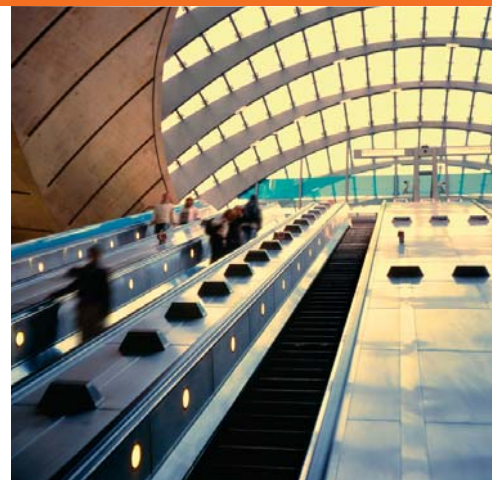
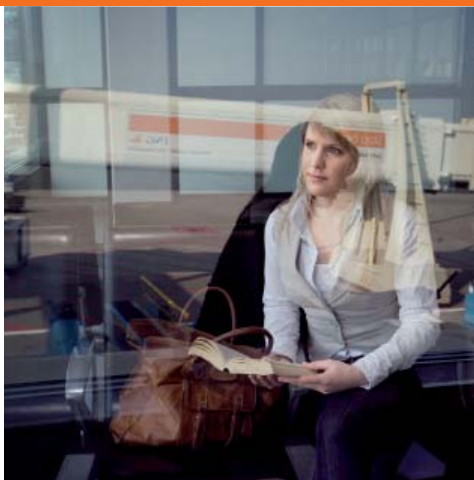


ING GROUP QUARTERLY REPORT



Third quarter 2011

SHARE INFORMATION

Financial calendar

- Investor Day Bank: Thursday 12 January and Friday 13 January 2012
- Publication results 4Q2011: Thursday 9 February 2012
- Publication results 1Q2012: Wednesday 9 May 2012
- Annual General Meeting: Monday 14 May 2012
- Publication results 2Q2012: Wednesday 8 August 2012
- Publication results 3Q2012: Wednesday 7 November 2012

(All dates are provisional.)

Investor relations

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Listing information

ING ordinary shares are registered shares with a par value of EUR 0.24 per share. The (depository receipts for) ordinary shares of ING Group are listed on the exchanges of Amsterdam, Brussels and New York (NYSE).

Stock exchanges	Tickers (Bloomberg, Reuters)	Security codes (ISIN, SEDOL1)
Euronext Amsterdam	INGA NA, ING.AS	NL0000303600, 7154782 NL
New York Stock Exchange	ING US, ING.N	US456837103, 2452643 US

American Depositary Receipts (ADRs)

For questions regarding your ADRs please contact the JP Morgan Depositary Receipts Team:

JPMorgan Chase & Co.

P.O. Box 64504

St. Paul, MN 55164-0504

Free phone number for US callers: (800) 990-1135

From outside the US: +1 (651) 453-2128

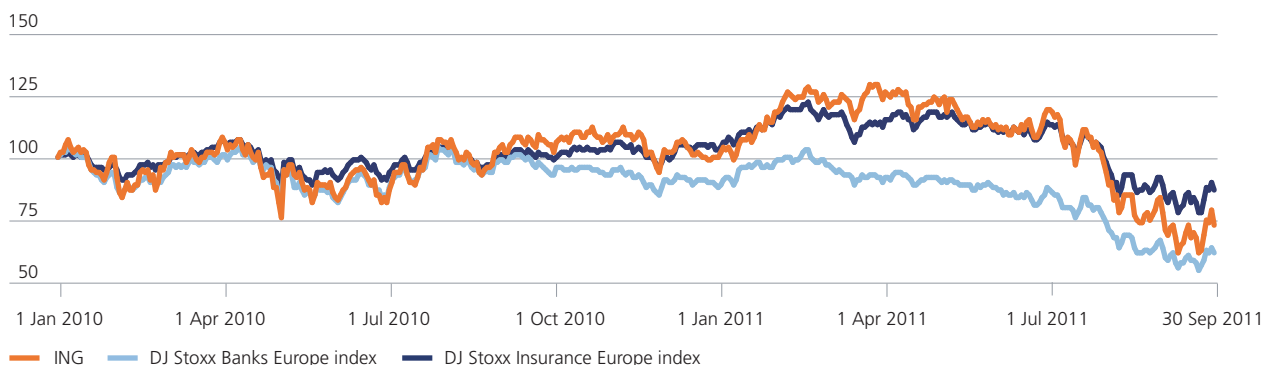
Global Invest Direct: (800) 428-4237

Email: jpmorgan.adr@wellsfargo.com

Internet: www.adr.com

Comparative performance of share price

1 JANUARY 2010 TO 30 SEPTEMBER 2011



OUR QUARTERLY PUBLICATIONS

This ING Group Quarterly Report contains our quarterly financial reporting and analysis, including comment on the progress of our businesses, sustainability developments and key strategic initiatives.

The following other quarterly financial publications are available at www.ing.com/investorrelations in the Quarterly Results section.

Press release

The press release on ING's quarterly results contains the chairman's statement, financial highlights and key developments on the balance sheet and capital management.

Analyst presentation

The analyst presentation of ING's quarterly results contains a detailed review of the drivers of results and addresses key issues raised by analysts and investors.

ING Group Statistical Supplement

The Group Statistical Supplement contains quarterly financial data and should be read in conjunction with the ING Group Quarterly Report. The supplement is available in both PDF and Excel format.

ING Group Historical Trend Data

In addition to the Group Statistical Supplement, this document, available in PDF and Excel format, includes historical trend data and details of restatements.

ING Group Interim Accounts

These condensed consolidated interim accounts have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". ING publishes Interim Accounts under IAS 34, including a review report of Ernst & Young, on a quarterly basis.

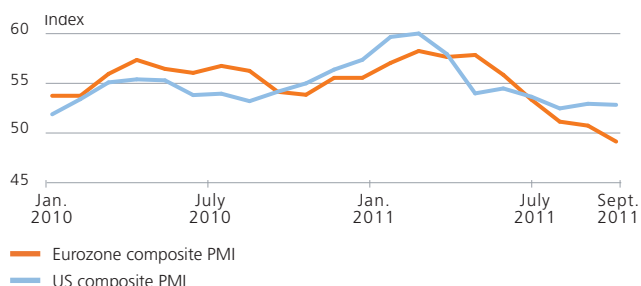
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ECONOMIC ENVIRONMENT

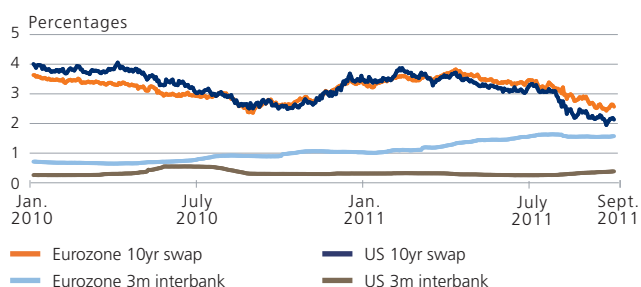
ECONOMIC ACTIVITY

- In the eurozone, the purchasing managers' index (PMI) fell in the third quarter of 2011. Economic headwinds, such as the European sovereign debt crisis and the slowdown in world trade, have pulled the index to slightly below 50 (growth/shrink divide), indicating that it is more likely that the economy may be moving into recession territory. The PMI also fell in the US, although it remained above 50.
- Both PMI's are regarded as timely indicators of underlying trends in economic activity.



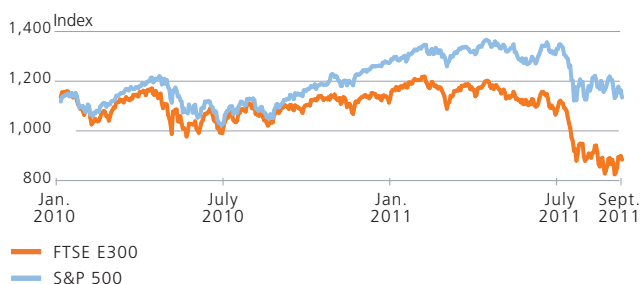
YIELD CURVE

- The yield curve flattened significantly during the third quarter in both the US and in the eurozone, mainly as a result of falling long-term rates. In the eurozone, short-term rates remained stable, while US short-term rates rose slightly.



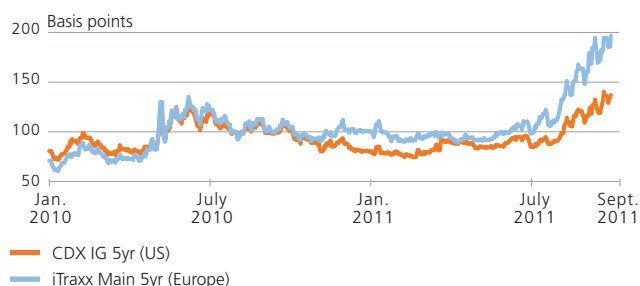
STOCK MARKETS

- Equity indices in the US and the eurozone moved lower in the third quarter of 2011. In the eurozone, the FTSEurofirst 300 Index declined to levels last seen in the second quarter of 2009.



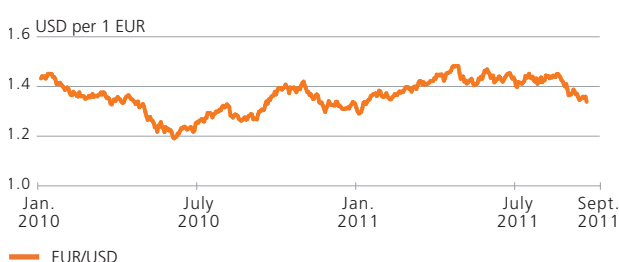
CREDIT MARKETS

- Credit market sentiment deteriorated in the third quarter in both the eurozone and the US. In the eurozone, credit spreads, as measured by the iTraxx index of investment-grade borrowers' credit-default swaps, moved back towards post-Lehman levels.
- In the US, credit spreads, as measured by the CDX index, rose less sharply than in the eurozone.



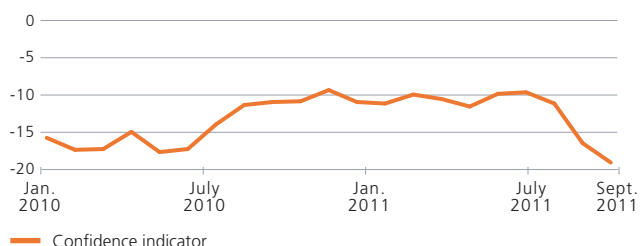
CURRENCY MARKETS

- As a result of worries over the European debt crisis and fears that the eurozone economy could fall back into a recession, the EUR/USD fell in the third quarter of 2011. The euro weakened from 1.45 at the start to 1.35 at the end of the quarter.



CONSUMER CONFIDENCE

- Eurozone confidence declined sharply in the third quarter of 2011. The European debt crisis, deteriorating employment perspectives, fiscal consolidation and dwindling stock markets have all started to impact the consumer.



Source: ING Economics Department

CHAIRMAN'S STATEMENT



"The third quarter saw a marked deterioration on debt and equity markets amid a slowdown in the macroeconomic environment and a deepening of the sovereign debt crisis in Europe. In this challenging environment ING's earnings remained resilient, and our strong funding position enabled us to continue to increase lending to support our customers in these uncertain times."

"We continued to take a prudent approach to risk, increasing hedging to preserve capital and selectively reducing exposures to southern Europe. Results were impacted by EUR 467 million in pre-tax impairments on Greek government bonds as all bonds were impaired to market value."

"As income is coming under pressure, we must renew efforts to reduce expenses across the Group to adapt to the leaner environment and maintain our competitive position. In Retail Banking Netherlands we are taking decisive steps to reduce costs by decreasing overhead and improving efficiency through operational excellence. It is inevitable that these measures will lead to redundancies of approximately 2,000 internal FTEs and 700 external FTEs, but we will do our utmost to implement the measures with care."

"Despite the volatile market environment, we continue to work towards the separation of our insurance companies so we will be ready to move ahead with the IPOs when markets recover. Regulatory approvals are underway to create a separate holding company for our European and Asian insurance and investment management activities, and today we announced the creation of a management board for these operations. As we continue to advance on these priorities and our Ambition 2013 performance plans, we will remain focused on providing our customers with the exemplary service and products they need to manage their financial futures during these uncertain times."

A handwritten signature in blue ink, which appears to read 'J. Hommen'.

Jan Hommen
CEO of ING Group

KEY FIGURES

Group	3Q2011	3Q2010 ¹⁾	Change	2Q2011	Change	9M2011	9M2010 ¹⁾	Change
Profit and loss data (in EUR million)								
Underlying result before tax	1,624	1,220	33.1%	1,977	-17.9%	5,725	4,185	36.8%
Underlying net result	1,285	835	53.9%	1,528	-15.9%	4,276	2,984	43.3%
Divestments, discontinued operations and special items	407	-597		-22		303	-305	
Net result	1,692	239	607.9%	1,507	12.3%	4,580	2,680	70.9%
Balance sheet data (end of period, in EUR billion)								
Total assets				1,241	3.4%	1,282	1,261	1.7%
Shareholders' equity				40	10.5%	45	42	5.7%
Capital ratios (end of period)								
ING Group debt/equity ratio				13.9%		13.4%	11.7%	
Bank core Tier 1 ratio				9.4%		9.6%	9.0%	
Insurance IGD Solvency I ratio				252%		242%	261%	
Share information								
Net result per share (in EUR) ²⁾	0.45	0.06	650.0%	0.40	12.5%	1.21	0.71	70.4%
Shareholders' equity per share (end of period, in EUR)				10.65	10.5%	11.76	11.14	5.6%
Shares outstanding in the market (average over the period, in million)				3,783	0.0%	3,784	3,781	0.1%
Other data (end of period)								
Underlying return on equity based on IFRS equity	12.1%	8.0%		15.2%		13.9%	10.2%	
Employees (FTEs, end of period, adjusted for divestments)				99,345	-1.2%	98,169	100,300	-2.1%

Banking operations	3Q2011	3Q2010	Change	2Q2011	Change	9M2011	9M2010	Change
Profit and loss data (in EUR million)								
Interest result	3,297	3,415	-3.5%	3,348	-1.5%	10,041	9,936	1.1%
Total underlying income	3,880	4,319	-10.2%	4,101	-5.4%	12,489	12,873	-3.0%
Operating expenses	2,379	2,451	-2.9%	2,427	-2.0%	7,287	7,155	1.8%
Addition to loan loss provision	438	374	17.1%	370	18.4%	1,141	1,336	-14.6%
Underlying result before tax	1,063	1,494	-28.8%	1,304	-18.5%	4,061	4,383	-7.3%
Key figures								
Interest margin	1.37%	1.41%		1.42%		1.41%	1.40%	
Underlying cost/income ratio	61.3%	56.8%		59.2%		58.3%	55.6%	
Underlying risk costs in bp of average RWA	55	44		47		48	53	
Risk-weighted assets (end of period, in EUR billion, adjusted for divestm.)				315	1.6%	320	331	-3.3%
Underlying return on equity based on IFRS equity	8.6%	13.0%		11.7%		11.4%	13.0%	
Underlying return on equity based on 7.5% core Tier 1 ³⁾	12.4%	17.6%		16.9%		16.5%	17.1%	

Insurance operations ⁴⁾	3Q2011	3Q2010 ¹⁾	Change	2Q2011	Change	9M2011	9M2010 ¹⁾	Change
Margin analysis (in EUR million)								
Investment margin	452	367	23.2%	476	-5.0%	1,301	1,026	26.8%
Fees and premium-based revenues	1,149	1,094	5.0%	1,147	0.2%	3,506	3,302	6.2%
Technical margin	136	209	-34.9%	260	-47.7%	591	556	6.3%
Income non-modelled life business	19	37	-48.6%	24	-20.8%	69	99	-30.3%
Life & ING IM operating income	1,756	1,708	2.8%	1,907	-7.9%	5,467	4,982	9.7%
Administrative expenses	715	749	-4.5%	724	-1.2%	2,159	2,198	-1.8%
DAC amortisation and trail commissions	475	437	8.7%	458	3.7%	1,415	1,264	11.9%
Life & ING IM operating expenses	1,191	1,185	0.5%	1,182	0.8%	3,574	3,461	3.3%
Life & ING IM operating result	565	522	8.2%	725	-22.1%	1,893	1,520	24.5%
Non-life operating result	39	34	14.7%	68	-42.6%	149	118	26.3%
Corporate line operating result	-77	-142		-103		-314	-477	
Operating result	527	415	27.0%	690	-23.6%	1,728	1,162	48.7%
Non-operating items	34	-689		-17		-65	-1,360	
Underlying result before tax	561	-274		673	-16.6%	1,663	-198	
Key figures								
Administrative expenses / operating income (Life & ING IM)	40.7%	43.9%		38.0%		39.5%	44.1%	
Life general account assets (end of period, in EUR billion)				156	9.6%	171	165	3.6%
Investment margin / life general account assets ⁵⁾ (in bps)	104	84		99				
ING IM Assets under Management (end of period, in EUR billion)				326	1.2%	330	329	0.3%
Underlying return on equity based on IFRS equity ⁶⁾	10.9%	-4.6%		11.3%		9.3%	-0.9%	

1) The figures of this period have been restated to reflect the change in accounting policy, i.e. the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011.

2) Result per share differs from IFRS earnings per share in respect of attributions to the Core Tier 1 securities.

3) Underlying, after-tax return divided by average equity based on 7.5% core Tier 1 ratio (annualised).

4) Insurance operating and underlying figures exclude the Insurance Latin America pension, life insurance and investment management operations, following the announced sale of these businesses on 25 July 2011. The result of Insurance Latin America has been transferred to "net result from discontinued operations". Previous periods have been restated.

5) Four-quarter rolling average.

6) Annualised underlying net result divided by average IFRS-EU equity. (The 2010 quarterly results are adjusted for the after-tax allocated cost of Group core debt injected as equity into Insurance by the Group.)

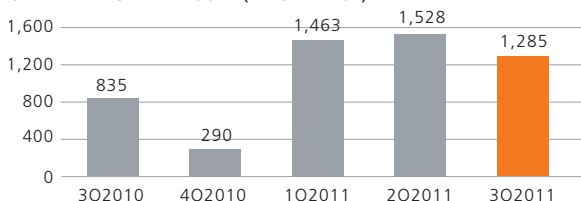
Note: Underlying figures are non-GAAP measures and are derived from figures according to IFRS-EU by excluding impact from divestments and special items.

CONSOLIDATED RESULTS

ING Group posted an underlying net profit of EUR 1,285 million in the third quarter, up 53.9% from the third quarter of 2010, due to a significant improvement at Insurance, which reported a loss one year ago. On a sequential basis underlying net results were 15.9% lower, reflecting the impact of volatile financial markets, a weakening macroeconomic environment and further impairments on Greek sovereign debt.

Third-quarter results include EUR 467 million of pre-tax impairments on Greek sovereign debt. This reflects further market declines of securities impaired in the second quarter of 2011 as well as new impairments of bonds maturing in 2020 and beyond following the outcome of the EC meeting on 26 October 2011. As a result, all Greek government bonds are now impaired to the 30 September 2011 market value, which represents a write-down of approximately 60%.

UNDERLYING NET RESULT (in EUR million)



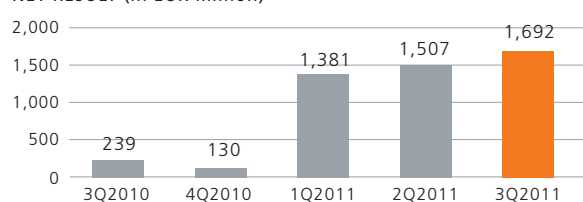
ING Bank reported an underlying result before tax of EUR 1,063 million, down 28.8% from the third quarter of last year and 18.5% lower than the second quarter of 2011. The decline in results compared with both periods was mainly caused by EUR 267 million of impairments on Greek government bonds and a sharp decline in the Financial Markets results of Commercial Banking, reflecting sustained weakness in fixed income and equity markets. The interest margin narrowed to 1.37%, down four basis points from one year ago and five basis points lower than the previous quarter, partly due to Financial Markets. Risk costs rose compared with both periods, primarily due to further provisioning for some large, existing non-performing files. Operating expenses declined both year-on-year, and sequentially.

The net production of client balances at ING Bank was positive for the ninth straight quarter. Total funds entrusted at ING Bank increased by EUR 6.5 billion in the third quarter despite increased competition for savings. Funds entrusted at Retail Banking grew by EUR 1.0 billion, driven by net inflows at ING Direct and Retail Central Europe. Commercial Banking reported a net increase in funds entrusted of EUR 5.5 billion, consisting mainly of short-term deposits from asset managers and corporate treasuries. The net production of residential mortgages was EUR 5.4 billion, of which EUR 3.7 billion was at ING Direct and EUR 1.6 billion in the Benelux. Nevertheless, the overall demand for credit remained subdued given the challenging market environment. Some shorter-tenor lending was reduced as short-term funding became more expensive. Consequently, total other lending across the Bank showed a net decrease of EUR 0.4 billion as a decline at Commercial Banking was not fully offset by net growth in Retail Banking.

The operating result of ING Insurance improved significantly to EUR 527 million versus EUR 415 million in the third quarter of 2010. This was driven by an increase in the investment margin and higher fees and premium-based revenues. The operating result declined 23.6% from the strong second quarter of 2011, which included seasonal and nonrecurring items. The third-quarter underlying result before tax of EUR 561 million was supported by non-operating items consisting primarily of positive hedging results in the Benelux, which more than compensated for impairments, including EUR 200 million of impairments on Greek government bonds.

Insurance sales (APE) increased both year-on-year and from the second quarter. APE rose 7.1% (5.2% excluding currency effects) on a sequential basis, primarily due to strong sales in Asia/Pacific, as well as strong Full Service Retirement Plan and Employee Benefit sales in the US.

