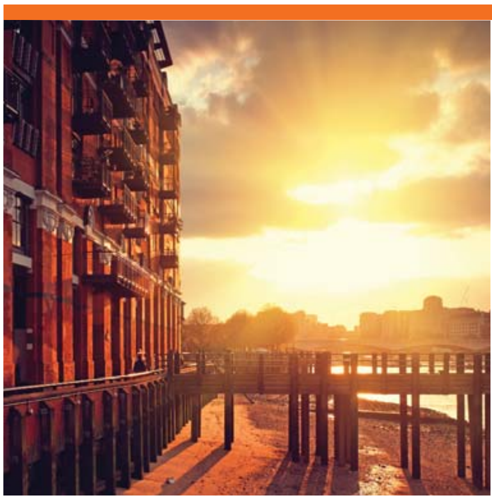
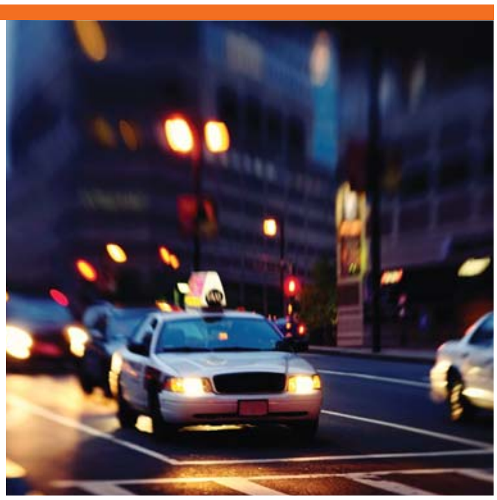
ING GROUP QUARTERLY REPORT





Second quarter 2013

SHARE INFORMATION

Financial calendar

• Publication results 3Q2013: Wednesday, 6 November 2013
(This date is provisional.)

Investor relations

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ING Group Investor Relations and Media app

Available for download in the Apple App Store and for Android on Google Play.

Listing information

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

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

American Depositary Receipts (ADRs)

For questions regarding your ADRs, please contact the JP Morgan Depositary Receipts Team:
JPMorgan Chase & Co.
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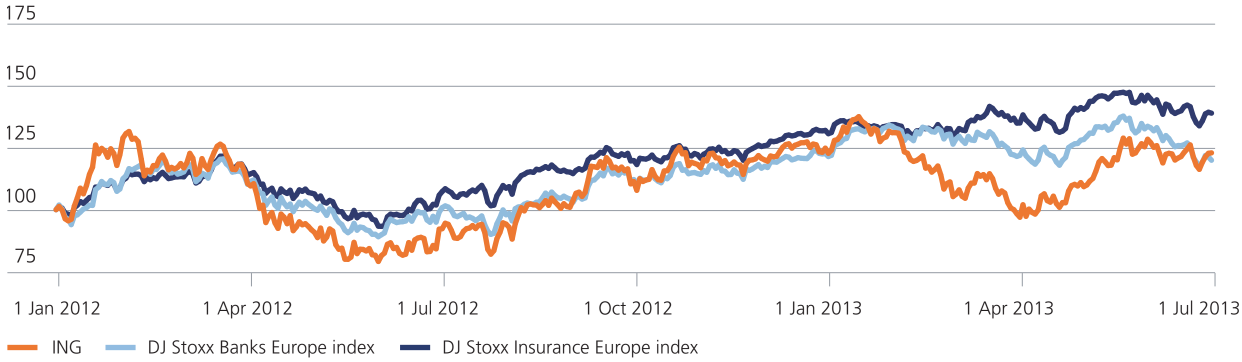
St. Paul, MN 55164-0504
Free phone number for US callers: (800) 990-1135
From outside the US: +1 (651) 453-2128
Global Invest Direct: (800) 428-4237
Email: jpmorgan.adr@wellsfargo.com
Internet: www.adr.com

Comparative performance of share price

1 JANUARY 2012 TO 1 JULY 2013



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 concerning 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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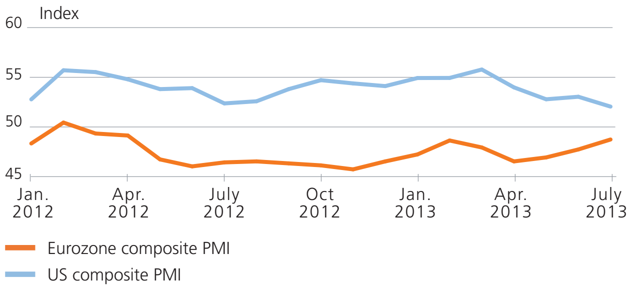
ECONOMIC ENVIRONMENT

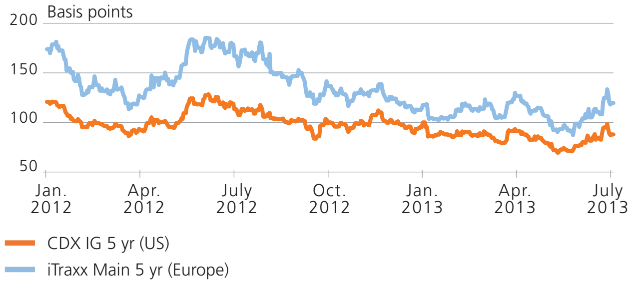
ECONOMIC ACTIVITY

- The Eurozone purchasing managers' index improved in the second quarter of 2013. Still, it remained below 50, indicating contraction. Meanwhile, the US purchasing managers' index deteriorated, but remained above 50, indicating continued economic expansion.
- The PMIs are regarded as timely indicators of underlying trends in economic activity.



