Second Quarter 2011 Results

ING’s underlying net profit increased 19.7% to EUR 1,528 million

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CEO

Amsterdam – 4 August 2011
www.ing.com

BANKING - INVESTMENTS - LIFE INSURANCE - RETIREMENT SERVICES

ING

ING posted strong second quarter results

ING Group underlying net result rose 19.7% to EUR 1,528 mln

- Net result was EUR 1,507 mln, or EUR 0.40 per share
- The underlying return on IFRS-EU equity rose to 15.2% in 2Q11 (14.8% in 1H11)

Bank posted a solid underlying pre-tax result of EUR 1,304 mln

- Underlying investment income impacted by EUR 187 mln of Greek impairments
- Net interest margin remained healthy at 142 bps
- Operating expenses declined for the second consecutive quarter

Insurance operating result up 82.5% to EUR 690 mln

- Underlying pre-tax result of EUR 673 mln, despite EUR 123 mln of Greek impairments
- The administrative expenses/operating income ratio improved to 38.0%.
- ROE increased to 11.3% in 2Q11 (8.4% in 1H11)

ING maintained strong capital ratios

- Core Tier 1 ratio of 9.4% at end of 2Q11 despite payment to the Dutch State. Pro-forma 10.7% including announced divestments of ING Direct USA, Car Lease and REIM
- The Insurance IGD ratio strengthened to 252%, from 241% at the end of 1Q

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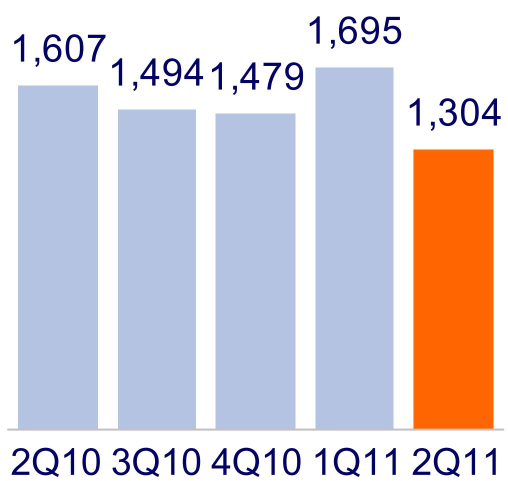
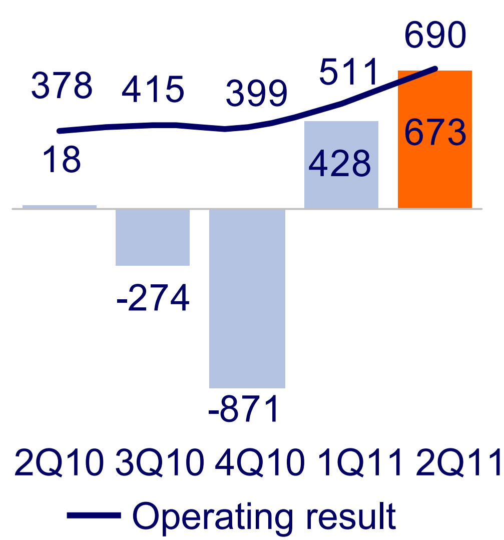
Underlying net result up 19.7% versus 2Q10 driven by strong performance improvement of Insurance

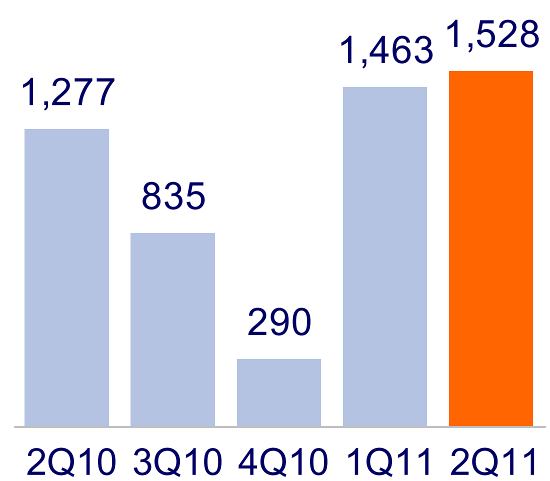
Underlying pre-tax result Bank (in EUR mln)



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



Underlying net result ING Group* (in EUR mln)



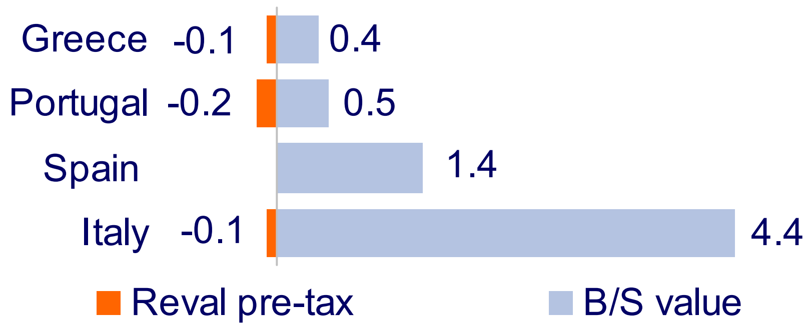
- The 2Q11 underlying result of Bank and Insurance includes impairments on Greek government bonds of EUR 187 million and EUR 123 million, respectively
- Group net result in 2Q11 amounted to EUR 1,507 mln versus EUR 1,211 mln in 2Q10 and a net result of EUR 1,381 mln in 1Q11

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

Exposure to Southern European sovereigns

Bank: Government bond exposure (in EUR bln)*

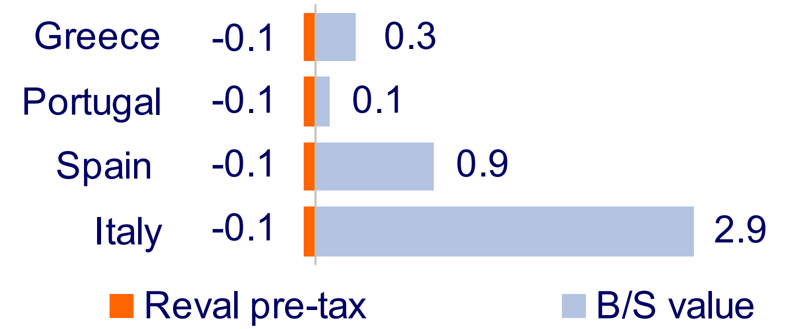
30 June 2011



- Greek government bonds maturing before 2020 have been impaired to market value, leading to a EUR 187 mln pre-tax impairment
- Remaining Greek government bond exposure (B/S value) amounts to EUR 0.4 bln
- Pre-tax revaluation reserve in Equity amounted to EUR -0.1 bln for Greece

Insurance: Government bond exposure (in EUR bln)*

30 June 2011



- Greek government bonds maturing before 2020 have been impaired to market value, leading to a EUR 123 mln pre-tax impairment
- Remaining Greek government bond exposure (B/S value) amounts to EUR 0.3 bln
- Pre-tax revaluation reserve in Equity amounted to EUR -0.1 bln for Greece

* Bank has no exposure to Ireland. Insurance exposure to Ireland amounted to EUR 35 million (B/S value) at the end of 2Q11

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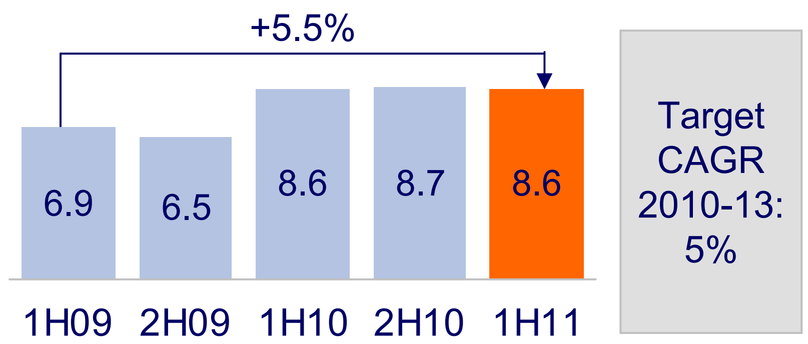
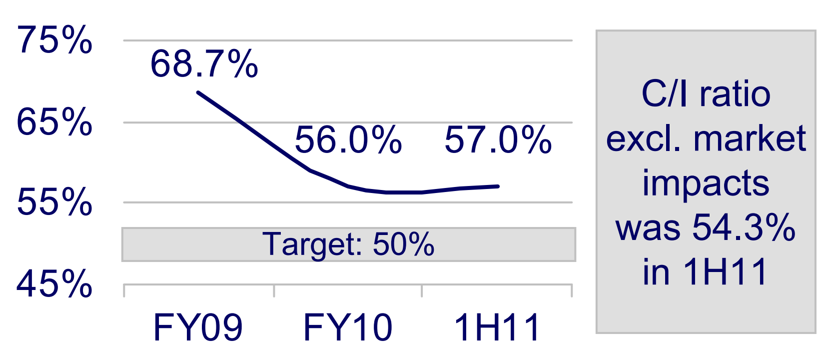
Bank is making good progress on Ambition 2013