NET RESULT (in EUR million)

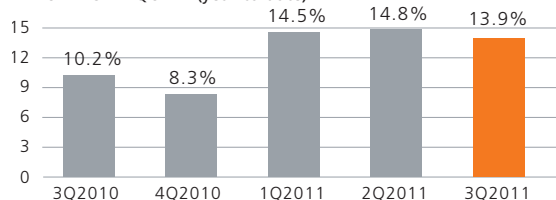


ING Group's quarterly net profit was EUR 1,692 million compared with EUR 239 million in the third quarter of last year and EUR 1,507 million in the second quarter of 2011. The third-quarter underlying effective tax rate was 20.4%.

Net results included EUR 516 million of net gains on divestments, mainly attributable to Clarion Real Estate Securities and ING Car Lease, as well as EUR 13 million of profits from the Latin American insurance operations, which are reported under discontinued operations. Special items after tax were EUR -122 million and primarily related to various restructuring programmes and separation and IPO preparation costs. Separation and IPO preparation costs were EUR 55 million in the quarter and EUR 116 million year-to-date (after tax). It is anticipated that these costs will remain within the previously announced amount of EUR 250 million after tax.

The net profit per share was EUR 0.45 versus EUR 0.06 in the third quarter of 2010 and EUR 0.40 in the second quarter of this year. The average number of shares used to calculate earnings per share over the third quarter was 3,784 million. The Group's underlying net return on IFRS-EU equity was 13.9% for the first nine months of 2011.

RETURN ON EQUITY (year-to-date)



CONSOLIDATED BALANCE SHEET

ING Group: Consolidated balance sheet						
in EUR million	30 Sep. 11	30 June 11	31 Dec. 10 ¹⁾ pro forma		30 Sep. 11	30 June 11 31 Dec. 10 ¹⁾ pro forma
Assets				Equity		
Cash and balances with central banks	25,077	12,091	12,661	Shareholders' equity	44,528	40,288 40,904
Amounts due from banks	55,098	56,580	51,478	Minority interests	748	832 729
Financial assets at fair value through P&L	270,177	255,190	263,174	Non-voting equity securities	3,000	3,000 5,000
Investments	214,894	207,807	212,353	Total equity	48,276	44,120 46,633
Loans and advances to customers	597,083	589,108	583,135	Liabilities		
Reinsurance contracts	5,807	5,447	5,787	Subordinated loans	10,844	10,180 10,645
Investments in associates	3,329	3,235	3,825	Debt securities in issue	139,790	151,593 135,604
Real estate investments	1,742	1,743	1,906	Other borrowed funds	21,608	19,526 22,117
Property and equipment	2,874	2,920	2,962	Insurance and investment contracts	267,063	259,599 270,393
Intangible assets	3,728	3,975	4,370	Amounts due to banks	86,803	81,889 72,052
Deferred acquisition costs	10,138	10,021	10,489	Customer deposits and other funds on deposit	458,620	458,262 453,323
Assets held for sale	61,955	61,188	61,204	Financial liabilities at fair value through P&L	152,362	123,174 138,538
Other assets	30,394	31,426	33,660	Liabilities held for sale	62,767	58,991 61,196
				Other liabilities	34,165	33,396 36,504
Total assets	1,282,296	1,240,731	1,247,005	Total liabilities	1,234,020	1,196,610 1,200,372
				Total equity and liabilities	1,282,296	1,240,731 1,247,005

1 Adjusted for transfer of ING Direct USA, ING Car Lease and ING Latin America to assets/liabilities held for sale, and the restating to reflect the change in accounting policy i.e. the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011

ING Group's balance sheet increased by EUR 42 billion to EUR 1,282 billion as of 30 September, including EUR 20 billion of positive currency impacts. The balance sheet growth was mainly driven by EUR 13 billion of higher cash and balances with central banks and by the higher market valuation of derivatives as a result of lower interest rates. Shareholders' equity increased to EUR 44.5 billion (or EUR 11.76 per share), mainly due to the quarterly net profit of EUR 1.7 billion and higher revaluation reserves as a result of lower interest rates.

Cash and balances with central banks

Cash and balances with central banks increased to EUR 25 billion from EUR 12 billion at the end of June. This was mainly due to additional short-term funds received from banks and corporates placed overnight with central banks.

Loans

Loans and advances to customers increased by EUR 8 billion, including EUR 2 billion of positive currency impacts, to EUR 597 billion. At comparable exchange rates, customer lending rose by EUR 8 billion, driven by mortgage growth at ING Direct and Retail Benelux which included a EUR 3 billion positive fair value hedge adjustment. Securities at amortised cost and the Illiquid Assets Back-up Facility (IABF) declined by EUR 2 billion, mainly due to repayments, run-off and selective de-risking.

Financial assets/liabilities at fair value

Financial assets at fair value through P&L increased by EUR 6 billion from the end of June 2011 to EUR 270 billion, excluding EUR 9 billion of currency impacts.

At ING Bank, financial assets at fair value through P&L increased by EUR 12 billion excluding currency effects. Derivatives rose by EUR 27 billion due to higher market valuations following the decrease in long-term interest rates. This was partly compensated by EUR 9 billion of lower trading securities as a result of de-risking, and by EUR 6 billion of lower reverse repos. The development of financial liabilities at fair value through P&L was driven by derivatives, mirroring the asset side.

At Insurance, financial assets at fair value through P&L decreased by EUR 7 billion, excluding currency effects. Non-trading derivatives increased by EUR 4 billion related to embedded marked-to-market movements in equity, foreign exchange and interest rate derivatives, which are used for hedging purposes. Investments for risk of policyholders decreased by EUR 11 billion, due to negative revaluations of EUR 9 billion in the investment portfolio and a net outflow of EUR 2 billion. All of these effects are mirrored in the provision for risk of policyholders, which is included under the Insurance and investment contracts.

Assets/Liabilities held for sale

Assets/liabilities held for sale relates to ING Direct USA and Insurance Latin America. Excluding the EUR 4 billion positive currency impact, assets held for sale decreased by EUR 3 billion, which was fully due to the divestment of ING Car Lease.

Debt securities in issue

Debt securities in issue decreased by EUR 12 billion to EUR 140 billion, following EUR 16 billion decrease in short-term debt. Despite the decrease, ING Bank was able to attract short-term funding at attractive rates. Long-term debt increased further during the third quarter as ING Bank issued EUR 4 billion debt securities, of which EUR 3 billion was covered bonds.

ING Group: Change in shareholders' equity

in EUR million	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
	3Q2011	2Q2011	3Q2011	2Q2011	3Q2011	2Q2011	3Q2011	2Q2011
Shareholders' equity beginning of period	40,288	40,067	32,486	34,869	19,461	18,955	-11,659	-13,756
Net result for the period	1,692	1,507	1,213	859	494	532	-15	116
Unrealised revaluations of equity securities	-776	-517	-168	-319	-608	-198		
Unrealised revaluations of debt securities	2,918	606	219	74	2,699	532		
Deferred interest crediting to life policyholders	-1,863	-308			-1,863	-308		
Realised gains/losses equity securities transferred to P&L	-87	-59	16	3	-103	-62		
Realised gains/losses debt securities transferred to P&L	491	235	175	116	316	119		
Change in cashflow hedge reserve	1,115	96	-313	45	1,457	56	-29	-5
Other revaluations	23	5	106	-3	-81	-4	-2	12
Exchange rate differences	657	-326	-7	-180	652	-143	12	-3
Dividend upstream ING Group companies				-3,000				3,000
Repurchase premium non-voting equity securities		-1,000						-1,000
Employee stock options and share plans	44	9	53	13	16	15	-25	-19
Other	26	-27	-20	10	26	-33	20	-4
Total changes	4,240	221	1,274	-2,382	3,005	506	-39	2,097
Shareholders' equity end of period	44,528	40,288	33,760	32,486	22,466	19,461	-11,698	-11,659

ING Group: Shareholders' equity

in EUR million	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
	30 Sep. 11	30 June 11	30 Sep. 11	30 June 11	30 Sep. 11	30 June 11	30 Sep. 11	30 June 11
Share premium/capital	16,953	16,953	17,067	17,067	12,048	12,048	-12,162	-12,162
Revaluation reserve equity securities	2,154	3,017	1,238	1,390	855	1,566	61	61
Revaluation reserve debt securities	4,415	1,006	277	-117	4,163	1,148	-25	-25
Revaluation reserve crediting to life policyholders	-3,260	-1,397			-3,260	-1,397		
Revaluation reserve cashflow hedge	1,754	639	-823	-510	2,662	1,205	-85	-56
Other revaluation reserves	631	644	341	350	295	299	-5	-5
Currency translation reserve	-895	-1,598	-130	-238	-516	-1,101	-249	-259
Treasury shares	-655	-677					-655	-677
Retained earnings and other reserves	23,431	21,702	15,790	14,544	6,219	5,693	1,422	1,465
Total	44,528	40,288	33,760	32,486	22,466	19,461	-11,698	-11,659

Insurance and investment contracts

Insurance and investment contracts increased to EUR 267 billion, due to EUR 12 billion of positive currency effects. At comparable exchange rates, the insurance and investment contracts decreased by EUR 4 billion, reflecting EUR 7 billion of net increase of life insurance provisions, offset by a EUR 11 billion decrease in the provision for risk of policyholders, which mirrors the movement in the investments for risk of policyholders.

Customer deposits

At comparable exchange rates, customer deposits grew by EUR 1 billion to EUR 459 billion. Individual savings accounts increased by EUR 2 billion, while credit balances on customer accounts decreased by EUR 3 billion. Corporate deposits increased by EUR 2 billion, and consisted mainly of short-term deposits from asset managers.

Shareholders' equity

Shareholders' equity increased by EUR 4.2 billion to EUR 44.5 billion, mainly due to the quarterly net profit of EUR 1.7 billion and higher revaluation reserves as a result of lower interest rates. Shareholders' equity at 31 December 2010 has been restated to reflect the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011. As a result, the restated shareholders' equity figure is EUR 651 million lower than the original figure for

the fourth quarter of 2010. Further details on the restatement are available in the restated fourth quarter 2010 Historical Trend Document, which is available on www.ing.com.

Revaluation reserves

The revaluation reserve of equity securities declined by EUR 0.9 billion to EUR 2.2 billion compared with June 2011. The revaluation reserve debt securities increased sharply from EUR 1.0 billion at June 2011 to EUR 4.4 billion at the end of September 2011 due to lower interest rates, which was partly offset by the related increase in technical provisions for insurance and investment contracts.

Number of shares

The total number of shares outstanding in the market was 3,785 million at the end of September 2011, almost the same as it was at the end of June 2011. Shareholders' equity per share increased from EUR 10.65 at the end of June 2011 to EUR 11.76 at 30 September 2011. The total number of shares equals the 3,785 million outstanding in the market plus treasury shares, which decreased from 47.2 million at the end of the second quarter to 46.8 million at the end of September 2011.

CAPITAL MANAGEMENT

Capital base: ING Group

In EUR million unless stated otherwise	30 Sep. 11	30 Jun. 11
(a) Shareholders' equity	44,528	40,288
(b) Core Tier 1 securities	3,000	3,000
(c) Group hybrid capital	11,981	11,431
(d) Group leverage (core debt)	8,453	8,428
Total capitalisation (Bank + Insurance)	67,962	63,147
(f) Required regulatory adjustments	-5,021	-2,507
Group leverage (core debt)	-8,453	-8,427
(e) Adjusted equity (= a + b + c + f)	54,488	52,213
Debt/equity ratio (d/(d+e))	13.4%	13.9%
(g) Total required capital (j+m)	39,419	38,707
FiCo ratio (= (h+k-d)/g)	151%	152%

Capital ratios: ING Bank

In EUR million unless stated otherwise	30 Sep. 11	30 Jun. 11
Shareholders' equity	33,760	32,486
Core Tier 1	30,689	29,637
Hybrid Tier 1	8,398	8,023
Required regulatory adjustments	-3,070	-2,849
Total Tier 1 capital	39,087	37,660
Other capital	8,282	8,396
(h) BIS Capital	47,367	46,056
Risk-weighted assets	319,956	314,774
(j) Required capital Basel II *	25,596	25,182
(j) Required capital based on Basel I floor *	30,884	30,300
Basel II core Tier 1 ratio	9.59%	9.42%
Basel II Tier 1 ratio	12.22%	11.96%
Basel II BIS ratio**	14.80%	14.63%

*) required capital is the highest of the two

**) pre-floor

Capital ratios: ING Insurance

In EUR million unless stated otherwise	30 Sep. 11	30 Jun. 11
Shareholders' equity	22,466	19,461
Hybrids issued by ING Group	2,081	1,958
Hybrids issued by ING Insurance	2,250	2,250
Required regulatory adjustments	-6,175	-2,484
(k) Total capital base	20,622	21,180
(m) EU required capital	8,535	8,408
IGD Solvency I ratio (k/m)	242%	252%

Main credit ratings of ING at 2 November 2011

	Standard & Poor's		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
ING Groep N.V.	A	Stable	A1	Stable	A	Stable
ING Bank N.V.	A+	Stable	Aa3	Stable	A+	Stable
ING Verzekeringen N.V.	A-	Negative	Baa1	Negative	A-	Negative

There were no significant rating developments in the quarter.

ING's capital ratios continued to be strong during the quarter. ING Bank's core Tier 1 ratio remained robust at 9.6%, while the Group debt/equity ratio declined to 13.4%. The Insurance Group Directive ratio decreased to 242%.

ING Bank's core Tier 1 ratio increased from 9.4% to 9.6%.

Core Tier 1 capital rose by EUR 1 billion, largely driven by retained earnings, including the proceeds from the closing of the sale of ING Car Lease and part of ING Real Estate Investment Management.

Risk-weighted assets increased by EUR 5.2 billion during the quarter, mainly due to currency impact. The EUR 2 billion release following the closing of the Car Lease divestment was offset by risk migration. ING Bank has a currency hedging programme in place to offset RWA movements due to foreign exchange differences in the currency translation reserve.

The Insurance Groups Directive (IGD) ratio decreased to 242% at the end of September 2011 from 252% at the end of June 2011. The IGD ratio decreased 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. Required capital increased slightly to EUR 8.5 billion.

The Group debt/equity ratio decreased to 13.4% at the end of the third quarter from 13.9% at the end of the second quarter. Adjusted equity of ING Group increased by EUR 2.3 billion, reflecting the currency effect (EUR 0.7 billion) and retained earnings (EUR 1.7 billion). Group core debt remained stable at EUR 8.5 billion. The Financial Conglomerate Directive (FiCo) ratio for the Group decreased from 152% to 151%, as required capital grew slightly more than available capital.

During the quarter, ING Bank issued a total of EUR 3.5 billion in debt including EUR 0.5 billion of senior unsecured debt, EUR 2.7 billion of covered bonds and EUR 0.3 billion of RMBS. The total long-term funding issued year-to-date as of the end of the third quarter of 2011 is EUR 20 billion, compared with EUR 10.7 billion of ING Bank's (including subsidiaries) long-term debt maturing in 2011.

OTHER DEVELOPMENTS

Strategic Measures

The weakening economic environment, more stringent regulatory requirements and changing customer expectations are putting pressure on volumes and margins. In order to remain competitive, Retail Banking Netherlands is taking decisive steps to further reduce costs by decreasing expenses while maintaining customer focus and further improving operational excellence.

Over the past years, Retail Netherlands has streamlined its organisation significantly by combining Postbank and ING Bank. In many areas, product offerings have been simplified and most of the business has been transferred to a single IT platform. At the same time, investments have been made to enhance the customer experience by remodelling branches, improving call center data systems, optimising the sales force and investing in internet services. Today's announcement marks the next step in this transformation. Further improvements will be implemented in the coming years to improve customer service by reducing complexity and streamlining workflows. To deliver faster and more accurate service for our customers, and broaden the ability for customers to manage their finances through their preferred channel, ING will make additional IT investments of approximately EUR 200 million in the coming two years. These investments will help further reduce costs and improve service.

The strategic programme will result in a workforce reduction of around 2,000 full-time equivalents (FTEs) in 2012 and 2013, mostly in the mid- and back-offices and corporate staff. Of the total redundancies, 300 FTEs are expected to come from natural attrition. Additionally, external positions will be reduced by around 700 FTEs. These measures as well as additional savings mainly from reduced general expenses are expected to lead to structural cost savings reaching a run-rate of approximately EUR 300 million from 2014 onwards. A charge of EUR 235 million will be booked as a special item in the fourth quarter of 2011, including a EUR 215 million redundancy provision.

Further details of the programme will become available in the coming months. The workforce measures will be made in accordance with local regulations and will be discussed with the respective stakeholders. Where redundancies are unavoidable, ING is committed to treating affected employees with its customary care and respect.

Update on legal entity restructuring and governance

As ING continues to prepare for two IPOs of its Insurance businesses, important steps have been made to realign the legal structure and governance of the insurance operations. Regulatory approvals are nearing completion to create a new holding company for the European and Asian insurance and investment management activities, called ING Insurance EurAsia, under ING Verzekeringen NV. The US insurance and investment management operations will continue to be part of a separate, already existing legal entity (ING America Insurance Holdings). This change in legal structure is an important step towards the IPO preparation, while representing 'no regrets' steps that in no way limit strategic

flexibility on execution. It will allow ING to optimise the capital structure of the separate entities and complete the disentanglement process in order to be able to move quickly towards the IPOs when market conditions become favourable. At the same time, flexibility is maintained with respect to the timing and order of the planned IPOs.

The EurAsia entity will set up new funding programs and commence debt issuance in due course. AIH will also optimise its funding structure independent from the Group and will repay remaining intercompany debt. After the IPOs, ING Verzekeringen NV will become a legacy entity and will be wound down over time in an orderly manner, also using the cash proceeds from the sale of the Latin American insurance business. ING Verzekeringen intends to approach investors and counterparties closer to the first IPO to address the consequences arising from the restructuring, including change of control provisions in some instruments which would likely be triggered by the IPOs.

As a result of the change in legal structure, the governance within ING Insurance will be adapted. Management Board Insurance (MBI) members Lard Friese, with responsibility for Insurance (Europe and Asia), Gilbert Van Hassel, with responsibility for Investment Management (Europe and Asia), and Matt Rider, Chief Administrative Officer, will step down from the MBI. They will form the Management Board Insurance EurAsia together with Jan Hommen (CEO), Patrick Flynn (CFO) and Wilfred Nagel (CRO). These changes are effective 3 November 2011. In the US, the Management Board of ING America Insurance Holdings is composed of Jan Hommen (Chairman), Patrick Flynn (CFO), Wilfred Nagel (CRO), Rodney O. Martin Jr. (CEO), Alain Karaoglan (Executive VP Finance & Strategy), Rob Leary (President and COO) and Ewout Steenberg (CFO Insurance US).

Update on regulatory measures and law enforcement agencies investigations

As previously disclosed, ING Bank is in discussions with authorities in the US concerning transactions subject to sanctions by the US, including ING Bank's compliance with Office of Foreign Asset Control (OFAC) requirements. ING Bank is cooperating fully with the investigations and expects to engage in discussions to resolve these matters with the US authorities; however, it is not yet possible to reliably estimate the timing or amount of any potential settlement, which could be significant.

BUSINESS & SUSTAINABILITY HIGHLIGHTS

ING strives to build its banking and its insurance businesses on sound business ethics and good corporate citizenship in order to ensure customer loyalty, employee engagement, and hence satisfactory returns for our shareholders. As a reflection of this commitment, we have embedded social, ethical and environmental criteria into our financing and investment policies and business ambitions. We aim to ensure that our strategic decision-making is always based on financial as well as nonfinancial performance objectives.

We strive to meet our customers' expectations by providing the right products and services to the right customers for the right returns. ING also constantly monitors market and regulatory developments, engages with customer representative groups, and tests its products to ensure their suitability for customer needs.

ING will report on developments concerning these priorities on a quarterly basis.

Meeting customer needs

In the Netherlands, Nationale-Nederlanden's (NN) legal expenses insurance product and its home insurance product won best-in-class awards from the 'Consumentenbond', the country's primary consumer advocate organisation. In addition, NN launched three 'bank annuity' products to meet the demand for low-cost, no-frills and tax-deferred ways to save for retirement.

In the US, ING Insurance was recognised as best-in-class among defined contribution investment managers, according to an independent survey of 1,600 US defined contribution plan sponsors in 2011. The survey focused on criteria such as organisational stability, performance, product innovation, investment team experience and understanding of the market.

In the Netherlands, ING Business Banking introduced an easy and innovative 'test' to help clients realise their ambitions and address their financial needs. In this service, ING uses its sector knowledge to provide clients with in-depth views on their respective industry and business.

ING Bank Slaski and ING Bank Turkey have implemented changes in how they handle customer complaints. The changes have reduced the amount of time needed to resolve complaints and enable ING to better analyse customer feedback, which in turn is used to further improve ING's processes, products and service. The Net Promoter Score (NPS) for the complaints handling process at ING Bank Slaski improved significantly over the last nine months. NPS, a methodology to measure customer loyalty, is being implemented throughout ING.

Contributing to positive change

A key element in ING's understanding of good corporate citizenship is our ambition to contribute to positive change for society and the environment, in particular by strengthening the business case for sustainability. We do this by sharing our knowledge with customers so they can make more informed decisions about sustainable investing, as well as by actively stepping up our own financing efforts in this field.

An example of how we share our knowledge is a report published in September 2011 by ING's Economics Department called 'Renewable energy in the Netherlands until 2020'. It concluded that the volume of sustainable energy investments needs to rise to at least EUR 10 billion per year from the current EUR 2 billion in order for the Dutch government to achieve its sustainable energy targets for 2020. In addition, ING called upon the government, business community and financial and knowledge institutions to join forces and formulate a 'Green Delta Plan.' In July, ING also stepped up its own efforts to promote and finance sustainable energy by co-financing the offshore wind farm project 'Global Tech 1' in Germany, the largest-ever project-financed deal in the German offshore wind sector.

