

ING GROUP QUARTERLY REPORT



Third quarter 2012

SHARE INFORMATION

Financial calendar

- Publication results 4Q2012: Wednesday, 13 February 2013
- Publication results 1Q2013: Wednesday, 8 May 2013
- Publication results 2Q2013: Wednesday, 7 August 2013
- Publication results 3Q2013: Wednesday, 6 November 2013

(All dates are provisional.)

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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).

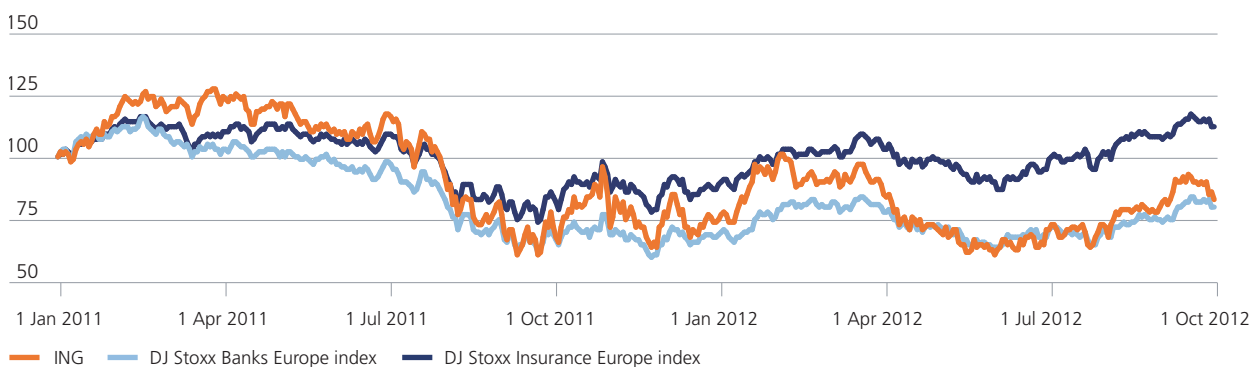
Stock exchanges	Tickers (Bloomberg, Reuters)	Security codes (ISIN, SEDOL1)
Euronext Amsterdam	INGA NA, ING.AS	NL0000303600, 7154782 NL
New York Stock Exchange	ING US, ING.N	US456837103, 2452643 US

American Depositary Receipts (ADRs)

For questions regarding your ADRs, please contact the JP Morgan Depositary Receipts Team:
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Comparative performance of share price

1 JANUARY 2011 TO 1 OCTOBER 2012



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 Results and Interim Accounts 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, the Historical Trend Data document includes historical trend data and details of restatements. It is available in PDF and Excel format.

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 on a quarterly basis, including a review report of Ernst & Young.

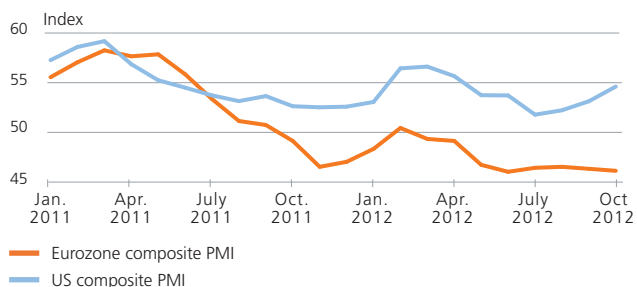
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ECONOMIC ENVIRONMENT

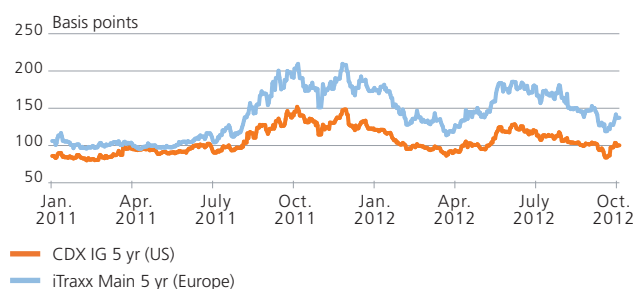
ECONOMIC ACTIVITY

- In the third quarter of 2012, the eurozone purchasing managers' index (PMI) remained in contraction territory. In the US this indicator of economic activity improved and remained above 50 (the divide between economic expansion and contraction).
- The PMI's are regarded as timely indicators of underlying trends in economic activity.



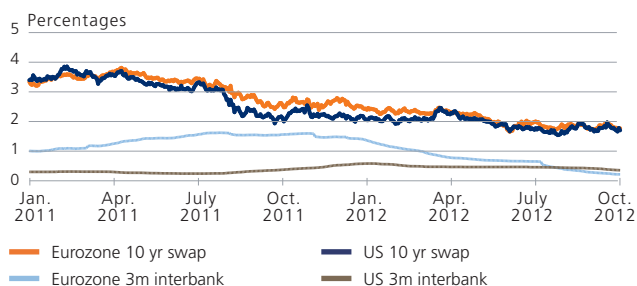
CREDIT MARKETS

- Credit market sentiment improved during the third quarter, in both the eurozone and the US. Eurozone credit spreads, as measured by the iTraxx index of investment-grade borrowers' credit-default swaps, decreased more strongly than spreads in the US (CDX index).



YIELD CURVE

- In the eurozone, the slope of the yield curve became steeper due to a fall in short-term rates. In the US, the slope of the yield curve stabilized on balance.



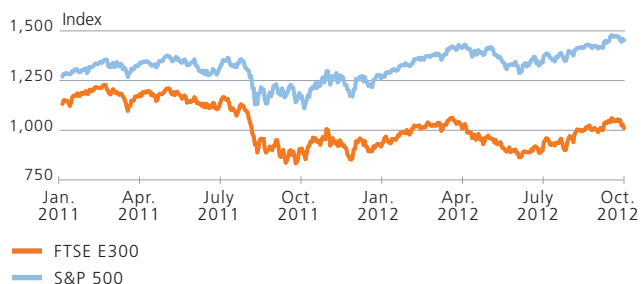
CURRENCY MARKETS

- The euro appreciated against the USD during the third quarter of 2012. The EUR/USD rose from 1.27 at the end of June to 1.29 at the end of September.



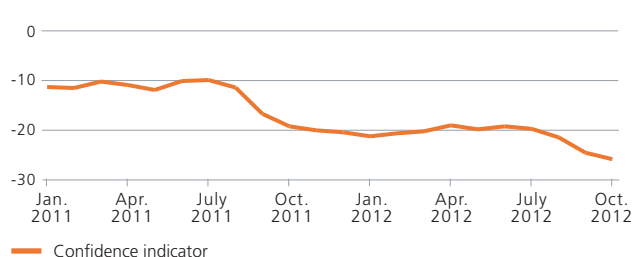
STOCK MARKETS

- Equity indices in the US and the eurozone rose in the third quarter of 2012.



CONSUMER CONFIDENCE

- Eurozone confidence weakened in the third quarter of 2012. Consumers remain worried about the impact of austerity measures, the eurocrisis and rising unemployment.



Source: ING Economics Department

CHAIRMAN'S STATEMENT



"During the third quarter, ING continued to deliver on its restructuring plan amid a challenging operating environment. We announced the first three sales of our Asian Insurance/IM units, and Insurance US is making strides in its IPO preparations. At the same time, together with the Dutch State, we have made good progress in our constructive dialogue with the European Commission about revisions to the restructuring plan."

"At ING Bank, we announced the sales of ING Direct Canada and the UK as we sharpen our strategic focus. We also accelerated de-risking efforts, selling EUR 2.4 billion of European debt securities and releasing EUR 5 billion of RWA. The Bank posted a solid quarter, supported by a gain on the sale of our stake in Capital One. At Insurance we kept hedges in place to protect regulatory capital; however, losses on these hedges continued to affect results."

"As we work to solidify strong stand-alone futures for Bank and Insurance, we are taking steps to increase our agility in this

uncertain environment. At Insurance Europe we are accelerating a transformation programme at Nationale-Nederlanden to sharpen its strategic focus and improve processes and systems. These measures, together with delayering of support functions, will result in a reduction in the workforce of 1,350 FTEs and annual savings of approximately EUR 200 million by the end of 2014. At Commercial Banking, we conducted a strategic review and have decided to simplify our business model and exit some businesses outside of ING's home markets. These measures will reduce the workforce by 1,000 FTEs and lower expenses by EUR 260 million from 2015 onwards."

"It is painful to announce such steps today, because throughout these challenging times employees at all levels have worked tirelessly to prepare businesses for divestment, secure strong stand-alone futures for Bank and Insurance, and ensure that we are prepared for industry changes and regulatory requirements. And while our employees have gone through a whirlwind of change during the last four years, they have consistently placed their highest priority on supporting our customers. I am grateful for these contributions and am confident that these efforts, combined with further streamlining, will strengthen our company for the long-term benefit of all stakeholders."

A handwritten signature in blue ink, reading "Jan Hommen".

Jan Hommen
CEO of ING Group

KEY FIGURES

Group	3Q2012	3Q2011	Change	2Q2012	Change	9M2012	9M2011	Change
Profit and loss data (in EUR million)								
Underlying result before tax	1,065	1,347	-20.9%	1,224	-13.0%	3,181	4,744	-32.9%
Underlying net result	719	1,099	-34.6%	1,045	-31.2%	2,306	3,595	-35.9%
Divestments, discontinued operations and special items ¹⁾	-110	593		126		154	985	
Net result	609	1,692	-64.0%	1,171	-48.0%	2,460	4,580	-46.3%
Balance sheet data (end of period, in EUR billion)								
Total assets				1,237	0.9%	1,248	1,282	-2.7%
Shareholders' equity				51	4.7%	53	45	18.8%
Capital ratios (end of period)								
ING Group debt/equity ratio				12.3%		12.3%	13.4%	
Bank core Tier 1 ratio				11.1%		12.1%	9.6%	
Insurance IGD Solvency I ratio				240%		249%	224%	
Share information								
Net result per share (in EUR) ²⁾	0.16	0.45	-64.4%	0.31	-48.4%	0.65	1.21	-46.3%
Shareholders' equity per share (end of period, in EUR)				13.29	4.7%	13.91	11.76	18.3%
Shares outstanding (average over the period, in million)	3,801	3,784		3,796		3,794	3,784	
Other data (end of period)								
Underlying return on equity based on IFRS-EU equity	5.6%	10.4%		8.5%		6.2%	11.7%	
Employees (FTEs, end of period, adjusted for divestments)				88,408	-1.7%	86,881	88,805	-2.2%

Banking operations	3Q2012	3Q2011	Change	2Q2012	Change	9M2012	9M2011	Change
Profit and loss data (in EUR million)								
Interest result	3,060	2,995	2.2%	2,953	3.6%	9,065	9,140	-0.8%
Total underlying income	3,813	3,451	10.5%	3,689	3.4%	11,303	11,151	1.4%
Operating expenses	2,237	2,225	0.5%	2,154	3.9%	6,626	6,701	-1.1%
Addition to loan loss provision	555	348	59.5%	541	2.6%	1,536	895	71.6%
Underlying result before tax	1,021	878	16.3%	995	2.6%	3,141	3,556	-11.7%
Key figures								
Underlying interest margin	1.33%	1.33%		1.26%		1.30%	1.37%	
Underlying cost/income ratio	58.7%	64.5%		58.4%		58.6%	60.1%	
Underlying risk costs in bp of average RWA	75	49		72		69	42	
Risk-weighted assets (end of period, in EUR billion, adjusted for divestm.)				303	-5.6%	286	284	0.7%
Underlying return on equity based on IFRS-EU equity	7.9%	7.1%		7.9%		8.1%	10.1%	
Underlying return on equity based on 10.0% core Tier 1 ³⁾	10.3%	8.6%		9.7%		10.1%	12.3%	

Insurance operations	3Q2012	3Q2011	Change	2Q2012	Change	9M2012	9M2011	Change
Margin analysis (in EUR million)								
Investment margin	410	435	-5.7%	475	-13.7%	1,309	1,246	5.1%
Fees and premium-based revenues	784	749	4.7%	770	1.8%	2,349	2,334	0.6%
Technical margin	122	100	22.0%	92	32.6%	296	471	-37.2%
Income non-modelled life business	3	12	-75.0%	6	-50.0%	14	34	-58.8%
Life & ING IM operating income	1,319	1,296	1.8%	1,343	-1.8%	3,969	4,085	-2.8%
Administrative expenses	628	576	9.0%	630	-0.3%	1,897	1,733	9.5%
DAC amortisation and trail commissions	334	290	15.2%	318	5.0%	976	878	11.2%
Life & ING IM operating expenses	962	865	11.2%	948	1.5%	2,873	2,611	10.0%
Life & ING IM operating result	357	430	-17.0%	395	-9.6%	1,096	1,474	-25.6%
Non-life operating result	11	38	-71.1%	31	-64.5%	50	146	-65.8%
Corporate line operating result	-130	-77		-122		-346	-311	
Operating result	238	392	-39.3%	304	-21.7%	800	1,309	-38.9%
Non-operating items	-193	77		-75		-761	-122	
Underlying result before tax	44	469	-90.6%	229	-80.8%	40	1,188	-96.6%
Key figures								
Administrative expenses / operating income (Life & ING IM)	47.6%	44.4%		46.9%		47.8%	42.4%	
Life general account invested assets (end of period, in EUR billion)				136	-2.2%	133	130	2.3%
Investment margin / life general account invested assets ⁴⁾ (in bps)	130	126		133		316	283	11.7%
ING IM Assets under Management (end of period, in EUR billion)				309	2.3%	316	283	11.7%
Underlying return on equity based on IFRS-EU equity ⁵⁾	-0.2%	9.7%		5.4%		0.6%	7.0%	

1 The results of Insurance/IM Asia (2012 and 2011 periods) and Insurance Latin America (2011 periods) have been transferred to "net result from discontinued operations".

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 10.0% core Tier-1 ratio (annualised).

4 Four-quarter rolling average.

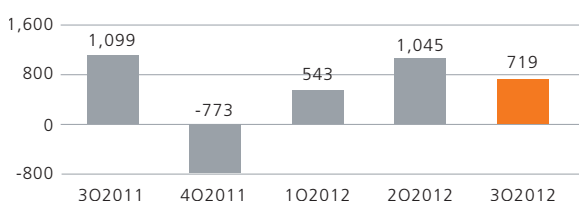
5 Annualised underlying net result divided by average IFRS-EU equity.

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

Operating conditions were persistently challenging during the third quarter due to weak economic fundamentals, the low interest rate environment and financial market volatility. Despite these circumstances, ING Group continued to execute its restructuring plan while focusing on the strategic priorities for the Bank and Insurance. .

UNDERLYING NET RESULT (in EUR million)



ING Group posted a third-quarter underlying net profit of EUR 719 million. ING Bank recorded a solid quarter, with underlying pre-tax results up both year-on-year and sequentially. The underlying result before tax of ING Insurance declined on both quarters, primarily due to negative results on hedges to protect regulatory capital.

The third-quarter underlying result before tax of ING Bank rose 16.3% from a year ago and 2.6% from the second quarter to EUR 1,021 million. Results in the current quarter included a EUR 323 million gain on the sale of ING's equity stake in Capital One, which largely offset the EUR 258 million impact of losses from proactive de-risking as well as the EUR 173 million negative impact of credit valuation and debt valuation adjustments (CVA/DVA) in Commercial Banking and the Corporate Line. The underlying interest margin increased to 1.33% from 1.26% in the second quarter, driven by higher interest results and a lower average balance sheet level during the quarter. Expenses were stable year-on-year, supported by ongoing cost-containment initiatives; however, expenses rose on a sequential basis as the second quarter included favourable non-recurring items. Risk costs increased 2.6% from the second quarter, but were 59.5% higher than a year ago, reflecting the weakening macroeconomic environment.

ING Bank made further progress with its Ambition 2015 priorities, recording EUR 11.0 billion in net growth of funds entrusted. Retail Banking generated EUR 6.1 billion in net inflow of funds entrusted and Commercial Banking attracted EUR 4.9 billion. Total net lending declined by EUR 2.9 billion, reflecting muted demand and pricing discipline.

Results at ING Insurance declined due to pressure on the investment margin from de-risking measures and low interest rates, as well as from lower Non-life results in the Benelux, due to higher disability claims. Operating results for Insurance fell 21.7% sequentially and 39.3% compared with a year ago. Insurance sales (APE) declined both year-on-year and sequentially, on a constant currency basis, primarily due to lower sales in the Benelux. The third-quarter underlying result before tax was EUR 44 million, reflecting losses on hedges as Insurance continued to

focus on protecting regulatory capital. Results also included a EUR 104 million charge for US Closed Block VA related to lapse rate assumption refinements following an annual review of policyholder behaviour assumptions.

ING Group's quarterly net profit, including divestments and special items, was EUR 609 million. The third-quarter underlying effective tax rate was 29.3%.

ING Group's third-quarter after-tax special items totalled EUR -108 million and related mainly to restructuring programmes, and separation and IPO preparation costs. After-tax separation and IPO preparation costs were EUR 26 million in the quarter and EUR 108 million year-to-date, out of an estimated total of EUR 150 million for 2012.

Third-quarter net results also include EUR 198 million in net earnings from Insurance and ING IM Asia, which are reported under discontinued operations, and EUR 200 million of net losses on divestments. The latter primarily consists of a goodwill write-off for ING Life Korea.

Insurance/IM Asia was classified as held for sale as of June 2012. In October, ING agreed to sell its insurance operations in Malaysia, Hong Kong, Macau and Thailand and its 33.3% stake in China Merchants Fund. These divestments are expected to deliver net transaction gains of approximately EUR 1.9 billion in the first half of 2013. The process for the remaining units is ongoing.

ING continues to discuss various options for ING Life Japan, including its closed block VA business. However, the closing of sales of ING's other Asian insurance units may trigger a charge to strengthen reserves for the Japanese closed block VA under ING's reserve adequacy policy. ING measures reserve adequacy at business line level, where excess reserves in other Asian business units currently offset a shortfall related to the Japanese closed block VA. As transactions close, if the aggregate reserves for the remaining businesses falls below a 50% confidence level, the shortfall must be recognised immediately in the profit & loss account. The reserve inadequacy for the Japanese insurance business, including the VA guarantees reinsured to ING Re, was approximately EUR 0.5 billion at the 50% confidence level at 30 September 2012. This is comprised of an inadequacy of approximately EUR 1.1 billion for the closed block VA, offset by a sufficiency of EUR 0.6 billion for the corporate-owned life insurance business. The nature and timing of any P&L charge from such reserve inadequacy depends on the closing of other divestments in Asia as well as various options currently under investigation for ING Life Japan. Further announcements will be made if and when appropriate. The above mentioned amounts refer to ING's reserve adequacy policy under IFRS which does not affect the local solvency positions of ING Life Japan nor ING Re.

Following the announced divestments of ING Direct Canada and ING Direct UK in August and October, these units were transferred to held for sale in the third quarter. These two divestments are expected to yield net transaction gains totalling EUR 0.8 billion in the fourth quarter of 2012.