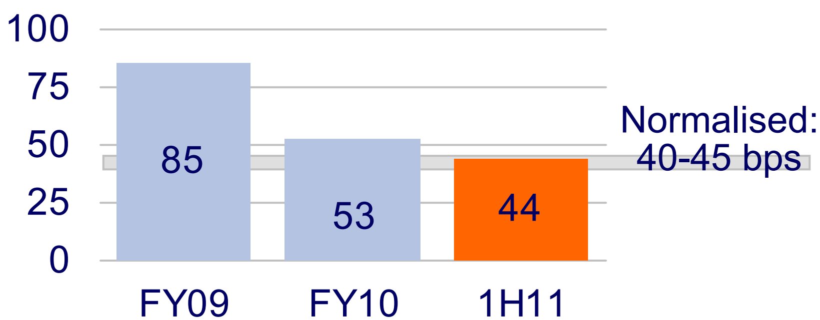
Underlying income (EUR billion)



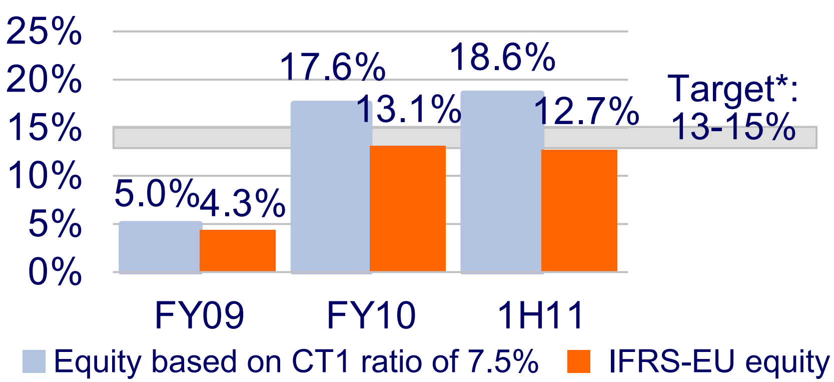
Underlying cost/income ratio (%)



Underlying risk costs in bps of average RWA



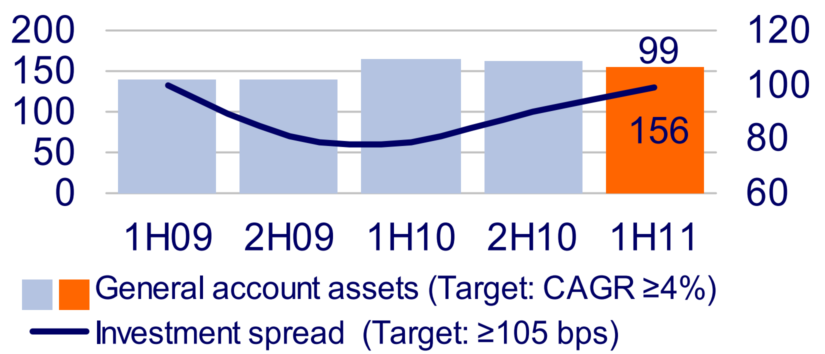
RoE (YTD, %)



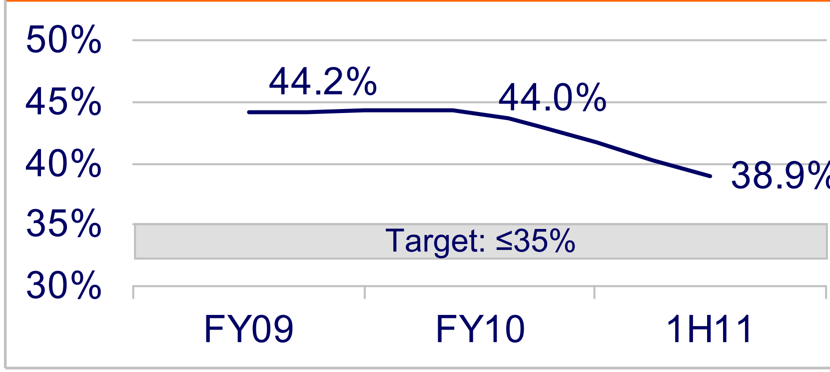
* Target assumes average equity based on core Tier 1 ratio of 7.5%.

Insurance operations showing clear progress on Ambition 2013

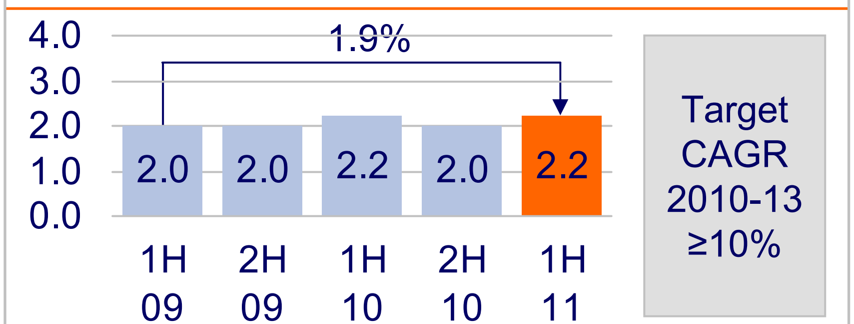
Life general account (EUR bln) and investment spread*,** (bps)



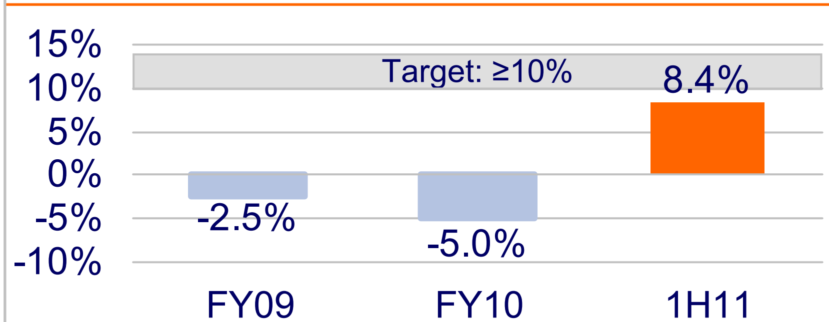
Life & IIM administrative expenses / Life & IIM operating income** (%)



APE** (EUR bln)



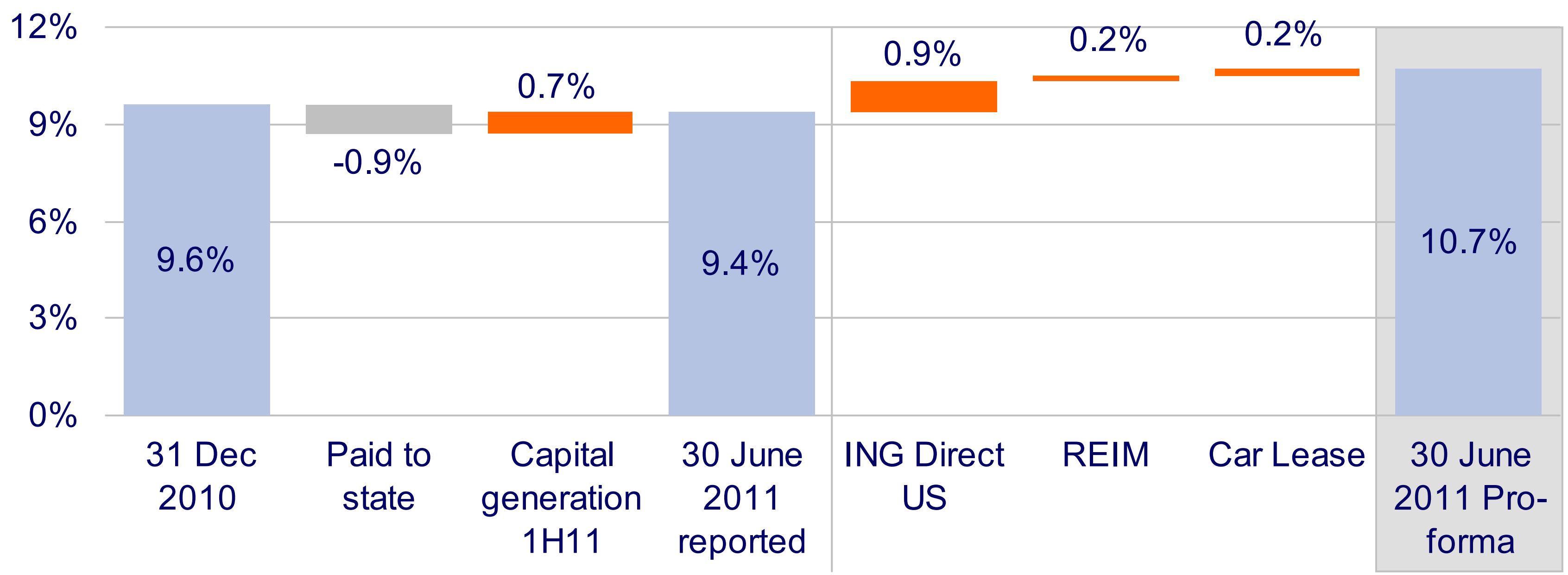
RoE**,*** (YTD, %)