External sustainability rankings

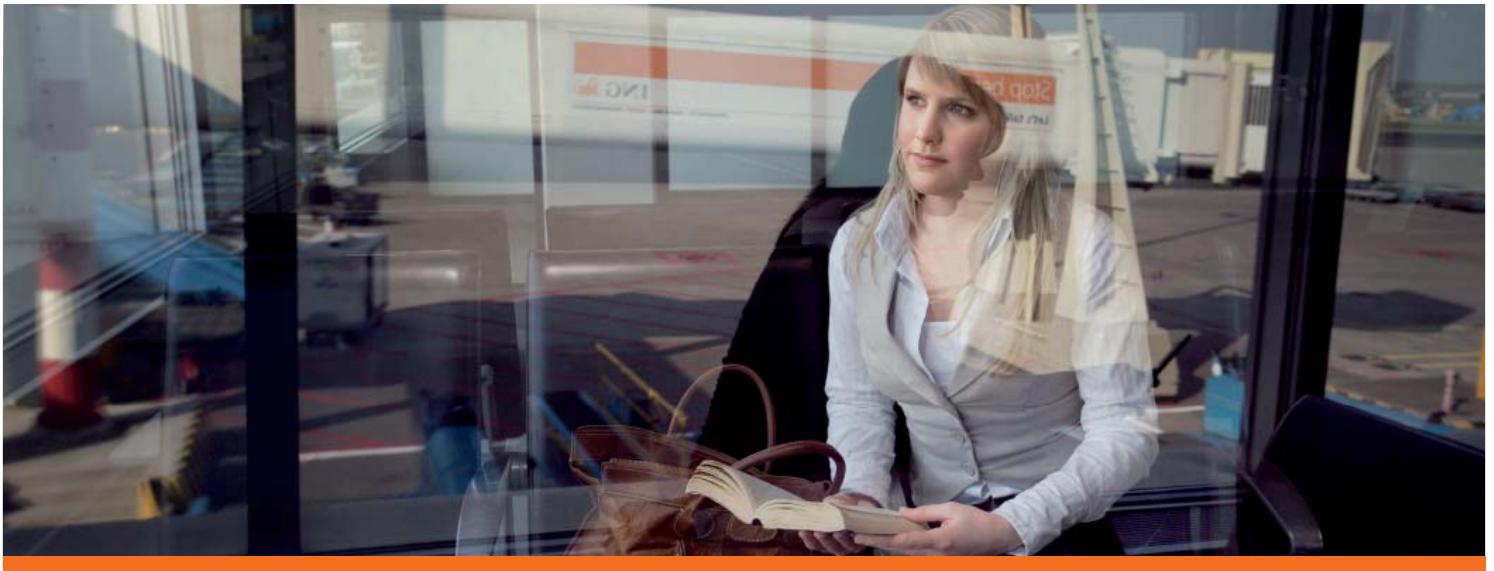
Each year various independent research organisations investigate companies on their social, environmental and ethical performance. This research is used for benchmarking and to construct sustainable indices, many of which include ING.

In the third quarter, ING was again selected for the Dow Jones Sustainability World Index (DJSI World). ING has been part of the DJSI World since the index's establishment in 1999. ING was rated 72 out of 100, while the industry average score in the insurance sector increased to 48. ING was removed from the DJSI Europe Index, despite maintaining a constant numerical score versus last year.

For the 11th consecutive year, ING was included in the FTSE4Good Index, which emphasises overall corporate responsibility from a risk perspective. Of the 2,400 companies assessed, 900 were identified as top sustainability performers and ING was again included in this group.

For the second year running, Sustainalytics ranked ING number one amongst 91 global peers that offer diversified financial services. ING was assessed on its overall sustainability agenda, which spans from commitments to global initiatives to specific policy statements that restrict investing and financing in certain companies.

Banking



CONSOLIDATED RESULTS

Banking: Consolidated profit and loss account								
In EUR million	3Q2011	3Q2010	Change	2Q2011	Change	9M2011	9M2010	Change
Interest result	3,297	3,415	-3.5%	3,348	-1.5%	10,041	9,936	1.1%
Commission income	611	646	-5.4%	682	-10.4%	1,988	1,960	1.4%
Investment income	-247	30	-923.3%	-172		-349	150	-332.7%
Other income	219	228	-3.9%	243	-9.9%	810	828	-2.2%
Total underlying income	3,880	4,319	-10.2%	4,101	-5.4%	12,489	12,873	-3.0%
Staff expenses	1,357	1,385	-2.0%	1,428	-5.0%	4,230	4,048	4.5%
Other expenses	948	954	-0.6%	950	-0.2%	2,857	2,718	5.1%
Intangibles amortisation and impairments	74	113	-34.5%	48	54.2%	200	389	-48.6%
Operating expenses	2,379	2,451	-2.9%	2,427	-2.0%	7,287	7,155	1.8%
Gross result	1,501	1,868	-19.6%	1,674	-10.3%	5,202	5,718	-9.0%
Addition to loan loss provision	438	374	17.1%	370	18.4%	1,141	1,336	-14.6%
Underlying result before tax	1,063	1,494	-28.8%	1,304	-18.5%	4,061	4,383	-7.3%
Taxation	327	385	-15.1%	305	7.2%	1,115	1,160	-3.9%
Minority interests	20	18	11.1%	11	81.8%	56	56	0.0%
Underlying net result	715	1,090	-34.4%	987	-27.6%	2,891	3,166	-8.7%
Net gains/losses on divestments	520	-26		25		556	379	
Net result from divested units	0	11		0		0	14	
Special items after tax	-42	-48		-52		-147	-186	
Net result from Banking	1,193	1,026	16.3%	960	24.3%	3,300	3,374	-2.2%
Client balances (in EUR billion)								
Residential Mortgages	328.3	306.7	7.0%	321.9	2.0%	328.3	306.7	7.0%
Other Lending	231.5	223.0	3.8%	233.2	-0.7%	231.5	223.0	3.8%
Funds Entrusted	507.9	491.6	3.3%	498.3	1.9%	507.9	491.6	3.3%
AUM/Mutual Funds	84.3	121.0	-30.3%	102.0	-17.4%	84.3	121.0	-30.3%
Profitability and efficiency¹⁾								
Interest margin	1.37%	1.41%		1.42%		1.41%	1.40%	
Cost/income ratio	61.3%	56.8%		59.2%		58.3%	55.6%	
Return on equity based on IFRS-EU equity	8.6%	13.0%		11.7%		11.4%	13.0%	
Return on equity based on 7.5% core Tier 1 ²⁾	12.4%	17.6%		16.9%		16.5%	17.1%	
Return on RWA	0.93%	1.32%		1.27%		1.24%	1.28%	
Staff (FTEs end of period)	71,229	71,866	-0.9%	72,175	-1.3%	71,229	71,866	-0.9%
Risk¹⁾								
Non-performing loans/total loans	2.0%	2.1%		2.1%		2.0%	2.1%	
Stock of provisions/provisioned loans	39.9%	37.4%		38.6%		39.9%	37.4%	
Risk costs in bp of average RWA	55	44		47		48	53	
Risk weighted assets (end of period)	319,956	330,998	-3.3%	314,774	1.6%	319,956	330,998	-3.3%
RAROC after tax	10.4%	14.8%		13.9%		13.6%	14.6%	
Economic Capital (average over period)	26,334	26,693	-1.3%	25,833	1.9%	26,245	27,606	-4.9%

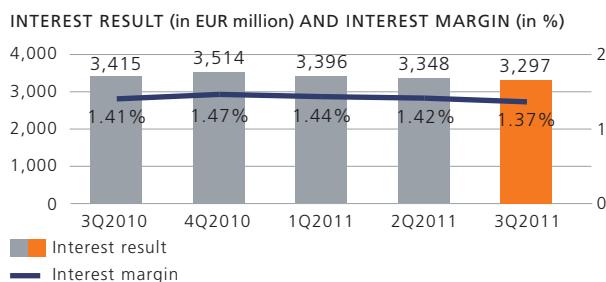
1) Key figures based on underlying figures except interest margin and loans figures

2) Underlying after-tax return divided by average equity based on 7.5% core Tier 1 ratio (annualised)

ING Bank posted an underlying profit before tax of EUR 1,063 million, which included EUR 267 million of impairments on Greek government bonds as all maturities were impaired to market value. Macroeconomic concerns resulted in sustained weakness in fixed income and equity markets and a significant widening of credit spreads, all of which led to lower Financial Markets results. The interest result declined marginally as higher volumes were offset by a narrowing of the interest margin. Expenses declined primarily on the partial sale of REIM and lower deposit insurance premiums. Risk costs increased to 55 basis points of average risk-weighted assets, due to some large specific files.

Total underlying income

Total underlying income declined 10.2% to EUR 3,880 million, including EUR 267 million of impairments on Greek government bonds. Excluding these impairments, underlying income dropped 4.0% on the third quarter of 2010, mainly due to lower interest results and a decline in management fees following the partial



completion of the announced sale of ING's Real Estate Investment Management (REIM) business. The remainder of this sale closed in October. The sharp decline in the Financial Markets other income was largely offset by positive fair value changes on part of the Bank's issued own debt. Compared with the second quarter of 2011, which included EUR 187 million of Greek impairments, underlying income dropped 5.4%. The decline was a result of higher Greek impairments and lower Financial Markets revenues given the very uncertain markets.

The interest result slipped 3.5% from the third quarter of 2010, mainly due to a decline in the interest margin by four basis points to 1.37%. This was mainly due to lower interest results in Financial Markets, lower margins on most products, and higher financing charges (total costs of ING Group core debt are allocated to the Corporate Line Bank as of 2011). Compared with the previous quarter, the interest result decreased 1.5% as higher client balances were offset by a narrowing of the total interest margin by five basis points. In the Benelux, margins for mortgages and current accounts improved slightly, but margins on savings and other lending products were under pressure. The total interest margin of ING Direct declined from the previous quarter. Margins on mortgages remained stable, while an increase in client savings rates in some countries in July set margins on savings lower. Margins in the Commercial Banking lending books held up well, although margins in Structured Finance declined slightly.

Total funds entrusted (excluding currency impacts) rose by EUR 6.5 billion despite the increased competition for savings. The net inflow of funds entrusted at Retail Banking was EUR 1.0 billion. This was driven by a net inflow of EUR 2.2 billion at ING Direct and EUR 0.6 billion at Retail Central Europe. Funds entrusted at Retail Netherlands and Retail Belgium declined by EUR 1.1 billion and EUR 0.6 billion respectively reflecting seasonally lower current accounts. Commercial Banking reported a net increase in funds entrusted of EUR 5.5 billion, mainly consisting of short-term deposits from asset managers and corporate treasuries. Net production in residential mortgages was EUR 5.4 billion, of which EUR 3.7 billion was at ING Direct and EUR 1.6 billion in the Benelux. Nevertheless, the overall demand for credit remained subdued in the challenging market environment. Some shorter-tenor lending was reduced as short-term funding became more expensive. Consequently, other lending showed a net decrease of EUR 0.4 billion as a decline at Commercial Banking (mainly Structured Finance and General Lending) was largely offset by net growth in Retail Banking.

Commission income declined 5.4% to EUR 611 million due to lower management fees at ING Real Estate following the sale of Clarion Partners in June 2011 and Clarion Real Estate Securities (CRES) on 1 July 2011. Compared with the previous quarter, commission income fell 10.4% attributable to ING Real Estate and lower fees in Commercial Banking.

Investment income dropped to EUR -247 million from EUR 30 million in the third quarter of 2010. This was primarily due to EUR 267 million of impairments on Greek government bonds, including EUR 90 million of write-downs on previously impaired securities

and EUR 177 million from a decision to impair the remaining bonds maturing in 2020 and beyond. Impairments on other bonds and equities rose by EUR 29 million to EUR 50 million, mainly reflecting higher impairments on equity securities. The result on the sale of bonds and equities was slightly lower at EUR 38 million versus EUR 42 million in the third quarter of 2010, while the negative fair value changes on ING Real Estate's direct investments were limited to EUR 1 million. Compared with the previous quarter, which included EUR 187 million of Greek impairments, investment income was EUR 75 million more negative.

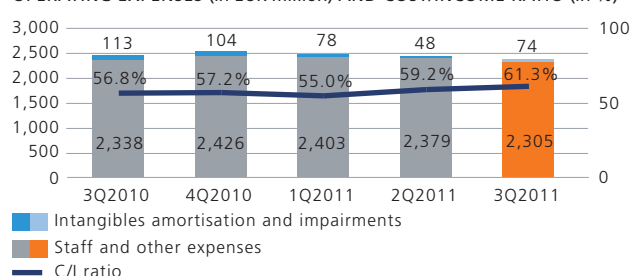
Other income declined 3.9% to EUR 219 million from EUR 228 million in the third quarter of 2010. The change is mainly attributable to lower other income from Financial Markets due to adverse market circumstances as well as realised losses from selective de-risking of mainly unsecured and ABS exposures at ING Direct. This was mostly offset by positive fair value changes on part of the Bank's issued own debt, reflected in Corporate Line Bank. Compared with the previous quarter, other income dropped by EUR 24 million, notably in the Financial Markets activities of Commercial Banking. This was largely offset by higher positive fair value changes on the Bank's own debt.

Operating expenses

Underlying operating expenses declined for the third consecutive quarter and were 2.9%, or EUR 72 million, lower than in the same quarter of last year. The decline compared with a year ago was mainly due to lower impairments on real estate development projects and the partial sale of REIM. Underlying results will be restated for the sale of REIM once the divestiture is completely closed. Higher expenses in Retail Benelux, mainly reflecting higher pension costs, regular salary increases and IT investments, were largely offset by declines at ING Direct and Retail International. The total impairments on real estate development projects and foreclosed properties in this quarter were EUR 61 million against EUR 100 million in the third quarter of last year.

Compared with the second quarter of 2011, underlying operating expenses decreased 2.0%. The decrease was mainly driven by lower deposit insurance premiums at ING Direct USA, a decline in marketing costs and lower performance-related personnel expenses. Higher impairments on real estate development projects were offset by the impact of the partial sale of REIM. Full-year growth in operating expenses is expected to be in the low single digits despite a year-end uptick in marketing campaigns and further IT investments in Retail Netherlands, Retail Belgium and Commercial Banking to support business growth.

OPERATING EXPENSES (in EUR million) AND COST/INCOME RATIO (in %)



In the third quarter of 2011, the number of internal staff in the banking operations decreased by 946 FTEs to 71,229 as a consequence of the sale of Car Lease and Clarion Real Estate Securities. Excluding these units, internal staff rose by 254 FTEs mainly in India, Belgium and ING Direct, partly offset by declines in Turkey and Poland, while the external staff numbers decreased by almost 200 FTEs. Compared with a year ago, the number of internal staff dropped by 637 FTEs, or 0.9%.

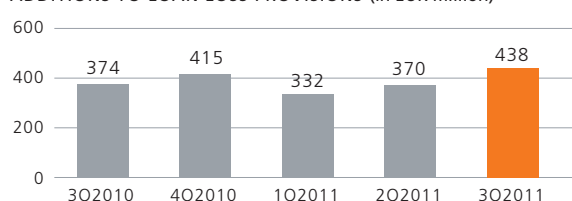
The underlying cost/income ratio was 61.3% (or 55.8% excluding market impacts) versus 56.8% in the third quarter of 2010 and 59.2% in the previous quarter.

Loan loss provisions

Risk costs increased by 18.4% to EUR 438 million on the previous quarter, mainly attributable to further provisioning on some specific files in the Structured Finance and General Lending portfolios in Commercial Banking and to the US mortgage portfolio at ING Direct. The quality of the loan book did not change significantly, as non-performing loans and on-watch exposures remained stable in the quarter. For the full year, ING expects risk costs as a percentage of risk-weighted assets and in absolute terms to remain below the level seen in 2010.

In the third quarter, ING Bank added EUR 438 million to the loan loss provisions compared with EUR 370 million in the second quarter of 2011 and EUR 374 million in the third quarter of 2010. Gross additions to the loan loss provisions were EUR 657 million compared with EUR 586 million in the previous quarter and EUR 535 million in the third quarter of last year. Releases were EUR 219 million, almost stable versus EUR 216 million in the previous quarter, but up from EUR 161 million in the third quarter of 2010.

ADDITIONS TO LOAN LOSS PROVISIONS (in EUR million)



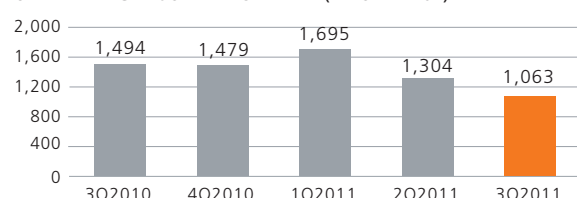
Compared with the second quarter of 2011, risk costs increased by EUR 68 million. This increase was mainly visible in the Structured Finance and General Lending portfolio of Commercial Banking and the US mortgage portfolio at ING Direct. Risk costs were lower in Retail Belgium and in Real Estate Finance, although the latter is still higher than the average quarterly addition in 2010. Total risk costs in the third quarter rose to 55 basis points of average risk-weighted assets, versus 47 basis points in the previous quarter and 44 basis points in the same quarter 2010.

Underlying result before tax

The underlying result before tax declined 28.8% to EUR 1,063 million compared with EUR 1,494 million in the third quarter of 2010. This decline was mainly due to the Greek impairments and the lower interest results, while the increase in risk costs was offset by a decline in expenses. Compared with the previous

quarter, the underlying result before tax decreased 18.5%, mainly due to a 5.4% drop in income, including higher impairments on Greece.

UNDERLYING RESULT BEFORE TAX (in EUR million)



Net result

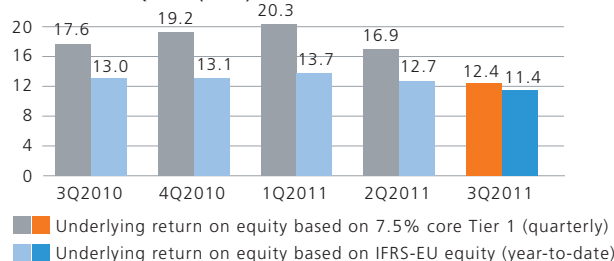
The underlying net result declined to EUR 715 million from EUR 1,090 million in the third quarter of 2010 and EUR 987 million in the previous quarter. The effective underlying tax rate was 30.8% against 25.8% in the third quarter of 2010 and 23.4% in the second quarter of 2011.

The total net result of the banking operations was EUR 1,193 million. It included net gains of EUR 520 million, mainly on the divestments of CRES (as part of the agreement to sell the majority of ING REIM) and ING Car Lease. The special items after tax were EUR -42 million and are primarily related to the merger of the Dutch retail activities, the transformation programme in Belgium and costs related to the separation of Banking and Insurance.

Key metrics

Underlying risk-weighted assets (RWA) rose 1.6% to EUR 320 billion from EUR 315 billion at the end of June 2011. The increase was fully caused by currency effects. The impact of this on ING's core Tier 1 ratio was largely mitigated by the hedge policy. The divestment of Car Lease which reduced RWA by EUR 2 billion was largely offset by negative risk migration. Compared with a year ago, underlying RWA were down 3.3%, or EUR 11 billion, of which EUR 1 billion was due to currency effects.

RETURN ON EQUITY (in %)



The year-to-date underlying return on IFRS-EU equity decreased to 11.4% from 13.0% in the first nine months of 2010; this was entirely attributable to the EUR 455 million of Greek impairments taken this year. The return on equity (calculated as the underlying after-tax return divided by average equity based on a 7.5% core Tier 1 ratio) dropped to 12.4% in the third quarter of 2011 from 17.6% a year ago. The year-to-date underlying ROE based on a 7.5% core Tier 1 ratio was 16.5%, exceeding the target of 13-15% for 2013.

RETAIL BANKING

Retail Banking: Key figures

In EUR million	Total Retail Banking		Retail Banking Benelux				Retail Direct & International					
	3Q2011	3Q2010	Netherlands		Belgium		ING Direct		Central Europe		Asia	
	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010
Profit & loss												
Interest result	2,488	2,523	915	964	400	403	967	974	171	139	35	43
Commission income	323	329	124	127	78	74	43	40	62	73	15	14
Investment income	-84	43	0	4	-10	14	-97	-5	1	2	23	28
Other income	42	59	17	3	25	25	-25	-18	15	40	8	10
Total underlying income	2,769	2,954	1,057	1,098	494	516	888	991	248	254	81	95
Staff and other expenses	1,659	1,642	604	587	361	340	461	469	188	193	45	53
Intangibles amortisation and impairments	5	10	4	-1	1	0	0	11	0	0	0	0
Operating expenses	1,664	1,652	609	586	362	340	460	479	187	194	45	53
Gross result	1,105	1,301	448	512	132	176	428	512	61	60	36	41
Addition to loan loss provision	294	293	99	135	35	36	125	100	32	17	4	5
Underlying result before tax	811	1,008	349	377	97	140	303	412	29	44	32	36
Client balances (in EUR billion)												
Residential mortgages	328.3	306.7	142.1	136.7	28.1	25.0	153.8	141.0	3.8	3.4	0.6	0.7
Other lending	91.2	87.2	42.5	43.7	29.6	27.0	4.0	3.5	11.5	10.3	3.7	2.8
Funds entrusted	444.3	428.4	104.2	106.3	71.4	68.7	246.1	231.4	18.8	18.6	3.7	3.4
AuM/Mutual funds	53.5	55.7	14.7	16.2	26.3	26.5	10.5	10.7	1.6	1.9	0.3	0.4
Profitability and efficiency¹⁾												
Cost/income ratio	60.1%	55.9%	57.6%	53.4%	73.3%	65.8%	51.8%	48.4%	75.4%	76.2%	55.5%	56.5%
Return on equity ²⁾	17.2%	21.5%	28.5%	27.7%	20.5%	31.7%	13.0%	18.8%	4.3%	8.9%	18.1%	16.9%
Risk¹⁾												
Risk costs in bp of average RWA	66	64	81	100	75	74	65	51	54	30	16	21
Risk-weighted assets (end of period)	179,719	183,496	48,940	55,163	18,952	19,392	79,733	77,100	22,863	22,468	9,232	9,373

1) Key figures based on underlying figures

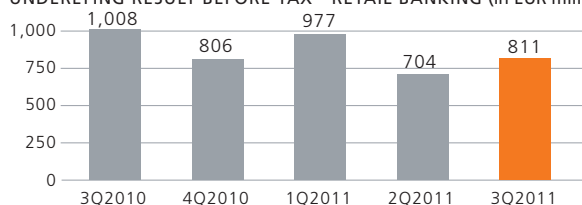
2) Underlying after-tax return divided by average equity based on 7.5% core Tier 1 ratio (annualised)

Retail Banking's underlying result before tax was EUR 811 million, down 19.5% compared with a year earlier due to EUR 85 million of Greek impairments this quarter and lower margins on most products in the Netherlands. Results were higher compared with the previous quarter due to lower impairments on Greek government bonds and despite margin pressure at ING Direct. Expenses decreased by 1.2%, largely offsetting higher risk costs. Lending volumes continued to rise especially for mortgages in ING Direct, while funds entrusted rose by EUR 1.0 billion in the quarter as inflows at ING Direct were partly compensated by seasonally lower balances in the Benelux.