CONSOLIDATED BALANCE SHEET

ING Group: Consolidated balance sheet							
in EUR million	30 Sep. 12	30 June 12 pro forma ¹⁾	30 June 12		30 Sep. 12	30 June 12 pro forma ¹⁾	30 June 12
Assets				Equity			
Cash and balances with central banks	28,367	16,165	16,181	Shareholders' equity	52,877	50,514	50,514
Amounts due from banks	44,788	45,249	47,395	Minority interests	1,020	927	927
Financial assets at fair value through P&L	251,432	244,565	244,584	Non-voting equity securities	3,000	3,000	3,000
Investments	199,335	201,364	205,318	Total equity	56,897	54,441	54,441
Loans and advances to customers	572,873	578,763	610,204	Liabilities			
Reinsurance contracts	5,461	5,679	5,679	Subordinated loans	8,938	8,840	9,089
Investments in associates	2,235	2,255	2,255	Debt securities in issue	159,961	157,926	157,926
Real estate investments	1,339	1,342	1,342	Other borrowed funds	18,060	19,560	19,560
Property and equipment	2,689	2,724	2,746	Insurance and investment contracts	233,747	234,252	234,252
Intangible assets	2,707	2,889	2,929	Amounts due to banks	51,367	58,870	58,874
Deferred acquisition costs	4,634	4,670	4,670	Customer deposits	444,955	430,484	472,916
Other assets	28,523	29,826	30,069	Financial liabilities at fair value through P&L	136,291	136,119	136,341
				Other liabilities	31,408	32,188	32,290
Total assets excl. assets held for sale	1,144,381	1,135,490	1,173,371	Total liabilities excl. liabilities held for sale	1,084,726	1,078,239	1,121,248
Assets held for sale	103,714	101,758	63,876	Liabilities held for sale	106,473	104,569	61,559
Total assets	1,248,096	1,237,248	1,237,248	Total liabilities	1,191,199	1,182,807	1,182,807
				Total equity and liabilities	1,248,096	1,237,248	1,237,248

1) Adjusted for transfer of ING Direct Canada and ING Direct UK to assets/liabilities held for sale

ING Group's balance sheet increased by EUR 11 billion to EUR 1,248 billion in the third quarter, and by EUR 16 billion excluding currency effects. This increase was driven by growth in customer deposits at ING Bank following strong inflows in Retail Banking savings accounts and in corporate deposits. Shareholders' equity rose to EUR 53 billion (or EUR 13.91 per share), mainly due to positive revaluations on the investment portfolio as a result of the lower interest rates, lower credit spreads and the quarterly net profit of EUR 0.6 billion.

Cash and balances with central banks

Cash and balances with central banks increased by EUR 12 billion to EUR 28 billion at the end of the third quarter, as an increased amount of excess cash was placed overnight with central banks.

Amounts due from/and to banks

Amounts due from banks remained flat and amounts due to banks was reduced by EUR 8 billion. As a result, ING Bank decreased net borrowing from banks to EUR 7 billion at the end of the third quarter.

Loans

Loans and advances to customers decreased by EUR 6 billion, mainly at ING Bank, to EUR 573 billion. Securities at amortised cost and IABF were down by EUR 3 billion due to continued de-risking and run-off. Customer lending decreased by EUR 2 billion as lower lending to '(Mid)corporates, SMEs and Other' was partly offset by growth in residential mortgages.

Financial assets/liabilities at fair value

Financial assets at fair value through P&L increased by EUR 10 billion, excluding EUR 3 billion of negative currency effects, to EUR 251 billion. Financial assets at fair value through P&L at ING Bank increased by EUR 6 billion to EUR 143 billion, mainly due to higher trading assets which contain derivatives, debt securities and reverse repos, which are mostly used to facilitate servicing our clients (banks and non-banks). Financial liabilities at fair value through P&L remained flat in the third quarter.

At Insurance, Financial assets at fair value through P&L increased by EUR 3 billion, at comparable exchange rates, mainly driven by positive revaluations of investments for risk of policyholders.

Investments

Investments remained almost flat, at comparable exchange rates, at EUR 199 billion. A decrease at ING Bank of EUR 3 billion, mainly due to the sale of ING Bank's stake in Capital One, was offset by an increase at Insurance of EUR 3 billion, mainly driven by positive revaluations as a result of lower interest rates and lower credit spreads.

Assets/Liabilities held for sale

The balance sheet items of Insurance/IM Asia were transferred to assets and liabilities held for sale as per June 2012. In October 2012, ING announced that it had reached agreements on the sale of its 33.3% stake in China Merchants Fund, as well as the sale of its insurance operations in Malaysia, Hong Kong, Macau and Thailand. These transactions are expected to deliver net transaction gains of approximately EUR 1.9 billion in the first half of 2013.

Following the announced divestments of ING Direct Canada and ING Direct UK, the balance sheet items of these units were transferred to assets and liabilities held for sale in the third

ING Group: Change in shareholders' equity

in EUR million	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
	3Q2012	2Q2012	3Q2012	2Q2012	3Q2012	2Q2012	3Q2012	2Q2012
Shareholders' equity beginning of period	50,514	47,616	36,629	35,307	25,165	23,531	-11,280	-11,222
Net result for the period	609	1,171	664	930	-54	290	-1	-49
Unrealised revaluations of equity securities	33	-174	-148	77	181	-251		
Unrealised revaluations of debt securities	3,334	1,453	749	183	2,592	1,270	-7	
Deferred interest crediting to life policyholders	-1,005	-737			-1,005	-737		
Realised gains/losses equity securities released to P&L	-432	-4	-336	-2	-96	-2		
Realised gains/losses debt securities transferred to P&L	-74	2	-26	-36	-48	38		
Change in cashflow hedge reserve	90	313	73	-121	21	438	-4	-4
Other revaluations	66	-207	11	-5	55	-201		-1
Exchange rate differences	-289	1,077	-37	253	-223	777	-29	47
Changes in treasury shares	18	118					18	118
Employee stock options and share plans	48	-70	28	29	17	16	3	-115
Other	-36	-44	-5	14	-36	-4	5	-54
Total changes	2,363	2,898	973	1,322	1,404	1,634	-14	-58
Shareholders' equity end of period	52,877	50,514	37,602	36,629	26,570	25,165	-11,294	-11,280

ING Group: Shareholders' equity

in EUR million	ING Group		ING Bank N.V.		ING Verzekeringen N.V.		Holdings/Eliminations	
	30 Sep. 12	30 June 12	30 Sep. 12	30 June 12	30 Sep. 12	30 June 12	30 Sep. 12	30 June 12
Share premium/capital	16,953	16,953	17,067	17,067	12,048	12,048	-12,162	-12,162
Revaluation reserve equity securities	2,249	2,648	1,159	1,643	1,030	945	60	60
Revaluation reserve debt securities	9,571	6,311	901	178	8,701	6,157	-31	-24
Revaluation reserve crediting to life policyholders	-5,465	-4,460			-5,465	-4,460		
Revaluation reserve cashflow hedge	2,465	2,375	-848	-921	3,415	3,394	-102	-98
Other revaluation reserves	609	612	330	333	284	284	-5	-5
Currency translation reserve	-131	109	-120	-97	233	421	-244	-215
Treasury shares	-411	-429					-411	-429
Retained earnings and other reserves	27,037	26,395	19,113	18,426	6,323	6,376	1,601	1,593
Total	52,877	50,514	37,602	36,629	26,570	25,165	-11,294	-11,280

quarter of 2012. These transactions are expected to result in net transaction gains of approximately EUR 1.1 billion and EUR -0.3 billion respectively in the fourth quarter of 2012. A pro-forma balance sheet is used for comparison.

Debt securities in issue

Debt securities in issue increased slightly to EUR 160 billion, as the issuance of EUR 10 billion of long-term debt was largely compensated by a reduction in short-term debt (CD/CPs) as ING Bank pursues a lengthening of its funding profile.

Insurance and investment contracts

Insurance and investment contracts increased by EUR 3 billion to EUR 234 billion, excluding currency effects. This mainly reflects an increase in the provision for risk of policyholders, mirroring the movement in the investments for risk of policyholders.

Customer deposits

Customer deposits increased by EUR 14 billion to EUR 445 billion, including EUR 5 billion growth in retail savings (mostly net inflows in the Netherlands, Germany, Spain and Belgium). Credit balances on customer accounts grew by EUR 4 billion. Corporate deposits were EUR 7 billion higher (mostly from asset managers and corporate treasuries).

Shareholders' equity

Shareholders' equity increased by EUR 2.4 billion to EUR 52.9 billion, mainly due to positive revaluations on the investment

portfolio (driven by lower interest rates and lower credit spreads) as well as the quarterly net profit of EUR 0.6 billion. Shareholders' equity per share increased from EUR 13.29 at the end of June 2012 to EUR 13.91 on 30 September 2012.

Revaluation reserves

The revaluation reserve debt securities increased from EUR 6.3 billion at the end of June to EUR 9.6 billion at the end of September 2012, mainly as a consequence of lower interest rates and lower credit spreads, which were partially offset by the crediting to life policyholders. The currency translation reserve decreased by EUR 0.2 billion to EUR -0.1 billion, primarily due to the strengthening of the euro against the US dollar.

The revaluation reserve on debt securities includes EUR 6,645 million (pre-tax) related to government bonds. This amount comprises EUR 511 million of negative revaluation reserves for government bonds from Greece, Italy, Ireland, Portugal, Spain and Cyprus, which is more than offset by EUR 7,156 million of positive revaluation reserves for government bonds from other countries.

Number of shares

The total number of shares outstanding in the market was 3,802 million at the end of September 2012 versus 3,801 million at the end of June 2012. The total number of shares equals the 3,802 million outstanding in the market plus treasury shares, which decreased from 30.9 million at the end of June 2012 to 29.7 million at the end of September 2012.

CAPITAL MANAGEMENT

Capital base: ING Group

In EUR million unless stated otherwise	30 Sep. 12	30 Jun. 12
(a) Shareholders' equity	52,877	50,514
(b) Core Tier 1 securities	3,000	3,000
(c) Group hybrid capital	9,357	9,531
(d) Group leverage (core debt)	8,036	8,028
Total capitalisation (Bank + Insurance)	73,269	71,073
(f) Required regulatory adjustments	-8,086	-5,970
Group leverage (core debt)	-8,036	-8,028
(e) Adjusted equity (= a + b + c + f)	57,147	57,075
Debt/equity ratio (d/(d+e))	12.3%	12.3%
(g) Total required capital (j+m)	39,528	40,138
FiCo ratio (= (h+k-d)/g)	166%	161%

Capital ratios: ING Bank

In EUR million unless stated otherwise	30 Sep. 12	30 Jun. 12
Shareholders' equity	37,602	36,629
Required regulatory adjustments	-2,960	-2,912
Core Tier 1	34,641	33,716
Hybrid Tier 1	6,871	6,996
Total Tier 1 capital	41,512	40,712
Other capital	7,373	8,275
(h) BIS Capital	48,885	48,987
Risk-weighted assets	286,480	303,401
(j) Required capital Basel II *	22,918	24,272
(j) Required capital based on Basel I floor *	29,617	30,274
Basel II core Tier 1 ratio	12.1%	11.1%
Basel II Tier 1 ratio	14.5%	13.4%
Basel II BIS ratio**	17.1%	16.1%

*) required capital is the highest of the two

***) pre-floor

Capital ratios: ING Insurance

In EUR million unless stated otherwise	30 Sep. 12	30 Jun. 12
Shareholders' equity	26,570	25,165
Hybrids issued by ING Group	2,476	2,525
Hybrids issued by ING Insurance	1,726	1,726
Required regulatory adjustments	-6,044	-5,770
(k) Total capital base	24,726	23,646
(m) EU required capital	9,911	9,864
IGD Solvency I ratio (k/m)	249%	240%

Main credit ratings of ING at 06 November 2012

	Standard & Poor's		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
ING Groep N.V.	A	Stable	A3	Negative	A	Stable
ING Bank N.V.	A+	Stable	A2	Negative	A+	Stable
ING Verzekeringen N.V.	A-	Negative	Baa2	Developing	A-	Negative

The capital ratios for both Bank and Insurance improved in the third quarter. ING Bank's core Tier 1 ratio increased to 12.1%, supported by retained earnings and a strong reduction in risk-weighted assets. The Insurance Group Directive ratio increased to 249%. ING Group's debt/equity ratio remained stable at 12.3%. Long-term funding needs for the Bank are more than covered for 2012, lengthening ING's long-term funding profile.

ING Group

The Group debt/equity ratio was unchanged at 12.3% as both adjusted equity and core debt remained stable. The Financial Conglomerate Directive (FiCo) ratio for the Group increased from 161% to 166% mainly due to lower required capital and a higher capital base.

ING Bank

ING Bank's core Tier 1 ratio strengthened to 12.1% from 11.1% in the second quarter. This increase reflects a EUR 17 billion reduction in risk-weighted assets (RWA), of which EUR 7 billion related to the sale of ING's equity stake in Capital One and EUR 5 billion to sales in the investment portfolio. The remainder was due to reduced lending volumes and a lower level of market RWA at Commercial Banking. The latter was caused by a decline in average Value-at-Risk (VaR) consistent with a decrease in interest rate risk in the trading books. The Tier 1 ratio increased from 13.4% to 14.5% at the end of September 2012.

The sale of ING Direct Canada to Scotia Bank, announced in August, is expected to have a positive impact on the core Tier 1 ratio of approximately 0.5%-point on closing, which is anticipated in the fourth quarter of 2012. The sale of ING Direct UK, announced in October, is expected to close in the second quarter of 2013 with a neutral impact on capital ratios although timing differences will occur.

ING Bank Funding

In the third quarter of 2012, ING Bank issued EUR 10.3 billion of long-term debt as markets opened up for issuers in various types of debt instruments. ING Bank issued three benchmark sized senior unsecured notes and one jumbo covered bond, adding EUR 5.0 billion of new public benchmark funding to the Bank. By the end of September 2012, ING Bank had issued EUR 26.4 billion of debt with a tenor of more than one year compared with EUR 18 billion of long-term debt maturing in the whole of 2012, lengthening ING's long-term funding profile. ING Bank's funding needs for 2012 are more than covered.

ING Insurance

The Insurance Groups Directive ratio (IGD) increased from 240% to 249%, largely related to the rise in shareholders' equity, which was driven by higher net revaluation reserves as a result of lower interest rates and lower credit spreads, partially offset by negative

currency impact and changes in required regulatory adjustments for the Dutch entities. In October, ING announced the sales of its Insurance business in Malaysia to AIA, its insurance units in Hong Kong, Macau and Thailand to Pacific Century Group and its stake in China Merchants Fund to its joint venture partners China Merchants Bank and China Merchants Securities. These transactions, which are still subject to regulatory approvals, are expected to close in the first half of 2013. Depending on the remaining Asian divestments and subsequent actions, ING will communicate the impact on capital ratios later.

The US Risk Based Capital ratio increased from 449% to 516%. The significant improvement in the RBC ratio was mainly driven by management actions to improve capital efficiency including the sale of certain CMO assets, which carry a high capital charge. The September RBC ratio is still an estimate and will become final mid November.

In July 2012, Insurance US issued a USD 850 million senior notes. This debt financing marked an important step in separating Insurance US from ING Group and in preparation for a standalone future.

New pension accounting requirements under IFRS

On 1 January 2013, the revised IAS 19 on pensions will come into effect, requiring immediate recognition of 'unrecognised actuarial gains and losses' through equity. If this were to be applied today to 30 September figures, ING Group's capital would be reduced by approximately EUR 2.3 billion, of which EUR 1.4 billion at Bank and EUR 0.9 billion at Insurance. The pro-forma Group debt/equity ratio would increase from 12.3% to 12.8%. The Bank's core Tier 1 ratio would be reduced from 12.1% to 11.6%; however, this 50 basis point impact was already reflected in ING's expected Basel III impact, which will phase out net pension assets from capital calculations over time. The IGD ratio for Insurance would decline from 249% to 240%. However, it is still uncertain whether this full effect will be reflected in capital ratios as discussions with regulatory authorities are ongoing. The recognition of 'unrecognised actuarial gains and losses' through equity will create volatility in equity and capital going forward.

BUSINESS & SUSTAINABILITY HIGHLIGHTS

Customer preferences and habits are changing, and the demands on the financial industry from regulators, customers, shareholders and society at large are increasing. ING recognises the importance of these trends and has initiatives focused on customer centricity, operational excellence and sustainability at the core of the Group strategy.

Customer centricity and operational excellence

ING Private Banking Netherlands has invested heavily in deepening its client relationships and in improving its services. For example, it has established client service teams with specialised advisors and introduced a new all-in pricing model to enhance transparency for clients. In recognition of these efforts, ING was named 'Best Private Bank 2012 in the Netherlands' by the Dutch business magazine *Incompany* based on research among customers of Dutch private banks. ING Private Banking received the highest scores in all four categories (service, investment results, know-how and price), underlining its increased focus on customer centricity.

While customer centricity and operational excellence help to ensure flawless service for customers, handling complaints provides a valuable opportunity to learn from customers and quickly resolve their issues. ING Bank Turkey, for example, has improved its handling of complaints to such an extent that most customer complaints can now be resolved on the spot, thereby reducing reaction time and avoiding potential escalation. In July 2012, ING Bank Turkey was recognised as the most successful bank in handling customer complaints by the popular independent Turkish website *Sikayetvar.com*, which aggregates customer complaints of more than 9,000 companies, including financial companies. In Spain, ING Direct has turned its 'ING Direct Ombudsman' customer complaint centre into a driver for customer satisfaction by learning from mistakes and proactively correcting them at the source to avoid reoccurrence. As a result of this project, ING Direct Spain has been able to implement more than 100 improvements in products and processes.

In addition to information gathered through complaints processing, the Net Promoter Score (NPS) is an important method to garner customer feedback on products and services and improve problem areas. Based on insights from NPS, ING's insurance units across Europe and Asia are revising their written customer communications to ensure that the language used is clear and free of jargon. They are also enhancing accessibility by increasing the use of electronic correspondence with customers. In the Czech Republic and Slovakia, customers have responded very positively to ING's efforts to increase transparency and modernise its communications processes.

ING in Society

Sustainability forms an integral part of ING's corporate strategy. ING's sustainability approach is focused on achieving long-term business success for both ING and its clients while contributing towards economic development, a healthy environment and a stable society. During the third quarter of 2012, ING made further progress in embedding sustainability into its overall corporate strategy and business activities.

Tackling food and energy shortages

In July 2012, ING Bank and The International Finance Corporation (IFC) launched a USD 500 million risk-sharing facility to contribute to the Critical Commodities Finance Programme. The facility seeks to support the global trade of agricultural and energy commodities by ING clients in emerging markets by reducing the risks associated with food and energy shortages and helping to maintain stable prices for buyers in these markets.

ING IM to manage EUR 400 million FDC mandate

ING Investment Management Europe has been selected by the Luxembourg state-owned pension fund "Fonds de compensation commun au régime général de pension" to manage a EUR 400 million global equity mandate. ING IM will manage the mandate by applying its sustainable equity strategy, which identifies additional business risks and opportunities by integrating environmental, social and governance factors into the investment analysis.

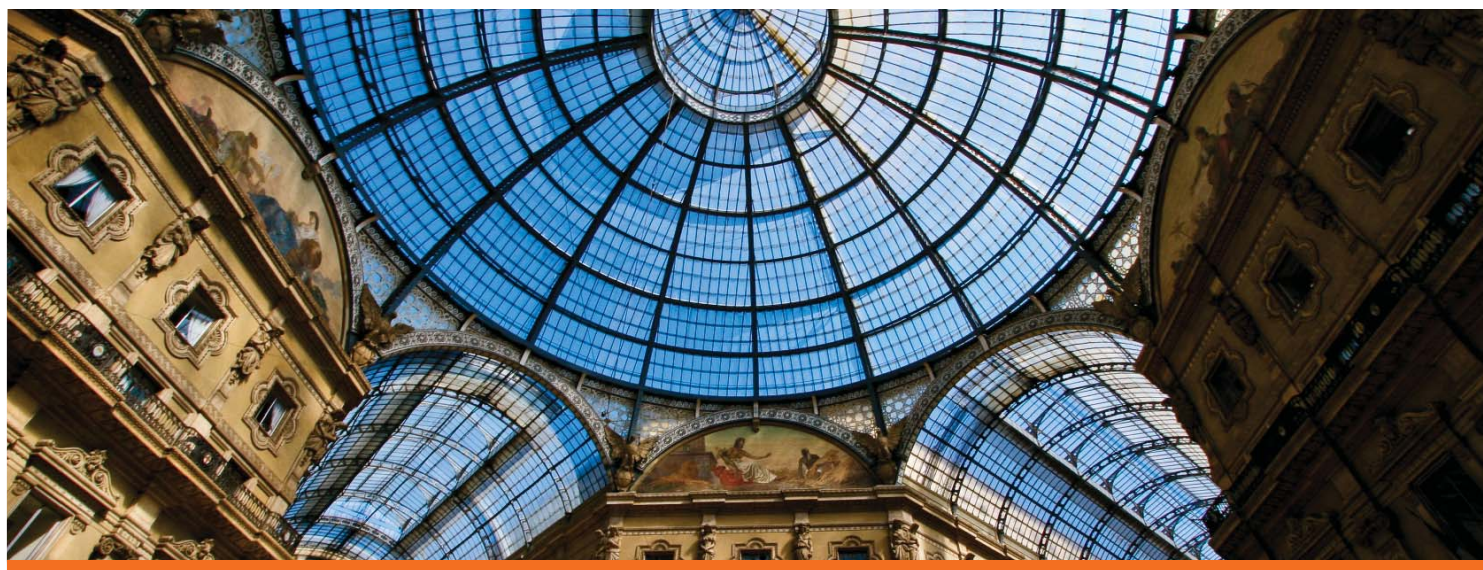
External sustainability rankings

In September 2012, ING's scores in the following sustainability benchmarks were announced:

- ING achieved a strong improvement in its Carbon Disclosure Project assessment score, which rose from 64 points in 2011 to 93 points in 2012.
- ING's 2012 score from Sustainable Asset Management (SAM) decreased by three points compared with 2011, mainly due to a lower score for the environment pillar, one of the three assessed. As a result, ING is no longer included in the Dow Jones Sustainability World Index.
- For the 12th consecutive year, ING was included in the FTSE4Good Index.
- The VBDO (the Dutch Association of Investors for Sustainable Development) published its 'Benchmark Responsible Investment by Insurance Companies'. Nationale-Nederlanden (NN) rose to the fifth position in the 2012 benchmark from 11th place in 2011. NN's higher score is largely attributable to increased transparency around the implementation of ING Group's environmental and social risk (ESR) policy framework.