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

Core Tier 1 ratio at 9.4% despite payment to Dutch State Pro-forma 10.7% including impact of announced divestitures

Core Tier I ratio



- The Core Tier 1 ratio was 9.4% at 30 June 2011. The EUR 3 bln payment to the Dutch State was largely offset by the strong capital generation in 1H11
- Including the positive impact of the announced sales of ING Direct US, REIM and Car Lease, the pro-forma core Tier 1 ratio is 10.7%

ING to sell Insurance Latin America to GrupoSura for EUR 2.7 bln

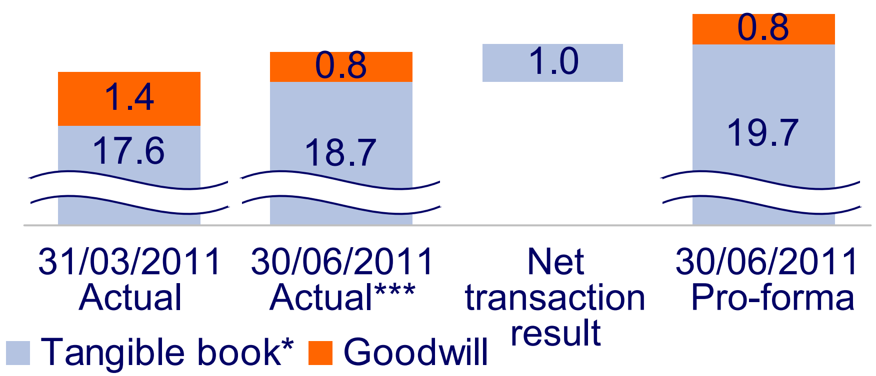
Transaction Summary

Transaction Value	• EUR 2,680 mln
Form of consideration to ING	• Cash of EUR 2,615 mln • Assumed debt of EUR 65 mln
Net transaction result	• Estimated at EUR 1 bln
Included in transaction	• ING's Latin American pension, life insurance and investment management operations
Not included in transaction	• Transaction excludes ING's 36% in Brazilian insurer Sul America SA
Approvals	• Subject to regulatory consent
Expected Closing	• Q4 2011

Valuation and transaction multiples

	EUR mln	
Enterprise Value (EV)	2,680	
Equity purchase price	2,615	
Book value (YE 2011)	1,490	1.8 x
Tangible book value* (YE 2011)	851	3.1 x
Estimated 2011 Earnings	170	16 x**

Insurance tangible equity and Goodwill (in EUR bln)



* Tangible Book is defined as Book Value minus Goodwill
** Based on EV. The estimated EUR 170 mln earnings exclude interest expense and amortisation but includes taxes
*** ING Latin America transferred to assets held for sale

Own resources Bank will be used to repay remaining state aid and Insurance proceeds will be used to reduce leverage

Bank Retained earnings from the Bank being used to repay the Dutch State

ING Group 30 June 2011

ING Bank	32	Equity	40
ING Insurance	19	CT1 securities	3
Hybrids[B]	8	Core Debt	8
Hybrids[I]	2	Hybrids	11
Other	2		
	63		63

ING Bank (30 June 2011)

		Equity	32
RWA	315	Hybrids	8

ING Insurance 30 June 2011

Equity_S	30	Equity	19
		Hybrids	2
		$\text{Debt}_{\text{Sub ord}}$	2
		Financial Debt	6
			30

Benelux	8.1	US	8.2
CRE	1.4	US VA	2.5
Asia/Pacific	4.9	LatAm*	1.6
ING IM	1.0	CL/other**	2.4

Insurance proceeds will be used to reduce leverage in the Group and Insurance holding companies

* Reflects pension and insurance businesses (1.5) as well as separately sold Mexican leasing business (0.05)
** Includes Sul America (0.4), ING Re, DTA's, and misc

Separation process on track

Separation Bank / Insurance

2011 - 2013

- As of 1/1/11, Bank and Insurance/IM operate at arm's length from each other
- ING is replacing transitional service agreements solutions with permanent solutions

- Total separation costs* for 2011 are estimated at around EUR 200 mln after tax
- Separation costs were EUR 31 mln after tax in 2Q11 (EUR 51 mln in 1H11)

Insurance separation and preparation for the base case of two IPOs

2011 - 2013

- Operational disentanglement of US and Eur/Asia Insurance and Investment Management operations
- Preparation for the base case 2 IPOs

- Insurance separation and preparation related costs* for 2011 are estimated at around EUR 50 mln after tax
- Insurance separation and preparation related costs were EUR 10 mln after tax in 2Q11

* Excluding rebranding

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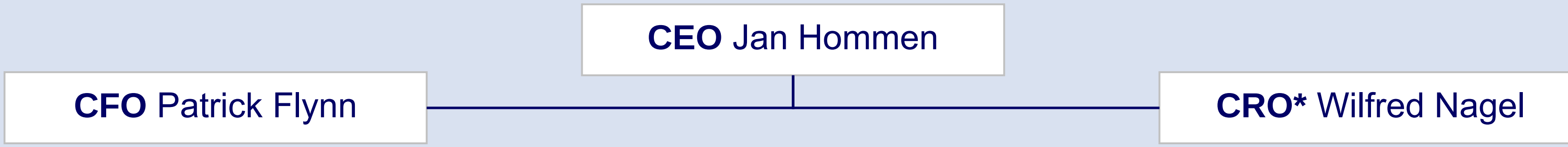
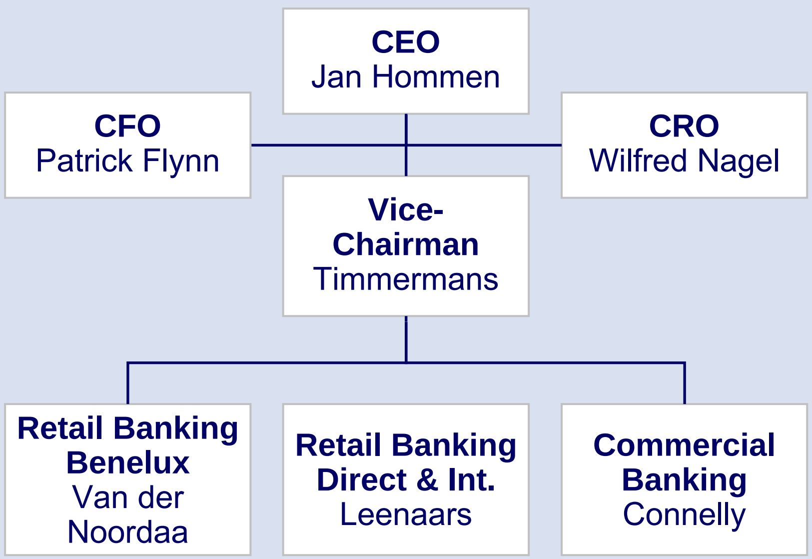
Management Board ING