Underlying income fell 6.3% to EUR 2,769 million compared with the same quarter of last year, due in part to EUR 85 million of impairments on Greek government bonds. Furthermore, margins on savings and business lending in the Netherlands were lower due to increased competition. Income was up 4.3% compared with the previous quarter, which contained EUR 178 million of impairments on Greece. Selective de-risking of the investment portfolio at ING Direct continued, with EUR 58 million in realised losses in the third quarter compared with EUR 44 million in the previous quarter, mainly from selling unsecured and ABS exposures.

The interest result was EUR 2,488 million, a decrease of 1.4% compared with the third quarter of 2010 as lower interest results in the Netherlands, attributable to lower margins on lending, were partly offset by higher interest income in Central Europe thanks to higher volumes. Compared with the previous quarter, the interest result was up 0.6% despite lower margins at ING Direct, where client savings rates were increased in Germany, France and Austria following the ECB rate increase in July. In the current quarter, net lending increased by EUR 7.3 billion, mainly as a result of mortgage production in ING Direct and the Benelux, while the demand for business lending remained low. Funds entrusted increased by EUR 1.0 billion, as a EUR 2.2 billion net inflow at ING Direct was partly offset by the seasonal outflow of current accounts in the Benelux.

UNDERLYING RESULT BEFORE TAX - RETAIL BANKING (in EUR million)



Commission income declined 1.8% on the third quarter of last year to EUR 323 million due to lower insurance fees in the Netherlands (after the transfers to NN), lower subscriptions to investment funds and lower brokerage fees due to volatile financial markets. Investment income deteriorated from EUR 43 million in the third quarter of last year to EUR -84 million in this quarter, mainly reflecting impairments on Greek government bonds in ING Direct and Retail Belgium. Other income decreased to EUR 42 million in this quarter from EUR 59 million last year, for a large part due to lower derivative results in Turkey owing to the implementation of hedge accounting.

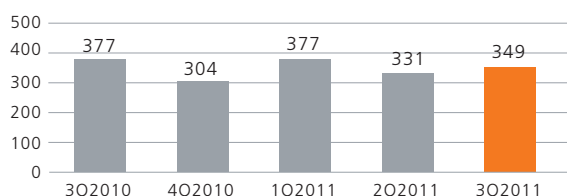
Operating expenses were almost flat at EUR 1,664 million. Higher pension costs, regular salary increases and a higher contribution to the deposit guarantee scheme in Belgium were offset by favourable currency effects and incidentally lower contributions to the deposit guarantee scheme by ING Direct USA. Compared with the previous quarter, costs decreased 1.2% which was also a consequence of favourable currency effects, lower deposit guarantee scheme contributions and seasonally lower marketing expenses.

Risk costs remained flat compared with a year earlier at EUR 294 million while risk costs increased compared with the previous quarter as lower additions to loan losses for mid-corporate and SME segments in Belgium were largely offset by higher additions for the mortgage portfolio of ING Direct USA.

Compared with the previous quarter, risk-weighted assets increased by EUR 3.7 billion, mainly as a result of risk migration in the ING Direct investment portfolio and currency impacts. The return on equity, based on a 7.5% core Tier 1 ratio, declined to 17.2% this quarter from 21.5% in the third quarter last year driven by the lower underlying results.

RETAIL NETHERLANDS

UNDERLYING RESULT BEFORE TAX - NETHERLANDS (in EUR million)



Retail Netherlands' underlying result before tax decreased to EUR 349 million from EUR 377 million in the third quarter of 2010, as lower income (reflecting mainly lower lending margins) and higher operating expenses were only partly offset by lower risk costs. Compared with the previous quarter, the underlying result before tax increased by EUR 18 million, mainly driven by higher income and despite slightly higher risk costs.

Total underlying income was EUR 1,057 million, down 3.7% on the third quarter of 2010 as a result of lower funds entrusted and lower margins on lending. Compared with the previous quarter,

total underlying income rose 3.7%. Margins on savings deteriorated only marginally, despite increased competition, as client rates remained unchanged this quarter after the increase earlier this year. Funds entrusted declined by EUR 1.1 billion following the seasonal increase last quarter reflecting the payment of holiday allowances. Mortgage volumes were up by EUR 0.8 billion in the quarter. The volume growth was paired with an increase in margins. In business lending, margins continued to decline, while demand remained low.

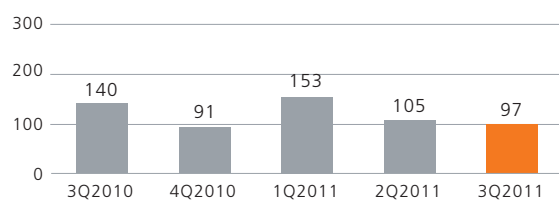
Operating expenses were up 3.9% compared with the third quarter of 2010, principally attributable to higher pension costs and regular salary increases. Compared with the previous quarter, expenses increased 1.8% as a partial release of a holiday provision was offset by higher personnel expenses (collective labour agreement wage increase). The last quarter also benefited from lower expenses due to the transfer of insurance-related business units to Nationale Nederlanden.

The addition to loan loss provisions declined to EUR 99 million versus EUR 135 million a year ago, but it increased EUR 9 million versus the previous quarter. The decrease on last year was mainly attributable to lower additions for specific files in the mid-corporate segment. The increase on the previous quarter was also largely driven by specific files in the mid-corporate and SME segments, while risk costs related to Dutch mortgages were stable.

Risk-weighted assets decreased by EUR 0.4 billion on the previous quarter, supported by the sale of Car Lease. Risk-weighted assets declined by EUR 6.2 billion compared with a year ago, due to the model updates and data quality improvements implemented at the end of 2010.

RETAIL BELGIUM

UNDERLYING RESULT BEFORE TAX - BELGIUM (in EUR million)



Retail Belgium's underlying result before tax declined to EUR 97 million from EUR 140 million in the same quarter of last year and from EUR 105 million in the previous quarter. Compared with the same quarter of last year, income was down while expenses were up, reflecting regular wage increases and an increase in staff. A decline in income and an increase in expenses compared with the previous quarter were partially offset by lower risk costs.

Underlying income was EUR 494 million, down 4.3% compared with the third quarter of 2010. Interest income was flat as volume growth in savings and the lending portfolio was offset by lower volumes on current accounts and margin pressure on the lending

book. Investment income was EUR -10 million and contained EUR 6 million of impairments on Greek government bonds in the investment portfolio this quarter, while the previous year included investment revenues and gains on the sale of bonds. Funds entrusted decreased by EUR 0.6 billion in the quarter due to seasonally lower current accounts, while margins improved. The mortgage portfolio rose by EUR 0.9 billion at lower margins compared to last year, while the increase in mid-corporate and SME lending was low. Compared with the second quarter of 2011, underlying income was down by 2.6%.

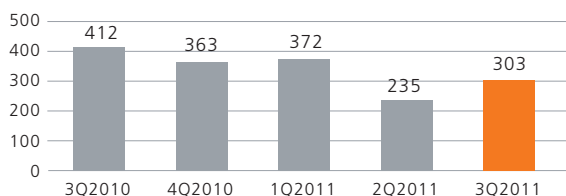
Operating expenses increased 6.5% compared with the third quarter of 2010, driven by higher commercial staff expenses, salary increases following collective labour wage agreements, a structurally higher contribution to the deposit guarantee scheme and higher IT costs. Expenses rose 2.8% compared with the previous quarter.

The net addition to the loan loss provisions was EUR 35 million, which was flat on the third quarter of last year and EUR 15 million lower than in the previous quarter, which was affected by model updates for retail companies.

Risk-weighted assets decreased by EUR 0.4 billion compared with a year ago, but were up EUR 0.3 billion on the previous quarter.

ING DIRECT

UNDERLYING RESULT BEFORE TAX - ING DIRECT (in EUR million)



ING Direct's underlying result before tax of EUR 303 million dropped from EUR 412 million in the third quarter of last year, but was up from EUR 235 million in the previous quarter. The decrease on last year was largely due to EUR 79 million of impairments on Greek government bonds and further losses from the selective sale of mainly unsecured and ABS exposures in the investment portfolio. The increase versus the previous quarter was a result of lower impairments on Greek government bonds (the second quarter included EUR 171 million of impairments) and expense reductions, in turn partly offset by lower interest income. Risk costs increased, mainly in the US.

The net production of client balances in the third quarter was EUR 6.1 billion, bringing total client balances to EUR 414.4 billion at the end of September. Funds entrusted had a positive net production of EUR 2.2 billion and was primarily led by inflows in Australia, Spain and Germany. The net production of retail lending was EUR 3.9 billion and mainly relates to own-originated mortgages in Germany and the UK. Assets under management decreased by EUR 1.1 billion to EUR 10.5 billion, due to a decline

in equity prices. ING Direct added 172,000 clients in the quarter, bringing the total to 24.2 million worldwide.

Total underlying income decreased to EUR 888 million from EUR 991 million in the third quarter of last year. This decline was largely due to impairments on Greek government bonds and the selective sale of exposures in the investment portfolio. The interest result of EUR 967 million declined 0.7% on last year as higher volumes helped offset a lower interest margin. The interest margin declined to 1.24% from 1.27% in the third quarter of last year and was down from 1.30% in the previous quarter, mainly reflecting client savings rate increases in Germany, France and Austria following the rise in Central Bank rates in July. The interest result in the US continued to benefit, while trending down, from the IFRS treatment on previously impaired bonds. This had a positive impact of EUR 40 million during the quarter versus EUR 55 million in the third quarter of 2010 and EUR 41 million in the previous quarter.

Investment income decreased to EUR -97 million compared with EUR -5 million in the same quarter of last year, mainly due to EUR 79 million of impairments on Greek government bonds. Other income was EUR -25 million compared to EUR -18 million in the third quarter of 2010 and EUR -50 million in the previous quarter. The other income line mainly reflects hedge results, fair value changes on derivatives not subject to hedge accounting, as well as losses on the selective sale of mainly unsecured and ABS exposures.

Operating expenses declined 4.0% from the third quarter of last year to EUR 460 million, reflecting currency effects, incidentally lower contributions to the deposit guarantee scheme in the US and lower marketing expenses. This was partly offset by higher costs to set up a limited number of branches in Spain and further roll out of payment accounts in France, Italy and Canada. Operating expenses were down 6.1% from EUR 490 million in the previous quarter.

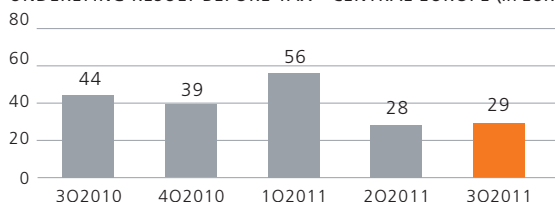
The net addition to loan loss provisions was EUR 125 million, up EUR 25 million from the same quarter of last year and up EUR 28 million compared to the previous quarter. The increase was largely driven by the US, reflecting lower anticipated recovery rates, while in most other countries risk costs remained flat.

Risk-weighted assets were EUR 79.7 billion, up EUR 2.6 billion from a year earlier and up EUR 4.9 billion from the previous quarter of which EUR 3.4 billion relates to the downgrading of RMBS securities. The remaining increase was due to currency impacts, partly offset by the selective sale of mainly unsecured and ABS exposures.

On 16 June, ING announced that it had reached an agreement to sell ING Direct USA for a total consideration of USD 9.0 billion to Capital One Financial Corporation. The sale is expected to close in the fourth quarter of 2011 or early 2012 and is subject to regulatory consent.

RETAIL CENTRAL EUROPE

UNDERLYING RESULT BEFORE TAX - CENTRAL EUROPE (in EUR million)



The underlying result before tax of Retail Central Europe was EUR 29 million compared with EUR 44 million in the same quarter of last year. The decrease was primarily a result of higher risk costs. Compared with the previous quarter, the underlying profit before tax increased slightly, as the improved results of Turkey and Romania were offset by a decline in Poland.

Total underlying income was EUR 248 million, which was 2.4% below the EUR 254 million in the third quarter of 2010. This decline was due to negative currency effects. Excluding currency impacts, income increased, mainly driven by higher income in Poland as a consequence of mortgage volume growth as well as higher margins on savings and current accounts. This was further strengthened by higher income in Turkey driven by lending growth. Income was down by EUR 4 million on the second quarter of 2011, mainly due to adverse currency effects.

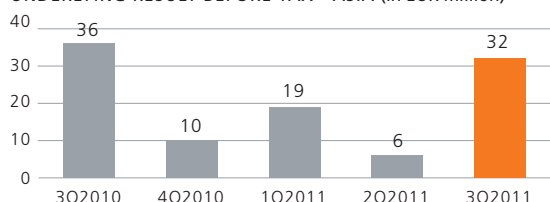
Operating expenses decreased to EUR 187 million from EUR 194 million in the third quarter of last year, fully due to currency effects in Turkey and Poland. Expenses declined by EUR 16 million on the previous quarter, as favourable currency effects in Poland and Turkey were coupled with lower marketing expenses and a holiday allowance provision release in Turkey.

Risk costs were EUR 32 million this quarter, an increase of EUR 15 million on the same quarter of last year and EUR 11 million up on the previous quarter, with the increase on both periods mainly due to Turkey due to a model update and improved data quality.

Risk-weighted assets declined by EUR 1.0 billion in the third quarter as an increase in volumes was offset by currency effects.

RETAIL ASIA

UNDERLYING RESULT BEFORE TAX - ASIA (in EUR million)



Retail Asia's underlying result before tax was EUR 32 million compared with EUR 36 million in the third quarter of 2010. Compared with the previous quarter, the underlying result rose by EUR 26 million, mainly due to a dividend received from the Bank of Beijing this quarter.

Total underlying income decreased to EUR 81 million compared with EUR 95 million in the third quarter of 2010. The decrease was largely attributable to a gain from the sale of investments at ING Vysya Bank last year and negative currency effects. Compared with the previous quarter, income rose by EUR 25 million, mainly due to a dividend received from the Bank of Beijing this quarter, coupled with higher interest and commission income at ING Vysya Bank.

Operating expenses decreased by EUR 8 million versus the same quarter of last year, partially due to currency effects but also to last year's incidentally higher staff costs and pension provisions at ING Vysya Bank. Compared with the previous quarter, costs increased by EUR 4 million, mainly due to business expansion at ING Vysya Bank.

Risk costs were EUR 4 million and in line with same quarter of last year, but EUR 5 million lower than in the previous quarter, fully attributable to ING Vysya Bank.

Risk-weighted assets declined by EUR 0.1 billion on the previous quarter as the impact of increased lending exposure at ING Vysya Bank was more than offset by a lower share price of Kookmin Bank.

COMMERCIAL BANKING

Commercial Banking excl. Real Estate: Consolidated profit and loss account												
In EUR million	Total Commercial Banking excl. RE		GL & PCM		Structured Finance		Leasing & Factoring		Financial Markets		Other Products	
	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010
Interest result	750	779	224	226	272	266	47	49	208	239	-2	-1
Commission income	236	242	53	49	145	133	11	10	-13	8	40	42
Investment income	-163	5	-13	-2	13	1	0	0	-160	4	-3	2
Other income	25	180	10	9	-15	-29	62	53	-22	157	-11	-10
Total underlying income	847	1,206	274	282	415	371	120	112	14	408	25	33
Staff and other expenses	540	546	137	130	97	98	55	53	184	186	68	79
Intangibles amortisation and impairments	1	0	0	0	0	0	0	0	0	0	1	0
Operating expenses	541	546	137	130	97	98	55	53	184	186	69	79
Gross result	306	660	137	151	318	273	65	58	-170	222	-44	-46
Addition to loan loss provision	104	65	25	21	49	26	30	19	0	-1	-1	0
Underlying result before tax	202	594	112	130	269	247	35	39	-170	223	-43	-46
Client balances (in EUR billion)												
Residential Mortgages												
Other Lending	106.4	101.5	36.3	36.2	51.7	45.2	14.3	16.7	3.9	3.3	0.2	0.1
Funds Entrusted	63.6	63.1	34.1	34.0	2.0	3.3	0.0	0.0	27.4	25.1	0.0	0.7
AUM/Mutual Funds												
Profitability and efficiency¹⁾												
Underlying cost/income ratio	63.9%	45.3%	50.0%	46.3%	23.3%	26.4%	45.8%	47.7%	1338.8%	45.5%	277.6%	238.5%
Return on Equity ²⁾	6.6%	19.4%	10.6%	13.0%	25.9%	27.0%	18.8%	16.9%	-21.8%	26.4%	-27.4%	-30.5%
Risk¹⁾												
Risk costs in bp of average RWA	34	20	26	19	49	25	166	91	0	-1	-7	-1
Risk-weighted assets (end of period)	123,063	128,509	38,650	42,617	40,900	39,306	6,497	8,233	32,833	32,866	4,183	5,487

1) Key figures based on underlying figures

2) Underlying after-tax return divided by average equity based on 7.5% core Tier 1 ratio (annualised)

Commercial Banking excluding Real Estate posted an underlying result before tax of EUR 202 million, down 66.0% from the third quarter of 2010 and entirely due to a loss in Financial Markets resulting from impairments on Greek government bonds and adverse market conditions. Excluding Financial Markets, the underlying result increased 0.3% despite higher risk costs. ING Real Estate booked an underlying result before tax of EUR 34 million compared to a loss of EUR 25 million a year ago.

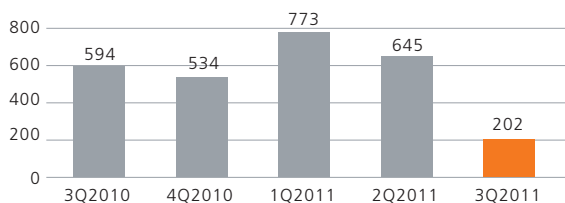
COMMERCIAL BANKING EXCLUDING REAL ESTATE

Total underlying income decreased 29.8% compared with the third quarter of 2010, entirely due to Financial Markets, where income declined by EUR 394 million from a year earlier due to EUR 182 million in impairments on Greek bonds (as all maturities were impaired to market value) and overall adverse market conditions. Excluding Financial Markets, income rose 4.4% mainly due to a continued strong performance of Structured Finance. Compared with the second quarter of 2011, income declined 33.4%, also due to lower Financial Markets income.

The interest result declined 3.7% on the third quarter of 2010, mainly due to lower net interest income within Financial Markets. Excluding Financial Markets, the interest result was stable as lending margins held up well. Compared with the second quarter of 2011, the interest result decreased 4.8% but rose 0.6% excluding Financial Markets.

Commission income declined 2.5% as an increase for both Structured Finance and General Lending was more than offset by negative net commission income in Financial Markets. Compared with the prior quarter, commission income decreased 18.6%. The extraordinary market volatility associated with the sovereign crisis in Europe led to the slowest quarter in years for both debt capital markets (reflected in Financial Markets) and equity capital markets (included in 'Other Products').

UNDERLYING RESULT BEFORE TAX - COMMERCIAL BANKING EXCL. REAL ESTATE (in EUR million)



Investment income contained EUR 215 million of impairments, of which EUR 182 million were on Greek bonds in Financial Markets, EUR 12 million on a CDO in Financial Markets and the remainder mainly on equity positions in GL&PCM. As a consequence, total investment income tumbled to EUR -163 million from EUR 5 million in the year before.

Total 'Other income' dropped to EUR 25 million from EUR 180 million a year earlier, due to significantly lower trading income in Financial Markets. This reflected poor credit trading results as the costs of holding inventory for client facilitation increased in declining markets. Moreover, trading results on equity derivatives were lower in highly volatile markets.

Operating expenses declined 0.9% compared with the third quarter of 2010. Lower accruals for performance-related payments were largely offset by the impact of selective headcount growth in the course of last year and regular salary increases. Compared with the second quarter of 2011, expenses decreased 5.1%. This was caused by lower accruals for performance-related payments and seasonality, as the third quarter is typically characterised by lower spend on change projects and a release from the provision for unused holidays. The cost/income ratio in the third quarter was 63.9% versus 45.3% in the same quarter of last year and 44.8% in the prior quarter, mainly as a result of the sharp drop in Financial Markets income.

Net additions to loan loss provisions increased 60.0% compared with the third quarter of 2010, driven by increases for some large, previously provisioned files in Structured Finance and higher risk costs for the General Leasing activities. Risk costs in the third quarter of 2011 were EUR 104 million, equivalent to an annualised 34 basis points of average risk-weighted assets.

Total risk-weighted assets (RWA) increased by EUR 1.4 billion on the previous quarter, mainly due to currency impacts and also due to higher market risk-weighted assets. This was partly compensated by the sale of Car Lease, which in Commercial Banking led to a release in RWA of EUR 1.6 billion, and positive risk migration.

