Third Quarter 2011 Results

ING 3Q11 underlying net profit increases to EUR 1,285 mln

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CEO

Amsterdam – 3 November 2011
www.ing.com

Resilient earnings in challenging economic environment

ING Group underlying net result increased to EUR 1,285 mln versus 3Q10

- Net result was EUR 1,692 mln including divestments and special items
- Greek government bonds of all maturities were impaired to market value (write-down of approx 60%)
- The underlying return on IFRS-EU equity was 12.1% in 3Q11 (13.9% in 9M 2011)

Bank underlying pre-tax result amounts to EUR 1,063 mln

- Underlying result impacted by Greek impairments and sharply lower Financial Markets results
- Net interest margin narrowed to 137 bps, primarily due to lower Financial Markets results
- Operating expenses declined for the third straight quarter and were 2.9% lower versus 3Q10
- Core Tier 1 ratio increased to 9.6% at end of 3Q11

Insurance operating result up 27.0% to EUR 527 mln as performance improves

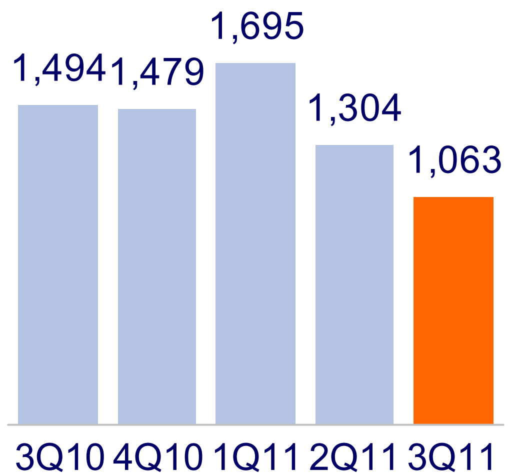
- Underlying pre-tax result of EUR 561 mln, including hedging gains offsetting impairments
- Sales (APE) grew 6.5% from 3Q10, excluding FX
- ROE increased to 10.9% in 3Q11 (9.3% in 9M 2011)
- The Insurance IGD ratio was 242% at the end of 3Q11. RBC ratio stable at 492%

Continuing focus on operational efficiency and IPO-preparation

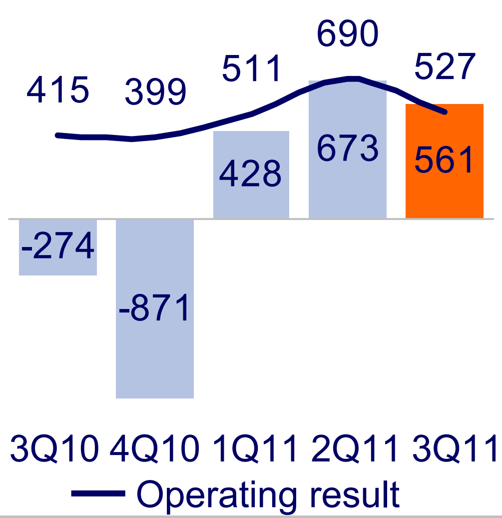
- Retail Banking Netherlands will reduce costs by reducing its workforce by 2,000 internal FTEs and 700 external FTEs, while maintaining customer focus and operational excellence
- Regulatory approvals are underway to create separate holding companies for the two IPOs

Underlying net result rose 53.9% to EUR 1,285 despite impairments on Greek government bonds

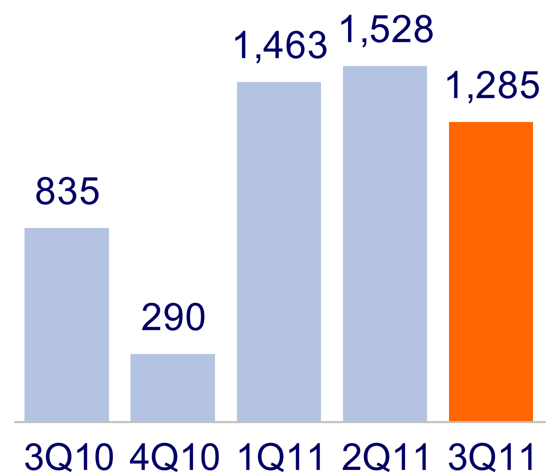
Underlying pre-tax result Bank (in EUR mln)



Underlying pre-tax result Insurance* (in EUR mln)



Underlying net result ING Group* (in EUR mln)

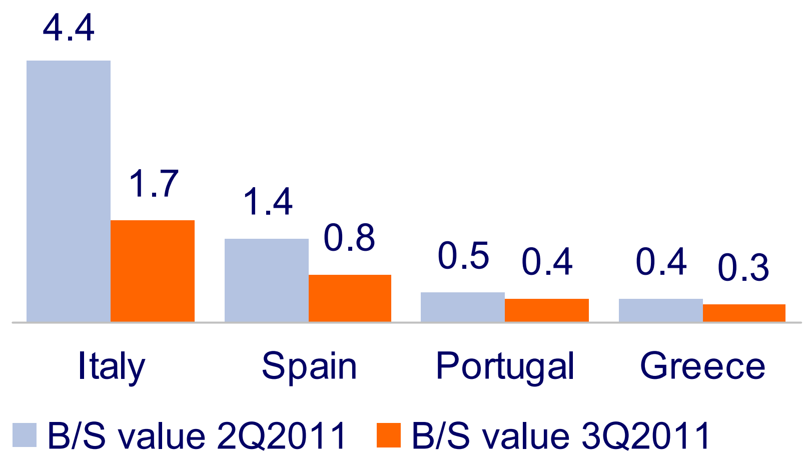


- Results include impairments on Greek government bonds of EUR 467 mln pre-tax (or EUR 356 mln after-tax)
- Group net result of EUR 1,692 mln includes results on divestment of ING Car Lease (EUR 347 mln) and CRES (EUR 175 mln) and special items of EUR -122 mln.

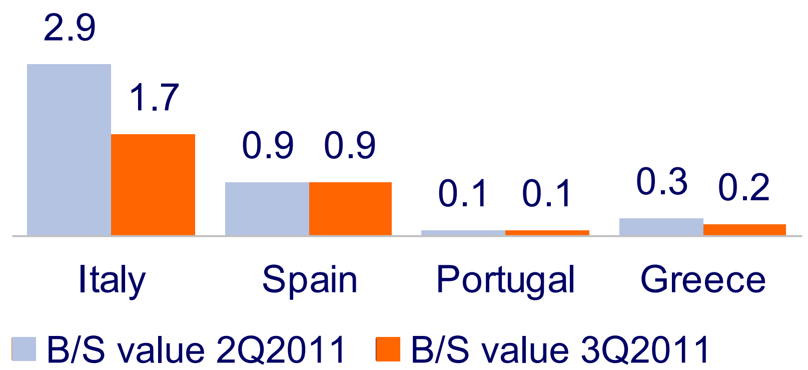
* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance Latin America which is booked in discontinued operations until closing. Sul America and some remaining small entities have been reported in the Corporate Line

Government bond exposure to southern Europe substantially reduced. Greek debt impaired to market value

Bank: Government bond exposure (in EUR bln)*, **



Insurance: Government bond exposure (in EUR bln)*, **



- Greek government bonds of all maturities impaired to the 30 September market value, which represents a write-down of approximately 60%
- Pre-tax impairment on Greek government bonds of EUR 267 mln for Bank and EUR 200 mln for Insurance
- Government bond exposure to Greece, Italy, Ireland, Portugal and Spain reduced by EUR 4.8 billion in 3Q11. In October 2011, the Bank further reduced its exposure to these countries by EUR 0.6 billion

* Bank has no government bond exposure to Ireland. Insurance exposure to Ireland amounted to EUR 46 mln (B/S value) at the end of 3Q11
** All AFS, except for Bank exposure to Italy (EUR 1.6 bln AFS and EUR 0.1 bln at amortised costs on 30 Sep 2011) and Spain (EUR 0.6 bln AFS and EUR 0.2 bln at amortised costs at 30 Sep 2011).

Group restructuring on track

Delivering on EU restructuring

		Action
• Sell ING Direct USA	✓	Announced
• Sell Insurance Latin America*	✓	Announced
• Insurance US		Base case IPO
• Insurance EurAsia		Base case IPO
• Divesting WestlandUtrecht Bank		Operationally split; exploring further options

Separation and preparation for the base case of 2 IPOs

- Bank and Insurance/IM operationally split at the end of 2010
- Operational disentanglement of US and EurAsia Insurance/IM operations expected to be finalised at the end of this year
- Preparation for the base case of 2 IPOs is making progress

Further streamlining into 2011

		Action
• Sell ING Real Estate Investment Management (REIM)	✓	Completed
• Sell ING Car Lease	✓	Completed

Separation and preparation costs 2011 at the lower end of our expectations

- Separation and IPO preparation costs were EUR 55 mln in 3Q11 and EUR 116 mln YTD after-tax
- It is anticipated that these costs will remain within the previously announced amount of EUR 250 million after tax.

* ING's Latin American pension, life insurance and investment management operations. Sul America is not included in this transaction

In our preparation for 2 Insurance IPOs, important steps have been made to realign the legal structure and governance

Simplified legal structure

ING Groep N.V.

Jan Hommen
Patrick Flynn
Wilfred Nagel*

ING Bank N.V.

ING Verzekeringen N.V.