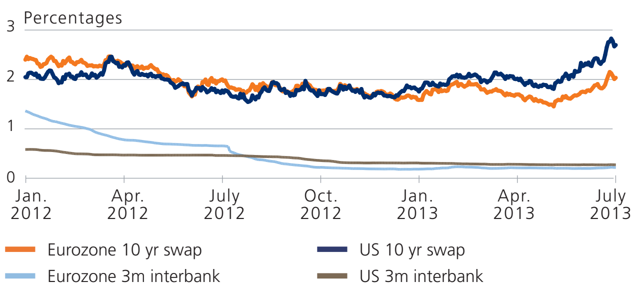
CREDIT MARKETS

- In both the eurozone and the US, credit market sentiment deteriorated during the second quarter. Credit spreads in the eurozone, as measured by the iTraxx index of investment-grade borrowers' credit-default swaps, increased. In the US, the CDX index also rose.



YIELD CURVE

- The slope of the yield curve in the eurozone and the US steepened as a result of higher long-term rates.

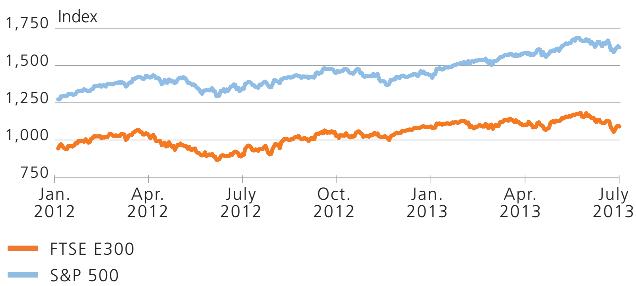


CURRENCY MARKETS

- During the second quarter of 2013, the EUR/USD moved a bit higher. Against the USD, the euro strengthened from 1.28 at the start of the quarter to 1.30 at the end of the quarter.

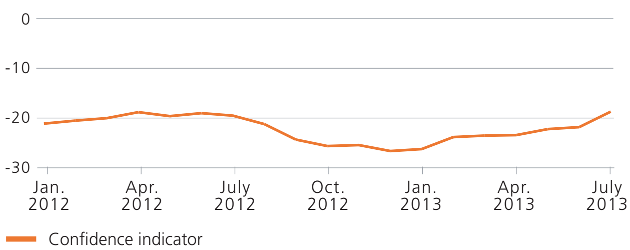
STOCK MARKETS

- Equity indices in the eurozone lost, on balance, a bit of ground in the second quarter of 2013. In the US, the S&P 500 hit a new record high. At the end of the quarter, the stock market index was just over 2% higher than it was at the end of the first quarter.



CONSUMER CONFIDENCE

- Eurozone consumer confidence continued to improve during the second quarter, but still remained low.



Source: ING Economics Department

CHAIRMAN'S STATEMENT

"ING has made good progress so far this year as we work to improve our operational performance, execute our restructuring and prepare our banking and insurance companies for independent futures. We successfully completed the IPO of our U.S.-based retirement, investment and insurance business in May. The proceeds from the IPO, along with a capital upstream from the Bank, have reduced the leverage in the Group holding company to EUR 4.4 billion, which is covered by the value of our remaining stake in ING U.S. today. We completed the merger of the commercial operations of WestlandUtrecht Bank with Nationale-Nederlanden Bank on 1 July, paving the way to divest these operations as part of the Insurance Europe IPO."

"The financial performance in all three business segments was robust in the second quarter. ING Bank posted solid underlying pre-tax results of EUR 1,147 million, despite higher risk costs reflecting the challenging economic climate. Savings inflow remained strong, with net funds entrusted growth of EUR 6.5 billion, while the net interest margin improved to 1.42%. Cost-containment efforts helped reduce the cost/income ratio to 54.3% and the return on equity for the first six months increased to 9.3%, approaching our Ambition 2015 target of 10-13%."

"The operating results of Insurance EurAsia showed substantial improvement both year-on-year and sequentially. The European business has been accelerating its transformation programme to be ready for a base case IPO in 2014. The programme has already yielded cost savings that supported the second-quarter results together with an improvement in the Non-life result and lower funding costs. To expedite the IPO process, ING U.S. will be transferred out of ING Insurance (ING Verzekeringen N.V.), clearing the way to use ING Insurance as the IPO entity."

"In its first quarter as a public company, ING U.S. continued to generate robust net inflows from the Retirement and Investment Management businesses, contributing to higher fees and premium-based revenues, which drove this quarter's solid operating performance. The strength of the U.S. franchise is evident in the 50% appreciation of its stock price since the IPO, bringing the current market value of ING's remaining 71% stake in the company to EUR 4.5 billion."

"I am extremely proud of what our people have achieved this quarter and over the past years, through an exceptional period of change within our company and in the financial industry. Every step of the way, we have tried to keep the interests of our customers as our first priority. I am grateful for the support of our employees and consider myself privileged to have been given the opportunity to serve as their leader during this period of enormous change. On 1 October, Ralph Hamers will take over from me as CEO of ING Group. Ralph and I are working together to ensure a smooth transition, and I am confident that he will continue the drive to build strong, sustainable futures for our businesses, while placing the highest priority on the needs of our customers."