The return on equity, based on a 7.5% core Tier 1 ratio, dropped to 6.6% from 19.4% in the third quarter of 2010. Excluding Financial Markets, the ROE was 16.3% versus 16.9% a year ago.

GENERAL LENDING & PCM

The underlying result before tax for General Lending & PCM was EUR 112 million, a decline of 13.8% on the year before. General Lending income rose 3.6%, supported by higher commissions, while interest income remained almost flat. PCM income increased marginally as higher volumes compensated for lower margins. Despite increases for both General Lending and PCM, total income for the product group declined 2.8% due to EUR 18 million of impairments on some equity positions. Operating expenses increased 5.4%, reflecting regular salary increases and higher costs for relationship management. Net additions to loan

loss provisions were EUR 25 million, compared with EUR 21 million in the same quarter a year ago.

Compared with the second quarter of 2011, the result before tax increased 7.7% despite higher risk costs. Income rose 5.4%, mainly driven by General Lending. Loan volumes, adjusted for currency effects, slightly declined, but this was more than compensated by higher fee income related to the restructuring of deals. Operating expenses decreased 3.5% compared with the second quarter.

STRUCTURED FINANCE

Structured Finance posted an underlying result before tax of EUR 269 million, up 8.9% compared with the third quarter of 2010. Income rose 11.9%, supported by volume growth and higher commission income, while interest margins were slightly lower. Net additions to loan loss provisions increased to EUR 49 million from EUR 26 million a year earlier and EUR 23 million in the second quarter. Economic disruption led to a further increase in provisions for some large already existing files.

In the third quarter, loan volumes (adjusted for currency effects) were marginally reduced, particularly for shorter tenors. Income decreased just 1.0% compared with an exceptionally strong second quarter. Interest margins declined slightly due to increased competition. This was partly compensated by a one-off investment gain of EUR 10 million on the sale of shares arising from the restructuring of a lending deal. Operating expenses dipped 1.0% versus the prior quarter, and the cost/income ratio remained low at 23.3%.

LEASING & FACTORING

Leasing & Factoring booked an underlying result before tax of EUR 35 million, down 10.3% compared with the same quarter of last year due to higher risk costs. Net additions to loan loss provisions increased to EUR 30 million from EUR 19 million in the third quarter of 2010, and mainly related to the General Lease activities in Spain and Italy. Income rose 7.1% compared with the same quarter of last year, supported by higher income from Car Lease activities.

On 30 September 2011, ING completed the sale of ING's Car Lease activities to BMW. The sale resulted in a net gain on the divestment of EUR 347 million. As of the fourth quarter of 2011, the results of ING Car Lease will be excluded from the underlying results from both Commercial and Retail Banking and be reported as result from divested units.

FINANCIAL MARKETS

All Greek government bonds in the available-for-sale portfolio, including those maturing after 2020, were impaired to the quarter-end market value, leading to a negative P&L impact of EUR 182 million. As a result, Financial Markets booked a loss before tax of

EUR 170 million compared to a profit before tax of EUR 223 million in the third quarter of 2010 and EUR 189 million in the previous quarter. Underlying income dropped to EUR 14 million. This was due to the Greek impairments as well as the impact of extremely adverse market circumstances. A significant widening of bid/offer, country and credit spreads resulted in significant additions to reserves on the existing inventory of trades with clients, partly offset by gains due to lower fair value of issued structured notes. In addition, funding costs increased due to illiquid money markets. Interest income was also lower following the sale of southern European government bonds and actions taken to deleverage specific securities lending and trading portfolios. Expenses declined 1.1% on the third quarter of 2010 and 9.4% on the second quarter, reflecting lower performance-related costs.

OTHER PRODUCTS

Other Products posted a loss before tax of EUR 43 million compared with a loss of EUR 46 million in the same quarter a year ago. Income decreased by EUR 8 million, reflecting lower revenues from the ING Investment Management units in Commercial Banking mainly due to the sale of IIM Philippines in the first quarter of this year. Expenses declined 12.7%, mainly due to lower performance-related costs. Compared with the prior quarter, the pre-tax result declined by EUR 55 million due to lower income for Corporate Finance and Equity Markets and lower investment income.

ING REAL ESTATE

ING Real Estate		
In EUR million	3Q2011	3Q2010
Interest result	122	109
Commission income	54	81
Investment income	13	-33
Other income	17	30
Total underlying income	205	187
Staff and other expenses	70	103
Intangibles amortisation and impairments	61	93
Operating expenses	131	197
Gross result	74	-9
Addition to loan loss provision	40	16
Underlying result before tax	34	-25
of which Investment Management (REIM)	9	-3
of which Investment Portfolio	7	-32
of which Finance	92	102
of which Development	-74	-92
Profitability and efficiency¹⁾		
Cost/income ratio	64.0%	104.9%
Return on Equity ²⁾	7.0%	-16.0%
Risk¹⁾		
Risk costs in bp of average RWA	125	40
Risk-weighted assets (end of period)	12,859	14,565
Portfolio (in EUR billion)		
Investment Management	30.8	65.3
Development AuM	1.8	2.1
Real Estate Finance portfolio	34.9	35.4

1) Key figures based on underlying figures

2) Underlying after-tax return divided by average equity based on 7.5% core Tier 1 ratio (annualised)

ING Real Estate posted an underlying result before tax of EUR 34 million compared to a loss of EUR 25 million in the third quarter of 2010. Negative fair value changes and impairments totalled EUR 59 million, down from EUR 102 million a year earlier and EUR 54 million in the previous quarter.

Impairments, which are booked in expenses, were EUR 61 million and mostly related to the Netherlands and Spain. Impairments amounted to EUR 92 million in the comparable quarter of last year and to EUR 33 million in the second quarter of 2011. Fair value changes, which are booked in income, were EUR 1 million positive compared to EUR 9 million negative last year and EUR -21 million in the second quarter.

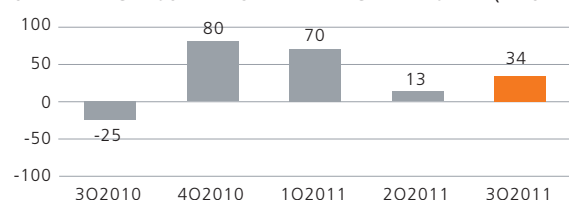
At the beginning of this year, ING agreed to sell its Real Estate Investment Management business in two transactions. The sale of Clarion Partners to Clarion Partners' management in partnership with Lightyear Capital LLC was closed in the second quarter. As far as the transaction with CB Richard Ellis Group is concerned, ING closed the sale of Clarion Real Estate Securities (CRES) in the beginning of the third quarter, resulting in a net gain on divestment of EUR 175 million. ING announced the sale of ING REIM's Asian business in the beginning of the fourth quarter. The sale of ING REIM's European business was closed on 31 October 2011.

As part of the phased withdrawal of the Australian REIM platform and its ASX-listed real estate funds, one transaction materialised in the third quarter. ING REIM's interest in the Australian ING Real Estate Healthcare Fund was sold to APN. Progress was also made in evaluating alternatives for the other two remaining Australian funds and reducing these operations.

Real Estate Investment Management booked a third-quarter result before tax of EUR 9 million compared to a loss of EUR 3 million in the third quarter of 2010. Compared with the previous year, income declined 31.8% and expenses dropped 47.8%, mainly due to the divestment of CRES per July 1 and of Clarion Partners in the second quarter of 2011. Assets under management were EUR 30.8 billion at the end of September, a drop of EUR 13.7 billion on the previous quarter. This decline was entirely explained by divestments (mainly CRES), with an impact of EUR 14.7 billion.

Real Estate's Investment Portfolio booked an underlying result before tax of EUR 7 million compared to a loss of EUR 32 million in the third quarter of 2010. Operational results increased EUR 19 million year-on-year, while fair value changes were EUR 1 million positive compared to EUR 18 million of negative fair value

UNDERLYING RESULT BEFORE TAX - ING REAL ESTATE (in EUR million)



changes and impairments in the same quarter a year ago. The third-quarter result of EUR 7 million also favourably compares with the loss of EUR 7 million that was booked in the prior quarter.

Real Estate Finance booked an underlying result before tax of EUR 92 million, a decline of 9.8% versus the third quarter of 2010 due to higher risk costs. Net additions to loan loss provisions were EUR 40 million, up from EUR 16 million in the year before, but below the EUR 48 million that was posted in the second quarter. Income rose 11.0%, supported by higher interest margins and higher investment income. Loan volumes, adjusted for currency effects, remained flat in the quarter. The result in the third quarter was up 16.5% from the second quarter, supported by higher income and lower risk costs.

Real Estate Development booked a loss of EUR 74 million compared with a loss of EUR 92 million in the third quarter of 2010 and a loss of EUR 65 million in the second quarter of 2011. Impairments were EUR 61 million versus EUR 83 million in the third quarter of 2010 and negative fair value changes and impairments of EUR 46 million in the prior quarter. Assets under management increased slightly in the quarter to EUR 1.8 billion, but were down by EUR 0.3 billion from the third quarter of 2010.

CORPORATE LINE BANKING

Corporate Line Banking: Underlying result before tax		
In EUR million	3Q2011	3Q2010
Income on capital surplus	82	47
Solvency costs	-43	-39
Financing charges	-74	-49
Amortisation intangible assets	-7	-8
FX-results, fair value changes and other	106	0
Total Capital Management	64	-50
Other	-48	-34
Underlying result before tax	16	-84

The Corporate Line Banking posted an underlying result before tax of EUR 16 million compared with EUR -84 million in the same quarter of last year. The improved result was mainly due to positive fair value changes.

'Income on capital surplus' rose by EUR 35 million, mainly due to lower benefits paid to the business lines as a result of a decline in average economic capital. 'Solvency costs' were up EUR 4 million. 'Financing charges' were EUR 25 million higher, as the total costs of Group core debt were allocated to Corporate Line Bank as of 2011.

'FX-results, fair value changes and other' increased to EUR 106 million compared with nil in the same quarter of last year. Fair value changes on part of ING Bank's own Tier 2 debt were EUR 90 million due to the increase in ING's credit spreads, compared to EUR -39 million in the third quarter of 2010. Other fair value changes increased by EUR 22 million as higher fair value changes on other debt securities were largely offset by negative credit valuation adjustments on mid-corporate clients. This was partly offset by a EUR 9 million impairment on an equity stake, while the third quarter last year included a EUR 15 million dividend received from Fubon Financial Holding.

Compared with the previous quarter, the underlying result before tax improved by EUR 74 million, mainly due to fair value changes.

CONSOLIDATED BALANCE SHEET

ING Bank N.V.: Consolidated balance sheet						
in EUR million	30 Sep. 11	30 Jun 11	31 Dec. 10 ¹⁾ pro forma		30 Sep. 11	30 Jun 11 31 Dec. 10 ¹⁾ pro forma
Assets				Equity		
Cash and balances with central banks	22,058	9,044	9,205	Shareholders' equity	33,760	32,486 34,451
Amounts due from banks	55,098	56,580	51,477	Minority interests	681	715 617
Financial assets at fair value through P&L	150,503	136,540	137,124	Total equity	34,441	33,201 35,069
- trading assets	137,561	127,331	125,070	Liabilities		
- non-trading derivatives	10,104	6,259	8,990	Subordinated loans	19,883	18,924 21,021
- other	2,838	2,951	3,064	Debt securities in issue	131,038	142,925 125,066
Investments	85,984	88,477	89,754	Amounts due to banks	86,803	81,889 72,053
- debt securities available-for-sale	74,568	76,858	76,048	Customer deposits and other funds on deposit	469,660	464,954 461,266
- debt securities held-to-maturity	8,874	8,932	10,995	- savings accounts	284,810	283,568 277,054
- equity securities available-for-sale	2,542	2,688	2,711	- credit balances on customer accounts	114,577	118,266 118,092
Loans and advances to customers	573,698	565,869	557,387	- corporate deposits	60,109	53,889 55,019
- securities at amortized cost and IABF	32,924	33,971	39,616	- other	10,164	9,231 11,101
- customer lending	540,774	531,899	517,770	Financial liabilities at fair value through P&L	148,795	121,423 136,581
Investments in associates	886	847	1,494	- trading liabilities	119,055	97,319 108,050
Real estate investments	501	502	562	- non-trading derivatives	17,205	11,868 15,824
Property and equipment	2,414	2,465	2,478	- other	12,535	12,235 12,707
Intangible assets	1,790	1,905	2,085	Liabilities held for sale	61,471	57,502 59,407
Assets held for sale	59,159	58,014	57,761	Other liabilities	21,456	21,785 22,611
Other assets	21,455	22,360	23,745	Total liabilities	939,105	909,401 898,005
Total assets	973,546	942,602	933,073	Total equity and liabilities	973,546	942,602 933,073

1) Adjusted for transfer ING Direct USA and ING Car Lease to assets / liabilities held for sale

ING Bank's balance sheet rose by EUR 31 billion to EUR 974 billion, including EUR 7 billion of positive currency effects. The increase was largely driven by higher market valuations of derivatives as a result of lower interest rates as well as increased cash and balances with central banks. The loan-to-deposit ratio (excluding securities and IABF receivable) rose slightly to 1.15 from 1.14 in June.

Cash and balances with central banks

Cash and balances with central banks increased to EUR 22 billion from EUR 9 billion at the end of June. This was mainly due to additional short-term funds received from banks and corporates placed overnight with central banks.

Loans

Loans and advances to customers increased by EUR 8 billion to EUR 574 billion, including EUR 2 billion of positive currency effects. Customer lending rose at constant exchange rates by EUR 8 billion, driven by mortgage growth which included a EUR 3 billion positive fair value hedge adjustment. Securities at amortised cost and the Illiquid Assets Back-up Facility (IABF) declined, mainly due to repayments, run-off and selective de-risking.

Financial assets/liabilities at fair value

Financial assets at fair value through P&L rose at comparable currency rates by EUR 12 billion to EUR 151 billion. Derivatives increased by EUR 27 billion due to higher market valuations following the decrease in long-term interest rates. This was partly compensated by EUR 9 billion of lower trading securities as well as by EUR 6 billion of lower reverse repos. The development of

financial liabilities at fair value through P&L was driven by derivatives, mirroring the asset side.

Assets held for sale

Assets held for sale increased, fully explained by currency impacts. At comparable currency rates, assets held for sale decreased by EUR 3 billion, due to the divestment of ING Car Lease.

Debt securities in issue

Capital markets and money markets deteriorated significantly in the third quarter of 2011. ING Bank was still able to maintain access to short- and long-term funding sources, for acceptable pricing and tenors. Debt securities in issue dropped by EUR 12 billion to EUR 131 billion, following a EUR 16 billion decrease in short-term debt. Long-term debt increased further during the third quarter, as ING Bank issued EUR 4 billion in debt securities, of which EUR 3 billion were covered bonds.

Customer deposits

Customer deposits and other funds on deposits grew by EUR 5 billion to EUR 470 billion. At comparable currency rates, individual savings accounts increased by EUR 2 billion, while credit balances on customer accounts decreased at comparable rates by EUR 3 billion. Corporate deposits increased by EUR 6 billion, mainly consisting of short-term deposits from asset managers and corporate treasuries.

Shareholders' equity

Shareholders' equity increased by EUR 1.3 billion to EUR 33.8 billion driven by the net profit of the third quarter. The asset leverage ratio, defined as total assets divided by shareholders' equity, decreased to 28.8 from 29.0 at the end of June.

RISK MANAGEMENT

Net additions to provisions for loan losses amounted to EUR 438 million, up from a year ago and from the second quarter of 2011. The non-performing loans as a percentage of total loans decreased slightly to 2.0% in the third quarter. Impairments on all Greek sovereign bonds, including those maturing after 2020, was EUR 267 million. The sovereign debt exposure to Greece, Italy, Ireland, Portugal and Spain has decreased by EUR 3.5 billion in the third quarter to EUR 3.2 billion.

Loan portfolio ING Bank

ING Bank: Loan portfolio		
in EUR million	30 Sep 2011	30 Jun 2011
Residential Mortgages	304,559	297,335
(Mid)-Corporates, SMEs and other	232,115	230,261
Governments	8,865	8,918
Securities at amortised cost and IABF	32,924	33,971
Provision for loan losses (loans and advances)	-4,766	-4,616
Total loans and advances to customers	573,698	565,869

Loans and advances to customers increased by EUR 8 billion to EUR 574 billion, including EUR 2 billion of positive currency impacts. At constant exchange rates, residential mortgages rose by EUR 8 billion, mainly driven by growth at ING Direct and a EUR 3 billion positive fair value hedge adjustment, while lending to (mid)-corporates, SMEs and other remained stable. Securities at amortised cost and the Illiquid Assets Back-up Facility (IABF) declined EUR 2 billion at comparable exchange rates, mainly due to repayments, run-off and selective de-risking.

Risk costs

ING Bank added EUR 438 million to the loan loss provisions in the third quarter, compared with EUR 370 million in the second quarter of 2011 and EUR 374 million in the same quarter of last year. Gross additions to the loan loss provisions were EUR 657 million compared with EUR 586 million in the previous quarter. Releases were EUR 219 million, almost stable on the previous quarter. This translated into (annualised) 55 basis points of average risk weighted assets (RWA) versus 47 basis points in the previous quarter and 44 basis points in the same quarter of last year. For the full year, ING expects risk costs as a percentage of risk-weighted assets and in absolute terms to remain below the level seen in 2010.

ING Bank: Stock of provisions

in EUR million	3Q2011	2Q2011
Provisions, beginning of period	5,180	5,150
Increases	657	586
Releases	-219	-216
Write-offs	-287	-285
Other	6	-55
Provisions, end of period *	5,337	5,180

* Stock of provision at the end of September includes provisions for amounts due from banks (EUR 9 million) and assets held for sale (EUR 563 million)

Risk costs increased by EUR 68 million compared with the previous quarter. At Commercial Banking, the increase was mainly visible at Structured Finance and General Lending as a result of individual files. US mortgages (due to lower expected recovery rates) and ING Turkey (model update and using more conservative collateral values) were the main contributors to the higher risk costs at Retail Banking. Risk costs declined in Retail Belgium, as the previous quarter included the impact of a LGD model update, and remained almost stable at Retail Netherlands.

Non-performing loans as a percentage of total loans and amounts due from banks (including ING Direct USA) decreased slightly to 2.0% from 2.1% at the end of the previous quarter. Non-performing loans and on-watch exposures remained stable at EUR 13.4 billion and at EUR 15.7 billion respectively, during the third quarter of 2011.

The coverage ratio, defined as the stock of loan loss provisions divided by non-performing loans, rose to 40% compared with 39% at the end of June. The overall coverage ratio is an average of unsecured loans, for which the ratio is relatively high, and loans with high collateral values such as the Dutch mortgage portfolio, for which the coverage ratio is relatively low.

Securities portfolio

ING Bank: Debt securities*		
in EUR billion	30 Sep 2011	30 Jun 2011
Government bonds	50.5	52.6
Covered bonds	27.6	26.8
Financial Institutions	18.4	18.9
Corporate bonds	1.1	1.3
ABS	17.5	18.8
US agency RMBS	0.4	0.4
US prime RMBS	0.0	0.0
US Alt-A RMBS	0.2	0.2
US Subprime RMBS	0.0	0.0
Non-US RMBS	11.6	12.5
CMBS	1.3	1.4
CDO/CLO	0.5	0.5
Other ABS	3.4	3.7
Total	115.0	118.4

*Figures exclude trading positions and assets held for sale but include securities classified as Loans & Receivables

The value of the securities portfolio was EUR 117.6 billion at the end of September 2011, of which EUR 115.0 billion was in debt securities and EUR 2.5 billion in equity securities. The debt securities revaluation reserve after tax turned positive in the third quarter to EUR 277 million compared with EUR -117 million in the previous quarter. The main reason for this development was the decline in interest rates.

Government bonds declined by EUR 2.1 billion compared with the previous quarter, due to a reduction in Italian and Spanish exposures, whereas bonds issued by Financial Institutions declined by EUR 0.5 billion. Covered bonds increased by EUR 0.8 billion during the third quarter, explained by re-investments. Compared with the end of June, the ABS exposure declined by EUR 1.3

billion to EUR 17.5 billion mainly following selective de-risking of the European RMBS portfolio.

Greece, Italy, Ireland, Portugal and Spain

Following the outcome of the EC meeting on 26 October, ING impaired all remaining Greek government bonds maturing from 2020 and beyond to market value. These impairments, as well as further market value declines on bonds impaired in the second quarter, led to a total writedown of EUR 267 million in the third quarter on Greek government bonds. Of that amount, EUR 177 million were new impairments and EUR 90 million in re-impairments. The total Greek government bond portfolio has now been written down by approximately 60%.

At 30 September 2011, ING Bank's balance sheet value of 'Government bonds' and 'unsecured Financial Institutions' bonds to Greece, Italy, Ireland, Portugal and Spain decreased with EUR 3.7 billion, mainly due to sales of Spanish and Italian government bonds in August. The balance sheet values and related pre-tax revaluation reserve in equity are as follows:

ING Bank: Greece, Italy, Ireland, Portugal and Spain			
in EUR million	30 Jun 11	30 Sep 11	
	Balance Sheet value	Balance Sheet value	Pre-tax revaluation reserve
Greece			
Government bonds - available-for-sale	406	280	0
Italy			
Government bonds - available-for-sale	4,276	1,550	-78
Government bonds - at amortised cost	105	107	
Financial Institutions - available-for-sale	711	685	-29
Financial Institutions - at amortised cost	155	159	
Ireland			
Financial Institutions - available-for-sale	50	44	-5
Financial Institutions - at amortised cost	154	158	
Portugal			
Government bonds - available-for-sale	469	443	-189
Financial Institutions - available-for-sale	193	180	-52
Financial Institutions - at amortised cost	50		
Spain			
Government bonds - available-for-sale	1,246	625	-80
Government bonds - at amortised cost	179	171	
Financial Institutions - available-for-sale	220	173	-9
Financial Institutions - at amortised cost	173	85	
Total	8,387	4,660	-442

Real estate exposure

ING Bank: real estate exposure		
in EUR billion	30 Sep 2011	30 Jun 2011
Real Estate investments (FV through the P&L)	1.0	1.1
Real Estate investments (FV through equity)	0.7	0.7
Real Estate property in own use (FV through equity)	1.3	1.3
Development projects Real Estate	1.7	1.6
Exposure ING Bank	4.6	4.7

The real estate exposure of ING Bank declined slightly to EUR 4.6 billion from EUR 4.7 billion at the end of the previous quarter. The fair value changes reflected in the P&L were EUR 1 million in the third quarter of 2011, compared with EUR -21 million in the previous quarter.