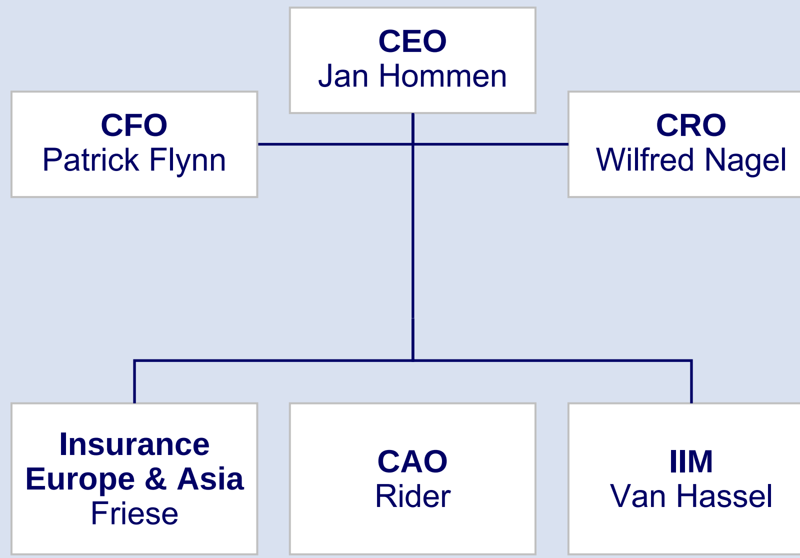
ING Group Executive Board



Management Board Banking



Management Board Insurance



* Subject to shareholder and regulatory approval

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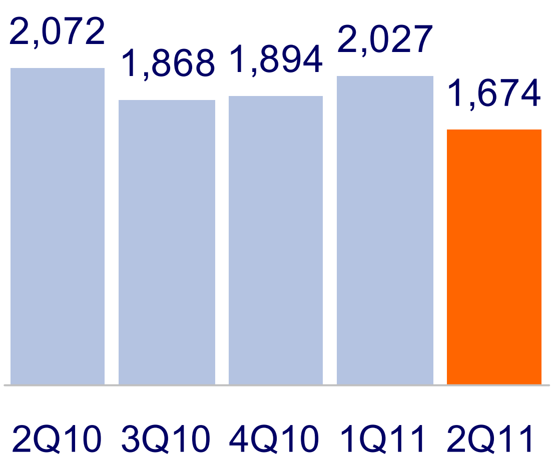
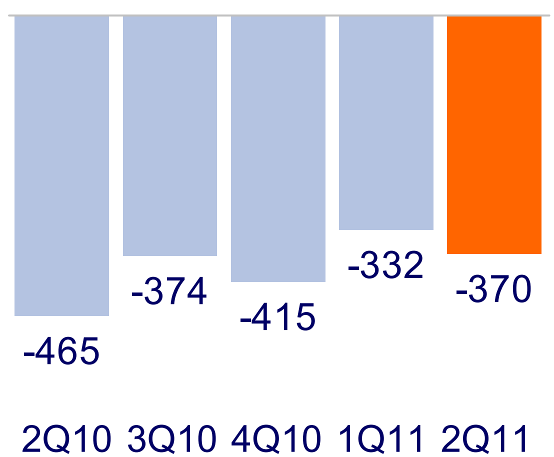
ING Bank

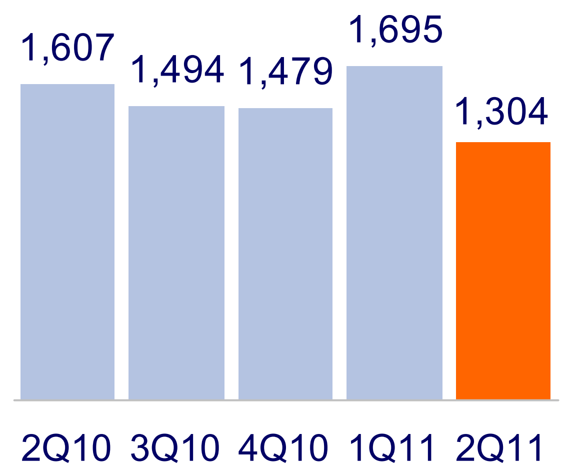
Bank reported an underlying pre-tax result of EUR 1,304 mln including EUR 187 mln of Greek government bond impairments

Bank results (in EUR mln)

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





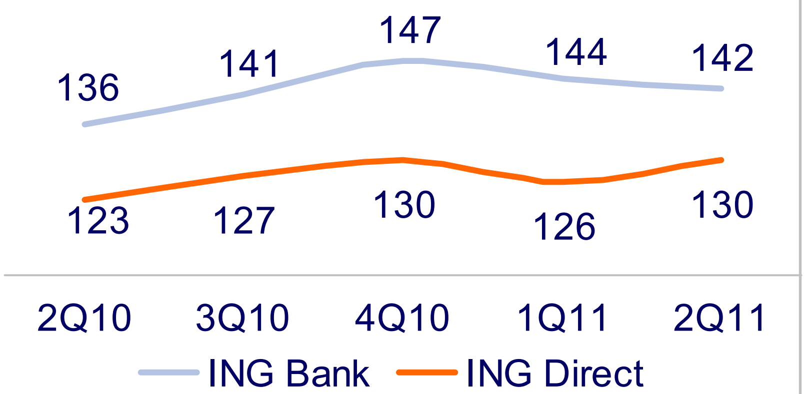


- Gross result decreased 17.4% from 1Q11 due to lower FM income (as 1Q11 is traditionally seasonally high) and impairments on Greek government bonds
- Risk costs amounted to EUR 370 mln, down versus 2Q10, but above benign 1Q11 due to higher risk costs in Retail Belgium, Structured Finance and Real Estate Finance

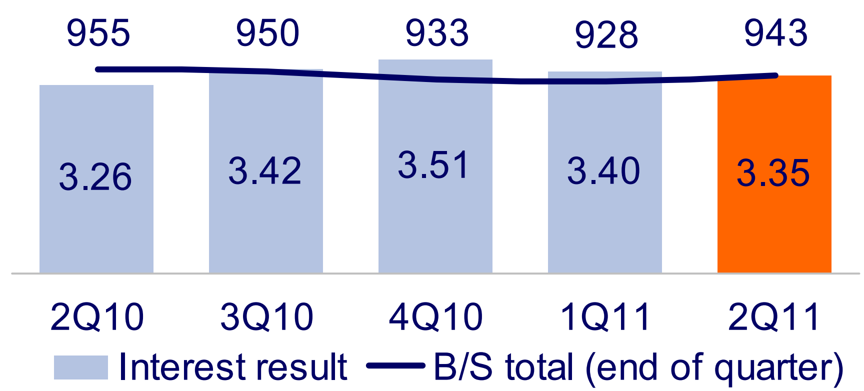
* Gross result = underlying income - underlying expenses

Net interest margin remained healthy at 142 bps

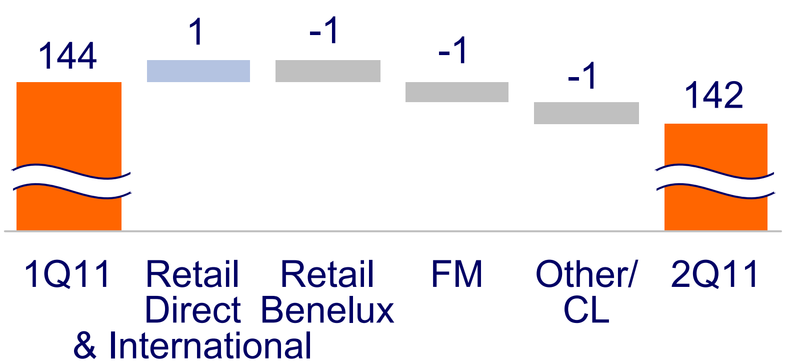
Interest margin by quarter* (in bps)



Interest result (in EUR bln)



Interest margin development (in bps)



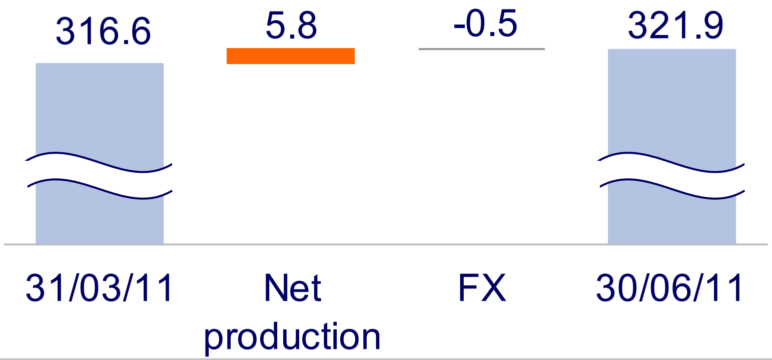
Interest result up versus 2Q10, but down versus 1Q11

- Interest result rose 2.8% compared with 2Q10 driven by Financial Markets and growth in client balances
- Compared with 1Q11, the interest result declined 1.4% due to lower interest results in Financial Markets and Retail Benelux, partly offset by ING Direct