External reviews of our sustainability performance and disclosure are highly valued by ING. For 2013, ING will expand its reporting on how its sustainability approach is reflected in its business results.

Banking



CONSOLIDATED RESULTS

Banking: Consolidated profit and loss account								
In EUR million	3Q2012	3Q2011	Change	2Q2012	Change	9M2012	9M2011	Change
Profit & loss								
Interest result	3,060	2,995	2.2%	2,953	3.6%	9,065	9,140	-0.8%
Commission income	525	548	-4.2%	569	-7.7%	1,639	1,724	-4.9%
Investment income	395	-240		75	426.7%	595	-347	
Other income	-167	148	-212.8%	92	-281.5%	3	635	-99.5%
Total underlying income	3,813	3,451	10.5%	3,689	3.4%	11,303	11,151	1.4%
Staff expenses	1,279	1,267	0.9%	1,285	-0.5%	3,865	3,924	-1.5%
Other expenses	907	885	2.5%	813	11.6%	2,586	2,592	-0.2%
Intangibles amortisation and impairments	51	73	-30.1%	56	-8.9%	175	185	-5.4%
Operating expenses	2,237	2,225	0.5%	2,154	3.9%	6,626	6,701	-1.1%
Gross result	1,576	1,226	28.5%	1,535	2.7%	4,678	4,450	5.1%
Addition to loan loss provision	555	348	59.5%	541	2.6%	1,536	895	71.6%
Underlying result before tax	1,021	878	16.3%	995	2.6%	3,141	3,556	-11.7%
Taxation	265	268	-1.1%	261	1.5%	878	948	-7.4%
Minority interests	24	20	20.0%	20	20.0%	71	56	26.8%
Underlying net result	732	590	24.1%	714	2.5%	2,192	2,551	-14.1%
Net gains/losses on divestments	-16	520		0		473	556	
Net result from divested units	0	125		0		0	340	
Special items after tax	-46	-42		169		-280	-147	
Net result from Banking	670	1,193	-43.8%	884	-24.2%	2,385	3,300	-27.7%
Client balances (in EUR billion)¹⁾								
Residential Mortgages	315.1	297.8	5.8%	312.0	1.0%	315.1	297.8	5.8%
Other Lending	226.1	231.4	-2.3%	232.6	-2.8%	226.1	231.4	-2.3%
Funds Entrusted	479.4	446.8	7.3%	464.3	3.3%	479.4	446.8	7.3%
AUM/Mutual Funds	56.3	53.5	5.2%	54.0	4.3%	56.3	53.5	5.2%
Profitability and efficiency¹⁾								
Interest margin	1.33%	1.33%		1.26%		1.30%	1.37%	
Cost/income ratio	58.7%	64.5%		58.4%		58.6%	60.1%	
Return on equity based on IFRS-EU equity	7.9%	7.1%		7.9%		8.1%	10.1%	
Return on equity based on 10.0% core Tier 1 ²⁾	10.3%	8.6%		9.7%		10.1%	12.3%	
Staff (FTEs end of period)	67,795	68,197	-0.6%	67,939	-0.2%	67,795	68,197	-0.6%
Risk¹⁾								
Non-performing loans/total loans	2.3%	2.0%		2.3%		2.3%	2.0%	
Stock of provisions/provisioned loans	37.6%	39.9%		38.3%		37.6%	39.9%	
Risk costs in bp of average RWA	75	49		72		69	42	
Risk-weighted assets (end of period)	286,479	284,478	0.7%	303,401	-5.6%	286,479	284,478	0.7%
RAROC after tax	13.6%	9.3%		12.5%		12.8%	13.0%	
Economic Capital (average over period)	24,099	23,668	1.8%	25,215	-4.4%	24,617	23,739	3.7%

1) Key figures based on underlying figures except loans figures

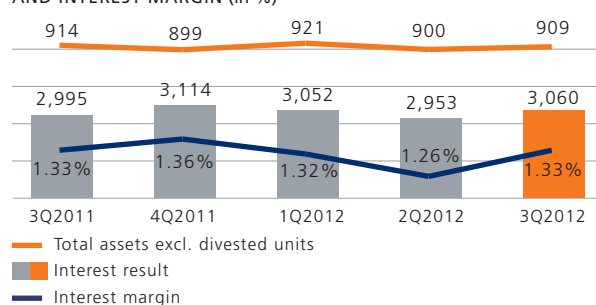
2) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

ING Bank posted solid third-quarter results as the gain on the sale of ING's equity stake in Capital One largely offset losses from de-risking and the negative impact from credit valuation and debt valuation adjustments (CVA/DVA). The underlying result before tax rose to EUR 1,021 million, up 16.3% from the third quarter of 2011 and 2.6% higher than in the second quarter of this year. The underlying interest margin improved on a sequential basis to 1.33%. Expenses were stable compared with a year ago, reflecting ongoing cost-containment efforts. Risk costs increased versus both comparable periods reflecting the weak macroeconomic environment.

Total underlying income

Total underlying income rose 10.5% versus a year ago, supported by the EUR 323 million gain on the sale of ING's equity stake in Capital One. De-risking losses amounted to EUR 258 million as Retail Banking sold EUR 2.4 billion of European debt securities,

TOTAL ASSETS (in EUR billion), INTEREST RESULT (in EUR million) AND INTEREST MARGIN (in %)



leading to a EUR 5 billion risk-weighted assets release. Income also included EUR 173 million of negative impacts from CVA/DVA adjustments in Commercial Banking and the Corporate Line. Impairments were limited to EUR 10 million, whereas the third quarter of 2011 included EUR 311 million of impairments (mainly on Greek government bonds), EUR 58 million of de-risking losses and EUR 146 million of positive CVA/DVA adjustments. Total underlying income increased 3.4% from the second quarter of 2012, which included EUR 178 million of de-risking losses and EUR 52 million of positive CVA/DVA adjustments. Excluding the aforementioned items and other market-related impacts, income rose 6.5% on the same quarter a year ago and 3.2% quarter-on-quarter, primarily due to higher interest results.

The underlying interest margin rose to 1.33% from 1.26% in the second quarter, driven by both a higher interest result as well as a lower average balance sheet level during the quarter. The interest result rose 2.2% from a year ago and 3.6% sequentially, primarily due to strong interest results at Financial Markets. The interest result for lending activities improved versus both quarters, supported by moderate volume growth in mortgages and re-pricing. In savings, ING continued to attract strong retail deposit inflows. Although client rates were reduced in several countries, the interest result on savings declined due to lower returns from the investment portfolio, reflecting the low interest rate environment and the impact of de-risking.

ING Bank's strong deposit-gathering capabilities generated EUR 11.0 billion in net funds entrusted growth during the quarter, demonstrating further progress on the Bank's Ambition 2015 priorities. Retail Banking generated EUR 6.1 billion of net funds entrusted inflow, of which EUR 4.6 billion was in Retail International and EUR 1.5 billion in the Benelux. The net inflow of funds entrusted at Commercial Banking was EUR 4.9 billion, mainly due to higher current accounts and corporate deposits. Total net lending declined by EUR 2.9 billion reflecting muted demand and pricing discipline. Although net production of residential mortgages was EUR 2.7 billion, lending at Commercial Banking showed a net decline of EUR 5.3 billion, and Other Retail Banking lending decreased by EUR 0.4 billion.

Commission income decreased 4.2% to EUR 525 million from EUR 548 million in the third quarter of 2011. The decline mainly reflects lower fees in Industry Lending (Commercial Banking). Compared with the previous quarter, commission income dropped 7.7%, mainly in Industry Lending and Financial Markets as well as in Retail Netherlands.

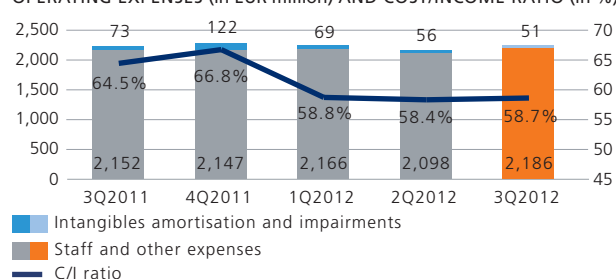
Investment income rose to EUR 395 million from a loss of EUR 240 million in the third quarter of 2011. The improvement was mainly due to the EUR 323 million capital gain on Capital One, while impairments declined to EUR 10 million from EUR 311 million in the same quarter of last year, which included EUR 267 million of impairments on Greek government bonds. The result on the sale of bonds and other equities was EUR 57 million, up from EUR 38 million a year ago. Compared with the second quarter of 2012, investment income rose by EUR 320 million due to the gain on Capital One.

Other income declined to a loss of EUR 167 million compared with a profit of EUR 148 million in the third quarter of 2011 and EUR 92 million in the second quarter of 2012. The decline from a year ago was mainly attributable to EUR 258 million of losses on selective de-risking versus EUR 55 million of losses in the third quarter of 2011 (the rest in investment income). CVA/DVA adjustments were EUR -173 million, mainly reflecting a tightening of ING Bank's credit spread, of which EUR -107 million was in Commercial Banking and EUR -66 million in the Corporate Line, compared with EUR 146 million of positive CVA/DVA adjustments in the third quarter of 2011. These negative impacts were partly offset by positive revaluations of derivatives following changes in the OIS curve profile at Commercial Banking.

Operating expenses

ING Bank continued to place high priority on cost-containment measures throughout the third quarter. Operating expenses increased marginally by 0.5% from the previous year, as strong cost control offset the impact of annual salary increases, higher bank levies, a one-time additional Dutch tax on employee salaries and negative currency effects. Compared with the second quarter of 2012, which included a EUR 38 million reimbursement from the old deposit guarantee scheme in Belgium and lower performance-related expenses, expenses rose 3.9%. The underlying cost/income ratio was 58.7%, or 56.9% excluding market impacts and CVA/DVA adjustments.

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



In the third quarter of 2012, the number of internal staff dropped by 144 to 67,795 FTEs, mainly in Retail Netherlands due to the previously announced cost-containment initiatives. The decrease was partly offset by increases at Retail Germany, ING Turkey and India. The number of external staff remained more or less stable at around 5,650 FTEs.

Following a strategic review at Commercial Banking earlier this year, ING has decided to accelerate the implementation of strategic adaptations including the run-off of certain leasing units, right-sizing the equities businesses, and further operational improvements in several businesses, including PCM. These measures, which are already being implemented, are expected to result in a reduction of the workforce by around 1,000 over a period of three years, for which an after-tax provision of approximately EUR 150 million is expected to be recorded as a special item in the fourth quarter of 2012. Cost savings corresponding to these actions are expected to reach an annual run-rate of approximately EUR 260 million by 2015. The review is ongoing and may lead to further changes in the future.

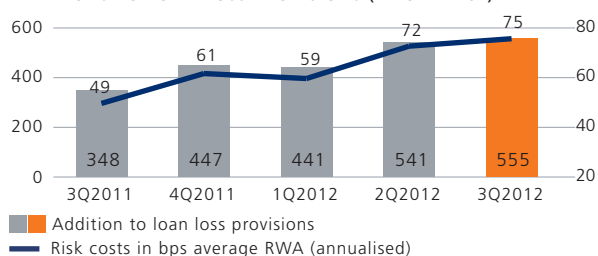
Loan loss provisions

Weak economic and business fundamentals continued to contribute to elevated levels of risk costs in the third quarter. Although the net addition to the provision for loan losses rose only 2.6% to EUR 555 million from the second quarter of 2012, it increased 59.5% year-on-year. The modest increase compared with the second quarter was mainly attributable to Retail Benelux, particularly the mid-corporate and SME segments, and by Retail International due to further provisioning for a CMBS position. Risk costs for the Dutch mortgage portfolio were modestly lower quarter-on-quarter, despite a slight increase of non-performing loans to 1.3%. Commercial Banking's risk costs declined on a sequential basis, but remained elevated, notably in Real Estate Finance. Non-performing loans increased in the third quarter by EUR 0.2 billion to EUR 14.5 billion.

Gross additions to the loan loss provisions rose to EUR 746 million from EUR 716 million in the second quarter of 2012 and from EUR 566 million in the third quarter of last year. Releases were EUR 191 million, slightly higher than the EUR 175 million in the previous quarter, but down from EUR 218 million in the third quarter of 2011.

Total third-quarter risk costs at ING Bank were 75 basis points of average risk-weighted assets versus 72 basis points in the previous quarter and 49 basis points in the third quarter of 2011. ING expects risk costs to remain elevated, reflecting the weakening of the economic climate.

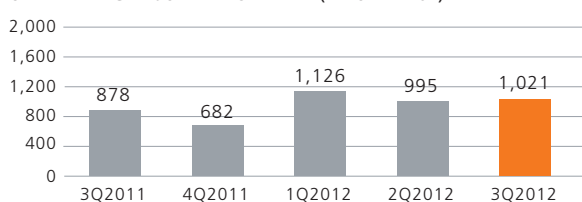
ADDITIONS TO LOAN LOSS PROVISIONS (in EUR million)



Underlying result before tax

The underlying result before tax was 16.3% higher than in the third quarter of 2011, despite the strong increase in risk costs. The gross result, before risk costs, rose 28.5% due to the higher income level, while expenses remained flat. Compared with the previous quarter, the result before tax increased 2.6% to EUR 1,021 million as the 3.4% increase in revenues outpaced the higher expenses and risk costs.

UNDERLYING RESULT BEFORE TAX (in EUR million)



Net result

The underlying net result increased to EUR 732 million from EUR 590 million in the third quarter of 2011 and EUR 714 million in the second quarter of 2012. The effective underlying tax rate was 25.9% compared with 30.5% in the third quarter of 2011 and 26.2% in the previous quarter.

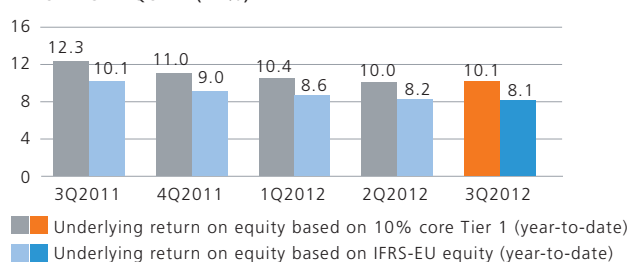
ING Bank's quarterly net result was EUR 670 million, including the impact of divestments and special items. On 29 August and 9 October the divestments of ING Direct Canada and ING Direct UK were announced, respectively. As a result, the assets and liabilities of both businesses have been transferred to held for sale. At ING Direct UK this led to a goodwill write-off of EUR 16 million, recorded within net losses on divestments in the third quarter. The remaining results on the two transactions are expected to be recorded in the fourth quarter of 2012. Special items after tax were EUR -46 million and mainly related to restructuring expenses in the Netherlands and costs related to the separation of Bank and Insurance.

Key metrics

Underlying risk-weighted assets (RWA) declined 5.6% to EUR 286 billion from EUR 303 billion at the end of June. Credit RWA dropped by EUR 15 billion, of which EUR 7 billion was due to the sale of ING Bank's stake in Capital One. The remaining decline was largely due to lower volumes, of which EUR 5 billion was connected to the sale of securitisations as part of ING Bank's de-risking efforts. The impact of risk migration remained limited despite the continuing challenging economic conditions in the third quarter. Market RWA decreased by EUR 2 billion, in line with the reduced Value-at-Risk.

ING Bank's core Tier 1 ratio improved to 12.1% from 11.1% at the end of June 2012, due mainly to the decline in RWA and the retained profit.

RETURN ON EQUITY (in %)



The year-to-date underlying return on IFRS-EU equity decreased to 8.1% from 10.1% in the first nine months of 2011. The decline was caused by lower earnings, primarily reflecting elevated levels of risk costs, as well as a higher equity base. The Ambition 2015 target for return on IFRS-EU equity is 10-13%. The underlying return on equity based on a 10% core Tier 1 ratio was 10.1% compared with 12.3% in the first nine months of 2011.

RETAIL BANKING

Retail Banking: Consolidated profit and loss account

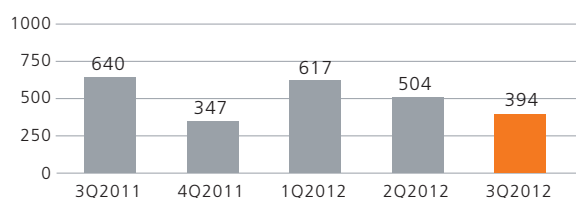
In EUR million	Total Retail Banking		Retail Banking Benelux				Retail International			
			Netherlands		Belgium		Germany		Rest of World	
	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011
Profit & loss										
Interest result	2,116	2,157	840	920	450	401	280	311	546	525
Commission income	296	309	117	122	79	78	21	32	78	78
Investment income	28	-77	0	0	2	-10	0	-52	25	-15
Other income	-165	17	15	10	38	23	7	10	-225	-25
Total underlying income	2,275	2,406	972	1,051	570	491	309	301	425	562
Staff and other expenses	1,555	1,557	565	604	362	359	168	161	460	433
Intangibles amortisation and impairments	6	4	5	4	1	1	0	-1	0	0
Operating expenses	1,561	1,561	570	609	363	360	168	160	460	433
Gross result	713	845	401	443	207	131	141	142	-36	130
Addition to loan loss provision	319	206	181	99	54	35	17	25	67	46
Underlying result before tax	394	640	221	344	152	96	124	116	-103	83
Client balances (in EUR billion)¹⁾										
Residential Mortgages	315.1	297.8	143.3	142.1	30.2	28.1	59.1	55.2	82.5	72.5
Other Lending	95.1	91.1	40.1	42.5	32.6	29.6	3.8	3.2	18.7	15.8
Funds Entrusted	413.2	383.3	114.1	104.2	74.9	71.4	93.7	87.1	130.4	120.5
AUM/Mutual Funds	56.1	53.2	15.6	14.7	26.9	26.3	6.2	5.4	7.4	6.8
Profitability and efficiency¹⁾										
Cost/income ratio	68.6%	64.9%	58.7%	57.9%	63.7%	73.3%	54.3%	52.9%	108.4%	77.0%
Return on equity based on 10.0% core Tier 1 ²⁾	6.3%	12.8%	13.2%	21.2%	21.6%	15.3%	13.2%	13.2%	-7.5%	4.4%
Risk¹⁾										
Risk costs in bp of average RWA	85	57	144	80	106	75	32	50	46	33
Risk-weighted assets (end of period)	148,543	144,663	49,810	48,940	20,360	18,952	21,993	20,368	56,380	56,403

1) Key figures based on underlying figures

2) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

Results at Retail Banking declined to EUR 394 million as de-risking efforts were accelerated to free up capital and reduce the risk of rating migration. During the third quarter, EUR 2.4 billion of European debt securities were sold, leading to EUR 258 million of losses and a EUR 5 billion risk-weighted assets release. Retail Banking continued to place high priority on balance sheet optimisation, recording EUR 6.1 billion of net deposit growth as well as moderate lending growth. The interest result rose for the second consecutive quarter, reflecting some easing in the competition for savings, which offset a lower return on the investment portfolio. Risk costs remained elevated and increased versus both comparable quarters, while operating expenses were stable.