IPO Entity

ING Insurance EurAsia

Jan Hommen
Patrick Flynn
Wilfred Nagel
Lard Friese
Matt Rider
Gilbert Van Hassel

IPO Entity

ING America Insurance Holdings Inc (AIH)

Jan Hommen
Patrick Flynn
Wilfred Nagel
Rod Martin
Alain Karaoglan
Rob Leary
Ewout Steenbergen

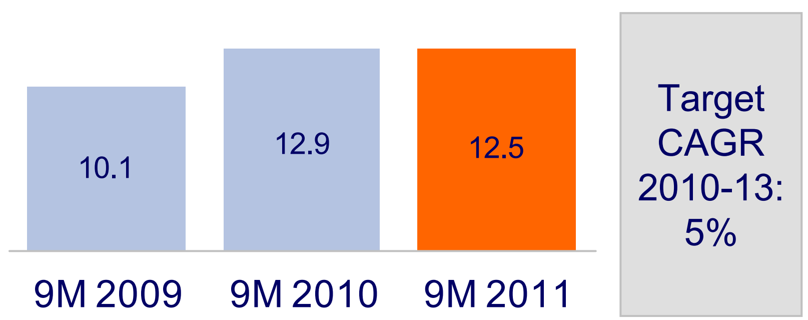
- Regulatory approvals are in progress to create a separate holding company under ING Verzekeringen N.V. for our Insurance EurAsia businesses
- Management structure aligned per 3 November 2011
- These represent 'no regrets' steps which in no way limit strategic flexibility on execution
- New legal structure maintains flexibility with respect to timing and order of the planned IPOs
- Change in legal structure will allow ING to optimise the debt structure of the two IPO entities
- Ultimately, ING Verzekeringen N.V. will become a legacy entity and will be wound down over time
- This process will be carefully managed, including managing change of control provisions in some instruments which will likely be triggered at the time of the IPO's

* Subject to 2012 AGM

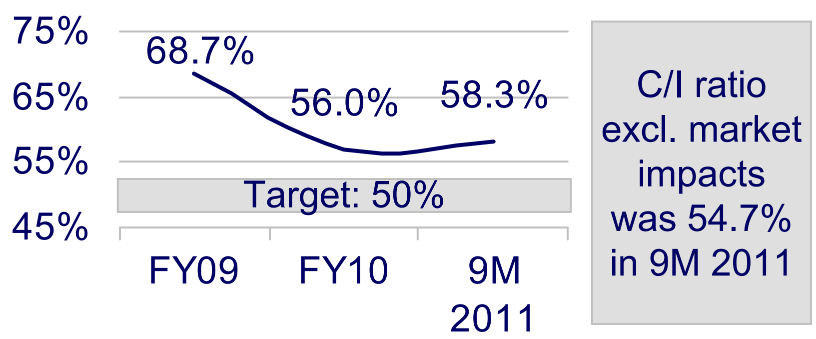
ING Bank

Bank is making progress on Ambition 2013

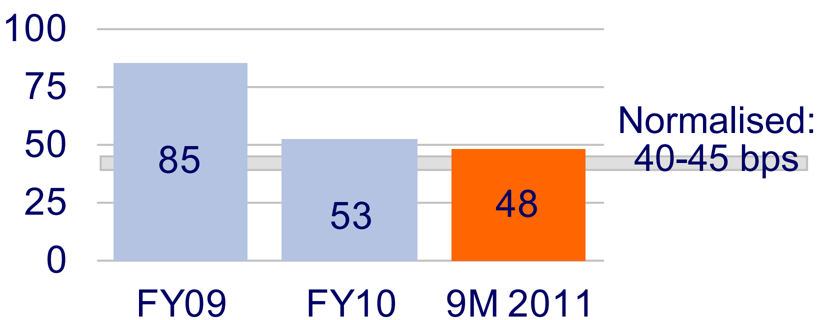
Underlying income (EUR billion)



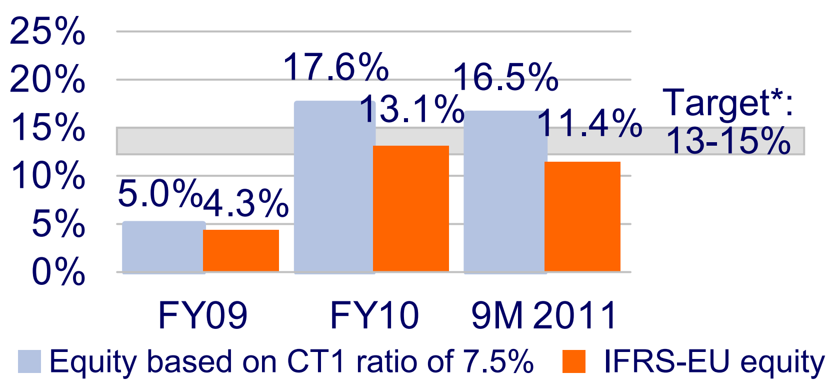
Underlying cost/income ratio (%)



Underlying risk costs in bps of average RWA



RoE (YTD, %)

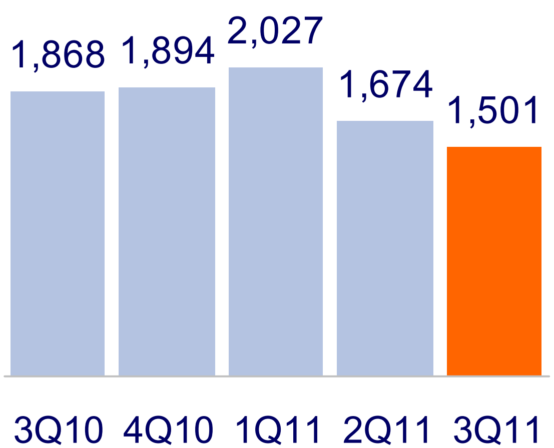


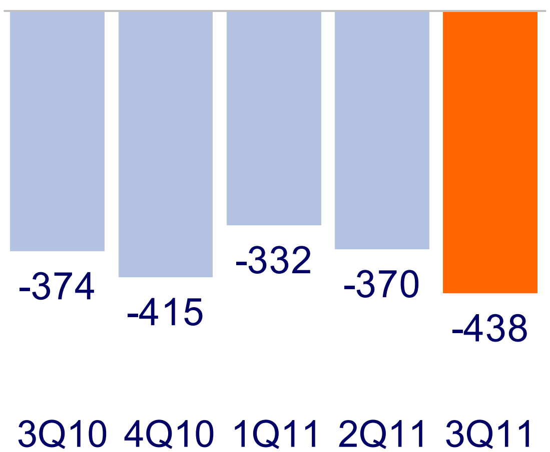
* Target assumes average equity based on core Tier 1 ratio of 7.5%.

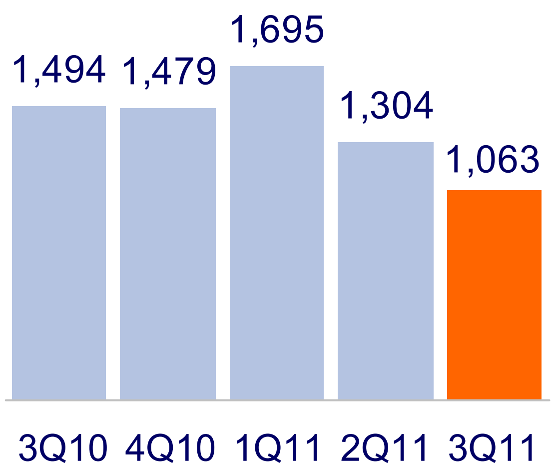
Bank result impacted by impairments on Greek government bonds and lower FM income

Bank results (in EUR mln)

Gross result* + Addition to loan loss provisions = Underlying result before tax





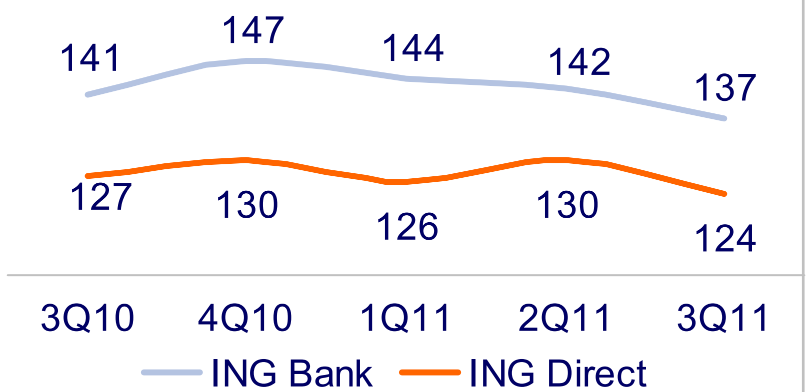


- Gross result decreased 19.6% from 3Q10 due entirely to impairments on Greek government bonds and sharp decline in FM results
- Risk costs rose to EUR 438 mln, primarily due to further provisioning for some large, existing non-performing files in Commercial Banking and due to ING Direct USA. Non-performing loans and watch list remained stable in the quarter

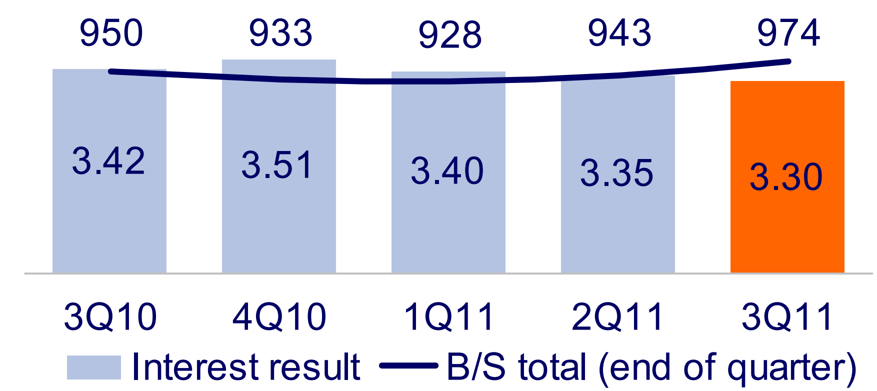
* Gross result = underlying income - underlying expenses

Net interest margin narrowed to 137 bps, mainly due to lower Financial Markets results

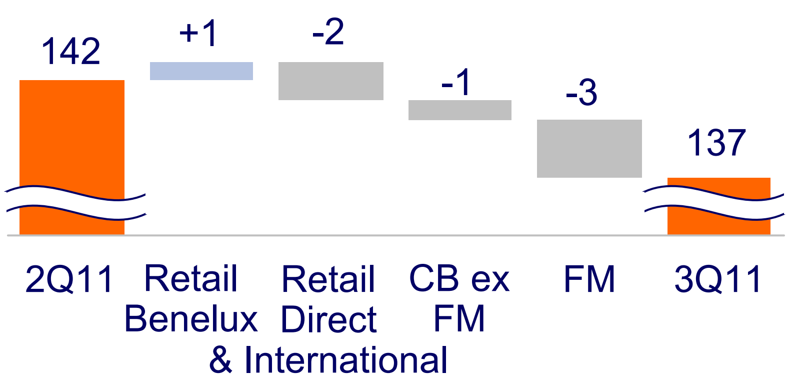
Interest margin by quarter* (in bps)



Interest result (in EUR bln)



Interest margin development (in bps)



