegAm 2007: Alt-A losses would mainly stem from fixed and long-dated hybrid, as NegAm has high credit enhancement

Illustration: applying S&P's loss projections



- Applying S&P's projections to ING Direct's Alt-A RMBS results in a modelled credit loss (loss in excess of credit enhancement) of approximately EUR 0.5 billion until RMBS maturity
- This projected “credit loss” would trigger pre-tax impairments to the market value through the P&L
- S&P's scenario leads to sizeable impairments as it applies to the:
 - Alt-A market average (not ING's book)
 - remaining maturity of the RMBS
 - entire portfolio, disregarding bond specific characteristics

Even if US house prices decline by 50% peak-to-trough, Alt-A RMBS losses would be manageable

- “HPD 50% / Default 50%” scenario: House Price Decline of 50% from peak-to-trough and Defaults at 50% of the Alt-A mortgage pools. Foreclosure costs set at 15% of recovery
- Today the Case-Shiller index is down 20% from its peak in July 2006 and the current delinquencies in ING Direct’s Alt-A RMBS are 9.7%
- The estimated credit loss in ING Direct’s Alt-A RMBS in this “HPD 50% / Default 50%” scenario would be around EUR 1.9 billion on a pre-tax basis (at EUR / USD = 1.28)
- Today’s market prices reflect illiquidity on the US RMBS market, with the negative pre-tax revaluation on ING Direct’s Alt-A RMBS at EUR 6.1 billion on 30 September 2008

Estimated credit loss Alt-A RMBS under extreme assumptions in EUR billion

HPD/Defaults →	40%	50%
↓ 40%	0.3	0.6
↓ 50%	1.0	1.9

ING Direct's Alt-A RMBS: how to relate 3Q impairments, S&P's and the downside scenario

Impairment Process – Cash Flow Projections

Coverage	“At-risk” bonds through filtering and cash flow testing
Context	IFRS – known future events, objective evidence
Approach	Bond level, transaction specific, including “ <i>waterfall</i> ”
PD	100% delinquencies pipeline <i>plus</i> future defaults
LGD	Matrix, mainly in 35%-45% range
Remark	Quarterly updates / recalibration

EUR 40 million
estimated
credit loss in
3Q 2008



S&P's scenario – Compare S&P loss estimates to Credit Enhancement (CE)

Coverage	Entire portfolio
Context	Beyond IFRS – projected future events
Approach	Loss estimate > credit enhancement: credit loss
PD	Implied, entire S&P estimated default curve
LGD	35%, for 2006/07 vintages 40%
Remark	Simple loss assumption; bond specifics not included

EUR 500 million
estimated credit
loss over
lifetime

House price decline 50%, mortgage defaults 50% scenario

Coverage	High level: Fixed, NegAm, Hybrid and ARM by vintage year
Context	Beyond S&P – downside case for reference purposes
Approach	By product type and vintage, instantaneous
PD	40-50%
LGD	Assumed distressed level, beyond S&P
Remarks	Simple assumptions; bond specifics not included

EUR 1.9 billion
estimated
credit loss over
lifetime

ING's CDO/CLO portfolios are referenced to corporate credit exposure

Total CDOs/CLO exposure ING Group

- Net exposure EUR 4.7 billion, up from EUR 4.3 billion at 30 June 2008
- Only EUR 1 million exposure to CDOs backed by US subprime mortgages
- Underlying assets basically investment-grade corporate credit
- Negative pre-tax impact of EUR 181 million in 3Q
- Portfolio fair valued at 91.5%, down from 94.6% at 30 June 2008

CDOs/CLOs in ING Insurance

- Net exposure EUR 3.9 billion
- Insurance Americas wrote protection on EUR 0.7 billion super-senior tranches of investment-grade corporate credit in 3Q
- Insurance Americas: negative pre-tax fair value changes of EUR 84 million through the P&L in 3Q, to relect unrealised losses on derivatives

CDOs/CLOs in Wholesale Banking

- Net exposure EUR 0.8 billion
- Wholesale Banking impaired one specific CDO to 17% fair value after credit events occurred in some of the underlying credits (Freddie Mac, Fannie Mae, WaMu, Lehman, Icelandic Banks)
- Negative pre-tax impairments EUR 87 million through the P&L in 3Q

Prime RMBS and CMBS portfolios perform well

Prime RMBS

- Prime RMBS portfolio contains high-quality European and US RMBS
- Portfolio size is EUR 34.3 billion at 30 September 2008
- Composition:
 - US agency EUR 14 billion
 - US prime EUR 4 billion
 - European RMBS EUR 16 billion
- No P&L losses or impairments on this prime RMBS portfolio
- Market prices hold up relatively well: average fair value 92.6% at 30 September

CMBS

- CMBS portfolio increased to EUR 9.5 billion from EUR 9.2 billion at 2Q 2008 due to appreciation USD versus EUR
- CMBS portfolio has fair value of 87.2% at 30 September, against 94.6% at 2Q 2008
- 74% is US CMBS:
 - ~ EUR 6 billion in Insurance America
 - ~ EUR 1 billion in ING Direct
- US CMBS:
 - fair value declined from 93% to 86%
 - 90% AAA rated, 5% AA, 3% A
 - weighted average LTV 68%
 - 22% average credit enhancement
 - well diversified over sectors and states

Risk Management

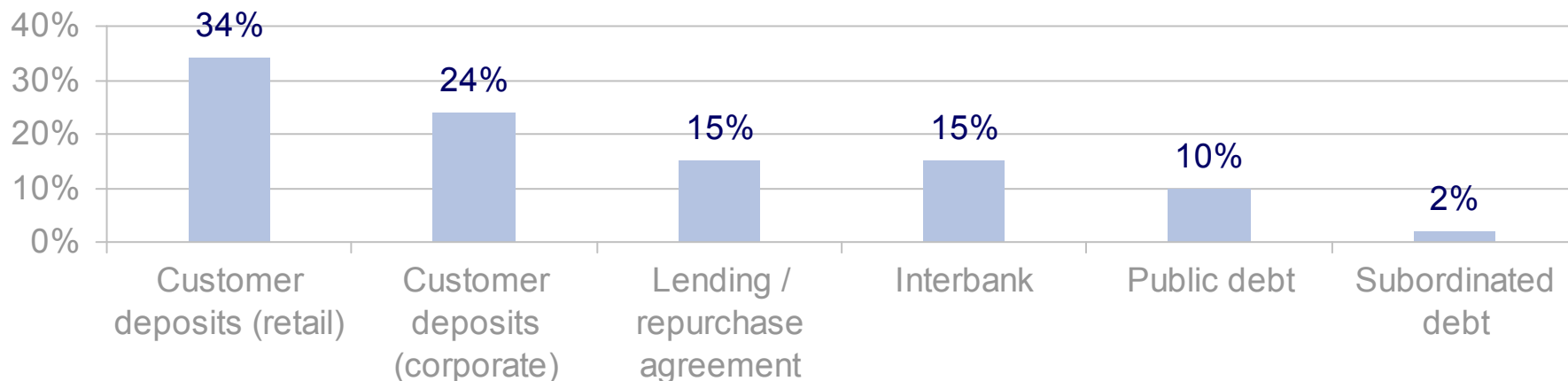
- The balance sheet
- Originated loans
- Investment portfolio: corporate bonds, Alt-A RMBS, other
- Liquidity
- Key messages