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



Underlying income declined 5.4% to EUR 2,275 million, primarily due to EUR 258 million of de-risking losses related to the reduction of European debt exposures and prevention of RWA migration. The third quarter of 2011 included EUR 85 million of impairments on Greek government bonds. Excluding market impacts, income decreased 1.3% compared with a year ago, but was up 3.1% from the second quarter.

The interest result declined 1.9% compared with the third quarter of 2011, but rose for the second consecutive quarter. Competition for savings continued to ease, and client savings rates were reduced in several markets, which helped to offset the decline in investment yield due to low interest rates and de-risking. The net production of funds entrusted was EUR 6.1 billion, of which EUR 1.8 billion was in Germany, EUR 1.1 billion in Belgium and EUR 0.9 billion in Spain. The United Kingdom and Australia also reported sound inflows, while Italy reported outflows. The increase in deposits allowed for balanced growth of the lending portfolio, which grew by EUR 2.3 billion. This included EUR 2.7 billion of net mortgage production across all regions, while business lending decreased by EUR 0.4 billion, mainly in the Netherlands.

Commission income declined 4.2% from a year ago to EUR 296 million, mainly due to lower securities transaction fees. Investment income improved to EUR 28 million from EUR -77 million last year, which included EUR 85 million of impairments on Greek

government bonds. Other income dropped to a loss of EUR -165 million in this quarter from a profit of EUR 17 million last year, due to the higher de-risking losses.

Operating expenses were stable at EUR 1,561 million as cost reduction programmes fully offset the impact of annual salary increases, business growth and inflation. Costs increased 1.6% from the second quarter, which included a EUR 38 million refund from the old deposit guarantee scheme (DGS) in Belgium.

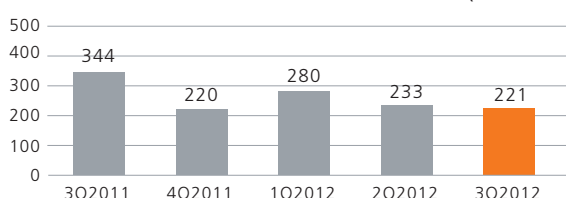
Risk costs remained elevated. They rose on both comparable quarters, reflecting the weakening economic environment. The addition to provision for loan losses jumped 54.9% to EUR 319 million compared with the third quarter of 2011 and was up 21.8% from the second quarter. The sequential increase was mainly related to higher provisioning in the Benelux and a provision for a CMBS position in Retail International.

Risk-weighted assets decreased by EUR 4.4 billion in the third quarter to EUR 148.5 billion. The decline reflects selective de-risking of the investment portfolio, which released approximately EUR 5 billion of risk-weighted assets.

The return on equity, based on a 10% core Tier 1 ratio, dropped to 6.3% in the third quarter from 12.8% in the same quarter of last year due to the decline in results.

RETAIL NETHERLANDS

UNDERLYING RESULT BEFORE TAX - NETHERLANDS (in EUR million)



Results from Retail Netherlands declined in the third quarter due to higher risk costs, mainly in business lending. The underlying result before tax was EUR 221 million, down from EUR 344 million in the third quarter of 2011 and from 233 million in the previous quarter. Income stabilised versus the second quarter, supported by a lowering of savings rates. Operating expenses declined for the third consecutive quarter. Funds entrusted increased modestly by EUR 0.4 billion, while the lending portfolio decreased by EUR 0.3 billion.

Total underlying income was EUR 972 million, down 7.5% on the third quarter of 2011 but flat versus the previous quarter. The interest margin on savings and current accounts declined as a reduction in savings rates could not fully offset a lower return on the investment portfolio due to lower interest rates. Funds entrusted showed a net inflow of EUR 0.4 billion as a strong increase in variable savings was partly offset by seasonally lower current accounts. Net mortgage production remained in line with the second quarter at EUR 0.7 billion, while margins improved

slightly. The margin on business lending decreased versus the previous quarter and production remained modest in light of the uncertain economic environment, resulting in EUR 1.1 billion of lower outstandings.

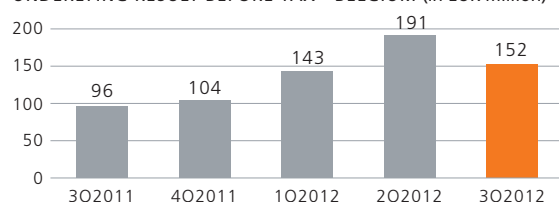
Operating expenses declined for the third consecutive quarter, and were down 6.4% compared with the third quarter of 2011. This was largely driven by lower personnel expenses following the implementation of the cost-reduction programme announced last year as well as lower marketing and IT change expenses. Headcount reductions announced last year are ahead of plan, with a total FTE reduction of 1,223 completed out of 2,700 expected by year-end 2013. Compared with the previous quarter, expenses fell 1.9%, mainly due to the impact of holidays on personnel expenses.

Risk costs remained elevated as the addition to loan loss provisions rose to EUR 181 million compared with EUR 99 million a year ago and EUR 161 million in the previous quarter. The increase versus the previous quarter was primarily related to the more cyclical segments in business banking. Risk costs for mortgages declined to EUR 44 million compared with EUR 53 million in the previous quarter; however, risk costs on mortgages remained elevated compared with a year ago, reflecting lower house prices.

Risk-weighted assets decreased by EUR 0.8 billion in the third quarter to EUR 49.8 billion, mainly reflecting lower volumes.

RETAIL BELGIUM

UNDERLYING RESULT BEFORE TAX - BELGIUM (in EUR million)



Results of Retail Belgium remained strong, driven by volume growth at better margins and flat operating expenses (excluding a one-off release in the prior quarter), which helped offset higher risk costs. Retail Belgium's underlying result before tax increased to EUR 152 million from EUR 96 million in the same quarter of last year, but it declined from the second quarter, primarily reflecting the one-off cost release.

Underlying income rose 16.1% compared with the same quarter of 2011 to EUR 570 million. This increase was mainly due to higher volumes, higher margins on the lending portfolio and better margins on savings following a reduction in client rates during the quarter. The mortgage portfolio rose by EUR 0.4 billion, while the other lending portfolio declined slightly versus the previous quarter. Funds entrusted increased by EUR 1.1 billion in the quarter, driven by inflows into the Lion Premium and the Business Account, offsetting an outflow from term deposits. Compared with the previous quarter, underlying income rose

5.0%, mainly due to higher volumes at slightly better margins, partly offsetting the impact of a reduction in entrance fees on investment products.

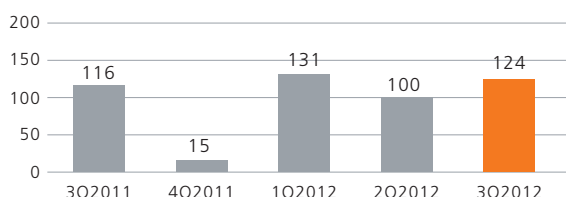
Operating expenses were largely flat compared with the third quarter of 2011 as regular inflation-linked cost increases and new bank levies were offset by lower deposit guarantee contributions. Compared with the previous quarter, expenses were flat, excluding the impact of a EUR 38 million refund from the old deposit guarantee scheme in the second quarter.

Risk costs were up versus both comparable quarters, largely due to business banking and consumer lending. The net additions to the loan loss provisions rose to EUR 54 million from EUR 28 million in the second quarter, which included a release following the implementation of a new LGD-model in Record Bank.

Risk-weighted assets increased by EUR 1.4 billion compared with a year ago, but they remained stable on the previous quarter.

RETAIL GERMANY

UNDERLYING RESULT BEFORE TAX - GERMANY (in EUR million)



Retail Banking Germany had a solid quarter, reporting an underlying result before tax of EUR 124 million, which was up on both comparable quarters. Despite increasing margin pressure, particularly in savings and deposits, income rose slightly from a year ago, due to the absence of impairments, while a decline in risk costs further supported this quarter's results.

Underlying income rose 2.7% to EUR 309 million from EUR 301 million in the third quarter of 2011, which included EUR 42 million of impairments on Greek government bonds, while in this quarter de-risking losses were limited to EUR 8 million. Excluding these impairments and losses, income declined, mainly reflecting lower interest results as competition increased, a lower return on the investment portfolio, and lower fees from securities transactions. Compared with the previous quarter, underlying income rose 7.7%, driven by positive hedge ineffectiveness, while the interest result was stable. Funds entrusted increased by EUR 1.8 billion while the net production of retail lending was EUR 1.1 billion.

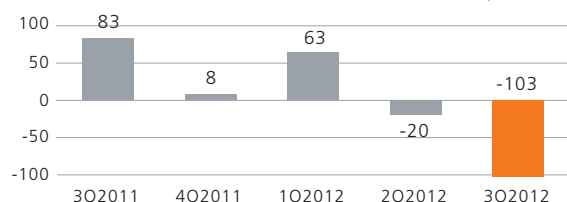
Operating expenses rose 5.0% from the third quarter of 2011, reflecting higher personnel expenses and business growth. The 3.7% increase compared with the previous quarter was mainly attributable to expansion of the business and headcount growth.

Risk costs declined by EUR 8 million on both the third quarter of 2011 and the second quarter of 2012.

Risk weighted assets were EUR 22.0 billion, up EUR 1.6 billion from a year ago and EUR 0.1 billion higher than the previous quarter. Both increases were driven by growth in mortgages.

RETAIL REST OF WORLD

UNDERLYING RESULT BEFORE TAX - REST OF WORLD (in EUR million)



Retail Rest of World reported an underlying loss before tax of EUR 103 million, which included EUR 250 million of losses on selective de-risking of the investment portfolio. Excluding these losses, the result before tax was EUR 147 million. This was stable on the previous quarter, as higher interest income and the dividend received from Bank of Beijing was largely offset by an increase in risk costs related to a specific provision for a CMBS position. Compared with the third quarter of 2011, which included EUR 91 million of Greek impairments and de-risking losses, the lower result in this quarter was mainly attributable to higher expenses and risk costs.

Underlying income, excluding de-risking losses and Greek impairments, was EUR 675 million, up EUR 22 million from the same quarter last year and EUR 13 million higher than in the previous quarter. The increase versus both quarters was driven by higher interest results as volume growth offset lower margins (mainly in Turkey, Australia and India). The interest margin was flat on the previous quarter, as higher lending margins offset a decline in the margin on savings and current accounts. Net production of funds entrusted was EUR 2.8 billion, driven primarily by Australia and the European countries, except for Italy. Lending assets increased by EUR 1.2 billion with growth in almost all countries.

Operating expenses increased 6.2% from the third quarter of 2011, mainly reflecting business growth, the annual increase in personnel expenses and inflation. Compared with the second quarter of 2012, operating expenses were down 1.9%.

The net addition to loan loss provisions increased to EUR 67 million from EUR 46 million a year ago and EUR 49 million in the second quarter. The increase compared to the previous quarter is fully attributable to a specific provision taken for an impaired CMBS position, which is classified in loans and advances.

Risk-weighted assets at the end of September were EUR 56.4 billion, down EUR 3.7 billion versus the previous quarter. This decrease mainly relates to the sale of European debt securities, which freed up approximately EUR 5 billion of RWA. This was partly offset by currency impacts and business growth.

COMMERCIAL BANKING

Commercial Banking: Consolidated profit and loss account

In EUR million	Total Commercial Banking		Industry Lending		General Lending & Transaction Services		Financial Markets		Bank Treasury, Real Estate & Other	
	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011
Profit & loss										
Interest result	874	888	375	384	301	281	178	56	19	167
Commission income	222	241	115	145	92	84	19	6	-5	7
Investment income	34	-150	9	10	0	0	3	-28	23	-133
Other income	140	-8	-24	-19	8	16	7	110	149	-116
Total underlying income	1,270	970	476	520	402	381	207	144	186	-76
Staff and other expenses	579	556	109	113	188	175	225	209	56	58
Intangibles amortisation and impairments	37	62	0	0	0	0	0	0	37	61
Operating expenses	616	618	109	113	188	176	225	209	93	120
Gross result	655	352	366	407	214	206	-18	-65	93	-195
Addition to loan loss provision	235	143	142	91	65	28	0	0	29	23
Underlying result before tax	419	210	225	316	149	177	-18	-65	64	-218
Client balances (in EUR billion)¹⁾										
Residential Mortgages										
Other Lending	131.0	140.3	75.0	78.5	46.4	50.1	2.0	3.4	7.6	8.3
Funds Entrusted	66.2	63.6	1.0	2.0	35.1	34.2	3.5	4.9	26.7	22.6
AUM/Mutual Funds	0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.3
Profitability and efficiency¹⁾										
Cost/income ratio	48.5%	63.7%	23.0%	21.8%	46.9%	46.1%	108.9%	145.1%	50.0%	n.a.
Return on equity based on 10.0% core Tier 1 ²⁾	10.1%	4.4%	16.8%	20.1%	9.3%	10.7%	-1.7%	-9.7%	19.1%	-38.6%
Risk¹⁾										
Risk costs in bp of average RWA	71	43	131	82	59	24	0	0	92	65
Risk-weighted assets (end of period)	129,297	135,500	42,802	45,472	43,765	46,839	30,530	28,612	12,201	14,576

1) Key figures based on underlying figures

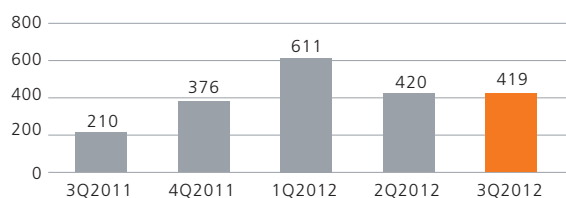
2) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

Commercial Banking recorded an underlying result before tax of EUR 419 million, double the result in the third quarter of 2011 and stable from the second quarter. Market-related impacts continued to weigh on results, with negative credit and debt valuation adjustments of EUR 107 million in the third quarter of 2012 versus EUR 182 million impairments on Greek bonds in the third quarter of 2011. Excluding these items, income rose 21.3% from a year ago, driven by an improvement in results at Financial Markets and Bank Treasury. Additions to loan loss provisions remained elevated, but declined sequentially, while operating expenses decreased slightly from last year.

Total underlying income improved 30.9% compared with the third quarter of 2011, supported by lower market-related impacts. Income in the third quarter of last year included EUR 182 million of impairments on Greek bonds in Bank Treasury, while income in this quarter was impacted by EUR 107 million of negative credit and debt valuation adjustments in Financial Markets (versus EUR 17 million of positive CVA/DVA adjustments in the third quarter of 2011). Excluding those items, income increased 21.3%, driven by higher income in the rates and credit business in Financial Markets and higher income in Bank Treasury. Income growth in Bank Treasury was led by the positive revaluations of derivatives in the ALCO book, reflecting the narrowing of the Euribor rate versus the Overnight Indexed Swap ('OIS') curve. Compared with the second quarter, which included EUR -20 million of CVA/DVA impacts, income declined slightly by 1.6%. Excluding CVA/DVA, income increased 5.1% due to higher income in Bank Treasury, reflecting the positive revaluations of derivatives in the ALCO book.

The interest result declined by 1.6% compared with last year, despite a higher interest result in Financial Markets and higher margins in General Lending and Transaction Services. The interest result in Bank Treasury declined on higher liquidity costs (as ING lengthened the profile of its public debt issuance) and lower yields on investments following de-risking measures taken in the previous quarters. Compared with the second quarter of 2012, the interest result increased 2.5%, mainly due to Financial Markets.

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



Commission income fell 7.9% from the third quarter of 2011, mainly due to lower commission income in Industry Lending due to lower deal flow in Structured Finance. Commissions improved in General Lending and Transaction Services as well as in Financial Markets. Compared with the previous quarter, commission income was 14.0% lower, due primarily to Financial Markets and a lower deal flow in Structured Finance.

Investment income increased to EUR 34 million, including a gain of EUR 17 million on the sale of an equity stake. By contrast, in the prior year, investment income was EUR -150 million due to the impairment of Greek government bonds. Investment income was EUR 13 million higher than in the previous quarter, which included a EUR 9 million one-off gain.

Other income increased to EUR 140 million from EUR -8 million in the third quarter of 2011. Excluding negative credit and debt valuation adjustments (CVA/DVA), the increase was EUR 272 million. The change is partly attributable to a positive impact on the revaluations of derivatives, reflecting the narrowing of the Euribor rate versus the Overnight Indexed Swap ('OIS') curve. In addition, the previous year was heavily impacted by adverse market circumstances and illiquid money markets. Other income decreased by EUR 17 million from the previous quarter due to the higher negative CVA/DVA adjustments.

Operating expenses declined 0.3% compared with a year ago as strong cost control and lower impairments on real estate development projects were offset by an increase in bank levies in Belgium, the one-time additional tax on Dutch employee salaries, and additional investments in product capabilities in Transaction Services. Compared with the second quarter of this year, expenses increased 4.1% as performance-related costs were relatively low in the previous quarter due to a release related to the new Dutch collective labour agreement. The cost/income ratio in the third quarter was 48.5%, up from 45.9% in the second quarter, but down from the 63.7% in the third quarter of last year.

Risk costs remained elevated but declined from the second quarter. Net additions to loan loss provisions were EUR 235 million in the third quarter, up from EUR 143 million a year ago, but down from EUR 278 million in the second quarter, supported by lower net additions in Industry Lending. Risk costs in Real Estate Finance declined from EUR 120 million in the second quarter to EUR 102 million and were concentrated in Spain and the UK. Given the deteriorating macroeconomic environment and weak commercial real estate market in Europe, risk costs are expected to remain elevated for the coming quarters.

Risk-weighted assets (RWA) declined in the third quarter by EUR 5.4 billion to EUR 129.3 billion, mainly due to de-risking measures in Financial Markets. The ongoing reduction in Real Estate and Leasing activities also contributed to the RWA decrease.

The return on equity, based on a 10% core Tier 1 ratio, was 10.1%, up from 4.4% in the third quarter of 2011 and 9.4% in the second quarter of 2012.

Strategic update

ING Commercial Banking continues to streamline the organisation in line with strategy and Ambition 2015. The restructuring provision announced today is related to an extensive strategic review of Commercial Banking's business portfolio, which was initiated earlier this year. Against the backdrop of increasing regulatory requirements and challenging operating conditions, ING has decided to accelerate the implementation of certain strategic adaptations. Key strategic initiatives include a run-off of the Lease business and right sizing of the Equities business to focus solely on the Benelux and the domestic business in Poland.

Further operational improvements will be made in several businesses, including PCM, to further improve processes and deliver faster and better service to our clients. Unfortunately, it is inevitable that improving operational excellence leads to redundancies.

These, among other measures, which are already being implemented, are expected to result in a reduction of the workforce by around 1,000 over a period of three years, for which an after-tax provision of approximately EUR 150 million is expected to be recorded as a special item in the fourth quarter of 2012. Cost savings corresponding to these actions are expected to reach an annual run-rate of approximately EUR 260 million by 2015. The review is ongoing and may lead to further changes in the future.