ING Bank had EUR 1.7 billion of real estate development projects at the end of the third quarter, up from EUR 1.6 billion at 30 June 2011. In the third quarter, EUR 61 million of impairments were taken on development projects, mainly in Spain and the Netherlands, versus EUR 92 million in the same quarter of last year and EUR 33 million in the prior quarter.

Market risk

ING Commercial Bank: Consolidated VaR trading books				
in EUR million	Minimum	Maximum	Average	Quarter-end
Foreign Exchange	1	3	2	2
Equities	1	18	10	13
Interest rate/ Credit spread	11	16	13	12
Diversification	-		6-	11-
Total VaR¹⁾	12	29	19	16

1) The total VaR for the columns Minimum and Maximum cannot be calculated by taking the sum of the individual components since the observations for both the individual markets as well as for total VaR may occur on different dates.

The average Value-at-Risk (VaR) rose by EUR 2 million to EUR 19 million in the third quarter of 2011 driven by increased market volatility partly compensated by a reduction of trading positions. The overnight VaR for ING Bank's trading portfolio ranged from EUR 12 million to EUR 29 million. Commercial Banking's trading activities were largely concentrated on interest rate products, including both general interest and credit spread exposures.

Liquidity risk

Capital markets and money markets deteriorated significantly in the third quarter of 2011. ING was still able to maintain access to short- and long-term funding sources, for acceptable pricing and tenors.

Anticipating future (Basel III) liquidity regulations ING is issuing more long-term professional debt than the maturing amount in 2011.

ING Bank's loan-to-deposit ratio, excluding securities that are recorded at amortised cost in loans and advances and the IABF government receivable, increased to 1.15 from 1.14 at the end of last quarter.

Risk-weighted assets

Total risk weighted assets (RWA) amounted to EUR 320.0 billion, compared with EUR 314.8 billion at the end of the second quarter of 2011 and EUR 331.0 billion at the end of the third quarter of 2010 (adjusted for divestments). Credit RWA increased by EUR 5 billion compared with the previous quarter, due to positive currency effects and negative risk migration. This was partly offset by the closing of the divestment of ING Car Lease. Compared with the previous quarter, Operational RWA remained stable but Market RWA rose by EUR 0.5 billion in line with the higher average Value-at-Risk.

The composition of ING Bank's RWA at 30 September 2011 was as follows: Credit RWA: 87.4%; Operational RWA: 11.1%; and Market RWA: 1.5%.

Insurance



CONSOLIDATED RESULTS

Insurance: Consolidated profit and loss account ¹⁾								
In EUR million	3Q2011	3Q2010 ²⁾	Change	2Q2011	Change	9M2011	9M2010 ²⁾	Change
Gross premium income	6,229	6,509	-4.3%	6,299	-1.1%	20,735	21,499	-3.6%
Commission income	373	407	-8.4%	408	-8.6%	1,167	1,109	5.2%
Total investment and other income	4,788	1,414	238.6%	2,334	105.1%	8,347	6,247	33.6%
Total underlying income	11,390	8,330	36.7%	9,041	26.0%	30,250	28,855	4.8%
Underwriting expenditure	9,668	7,379	31.0%	7,190	34.5%	25,062	25,541	-1.9%
Operating expenses	931	969	-3.9%	936	-0.5%	2,797	2,809	-0.4%
Interest expenses	223	251	-11.2%	236	-5.5%	711	684	3.9%
Other	7	6		6	16.7%	18	19	-5.3%
Total underlying expenditure	10,829	8,604	25.9%	8,367	29.4%	28,586	29,053	-1.6%
Underlying result before tax	561	-274	n.a.	673	-16.6%	1,663	-198	n.a.
of which life insurance	579	191	203.1%	616	-6.0%	1,651	478	245.4%
of which non-life insurance	34	40	-15.0%	64	-46.9%	121	128	-5.5%
of which investment management	47	28	67.9%	56	-16.1%	158	109	45.0%
of which corporate line	-99	-534	n.a.	-63	n.a.	-266	-912	n.a.
Taxation	5	-22	n.a.	131	-96.2%	281	-20	n.a.
Minority interests	-13	3	-533.3%	1	-1400.0%	-4	4	-200.0%
Underlying net result	570	-256	n.a.	541	5.4%	1,385	-182	n.a.
Net gains/losses on divestments	-5	-5	n.a.	27	-118.5%	22	-7	n.a.
Net result from divested units	-0	-4	n.a.	-1	n.a.	-4	-10	n.a.
Net result from discontinued operations	13	66	-80.3%	38	-65.8%	79	159	-50.3%
Special items after tax	-80	-588	n.a.	-58	n.a.	-203	-654	n.a.
Net result	499	-787	n.a.	547	-8.8%	1,280	-694	n.a.
Insurance - Margin analysis								
Investment margin	452	367	23.2%	476	-5.0%	1,301	1,026	26.8%
Fees and premium-based revenues	1,149	1,094	5.0%	1,147	0.2%	3,506	3,302	6.2%
Technical margin	136	209	-34.9%	260	-47.7%	591	556	6.3%
Income non-modelled life business	19	37	-48.6%	24	-20.8%	69	99	-30.3%
Life & ING IM operating income	1,756	1,708	2.8%	1,907	-7.9%	5,467	4,982	9.7%
Administrative expenses	715	749	-4.5%	724	-1.2%	2,159	2,198	-1.8%
DAC amortisation and trail commissions	475	437	8.7%	458	3.7%	1,415	1,264	11.9%
Life & ING IM expenses	1,191	1,185	0.5%	1,182	0.8%	3,574	3,461	3.3%
Life & ING IM operating result	565	522	8.2%	725	-22.1%	1,893	1,520	24.5%
Non-life operating result	39	34	14.7%	68	-42.6%	149	118	26.3%
Corporate Line operating result	-77	-142	n.a.	-103	n.a.	-314	-477	n.a.
Operating result	527	415	27.0%	690	-23.6%	1,728	1,162	48.7%
Gains/losses and impairments	-330	-127	n.a.	-110	n.a.	-566	-470	n.a.
Revaluations	290	192	51.0%	111	161.3%	487	392	24.2%
Market & other impacts	74	-754	n.a.	-18	n.a.	14	-1,282	n.a.
Underlying result before tax	561	-274	n.a.	673	-16.6%	1,663	-198	n.a.
Life Insurance - New business figures								
Single premiums	2,564	2,905	-11.7%	2,748	-6.7%	8,296	9,805	-15.4%
Annual premiums	755	717	5.3%	669	12.9%	2,365	2,213	6.9%
New sales (APE)	1,011	1,008	0.3%	944	7.1%	3,195	3,194	0.0%
Life & ING IM - Key figures								
Administrative expenses / operating income	40.7%	43.9%		38.0%		39.5%	44.1%	
Life general account assets (end of period, in EUR billion)	171	165	3.6%	156	9.6%	171	165	3.6%
Investment margin / Life general account assets (in bps) ³⁾	104	84		99				
Client balances (end of period, in EUR billion)	385	386	-0.3%	393	-2.0%	385	386	-0.3%
ING IM Assets under Management (end of period, in EUR billion)	330	329	0.3%	326	1.2%	330	329	0.3%
Other key figures								
Administrative expenses (total)	857	888	-3.5%	863	-0.7%	2,573	2,578	-0.2%
Return on equity ⁴⁾	10.9%	-4.6%		11.3%		9.3%	-0.9%	
Employees (FTEs, end of period, adjusted for divestments)	26,940	28,434	-5.3%	27,170	-0.8%	26,940	28,434	-5.3%

1) Insurance operating and underlying figures exclude the Insurance Latin America pension, life insurance and investment management operations, following the announced sale of these businesses on 25 July 2011. The result of Insurance Latin America has been transferred to "net result from discontinued operations". Previous periods have been restated.

2) The result of this period has been restated to reflect the change in accounting policy, i.e. the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011

3) Four-quarters rolling average

4) Annualised underlying net result divided by average IFRS-EU equity (the 2010 quarterly results are adjusted for the after-tax allocated cost of Group core debt injected as equity into Insurance by the Group).

INSURANCE

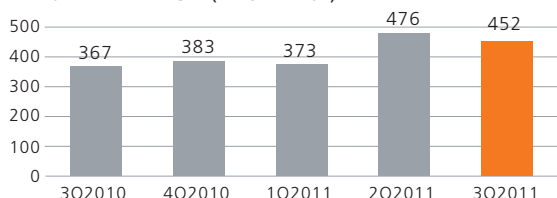
Despite volatile financial markets as a result of the European sovereign debt crisis, Insurance results continued to improve versus last year. The operating result of EUR 527 million increased 27.0% from the third quarter of last year, fuelled by a 23.2% increase in the investment margin and higher fees and premium-based revenues. The operating result decreased 23.6% compared with the second quarter of this year as the second quarter benefited from seasonally high dividend income, as well as nonrecurring items in the investment margin and technical margin in the Benelux. The underlying result before tax rose from a loss of EUR 274 million last year to a profit of EUR 561 million, despite EUR 200 million of impairments on Greek government bonds.

The total operating result for ING Insurance increased to EUR 527 million from EUR 415 million in the third quarter of 2010 (up 27.0%, or 33.3% excluding currency effects), due to an improved investment margin and higher fees and premium-based revenues. The operating result decreased from EUR 690 million in the second quarter of 2011 (down 23.6%, or 24.1% excluding currency effects), as a consequence of a lower investment margin, a lower technical margin and lower non-life results.

Life insurance and investment management

The operating result from Life Insurance and Investment Management was EUR 565 million, 8.2% higher than in the same quarter of 2010 (12.7% excluding currency effects). This improvement was driven by a higher investment margin, higher fees and premium-based revenues and lower administrative expenses. Compared with the second quarter of 2011, the Life & ING IM operating result was 22.1% lower (22.6% excluding currency effects) as the second quarter benefited from seasonally high dividend income, which lifted the investment margin, and an extraordinary technical margin result driven by an early surrender of a contract with a large pension fund in the Netherlands.

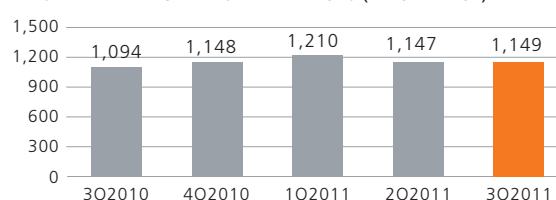
INVESTMENT MARGIN (in EUR million)



The investment margin increased to EUR 452 million from EUR 367 million in the third quarter of 2010. This increase was mainly caused by reinvestments into fixed income securities, as well as higher dividends on private equity, real estate funds and fixed income funds in the Netherlands. The higher results in the US were attributable to the reinvestment of short-term investments

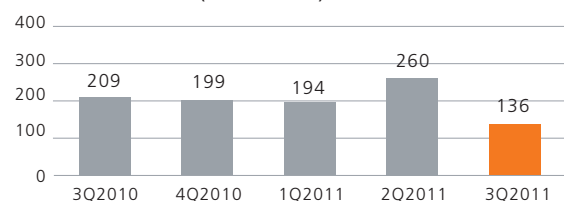
into longer-term bonds in combination with higher income from amortisation related to certain assets. The investment margin decreased from EUR 476 million in the second quarter of 2011, mainly due to seasonally high dividend income on equity securities and EUR 28 million of nonrecurring items during the prior quarter. The four-quarter rolling average investment spread continued to improve and rose to 104 basis points (102 basis points excluding the impact of EUR 28 million of nonrecurring items in the second quarter) from 84 basis points last year and 99 basis points (97 basis points excluding the impact of nonrecurring items) in the last quarter. The investment spread for the stand-alone third quarter of 2011 decreased to 111 basis points from 122 basis points (115 basis points excluding the impact of nonrecurring items) in the previous quarter, reflecting the seasonal pattern in the investment income.

FEES AND PREMIUM-BASED REVENUES (in EUR million)



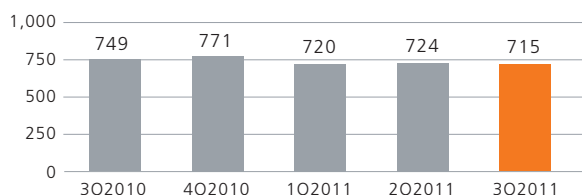
Fees and premium-based revenues increased 5.0% from the same quarter of last year (9.6% excluding currency effects) to EUR 1,149 million, primarily due to higher sales in Asia/Pacific. Fees and premium-based revenues were flat compared to the second quarter, with an increase in Asia/Pacific, offsetting a decrease in Central and Rest of Europe.

TECHNICAL MARGIN (in EUR million)



The technical margin was EUR 136 million, which is EUR 73 million lower than in the same quarter of 2010. The decline relative to the prior year reflects an addition to guarantee provisions in the Benelux as a consequence of declining interest rates and equity market values, as well as lower amortization of the gain related to the transfer of the US group reinsurance business. The technical margin was also EUR 124 million lower than in the last quarter, of which EUR 70 million was due to an early surrender of a contract with a large pension fund in the Netherlands in the second quarter of 2011.

ADMINISTRATIVE EXPENSES (in EUR million)



Life & ING IM administrative expenses were EUR 715 million, 4.5% lower than in the third quarter of 2010, but were flat on a constant currency basis. Compared with EUR 724 million in the last quarter, expenses decreased by 1.2% (2.5% excluding currency effects). The ratio of administrative expenses to operating income was 40.7% and improved versus the third quarter of 2010 (43.9%). While administrative expenses declined relative to the second quarter, the ratio of administrative expenses to operating income increased from 38.0% due to higher seasonal and incidental operating income in the second quarter.

Non-life result

The non-life operating result amounted to EUR 39 million, slightly higher than the EUR 34 million in the same quarter of 2010 but 42.6% lower than in the last quarter, mainly due to higher claims in Disability and Accident, and a provision release in the second quarter of 2011.

Corporate Line

The operating result for the Corporate Line improved to EUR -77 million from EUR -142 million in the third quarter of 2010 thanks to lower interest paid on hybrids from December 2010 in combination with the discontinuation by ING Group of allocating interest on the debt of ING Group to the Insurance Corporate Line since 1 January 2011. Compared with the previous quarter, the Corporate Line operating result improved by EUR 26 million primarily due to changes in the interest rate risk profile of the debt portfolio. This was caused by the termination of certain interest rate swaps converting floating rates to fixed rates near the end of the second quarter of 2011.

Underlying result before tax

The underlying result before tax increased to EUR 561 million from EUR -274 million in the third quarter of 2010, but decreased by EUR 112 million compared with the EUR 673 million in the second quarter of 2011. Non-operating elements were EUR 34 million in the third quarter of 2011. This quarter was the first quarter since the third quarter of 2009 with an underlying result higher than the operating result. However, this was largely driven by the positive IFRS results on hedges aimed at protecting regulatory capital in the Netherlands.

Gains/losses and impairments on investments were EUR -330 million compared to EUR -127 million in the third quarter of 2010 and EUR -110 million in the previous quarter. The result for the current quarter includes EUR 200 million of impairments and re-impairments on Greek government bonds, EUR 185 million of losses on sales of Italian government bonds as well as EUR 86

million of losses on the sale of subprime mortgages. Higher capital gains on equities of EUR 150 million provided an offset.

Revaluations showed a result of EUR 290 million in comparison with EUR 192 million in the third quarter of 2010 and EUR 111 million in the second quarter of 2011. The current quarter mainly reflects a EUR 250 million gain on equity options driven by declining equity markets in combination with a hedge strategy that is primary focused on protecting regulatory capital in the Netherlands. If these hedges remain in place and equity markets recover the gains could reverse; however, the regulatory capital position would be stabilised. The results in the comparable quarters included significant positive revaluations from CMO assets in the US. The second quarter of 2011 also reflected strong alternative asset results.

Market and other impacts improved this quarter to EUR 74 million, from EUR -18 million in the last quarter as a EUR 199 million positive change in the provision for separate account pension contracts (net of hedging) in the Netherlands more than offset negative results in the US and other regions. The same quarter in 2010 showed EUR -754 million of market and other impacts. The prior-year loss reflected the EUR -356 million impact of changes in variable annuity policyholder behaviour assumptions. The prior-year loss also reflected a EUR -151 million impact related to the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011.

Net result

The net result of EUR 499 million was EUR 48 million lower than last quarter's EUR 547 million. This was attributable to a EUR 112 million lower underlying result before tax favoured by lower taxes following a decrease of the tax valuation allowance on the deferred tax asset for realised capital losses in the US. The discontinued Latin American operations added EUR 13 million to the net result versus EUR 38 million in the previous quarter, mainly as a result of EUR 34 million lower revaluations.

Sales

New sales of EUR 1,011 million annual premium equivalent (APE) were flat compared with the same quarter of last year, but were up 6.5% on a constant currency basis and increased 7.1% (5.2% excluding currency impacts) versus the last quarter. This was mainly driven by higher sales in Asia/Pacific, especially in Japan and South Korea. In Central and Rest of Europe, sales increased versus last year as increased life sales more than offset a decrease in pension sales, but sales decreased relative to the prior quarter primarily due to seasonality. In the Benelux, sales dropped versus last year as well as versus last quarter due to higher corporate pension sales in the two prior quarters. In the US, sales increased relative to the third quarter of 2010, excluding currency effects, but were flat compared to the second quarter of 2011; both quarters reflected significantly higher sales of Full Service Retirement Plans.

INSURANCE

Insurance: Breakdown by business area

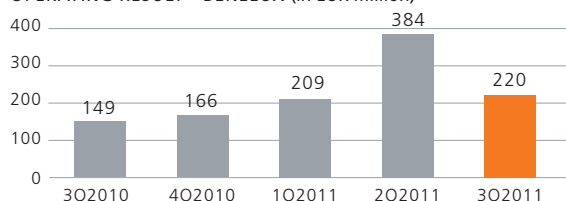
	Benelux		Central & Rest of Europe		United States ¹		US Closed Block VA ¹		Asia/Pacific		ING IM	
In EUR million	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010	3Q2011	3Q2010
Investment margin	187	119	19	22	230	212	-1	1	15	10	2	4
Fees and premium-based revenues	146	131	108	117	259	267	39	20	370	345	227	215
Technical margin	36	51	45	46	12	53	5	7	38	52	-	-
Income non-modelled life business	9	8	3	6	0	0	-0	-0	7	23	0	0
Life & ING IM operating income	378	308	174	191	502	532	44	28	430	431	228	218
Administrative expenses	144	143	69	66	192	226	20	18	112	116	179	180
DAC amortisation and trail commissions	50	49	51	49	161	160	28	-11	185	189	1	1
Life & ING IM expenses	193	191	119	115	353	386	48	8	297	304	180	181
Life & ING IM operating result	185	117	55	75	149	146	-4	21	133	126	48	37
Non-life operating result	36	32	2	1	-	-	-	-	1	1	-	-
Corporate Line operating result												
Operating result	220	149	57	76	149	146	-4	21	134	127	48	37
Gains/losses and impairments	-108	18	-160	0	-72	-158	0	4	8	11	-0	-1
Revaluations	230	29	-	-	62	204	-0	1	-2	-1	-1	-8
Market & other impacts	199	-2	-	-	-54	-46	-23	-349	-24	3	-	-
Underlying result before tax	541	194	-103	76	86	145	-27	-324	117	140	47	28
Life Insurance - New business figures												
Single premiums	521	547	161	137	1,756	2,003	-	81	126	138	-	-
Annual premiums	36	45	59	59	241	247	-	-	419	366	-	-
New sales (APE)	88	100	75	73	417	447	-	8	431	380	-	-
Key figures												
Gross premium income	1,305	1,378	471	465	2,562	2,848	97	115	1,788	1,697	-	-
Adm. expenses / operating income (Life & ING IM)	38.1%	46.4%	39.7%	34.6%	38.2%	42.5%	45.5%	64.3%	26.0%	26.9%	78.5%	82.6%
Life general account assets (end of period, in EUR billion)	65	63	7	8	66	64	7	6	25	22	1	2
Investment margin / Life general account asset (in bps) ²	100	75	98	95	142	122	50	-32	29	20	19	112
Provision for life insurance & investm. contracts for risk policyholder (end of period)	22,001	23,528	3,376	3,663	33,252	32,686	29,544	33,104	21,150	21,399	-	-
Net production client balances (in EUR billion)	-0.7	-0.5	0.2	0.6	-0.5	-0.0	-0.6	-0.6	-0.5	0.1	-0.6	-0.6
Client balances (end of period, in EUR billion)	69.7	70.0	24.9	27.8	93.5	93.0	30.3	33.8	44.0	41.7	122.6	119.6
Administrative expenses (total)	244	240	70	67	192	226	20	18	113	117	179	180

¹ The result has been restated to reflect the change in accounting policy, i.e. the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011

² Four-quarters rolling average

INSURANCE BENELUX

OPERATING RESULT - BENELUX (in EUR million)



The operating result of Insurance Benelux increased in the third quarter of 2011 from a year earlier, driven by a higher investment margin and higher fees and premium-based revenues. Compared with the previous quarter, the operating result decreased, primarily because the second quarter was supported by seasonally high dividend income, as well as nonrecurring items in both the investment margin and the technical margin. A lower result on non-life also contributed to the decline over the last quarter.

The life investment margin climbed to EUR 187 million from EUR 119 million in the third quarter of 2010. This was mainly driven by reinvestments into fixed income securities and higher dividends on

private equity, real estate funds, and fixed income funds.