ING Bank has a favourable funding mix

Favourable funding base

- Customer deposits 58% of funding base in 3Q, up from 56% in 2Q, driven by deposit growth and reduction use of repos
- Loan-to-deposit ratio increased from 1.05x at 2Q to 1.08x at 3Q
- ING's short term funding costs in interbank market are structurally below the euro overnight interbank rate
- ING issued roughly EUR 4.5 billion senior bonds in 3Q, enhancing the funding mix
- Untapped contingency funding: EUR 100 billion assets eligible for central banks

ING Bank: well diversified funding base (3Q 2008, % of total)



Risk Management

- The balance sheet
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Risk Management

Main points in the light of the intensified market turmoil in 3Q 2008:

- ING's own-originated mortgages perform well overall
- ING's investment portfolio is a high-quality diversified fixed income book that was mainly affected due to credit events financial institutions
- Through-the-cycle pre-tax impairment on US corporate bonds: 35 bps
- EUR 198 million Alt-A RMBS impairments after lower US house prices, higher delinquencies and higher projections future losses
- ING's Alt-A RMBS benefits from above average mortgages performance and high credit enhancements
- ING benefits from its sound liquidity and funding profile

Third Quarter 2008: Agenda

Overview

Michel Tilmant, CEO

Financial Highlights

John Hele, CFO

Risk Management

Koos Timmermans, CRO

Closing Remarks

Michel Tilmant, CEO

Closing remarks

Third Quarter Developments

- Underlying net loss of EUR 585 million driven by volatility in the financial markets
- Sound commercial performance despite difficult operating environment
- Capital buffers reinforced following transaction with Dutch State

Looking Forward

As we approach the end of 2008, markets continue to be turbulent, so we expect pressure on asset prices to continue to impact results in the fourth quarter, while weakening economic conditions will put pressure on results into 2009

Our priority is to sustain commercial momentum by remaining focused on our customers, while managing our risks, capital and expense base with the discipline that these exceptional times require

Certain of the statements contained in this release 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) 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, (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, and (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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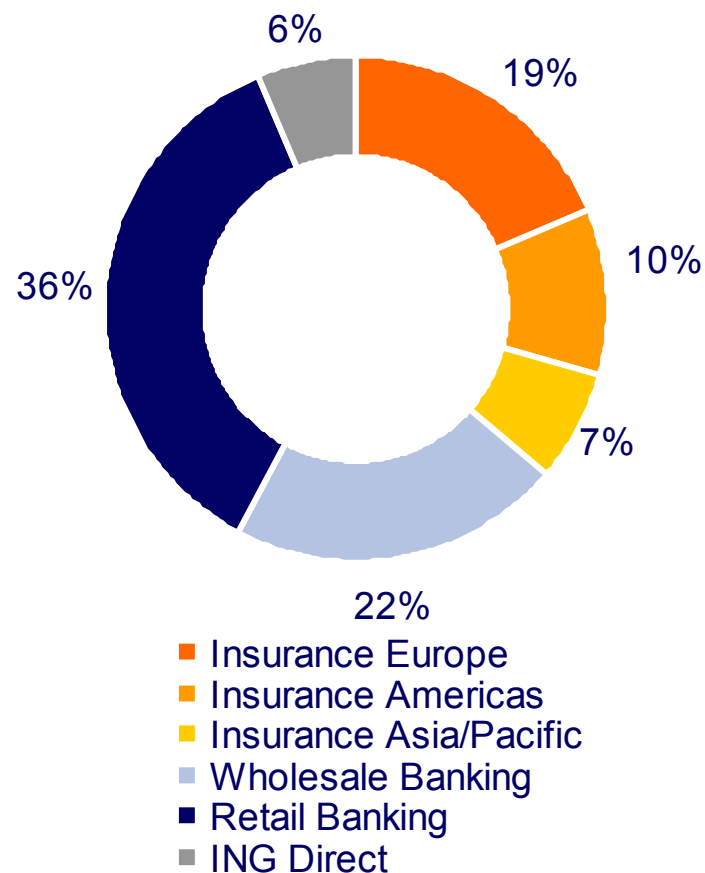
Appendix

Result distribution

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

	3Q08	3Q07
Insurance	-547	1,294
Europe	101	362
Americas	-214	490
Asia / Pacific	19	151
Corporate Line Insurance	-453	291
Banking	-216	1,103
Wholesale Banking	40	279
Retail Banking	420	651
ING Direct	-47	120
Corporate Line Banking	-629	53
Total ING Group	-763	2,397

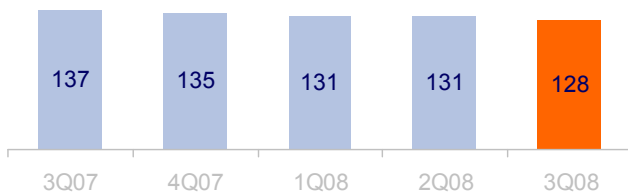
Contribution of business lines in first 9 months of 2008*



* Excludes Corporate Lines

Insurance Europe KPIs

Client balances (in EUR bln)



- Client balances decreased 2.3% to EUR 128 billion despite slightly positive net flows in Central and Eastern Europe. Overall decline due to negative market performance and negative net flows in the Benelux, as the market remains under pressure

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital
 ○ Ratio for the current quarter

(bps)



Non-life Banking, Investments, Life insurance, Retirement Services

Operating Income (EUR mln)

- Compared with 3Q07, operating income decreased EUR 192 million, mainly due to lower technical margins in the Netherlands (separate account shortfall), but also lower investment margins from lower asset balances

Operating Expenses (EUR mln)

- Compared with 3Q07, operating expenses decreased 6.5% to EUR 417 million due to cost containment in both the Netherlands, as well as lower Greenfield expenses in Central & Rest of Europe

Operating Result before tax (EUR mln)