Interest result down vs. 2Q11 as higher volumes were offset by lower margins

- In Retail Benelux, margins for mortgages and current accounts improved slightly, while margins on savings and other lending were under pressure
- In ING Direct, margins on savings declined
- In Commercial Banking lending books, margins held up relatively well

* Interest margin is defined as the Bank's total interest result divided by average total Bank assets

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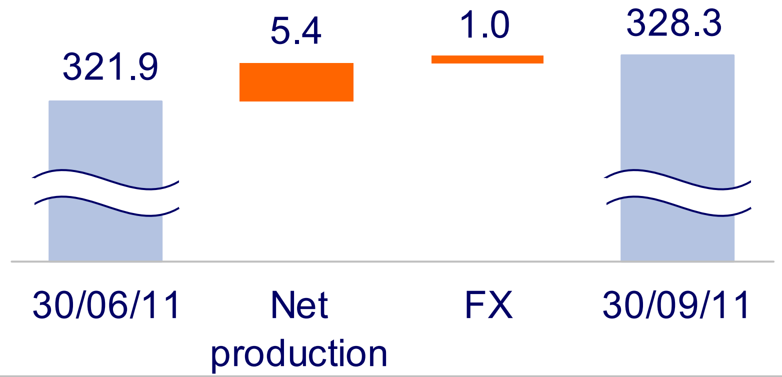
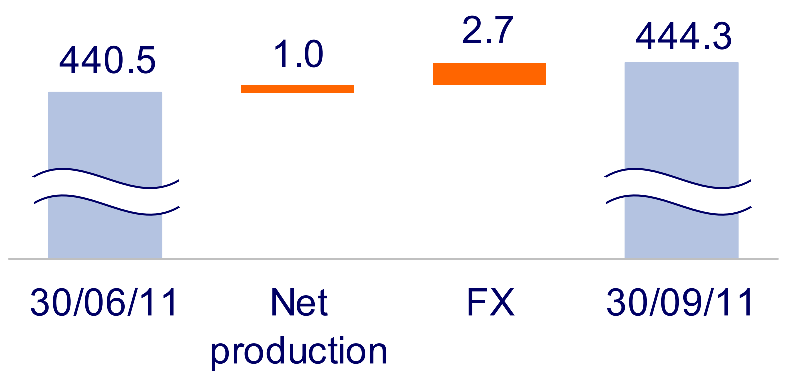
Client Balances up, particularly in mortgages and funds entrusted in the Commercial Bank

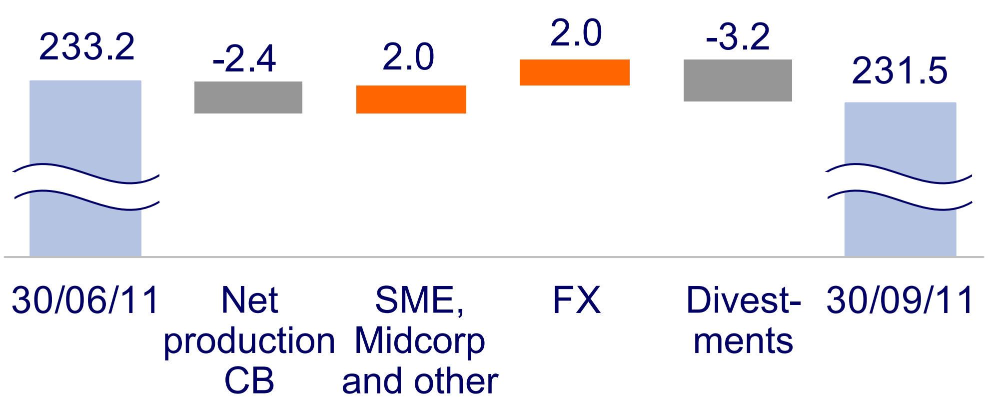
Residential mortgages (EUR bln)*



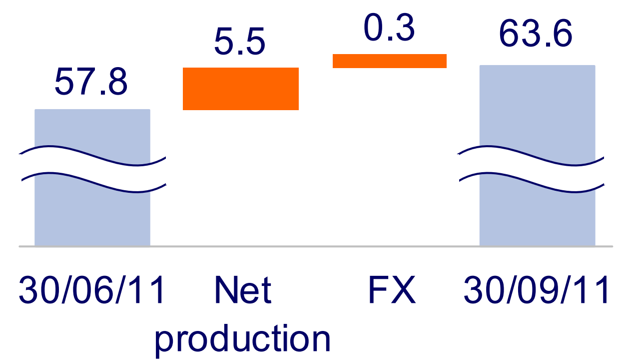
Funds entrusted Retail Bank (EUR bln)*



Corporate and other lending (EUR bln)*



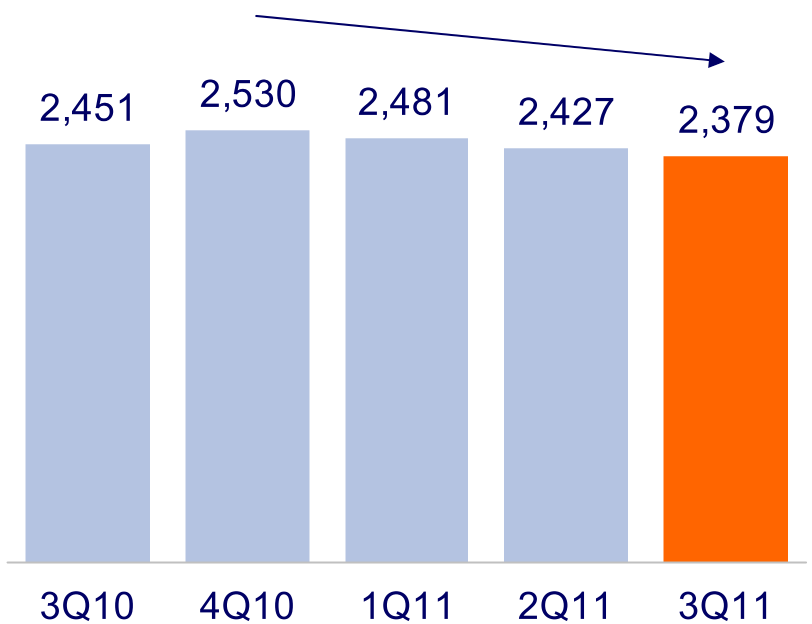
Funds entrusted Commercial Bank (EUR bln)



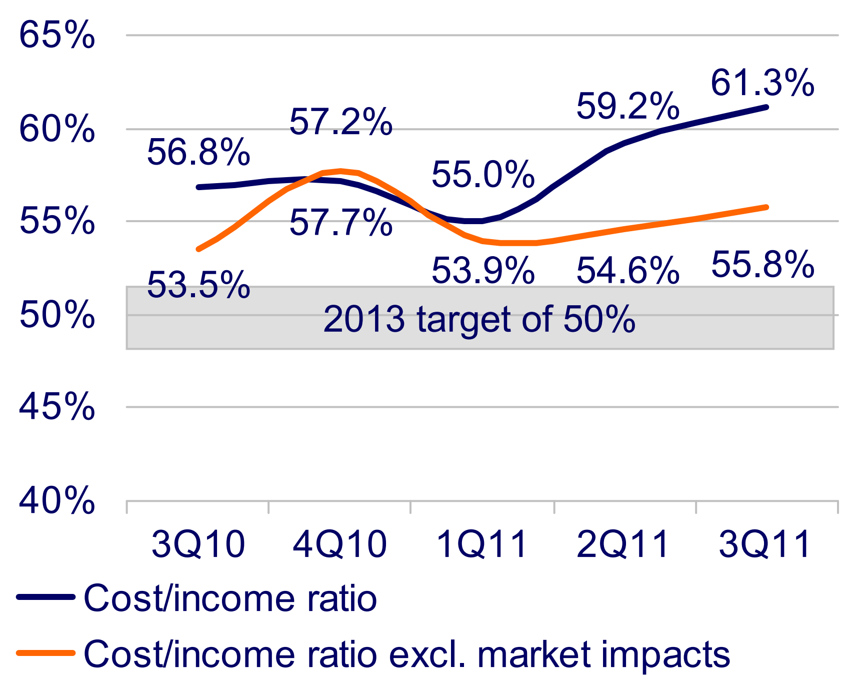
* Incl. ING Direct US: at 30 September, residential mortgages (EUR 30.4 bln), other lending (EUR 0.1 bln) and funds entrusted (EUR 61.0 bln)

Expenses decreased for the third consecutive quarter

Operating expenses (EUR mln)



Underlying cost/income ratio (%)



- Expenses down 2.9% versus 3Q10, mainly driven by lower impairments on real estate development projects and the partial sale of REIM
- Cost/income ratio, adjusted for market impacts, was 55.8% in 3Q11

Retail Banking Netherlands is taking decisive steps to further reduce costs

The weakening environment, more stringent regulatory requirements and changing customer expectations are putting pressure on volumes and margins Retail Banking Netherlands is taking steps to further reduce costs and improve operational excellence.