Compared with the second quarter of 2011, the investment margin decreased by EUR 29 million. This was mainly caused by seasonally lower dividends on equity securities, the bulk of which are typically received in the second quarter, and EUR 28 million of nonrecurring items in the second quarter. The investment spread, calculated as a four-quarter rolling average, improved to 100 basis points from 75 basis points in the third quarter of 2010 and 91 basis points in the second quarter of 2011.

Fees and premium-based revenues increased to EUR 146 million from EUR 131 million in the third quarter of 2010. This increase was in part driven by timing differences in the processing of corporate pension premiums. By the end of the third quarter of 2011 almost all final premiums had been processed, while in 2010 a substantial part still needed to be processed in the fourth quarter. In addition, fees and premium-based revenues included a EUR 8 million one-off provision release in the third quarter of this year. Fees and premium-based revenues increased from EUR 141 million in the second quarter of 2011.

The technical margin decreased to EUR 36 million from EUR 51 million in the third quarter of 2010. The decrease was due to an

addition to guarantee provisions as a consequence of declining interest rates and equity market values. Compared with the second quarter of 2011, the technical margin decreased by EUR 109 million. In addition to the increase in guarantee provisions in the current quarter, the main reasons for this decrease were a surrender of a contract with a large pension fund in the Netherlands (EUR 70 million) and strong morbidity results, both in the second quarter.

Life administrative expenses were EUR 144 million, which is broadly in line with the third quarter of 2010 and the previous quarter. The ratio of life administrative expenses to operating income improved to 38.1% from 46.4% in the third quarter of last year, but increased from 27.9% in the previous quarter reflecting lower operating income.

The non-life operating result was EUR 36 million compared with EUR 32 million in the third quarter of 2010. This increase is mainly the result of lower claims, partly offset by lower earned premiums. Compared with the second quarter of 2011, the non-life operating result decreased from EUR 66 million, mainly due to higher claims in Disability & Accident. Furthermore, the previous quarter results benefited from a EUR 12 million provision release.

Total administrative expenses (life and non-life) increased to EUR 244 million from EUR 240 million in the third quarter of last year and EUR 242 million in the previous quarter. As of the second quarter of 2011, the Dutch insurance operations include the results of an insurance advisory business that was transferred from ING Bank. This scope change added EUR 11 million to expenses in the third quarter of 2011 (and EUR 16 million in the second quarter of 2011), the majority of which is reflected in non-life. Excluding this impact, expenses decreased compared to the year-ago quarter reflecting a continuous focus on cost control.

The underlying result before tax in the current quarter increased sharply to EUR 541 million compared with EUR 194 million in the third quarter of 2010. In addition to the higher operating result, the underlying result benefited from positive non-operating items, largely due to hedging gains as a consequence of an increased effort to protect regulatory capital in the Netherlands.

Gains/losses and impairments were EUR -108 million, compared to EUR 18 million in the third quarter of 2010 and nil in the second quarter of 2011. The EUR 108 million loss in the quarter was due to EUR 140 million of net capital losses on debt securities (which include EUR 178 million of losses on sales of Italian government bonds), EUR 45 million of impairments on Greek government bonds, EUR 61 million of impairments on public equity and EUR 18 million of real estate impairments. These items were partly compensated by higher capital gains on equities of EUR 150 million.

Revaluations were EUR 230 million versus EUR 29 million in the third quarter of 2010 and EUR 7 million in the previous quarter. The current quarter included a EUR 250 million gain on equity options driven by declining equity markets in combination with a hedge strategy focused on protecting regulatory capital in the

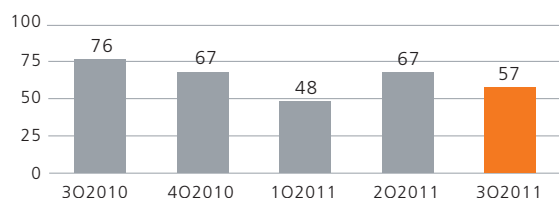
Netherlands. This gain is partly offset by negative revaluations on private equity.

Market & other impacts in the third quarter were EUR 199 million and relate to the change in the provision for guarantees on separate account pension contracts net of hedging. The positive result in the quarter was mainly driven by changes in interest rates and equity market movements, combined with an increased effort to protect regulatory capital by hedging, which increased P&L volatility. In the third quarter of 2010, the impact of the change of the provision of guarantees on separate account pension contracts net of hedging was EUR -2 million, while in the second quarter of 2011 there was a negative impact of EUR 109 million.

New sales (APE) decreased in the third quarter of 2011 to EUR 88 million from EUR 100 million in the same quarter of last year. The 12% decrease reflects a decline in corporate pension sales in the Netherlands, which had relatively good sales in the third quarter of last year. The individual life and SME businesses in the Netherlands show a moderate increase in sales, as did Belgium and Luxembourg. Compared with the second quarter of 2011, sales fell 26%; this was mostly due to lower corporate pension sales.

INSURANCE CENTRAL AND REST OF EUROPE

OPERATING RESULT - CENTRAL AND REST OF EUROPE (in EUR million)



In the third quarter, the operating result of Insurance Central and Rest of Europe decreased, reflecting regulatory changes in the pension business, higher project-related costs and reduced margins on life insurance products. The business units in the region continued to focus on expanding life insurance sales, which more than compensated for the strong decrease in pension sales in Hungary and Poland compared with the year-ago quarter.

The operating result declined to EUR 57 million from EUR 76 million in the same quarter of last year. This 25.0% decrease is attributable to lower operating income, higher administrative expenses and higher DAC amortisation and trail commissions. The operating result decreased by EUR 10 million, or 14.9%, compared with the previous quarter and reflects lower operating income, partly compensated by lower administrative expenses.

The investment margin decreased to EUR 19 million from EUR 22 million in the third quarter of 2010 and EUR 21 million in the second quarter of 2011, due to the replacement of maturing investments in Greece by lower-yielding securities.

Fees and premium-based revenues declined to EUR 108 million from EUR 117 million in the third quarter of 2010. The decline is

due in part to regulatory changes to pension funds in Hungary and Poland which led to a decrease in fees and premium-based revenues of EUR 8 million. The decline also reflects the reallocation of EUR 5 million of health insurance premiums in Greece to the technical margin (as from the first quarter of 2011), partially offset by the inclusion of EUR 3 million of revenues from Turkey and the pensions business in Bulgaria, which are now both modelled. Compared with the second quarter of this year, fees and premium-based revenues decreased by EUR 15 million, mainly due to the regulatory changes to pension funds in Hungary and Poland.

The technical margin was EUR 45 million versus EUR 46 million in the third quarter of 2010. Excluding the reallocation of health insurance premiums in Greece from fees and premium-based revenues, the technical margin declined by EUR 6 million compared to a year ago.

Life administrative expenses were EUR 69 million versus EUR 66 million in the third quarter of 2010 and EUR 75 million in the second quarter of 2011. The increase in expenses over last year (which also included the EUR 8 million financial institution tax in Hungary) is mainly due to higher project-related costs such as Solvency II and the building of a regional IT organisation.

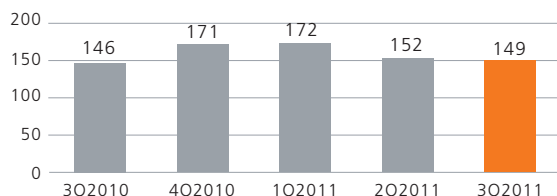
DAC amortisation and trail commissions increased by EUR 2 million compared with the same quarter of last year, mainly reflecting higher life sales.

The underlying result before tax was EUR -103 million, which is a EUR 179 million decrease from the same quarter of last year. In addition to the lower operating result, the underlying result was impacted by impairments on Greek government bonds of EUR 154 million and a loss on sales of Italian government bonds.

New sales (APE) were EUR 75 million compared with EUR 73 million in the same quarter of last year. Insurance CRE's focus on expanding life sales in the region resulted in a 16% increase in life sales to EUR 51 million. All countries except Greece contributed to the increase. Pension new sales were EUR 24 million, down EUR 5 million, due to the regulatory changes for pension funds in Hungary and Poland. Pension new sales in these countries were EUR 12 million lower, partly offset by EUR 7 million of higher new sales in Turkey. New sales (APE) decreased to EUR 75 million from EUR 83 million in the previous quarter, mainly reflecting seasonally low sales in the third quarter of the year.

INSURANCE UNITED STATES

OPERATING RESULT - UNITED STATES (in EUR million)



Results for Insurance US were very resilient during third quarter 2011 despite very turbulent and difficult market conditions. The operating result for Insurance US increased to EUR 149 million from EUR 146 million in the third quarter of 2010, up 2.1% or 12.8% excluding currency effects. The increase from last year is attributable to a higher investment margin, higher fees and premium-based revenues, and lower administrative expenses, partially offset by a lower technical margin. The operating result in the current quarter declined 3.8%, excluding currency effects, from the second quarter of 2011 due to lower fees and premium-based revenues, a lower technical margin, and higher DAC amortisation and trail commissions.

The investment margin of EUR 230 million rose 19.7% from the third quarter of 2010, excluding currency effects. The increase from the prior year was driven by a reduction in average credited interest, higher income amortisation related to certain assets, higher prepayment fees, and reinvestment of short-term investments into longer-duration fixed income securities, partially offset by the impact of lower interest rates. The 5.5% increase, excluding currency effects, over the second quarter 2011 is driven by higher income amortisation, higher prepayment fees, an increase in fixed assets under management, and a decrease in average credited interest. The impact was partially offset by an increase in short-term investments from sales proceeds of longer-duration fixed assets and the impact of lower interest rates. The higher amortisation on assets relates to favourable revaluations in prior quarters due to changes in prepayment assumptions, which for certain retirement portfolios are deferred and amortised in future periods.

Fees and premium-based revenues rose to EUR 259 million, up 7.0% from the third quarter of 2010, excluding currency effects. This increase was driven by higher fee income on Full Service Retirement Plans and Individual Retirement products due to an increase in average assets under management, as well as higher premium-based revenues in Individual Life and Employee Benefits. The 2.3% decline from the second quarter of 2011, excluding currency effects, is due to a decrease in fee income on Retirement Plans related to the decline in equity markets in the quarter and customer transfers to fixed account options (which contributed to the aforementioned increase in fixed assets under management).

The technical margin of EUR 12 million decreased 73.5% from the third quarter of 2010, excluding currency effects. The decline from last year is due in part to the decrease in the amortisation of the gain related to the transfer of the US group reinsurance business

in the first quarter of 2010. The decline from the third quarter of 2010 also reflects strong results in the prior year in Individual Life and the Employee Benefits Disability line, as well as higher loss ratios in the Employee Benefit Stop Loss business in the current quarter. The 43.5% decrease (excluding currency effects) from the second quarter of 2011 reflects higher loss ratios in Group Life and in the Employee Benefit Stop Loss business as well as less favourable mortality results in Individual Life.

Administrative expenses were EUR 192 million, down 6.3%, excluding currency effects from the third quarter of 2010. This decline reflects expense reductions initiated in 2010, including the reduction of more than 500 positions since 30 September 2010. The 2.5% decline, excluding currency impacts, from the second quarter of 2011 is primarily due to a reduction in third party expenses and project spending.

DAC amortisation and trail commissions were EUR 161 million, up 11.0% from the third quarter of 2010 and up 5.9% from the second quarter of 2011, excluding currency effects. The change over both quarters was primarily due to an increase in operating income that drives DAC amortisation. Higher AuM-based commissions and higher Fixed Annuity DAC amortisation rates also contributed to the increase over the prior year.

The underlying result before tax decreased to EUR 86 million from EUR 145 million in the third quarter of 2010 and EUR 245 million in the second quarter of 2011, primarily due to EUR 86 million of losses on the sale of subprime mortgage investments in the current quarter and strong revaluation results in prior quarters. In July, the US took steps to further de-risk its investment portfolio and strengthen its balance sheet by reducing subprime mortgage holdings by EUR 320 million. This transaction was completed prior to the market decline in August, so the loss on the transaction was limited to EUR 86 million. Primarily due to this transaction, subprime mortgage holdings decreased from EUR 1.1 billion as of 30 June 2011 to EUR 758 million as of 30 September 2011. Excluding the EUR 86 million in subprime losses, the current quarter underlying result before tax would have been higher than the third quarter of 2010.

Gains/losses and impairments improved to EUR -72 million from EUR -158 million in the third quarter of 2010. The current quarter reflects an improvement in impairment losses versus the prior year, partially offset by the EUR 86 million of losses on the sale of subprime mortgages. The current quarter loss of EUR 72 million increased from a EUR 4 million loss in the second quarter of 2011 due to the subprime losses and very low impairments in the prior quarter.

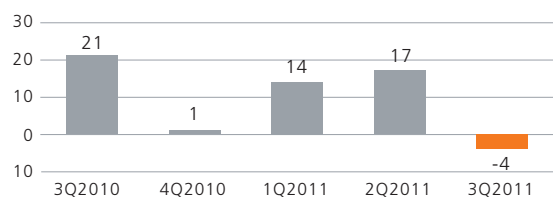
Revaluations were EUR 62 million versus EUR 204 million in the third quarter of 2010 and EUR 119 million in the second quarter of 2011. Results in the current quarter reflect positive revaluations from CMO assets and alternative assets, partially offset by negative market value adjustments on credit derivatives. Revaluations were exceptionally high in the third quarter of 2010 due to the effect of slower prepayments on CMOs and due to strong alternative asset returns in the second quarter of 2011.

Market and other impacts were EUR -54 million compared with EUR -46 million in the third quarter of 2010 and EUR -22 million in the second quarter of 2011. The current quarter primarily reflects negative DAC and Fixed Indexed Annuity reserve unlocking due to adverse market conditions, partially offset by negative DAC amortisation related to investment losses. The negative DAC unlocking was primarily equity related, reflecting the impact the equity market decline will have on fee income during the mean reversion period. The negative Fixed Indexed Annuity reserve unlocking was primarily due to the decline in interest rates during the quarter.

New sales (APE) of EUR 417 million rose 2.9% over the third quarter of 2010, excluding currency effects. A 13% increase in Full Service Retirement Plan sales and a 38% increase in Individual Life sales, due to changes in sales strategy and pricing, were partially offset by declines in Stable Value, Annuities, and Employee Benefits. APE was flat compared with second quarter 2011, but sales of Full Service Retirement Plans were up 12%.

INSURANCE US CLOSED BLOCK VA

OPERATING RESULT - US CLOSED BLOCK VA (in EUR million)



Results for the Closed Block VA business, both operating and underlying, continue to stay within a very tight range despite the very turbulent market conditions that existed during the third quarter of 2011. The operating result for the US Closed Block VA was EUR -4 million versus EUR 21 million in the third quarter of 2010 and EUR 17 million in the second quarter of 2011. The decrease from the third quarter of 2010 is primarily due to higher DAC amortisation, while the decrease from the second quarter of 2011 is due to lower fee income and a lower investment margin.

The investment margin of EUR -1 million was essentially flat compared with the third quarter of 2010, but decreased from EUR 7 million in the second quarter of 2011. The decrease from the second quarter of 2011 reflects an increase in short-term investments as proceeds from the sales and maturities of fixed income investments were not immediately reinvested given the market turmoil in the third quarter.

Fees and premium-based revenues climbed to EUR 39 million from EUR 20 million in the third quarter of 2010, but decreased from EUR 61 million in the second quarter of 2011. The increase from the prior year reflects lower hedging costs primarily due to the impact related to the move towards fair value accounting on reserves for Guaranteed Minimum Withdrawal Benefits for life ('GMWB'). The decrease from the second quarter is mainly due to lower fee income and higher hedge costs due to the decrease in equity markets during the quarter.

Administrative expenses in the third quarter were EUR 20 million, up 17.6% excluding currency effects from the third quarter of 2010 and flat with second quarter of 2011. The increase in expenses over last year was primarily due to a realignment of staff between the US Closed Block VA and Insurance US (excluding US Closed Block VA) to reflect the ongoing requirements of both businesses.

DAC amortisation and trail commissions increased to EUR 28 million from EUR -11 million in the third quarter of 2010. This increase was mainly attributable to higher operating income and lower interest on DAC. DAC amortisation is reported net of interest on DAC, which declined by EUR 12 million from a year ago due to the significant reductions in the DAC balance during 2010. The total remaining DAC balance as of 30 September 2011 was less than EUR 0.4 billion.

The underlying result before tax is EUR -27 million compared with EUR -324 million in the third quarter of 2010 and EUR 61 million in the second quarter of 2011. The loss in the prior year was mainly due to hedge losses that exceeded reserve decreases, primarily stemming from the restatement of reserves related to the move towards fair value accounting and due to steps taken last year under the reserve adequacy testing (RAT) policy. The loss in the current quarter is primarily due to negative DAC unlocking due to adverse market conditions.

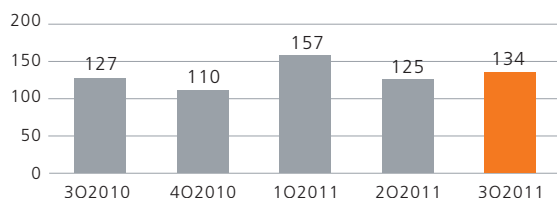
Prior quarters have been restated to reflect the move towards fair value accounting on reserves for GMWB as of 1 January 2011. The restatement had no impact on operating results. The historical, restated numbers do not reflect the impact of interest rate hedging, which was implemented in December 2010 and January 2011. Further details on the restatement are available in the restated fourth-quarter 2010 Historical Trend Document, which is available on www.ing.com.

Market and other impacts were EUR -23 million, a very stable result considering the market turmoil in the quarter and a substantial improvement from EUR -349 million in the third quarter of last year. The current quarter primarily reflects negative DAC unlocking due to the impact the adverse third quarter market changes had on future projected fee income and hedge costs. Hedge gains for the quarter, which were significant, slightly exceeded the change in reserves for the quarter.

Market and other impacts in the third quarter of 2010 reflected a hedge loss due to positive equity market movements, which was only partially offset by a reserve decrease, which was impacted by the restatement related to the move towards fair value accounting. In addition, there was no offsetting increase in DAC associated with the hedge losses last year, because of the steps taken under the RAT policy to restore adequacy. The third quarter of 2010 also included a EUR 21 million charge due to changes to variable annuity assumptions. ING will conduct its annual review of actuarial assumptions for the US Closed Block VA businesses in the fourth quarter of 2011.

INSURANCE ASIA/PACIFIC

OPERATING RESULT - ASIA/PACIFIC (in EUR million)



The operating result for Insurance Asia/Pacific was EUR 134 million in the third quarter of 2011, compared with EUR 127 million in the third quarter of 2010. The operating result rose 6.3%, excluding currency impacts, driven by higher fees and premium-based revenues and a higher investment margin, partly offset by a lower technical margin. The operating result rose 3.9%, excluding currency effects compared with the second quarter of 2011 and was supported by higher fees and premium-based revenues.

The investment margin rose to EUR 15 million compared with EUR 10 million a year ago, supported by an improved spread between interest earned on general account assets and interest credited to reserves. The investment margin was EUR 3 million lower than the second quarter of 2011.

Fees and premium-based revenues were EUR 370 million, up 9.1% excluding currency effects on growth in most businesses. In addition, the inclusion of the Malaysian employee benefits business (modelled as of the first quarter of 2011) contributed an additional EUR 9 million in the third quarter of 2011, with a corresponding reduction in non-modelled income. Compared with the previous quarter, fees and premium-based revenues rose 6.6%, excluding currencies, on seasonality of the Japan COLI business and premium growth.

The technical margin declined to EUR 38 million from EUR 52 million in the third quarter of 2010. The technical margin in the third quarter of 2010 benefited from reserve releases of EUR 10 million in ING Life Korea. Compared with the second quarter of 2011, the technical margin was broadly stable.

The income non-modelled business was EUR 7 million compared with EUR 23 million in the same quarter of last year, mainly reflecting the modelling of the Malaysian employee benefit business and the exclusion of PALIC following completion of the divestment in June 2011. The income non-modelled business was lower than in the second quarter of 2011, mainly due to the exclusion of PALIC as well as lower income in the non-operating entities.

Life administrative expenses were EUR 112 million and DAC amortisation and trail commissions were EUR 185 million, both stable compared with the third quarter of 2010, excluding currency effects. The ratio of administrative expenses to operating income was 26.0% in the quarter.

The underlying result before tax declined to EUR 117 million compared with EUR 140 million in the third quarter of 2010, or down 15.2% excluding currency effects. Total non-operating items were EUR -17 million as capital gains on debt securities were offset by negative DAC unlocking impacts from market movements in Korea and Japan.

New sales rose 15.6% excluding currency effects to EUR 431 million, driven by growth in Japan, Korea, Hong Kong, China and India. New sales increased 25.7% excluding currency effects compared with the previous quarter, primarily due to seasonality.

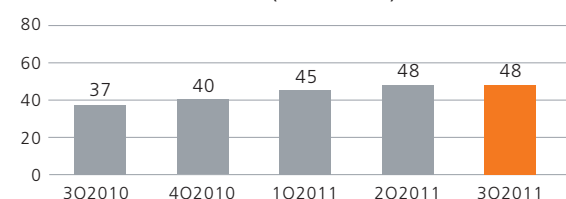
ING INVESTMENT MANAGEMENT

ING Investment Management: Key figures			
	3Q2011	2Q2011	3Q2010
Operating result (in EUR million)	48	48	37
of which Europe & Asia	33	38	28
of which US	15	9	10
Assets under Management (in EUR billion)	330.2	326.3	328.6
of which Proprietary	148.8	138.0	143.9
of which Retail	92.3	100.4	98.3
of which Institutional	89.1	87.9	86.5
Net inflow (in EUR billion)	-0.3	-0.7	-0.7
Fees and premium-based revenues / average AUM (annualised in bps)	28	28	26
Administrative expenses / operating income	78.5%	78.6%	82.6%

Assets under management (AuM) at ING Investment Management (ING IM) increased to EUR 330.2 billion from EUR 326.3 billion at the end of the second quarter of 2011. Inflows in the institutional and proprietary segments were offset by outflows in the retail segment, resulting in net outflows of EUR 0.3 billion in the third quarter of 2011. Market performance had a negative impact of EUR 4.1 billion, which was more than offset by a EUR 8.4 billion of positive currency impact this quarter.