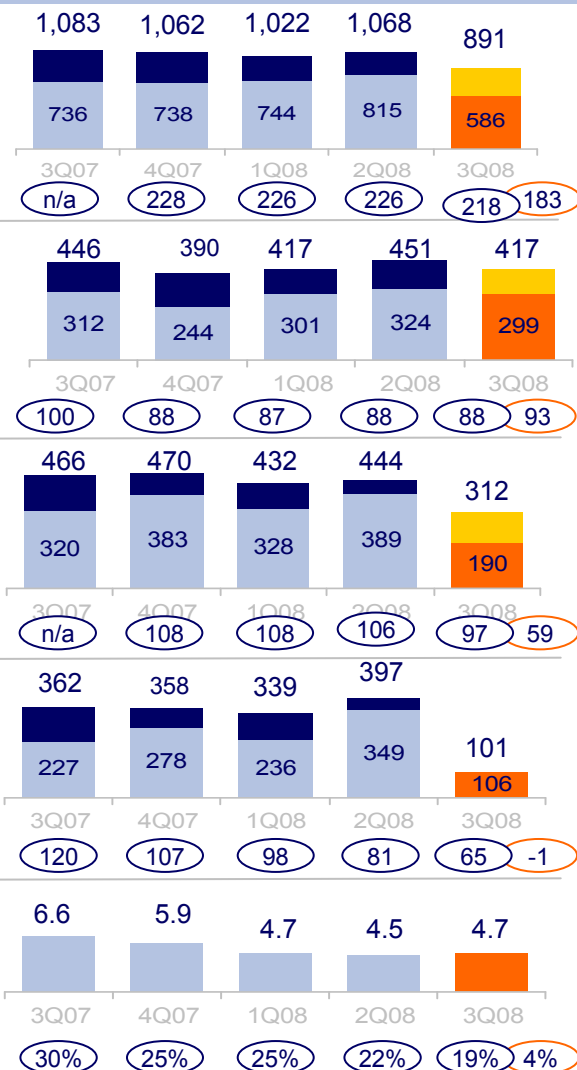
- Compared with 3Q07, operating profit decreased EUR 154 million, mainly due to lower operating income, in part offset by lower expenses

Underlying Result before tax (EUR mln)

- Compared with 3Q07, underlying result before tax declined 72.1%
- Partly offset by EUR 46 million positive derivative revaluations and lower expenses

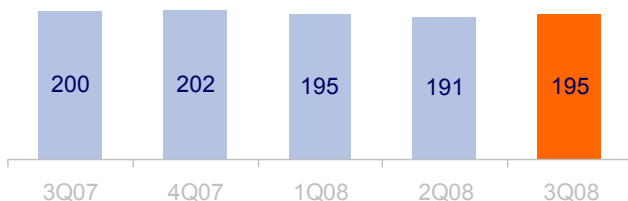
Economic Capital (EUR bln)

- Economic capital increased 3.7% mainly from market risks
- The ROEC decreased 3.4%-points



Insurance Americas KPIs

Client balances (in EUR bln)



- Client balances increased 2.4% to EUR 195 billion as the positive FX-impact and slightly positive net flows exceeded the negative market performance

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter

(bps)



Non-life



Banking, Investments, Life insurance, Retirement Services

Operating Income (EUR mln)

- Compared with 3Q07, operating income increased EUR 20 million, primarily due to higher fees (CitiStreet) and premium-based revenues, in part offset by lower investment margins

Operating Expenses (EUR mln)

- Compared with 3Q07, operating expenses increased 12.3%, mainly caused by the acquired Santander and CitiStreet businesses which were not part of ING in 3Q07

Operating Result before tax (EUR mln)

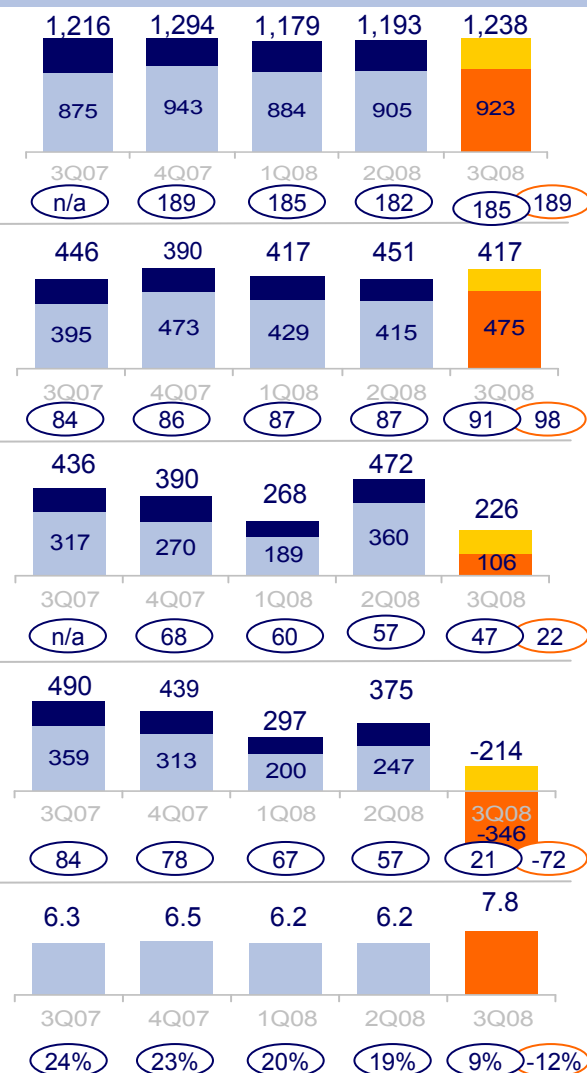
- Compared to 3Q2007, operating profit decreased EUR 210 million, mainly due to negative equity related DAC unlocking and other DAC related offsets

Underlying Result before tax (EUR mln)

- Compared with 3Q07, underlying result before tax declined EUR 704 mln
- EUR 365 mln of this relates to investment and credit related losses concentrated in the US, and EUR 130 mln relates to DAC unlocking

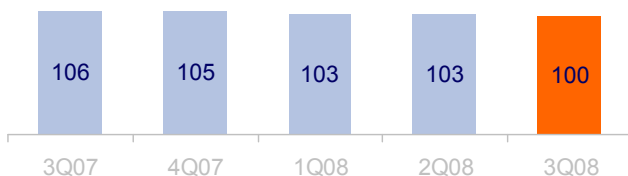
Economic Capital (EUR bln)

- Economic capital increased by 26.4% mainly due to higher interest and interest volatility risk, as well as higher credit and credit spread risk. The ROEC decreased 9.3%-points



Insurance Asia KPIs

Client balances (in EUR bln)



- Client balances decreased 2.8% to EUR 100 billion due to negative market performance, slightly negative net flows in part offset by positive FX impact

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter

(bps)



Non-life



Banking, Investments, Life insurance, Retirement Services

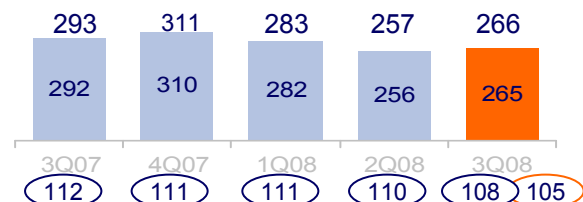
Operating Income (EUR mln)

- Compared with 3Q07, operating income decreased EUR 155 million, despite improved investment margins, due to lower SPVA results Japan



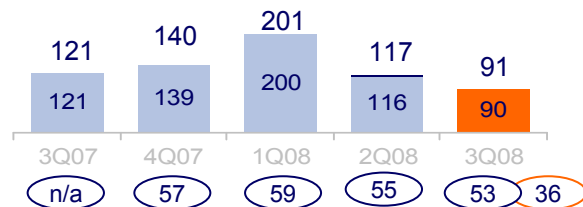
Operating Expenses (EUR mln)