Jan Hommen
CEO of ING Group

KEY FIGURES

Group

	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Profit and loss data (in EUR million)								
Underlying result before tax	1,288	1,305	-1.3%	1,167	10.4%	2,453	2,240	9.5%
Underlying net result	942	1,109	-15.1%	800	17.8%	1,742	1,687	3.3%
Divestments, discontinued operations and special items[2]	-155	183		1,004		852	334	
Net result	**788**	**1,293**	**-39.1%**	**1,804**	**-56.3%**	**2,592**	**2,020**	**28.3%**
Net result per share (in EUR)[3]	0.21	0.34	-38.2%	0.47	-55.3%	0.68	0.53	28.3%
Capital ratios (end of period)								
Shareholders' equity (in EUR billion)				54	-8.4%	50	49	2.8%
ING Group debt/equity ratio				10.8%		7.2%	12.3%	
Other data (end of period)								
Underlying return on equity based on IFRS-EU equity[5]	7.2%	9.4%		6.0%		6.6%	7.2%	
Employees (FTEs, end of period, adjusted for divestments)				83,032	-0.5%	82,643	86,648	-4.6%

Banking

	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Profit and loss data (in EUR million)								
Interest result	3,006	2,856	5.3%	2,916	3.1%	5,922	5,825	1.7%
Total underlying income	3,853	3,594	7.2%	3,863	-0.3%	7,716	7,311	5.5%
Operating expenses	2,090	2,044	2.3%	2,133	-2.0%	4,224	4,171	1.3%
Addition to loan loss provision	616	540	14.1%	561	9.8%	1,176	978	20.2%
Underlying result before tax	**1,147**	**1,011**	**13.5%**	**1,169**	**-1.9%**	**2,316**	**2,162**	**7.1%**
Key figures								
Bank core Tier 1 ratio				12.3%		11.8%	11.1%	
Underlying interest margin	1.42%	1.27%		1.38%		1.40%	1.30%	
Underlying cost/income ratio	54.3%	56.9%		55.2%		54.7%	57.1%	
Underlying risk costs in bp of average RWA	89	73		81		85	67	
RWA (end of period, in EUR billion, adjusted for divestments)				278	-0.2%	278	296	-6.1%
Underlying return on equity based on IFRS-EU equity[5]	9.5%	8.4%		9.0%		9.3%	8.7%	
Underlying return on equity based on 10% core Tier 1[6]	12.4%	10.3%		12.1%		12.3%	10.6%	

Insurance EurAsia

	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Margin analysis (in EUR million)								
Life insurance & Investment Management operating income	657	658	-0.2%	596	10.2%	1,253	1,286	-2.6%
Life insurance & Investment Management operating expenses	374	387	-3.4%	397	-5.8%	771	805	-4.2%
Life insurance & Investment Management operating result	283	271	4.4%	199	42.2%	482	481	0.2%
Non-life operating result	45	36	25.0%	-3		42	49	-14.3%
Corporate line operating result	-72	-105		-117		-190	-199	
Operating result	**256**	**203**	**26.1%**	**79**	**224.1%**	**335**	**331**	**1.2%**
Non-operating items	-73	-312		6		-67	-485	
Underlying result before tax	**182**	**-110**		**85**	**114.1%**	**266**	**-153**	
Key figures								
Insurance EurAsia IGD Solvency I ratio				292%		304%	260%	
Administrative expenses / operating income (Life insurance & IM)	42.5%	43.8%		49.5%		45.8%	46.1%	
New sales (APE, in EUR million)	157	198	-20.7%	234	-32.9%	391	432	-9.5%
Investment margin / life general account assets[4] (in bps)	94	109		94				
Investment Management AuM (end of period, in EUR billion)	176	174	1.1%	184	-4.3%	176	174	1.1%
Underlying return on equity based on IFRS-EU equity[5]	3.0%	-1.9%		1.4%		2.2%	-1.2%	

Insurance ING U.S.

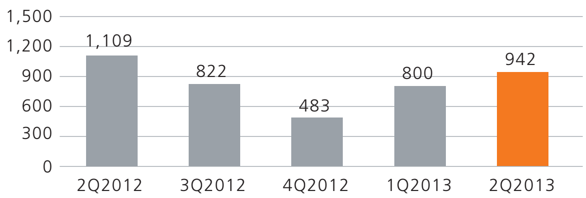
	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Margin analysis (in EUR million)								
Life insurance & Investment Management operating income	725	686	5.7%	677	7.1%	1,402	1,364	2.8%
Life insurance & Investment Management operating expenses	545	548	-0.5%	547	-0.4%	1,093	1,079	1.3%
Life insurance & Investment Management operating result	179	138	29.7%	130	37.7%	309	285	8.4%
Corporate line operating result	-40	-36		-43		-83	-64	
Operating result	**140**	**102**	**37.3%**	**87**	**60.9%**	**226**	**221**	**2.3%**
Non-operating items	-159	293	-154.3%	-279		-438	-26	
Underlying result before tax	**-19**	**394**	**-104.8%**	**-192**		**-211**	**195**	**-208.2%**
Key figures								
Administrative expenses / operating income (Life insurance & IM)	44.7%	47.8%		49.0%		46.8%	47.5%	
New sales (APE, in EUR million)	427	469	-9.0%	632	-32.4%	1,058	1,018	3.9%
Investment margin / life general account assets[4] (in bps)	160	158		164				
Investment Management AuM (end of period, in EUR billion)	138	135	2.2%	142	-2.8%	138	135	2.2%
Underlying return on equity based on IFRS-EU equity[5]	-0.7%	18.7%		-7.5%		-4.4%	5.3%	

The footnotes relating to 1-6 can be found on the last page of this Quarterly Report.
Note: Underlying figures are non-GAAP measures and are derived from figures according to IFRS-EU by excluding impact from divestments, discontinued operations and special items.