Strategic measures

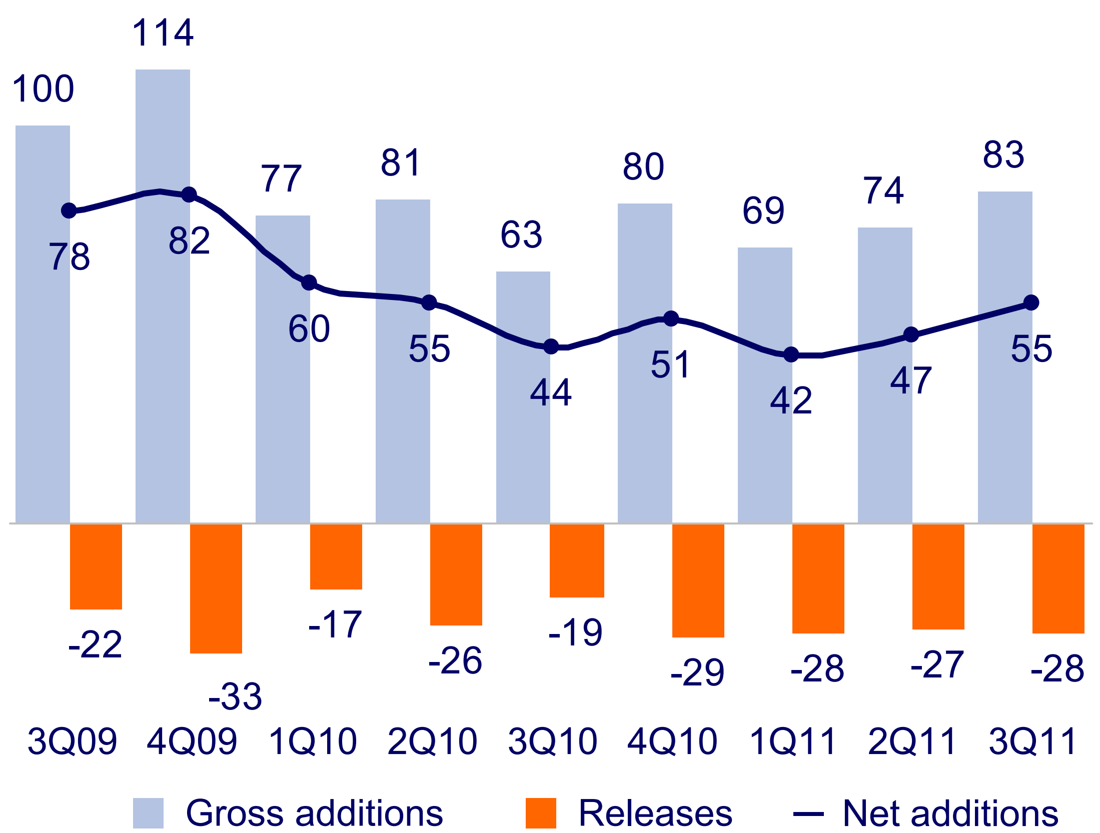
- Further process improvements by reducing complexity and streamlining workflows
- Additional IT investments will help to reduce costs while deliver faster and more accurate service, and broaden the ability for customers to manage financial affairs through their preferred channel.

Financial impact (in EUR)

Headcount reduction (2012-2013):	
Internal	2,000 FTE
External	700 FTE
IT investments (coming two years)	200 mln
Special item in 4Q2011	235 mln
Of which redundancy provision:	215 mln
Structural reduction in cost saving as of 2014	300 mln

Risk costs increased mainly due to additional provisioning for some large, existing non-performing files in Commercial Banking

Additions to loan loss provisions* (bps average RWA)

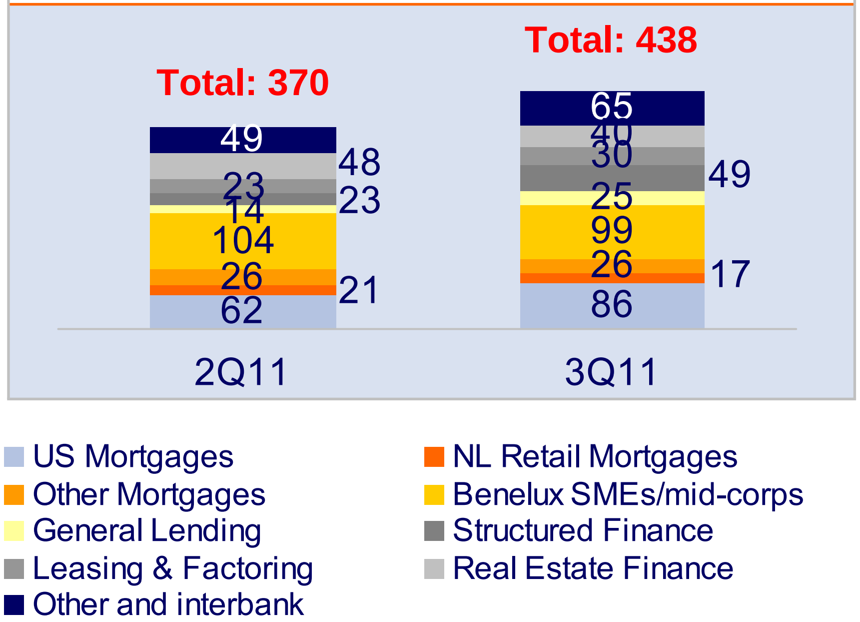


* Not adjusted for divestments and special items

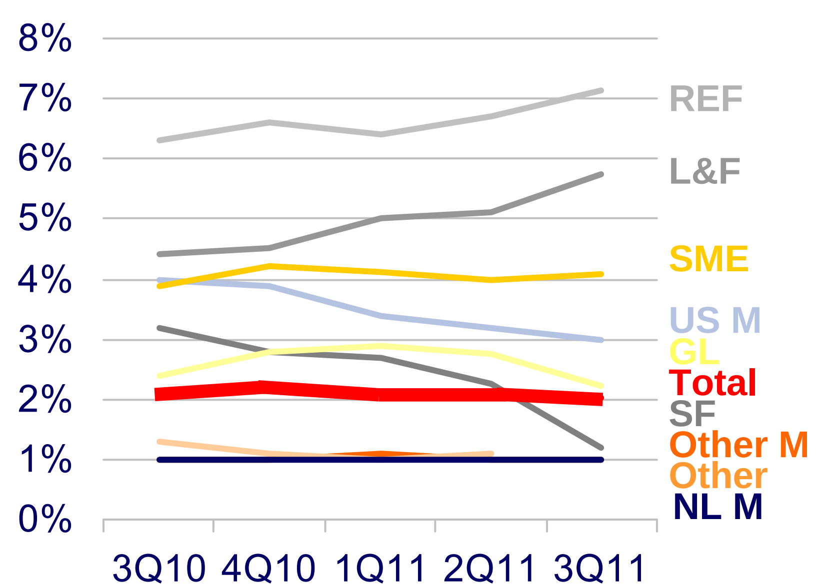
- Net addition to loan loss provisions of EUR 438 mln or 55 bps of average RWA in 3Q11
- For the full year, risk costs as a percentage of RWA and in absolute terms are expected to remain below the level of 2010 (53 bps)
- Through the cycle we expect risk costs of 40-45 bps of average RWA under Basel II

Non-performing loan ratio declined slightly to 2.0%

Risk cost per segment (EUR mln)



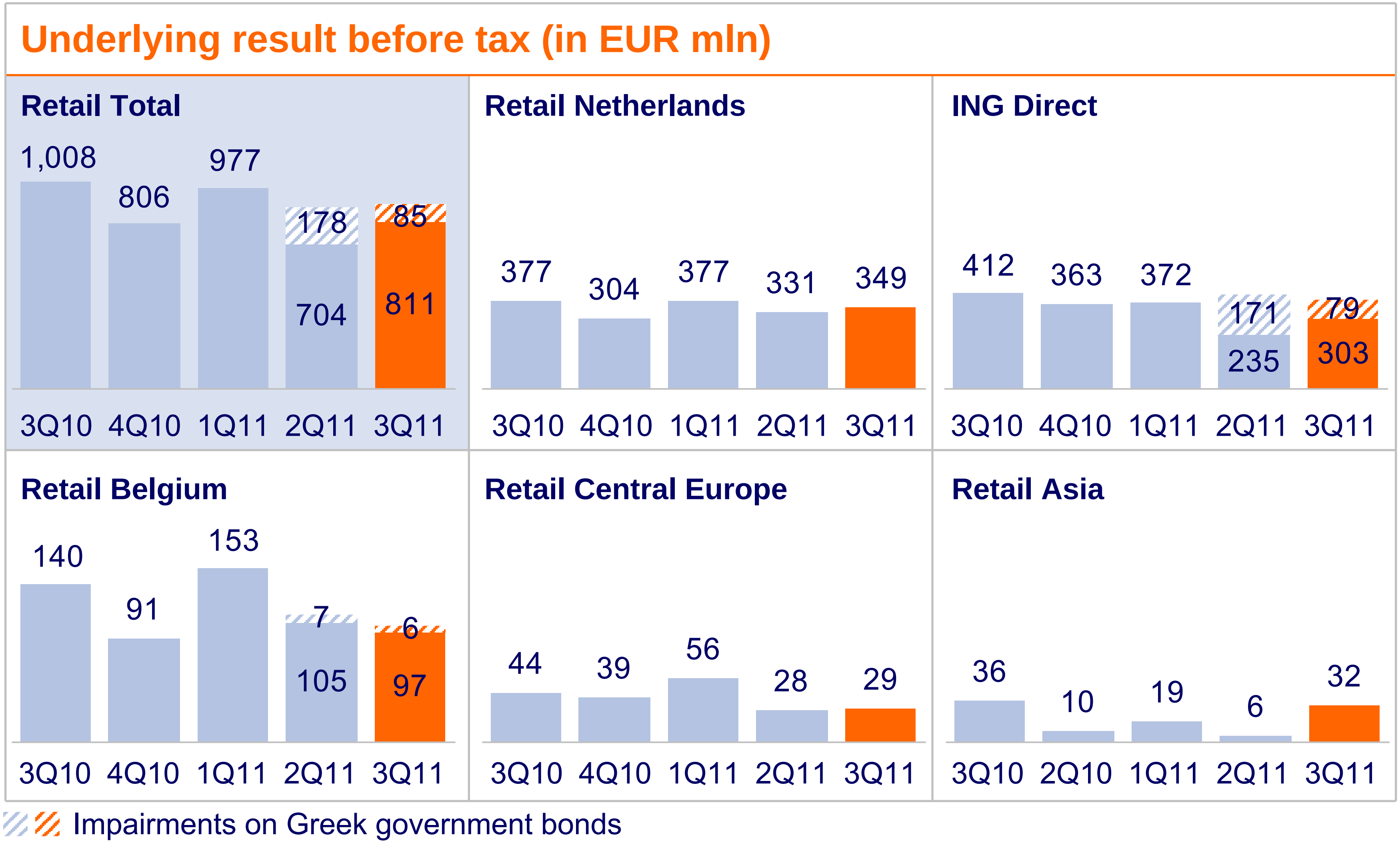
NPLs: slightly down to 2.0%*



- Risk costs increased, driven by additional provisioning for some specific files in Commercial banking and increase at ING Direct USA
- Non-performing loans and on-watch exposures remained stable. NPL ratio declined slightly to 2.0%