- Compared with 3Q07, operating expenses decreased, thanks to cost containment



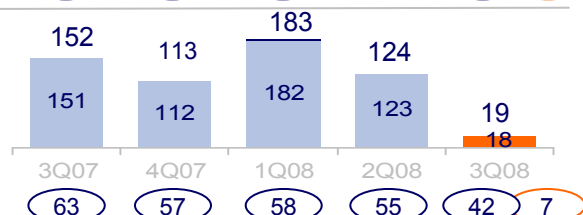
Operating Result before tax (EUR mln)

- Compared with 3Q07, operating profit decreased EUR 30 million, mainly due to lower operating income (Japan), in part offset by lower expenses



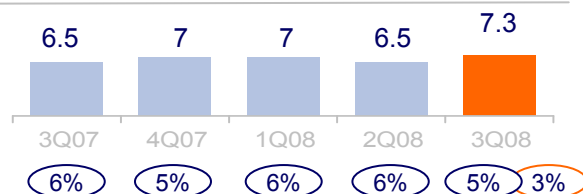
Underlying Result before tax (EUR mln)

- Compared with 3Q07, underlying result before tax declined 87.4% primarily due to faltering investment and credit markets. Impairments had an impact of EUR 54 mln while other one-offs had an additional impact of EUR 47 mln



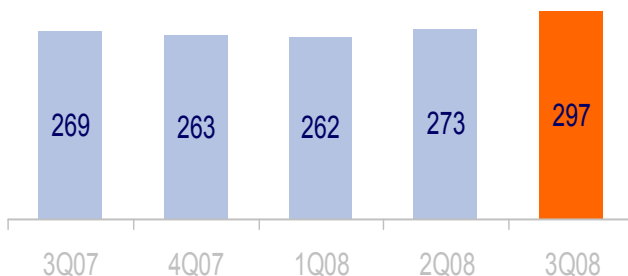
Economic Capital (EUR bln)

- Economic capital increased 13.0% mainly due to higher interest risk. The ROEC excluding Taiwan decreased 4.7%-points to 13.3%



Wholesale Banking KPIs

Client balances (in EUR bln)



- Client balances increased by EUR 23.7 billion of which EUR 19.6 billion in net production
- Net production driven by EUR 9.8 billion selective asset growth, notably in General Lending and Structured Finance
- Net production in funds entrusted EUR 6.2 billion

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter (bps)

Operating Income (EUR mln)

- Income declined due to EUR 211 mln credit related markdowns and impairments within Financial Markets and EUR 88 mln negative revaluations on real estate
- Strong income growth in General Lending and Structured Finance

Operating Expenses (EUR mln)

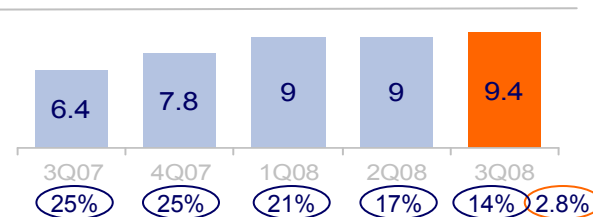
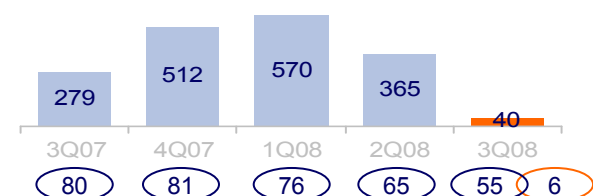
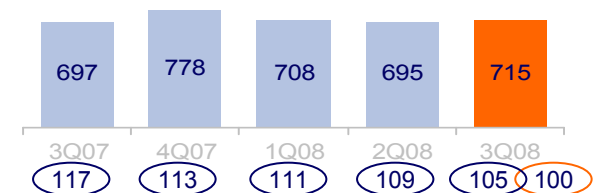
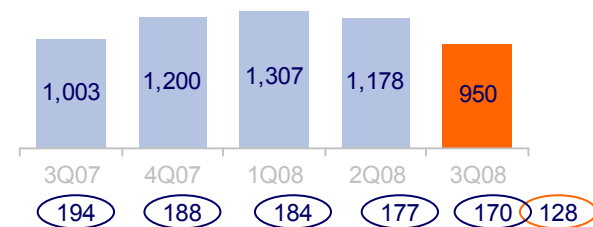
- Operating expenses were kept under control, with a slight increase of 2.6% on 3Q07
- Despite the higher costs, the expense ratio improved due to the increasing client balances.

Underlying Result before tax (EUR mln)

- Underlying result before tax was negatively impacted by credit related markdowns, impairments and negative revaluations on real estate as well as EUR 72 million risk costs from defaulted Icelandic banks
- Excluding EUR 371 million negative impact from the turmoil, underlying result before tax rose 47.3% on 3Q07

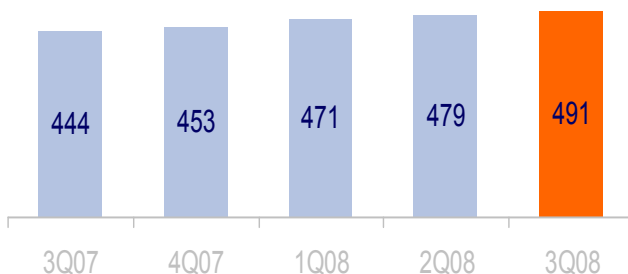
Economic Capital (EUR bln)

- The increase in Economic Capital was driven by growth in the lending business



Retail Banking KPIs

Client balances (in EUR bln)



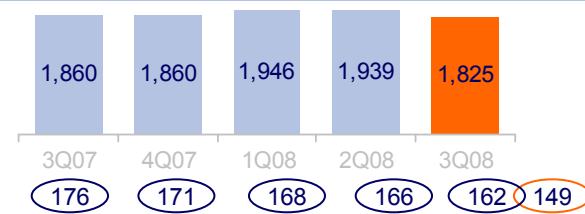
- Strong net Balances increased EUR 11.4 billion of which EUR 9.8 billion in net production
- Net production driven by EUR 6.5 billion in lending assets and EUR 4.6 billion in funds entrusted
- Compared with 3Q2007 growth inflated by acquisition of ING Bank Turkey, adding EUR 10.3 billion to Client Balances

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter (bps)

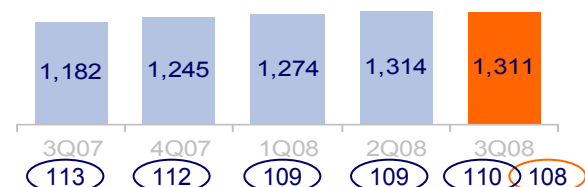
Operating Income (EUR mln)