During the third quarter of 2011, the one-year investment performance against benchmark decreased. However, the three-year investment performance improved, with the percentage of AuM performing above benchmark increasing to 68% compared with 62% in the previous quarter. With 82% of rated mutual funds awarded three Morningstars or more, ING IM beats the market standard of 68%.

OPERATING RESULT - ING IM (in EUR million)



The operating result increased to EUR 48 million from EUR 37 million in the third quarter of 2010. This 29.7% increase is largely attributable to higher fee income. Compared with the previous quarter, the operating result remained flat.

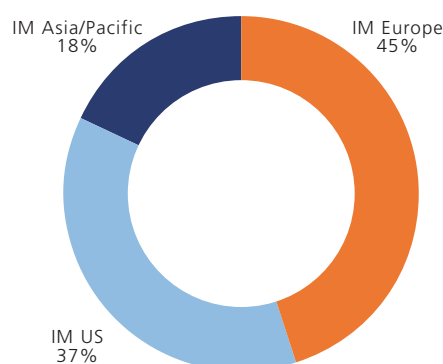
Fees and premium-based revenues rose to EUR 227 million, up 5.6%, or 9.7% excluding currency effects, from the third quarter of 2010. Part of the increase is due to the introduction of a fixed service fee related to the transfer of funds to the Luxembourg platform. As of the third quarter of 2010, expenses of these funds are no longer recorded as negative income. The increase in fees and premium-based revenues over the third quarter of last year also reflects higher management fees in Europe due to improving margin levels and higher revenues in the US as a result of a higher AuM balances and higher net distribution fees. Compared with the previous quarter, fees and premium-based revenues decreased 0.4%, or 1.7% excluding currency effects, mainly due to higher performance fees in Asia in the second quarter. The annualised ratio of fees to average AuM remained flat compared with the previous quarter at 28 basis points.

Administrative expenses were EUR 179 million compared with EUR 180 million in the third quarter of 2010. Excluding currency effects, administrative expenses rose 4%. This increase is due to the impact of the introduction of a fixed service fee and higher project expenses in Europe. Compared with the previous quarter, administrative expenses decreased 0.6%, or 1.6% excluding currency effects, as a consequence of lower staff-related expenses.

The underlying result before tax increased to EUR 47 million from EUR 28 million in the third quarter of 2010. This 67.9% increase is attributable to a EUR 10 million increase in operating income and the impact of EUR 9 million negative revaluations of the US private equity holdings in the third quarter of 2010. Compared with the previous quarter, the underlying result before tax decreased by EUR 9 million, reflecting EUR 9 million in positive revaluations of the private equity holdings in the second quarter of 2011.

The sale of ING IM Australia to UBS was completed in October of this year. Consequently, the fourth-quarter results will exclude the assets managed by ING IM Australia, which amounted to EUR 21.8 billion at the end of the third quarter of 2011. The transaction is expected to have a negligible impact on ING's profit and loss account.

ING IM: AUM BY REGION



CORPORATE LINE INSURANCE

Corporate Line Insurance		
in EUR million	3Q2011	3Q2010
Interest on hybrids and debt	-67	-153
Amortisation intangible assets	-6	-6
Investment income & fees (ING Insurance holding)	-4	1
Capital Management	-77	-158
Results from reinsurance run-off portfolios	13	32
Other	-14	-16
Operating result	-77	-142
Gains/losses and impairments	2	0
Revaluations	2	-33
Market and other impacts	-25	-360
Underlying result before tax	-99	-534

The Corporate Line Insurance operating result of EUR -77 million improved from EUR -142 million in the third quarter of 2010, primarily due to lower interest on hybrids and debt.

The Corporate Line Insurance mainly consists of items related to Capital Management and other insurance results. Corporate Line Insurance also includes ING Life Japan's SPVA guaranteed benefits, which are reinsured to ING Reinsurance and the associated hedges that correspond to those benefits.

The result of Capital Management activities improved from EUR -158 million in the third quarter of 2010 to EUR -77 million in the third quarter of 2011 due to lower interest on hybrids and debt. In preparation for potential Insurance IPOs, in December 2010 EUR 1.5 billion of hybrids on-lent from ING Group to ING Insurance were converted into equity capital. As from 1 January 2011, the Group also ceased to allocate a portion of interest expenses on Group debt to the Corporate Line Insurance.

Results from reinsurance run-off portfolios were EUR 13 million, which is EUR 19 million lower than the result of the third quarter last year following lower reserve releases.

The 'Other' result of EUR -14 million was flat compared to the third quarter of 2010. This includes the result of ING's stake in the Brazilian insurer Sul America, which was EUR 27 million in the current quarter (including a EUR 15 million nonrecurring positive impact from the release of certain purchase accounting provisions) and EUR 17 million in the third quarter of 2010. The increase in the Sul America result was partly offset by lower ING Reinsurance results.

Revaluations of EUR 2 million improved by EUR 35 million compared with the third quarter of last year, reflecting favourable changes in the fair value of the derivative positions.

Market and other impacts of EUR -25 million improved substantially from EUR -360 million in the same quarter of last year due to improved results from the internally reinsured Japanese SPVA guaranteed benefits. The prior year included a EUR 335 million charge resulting from changes to variable annuity policyholder behaviour assumptions. ING will conduct its annual review of actuarial assumptions for the Japanese SPVA businesses in the fourth quarter of 2011.

CONSOLIDATED BALANCE SHEET

ING Verzekeringen N.V.: Consolidated balance sheet						
in EUR million	30 Sep. 11	30 June 11	31 Dec. 10 ¹⁾ pro forma		30 Sep. 11	30 June 11 31 Dec. 10 ¹⁾ pro forma
Assets				Equity		
Cash and balances with central banks	9,949	7,273	8,549	Shareholders' equity	22,466	19,461 20,159
Financial assets at fair value through P&L	119,893	120,125	127,785	Minority interests	82	94 112
- trading assets	581	643	609	Total equity	22,548	19,556 20,271
- non-trading derivatives	7,629	3,555	4,440	Liabilities		
- investments for risk of policyholders	108,997	113,486	120,340	Subordinated loans	4,396	4,266 4,407
- other	2,686	2,442	2,398	Debt securities in issue	3,912	3,895 3,967
Investments	128,910	119,330	122,599	Other borrowed funds	8,858	7,555 8,414
- debt securities available-for-sale	122,856	112,404	115,592	Insurance and investment contracts	267,063	259,599 270,393
- equity securities available-for-sale	6,053	6,925	7,007	- life insurance provisions	148,240	136,479 140,041
Loans and advances to customers	32,093	30,380	31,014	- non-life insurance provisions	3,675	3,796 3,552
Reinsurance contracts	5,807	5,447	5,787	- provision for risk of policyholders	109,323	113,947 120,808
Investments in associates	2,460	2,375	2,434	- other	5,824	5,377 5,991
Real estate investments	960	961	963	Financial liabilities at fair value through P&L	4,128	3,240 3,677
Property and equipment	460	455	484	- non-trading derivatives	4,128	3,240 3,677
Intangible assets	2,095	2,226	2,433	Liabilities held for sale	1,296	1,489 1,789
Deferred acquisition costs	10,138	10,021	10,489	Other liabilities	12,954	11,485 12,742
Assets held for sale	2,796	3,174	3,443	Total liabilities	302,607	291,527 305,389
Other assets	9,595	9,316	9,678			
Total assets	325,155	311,083	325,659	Total equity and liabilities	325,155	311,083 325,659

1 Adjusted for transfer of ING Latin America to assets/liabilities held for sale, and the restating to reflect the change in accounting policy i.e. move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011

ING Insurance's balance sheet increased by EUR 14.1 billion in the third quarter to EUR 325.2 billion, primarily due to currency effects. The weakening of the euro against the US dollar and Japanese yen during the third quarter of 2011 resulted in a positive currency effect of EUR 13.1 billion. Shareholders' equity increased by EUR 3.0 billion, mainly due to an increase in the revaluation reserves based on higher market values of the debt securities portfolio as a result of lower interest rates, as well as the net profit of EUR 0.5 billion.

Assets

Financial assets at fair value through P&L decreased by EUR 7.2 billion excluding currency effects. Non-trading derivatives increased by EUR 4.1 billion related to embedded mark-to-market movements in equity, foreign exchange and interest rate derivatives, which are used for hedging purposes. Investments for risk of policyholders decreased by EUR 11.2 billion, excluding currency effects. Negative revaluations of EUR 9.3 billion in the investment portfolio and a net outflow of EUR 1.8 billion caused this decrease. All of these effects are mirrored in the provision for risk of policyholders, which is included in 'Insurance and investment contracts'.

Debt securities available-for-sale increased by EUR 6.1 billion, excluding currency effects, due to EUR 2.3 billion of additional investments and EUR 3.8 billion of positive revaluations as a result of decreasing interest rates.

Deferred acquisition costs decreased by EUR 0.4 billion excluding currency effects.

Liabilities

Insurance and investment contracts increased to EUR 267 billion, due to EUR 11.7 billion of positive currency effects. At comparable exchange rates, 'insurance and investment contracts' decreased by EUR 4 billion, reflecting a EUR 7 billion net increase of life insurance provisions, offset by a EUR 11 billion decrease in the provision for risk of policyholders, which mirrors the movement in the investments for risk of policyholders.

Shareholders' equity

Shareholders' equity increased by EUR 3.0 billion, mainly due to an increase in the revaluation reserves based on higher market values of the debt securities portfolio as a result of decreasing interest rates.

Shareholders' equity at 31 December 2010 has been restated to reflect the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011. As a result, the restated shareholders' equity figure is EUR 651 million lower than the original figure for the fourth quarter of 2010. Further details on the restatement are available in the restated fourth quarter 2010 Historical Trend Document which is available on www.ing.com.

RISK MANAGEMENT

Market conditions remained volatile in the third quarter as the euro depreciated almost 10% against the US dollar, worldwide interest rates declined, European equity markets declined and credit spreads in southern European countries widened. Against this backdrop, ING Insurance reduced risk further and increased hedging to protect regulatory capital.

Credit risk

ING Insurance: General account (excluding Latin America) IFRS-EU Balance Sheet Value		
In EUR billion	3Q2011	2Q2011
Government bonds	52.7	48.3
Corporate bonds	43.6	37.8
Covered bonds	1.2	1.1
Financial institutions	11.8	12.2
RMBS and other ABS	15.9	15.5
- US agency RMBS	5.2	4.4
- US prime RMBS	1.3	1.3
- US Alt-A RMBS	0.3	0.3
- US Subprime RMBS	0.8	1.1
- Non-US RMBS	5.0	5.0
- CDO/CLO	0.7	0.8
- Other ABS	2.6	2.5
CMBS	4.3	4.3
Public equities	3.3	4.1
Other equities	2.7	2.9
Real estate	3.1	3.0
Cash	9.9	7.3
Mortgages	13.9	13.5
Other loans	11.8	10.4
Other	10.6	6.4
Total	185.0	166.7

ING Insurance proactively managed general account risk during the third quarter. US Insurance further de-risked its investment portfolio and strengthened its balance sheet by reducing subprime mortgage holdings by EUR 320 million. This transaction was completed prior to the market decline in August, so the loss on the transaction was limited to EUR 86 million. Primarily due to this transaction, subprime mortgage holdings decreased from EUR 1.1 billion as of 30 June 2011 to EUR 758 million as of 30 September 2011. ING Benelux and ING Central & Rest of Europe reduced sovereign credit spread risk exposure within the general account through sales of EUR 1.1 billion of Italian government bonds resulting in a capital loss of EUR 185 million. Furthermore, concentrations within the Euro sovereign bond portfolio have been reduced. The primary aim of these transactions was to reduce the volatility of regulatory capital ratios in the Netherlands and Spain.

The general account increased by EUR 18.3 billion, largely driven by positive inflow in the Benelux and Asia and the depreciation of the euro versus the Japanese yen and the US dollar. This was partially offset by negative revaluations due to increased credit spreads and lower equity values.

Government bonds increased by EUR 4.4 billion mainly due to investments in, amongst others, Japanese, German and Dutch

sovereign bonds as well as positive marked-to-market revaluations for bonds issued by France, Germany and the Netherlands. In the third quarter, credit spreads widened further for the southern European region, causing further negative revaluations on the Italian government bond portfolio in particular. Divestments mainly took place in the Italian government bond portfolio.

The balance sheet value for corporate bonds increased by EUR 5.8 billion, mainly due to the depreciation of the euro versus the dollar and lower interest rates.

Financial institutions decreased by EUR 0.4 billion to EUR 11.8 billion. This was mainly a consequence of negative revaluations.

Cash increased in the third quarter by EUR 2.6 billion, primarily as a result of received collateral.

The 'Other' category is predominantly composed of derivatives. The EUR 4.2 billion increase is related to embedded mark-to-market movements in equity, foreign exchange and interest rate derivatives, which are used for hedging purposes.

Greece, Italy, Ireland, Portugal and Spain

Following the outcome of the EC meeting on 26 October, ING impaired all remaining Greek government bonds maturing from 2020 and beyond to market value. These impairments, as well as further market value declines on bonds impaired in the second quarter, led to a total writedown of EUR 200 million in the third quarter on Greek government bonds. Of that amount, EUR 130 million were new impairments and EUR 70 million in re-impairments. The total Greek government bond portfolio has now been written down by approximately 60%.

At 30 September 2011, ING Insurance's balance sheet value of government bonds and unsecured financial institutions bonds to Greece, Italy, Ireland, Portugal and Spain decreased by EUR 1.5 billion, mainly due to sales of Italian government bonds in September. The balance sheet values and related pre-tax revaluation reserve in equity are as follows:

ING Insurance: Greece, Italy, Ireland, Portugal and Spain			
in EUR million	30 Jun 11	30 Sept 11	
	Balance Sheet value	Balance Sheet value	Pre-tax revaluation reserve
Greece			
Government bonds - available-for-sale	323	226	0
Italy			
Government bonds - available-for-sale	2,943	1,722	-213
Financial institutions - available-for-sale	287	174	-44
Ireland			
Government bonds - available-for-sale	35	46	-8
Financial institutions - available-for-sale	12		
Portugal			
Government bonds - available-for-sale	109	105	-78
Financial institutions - available-for-sale	94	65	-88
Spain			
Government bonds - available-for-sale	873	868	-147
Financial institutions - available-for-sale	222	206	-37
Total	4,899	3,411	-613

Market risk

IFRS-EU earnings sensitivities for market risks (full year impact and excluding Latin America)

In EUR million	3Q2011	2Q2011
Interest rates +30% *	-108	-28
Interest rates -30% *	561	129
Equity -25%	-946	-663
Real estate -15%	-776	-776
Foreign exchange -10%	-157	-171

* Parallel shock based on 30% move in 10-year swap rate at year-end 2010

During July and early August, ING Insurance took proactive steps to reduce risk and protect regulatory capital. ING Benelux purchased equity hedges to provide coverage in excess of the direct equity exposure. The excess equity hedges together with Bund futures were used to partially offset the risk of credit spread widening on southern European sovereign bonds and financials. ING Benelux also added significant amounts of interest rate swaps and swaptions to manage interest rate risk, with the particular aim of protecting regulatory capital. These hedges produced substantial mark-to-market gains through the P&L during the quarter, partially offsetting declines in regulatory capital which were generally reflected in shareholders' equity.

US insurance also added hedges to further protect regulatory capital during the third quarter. In addition to the variable annuity hedging program, a specific capital hedging program is in place to limit the impact of equity market movements on the RBC ratio. The capital hedge produced a EUR 50 million gain during the quarter.

The earnings sensitivities above reflect hedging positions as of 30 September and 30 June respectively. The sensitivities do not reflect potential future management actions which are not fully embedded in a hedge policy. In the third quarter, such management actions led to favourable P&L results deviating from the sensitivities provided as of 30 June.

Interest rate risk affecting the IFRS-EU P&L mainly arises in the Benelux and the US. The IFRS earnings sensitivities are not well aligned with regulatory capital sensitivities in the Benelux. The increase in interest rate sensitivities during the third quarter is primarily attributable to additional hedges put in place in the Benelux in order to protect regulatory capital.

Equity risk is mainly present in the Benelux and the US. For the Benelux, the earnings sensitivities reflect the risk of impairments on direct exposures, net of associated hedges. The direct exposure was, from an economic perspective, partially hedged as of 30 June. During the third quarter we significantly increased our hedge position to an amount higher than our economic exposure to direct equity holdings, with the aim to protect regulatory capital.

For the US, the equity earnings sensitivities include the unhedged part of equity risk related to DAC and fee income on client funds. The increase in overall equity sensitivity relative to 30 June is driven by the US businesses and reflects the market declines

during the third quarter. A 25% decline in equity markets from the 30 September levels could trigger significant DAC unlocking in Insurance US and US Closed Block VA (as mean reversion corridors would be breached), and could lead to required reserve strengthening in the US Closed Block VA to ensure continued adequacy at the 50% confidence level.

Insurance and other risks

Insurance risks such as mortality, longevity, morbidity and P&C claims result from the pricing and acceptance of insurance contracts.

Through scenario analysis, ING Insurance measures the sensitivity of pre-tax earnings of the insurance operations to an adverse change of the insurance risk factors over a one-year period.

Earnings sensitivities in this section are defined on a shock scenario at the 90% confidence level on pre-tax IFRS-EU earnings, projected one year forward from the calculation date.

IFRS-EU earnings sensitivities for Insurance risks (full year impact and excluding Latin America)

In EUR million	3Q2011	2Q2011
Mortality	-34	-34
Morbidity	-134	-116
P&C	-64	-48

The sensitivities present figures after diversification between insurance risks and after diversification across business units. The largest earnings sensitivity to mortality risk arises in Asia/Pacific, with slightly smaller contributions in the other regions. Earnings sensitivity to morbidity risk (sickness, disability, accidental death, workers' compensation, medical insurance and long-term care insurance) is also present in all regions, with the largest contribution from the Benelux. The earnings sensitivity for P&C risk is mainly concentrated in the Benelux. Overall exposure to insurance risks did not change significantly during the third quarter of 2011 and sensitivities mainly changed because of modelling updates.

Annually, and mostly concentrated in the third and fourth quarters, actuarial assumptions including lapse risk, expense risk and insurance risks are reviewed. This can have an impact on fourth and future quarter results.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

ING Group: Consolidated profit and loss account						
	Total Group ¹⁾		Total Banking		Total Insurance	
in EUR million	3Q2011	3Q2010 ²⁾	3Q2011	3Q2010 ²⁾	3Q2011	3Q2010 ²⁾
Gross premium income	6,229	6,509			6,229	6,509
Interest result Banking operations	3,298	3,398	3,297	3,415		
Commission income	984	1,054	611	646	373	407
Total investment & other income	4,659	1,583	-28	258	4,788	1,414
Total underlying income	15,170	12,544	3,880	4,319	11,390	8,330
Underwriting expenditure	9,668	7,379			9,668	7,379
Staff expenses	1,885	1,900	1,357	1,385	527	515
Other expenses	1,352	1,407	948	954	404	454
Intangibles amortisation and impairments	74	113	74	113		
Operating expenses	3,310	3,420	2,379	2,451	931	969
Interest expenses Insurance operations	123	146			223	251
Addition to loan loss provision	438	374	438	374		
Other	7	6			7	6
Total underlying expenditure	13,546	11,324	2,817	2,825	10,829	8,604
Underlying result before tax	1,624	1,220	1,063	1,494	561	-274
Taxation	332	363	327	385	5	-22
Minority interests	7	22	20	18	-13	3
Underlying net result	1,285	835	715	1,090	570	-256
Net gains/losses on divestments	516	-32	520	-26	-5	-5
Net result from divested units		6		11		-4
Net result from discontinued operations	13	66			13	66
Special items after tax	-122	-637	-42	-48	-80	-588
Net result	1,692	239	1,193	1,026	499	-787

ING Group: Consolidated profit and loss account						
	Total Group ¹⁾		Total Banking		Total Insurance	
in EUR million	9M2011	9M2010 ²⁾	9M2011	9M2010	9M2011	9M2010 ²⁾
Gross premium income	20,735	21,499			20,735	21,499
Interest result Banking operations	10,037	9,853	10,041	9,936		
Commission income	3,155	3,069	1,988	1,960	1,167	1,109
Total investment & other income	8,499	7,084	461	977	8,347	6,247
Total underlying income	42,426	41,504	12,489	12,873	30,250	28,855
Underwriting expenditure	25,062	25,541			25,062	25,541
Staff expenses	5,773	5,593	4,230	4,048	1,543	1,544
Other expenses	4,110	3,983	2,857	2,718	1,253	1,265
Intangibles amortisation and impairments	200	389	200	389		
Operating expenses	10,084	9,964	7,287	7,155	2,797	2,809
Interest expenses Insurance operations	398	460			711	684
Addition to loan loss provision	1,141	1,336	1,141	1,336		
Other	18	19			18	19
Total underlying expenditure	36,701	37,320	8,428	8,491	28,586	29,053
Underlying result before tax	5,725	4,185	4,061	4,383	1,663	-198
Taxation	1,396	1,140	1,115	1,160	281	-20
Minority interests	52	61	56	56	-4	4
Underlying net result	4,276	2,984	2,891	3,166	1,385	-182
Net gains/losses on divestments	578	372	556	379	22	-7
Net result from divested units	-4	4		14	-4	-10
Net result from discontinued operations	79	159			79	159
Special items after tax	-350	-839	-147	-186	-203	-654
Net result	4,580	2,680	3,300	3,374	1,280	-694

1 Including intercompany eliminations

2 The result of this period has been restated to reflect the change in accounting policy, i.e. the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for life in the US Closed Block VA as of 1 January 2011.

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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Design and production

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