CONSOLIDATED RESULTS

ING Group posted an underlying net profit of EUR 942 million in the second quarter, driven by robust performance in all three business segments.

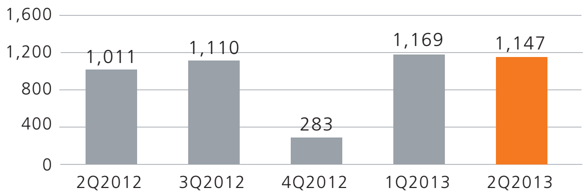
UNDERLYING NET RESULT - GROUP (in EUR million)



Although the weak economic environment contributed to higher risk costs at ING Bank, underlying pre-tax results for the Bank rose 13.5% from a year ago and were down only 1.9% from the first quarter of 2013, which included seasonally high Financial Markets results. The Bank's performance in the current quarter reflected an improvement in the net interest margin, a reduction in the cost/income ratio, and continued strong net inflow of funds entrusted.

The operating results of Insurance EurAsia and ING U.S. improved substantially both year-on-year and sequentially. On an underlying basis, the second-quarter pre-tax result at Insurance EurAsia rose compared with both prior quarters to EUR 182 million. The total operating result of ING U.S. increased 37.3% year-over-year and jumped 59.1% sequentially, both excluding currency effects. The quarterly underlying result before tax of ING U.S. was EUR -19 million, including hedge losses on the US Closed Block VA as equity markets appreciated in the quarter.

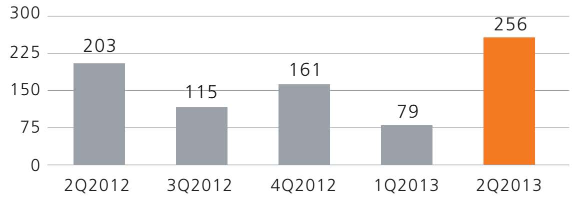
UNDERLYING RESULT BEFORE TAX - BANK (in EUR million)



ING Bank posted a solid second quarter as the net interest margin improved to 1.42% and further expense savings were achieved. The underlying result before tax increased 13.5% year-on-year to EUR 1,147 million, supported by higher margins and volume growth and an improvement in the cost/income ratio to 54.3%. Results declined just 1.9% on a sequential basis as an increase in risk costs and seasonally lower Financial Markets results largely offset higher margins on savings and volume growth.

ING Bank continued to attract strong net inflow of funds entrusted. They increased by EUR 6.5 billion during the quarter, fuelled primarily by Retail Banking and with net growth in all regions. Total net lending production was modest at EUR 1.4 billion and was due mainly to Retail Banking and Trade Finance Services at Commercial Banking. Meanwhile, lending levels were lower in the International Trade & Export Finance activities of Structured Finance, Real Estate Finance and in the Lease run-off portfolio.

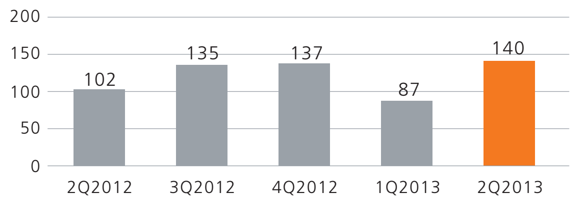
OPERATING RESULT INSURANCE EURASIA (in EUR million)



Results from Insurance EurAsia improved significantly compared with both the second quarter of 2012 and the previous quarter. The operating result rose 26.1% from a year ago, reflecting expense reductions from the transformation programme announced last year, an improvement in the Non-life result and lower funding costs. On a sequential basis, the operating result more than tripled, supported by the aforementioned factors as well as seasonally higher dividend income. The first quarter of 2013 also included a non-recurring loss on a reinsurance contract, which dampened results in that quarter. The second-quarter underlying result before tax of Insurance EurAsia improved versus both comparable quarters to EUR 182 million.

Total new sales (APE) on a constant currency basis at Insurance EurAsia declined 20.3% year-on-year, as a 64.0% decrease in Benelux APE was only partly compensated by 36.0% sales growth in Central and Rest of Europe. The decline in the Benelux was due to lower retail life sales and lower sales and renewals in corporate pensions in the Netherlands, as well as lower single-premium product sales in Belgium due to the low yield environment. In Central and Rest of Europe, pension sales jumped 108.3% from one year ago, driven primarily by the pension reform in Turkey. Life sales in Central and Rest of Europe rose 8.1% from the second quarter of 2012, mainly due to strong sales in Poland. On a sequential basis, total APE at Insurance EurAsia was 32.3% lower, excluding currency effects, as the first quarter of 2013 included seasonally higher corporate pension renewals in the Netherlands.

OPERATING RESULT - INSURANCE ING U.S. (in EUR million)



The ongoing Insurance and Investment Management business of ING U.S. recorded a strong second quarter, marked by improved operating results and continued strength in net flows. Operating results of ING U.S., excluding currency effects, rose 37.3% year-on-year and 59.1% sequentially, fuelled by growth in fees and premium-based revenue and a strong technical margin. The second-quarter underlying result before tax of ING U.S. was EUR -19 million, including EUR 112 million in losses in the US Closed Block VA, primarily reflecting losses on equity market hedges as equity markets rose 2.4% during the quarter. The hedge programme in the US Closed Block VA is focused on protecting regulatory and rating agency capital rather than mitigating IFRS earnings volatility.