- Operating income affected by EUR 41 mln negative fair value changes on interest derivatives in Turkey
- Excluding fair value changes in Turkey, income declined 1.9% on 2Q08 due to margin compression on savings and lower fees



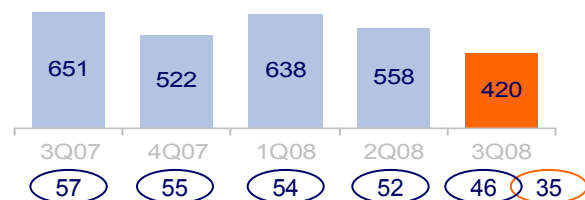
Operating Expenses (EUR mln)

- Operating expenses in bps of average Client Balances remained stable, helped by a pension release in the Netherlands
- Outside the Benelux expense growth reflected investments in Eastern Europe and Asia



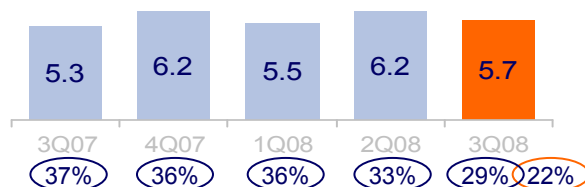
Underlying Result before tax (EUR mln)

- Underlying result before tax declined 35.5% on 3Q07 reflecting strong competition on the savings markets and lower fees due to the poor stock market performance as well as higher risk costs
- Increase risk costs due to inclusion ING Bank Turkey and net releases in Poland in 3Q07



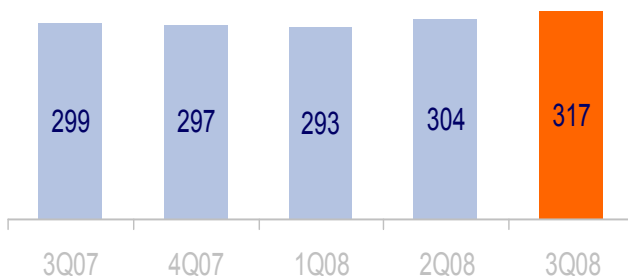
Economic Capital (EUR bln)

- Economic Capital increased compared with 3Q07 mainly due to the inclusion of ING Bank Turkey and ING's stake in TMB Bank
- Versus 2Q08 EC fell, mainly due to the lower value of ING's stake in Bank of Beijing



ING Direct KPIs

Client balances (in EUR bln)¹



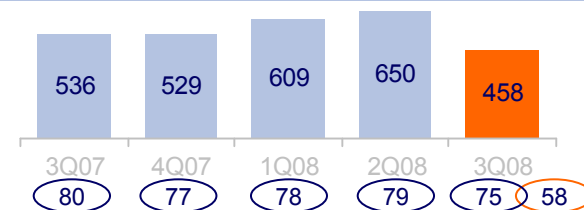
- Net production of Client Balances of EUR 8.7 billion driven by growth in funds entrusted and mortgages
- Funds entrusted increased by EUR 2.1 billion, mainly driven by strong growth in Germany

○ Ratios are based on clients balances (rolling 4 quarter basis) except ROEC which is based on average Economic Capital

○ Ratio for the current quarter (bps)

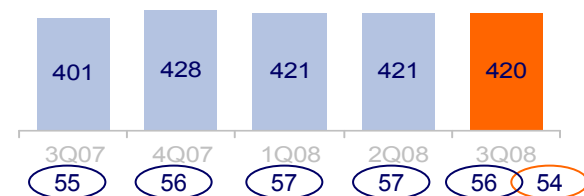
Operating Income (EUR mln)

- Income affected by EUR 217 million impairments on ING Direct's investment book
- Excluding impairments, income was EUR 675 million, up 26% on 3Q07, driven by interest result growth in US and Canada



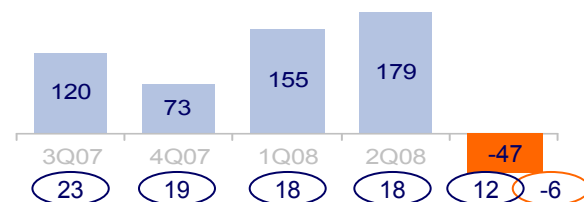
Operating Expenses (EUR mln)

- The focus on cost control has resulted in a stable quarter-over-quarter cost level, also after the inclusion in 3Q2008 of Interhyp



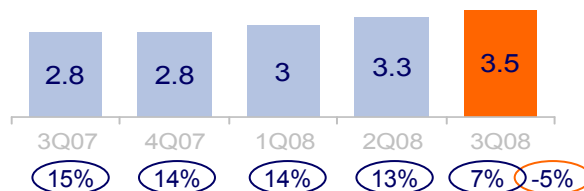
Underlying Result before tax (EUR mln)

- The underlying result before tax decreased to EUR -47 million impacted by impairments (EUR 217 million) and higher risk costs
- Excluding impairments, underlying result before tax was EUR 170 million, up 42% on 3Q07, but down 5% on 2Q08



Economic Capital (EUR bln)

- The higher EC is inflated by credit risk model refinements
- The rolling average ROEC decreased to 7.4% mainly due to impairments and higher EC



1. ING Direct 'Client Balances' is defined as the disclosed ING Direct 'Client Retail Balances' excluding bought mortgage pools and e-Brokerage



Insurance: Margin analysis for Life Insurance Europe

Insurance Europe (in EUR mln)	3Q08	2Q08	1Q08	4Q07	3Q07
Investment margin	226	245	278	369	272
Fees and premium-based revenue	329	350	346	336	325
Technical margin	6	178	107	8	113
Income non-modelled business*	24	42	13	25	26
Operating income	586	815	744	738	736
Expenses	-396	-426	-417	-355	-415
Operating result before tax	190	389	328	383	320
Investment variances	-195	-40	-92	-104	-93
Underlying result before tax	-5	349	236	278	227

* = Netherlands servicing & brokerage (including AZL, IPS, NN Assurantiekantoren, NN HB), Luxembourg, Bulgaria and Russia

Insurance: Margin analysis for Life Insurance Americas

Insurance Americas (in EUR mln)	3Q08	2Q08	1Q08	4Q07	3Q07
Investment margin	327	338	341	352	348
Fees and premium-based revenue	556	503	507	556	515
Technical margin	48	71	57	53	21
Income non-modelled business*	-7	-7	-20	-18	-9
Operating income	923	905	884	943	875
Expenses	-817	-545	-695	-672	-558
Operating result before tax	106	360	189	270	317
Investment variances	-452	-112	11	42	42
Underlying result before tax	-346	247	200	313	359

* = Brazil

Insurance: Margin analysis for Life Insurance Asia/Pacific

Insurance Asia/Pacific (in EUR mln)	3Q08	2Q08	1Q08	4Q07	3Q07
Investment margin	17	-14	5	-23	-10
Fees and premium-based revenue	344	349	385	389	370
Technical margin	29	32	44	28	56
Income non-modelled business*	22	205	139	225	151
Operating income	412	572	573	620	566
Expenses	-321	-456	-373	-481	-445
Operating result before tax	90	116	200	139	121
Investment variances	-73	7	-19	-27	30
Underlying result before tax	18	123	181	112	151