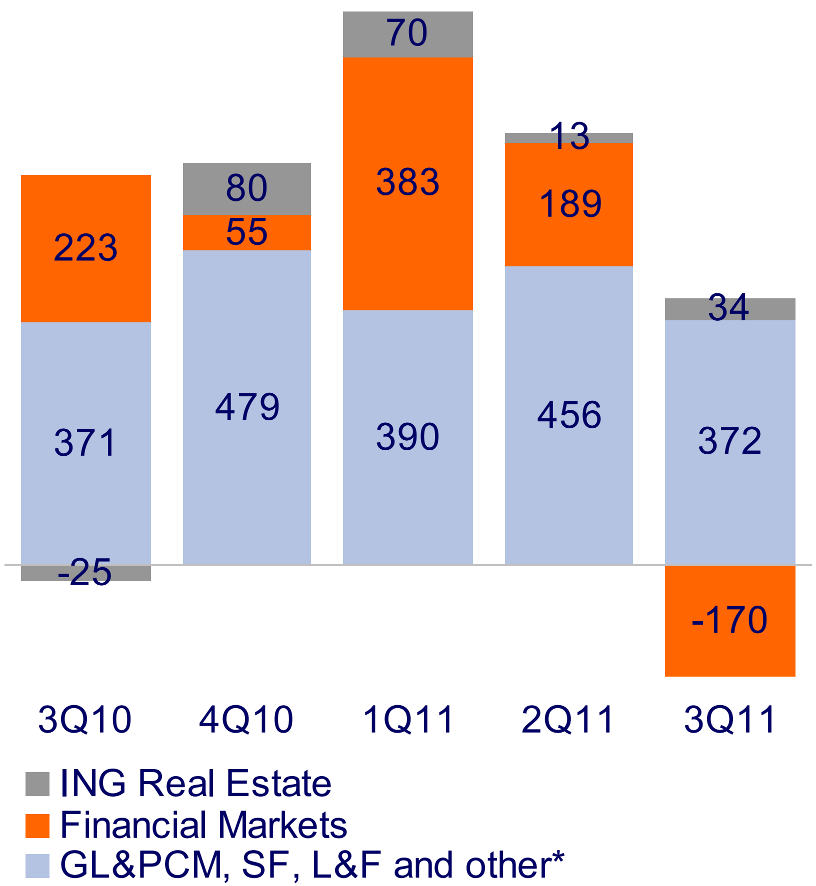
* NPLs = 90+ days delinquencies and loss expected

Retail Banking result down from 3Q10 due to Greek impairments and lower margins



Commercial Banking results down due to loss in Financial markets on Greek impairments

Underlying pre-tax profit Commercial Banking (EUR million)



- Financial Markets (FM) booked a loss before tax of EUR 170 million due to EUR 182 mln of impairments on Greek sovereign bonds and due to adverse market conditions
- The Commercial Bank's steady flow business (GL&PCM, SF and L&F) showed a stable pre-tax result versus 3Q10 as higher income offset higher provisioning
- ING Real Estate showed a positive pre-tax result for the fourth consecutive quarter

* General Lending & Payments and Cash Management (GL&PCM), Structured Finance (SF), Leasing & Factoring (L&F) and Other Products

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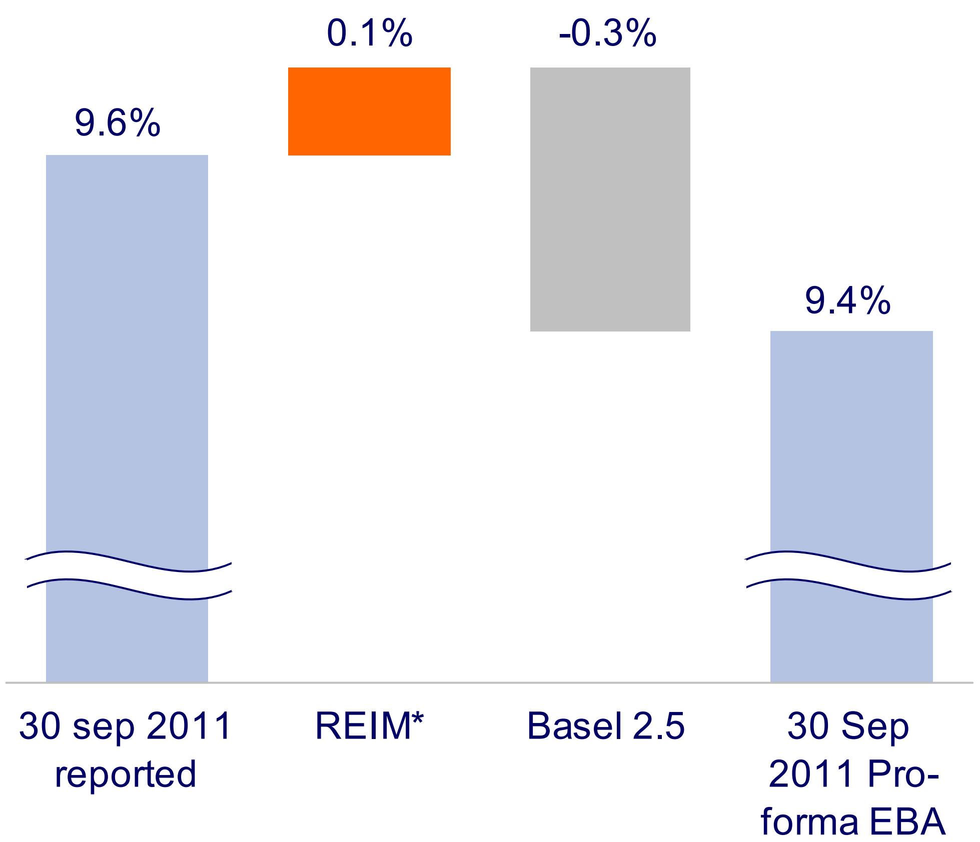
ING meets new EBA Capital target of 9%

Core Tier I ratio

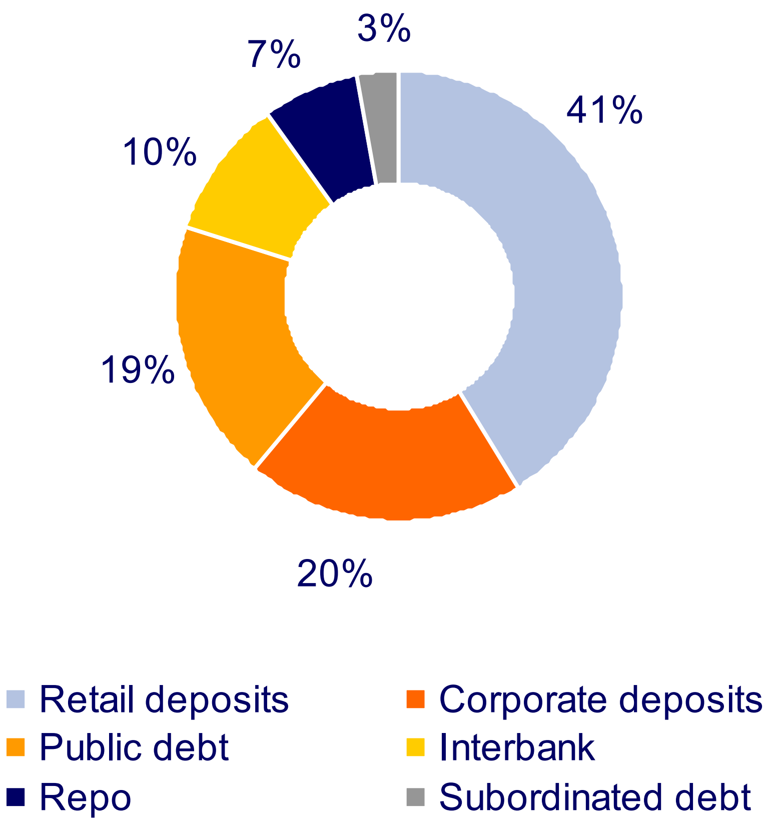


- The Core Tier 1 ratio was 9.6% at 30 September 2011
- The RWA impact of Basel 2.5 implementation is estimated at around EUR 11 bln or -30 bps
- ING has a positive unrealised result on its government bond exposure to the European Economic Area (EEA) and consequently nothing is subtracted according to the EBA rules**
- ING has a buffer of EUR 1.2 bln above the hurdle rate of 9%.

* REIM Asia closed on 3 October 2011 and REIM Europe closed on 31 October
** According to rules applied in EBA stress test.

ING Bank benefits from favourable funding mix

Favourable funding mix (30 September 2011)



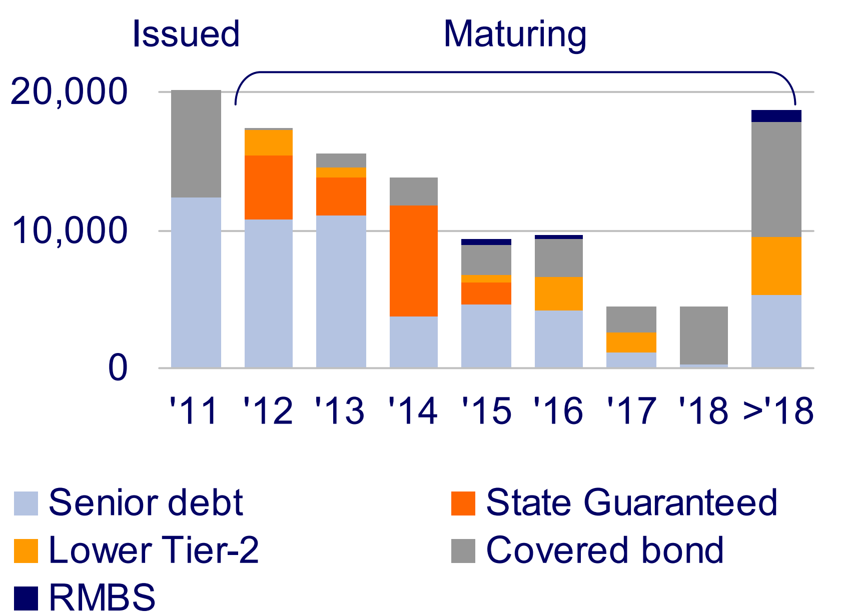
Favourable funding mix:

- ING's loan-to-deposit ratio (excluding securities and IABF receivable) was 1.15 at 30 September 2011
- ING's funding mix dominated by client deposits (61%)
- Capital markets and money markets deteriorated significantly in 3Q11. ING was still able to maintain access to short and long term funding sources, for acceptable pricing and tenors.