INDUSTRY LENDING

Industry Lending booked an underlying result before tax of EUR 225 million, down 28.8% from the third quarter of last year, but up 24.3% from the previous quarter, mainly driven by trends in risk costs. The net addition to loan loss provisions increased sharply from last year, mainly due to Real Estate Finance, but it declined from the second quarter. Income from Industry Lending fell 8.5% from a year ago as deal flow in Structured Finance diminished and a shrinking portfolio in Real Estate Finance resulted in lower income. Compared with the previous quarter, income declined 6.8% as new loan volumes in Structured Finance diminished, and lending in Real Estate Finance was restricted in line with ING's approach to the sector. Within Structured Finance, especially the Telecom sector and the Local Structured Finance business (which contains country specialised financing), generated lower commission income. Adjusted for foreign currency impacts, loan volumes for Real Estate Finance have been reduced by EUR 3.2 billion over the last year and by a further EUR 0.7 billion in the third quarter. Operating expenses were down 3.5% compared with the same quarter of last year and up 0.9% from the second quarter. The cost/income ratio remained low at 23.0%.

GENERAL LENDING AND TRANSACTION SERVICES

The underlying result before tax from General Lending and Transaction Services declined 15.8% from a year ago and 22.4% from the second quarter to EUR 149 million, primarily due to

higher risk costs. The gross result, before risk costs, was up 3.9% compared with the third quarter of last year and 0.5% higher than the previous quarter. Total income was 5.5% higher than last year, mainly driven by Payments & Cash Management (PCM) on the back of higher interest margins and strong income growth in Bank Mendes Gans, which offers liquidity management and treasury information services to multinationals. Compared with the previous quarter, which included a EUR 9 million one-off investment gain, income rose 0.2% due to PCM and an increase in margins within the Leasing business. Expenses were flat versus the second quarter, but they increased 6.8% year-on-year, partly due to increased IT investments to enhance product capabilities.

driven by the positive valuation impact on derivatives following changes in the OIS curve profile. Total expenses decreased 22.5% compared with a year ago but increased 12.0% from the second quarter. Impairments on real estate development projects were EUR 37 million, down from EUR 61 million a year ago and down from EUR 44 million in the second quarter. Expenses excluding impairments on real estate projects fell 5.1% from one year ago, but they rose 43.6% from the previous quarter, which included a release related to the Dutch collective labour agreement. Net additions to loan loss provisions were EUR 29 million versus EUR 23 million a year ago; the increase was mainly related to the General Lease activities in Italy. Compared with the previous quarter, risk costs declined by EUR 5 million.

FINANCIAL MARKETS

Financial Markets posted a negative underlying result before tax of EUR -18 million, an improvement from EUR -65 million in the third quarter last year, but down from EUR 83 million in the second quarter. The results were heavily impacted by volatile market-related items. The third quarter of this year included EUR 159 million of negative DVA adjustments on ING's own structured notes and EUR 52 million of positive CVA/DVA adjustments on counterparties as spreads on ING's own structured notes narrowed at a faster rate than those of our counterparties. The total impact of CVA/DVA adjustments in the quarter was EUR -107 million, compared with EUR 17 million in the third quarter of 2011 and EUR -20 million in the second quarter of 2012. Excluding the CVA/DVA impacts, results from Financial Markets were EUR 89 million, an improvement from EUR -82 million a year ago, but down from EUR 103 million in the previous quarter. Income excluding CVA/DVA increased 147.2% from a year ago, driven by higher income in the rates and credit business and higher client flows in Debt Capital Markets. In addition, income in the previous year was heavily impacted by adverse market circumstances. Income excluding CVA/DVA was down only 0.6% on the previous quarter, whereas during the summer months there are normally lower client flows. Operating expenses increased 7.7% from the third quarter of 2011 and 5.6% from the previous quarter, driven by higher performance-related costs.

BANK TREASURY, REAL ESTATE AND OTHER

The underlying result before tax from Bank Treasury, Real Estate and Other improved to EUR 64 million compared to a loss of EUR 35 million in the second quarter and a loss of EUR 218 million in the same quarter of last year, which included EUR 177 million of impairments on Greek government bonds and was affected by illiquid money markets. Income turned positive to EUR 186 million from EUR -76 million a year ago, supported by the positive impact on the revaluation of derivatives used for hedging purposes, as Euribor narrowed versus the Overnight Indexed Swap ('OIS') curve. This was partly offset by lower interest income following the sale of bonds in the previous quarters and higher liquidity costs as a result of lengthening the Bank's funding. The result of Other includes a EUR 17 million one-off investment gain on the sale of shares. Income was 126.8% higher than the second quarter,

CORPORATE LINE BANKING

Corporate Line Banking: Underlying result before tax		
In EUR million	3Q2012	3Q2011
Income on capital surplus	131	82
Solvency costs	-54	-43
Financing charges	-64	-74
Amortisation intangible assets	-7	-7
Fair value changes own Tier 2 debt	-34	90
FX-results, fair value hedging and other	-53	29
Total Capital Management	-82	77
Other	289	-48
Underlying result before tax	207	29

Results of the Corporate Line Banking increased in the third quarter versus last year, mainly due to the gain on the sale of an equity stake in Capital One and higher income on capital surplus. This increase was partly offset by negative fair value changes on the Bank's own issued debt. The underlying result before tax increased to EUR 207 million compared with EUR 29 million in the same quarter last year and EUR 71 million in the second quarter.

'Income on capital surplus' rose by EUR 49 million to EUR 131 million, mainly due to lower benefits paid to the business lines as average economic capital declined, following the divestment of ING Direct USA in the beginning of 2012 and a decrease in euro interest rates. 'Solvency costs' increased by EUR 11 million to EUR -54 million, mainly due to costs for extending interest rate swaps that back some callable Tier 1 bonds. 'Financing charges' were reduced by EUR 10 million to EUR -64 million. This mainly reflects a decline in interest expenses following the liability management transactions executed at the end of 2011.

'Fair value changes on part of ING Bank's own Tier 2 debt' were EUR 34 million negative this quarter due to a tightening in ING's credit spread, compared with EUR 90 million of positive fair value changes in the same quarter of last year.

'FX-results, fair value hedging and other' decreased to EUR -53 million from EUR 29 million last year. This quarter included EUR 32 million of negative fair value changes on other outstanding debt and a EUR 25 million loss on a Spanish CDS position. In the third quarter of 2011, other fair value changes contributed EUR 39 million, as positive fair value changes on other issued own debt were largely offset by negative credit valuation adjustments on mid-corporate clients.

The result of 'Other' improved by EUR 337 million to EUR 289 million compared to a loss of EUR 48 million in the third quarter of last year. The improvement was mainly due to a EUR 323 million gain on the sale of an equity stake in Capital One.

Compared with the second quarter, the underlying result before tax improved by EUR 136 million. Excluding the gain on the sale of the Capital One stake, the underlying result fell by EUR 187 million, mainly due to fair value changes turning negative following the tightening in ING's credit spread, the loss on a Spanish CDS position and lower realised gains on debt securities.

CONSOLIDATED BALANCE SHEET

ING Bank N.V.: Consolidated balance sheet						
in EUR million	30 Sep 12	30 June 12 pro forma ¹⁾	30 June 12 pro forma ¹⁾		30 Sep 12	30 June 12 pro forma ¹⁾
Assets				Equity		
Cash and balances with central banks	26,164	13,974	13,990	Shareholders' equity	37,602	36,629
Amounts due from banks	44,789	45,249	47,395	Minority interests	795	745
Financial assets at fair value through P&L	142,560	136,814	136,833	Total equity	38,396	37,374
- trading assets	129,029	123,389	123,389	Liabilities		
- non-trading derivatives	10,603	10,395	10,415	Subordinated loans	16,658	16,859
- other	2,928	3,029	3,029	Debt securities in issue	150,577	149,196
Investments	81,654	84,841	88,795	Amounts due to banks	51,367	58,870
- debt securities available-for-sale	72,423	72,702	76,648	Customer deposits and other funds on deposit	454,162	440,944
- debt securities held-to-maturity	6,887	7,261	7,261	- savings accounts	274,203	269,327
- equity securities available-for-sale	2,343	4,879	4,887	- credit balances on customer accounts	120,806	116,978
Loans and advances to customers	549,606	554,653	586,093	- corporate deposits	58,033	51,992
- securities at amortised cost and IABF	24,781	27,983	27,983	- other	1,120	2,647
- customer lending	524,825	526,670	558,110	Financial liabilities at fair value through P&L	133,277	132,807
Investments in associates	846	849	849	- trading liabilities	100,459	100,651
Real estate investments	246	253	253	- non-trading derivatives	18,853	18,387
Property and equipment	2,330	2,338	2,361	- other	13,965	13,769
Intangible assets	1,788	1,803	1,843	Other liabilities	20,857	21,383
Other assets	20,835	21,787	22,030			
Total assets excl. assets held for sale	870,818	862,559	900,441	Total liabilities excl. liabilities held for sale	826,898	820,058
Assets held for sale	38,316	37,882	-	Liabilities held for sale	43,840	43,010
				Total liabilities	870,738	863,068
Total assets	909,134	900,441	900,441	Total equity and liabilities	909,134	900,441

1) adjusted for transfer of ING Direct Canada and ING Direct UK to assets/liabilities held for sale

ING Bank's balance sheet increased in the third quarter by EUR 9 billion to EUR 909 billion, mainly driven by a strong inflow of retail savings and corporate deposits. The loan-to-deposit ratio decreased to 1.16 from 1.19 pro forma at the end of June. Short-term professional funding was further reduced and replaced by long-term funding. Following the announced divestment of ING Direct Canada and ING Direct UK, the related balance sheet items of these units were transferred to 'held for sale'. The asset leverage ratio was 24.2.

Cash and balances with central banks

Cash and balances with central banks increased by EUR 12 billion to EUR 26 billion at the end of the third quarter, as an increased amount of excess cash was placed overnight with central banks.

Amounts due from and to banks

Amounts due from banks remained flat, while amounts due to banks was further reduced by EUR 8 billion, thereby lowering short-term professional funding and reducing net borrowing from banks to EUR 7 billion at the end of the quarter.

Loans

Loans and advances declined by EUR 5 billion to EUR 550 billion. Customer lending decreased by EUR 2 billion as growth in residential mortgages was offset by a decline in lending to '(Mid) corporates, SMEs and Other' reflecting low demand for credit.

Securities at amortised cost and IABF declined by EUR 3 billion, due to de-risking and run-off.

Financial assets/liabilities at fair value

Financial assets at fair value through P&L rose by EUR 6 billion, mainly due to higher trading assets which contain derivatives, debt securities and reverse repos, which are mostly used to facilitate servicing our clients (banks and non-banks). Financial liabilities at fair value through P&L remained flat in the third quarter.

Debt securities in issue

Debt securities in issue increased by EUR 1 billion, as the issuance of EUR 10 billion of long-term debt was largely compensated by a reduction in short-term debt (CD/CPs) as ING Bank pursues a lengthening of the funding profile.

Customer deposits

Customer deposits increased by EUR 13 billion to EUR 454 billion. The growth included EUR 5 billion of higher retail savings (mostly net inflows in the Netherlands, Germany, Spain and Belgium). Credit balances on customer accounts grew by EUR 4 billion. Corporate deposits were EUR 6 billion higher (mostly from asset managers and corporate treasuries).

Shareholders' equity

Shareholders' equity rose by EUR 1.0 billion to EUR 37.6 billion, mainly due to the retained net profit and a higher revaluation reserve debt securities, which was caused by lower interest rates and de-risking.

RISK MANAGEMENT

The third quarter was characterised by a weakening macroeconomic environment and ongoing uncertainty around the European debt crisis. Against this backdrop, ING continued to selectively de-risk its balance sheet. Bond sales totalling EUR 2.4 billion resulted in a loss of EUR 258 million, but they released EUR 5 billion in risk-weighted assets. Sales were focused on Spanish covered bonds, Spanish and Irish RMBS, and European CMBS. The Spanish funding mismatch was reduced to below EUR 10 billion at the end of September. The Bank's loan portfolio continued to hold up relatively well, with non-performing loans stable at 2.3%. Nonetheless, additions to loan loss provisions remain elevated given the weak economic environment, increasing 2.6% to EUR 555 million, driven by mid-corporate and SME lending in the Benelux and a specific provision for a CMBS position, while risk costs in Commercial Banking declined.

Loan portfolio ING Bank

ING Bank: Loan portfolio			
in EUR million	30 Sep 12	30 June 12 pro forma*	30 June 12
Residential mortgages	293,285	290,356	319,824
(Mid)-Corporates, SMEs and Other	225,147	229,742	231,732
Governments	11,804	11,989	11,989
Securities at amortised cost and IABF	24,781	27,983	27,983
Provision for loan losses (loans and advances)	-5,410	-5,417	-5,435
Total loans and advances to customers	549,606	554,653	586,093

* adjusted for the reclassification of ING Direct Canada and UK to assets held for sale

Following the announced divestments of ING Direct Canada and ING Direct UK, the assets and liabilities of these units have been reclassified as held for sale. Loans and advances to customers decreased to EUR 550 billion, compared with EUR 555 billion pro forma at the end of June. Securities at amortised cost and IABF were down by EUR 3 billion, reflecting the impact of continued de-risking and run-off. The growth in residential mortgages was more than offset by lower lending to (Mid)corporates, SMEs and Other, especially in Commercial Banking and Retail Netherlands, as the demand for credit remained subdued.

Risk costs

Risk costs remained elevated in the third quarter, in line with the previous quarter, as the macroeconomic environment continued to weaken. ING Bank added EUR 555 million to the provision for loan losses, an increase of EUR 14 million from the second quarter. The increase included a EUR 36 million provision for a CMBS position in Retail Rest of World, which is held in Loans and Receivables. The loan portfolio held up well, with non-performing loans remaining stable at 2.3%. Risk costs in Retail Netherlands

increased by EUR 20 million from the second quarter (mainly in business lending), while Commercial Banking showed a EUR 43 million decline in risk costs.

The mid-corporate and SME segments in the Netherlands remained under pressure due to the weak economic environment, leading to EUR 121 million of risk costs in the third quarter, up from EUR 100 million in the second quarter. The NPL ratio for the Dutch mid-corporate/SME segment increased to 4.9% from 4.7%, driven by the more cyclical segments such as Transport and Construction. Risk costs for Dutch mortgages declined to EUR 44 million from EUR 53 million in the second quarter, which included a model update at WestlandUtrecht Bank. The NPL ratio for the Dutch mortgage portfolio increased slightly, but it remained low at 1.3%, supported by the relatively low unemployment rate in the Netherlands, which is among the lowest in Europe. As house prices are expected to decline further and unemployment to increase, ING expects risk costs for Dutch mortgages to remain elevated. In Retail Rest of World, risk costs increased by EUR 18 million from the second quarter to EUR 67 million, including a specific additional provision of EUR 36 million for a CMBS position.

The decrease in risk costs in Commercial Banking was almost entirely attributable to Industry Lending. Loan loss provisions for Real Estate Finance (REF) declined to EUR 102 million from EUR 120 million in the second quarter. The NPL ratio for REF increased to 8.0% from 7.3% at the end of June, driven by the Netherlands and to a lesser extent by the UK. Actual losses in the REF portfolio remained low. REF's financing policy is based on cash-flow-generating prime real estate portfolios with diversified rentals and quality tenants. Construction is only 1.5% of the total REF portfolio. However, given the deteriorating commercial real estate market in Europe, ING expects risk costs for REF to remain elevated.

ING Bank: Stock of provisions*		
in EUR million	3Q2012	2Q2012
Provisions, beginning of period	5,454	5,139
Increases	746	716
Releases	-191	-175
Write-offs	-563	-255
Other	3	29
Provisions, end of period	5,449	5,454

* Stock of provision includes provisions for amounts due from banks (end-of-September EUR 21 million) and assets held for sale (EUR 18 million)

The NPL ratio for the total bank remained stable at 2.3%. Total non-performing loans rose slightly to EUR 14.5 billion from EUR 14.3 billion at the end of the second quarter, mainly attributable to REF and the Mid-corporate and SME segments in the Netherlands.

The coverage ratio, defined as the stock of loan loss provisions divided by NPL, remained stable at 38%. The overall coverage ratio results from a combination 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 lower.

ING Bank: Greece, Italy, Ireland, Portugal and Spain - Total exposures - 30 September 2012

in EUR million	Greece	Italy	Ireland	Portugal	Spain	Total
Residential mortgages and other consumer lending	2	7,361	4	3	9,449	16,820
Corporate Lending	320	8,750	739	1,090	5,997	16,895
Financial Institutions Lending	0	1,110	2	71	545	1,728
Government Lending	0	203	0	0	45	249
Total Lending	322	17,424	745	1,165	16,037	35,693
RMBS	0	738	179	568	2,829	4,314
CMBS	0	0	12	0	0	12
Other ABS	0	169	45	95	44	352
Corporate bonds	0	30	15	41	103	189
Covered bonds	0	218	335	154	11,672	12,379
Financial institutions bonds (unsecured)	0	523	57	18	12	610
Government bonds	0	1,124	0	632	344	2,100
CDS exposures in banking book	0	0	0	0	-398	-398
Total Debt Securities	0	2,802	641	1,507	14,605	19,557
Real Estate	0	109	0	2	144	254
Trading excluding CDS exposures	0	696	39	6	144	885
Sold CDS protection	0	13	2	1	34	50
Bought CDS protection	-6	-21	-11	-1	-25	-64
Trading including CDS exposures	-6	688	30	6	153	871
Undrawn committed facilities	162	1,201	299	172	2,823	4,656
Pre-settlement exposures	81	548	404	20	837	1,891
Total risk exposures 30 September 2012	560	22,772	2,120	2,872	34,598	62,923
Total risk exposures 30 June 2012	670	22,241	2,896	2,786	36,357	64,950
Total change in third quarter 2012	-110	531	-776	86	-1,759	-2,027

Footnote: Total risk exposures to companies registered in Cyprus were approximately EUR 1 billion as per end of September, which consisted mostly of corporate lending (EUR 0.8 billion) and FM trades (EUR 0.2 billion). Majority of the corporate lending risk exposures were either deals with country of risk outside of Cyprus, LCs or Trade Commodity Finance with maturity less than 3 months. Therefore, net credit risk linked to Cyprus is not material for ING Bank.

1) In the third quarter of 2012 ING Bank held CDS protection on the Spanish government, FI and covered bonds.

2) Real Estate includes Real Estate Development, Real Estate Investments and Property in Own Use; it does not include (indirect) exposure through Real Estate Finance, which is reflected in Total Lending and Total Debt Securities.

3) Pre-settlement exposure is exposure typically existing of dealing room products such as options, swaps, and securities financing transactions. This exposure is based on the replacement value (Marked-To-Market) of each product plus potential future volatility concept.

Securities portfolio

ING Bank: Debt securities*

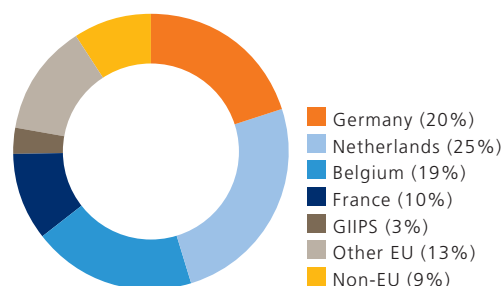
in EUR billion	30 Sep 2012	30 June 2012
Government bonds	58.1	60.2
Covered bonds	24.3	25.1
Financial Institutions	16.3	15.6
Corporate bonds	1.4	1.4
ABS	12.4	14.8
US RMBS	0.7	0.7
Non-US RMBS	8.4	9.9
CMBS	0.7	1.2
CDO/CLO	0.4	0.4
Other ABS	2.3	2.5
Subtotal debt securities	112.5	117.0

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

ING Bank reduced its investment portfolio of debt securities by EUR 4.5 billion in the third quarter to EUR 112.5 billion, reflecting selective de-risking and run-off of maturing assets. Following the announced sale of ING Direct Canada, EUR 4 billion debt securities have been reclassified as 'assets held for sale'. De-risking efforts were focused on covered bonds and ABS to reduce concentration in Spanish securities and to mitigate the risk of rating migration. Covered bonds declined by EUR 0.8 billion, reflecting sales of Spanish Cédulas. The ABS portfolio was reduced by EUR 2.4 billion, following sales of Spanish and Irish RMBS and of European CMBS. Government bonds decreased by EUR 2.1 billion, mainly

due to maturities in Dutch government bonds. The revaluation reserve on debt securities rose to EUR 901 million at the end of September from EUR 178 million in June, reflecting the decline in interest rates and realised losses due to de-risking measures.