* = Japan SPVA, KB Life, Taiwan, New Zealand, Thailand, China and India

Investment variances Total Life Insurance

Insurance Total: Normalisation of Capital Gains/(Losses) (in EUR mln)	3Q08	2Q08	1Q08	4Q07	3Q07
Public Equity – Life					
Notional Income					
Total Return (before normalisation)	(194)	658	171	1,112	602
Normalised return (amount) – based on 8% ⁽¹⁾	136	173	195	225	221
Public Equity return in excess of long-term assumption	(329)	485	(24)	887	381
Private Equity – Life					
Total Return (before normalisation)	(144)	29	(42)	(5)	48
Normalised return (amount) – based on 8%	58	54	48	41	36
Private Equity return in excess of long-term assumption	(202)	(25)	(91)	(46)	12
Private Equity – Life					
Total Return (before normalisation)	(58)	12	29	35	71
Normalised return (amount) – based on 7%	71	72	72	75	79
Real Estate return in excess of long-term assumption	(128)	(60)	(43)	(39)	(8)

(1) Calculation quarterly normalised return: $[(1.08)^{1/4} - 1] \times \text{Asset Balance beginning of period}$



Capital gains and losses on equities for Insurance are reflected in the Corporate Line

Corporate Line Insurance

In EUR million	3Q08	3Q07	2Q08	
Interest on hybrids and core debt	-185	-157	-218	Includes the costs of equity leverage at ING Group and costs of ING Insurance's core debt
Capital gains equities	148	590	669	
Impairments equities	-416	-1	-197	Impairments increased on sustained equity market declines
Notional income equities	-112	-103	-112	
Fair value changes derivatives	147	-38	99	Consists mainly of top-down equity hedges and swaps on core debt
Other	-17	19	9	Includes amortisation intangible assets
Underlying result before tax	-453	291	250	

Capital management activities and certain expenses are reflected in Corporate Line Banking

Corporate Line Banking

In EUR million	3Q08	3Q07	2Q08	
Income on capital surplus	-4	76	-7	
Solvency costs	-28	-23	-16	
Financing charges	-50	-17	-22	
Amortisation intangible assets Oyak Bank	-8	n/a	-7	
FX-results	-221	57	168	Mainly attributable to accounting loss due to appreciation of US dollar
Equity impairments	-184	0	-97	
Other	-134	-40	-21	Includes provision for the deposits guarantee related to Icelandic banks
Underlying result before tax	-629	53	-2	

Continued strong capital position

	30/09/2008	30/06/2008	31/12/2007
ING Group			
Balance sheet total (EUR bln)	1,376	1,370	1,313
Shareholders' equity (EUR bln)	24	28	37
Shareholders' equity per share (EUR)	11.67	13.85	17.73
Debt/equity ratio Group	14.4%	9.5%	9.5%
Net revaluation reserve (EUR bln)			
Shares	1.4	2.7	5.8
Fixed income securities	-11.4	-8.1	-1.9
Insurance			
Debt/equity ratio Insurance	8.0%	9.2%	13.6%
Capital coverage ratio	260%	281%	244%
Banking			
Basel II BIS ratio	12.28%	11.86%	10.2%(*)
Basel II Tier-1 ratio	8.51%	8.15%	7.39%(*)
Basel II RWAs (EUR bln)	330	323	403

(*) Basel I figures



Capital charges and benefits at ING Bank

(in EUR million)	Wholesale Banking	Retail Banking	ING Direct	Corporate Line	Total Bank
Underlying Result Before Tax, Before Capital Charge and Benefits	143	454	-21	-625	-49
Capital Charge and Benefits					
Capital Charge (local interest rate on local capital)	-199	-84	-63	345	0
Capital Benefit (Euro rate on average EC)	95	50	37	-182	0
Other (mainly FX hedges and leverage impacts)	0	0	0	-167	-167
Sub-Total Capital Charge and Benefits	-104	-34	-26	-4	-167
Underlying Result Before Tax, After Capital Charge and Benefit	40	420	-47	-629	-216

Result ING Bank Turkey impacted by fair value changes interest derivatives

ING Bank Turkey (in EUR mln)	3Q08	2Q08	1Q08
Reported underlying result before tax	-59	40	18
- Capital Charge	-41	-38	-40
+ Capital Benefit	10	4	6
Local underlying result before tax	-27	74	52
- Fair value changes interest derivatives	-41	36	19
Local underlying result before tax (excl. FV derivatives)	14	38	33

- In 3Q2008 negative fair value changes on interest derivatives (not eligible for hedge accounting) due to decrease of Turkish interest rates. In 2Q2008 positive fair value changes as interest rates increased
- EUR 10 million higher addition to loan loss provisions due to portfolio growth and implementation of ING's risk models
- Opening of 23 new branches in 3Q combined with higher expenses for re-branding