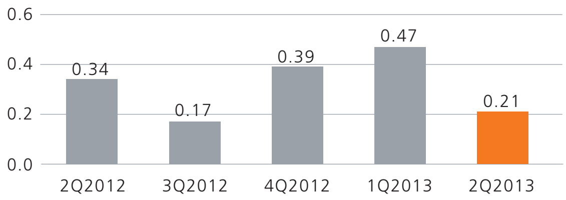
New sales (APE) at Insurance US, excluding currency effects, declined 8.6% from the second quarter of 2012 and were 34.1% lower sequentially. Year-on-year, Full Service Retirement Plan sales grew 11.5% and Annuity/Mutual Fund product sales rose by 5.7%. These increases were more than offset by declines in Individual Life, consistent with management actions to focus on less capital-intensive products, as well as by lower Stable Value sales, which can fluctuate by quarter. The decline compared with the first quarter of 2013 was mainly due to seasonality in the Employee Benefit and Retirement businesses following very strong first-quarter sales.

ING Group's quarterly net profit was EUR 788 million compared with EUR 1,293 million in the second quarter of 2012 and EUR 1,804 million in the first quarter of 2013. The second-quarter underlying effective tax rate was 28.6%.

ING Group's second-quarter net profit included the net result from Insurance and Investment Management Asia, recorded under discontinued operations, which totalled EUR -98 million. This quarterly loss was primarily due to the net result from the internally reinsured Japanese SPVA guarantees and related hedges, which deteriorated to EUR -190 million in the quarter. The result for the current quarter mainly reflects negative hedge results driven by an increase in financial market volatility, as well as appreciation in the value of the underlying funds which are not reflected in IFRS reserves for the guaranteed death benefit block. This, combined with a devaluation of the Japanese yen, improved the reserve adequacy for the Japanese closed block VA by EUR 170 million.

Special items after tax were EUR -41 million and primarily related to costs for previously announced restructuring programmes in Bank and Insurance. These costs were partially offset by a pension curtailment in the Netherlands. Gains/losses on divestments amounted to EUR -16 million and mainly reflect the sale of ING's 49% stake in KB Life Insurance Company Ltd., the sale of part of ING's direct stake in Sul America S.A., and the announced sale of ING Hipotecaria, ING's mortgage business in Mexico.

NET RESULT PER SHARE (in EUR)



ING Group's net profit per share was EUR 0.21, based on an average number of shares of 3,828 million over the second quarter. The Group's underlying net return on IFRS-EU equity was 6.6% for the first six months of 2013.

CONSOLIDATED BALANCE SHEET

ING Group: Consolidated balance sheet

in EUR million	30 June 13	31 Mar. 13	31 Dec. 12[1]		30 June 13	31 Mar. 13	31 Dec. 12[1]
Assets				**Equity**			
Cash and balances with central banks	18,699	12,816	17,657	Shareholders' equity	49,881	54,438	51,777
Amounts due from banks	43,034	47,262	39,053	Minority interests	3,885	1,133	1,081
Financial assets at fair value through P&L	239,076	257,076	232,371	Non-voting equity securities	2,250	2,250	2,250
Investments	192,677	196,506	200,129	**Total equity**	**56,016**	**57,821**	**55,108**
Loans and advances to customers	556,266	566,464	563,404	**Liabilities**			
Reinsurance contracts	5,129	5,266	5,290	Subordinated loans	8,645	8,883	8,786
Investments in associates	2,101	2,284	2,203	Debt securities in issue	139,904	146,535	143,436
Real estate investments	1,219	1,224	1,288	Other borrowed funds	12,227	13,815	16,723
Property and equipment	2,627	2,689	2,674	Insurance and investment contracts	228,934	236,028	229,950
Intangible assets	2,748	2,691	2,639	Amounts due to banks	35,156	37,425	38,704
Deferred acquisition costs	5,212	4,810	4,549	Customer deposits	470,955	470,645	455,003
Other assets	25,829	25,620	26,462	Financial liabilities at fair value through P&L	117,680	127,845	115,803
				Other liabilities	29,147	31,247	32,779
Total assets excl. assets held for sale	**1,094,617**	**1,124,709**	**1,097,719**	**Total liabilities excl. liabilities held for sale**	**1,042,648**	**1,072,423**	**1,041,184**
Assets held for sale	48,981	56,012	68,472	Liabilities held for sale	44,934	50,476	69,899
				Total liabilities	**1,087,582**	**1,122,899**	**1,111,083**
Total assets	**1,143,598**	**1,180,720**	**1,166,191**	**Total equity and liabilities**	**1,143,598**	**1,180,720**	**1,166,191**

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements which took effect on 1 January 2013

ING Group's balance sheet declined by EUR 37 billion to EUR 1,144 billion in the second quarter of 2013, reflecting EUR 17 billion of negative currency impacts and lower valuations of derivatives as long-term interest rates increased. The decline also reflects a reduction in assets held for sale at Insurance EurAsia, following the completion of divestments during the second quarter. Shareholders' equity decreased to EUR 50 billion, or EUR 13.00 per share. The decline was mainly caused by the difference between the net proceeds to ING Group and the IFRS book value of the ING U.S. stake divested, negative currency effects due to the strengthening of the euro, and a lower revaluation reserve for debt securities as interest rates rose. These factors were only partially offset by the quarterly net profit of EUR 0.8 billion and deferred interest crediting to life policyholders.

Cash and balances with central banks
Cash and balances with central banks increased by EUR 6 billion to EUR 19 billion at the end of June as more cash was shifted from Amounts due from banks and was placed at central banks.

Amounts due from/and to banks
Amounts due from banks was reduced by EUR 4 billion to EUR 43 billion, as maturing reverse repos were placed at central banks. Amounts due to banks declined by EUR 2 billion to EUR 35 billion.