BANK - BREAKDOWN OF GOVERNMENT BONDS 3Q2012



The total securities portfolio declined to EUR 114.9 billion following the sale of Capital One. The remaining equity portfolio at the bank stood at EUR 2.3 billion at the end of September, mainly consisting of ING's stakes in Bank of Beijing and KB Financial Group.

Greece, Italy, Ireland, Portugal and Spain

Total exposure to the GIIPS countries was reduced by EUR 2.0 billion in the third quarter as ING continued to proactively de-risk its exposures to southern European and Irish debt to reduce

concentration and mitigate RWA migration. The total losses that resulted from the de-risking actions amounted to EUR 258 million in the third quarter, while the sales released EUR 5 billion of RWAs.

ING Bank's total exposure to Spain was reduced by EUR 1.8 billion in the third quarter, including EUR 0.2 billion in the lending book and EUR 1.8 billion in the debt securities portfolio. The covered bonds portfolio was reduced by EUR 1.3 billion (of which EUR 1.1 billion were sales), the RMBS portfolio by EUR 0.3 billion due to sales and the government portfolio by EUR 0.1 billion. The losses that resulted from the de-risking in Spain totalled EUR 118 million.

The quality of the own-originated loan book in Spain remained relatively good, with non-performing loans (NPLs) decreasing to 6.0% compared with 6.4% in the second quarter. NPLs on Spanish mortgages increased slightly, but remained very low at just 0.8%. The average indexed LTV remained flat at 64%, reflecting the relatively high-quality portfolio of primary residences in urban areas. The corporate portfolio in Spain amounts to EUR 6.0 billion; it is well diversified and relatively well provisioned, with an NPL coverage ratio of 44% on the few non-performing loans. Non-performing loans on ING's EUR 2.7 billion Real Estate Finance portfolio in Spain remained high at 19%, and risk costs on this portfolio increased to EUR 51 million in the third quarter, reflecting lower property prices following a regular appraisal of collateral values. Given the weak commercial real estate sector in Spain, risk costs for this segment may remain elevated. It is noteworthy, however, that construction accounts for only 0.4% of the total Spanish REF portfolio. The Spanish Real Estate Development / Investments portfolio amounts to only EUR 144 million, of which the development exposure has been impaired by 79% and land has been written down by 81%.

The Spanish funding mismatch has been reduced from EUR 13.8 billion at the end of the second quarter to below EUR 10 billion at the end of the third quarter.

Total exposure to Italy increased by EUR 0.5 billion, as higher money market exposure to financial institutions offset a reduction in ABS. The quality of the total loan book in Italy remained relatively good, with only a slight increase of the NPL ratio to 3.9%, driven by the Lease portfolio, which is in run-off. The NPL ratio of the mortgage portfolio remained flat at 0.6%.

Market risk

ING Commercial Bank: Consolidated VaR trading books				
in EUR million	Minimum	Maximum	Average	Quarter-end
Foreign exchange	1.2	7.6	4.0	2.8
Equities	2.7	7.6	4.7	4.2
Interest rate	5.8	15.6	10.2	10.3
Credit spread	3.5	5.3	4.3	3.6
Diversification			-11.4	-9.3
Total VaR¹⁾	7.5	22.0	11.7	11.6

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) declined to EUR 12 million from EUR 24 million in the second quarter, mainly due to a decrease

in interest rate risk in the trading books. The overnight VaR for ING Bank's trading portfolio ranged from EUR 8 million to EUR 22 million.

Liquidity risk

Capital and money markets continued to be challenging in the third quarter. Nevertheless, ING continued to have access to funding at acceptable pricing and the tenors lengthened. Funds entrusted growth continued to develop favourably at Retail Banking, while in Commercial Banking short-term deposits from corporate treasuries and assets managers increased. ING Bank issued EUR 10 billion of long-term debt in the third quarter. The reliance on professional money market funding continued to decrease.

Throughout the credit and liquidity crisis, ING has maintained its strong liquidity position. ING Bank's loan-to-deposit ratio, excluding securities that are recorded at amortised costs in loans and advances and excluding the IABF government receivable, decreased to 1.16 from 1.19 at the end of the previous quarter (adjusted for the reclassification of ING Direct Canada and ING Direct UK to assets and liabilities held for sale).

ING Bank has improved its total eligible collateral position at market value to EUR 216 billion, compared to EUR 193 billion at the end June.

Risk-weighted assets

Underlying risk-weighted assets (RWA) declined 5.6% to EUR 286 billion from EUR 303 billion at the end of June. Credit RWA dropped by EUR 15 billion, of which EUR 7 billion was due to the sale of ING Bank's stake in Capital One. The remaining decline was largely due to reduced volumes, of which EUR 5 billion was related to the sale of securitisations as part of ING Bank's de-risking efforts. The impact of risk migration remained limited, despite the continuing challenging economic conditions in the third quarter. Market RWA decreased by EUR 2 billion, in line with the reduced Value-at-Risk.

The composition of ING Bank's RWA at 30 September 2012 was as follows: Credit RWA: 84.1%; Operational RWA: 12.4%; and Market RWA: 3.5%.

Insurance



CONSOLIDATED RESULTS

Insurance: Consolidated profit and loss account								
In EUR million	3Q2012	3Q2011	Change	2Q2012	Change	9M2012	9M2011	Change
Gross premium income	4,609	4,373	5.4%	4,739	-2.7%	15,399	15,327	0.5%
Commission income	351	343	2.3%	351	0.0%	1,035	1,066	-2.9%
Total investment and other income	847	3,697	-77.1%	2,620	-67.7%	3,562	6,627	-46.3%
Total underlying income	5,807	8,413	-31.0%	7,710	-24.7%	19,996	23,020	-13.1%
Underwriting expenditure	4,811	7,059	-31.8%	6,513	-26.1%	17,099	19,144	-10.7%
Operating expenses	825	763	8.1%	833	-1.0%	2,478	2,288	8.3%
Interest expenses	123	117	5.1%	127	-3.1%	364	388	-6.2%
Other	3	5	-40.0%	8	-62.5%	15	11	36.4%
Total underlying expenditure	5,763	7,944	-27.5%	7,481	-23.0%	19,956	21,831	-8.6%
Underlying result before tax	44	469	-90.6%	229	-80.8%	40	1,188	-96.6%
of which life insurance	98	462	-78.8%	281	-65.1%	200	1,224	-83.7%
of which non-life insurance	15	33	-54.5%	23	-34.8%	34	117	-70.9%
of which investment management	64	45	42.2%	52	23.1%	164	148	10.8%
of which corporate line	-132	-72	n.a.	-127	n.a.	-358	-300	n.a.
Taxation	48	-27	n.a.	-99	n.a.	-98	148	-166.2%
Minority interests	10	-13	n.a.	-2	n.a.	23	-4	n.a.
Underlying net result	-13	509	-102.6%	330	-103.9%	114	1,044	-89.1%
Net gains/losses on divestments	-184	-5		-188		-372	-5	
Net results from divested units	0	-0		-3		-2	-4	
Net results from discontinued operations	198	74		111		472	446	
Special items after tax	-63	-79		37		-137	-200	
Net result	-61	499	-112.2%	288	-121.2%	75	1,280	-94.1%
Insurance - Margin analysis								
Investment margin	410	435	-5.7%	475	-13.7%	1,309	1,246	5.1%
Fees and premium-based revenues	784	749	4.7%	770	1.8%	2,349	2,334	0.6%
Technical margin	122	100	22.0%	92	32.6%	296	471	-37.2%
Income non-modelled life business	3	12	-75.0%	6	-50.0%	14	34	-58.8%
Life & ING IM operating income	1,319	1,296	1.8%	1,343	-1.8%	3,969	4,085	-2.8%
Administrative expenses	628	576	9.0%	630	-0.3%	1,897	1,733	9.5%
DAC amortisation and trail commissions	334	290	15.2%	318	5.0%	976	878	11.2%
Life & ING IM expenses	962	865	11.2%	948	1.5%	2,873	2,611	10.0%
Life & ING IM operating result	357	430	-17.0%	395	-9.6%	1,096	1,474	-25.6%
Non-life operating result	11	38	-71.1%	31	-64.5%	50	146	-65.8%
Corporate Line operating result	-130	-77	n.a.	-122	n.a.	-346	-311	n.a.
Operating result	238	392	-39.3%	304	-21.7%	800	1,309	-38.9%
Gains/losses and impairments	85	-339		-54		123	-600	
Revaluations	4	293		21		-153	486	
Market & other impacts	-282	123		-42		-731	-7	
Underlying result before tax	44	469	-90.6%	229	-80.8%	40	1,188	-96.6%
Life Insurance - New business figures								
Single premiums	2,500	2,438	2.5%	2,555	-2.2%	7,582	7,962	-4.8%
Annual premiums	377	336	12.2%	412	-8.5%	1,319	1,202	9.7%
New sales (APE)	627	580	8.1%	668	-6.1%	2,077	1,998	4.0%
Life & ING IM - Key figures								
Administrative expenses / operating income	47.6%	44.4%		46.9%		47.8%	42.4%	
Life general account invested assets (end of period, in EUR billion)	133	130	2.3%	136	-2.2%	133	130	2.3%
Investment margin / Life general account invested assets (in bps) ¹	130	126		133				
Client balances (end of period, in EUR billion)	356	305	16.7%	351	1.4%	356	305	16.7%
ING IM Assets under Management (end of period, in EUR billion)	316	283	11.7%	309	2.3%	316	283	11.7%
Other key figures								
Administrative expenses (total)	778	716	8.7%	736	5.7%	2,283	2,144	6.5%
Return on equity ²	-0.2%	9.7%		5.4%		0.6%	7.0%	
Employees (FTEs, end of period)	19,086	20,608	-7.4%	20,469	-6.8%	19,086	20,608	-7.4%

¹ Four-quarter rolling average

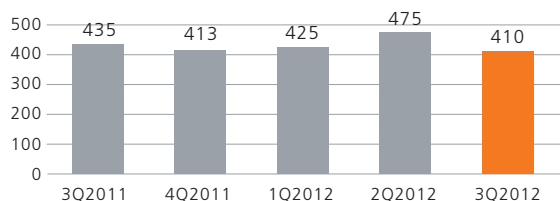
² Annualised underlying net result divided by average IFRS-EU equity

INSURANCE

Results from Insurance declined as de-risking measures and the low interest rate environment put pressure on the investment margin, while Non-life results in the Benelux continued to be impacted by higher disability claims. These factors reduced the total operating result for Insurance by 21.7% from the second quarter and by 39.3% compared with a year ago. Underlying results continued to be impacted by losses on hedges, as ING Insurance maintained its focus on protecting regulatory capital amid volatile financial markets.

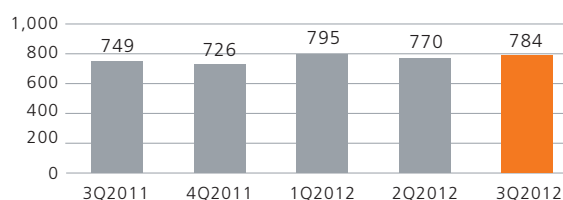
The operating result from Life Insurance and Investment Management was EUR 357 million, declining 9.6% sequentially and 17.0% year-on-year, as an increase in the operating income was more than offset by an increase in expenses.

INVESTMENT MARGIN (in EUR million)



The investment margin decreased 5.7% from a year ago to EUR 410 million, reflecting the impact of de-risking in the Benelux since the second half of 2011 as well as the decline in interest rates. The decrease also reflects an exceptionally high level of dividends on private equity, real estate funds, and fixed income funds in the third quarter of 2011 in the Benelux. The investment margin in the US improved, supported by growth in general account assets and lower average crediting rates. The total investment margin was down 13.7% from the second quarter of 2012, reflecting seasonally higher dividends in the second quarter in the Benelux. The four-quarter rolling average investment spread was 130 basis points, down from 133 basis points in the second quarter as a result of de-risking and the low interest rate environment.

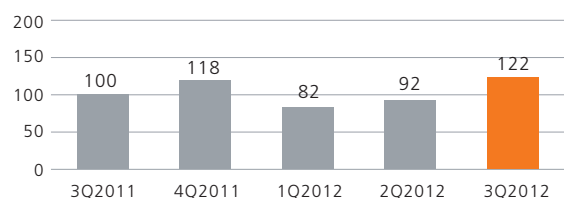
FEES AND PREMIUM-BASED REVENUES (in EUR million)



Fees and premium-based revenues totalled EUR 784 million, down 2.0% excluding currency effects compared with a year ago and up 0.3% from the second quarter. In the US, higher fees and premium-based revenues from the ongoing businesses were more than offset by higher hedge costs and lower fees on the Closed Block VA. Central & Rest of Europe realised higher fees and

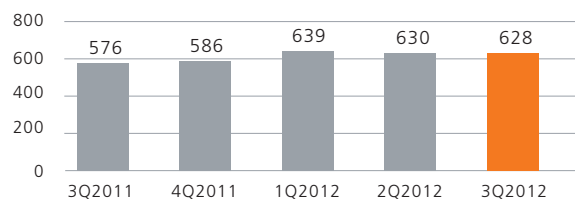
premium-based revenues due to sales growth, while the Benelux posted a decline due to lower premium income.

TECHNICAL MARGIN (in EUR million)



The technical margin improved to EUR 122 million from EUR 100 million a year ago. Lower loss ratios in the Employee Benefits business and a favourable reserve development in the closed block Group Reinsurance business supported the technical margin in the US. The technical margin in the Benelux benefited from improved mortality results in the current quarter, while the third quarter of 2011 included additions to unit-linked guarantee provisions. The total technical margin for ING Insurance increased 32.6% sequentially as the second quarter included reserve increases and volatility related to the mix of claims in the US Individual Life business.

ADMINISTRATIVE EXPENSES (in EUR million)



Administrative expenses for Life & Investment Management increased 2.5% (excluding currency effects) compared with a year ago, but they were down 1.7% from the second quarter, reflecting continued focus on cost control in all regions. Cost reductions were achieved in the US and in the Benelux. However, expenses in ING IM and Central & Rest of Europe rose, reflecting investments to support growth. The ratio of administrative expenses to operating income was 47.6%.

As announced today, Insurance Europe is accelerating its transformation programme in preparation for its stand-alone future. In response to changing customer preferences and market dynamics, Insurance Europe is undertaking actions to increase its agility in the current operating environment by delayering support staff in the Netherlands and sharpen the strategic focus of its business units, in particular Nationale-Nederlanden (NN). These initiatives will result in a reduction of the workforce by 1,350 FTEs over the period 2013-2014, of which 1,075 relate to the programme at NN and 275 to support staff. A redundancy provision of approximately EUR 150 million is expected to be recorded as an after-tax special item in the fourth quarter of 2012. Over the next two years, an additional EUR 75 million (after-tax) of investments in IT will be made in order to improve processes and systems. Cost savings generated by all of these measures are expected to reach an annual run-rate of approximately EUR 200 million by the end of 2014.

The operating result from Non-life insurance declined to EUR 11 million from EUR 38 million in the third quarter of 2011, due to continued unfavourable claims experience in Disability & Accident amid the Dutch economic downturn. On a sequential basis, the Non-life operating result was EUR 20 million lower as the second quarter was supported by non-recurring reserve releases in Property & Casualty.

The Corporate Line operating result was EUR -130 million compared with EUR -77 million in the third quarter of 2011. This decline was mainly due to higher funding expenses in the US and lower results from Sul America.

The underlying result before tax for Insurance declined to EUR 44 million. Results included a total of EUR -193 million of market-related items, which mainly related to losses on hedges in place to protect regulatory capital in the US and the Benelux, as well as a change in the provision for separate account pension contracts in the Netherlands.

Gains/losses and impairments on investments were EUR 85 million, including EUR 171 million of realised gains on the sale of equities in the Benelux and CMO securities in the US, and EUR 48 million of impairments. Losses from the sale of fixed income securities, caused by de-risking, amounted to EUR 56 million. Revaluations totalled EUR 4 million as EUR 45 million of negative revaluations on equity hedges in the Benelux and EUR 18 million of negative real estate revaluations were largely offset by EUR 61 million of positive revaluations on private equity.

Market and other impacts amounted to EUR -282 million. The Benelux recorded a EUR 94 million charge related to guarantees on separate account pension contracts (net of hedging). Favourable DAC unlocking was EUR 173 million, driven by model refinements and assumption updates in Insurance US. For US Closed Block VA, the current quarter reflects a EUR 104 million charge related to lapse rate assumption refinements following an annual review of policyholder behaviour assumptions, and a further loss of EUR 212 million, mainly consisting of hedge results, net of reserve changes, as the hedge programme is focused on protecting regulatory capital rather than mitigating earnings volatility.

The third-quarter net result for Insurance was EUR -61 million, including a EUR 198 million net profit from Insurance and ING IM Asia, reported under discontinued operations, as well as EUR 184 million of net losses on divestments. The latter was mainly related to a EUR 200 million goodwill write-off for ING Life Korea. Special items after tax were EUR -63 million, mainly reflecting costs for restructuring programmes and separation expenses.

The EUR 198 million net result from Insurance and ING IM Asia improved significantly from the third quarter of 2011. Results in the current quarter were driven by higher investment income, which rose on strong general account asset growth, as well as improved mortality results in Korea. Results from the internally reinsured Japanese SPVA guarantees and related hedges also improved year-on-year. These three factors more than offset the impact of higher expenses related to divestments.

ING continues to discuss various options for ING Life Japan, including its closed block VA business. However, the closing of sales of ING's other Asian insurance units may trigger a charge to strengthen reserves for the Japanese closed block VA under ING's reserve adequacy policy. ING measures reserve adequacy at business line level, where excess reserves in other Asian business units currently offset a shortfall related to the Japanese closed block VA. As transactions close, if the aggregate reserves for the remaining businesses falls below a 50% confidence level, the shortfall must be recognized immediately in the profit & loss account. The reserve inadequacy for the Japanese insurance business, including the VA guarantees reinsured to ING Re, is was approximately EUR 0.5 billion at the 50% confidence level at 30 September 2012. This is comprised of an inadequacy of approximately EUR 1.1 billion for the closed block VA, offset by a sufficiency of EUR 0.6 billion for the corporate-owned life insurance business. The nature and timing of any P&L charge from such reserve inadequacy depends on the closing of other divestments in Asia as well as various options currently under investigation for ING Life Japan. Further announcements will be made if and when appropriate. The above mentioned amounts refer to ING's reserve adequacy policy under IFRS which does not affect the local solvency positions of ING Life Japan nor ING Re.

Total new sales (APE) were EUR 627 million, up 8.1% from one year ago but down 1.4% on a constant currency basis. APE in Central and Rest of Europe rose 13.3%, mainly due to higher sales in Czech Republic and Turkey. At Insurance US, sales were flat as higher Retirement sales were offset by lower Annuity and Individual Life sales following management actions to reduce sales in the current low interest rate environment. In the Benelux, APE declined 22.7% due to lower sales of individual life products in the Netherlands and lower sales in Belgium following a reduction in guaranteed rates. Compared with the previous quarter, total Insurance sales declined 7.8% at constant currencies, mainly due to lower sales in the Benelux.