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

Volumes increased for the eighth straight quarter

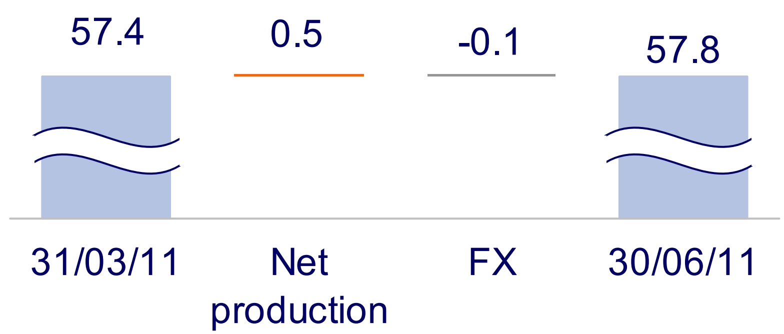
Residential mortgages (EUR bln)*



Funds entrusted Retail Bank (EUR bln)*

Corporate and other lending (EUR bln)*

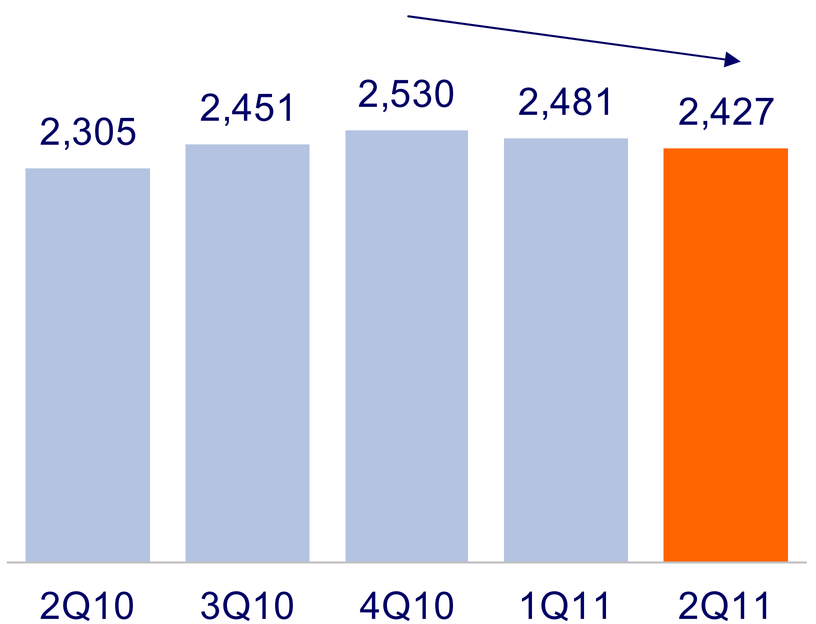
Funds entrusted Commercial Bank (EUR bln)



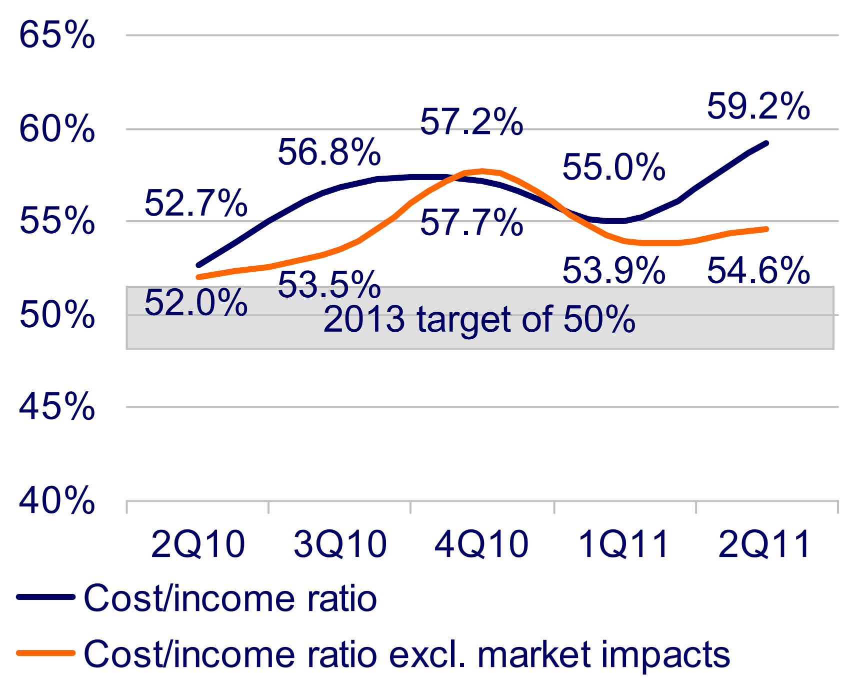
* Incl. ING Direct US: at 30 June, residential mortgages (EUR 28.6 bln), other lending (EUR 0.1 bln) and funds entrusted (EUR 56.6 bln)

Expenses decreased for the second consecutive quarter

Operating expenses (EUR mln)



Underlying cost/income ratio (%)



- Expenses down 2.2% versus 1Q11, mainly due to lower impairments in Real Estate and the redundancy provision in CB in 1Q11
- Cost/income ratio, adjusted for market impacts, was 54.6% in 2Q11

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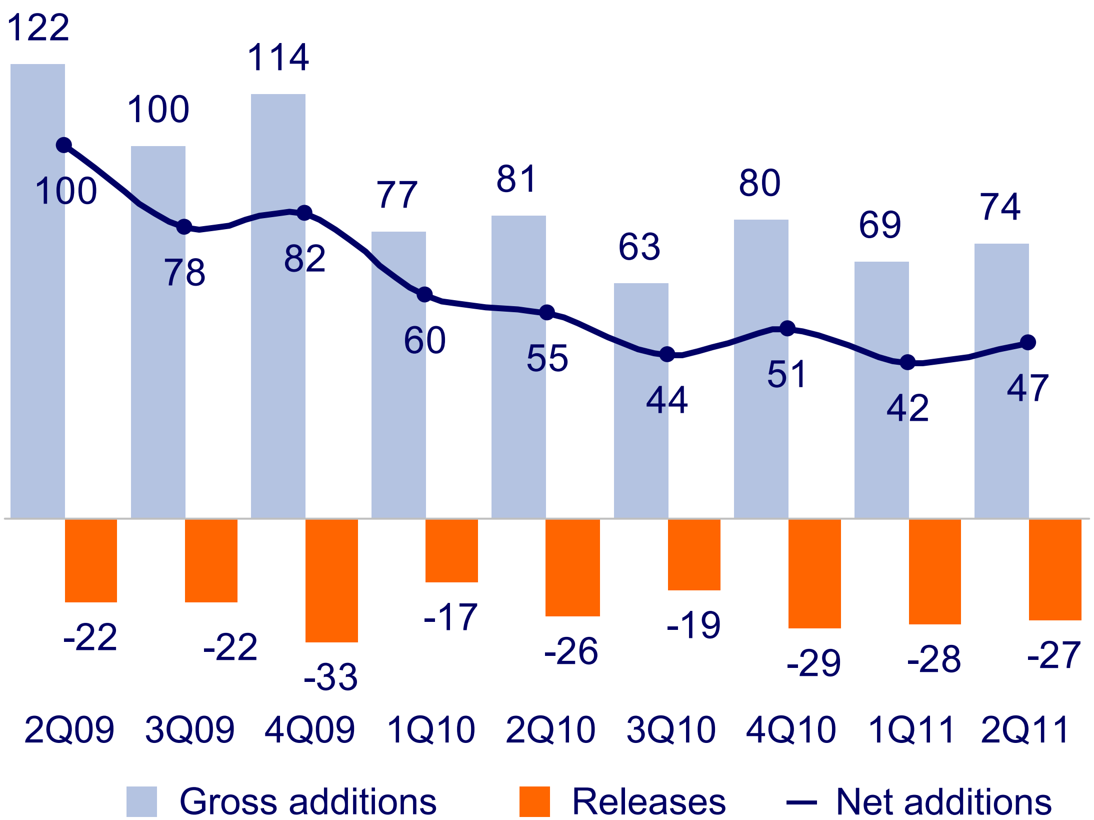
Risk costs as a percentage of RWA was 47 bps, in line with ING's guidance

Additions to loan loss provisions* (bps average RWA) trending down



* Not adjusted for divestments and special items

- Net addition to loan loss provisions of EUR 370 mln or 47 bps of average RWA in 2Q11
- For the coming quarters, risk costs as a percentage of RWA are expected to remain below the average level of 2010 (53 bps)
- Through the cycle we expect risk costs of 40-45 bps of average RWA under Basel II