Loans
Loans and advances to customers, mainly at ING Bank, declined at comparable exchange rates by EUR 3 billion to EUR 556 billion at the end of June. This included EUR 1 billion of maturing bonds in securities at amortised cost and IABF, the sale of a mortgage portfolio in Australia, and a EUR 1 billion lower fair value hedge for mortgages. Excluding these items, customer lending remained flat as growth in some specific portfolios was offset by a decline in Real Estate Finance and in the Lease run-off portfolio.

Financial assets/liabilities at fair value
Financial assets at fair value through P&L declined by EUR 16 billion, at comparable currency rates, to EUR 239 billion.

Financial assets at fair value through P&L at ING Bank declined to EUR 134 billion, down from EUR 147 billion in the first quarter. The decrease was due to a lower valuation of derivatives as long-term interest rates increased. Financial liabilities at fair value through P&L mirrored the development on the asset side. Financial assets and liabilities at fair value comprise primarily derivatives, securities and repos, which are mainly used to facilitate the servicing of ING's clients (banks and non-banks).

At Insurance EurAsia, Financial assets at fair value through P&L declined by EUR 2 billion to EUR 28 billion. This was mainly due to Investments for risk of policyholders, which declined primarily as a result of negative revaluations. At Insurance ING U.S., Financial assets at fair value through P&L decreased by EUR 2 billion, excluding currency effects, mainly due to net outflows from the Closed Block VA segment, partially offset by growth in assets resulting from equity market appreciation in the second quarter. These movements were mirrored in the Provision for Insurance and investment contracts on the liability side of the balance sheet.

Assets/Liabilities held for sale
Assets/Liabilities held for sale, which reflect the balance sheet items of Insurance & Investment Management Asia, were reduced by EUR 4 billion, excluding currency effects, following the closing of the sale of the 49% stake in KB Life and reflecting a lower market value of the debt securities portfolios in Japan and Korea.

Debt securities in issue
Debt securities in issue declined by EUR 3 billion, at comparable

ING Group: Change in shareholders' equity

in EUR million	ING Group		ING Bank N.V.		Insurance EurAsia		Insurance ING U.S.[1]		Ins. Other/ Hold./Elimin.	
	2Q2013	1Q2013	2Q2013	1Q2013	2Q2013	1Q2013	2Q2013	1Q2013	2Q2013	1Q2013
Shareholders' equity beginning of period	**54,438**	**51,777**	**36,548**	**34,964**	**18,253**	**18,759**	**10,091**	**10,165**	**-10,454**	**-12,111**
Net result for the period	788	1,804	854	782	18	1,142	-23	-195	-61	75
Unrealised revaluations of equity securities	-218	-17	-142	-87	-72	70	-4			
Unrealised revaluations of debt securities	-4,061	-902	-401	-170	-1,737	-419	-1,926	-313	3	
Deferred interest crediting to life policyholders	1,707	459			593	262	1,114	197		
Realised gains/losses equity securities released to P&L	12	-60	6	14	5	-15	1			-59
Realised gains/losses debt securities transferred to P&L	2	25	13	71	6	-39	-17	-7		
Change in cashflow hedge reserve	-434	-132	-132	16	-329	-146	-15	10	42	-12
Other revaluations	511	-143	257	-131	74	22	-13	18	193	-51
Remeasurement of the net defined benefit asset/liability	41	1,103	-116	809	-41	354	198	-60		
Exchange rate differences	-1,135	417	-644	246	-221	-126	-237	240	-33	57
Changes in treasury shares	248	143							248	143
Employee stock options and share plans	-130	-7	5	27	3	6	-11	20	-127	-60
Dividend			-1,830						1,830	
Impact of IPO Insurance U.S.	-1,894						-2,534		640	
Other	6	-29	6	9	1	-1,616	331	15	-332	1,562
Total changes	**-4,557**	**2,661**	**-2,124**	**1,586**	**-1,700**	**-505**	**-3,136**	**-75**	**2,402**	**1,655**
Shareholders' equity end of period	**49,881**	**54,438**	**34,424**	**36,548**	**16,553**	**18,253**	**6,956**	**10,091**	**-8,052**	**-10,455**

1) These figures represent ING's 71.25% shareholding in Insurance ING U.S. as per 30 June 2013.

ING Group: Shareholders' equity

in EUR million	ING Group		ING Bank N.V.		Insurance EurAsia		Insurance ING U.S.[1]		Ins. Other/ Hold./Elimin.	
	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13
Share premium/capital	16,955	16,953	17,067	17,067	10,721	10,678	18,234	18,144	-29,067	-28,936
Revaluation reserve equity securities	2,055	2,260	1,176	1,312	906	973	11	14	-38	-39
Revaluation reserve debt securities	5,579	9,639	778	1,166	3,854	5,586	981	2,924	-34	-36
Revaluation reserve crediting to life policyholders	-3,507	-5,214			-2,957	-3,552	-550	-1,662		
Revaluation reserve cashflow hedge	2,124	2,557	-877	-745	3,066	3,395	-7	8	-58	-101
Other revaluation reserves	814	254	326	326	11	6	3	8	474	-86
Remeasurement of the net defined benefit asset/liability	-1,716	-1,756	-1,167	-1,051	-389	-347	-160	-358		
Currency translation reserve	-1,298	-546	-535	-147	-541	-323			-222	-77
Treasury shares	-19	-267							-19	-267
Retained earnings and other reserves	28,893	30,558	17,656	18,620	1,882	1,838	-11,556	-8,988	20,911	19,088
Total	**49,881**	**54,438**	**34,424**	**36,548**	**16,553**	**18,253**	**6,956**	**10,091**	**-8,052**	**-10,455**

1) These figures represent ING's 71.25% shareholding in Insurance ING U.S. as per 30 June 2013.

exchange rates, to EUR 140 billion. At ING Bank, the decline of EUR 5 billion was caused by a EUR 2 billion reduction of short-term debt (CD/CPs) and a EUR 3 billion reduction in long-term debt following the repurchase of EUR 3 billion of government-guaranteed debt issued by ING Bank N.V. and ING Australia, as well as maturing securities. An additional EUR 2 billion of debt with a maturity longer than 2 years was issued in the second quarter of 2013. Debt securities in issue at Insurance ING U.S. increased by EUR 1 billion, driven by recent debt offerings.