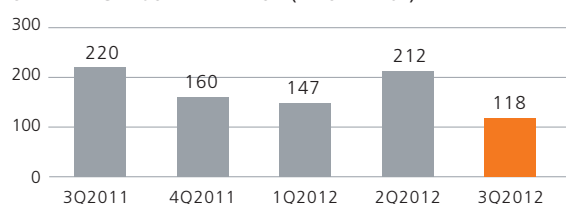
Insurance: Breakdown by business area

	Benelux		Central & Rest of Europe		United States		US Closed Block VA		ING IM	
In EUR million	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011
Investment margin	117	187	14	19	280	230	0	-1	-1	-0
Fees and premium-based revenues	137	146	111	108	306	259	21	39	208	197
Technical margin	44	36	44	45	23	14	10	5	-	-
Income non-modelled life business	-1	9	4	3	-0	0	-0	-0	0	0
Life & ING IM operating income	297	378	174	174	609	503	31	44	207	197
Administrative expenses	145	144	72	69	218	192	24	20	168	151
DAC amortisation and trail commissions	44	50	55	51	196	161	38	28	1	1
Life & ING IM expenses	189	193	128	119	413	353	63	48	169	152
Life & ING IM operating result	108	185	47	55	195	151	-31	-4	38	45
Non-life operating result	10	36	1	2	-	-	-	-	-	-
Operating result	118	220	48	57	195	151	-31	-4	38	45
Gains/losses and impairments	48	-108	-6	-160	40	-75	0	0	0	-0
Revaluations	-31	230	1	-	13	62	-0	-0	26	1
Market & other impacts	-114	199	-	-	148	-54	-316	-23	-	-
Underlying result before tax	20	541	43	-103	398	85	-348	-27	64	45
Life Insurance - New business figures										
Single premiums	335	521	142	161	2,023	1,756	-	-	-	-
Annual premiums	35	36	71	59	272	241	-	-	-	-
New sales (APE)	68	88	85	75	474	417	-	-	-	-
Key figures										
Gross premium income	1,138	1,305	457	471	2,984	2,562	98	97	-	-
Adm. expenses / operating income (Life & ING IM)	48.8%	38.1%	41.4%	39.7%	35.8%	38.2%	77.4%	45.5%	81.2%	76.6%
Life general account invested assets (end of period, in EUR billion)	60	59	7	7	61	59	5	6	-	-
Investment margin / Life general account invested assets (in bps) ¹	98	107	84	95	173	155	33	53	-	-
Provision for life insurance & investm. contracts for risk policyholder (end of period)	22,571	22,001	3,795	3,376	41,513	33,252	33,000	29,544	-	-
Net production client balances (in EUR billion)	-0.7	-0.7	0.2	0.2	-0.8	-0.5	-0.7	-0.6	1.0	-0.7
Client balances (end of period, in EUR billion)	70.9	69.7	28.7	24.9	102.6	91.4	33.9	30.3	119.6	88.7
Administrative expenses (total)	240	244	73	70	218	192	24	20	168	151

¹ Four-quarter rolling average

INSURANCE BENELUX

OPERATING RESULT - BENELUX (in EUR million)



Insurance Benelux posted lower operating results, as the impact of de-risking and higher dividends in both comparable quarters led to a decline in the investment margin, and Non-life results continued to be impacted by higher claims in Disability & Accident insurance connect to the economic downturn in the Netherlands. The total operating result decreased to EUR 118 million from EUR 220 million in the third quarter of 2011 and from EUR 212 million in the second quarter of 2012.

Underlying results, including market-related impacts, remain volatile as Insurance Benelux continues to focus on hedging to protect regulatory capital, which leads to volatility in the P&L. The underlying profit for the quarter declined significantly from a year ago, but improved from the second quarter, due in part to realised gains as the company reduces its equity exposure.

The life investment margin declined to EUR 117 million from EUR 187 million a year ago, reflecting the impact of de-risking the fixed income portfolio and reducing equity exposure, as well as the impact of the low interest rate environment. The third quarter of 2011 also included higher dividends on private equity, real estate funds and fixed income funds. Compared with the second quarter of 2012, the investment margin decreased from EUR 180 million due to the seasonal impact of dividends on equities, which are typically received in the second quarter. The investment spread, calculated as a four-quarter rolling average, declined to 98 basis points from 107 basis points a year ago and 111 basis points in the previous quarter, mainly reflecting the impact of de-risking and lower interest rates. The de-risking actions and the low interest rate environment are expected to reduce the fourth quarter investment spread by approximately 10 basis points.

Fees and premium-based revenues decreased to EUR 137 million from EUR 146 million a year ago. The modelling of the pension administration company (as of the first quarter of 2012) contributed EUR 9 million in the third quarter, with a corresponding reduction in non-modelled income. On a comparable basis, fees and premium-based revenues decreased by EUR 19 million in line with lower gross premium income and a one-off provision release of EUR 8 million in the third quarter of 2011. Compared with the previous quarter, fees and premium-based revenues declined by EUR 6 million in line with lower gross premium income.

The technical margin increased to EUR 44 million from EUR 36 million in the third quarter of last year. The current quarter reflects improved mortality results, while the third quarter of 2011 included additions to unit-linked guarantee provisions in the Netherlands. These positive effects were partly offset by additions to group life provisions. The technical margin was EUR 12 million lower than in the previous quarter, due to additions to group life provisions and lower morbidity results.

The ratio of life administrative expenses to operating income increased to 48.8% from 40.2% in the second quarter of 2012, reflecting lower seasonal income. Compared with the second quarter, life administrative expenses declined 5.2% to EUR 145 million due to cost-containment measures. Compared to a year ago, life administrative expenses were up just 0.7%. The modest increase was mainly due to higher Solvency II project costs.

DAC amortisation and trail commissions declined to EUR 44 million from EUR 50 million a year ago (reflecting lower gross premium income) and were flat compared with the second quarter.

The Non-life operating result declined to EUR 10 million from EUR 36 million in the third quarter of last year, largely due to unfavourable claims experience in Disability & Accident insurance in the Netherlands. The downturn of the economy has led to an acceleration of claims in group income protection products since the third quarter of last year, leading to additional reserve strengthening in the third quarter. In addition, claims provisions in Property & Casualty (P&C) increased by EUR 5 million compared with a year ago, driven by an increase in value-added tax in the Netherlands from 19% to 21% effective from 1 October 2012. Compared with the previous quarter, the Non-life operating result was EUR 19 million lower, mainly due to EUR 17 million of non-recurring reserve releases in P&C in the second quarter.

The impact of market volatility, de-risking and hedges to protect regulatory capital continued to be evident in the non-operating items, leading to volatility in the underlying results. The underlying result before tax was EUR 20 million versus EUR 541 million a year earlier and EUR -111 million in the second quarter.

Gains/losses and impairments were EUR 48 million compared with EUR -108 million in the third quarter of last year and EUR -50 million in the second quarter. The positive result in the third quarter included EUR 134 million of realised gains on equities, EUR 41 million of impairments and EUR 50 million of net losses on fixed income securities (the latter driven by de-risking).

Revaluations were EUR -31 million versus EUR 230 million in the third quarter of 2011 and EUR -44 million in the second quarter. The current quarter primarily consisted of EUR -45 million of revaluations on equity options, caused by the increase in equity markets. The third quarter of last year included EUR 250 million of positive revaluations on equity options triggered by the decline in equity markets in that quarter.

Market & other impacts totalled EUR -114 million compared with EUR 199 million a year ago and EUR -229 million in the second

quarter of 2012. In the third quarter of 2012, a steepening of the yield curve at longer durations resulted in a EUR 94 million charge related to guarantees on pension contracts (net of hedging). Additionally, the current quarter included a EUR 20 million loss on macro interest rate hedges to protect solvency.

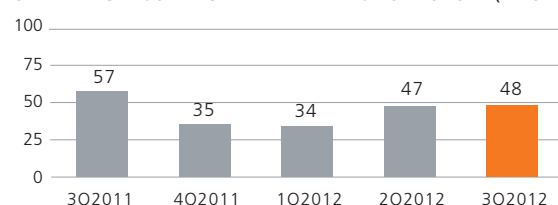
New sales (APE) declined to EUR 68 million from EUR 88 million in the third quarter of last year, due to lower sales of individual life products in the Netherlands and lower sales in Belgium due to product repricing. APE fell from EUR 111 million in the previous quarter due to lower sales of individual life products and of corporate pensions in the Netherlands. The total funds entrusted to NN Banksparen accounts, which were introduced in October 2011, grew to EUR 308 million from EUR 226 million at the end of the second quarter. Sales of 'banksparen' products are not captured in APE.

Strategic update

In November 2011, Nationale-Nederlanden (NN) started a transformation programme to improve processes, deal with legacy systems and reduce expenses. Today's announcement marks the acceleration of this programme by enlarging the expense reductions and sharpening the strategic focus. A new pension business will be created focusing on offering a full range of Defined Contribution (DC) solutions. As a market leader, NN will use its expertise and experience to help customers with the transition from traditional Defined Benefit plans to modern DC pension solutions. NN is also stepping up its strategy in the retail and SME market through the introduction of new products, supported by efficient processes and systems. The programme, together with delayering of support functions of the European insurance operations, will result in a reduction of the workforce by 1,350 over the period 2013-14 in the Netherlands. A redundancy provision of approximately EUR 150 million will be recorded as an after-tax special item in the fourth quarter of 2012. Over the next two years, NN will invest EUR 75 million (after-tax) in IT. These measures are expected to generate a structural cost reduction of approximately EUR 200 million by the end of 2014.

INSURANCE CENTRAL AND REST OF EUROPE

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



The operating result for Central and Rest of Europe was stable compared with the previous quarter, but it declined to EUR 48 million from EUR 57 million a year ago as higher income from sales growth was offset by a decline in the investment margin and higher expenses to support growth. Underlying results improved to EUR 43 million from EUR -103 million in the third quarter of last year, which included EUR 154 million of impairments on Greek government

bonds. Sales remained robust, increasing 13.3% on the same quarter of last year, driven by multi-channel distribution initiatives.

The investment margin was flat at EUR 14 million compared with the previous quarter, but declined from EUR 19 million a year ago. The decrease was mainly due to lower investment yields, reflecting the impact of the Greek Private Sector Initiative (PSI) debt exchange.

Fees and premium-based revenues increased to EUR 111 million, up 4.7% excluding currency effects from a year ago and up 6.7% from the second quarter, supported by sales growth and a EUR 4 million investment performance bonus in the Polish Pension fund.

The technical margin was EUR 44 million, in line with both comparable quarters.

DAC amortisation and trail commissions increased to EUR 55 million from EUR 51 million in the same quarter of last year. The increase from last year was driven by higher commissions in line with higher sales, mainly in Turkey.

Life administrative expenses increased to EUR 72 million from EUR 69 million in the third quarter of 2011 and from EUR 68 million in the previous quarter. The increase is mainly caused by investments in growth, especially in Turkey, the Czech Republic and Poland.

The underlying result before tax improved significantly to EUR 43 million from EUR -103 million in the same quarter of 2011. The current quarter included EUR 6 million of losses on the sale of financial institutions bonds as well as Spanish and Italian government bonds due to de-risking, while the underlying result in the third quarter of last year was impacted by EUR 154 million of impairments on Greek government bonds. The underlying result declined from EUR 53 million in the previous quarter, which included a EUR 20 million positive revaluation result driven by the unwinding of interest rate hedges and EUR 13 million of losses from de-risking, both in Spain.

New Sales (APE) increased to EUR 85 million from EUR 75 million a year ago, up 13.3% excluding currency effects. Life insurance sales climbed 10%, excluding currency effects, mainly driven by strong sales in the Czech Republic and Turkey, which were fuelled by multi-distribution channel initiatives. Pension sales also increased compared with a year ago, due to higher sales in Turkey. APE was down 3.4% excluding currency effects compared with the previous quarter, mainly reflecting seasonally lower sales in the third quarter.

Insurance US posted a strong third quarter, with an operating result of EUR 195 million, up 14.1% from the third quarter of last year and up 12.1% from the second quarter, both excluding currency effects. The increase over last year was driven by a higher investment margin, growth in fees and premium-based revenue, and an improvement in the technical margin. Compared with the second quarter, results were supported by an increase in the technical margin and a reduction in administrative expenses.

The investment margin increased 6.9% from a year ago, excluding currency effects, to EUR 280 million primarily due to growth in general account assets in the Retirement business and lower average crediting rates in both the Retirement and Annuities businesses. The decrease in the interest credited in Annuities continues to be attributable to the run-off of low margin multi-year guaranteed annuities ('MYGAs'), mostly sold in 2002, which reach the end of their initial term in 2012. Compared with the second quarter, the investment margin declined 3.5%, excluding currency effects, due to a decline in the average portfolio yield, partially offset by a decrease in average credited rates.

Fees and premium-based revenues increased to EUR 306 million, up 3.8% from the third quarter of 2011 and flat on the second quarter of 2012, both excluding currency effects. The increase was fuelled by higher fee income in the Retirement business due to positive net flows and improved equity markets, which more than offset the impact of customer transfers to fixed accounts, as well as higher premium-based revenue in the life business due to growth in term products.

The technical margin improved to EUR 23 million from EUR 14 million a year ago, due to lower loss ratios in stop loss products in the Employee Benefit business and favourable reserve development in the closed block Group Reinsurance business. Compared with the second quarter, the technical margin increased from EUR -8 million due to improvements in the Individual Life business, where the results for the prior quarter were dampened by reserve increases as a result of the growth in the business and volatility related to the mix of claims.

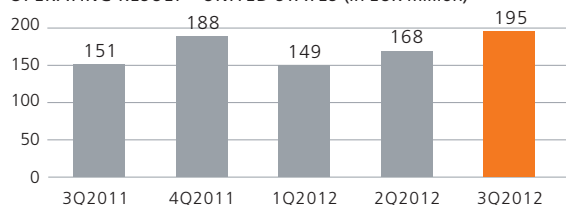
Insurance US continued to focus on strong cost control in the third quarter. Administrative expenses of EUR 218 million were flat on the previous year and declined 4.4% from the second quarter, excluding currency effects. The decrease from the second quarter of 2012 was primarily attributable to a EUR 9 million non-recurring charge for severance accruals in the prior quarter.

DAC amortisation and trail commissions increased 7.1% from the third quarter to EUR 196 million, and were up 4.8% from the second quarter, excluding currency effects. The increase over both quarters was primarily due to changes in the operating income subject to DAC amortisation and trail commissions.

The underlying result before tax increased strongly to EUR 398 million from EUR 85 million a year ago and EUR 145 million in the second quarter, supported by gains on the sale of securities and positive DAC unlocking following model refinements and assumption updates.

INSURANCE UNITED STATES

OPERATING RESULT - UNITED STATES (in EUR million)



Gains/losses and impairments were EUR 40 million compared with EUR -75 million a year ago and EUR 6 million in the second quarter. The current quarter included EUR 48 million of gains on the sale of securities, mainly related to certain CMO assets that were sold to reduce capital requirements. The prior year included EUR 86 million of losses related to the sale of subprime mortgages.

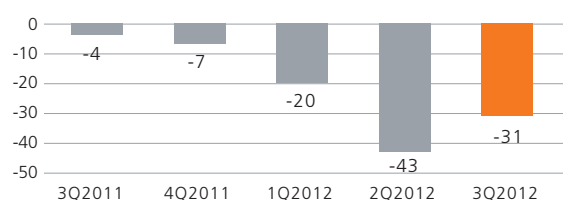
Revaluations totalled EUR 13 million, down from EUR 62 million a year ago and EUR 41 million in the second quarter. The decrease from the prior year is primarily due to a lower level of alternative assets after part of the portfolio was sold in the second quarter of 2012. The decline compared to the second quarter of 2012 is mainly due to strong CMO revaluations in the previous quarter.

Market and other impacts were EUR 148 million, up from EUR -54 million in the third quarter of 2011 and EUR -70 million in the second quarter of 2012. The current quarter reflects EUR 173 million in net favourable DAC unlocking, mainly due to model refinements and assumption updates, primarily in Annuities. The third quarter of last year included unfavourable DAC unlocking and Fixed Indexed Annuity Reserve unlocking. The second quarter of 2012 reflected a EUR -54 million impact of DAC amortisation due to strong revaluations and investment gains as well as a EUR -46 million impact from a non-recurring pension curtailment charge.

New sales (APE) were EUR 474 million, flat compared with both quarters on a constant currency basis. A 4% increase in Retirement sales from a year ago was offset by lower Annuity and Individual Life sales due to management actions to reduce sales in the current low interest rate environment. Individual Life sales are likely to decline further, reflecting price increases and a focus on less capital-intensive products. Net flows in the Retirement business remained strong at EUR 406 million.

INSURANCE US CLOSED BLOCK VA

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



Underlying results from the US Closed Block VA continued to reflect volatility as the hedge programme is focused on protecting regulatory capital rather than mitigating earnings volatility. The underlying result declined to EUR -348 million in the quarter, mainly reflecting hedge losses, net of reserve changes, and a EUR 104 million charge related to lapse assumption refinements. On an operating basis, the US Closed Block VA reported a loss of EUR 31 million compared with a loss of EUR 4 million in the third quarter of 2011, primarily due to lower fees and premium-based revenues net of reserve and hedge costs.

The investment margin was nil for the current quarter compared with EUR -1 million in the third quarter of 2011 and EUR -4 million in the second quarter of 2012.

Fees and premium-based revenues declined to EUR 21 million from EUR 39 million in the third quarter of 2011 and EUR 24 million in the second quarter of 2012. The decrease from last year reflects higher reserve costs, slightly higher hedge costs, and lower fee income due to lower average AuM levels. Net flows were EUR -665 million for the third quarter of 2012 and EUR -2.7 billion for the 12 months ending 30 September 2012.

The technical margin was EUR 10 million for the current quarter versus EUR 5 million in the third quarter of 2011 and nil in the second quarter of 2012. The increase from the third quarter of 2011 reflects an EUR 11 million non-recurring reserve release in the current quarter, partially offset by higher letter of credit costs and lower surrender fee income.

Administrative expenses were EUR 24 million, up from EUR 20 million in the third quarter of 2011 but down from EUR 27 million in the second quarter of 2012. The increase over the prior year was primarily driven by currency effects and a shift in cost allocations between the US Closed Block VA and Insurance US.

DAC amortisation and trail commissions were EUR 38 million compared with EUR 28 million in the third quarter of 2011 and EUR 37 million in the second quarter of 2012. The increase over the prior year, which was EUR 7 million excluding currency effects, was primarily due to the elimination of the DAC balance in the fourth quarter of 2011. The interest on DAC was greater than the DAC amortisation in the third quarter of 2011; hence, the elimination of the DAC balance resulted in a decrease of operating results.

The underlying result before tax was EUR -348 million versus EUR -27 million in the third quarter of 2011 and EUR 216 million in the second quarter of 2012.

Gains/losses and impairments were nil, the same as in both comparable quarters. Revaluations in the current quarter were also nil compared with nil in the third quarter of 2011 and EUR 1 million in the second quarter of 2012.

Market and other impacts were EUR -316 million versus EUR -23 million in the third quarter of 2011 and EUR 258 million in the second quarter of 2012. The loss in the current quarter includes a EUR 104 million charge related to lapse rate assumption refinements following an annual review of policyholder behaviour assumptions. The remaining result consists of losses on hedges, net of reserve changes, as the hedge programme is focused on protecting regulatory capital rather than mitigating earnings volatility, as well as some minor model and assumption changes.

ING INVESTMENT MANAGEMENT

ING Investment Management: Key figures

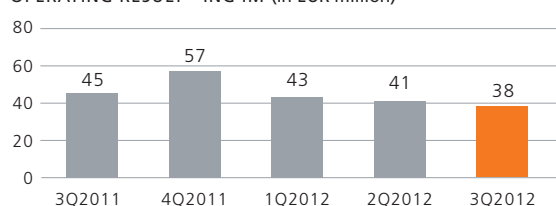
	3Q2012	2Q2012	3Q2011
Operating result (in EUR million)	38	41	45
of which Europe	24	30	30
of which US	14	11	15
Assets under Management (in EUR billion)	316.0	308.9	282.6
of which Proprietary	148.2	147.8	137.6
of which Retail	80.4	77.2	69.2
of which Institutional	87.4	84.0	75.9
Net inflow (in EUR billion)	1.5	0.5	-0.5
Fees and premium based revenues / average AuM (annualised in bps)	27	26	28
Administrative expenses / operating income	81.2%	79.2%	76.6%

Note: Operating result of Europe and Assets under Management include IIM Japan and IIM Singapore

Total assets under management for the European and US Investment Management businesses rose to EUR 316 billion (56% Europe; 44% US) at the end of the third quarter, up by EUR 7.1 billion, or 2.3%, compared with the second quarter. Net inflows totalled EUR 1.5 billion in the quarter, driven by inflows in both the Institutional and Retail segments, partly offset by outflows in the Proprietary segment in the US. Market appreciation in the third quarter added EUR 9.1 billion to the asset base, while currency impacts affected AuM by EUR -3.5 billion.