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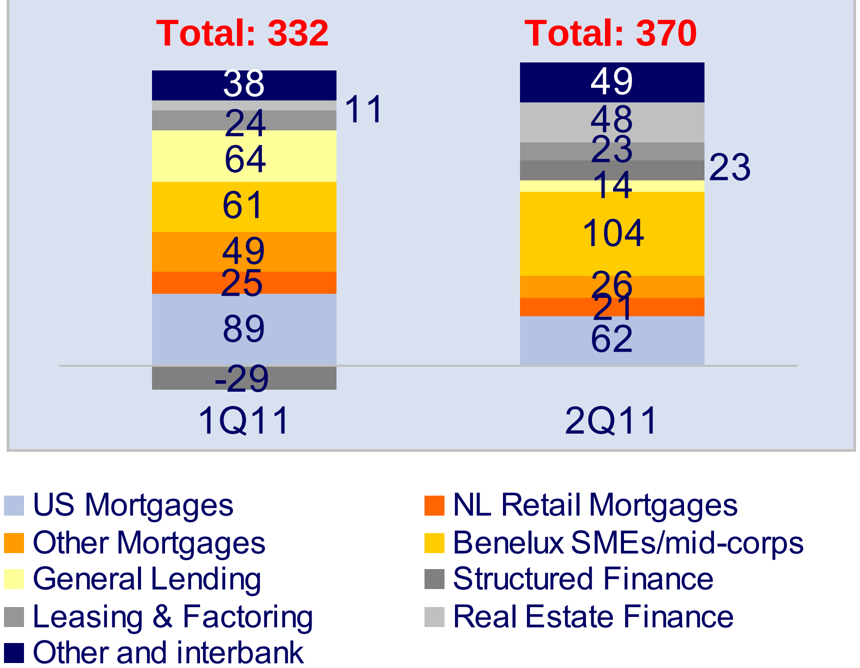
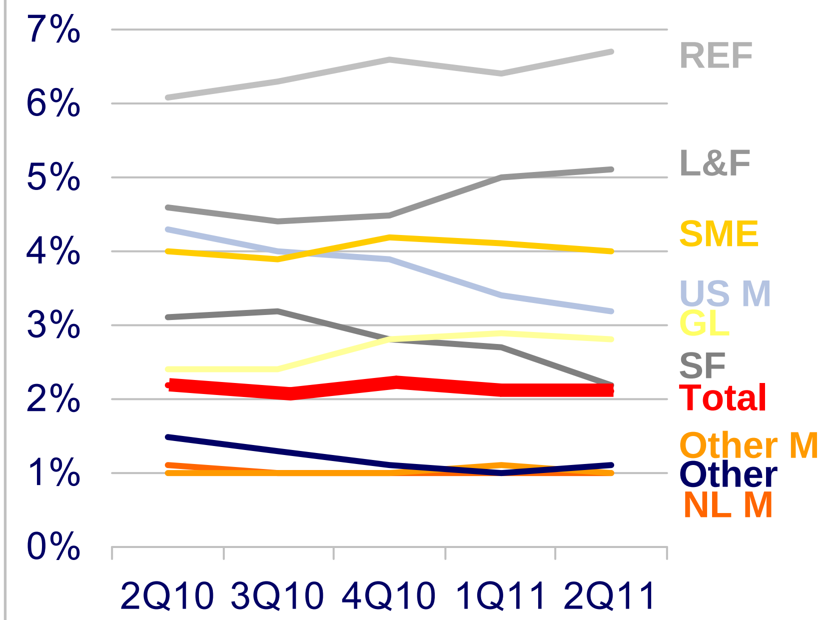
Non-performing loans remained stable at 2.1%

Risk cost per segment (EUR mln)



NPLs: stable at 2.1%*

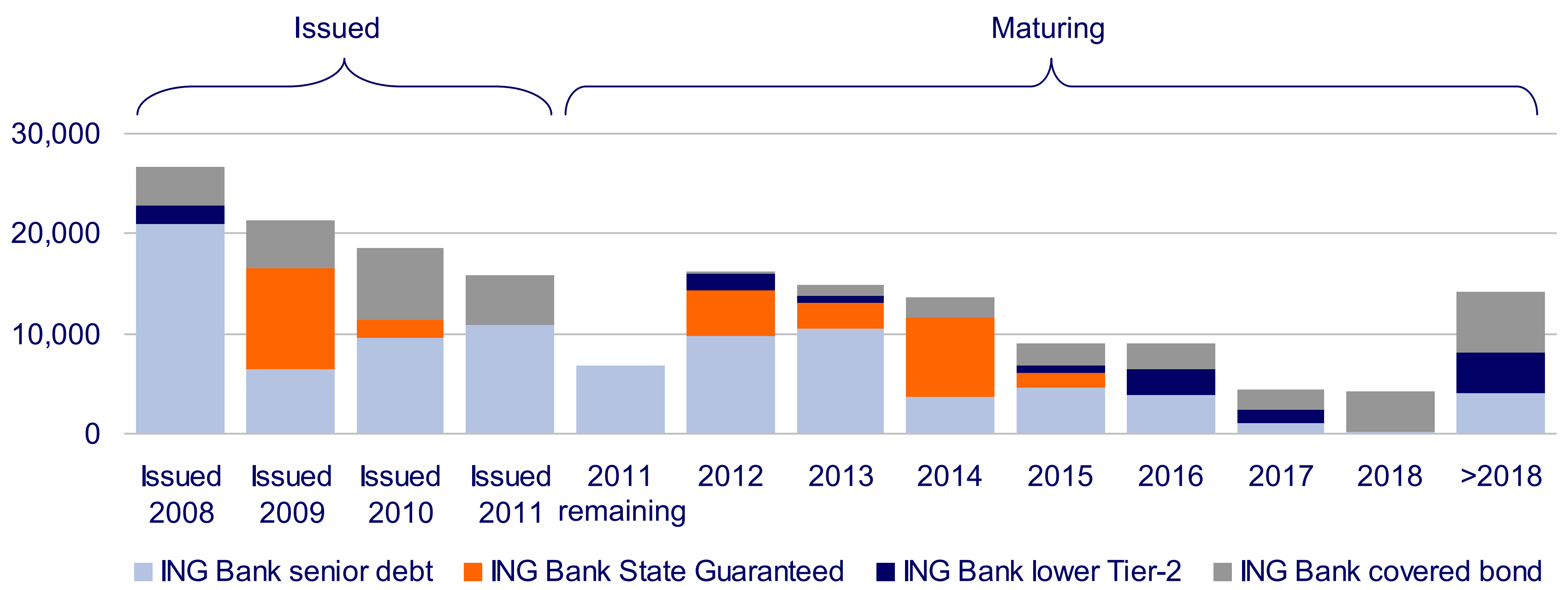


- Risk costs down in most business units, except for Benelux SMEs/mid-corps, ING Real Estate Finance and Structured Finance (after net releases in 1Q11)
- NPL ratio remained stable at 2.1%

* NPLs = 90+ days delinquencies and loss expected

ING Bank has modest long-term funding needs

Maturity ladder outstanding long-term debt (EUR million)



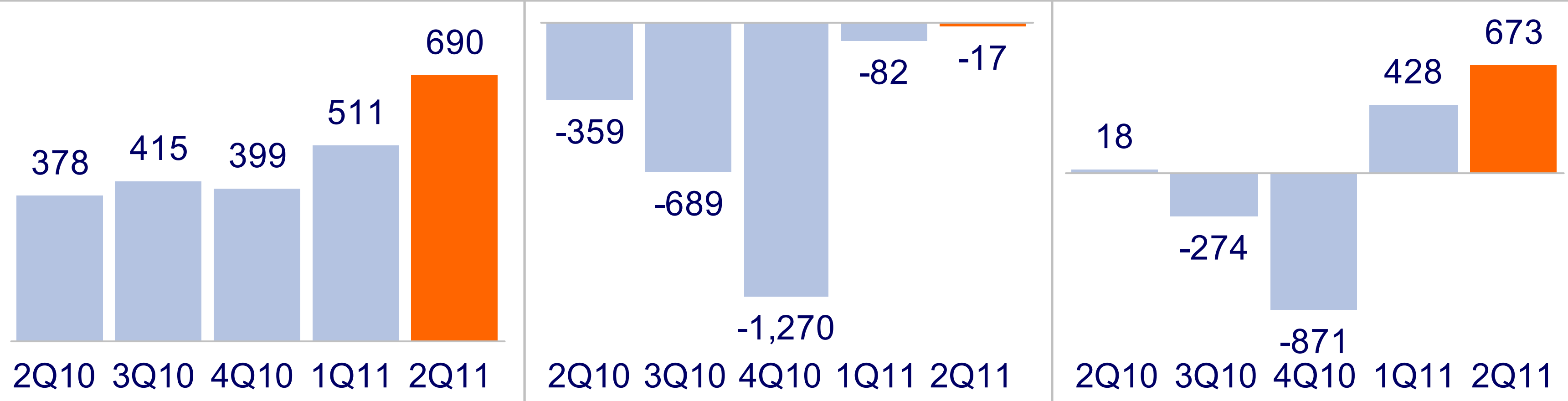
- ING Bank's 2011 refinancing need already met: EUR 16.5 billion raised at 30 June, versus EUR 10.7 billion maturing in 2011