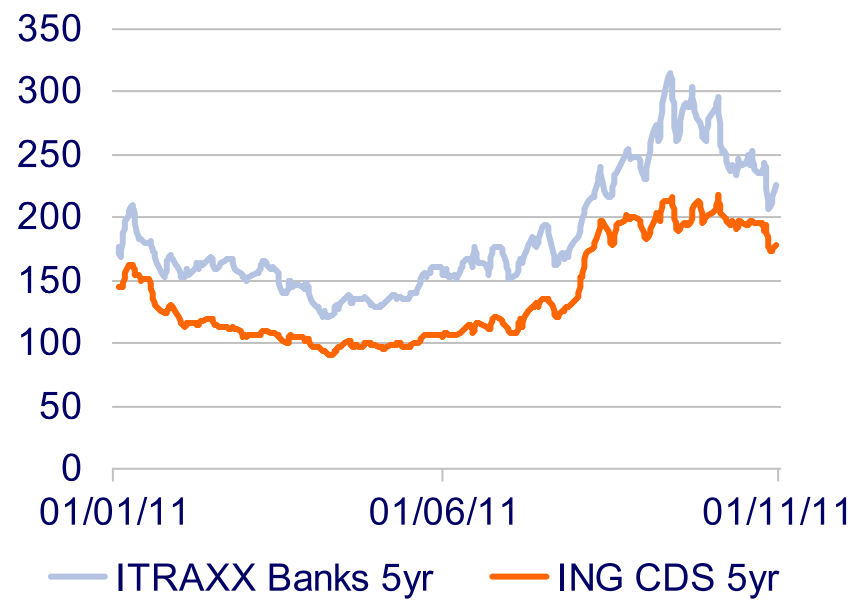
* Liabilities excluding trading liabilities and IFRS equity. Liabilities held for sale are excluded

ING Bank has modest long-term funding needs

Maturity ladder outstanding long-term debt (EUR million)



Public senior issue spread (in bps)



- ING Bank's 2011 refinancing need already met: EUR 20 bln raised at 30 September, versus EUR 10.7 billion maturing in full year 2011.
- Weighted average tenor of issues increased from 5.0 years in 2009 to 6.0 years in Sep YTD 2011
- ING issues well below ITRAXX and ING CDS 5Y level. The average spread per end September 2011 is 3m Euribor +90 bps (~50 bps tighter than average CDS).

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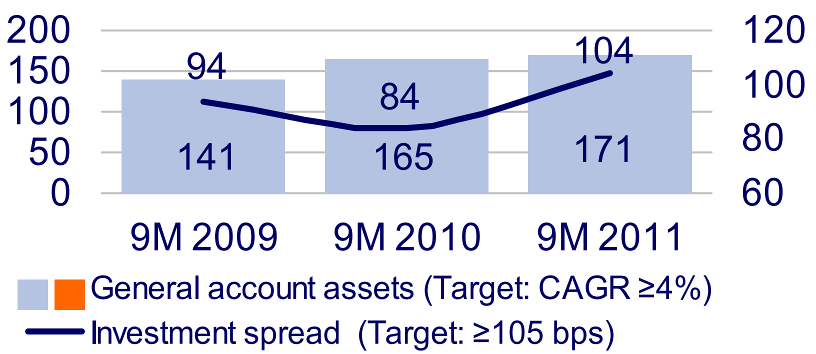
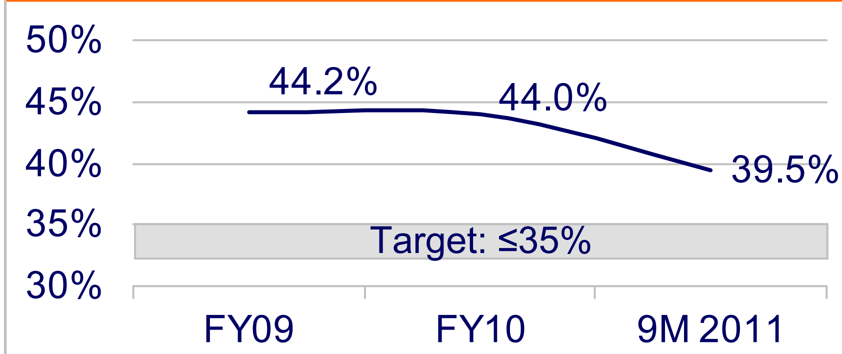
ING Insurance

Insurance operations showing clear progress on Ambition 2013

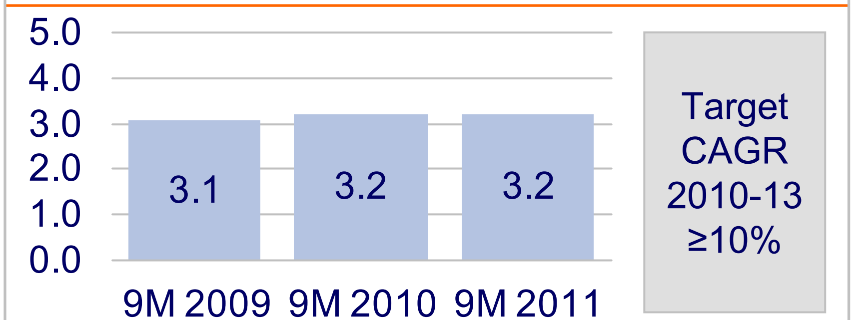
Life general account (EUR bln) and investment spread*,** (bps)



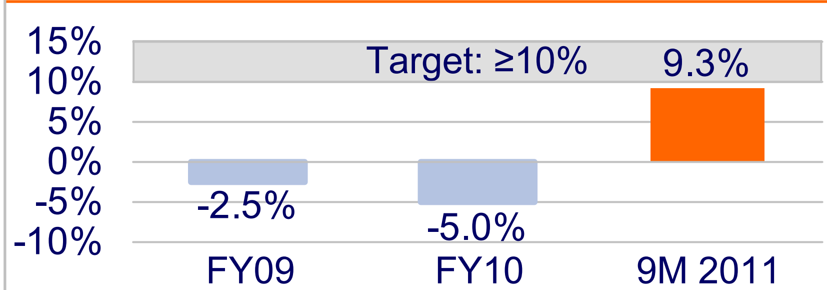
Life & IIM administrative expenses / Life & IIM operating income** (%)



APE** (EUR bln)



RoE**,*** (YTD, %)



* Four-quarter rolling average ** Insurance 2009, 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance Latin America which is booked in discontinued operations until closing. *** Annualised underlying net result divided by average IFRS-EU equity. (For Insurance, the 2010 quarterly results are adjusted for the after-tax allocated cost of Group core debt.).

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Insurance showed solid operating results

Insurance result (in EUR mln)

Operating result*	+	Non-operating impact*	=	Underlying result before tax*

- Operating result rose 27.0% vs 3Q10 on an increase in the investment margin and higher fees and premium-based revenues
- The operating result in 2Q11 was impacted by positive non-recurring items
- Non-operating result of EUR 34 mln as Greek impairments were offset by hedge gains

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

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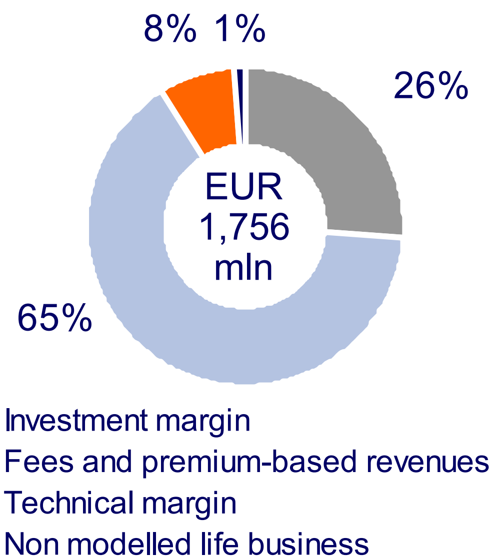
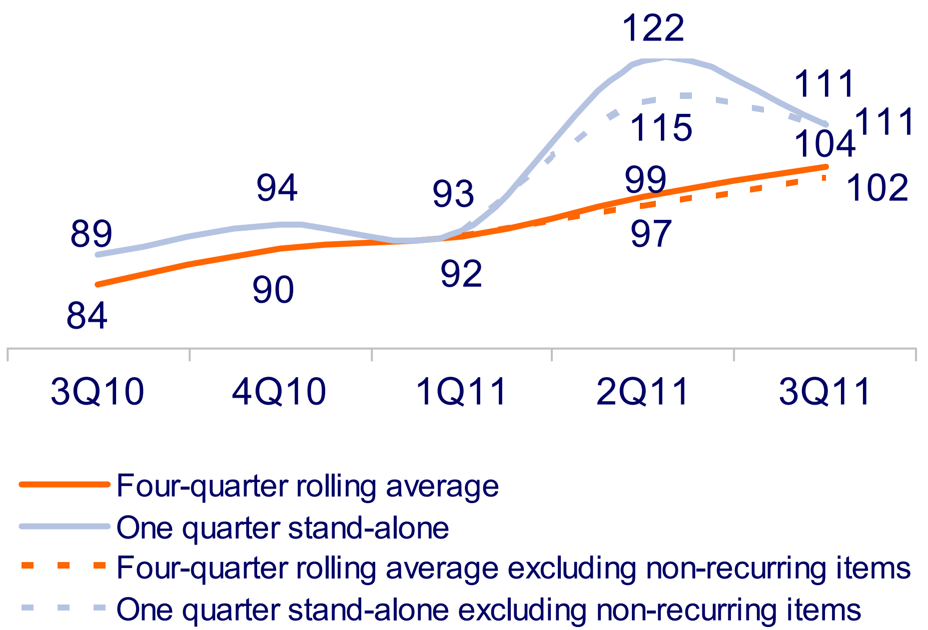
Investment spread increased to 104 bps

Life and ING IM operating income (end of 3Q11, in EUR bln)



Investment spread (in bps) Life GA*



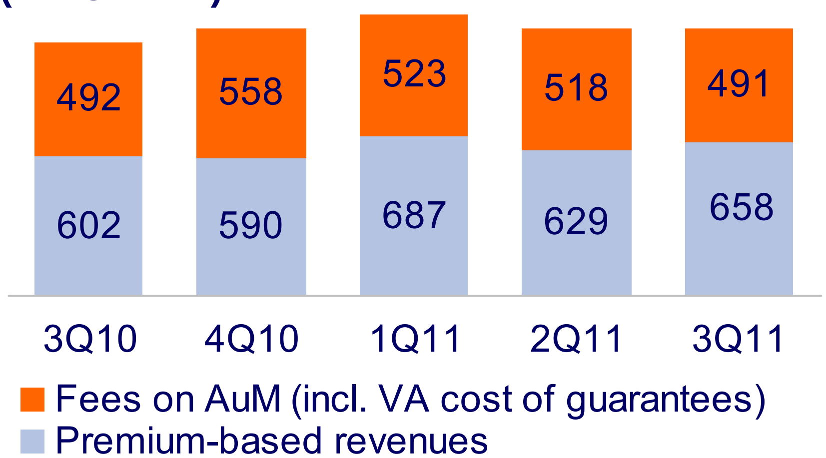
- Investment spread on a four-quarter rolling average increased to 104 bps, of which 2 bps is attributable to EUR 28 mln of non-recurring items in 2Q11
- The investment spread in the stand-alone third quarter decreased to 111 bps as 2Q11 included seasonally higher dividend income and non-recurring items in the Netherlands (7 bps)