The operating results decreased 15.6% to EUR 38 million compared with the third quarter of 2011 and were down 7.3% on the previous quarter. These lower results were caused by higher administrative expenses, which were not fully compensated by the higher fees and premium-based revenues.

OPERATING RESULT - ING IM (in EUR million)



Fees and premium-based revenues rose 5.6% compared with the same quarter a year ago to EUR 208 million, due entirely to currency effects. Excluding currency effects, fees and premium-based revenues decreased 0.5% as the impact of the growth in AuM was offset by a shift from equity to fixed income assets (where average fees are lower) as institutional investors continue to de-risk their portfolios. At 27 basis points the annualised ratio of fees to average AuM remained almost flat compared with the previous quarter. Fees and premium-based revenues were 3.5% higher than the second quarter, mainly as a result of the higher asset base.

Administrative expenses rose 11.3% from a year ago to EUR 168 million. Excluding currency effects, administrative expenses rose 4.3%, reflecting higher staff expenses in the US related to investment performance. Expenses in Europe increased marginally

as investments related to rebuilding capabilities in the US were not fully offset by cost-containment measures. Compared with the previous quarter, administrative expenses increased 5.0%, or 3.7% excluding currency effects, largely due to the aforementioned higher staff expenses in the US and investments in Europe.

The underlying result before tax increased 42.2% to EUR 64 million compared with the same quarter of last year and 23.1% compared with the previous quarter. The increase on both quarters was driven by EUR 26 million of revaluations in the US in the third quarter, which includes a non-recurring EUR 10 million favourable impact from performance fees on investment capital.

CORPORATE LINE INSURANCE

Corporate Line Insurance

in EUR million	3Q2012	3Q2011
Interest on hybrids and debt	-87	-67
Amortisation intangible assets	-5	-4
Investment income & fees (ING Insurance holding)	-5	-4
Capital Management	-97	-75
Results from reinsurance run-off portfolios	2	13
Other	-34	-16
Operating result	-130	-77
Gains/losses and impairments	2	5
Revaluations	-5	1
Market and other impacts	0	0
Underlying result before tax	-132	-72

The Corporate Line Insurance operating result declined to EUR -130 million from EUR -77 million in the third quarter of 2011, reflecting higher interest expenses, higher corporate expenses and lower results from Sul America.

The result from Capital Management activities decreased to EUR -97 million in the third quarter from EUR -75 million in the third quarter of last year, mainly due to higher interest expenses. Interest expenses at ING US increased, reflecting the replacement of certain short-term internal and external borrowings with longer-term external funding in April and July of 2012.

The result from reinsurance run-off portfolios was EUR 2 million, EUR 11 million lower than in the same quarter of last year due to lower reserve releases.

The 'Other' result of EUR -34 million was EUR 18 million lower than in the third quarter of 2011. This was mainly due to a decline in the result for ING's stake in the Brazilian insurer Sul America, which was EUR 3 million in the current quarter versus EUR 27 million in the same quarter of 2011 (which included a EUR 15 million non-recurring provision release). The remaining impact relates to higher allocated corporate expenses (including Solvency II project expenses) and higher ING Reinsurance results.

Revaluations amounted to EUR -5 million this quarter versus EUR 1 million in the third quarter of 2011. This line reflects changes in the market value of interest and currency-related derivative positions.

CONSOLIDATED BALANCE SHEET

ING Verzekeringen N.V.: Consolidated balance sheet							
in EUR million	30 Sep. 12	30 June 12	31 Dec. 11 pro forma ¹⁾		30 Sep. 12	30 June 12	31 Dec. 11 pro forma ¹⁾
Assets				Equity			
Cash and balances with central banks	10,352	11,162	10,269	Shareholders' equity	26,570	25,165	23,475
Financial assets at fair value through P&L	109,103	107,990	102,875	Minority interests	203	158	62
- trading assets	542	533	503	Total equity	26,772	25,323	23,537
- non-trading derivatives	5,415	5,620	5,854	Liabilities			
- investments for risk of policyholders	100,768	99,402	93,941	Subordinated loans	4,236	4,286	4,367
- other	2,379	2,436	2,577	Debt securities in issue	2,192	1,547	3,436
Investments	117,681	116,523	109,529	Other borrowed funds	7,734	8,877	6,940
- debt securities available-for-sale	112,386	110,871	103,458	Insurance and investment contracts	233,747	234,252	225,075
- equity securities available-for-sale	5,295	5,652	6,070	- life insurance provisions	123,950	124,947	121,274
Loans and advances to customers	27,100	28,242	30,590	- non-life insurance provisions	3,680	3,808	3,477
Reinsurance contracts	5,461	5,679	5,803	- provision for risk of policyholders	100,879	99,525	94,136
Investments in associates	1,363	1,375	1,189	- other	5,237	5,973	6,188
Real estate investments	816	813	869	Financial liabilities at fair value through P&L	3,464	3,762	4,376
Property and equipment	358	386	401	- non-trading derivatives	3,464	3,762	4,376
Intangible assets	1,084	1,251	1,356	Other liabilities	10,237	10,572	10,353
Deferred acquisition costs	4,634	4,670	4,635				
Other assets	7,665	8,212	7,822				
Total assets excl. assets held for sale	285,617	286,303	275,336	Total liabilities excl. liabilities held for sale	261,610	263,297	254,547
Assets held for sale	65,398	63,876	60,051	Liabilities held for sale	62,633	61,559	57,303
Total assets	351,015	350,179	335,387	Total liabilities	324,243	324,856	311,850
				Total equity and liabilities	351,015	350,179	335,387

1) Adjusted for transfer of Insurance/IM Asia to assets/liabilities held for sale.

In the third quarter, ING Insurance's balance sheet increased by EUR 0.8 billion, or EUR 5.1 billion excluding currency effects. Shareholders' equity rose by EUR 1.4 billion to EUR 26.6 billion, mainly due to positive revaluations.

Assets

At comparable exchange rates, Financial assets at fair value through P&L increased by EUR 3.1 billion, mainly driven by positive revaluations of investments for risk of policyholders. These revaluations are reflected in the Provision for risk of policyholders on the liability side of the balance sheet.

Debt securities available-for-sale increased by EUR 3.1 billion, excluding currency effects, mainly due to by positive revaluations as a result of lower interest rates and lower credit spreads.

Liabilities

Insurance and investment contracts increased by EUR 3.1 billion, excluding currency effects, to EUR 233.7 billion, mainly reflecting an increase in the Provision for risk of policyholders, which mirrored the movement in the investments for risk of policyholders.

The increase in Debt securities in issue mainly reflects the issuance of a USD 850 million 10-year senior note by ING US in July. The proceeds from this senior note were used to retire short-term debt, which is reflected in the reduction in Other borrowed funds during the quarter.

Assets/Liabilities held for sale

The balance sheet items of Insurance/IM Asia have been transferred to assets/liabilities held for sale as per June 2012. In October 2012, ING announced that it had reached agreements on the sales of its 33.3% stake in China Merchants Fund and its insurance operations in Malaysia, Hong Kong, Macau and Thailand. These transactions are expected to deliver net transaction gains of approximately EUR 1.9 billion in the first half of 2013, and are expected to close in the first quarter (Malaysia, Hong Kong, Macau and Thailand) and second quarter of 2013 (China Merchants Fund).

Shareholders' equity

Shareholders' equity increased by EUR 1.4 billion to EUR 26.6 billion compared with the second quarter of 2012, mainly due to EUR 1.6 billion of positive revaluations on the investment portfolio as a result of lower interest rates and lower credit spreads.

RISK MANAGEMENT

ING Insurance continued to take a prudent stance by prioritising the protection of regulatory capital over the mitigation of P&L volatility.

Credit risk

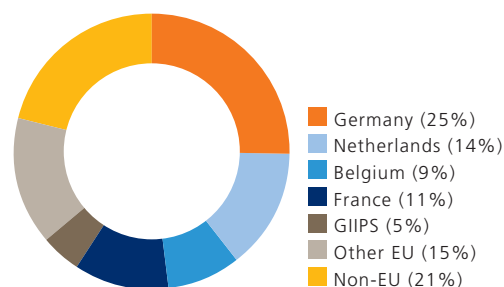
ING Insurance: General account		
In EUR billion	3Q2012	2Q2012
Government bonds	47.4	44.8
Corporate bonds	42.7	43.4
Covered bonds	1.0	1.0
Financial institutions	9.1	9.3
RMBS and other ABS	15.3	15.8
- US agency RMBS	5.1	5.2
- US prime RMBS	1.1	1.3
- US Alt-A RMBS	0.3	0.3
- US subprime RMBS	0.7	0.7
- Non-US RMBS	4.2	4.7
- CDO/CLO	0.5	0.5
- Other ABS	3.4	3.1
CMBS	4.3	4.4
Public equities	1.9	2.3
Real estate equities	1.5	1.5
Other equities	2.4	2.4
Real estate	1.7	1.7
Cash	10.4	11.2
Mortgages	13.9	14.2
Other loans	6.9	7.3
Other	6.7	6.9
Total	165.2	166.2

The general account decreased by EUR 1.0 billion, primarily as a result of the appreciation of the euro against the US dollar (EUR 2.0 billion). This was partly offset by revaluations triggered by lower credit spreads and lower interest rates as well as net investments in government bonds (EUR 1.2 billion).

'Government bonds' increased by EUR 2.6 billion, reflecting net investments of EUR 1.2 billion in German, supranational (European Union), US, and Dutch bonds as well as positive revaluations (EUR 1.4 billion).

'Corporate bonds' and 'Financial institutions' both decreased slightly compared with the second quarter, primarily due to the appreciation of the euro against the US dollar.

INSURANCE - BREAKDOWN OF GOVERNMENT BONDS 3Q2012



The market value of RMBS and other ABS decreased by EUR 0.5 billion, mainly due to redemptions and sales of Non-US RMBS, which were partly offset by new purchases in 'Other ABS' (EUR 0.3 billion).

The market value of Public equities decreased by EUR 0.4 billion, as net divestments of EUR 0.5 billion were only partially offset by positive revaluations.

'Cash' declined from EUR 11.2 billion to 10.4 billion, due to cash collateral transactions, related to derivatives.

'Other loans' decreased as a result of the reclassification to 'cash' for loans with remaining maturities falling below three months during the quarter.

The 'Other' category includes the market value of derivatives.

Greece, Italy, Ireland, Portugal and Spain (GIIPS)

ING took measures to proactively de-risk in the third quarter by selectively reducing its exposures to the GIIPS countries. The total

ING Insurance: Greece, Italy, Ireland, Portugal and Spain - Total exposures - 30 September 2012						
in EUR million	Greece	Italy	Ireland	Portugal	Spain	Total
Residential mortgages and other consumer lending	12				19	31
Corporate lending		50	25			75
Financial Institutions lending	9				257	266
Total Lending	21	50	25		276	372
RMBS	31	353	321	112	361	1,178
Other ABS		42	123		142	307
Corporate bonds		528	588	27	313	1,456
Covered bonds		18	15		538	571
Financial institutions bonds (unsecured)		52	38	38	123	251
Government bonds	37	1,347	53	5	968	2,410
Total Debt Securities	68	2,340	1,138	182	2,445	6,173
Real Estate	36	283		221	403	943
Total Risk exposures 30 september 2012	125	2,673	1,163	403	3,124	7,488
Total Risk exposures 30 June 2012	78	2,784	1,262	480	3,214	7,818
Total change in third quarter 2012	47	-111	-99	-77	-90	-330

Footnote: ING Insurance/IM has no credit risks linked to Cyprus. GIIPS exposures as of 30 June 2012 have been restated to reflect a revised methodology adopted by ING US.

exposure was reduced by EUR 330 million compared with the second quarter, mainly in Ireland (EUR 99 million), Italy (EUR 111 million) and Spain (EUR 90 million).

The main reduction in the exposure to Ireland was in ABS (EUR 87 million). Italian corporate bonds and ABS exposures were actively reduced by EUR 59 million and EUR 50 million respectively. In Spain, exposures to financial institutions lending and bonds have been cut by, respectively, EUR 42 million and EUR 10 million. The exposure to Greece was increased for ING Insurance by EUR 47 million as result of a transfer of assets between Bank and Insurance in order to increase the proportion of Greek liabilities supported by Greek assets. The total ING Group exposure to Greece has been reduced.

Market risk

Earnings sensitivities for market risks (full-year impact)

In EUR million	3Q2012	2Q2012
Interest Rates +30% *	51	71
Interest Rates -30% *	1	-82
Equity -25%	576	52
Equity +25%	-289	-440
Implied Volatility (interest rates +30%, equity 1-3yr +30%)	35	20
Real Estate -15%	-736	-751
Foreign Exchange -10%	-101	-97

* Insurance Europe: Parallel shock based on 30% move in 10 year swap rate at third quarter end 2011; ING US: Parallel shock of 100 bps

With regard to interest rates, the IFRS earnings are mainly sensitive to non-parallel movements in the yield curve due to an asymmetry between liability and hedge asset accounting for the guaranteed separate account pension business in the Netherlands. In general, a steepening of the yield curve at longer durations will lead to losses through the IFRS profit and loss account, and vice versa.

Equity sensitivities are driven by the US Closed Block VA, with offsetting impacts from the Benelux and, to a lesser extent, Insurance US. The US Closed Block VA tends to produce counterintuitive gains in falling equity markets and losses in rising equity markets due to a focus on protecting regulatory capital rather than mitigating IFRS earnings volatility. Equity sensitivities in the Benelux are driven by the guaranteed separate account business in the Netherlands and the risk of equity impairments, with smaller offsetting impacts on equity options in place to protect regulatory capital.

The change in the sensitivity to falling equity markets during the third quarter reflects an improvement in the reserve adequacy of the US Closed Block VA. The change in the equity market sensitivities over the quarter also reflects a reduction in equity hedge notional, which exceeded the reduction in the direct equity portfolio, both within the Benelux. As of 30 September 2012, the direct equity portfolio in the Benelux was partially hedged.

The real estate sensitivity is driven almost entirely by the Benelux and reflects investments in real estate funds and direct real estate assets.

Insurance and other risks

Insurance risks, such as mortality, longevity and morbidity, result from the pricing and underwriting 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.

Earnings sensitivities for Insurance risks (full-year impact)

In EUR million	3Q2012	2Q2012
Mortality	-34	-33
Morbidity	-124	-127
P&C	-75	-75

The sensitivities presented in the table above are figures after diversification between the different insurance risks and after diversification across business units. The overall exposure to insurance risks did not change significantly during the third quarter of 2012.

Illiquid Asset Back-up Facility (IABF)

In the fourth quarter of 2012, ING is planning to restructure the IABF to effectively delink ING US from the IABF as another step towards a planned IPO. Subject to regulatory approval, ING US will transfer its Dutch state receivable of approximately EUR 1.1 billion (USD 1.4 billion) to ING Bank in exchange for cash at fair value and will at the same time transfer legal title to 80% of the Alt-A portfolio to ING Bank and the securities will be held in an ING Bank custody account for the benefit of the Dutch state (the portion for which the investment risk has been transferred to the Dutch state). Following the restructuring, ING US will continue to own 20% of the Alt-A portfolio (the portion for which the investment risk remains for the risk of ING), but will going forward have the right to sell these securities, subject to a right of first refusal granted to ING Bank. ING will commit to the Dutch State that these securities will remain within ING Group by means of the right of first refusal. The provisions of the IABF will otherwise remain unchanged.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

ING Group: Consolidated profit and loss account						
	Total Group ¹⁾		Total Banking		Total Insurance	
in EUR million	3Q2012	3Q2011	3Q2012	3Q2011	3Q2012	3Q2011
Gross premium income	4,609	4,373			4,609	4,373
Interest result Banking operations	3,034	2,996	3,060	2,995		
Commission income	876	891	525	548	351	343
Total investment & other income	1,064	3,503	228	-92	847	3,697
Total underlying income	9,583	11,764	3,813	3,451	5,807	8,413
Underwriting expenditure	4,811	7,059			4,811	7,059
Staff expenses	1,787	1,708	1,279	1,267	508	442
Other expenses	1,225	1,206	907	885	318	321
Intangibles amortisation and impairments	51	73	51	73		
Operating expenses	3,063	2,987	2,237	2,225	825	763
Interest expenses Insurance operations	86	17			123	117
Addition to loan loss provision	555	348	555	348		
Other	3	5			3	5
Total underlying expenditure	8,518	10,417	2,792	2,573	5,763	7,944
Underlying result before tax	1,065	1,347	1,021	878	44	469
Taxation	312	241	265	268	48	-27
Minority interests	34	7	24	20	10	-13
Underlying net result	719	1,099	732	590	-13	509
Net gains/losses on divestments	-200	516	-16	520	-184	-5
Net result from divested units		125		125		
Net result from discontinued operations ²⁾	198	74			198	74
Special items after tax	-108	-122	-46	-42	-63	-79
Net result	609	1,692	670	1,193	-61	499

ING Group: Consolidated profit and loss account						
	Total Group ¹⁾		Total Banking		Total Insurance	
in EUR million	9M2012	9M2011	9M2012	9M2011	9M2012	9M2011
Gross premium income	15,399	15,327			15,399	15,327
Interest result Banking operations	9,006	9,136	9,065	9,140		
Commission income	2,675	2,790	1,639	1,724	1,035	1,066
Total investment & other income	4,107	6,605	598	287	3,562	6,627
Total underlying income	31,186	33,858	11,303	11,151	19,996	23,020
Underwriting expenditure	17,099	19,144			17,099	19,144
Staff expenses	5,339	5,215	3,865	3,924	1,475	1,291
Other expenses	3,589	3,588	2,586	2,592	1,004	997
Intangibles amortisation and impairments	175	185	175	185		
Operating expenses	9,104	8,988	6,626	6,701	2,478	2,288
Interest expenses Insurance operations	252	75			364	388
Addition to loan loss provision	1,536	895	1,536	895		
Other	15	11			15	11
Total underlying expenditure	28,005	29,114	8,162	7,595	19,956	21,831
Underlying result before tax	3,181	4,744	3,141	3,556	40	1,188
Taxation	781	1,097	878	948	-98	148
Minority interests	94	53	71	56	23	-4
Underlying net result	2,306	3,595	2,192	2,551	114	1,044
Net gains/losses on divestments	101	551	473	556	-372	-5
Net result from divested units	-2	336		340	-2	-4
Net result from discontinued operations ²⁾	472	446			472	446
Special items after tax	-417	-347	-280	-147	-137	-200
Net result	2,460	4,580	2,385	3,300	75	1,280

1 including intercompany eliminations

2 The results of Insurance/IM Asia (2012 and 2011 periods) and Insurance Latin America (2011 periods) have been transferred to "net result from discontinued operations".

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 2011 ING Group Annual 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) consequences of a potential (partial) break-up of the euro, (4) the implementation of ING's restructuring plan to separate banking and insurance operations, (5) changes in the availability of, and

costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations, (14) changes in the policies of governments and/or regulatory authorities, (15) conclusions with regard to purchase accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit-ratings, (18) ING's ability to achieve projected operational synergies and (19) the other risks and uncertainties detailed in the Risk Factors section contained in the most recent annual report of ING Groep N.V. Any forward-looking statements made by or on behalf of ING speak only as of the date they are made, and, ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.

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