ING Insurance

Insurance result shows a strong improvement

Insurance result (in EUR mln)

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

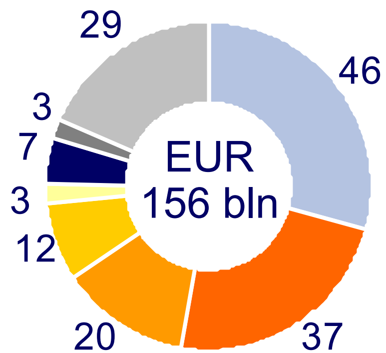


- Operating result up 82.5% from 2Q10 driven by increases in the investment and technical margins
- Non-operating result of EUR -17 mln including EUR 123 mln impairment on Greek Sovereign bonds

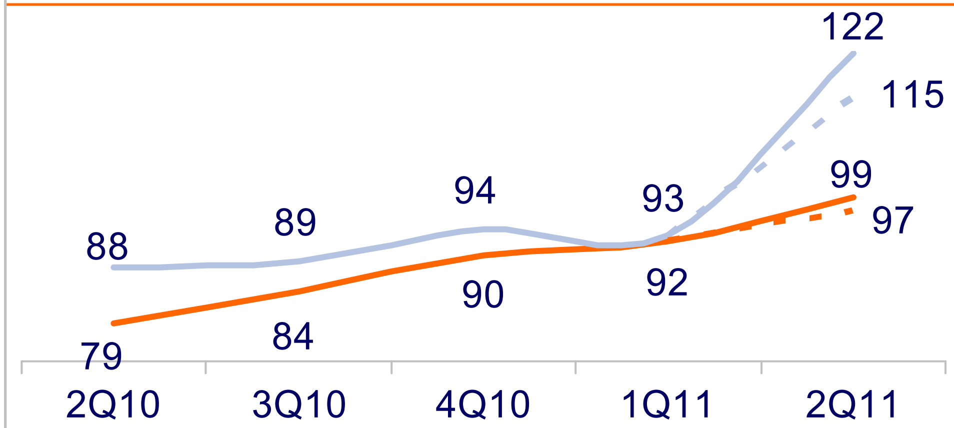
* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing.

Investment spread increased to 99 bps, on reinvestments, higher dividend income and non-recurring items

Life general account (end of 2Q11, in EUR billion)



Investment spread (in bps) Life GA*



- Investment spread on a four-quarter rolling average increased to 99 bps, of which 2 bps can be explained by EUR 28 mln of non-recurring items in the Netherlands
- The investment spread in the stand-alone first quarter increased to 122 bps due to seasonally higher dividend income and non-recurring items in the Netherlands (7 bps)

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

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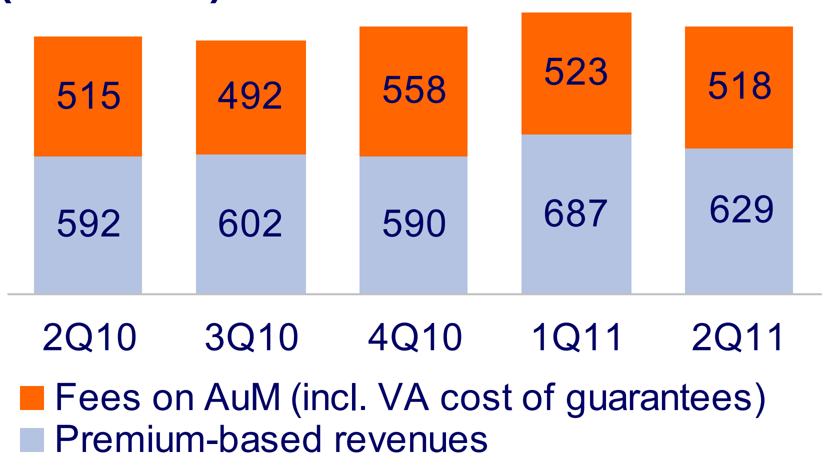
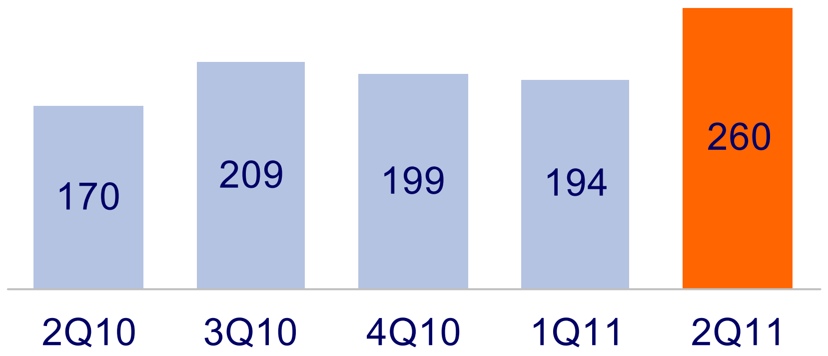
Strong increase technical margin, driven by non-recurring items in the Benelux

Life Insurance & ING Investment Management* (IM)

Fees and premium-based revenues (in EUR mln)



Technical margin (in EUR mln)



- Fees and premium-based revenues decreased by 5.2% from 1Q11, mainly due to seasonal effects in both Group life premium in Benelux, and in the life business in Japan
- Cost of VA guarantees decreased to EUR 180 mln from EUR 190 mln in 1Q11

- Technical margin was EUR 260 mln, up 52.9% versus 2Q10 and 34.0% versus 1Q11
- Insurance Benelux benefited from an early surrender of a contract with a large pension fund in the Netherlands (EUR 70 mln)

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

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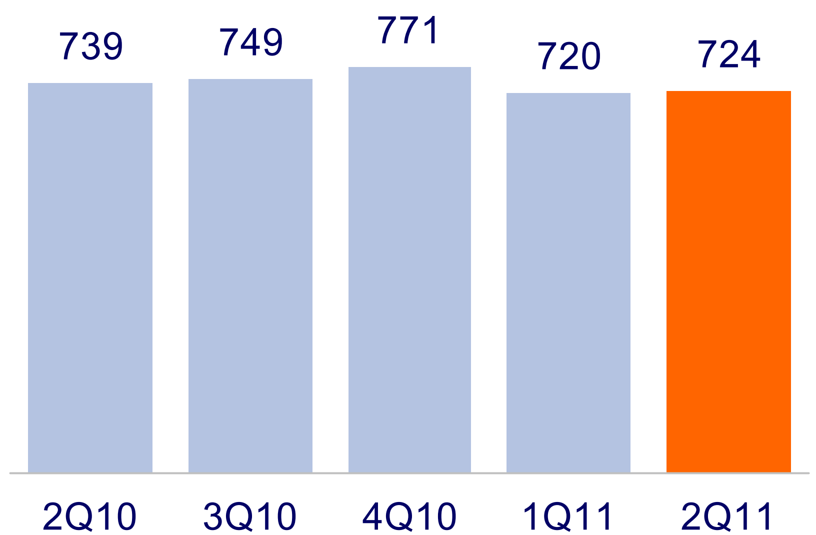
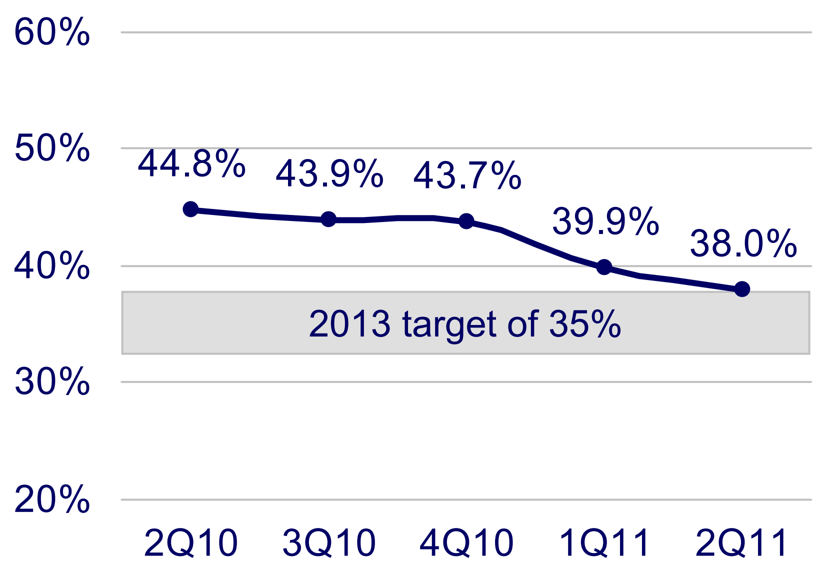
Administrative expenses/operating income ratio further improved to 38.0%