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

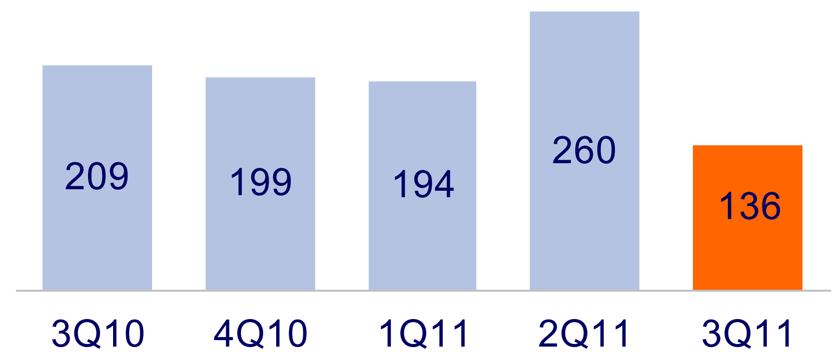
Fees and premium based revenues were up while the technical margin was down versus 3Q10

Life Insurance & ING Investment Management* (IM)

Fees and premium-based revenues (in EUR mln)



Technical margin (in EUR mln)



- Fees and premium-based revenues were up 5% from 3Q10, primarily due to higher sales in Asia/Pacific
- Cost of VA guarantees increased to EUR 192 mln from EUR 180 mln in 2Q11

- Technical margin was EUR 136 mln, down 34.9% from 3Q10 due to an increase in a guarantee provision
- Insurance Benelux benefited in 2Q11 from an early surrender of a contract with a large pension fund in the Netherlands (EUR 70 mln)

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

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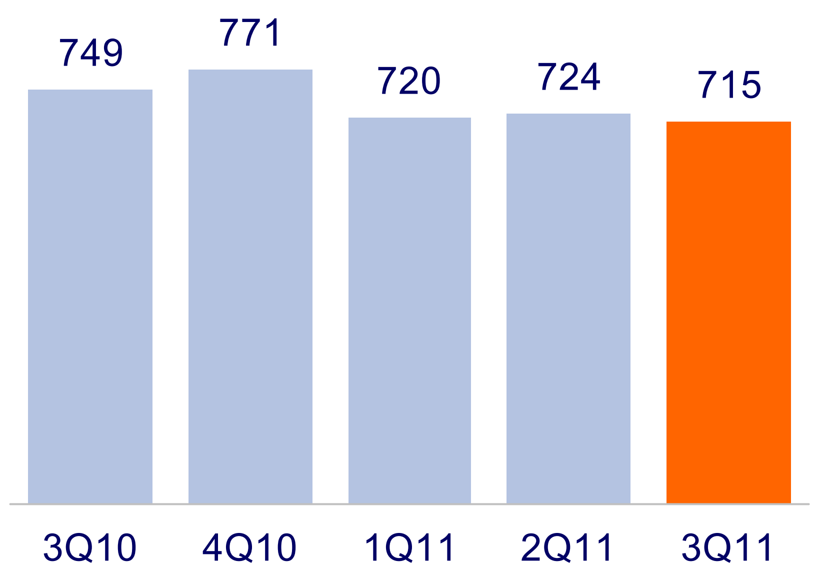
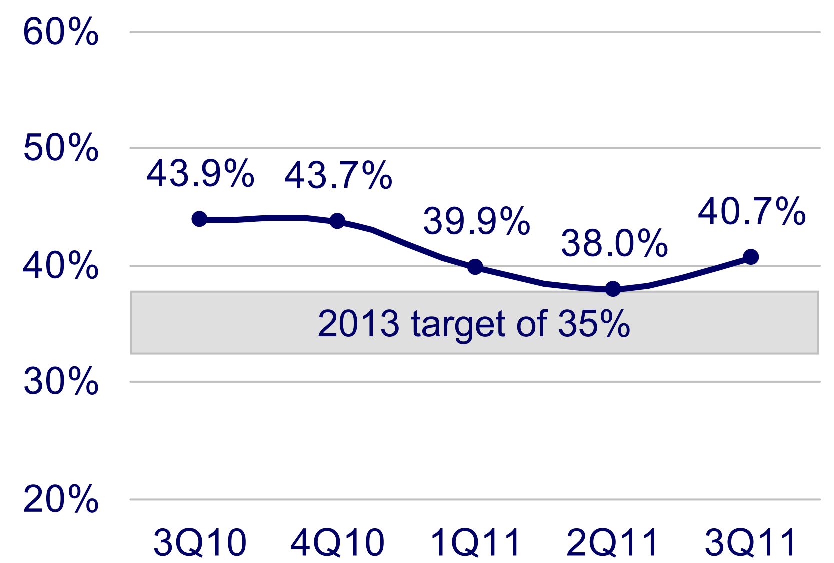
Administrative expenses/operating income ratio was 40.7%

Life & IM administrative expenses* (EUR million)



Life & IM administrative expenses/operating income ratio* (%)



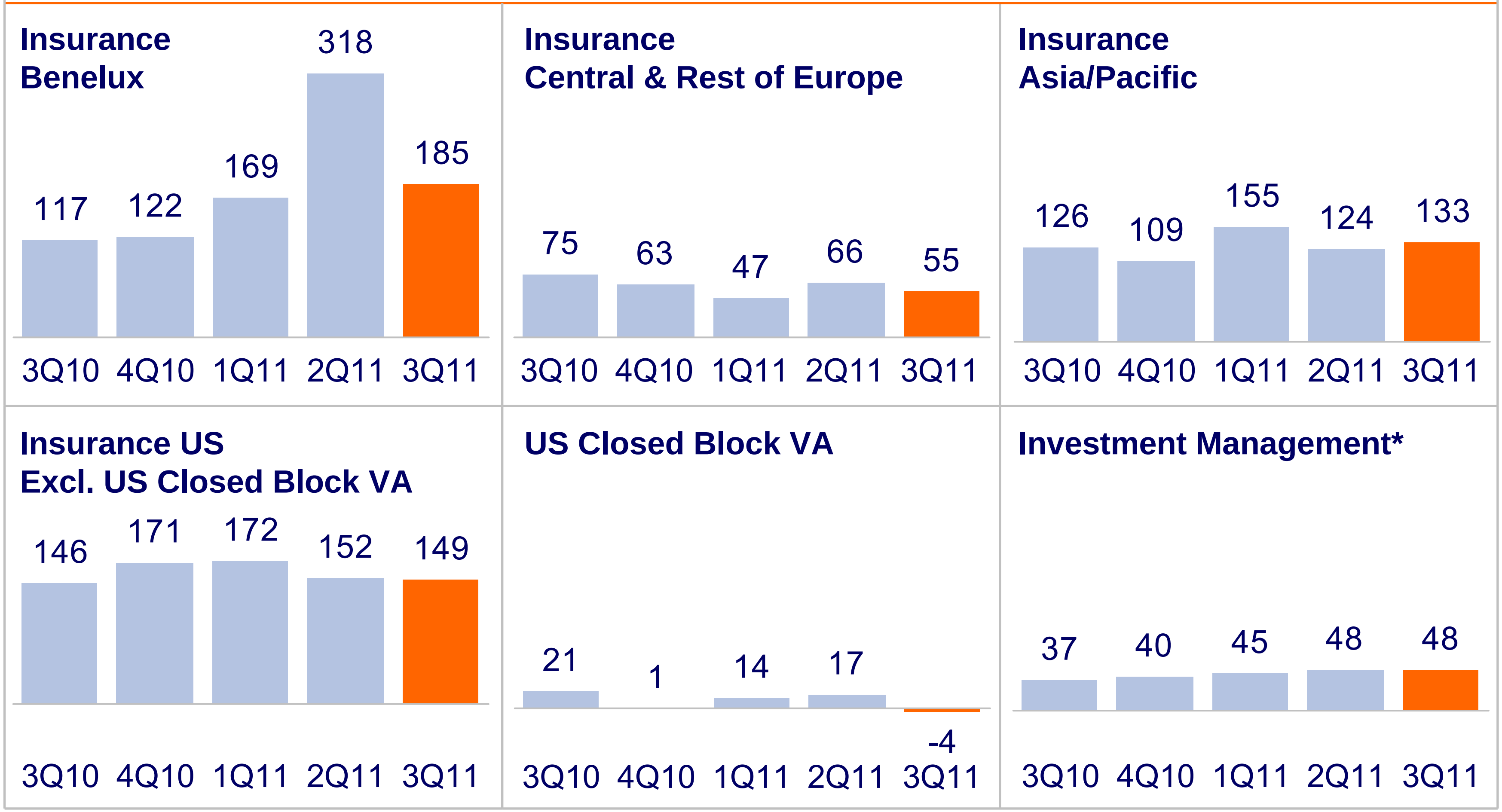
- Administrative expenses were down 4.5% from 3Q10, but flat at constant FX
- Administrative expenses/operating income ratio improved versus 3Q10 but deteriorated versus 2Q11 as lower expenses were more than offset by lower income due to the impact of seasonal and incidental items in the second quarter

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

ING

Operating result improved versus 3Q10 driven by Insurance Benelux, Insurance Asia and IM