Customer deposits

Customer deposits grew, at comparable exchange rates, by EUR 5 billion to EUR 471 billion. This included EUR 3 billion of net inflow in savings accounts, primarily attributable to the Netherlands, Belgium and Germany. Credit balances on customer accounts were EUR 3 billion higher, mainly in the Netherlands.

Total equity

Shareholders' equity declined by EUR 4.6 billion to EUR 49.9 billion. This reflects the impact of the IPO of ING U.S., lower revaluation reserves due to higher interest rates and negative currency impacts, partially offset by the EUR 0.8 billion quarterly net profit and deferred interest crediting to life policyholders.

ING U.S. was successfully listed on the NYSE in May 2013. The total proceeds of the IPO were EUR 1.1 billion, of which EUR 0.6 billion was recorded at ING Verzekeringen N.V. The impact on ING Group's shareholders' equity was EUR -1.9 billion, which is the difference between the net proceeds to ING Group and the IFRS book value of the divested ING U.S. stake. Following the IPO, ING Group's ownership in ING U.S. was reduced to 71.25%. ING U.S remains fully consolidated in the Group's financial statements. The IPO resulted in a minority interest in shareholders' equity of EUR 3.0 billion.

The revaluation reserve for debt securities declined by EUR 4.1 billion in the quarter, mainly in Insurance, due to higher interest rates. This decline did not have a material impact on the regulatory capital ratios of ING's Insurance subsidiaries. The currency translation reserve declined by EUR 0.8 billion, primarily due to the strengthening of the euro against the US dollar, the Japanese yen and the Korean won.

Shareholders' equity per share declined from EUR 14.28 at the end of March 2013 to EUR 13.00 on 30 June 2013. Of this decline, EUR 0.50 was attributable to the IPO of Insurance ING U.S.

CAPITAL MANAGEMENT

ING Group's core debt was reduced strongly to EUR 4.4 billion following the ING U.S. IPO and a EUR 1.8 billion dividend upstream from the Bank, of which EUR 0.3 billion is related to a capital injection into NN Bank for the merger with WestlandUtrecht Bank on 1 July 2013. The Bank's core Tier 1 ratio remains strong at 11.8%. The IGD solvency ratio of ING Insurance was in line with last quarter at 257%.

Capital base: ING Group

In EUR million unless stated otherwise		30 June 13	31 Mar. 13
(a)	Shareholders' equity	49,881	54,438
(b)	Core Tier 1 securities	2,250	2,250
(c)	Group hybrid capital	9,277	9,405
(d)	Group leverage (core debt)	4,431	7,120
	Total capitalisation (Bank + Insurance)	**65,838**	**73,213**
(f)	Required regulatory adjustments	-4,500	-7,368
	Group leverage (core debt)	-4,431	-7,120
(e)	**Adjusted equity (= a + b + c + f)**	**56,907**	**58,725**
	Debt/equity ratio (d/(d+e))	7.2%	10.8%
	Total required capital	36,705	37,790
	FiCo ratio	176%	172%

ING Group

The amount of core debt at ING Group declined from EUR 7.1 billion at the end of the first quarter to EUR 4.4 billion following the upstream of the secondary offering proceeds of EUR 0.6 billion from the IPO of ING U.S. which was successfully completed in May. The proceeds from the completion of the sale of part of ING's stake in SulAmérica SA reduced Group core debt by EUR 140 million in the quarter.

In addition, ING Bank paid a dividend to ING Group of EUR 1.5 billion to facilitate a further reduction of the Group core debt. In June, ING Bank decided to pay an additional dividend of EUR 330 million to the Group, which was injected into Nationale-Nederlanden Bank ahead of the merger with WestlandUtrecht Bank in accordance with the EC restructuring plan. This capital injection was completed in July and will be reflected in the third-quarter Group core debt.

The Group debt/equity ratio improved to 7.2% from 10.8%. The Financial Conglomerate Directive (FiCo) ratio for the Group increased from 172% at the end of March 2013 to 176% as the total required capital decreased faster than the total available capital.

ING Bank

ING Bank's core Tier-1 ratio declined to 11.8% from 12.3%, mainly as result of the EUR 1.8 billion of dividends paid, which was only partially compensated by the quarterly net profit.

ING Insurance

The IGD solvency ratio of ING Insurance was in line with last quarter at 257%, largely driven by the EUR 775 million dividend payment to ING Group following the IPO of ING U.S. and the completion of the sale of part of SulAmérica SA. In addition the EU required capital declined due to higher interest rates, currency effects, as well as the sale of the 49% stake in KB Life.

Ratings

There were no rating changes during the quarter. Standard & Poor's and Moody's confirmed their ratings of ING Verzekeringen N.V.