ING's real estate portfolio is well diversified

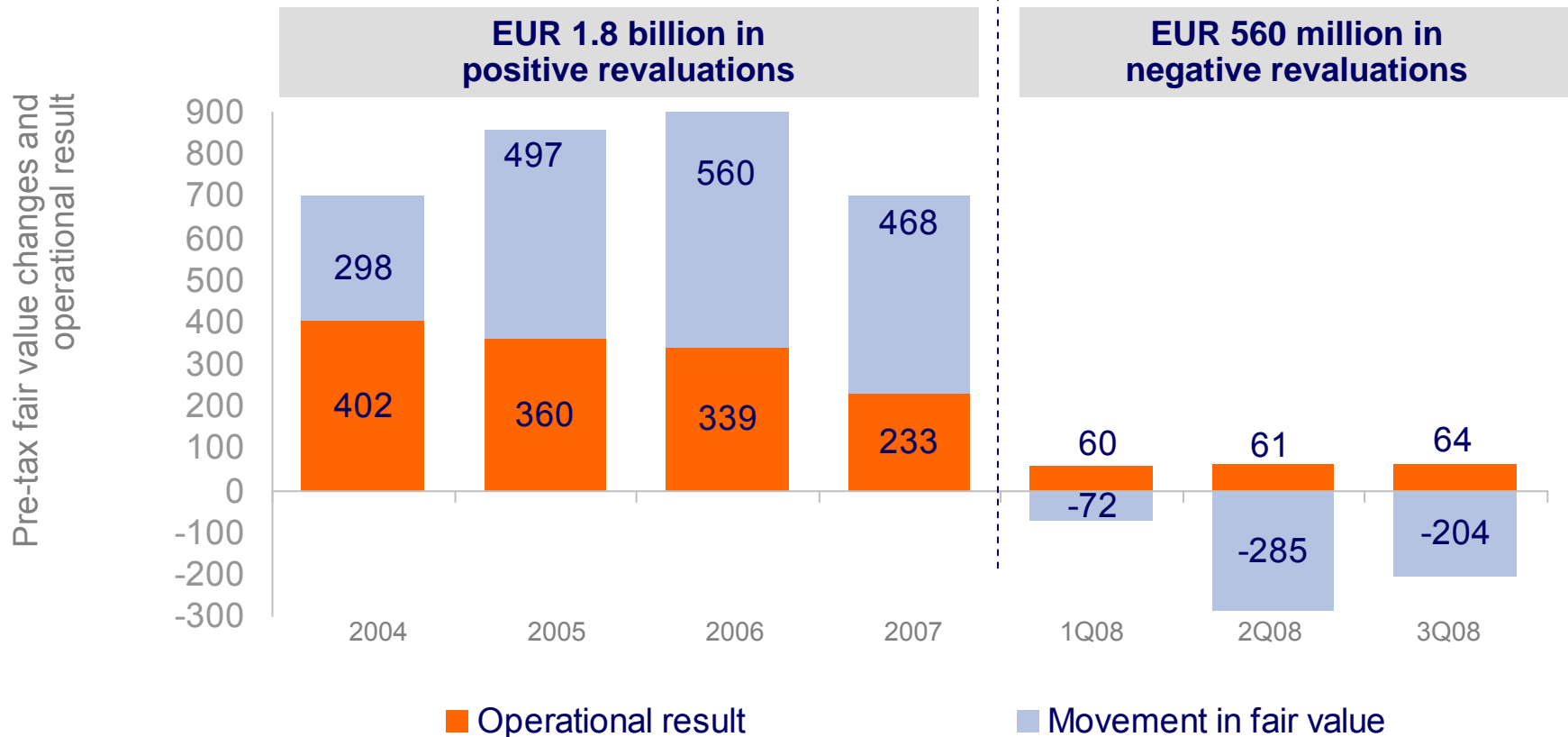
- Real Estate exposure that is subject to revaluation through the P&L decreased to EUR 11.5 billion, from EUR 11.6 billion in 2Q08
- Negative revaluations of EUR 204 million in 3Q08
- Exposure is well-diversified over sectors and geographies

Real Estate exposure accounted for through P&L (in EUR mln)

	Residential	Office	Retail	Industrial	Other	Total
Netherlands	329	1,393	381	17	135	2,255
Spain	-	67	450	135	8	660
UK	37	238	369	52	127	824
Other EU	121	1,060	1,668	450	105	3,404
USA	249	171	76	336	190	1,022
Australia	-	69	330	239	72	710
Asia	280	103	276	10	313	982
Canada	-	-	171	1,049	205	1,425
Other	2	1	60	8	105	177
Total	1,019	3,103	3,780	2,296	1,260	11,458

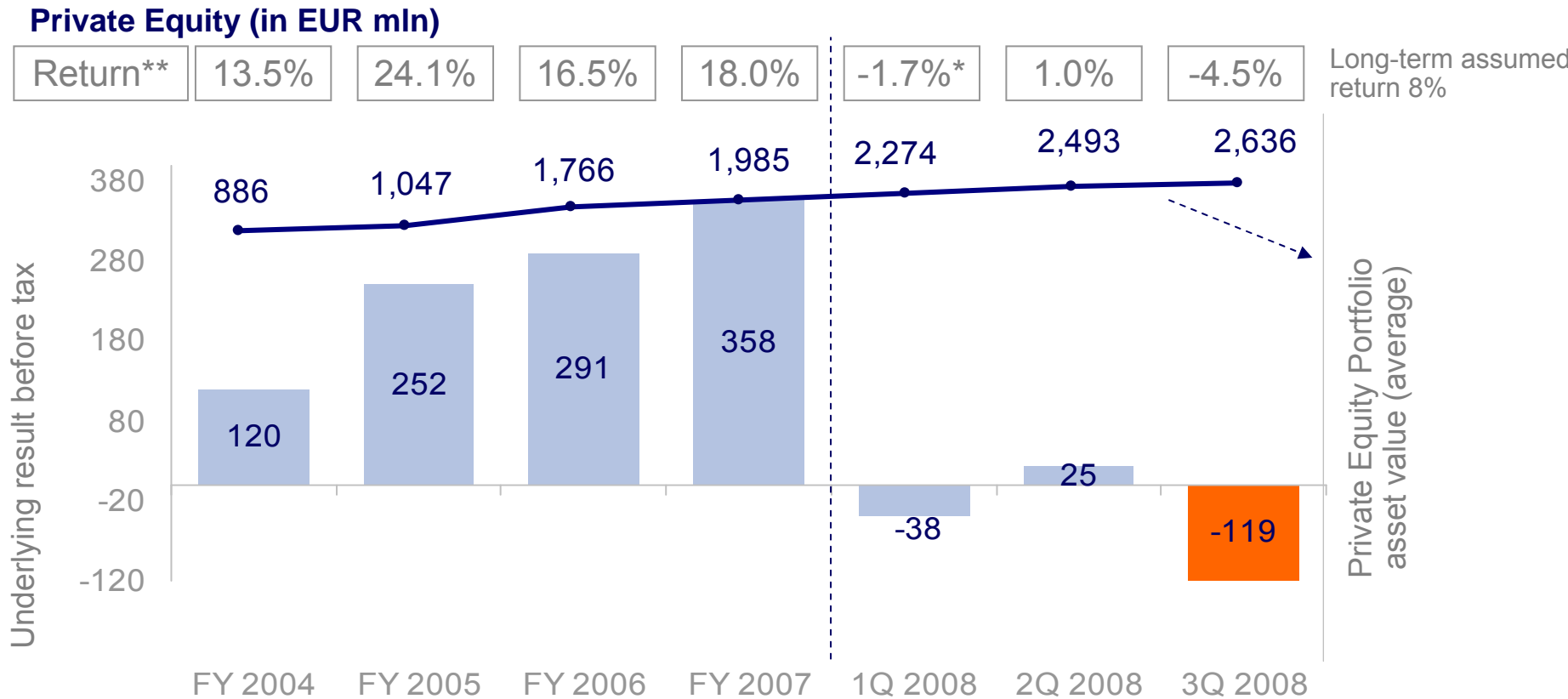
Property values decline after significant positive fair value changes in past four years

Real Estate investments (in EUR mln)



- Since the transition to IFRS, positive revaluations through the P&L have totalled EUR 1,823 million
- As of 30 Sept. 2008, EUR 5.6 billion of real estate is revalued through P&L in Insurance
- As of 30 Sept. 2008, EUR 5.8 billion of real estate is revalued through P&L at ING Real Estate