Life & IM administrative expenses* (EUR million)



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

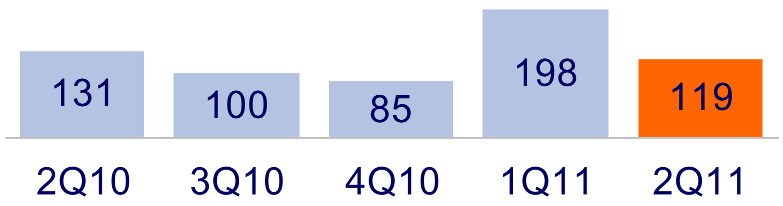


- Administrative expenses remain tightly under control
- Administrative expenses/operating income ratio has improved to 38.0%, from 39.9% in 1Q11, resulting largely from increased operating income, which was supported in part by seasonal and non-recurring items

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

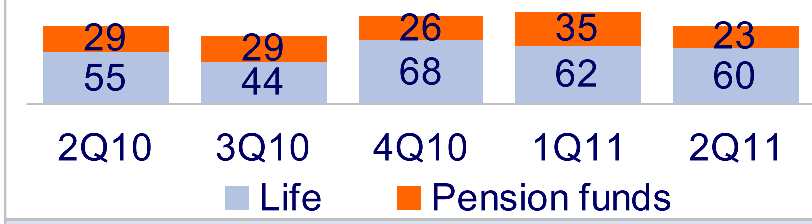
New sales (APE) down from the first quarter due to seasonality and regulatory changes

Sales Benelux (APE, in EUR million)



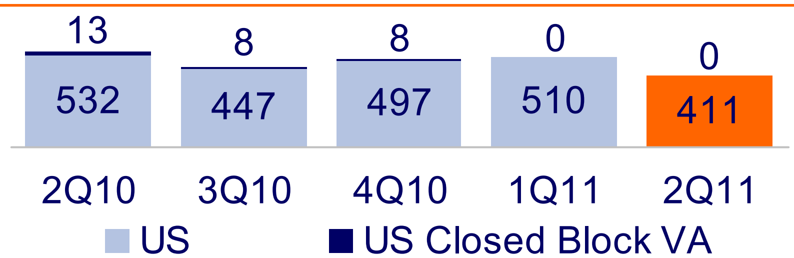
- APE down from 1Q11 due to seasonal effects in Group life renewals (1Q traditionally seasonally high)

Sales CRE (APE, in EUR million)



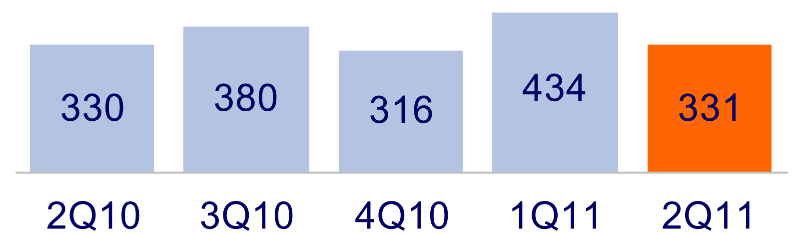
- APE down from 1Q11 driven by lower pensions due to focus on Life given regulatory changes in pensions

Sales US (APE, in EUR million)



- APE was flat with 1Q11 excluding currency impacts and seasonal effects in Employee Benefits (1Q traditionally seasonally high)

Sales Asia/Pacific (APE, in EUR million)



- APE down due to seasonality in the COLI business in Japan (1Q traditionally seasonally high)

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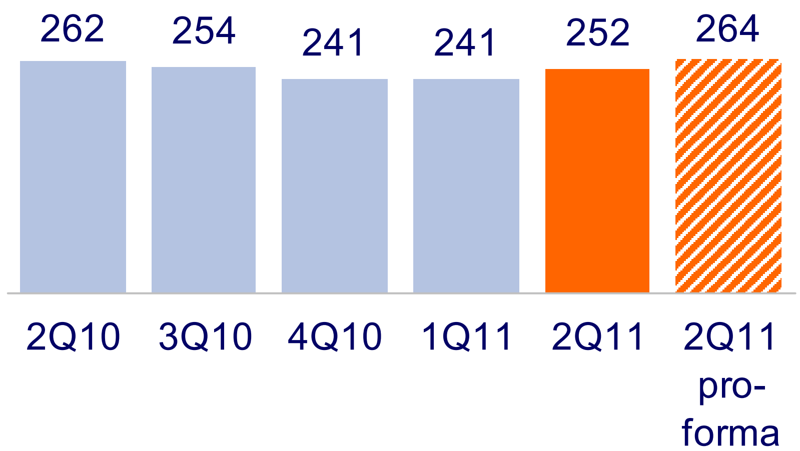
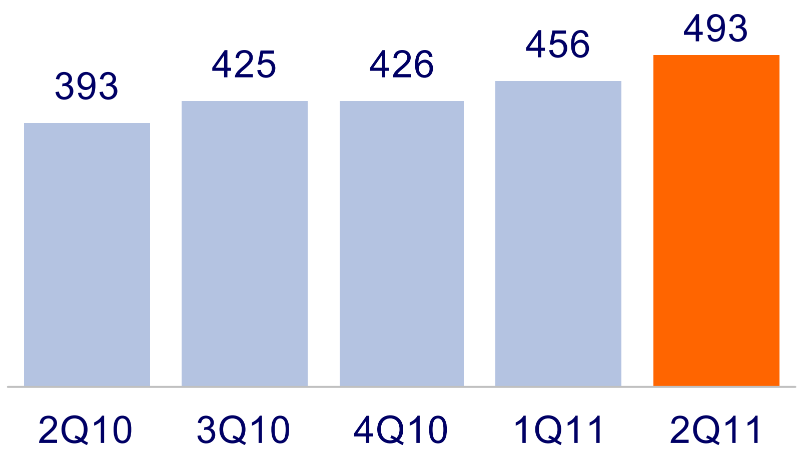
Solvency I and RBC ratio increased further in the second quarter

ING Insurance Solvency I ratio* (in %)



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



- The Solvency I ratio increased from 241% at the end of March to 252% at the end of 2Q11 due to the reclassification of Latin America to held for sale*** and retained earnings
- Including the positive impact of the sale of Insurance Latin America, the pro-forma IGD ratio is 264%****
- The RBC ratio increased to 493%, largely driven by market related impacts

* Insurance 2010 and 1Q11 figures have been restated to reflect the sale of ING Insurance LatAm which is booked in discontinued operations until closing. ** ING's US domiciled regulated insurance business; 2Q11 RBC ratio is preliminary and subject to change. ***Around 8%-points of the Solvency I increase was driven by the decrease in goodwill (reflected in required regulatory adjustments) due to the classification of Latin American pension and life insurance assets and liabilities as held for sale. ****The expected net transaction result of approx. EUR 1 bln will increase IGD ratio by 12% at closing

Wrap up

ING Group underlying net result rose 19.7% to EUR 1,528 mln

- Net result was EUR 1,507 mln, or EUR 0.40 per share
- The underlying return on IFRS-EU equity rose to 15.2% in 2Q11 (14.8% in 1H11)

Bank posted a solid underlying pre-tax result of EUR 1,304 mln

- Underlying investment income impacted by EUR 187 mln of Greek impairments
- Net interest margin remained healthy at 142 bps
- Operating expenses declined for the second consecutive quarter

Insurance operating result up 82.5% to EUR 690 mln

- Underlying pre-tax result of EUR 673 mln, despite EUR 123 mln of Greek impairments
- The administrative expenses/operating income ratio improved to 38.0%.
- ROE increased to 11.3% in 2Q11 (8.4% in 1H11)

ING maintained strong capital ratios

- Core Tier 1 ratio of 9.4% at end of 2Q11 despite payment to the Dutch State. Pro-forma 10.7% including announced divestments of ING Direct USA, Car Lease and REIM
- The Insurance IGD ratio strengthened to 252%, from 241% at the end of 1Q

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Disclaimer

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

In preparing the financial information in this document, the same accounting principles are applied as in the 2Q2011 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.

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