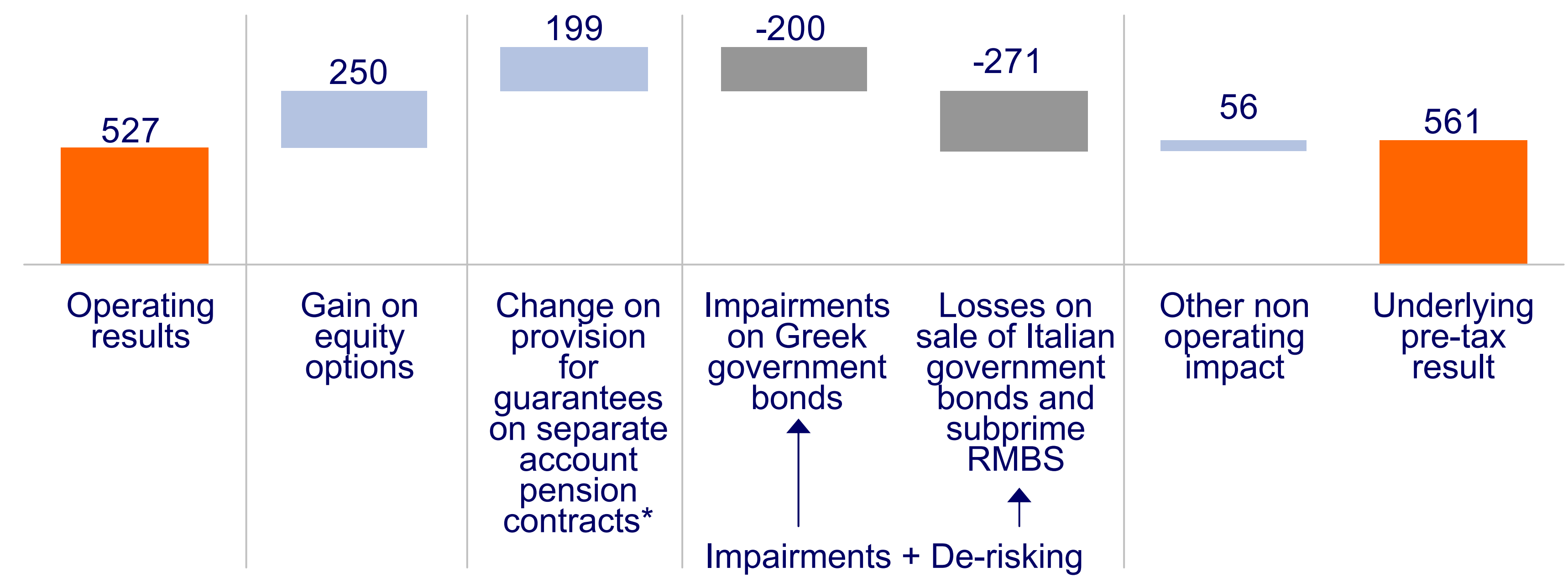
Life & ING Investment Management operating result (in EUR million)



* Investment Management 2010 and 2011 figures have been restated to reflect the sale of IIM Latin America

Non-operating results totalled EUR 34 mln, but included some very significant positive and negative items

Underlying pre-tax result 3Q11 (in EUR million)

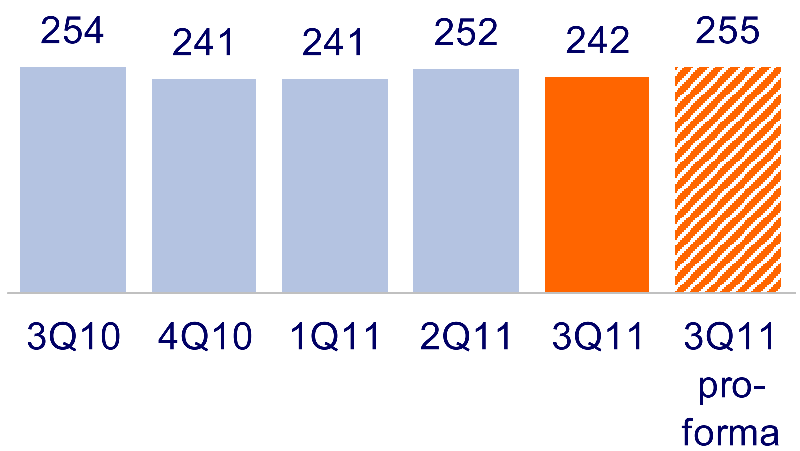


- The 3Q11 results included a EUR 250 mln gain on equity options driven by equity markets in combination with a hedge strategy focused on protecting regulatory capital
- The 3Q11 results included a EUR 199 mln change in the provision for guarantees on separate account pension contracts (net of hedging). The positive result also reflects hedging to protect regulatory capital
- Impairment on Greek government bonds amounted to EUR 200 mln

* Net of hedging

Solvency I down to 242% due to deterioration of market conditions. RBC ratio stable at 492%

ING Insurance Solvency I ratio* (in %)



Regulatory capital US operating companies** (RBC in %)

- The Solvency I ratio decreased from 252% at the end of June to 242% at the end of 3Q11 mainly due to the deterioration in market conditions whereby the change in the statutory test of adequacy for certain Dutch entities was not fully offset by higher revaluation reserves on debt securities.
- Including the positive impact of the sale of Insurance Latin America, the pro-forma IGD ratio was 255%***
- The RBC ratio remained stable at 492%

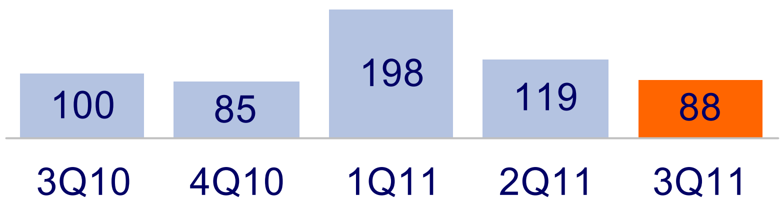
* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing

** ING's US domiciled regulated insurance business; 3Q11 RBC ratio is preliminary and subject to change

***The expected net transaction result of approx. EUR 1 bln will increase IGD ratio by 13% at closing

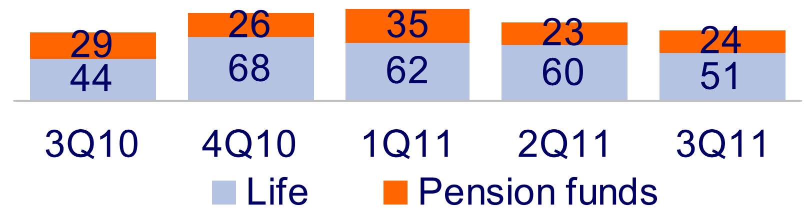
Sales (APE) grew 6.5% from 3Q10 and 5.2% from 2Q11, excluding currency effects

Sales Benelux (APE, in EUR million)



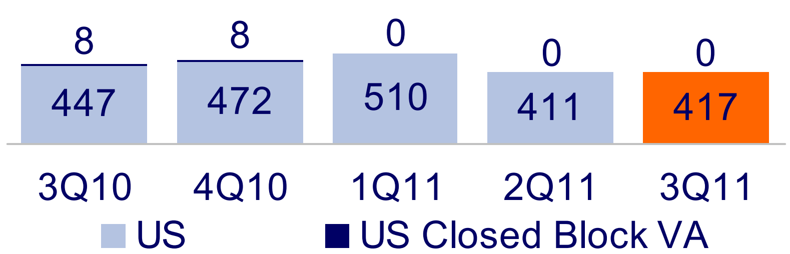
- APE down versus last year as well as versus last quarter due to higher corporate pension sales in the two prior quarters

Sales CRE (APE, in EUR million)



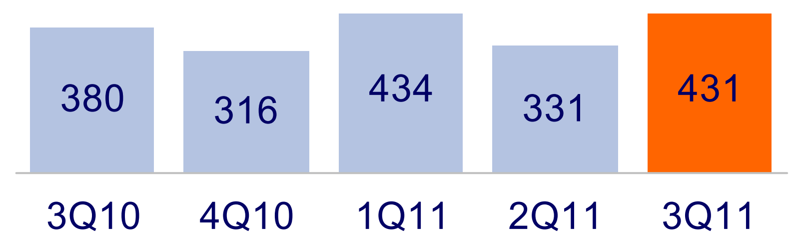
- APE up versus last year as increased life sales more than offset a decrease in pension sales. Down from 2Q11 due to seasonality

Sales US (APE, in EUR million)



- APE rose 2.9% versus 3Q10, excl FX, driven by Retirement sales and Individual Life sales
- APE was flat versus 2Q11

Sales Asia/Pacific (APE, in EUR million)



- APE up from 3Q10 by 15.6% excl. FX effects driven by higher sales in most countries.
- APE up versus 2Q11 due to seasonality

Wrap up

ING Group underlying net result increased to EUR 1,285 mln versus 3Q10

- Net result was EUR 1,692 mln including divestments and special items
- Greek government bonds of all maturities were impaired to market value (write-down of approx 60%)
- The underlying return on IFRS-EU equity was 12.1% in 3Q11 (13.9% in 9M 2011)

Bank underlying pre-tax result amounts to EUR 1,063 mln

- Underlying result impacted by Greek impairments and sharply lower Financial Markets results
- Net interest margin narrowed to 137 bps, primarily due to lower Financial Markets results
- Operating expenses declined for the third straight quarter and were 2.9% lower versus 3Q10
- Core Tier 1 ratio increased to 9.6% at end of 3Q11

Insurance operating result up 27.0% to EUR 527 mln as performance improves

- Underlying pre-tax result of EUR 561 mln, including hedging gains offsetting impairments
- Sales (APE) grew 6.5% from 3Q10, excluding FX
- ROE increased to 10.9% in 3Q11 (9.3% in 9M 2011)
- The Insurance IGD ratio was 242% at the end of 3Q11. RBC ratio stable at 492%

Continuing focus on operational efficiency and IPO-preparation

- Retail Banking Netherlands will reduce costs by reducing its workforce by 2,000 internal FTEs and 700 external FTEs, while maintaining customer focus and operational excellence
- Regulatory approvals are underway to create separate holding companies for the two IPOs

Disclaimer

ING Group's Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU').

In preparing the financial information in this document, the same accounting principles are applied as in the 3Q2011 ING Group Interim Accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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) the implementation of ING's restructuring plan to separate banking and insurance operations, (4) 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, (5) the frequency and severity of insured loss events, (6) changes affecting mortality and morbidity levels and trends, (7) changes affecting persistency levels, (8) changes affecting interest rate levels, (9) changes affecting currency exchange rates, (10) changes in general competitive factors, (11) changes in laws and regulations, (12) changes in the policies of governments and/or regulatory authorities, (13) conclusions with regard to purchase accounting assumptions and methodologies, (14) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, and (15) ING's ability to achieve projected operational synergies. 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, and any other document or presentation to which it refers, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities.

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