Private equity results decline after several years of very high returns



* On an annualised basis ** Based on average market value portfolio

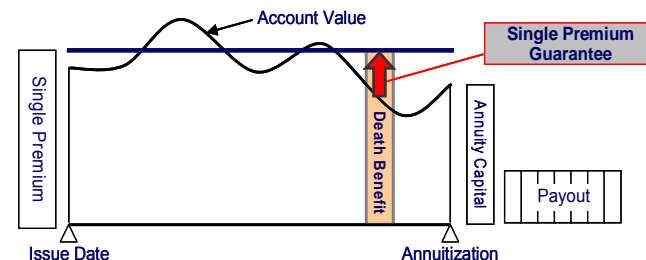
- As of 30 Sept. 2008, NL Insurance portfolio at fair value through P&L: EUR 1,010 million
- As of 30 Sept. 2008, US Insurance portfolio at fair value through P&L: EUR 1,626 million

SPVA products: 3 main product types

- SPVA products are investment offerings which provide investors with a menu of investment options (generally mutual funds) and include various forms of guarantees which ensure that the investor achieves a certain minimum return on key milestone dates (generally on death, maturity, in an annuity stream or a combination of these)
- There are 3 broad types of SPVA product categories:

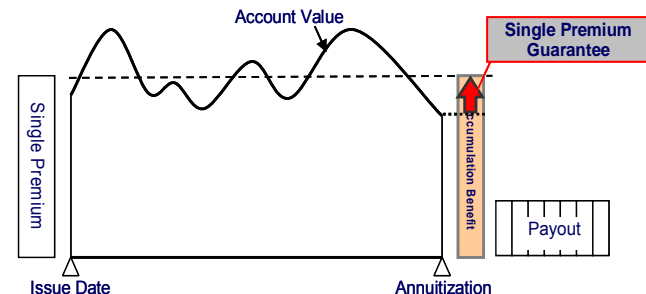
Guaranteed Minimum Death Benefits

- At death: Maximum of Account Value and Guaranteed Value
- At maturity: Account Value
- At surrender: Account Value less surrender charge



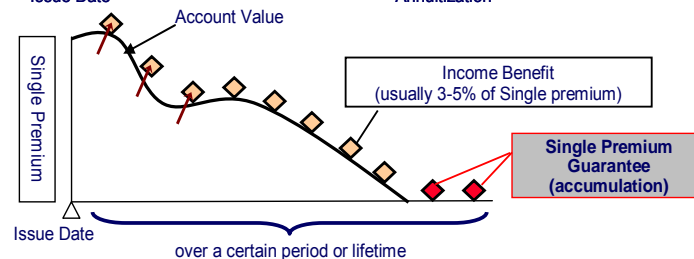
Guaranteed Minimum Accumulation Benefits

- At death: Guaranteed Minimum Death Benefit
- At maturity: Maximum of Account Value and Guaranteed Value
- At surrender: Account value less surrender charge



Guaranteed Minimum Income Benefits or Withdrawal Benefits

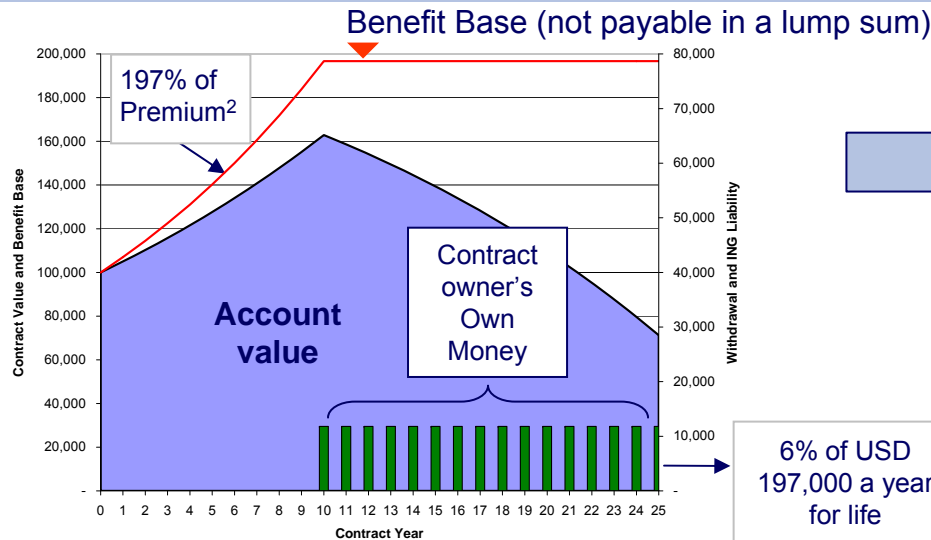
- At death: Guaranteed Minimum Death Benefit
- At maturity: Income Benefit pays Maximum of prevailing annuity rate and Guaranteed Income or Withdrawal Benefit as a percentage of a benefit base
- At surrender: Account value less surrender charge



Note: Single premium represents the initial investment made by the customer, Account Value represents the value of this investment at any given point in time and can fluctuate depending on market movements, Single Premium Guarantee is the minimum guaranteed amount that the client is entitled to receive on certain key milestone dates

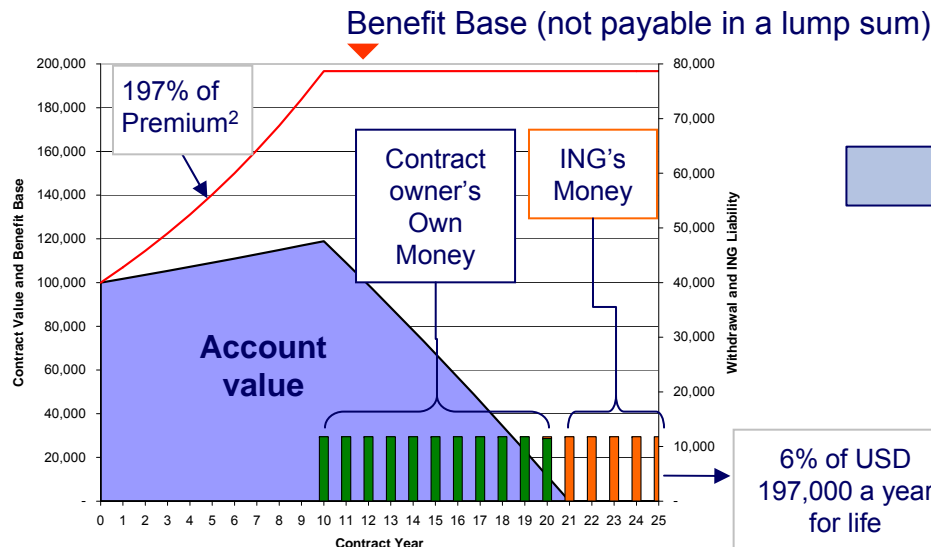


US SPVA Example: LifePay Plus in two different market return scenarios¹



The account value does not run out before the contract owner dies so the contract owner will be withdrawing his own money.

In either case, the Benefit Base is not payable in a lump sum



The account value runs out before the contract owner dies so that ING starts to make payments to the contract owner until he dies.

- 1 Shown for an individual purchasing the contract at age 60 and delaying withdrawals for 10 years. Remaining life expectancy for a 60 year old male is 25 years.
- 2 7% guarantee rollup feature implies that the client benefit base guarantee will be at a minimum 197% of the upfront premium, if no withdrawals.