Main credit ratings of ING at 6 August 2013

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

Number of shares

The total number of shares outstanding in the market was 3,836 million at the end of June 2013 versus 3,811 million at the end of March 2013. The total number of shares equals the 3,836 million outstanding in the market plus treasury shares, which decreased from 20.5 million at the end of March 2013 to 3.2 million at the end of June 2013.

Dividend

ING's policy is to pay dividends in relation to the long-term underlying development of cash earnings. Dividends will only be paid when the Executive Board considers such a dividend appropriate. Given the uncertain financial environment, increasing regulatory requirements and ING's priority to repay the remaining outstanding core Tier 1 securities, no interim dividend will be paid over the first six months of 2013.

BUSINESS & SUSTAINABILITY HIGHLIGHTS

ING takes continuous action to demonstrate that it considers the interests of its stakeholders seriously, not just now but also in the long term. ING Bank aims to become the preferred bank for its customers by offering good value for money, easy-to-understand products, easy accessibility and excellent service. In the same spirit, the strategy of ING's insurance businesses is also to be customer-driven and to deliver first-class products and services through multiple distribution channels.

Financial institutions oath signed by ING Board members

Members of ING's Supervisory and Executive Boards and a broad group of directors of various ING entities signed a financial institutions oath, commonly referred to as the "Banker's Oath", at a ceremony in Amsterdam on 12 June

Since 1 January 2013, Dutch law requires that Supervisory and Executive Board members of financial institutions in the Netherlands take this oath and thus commit to a statement of values aimed at promoting the integrity of the Dutch banking sector and restoring trust with the public. It is a set of principles that reconfirms the industry's commitment to ethical behaviour.

By taking the oath, Supervisory and Executive Board members and ING directors promise, among other things, that they will perform their duties with integrity and care and will properly weigh the interests of all concerned, including customers, employees and society. The oath is completely in line with ING's Business Principles and ING's strategic priority of customer centricity.

External recognition for customer focus

In June, Extel, a leading survey provider for the investment community, named ING Bank the best Benelux broker for the fourth consecutive year. The Bank was deemed best in class in equity sales and corporate access (i.e., bringing international investors together with listed companies in the Benelux) based on assessments from 7,500 professional investors in 62 countries. In the same survey, ING Investment Management was named best fund manager in the Netherlands.

'For You' now in Spain

ING's insurance business introduced the 'For You' product platform for women in Spain, based on the launch of a similar initiative in the Czech Republic last year. 'For You' offers an insurance product online covering the risks associated with a breast cancer diagnosis and combines it with a campaign focused on information, awareness and prevention.

'For You' was designed with the idea that insurance can be affordable, close to the customer, simple, transparent and human. It is targeted at women of all ages. On the website www.foryoubying.es, women can find information on breast cancer prevention, share their experiences and connect with specialists and other individuals with an interest in the topic.

ING In Society

ING's objective is to achieve long-term business success for both ING and its clients while contributing towards economic development, a healthy environment and a stable society. Creating shared value is the desired outcome of product and service offerings to clients and interaction with the communities in which ING operates.

Equator Principles III launched

In June, ING hosted the launch of the third edition of the Equator Principles (EPIII), which will be used by signatory financial institutions to assess and manage environmental and social risks in project finance transactions. The final draft of EPIII was coordinated and completed under ING's chairmanship of the Equator Principles Steering Committee and formally presented at a conference in Amsterdam to mark the 10th anniversary of this standard.

The principles are voluntarily adopted by 79 banks in 35 countries around the world. In addition to applying local laws and regulation, signatory financial institutions apply the International Finance Corporation's Performance Standards, which in some cases are more stringent than local legislation. In this way a level playing field is created whereby the sustainability requirements for funding are strengthened considerably. In addition, the Equator Principles support the dialogue between banks on sustainability beyond just project finance. ING is a strong supporter of the Equator Principles and recognises their ability to positively contribute to society. By raising awareness of environmental and social risks ING helps its customers to identify opportunities to mitigate them, and move towards international best practices.

Crowdfunding platform for social entrepreneurs

ING Direct Australia has partnered with fundraising website "StartSomeGood" to launch a crowdsourcing website that will help philanthropic entrepreneurs promote social change in Australia. Called Dreamstarter, the online platform connects social entrepreneurs and non-profits with people who want to help.

On Dreamstarter, an entrepreneur can post a video (www.ingdirect.com.au/dreamstarter) explaining his or her social project and campaigning for donations needed to start. ING will select those projects that address real community needs and, after the projects have reached a 'tipping point', provide funding to help the entrepreneurs achieve their goals.

Through this initiative, ING Direct Australia is able to advance the ideas of some of Australia's most inspired citizens and their drive to create a better future for their communities. Ten ventures by social entrepreneurs who have graduated from the School for Social Entrepreneurs Australia will launch in the initial round of fundraising through the Dreamstarter platform.

Banking

CONSOLIDATED RESULTS

Banking: Consolidated profit and loss account

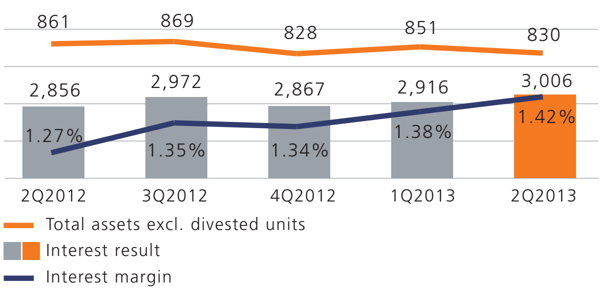
In EUR million	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Profit & loss								
Interest result	3,006	2,856	5.3%	2,916	3.1%	5,922	5,825	1.7%
Commission income	582	577	0.9%	554	5.1%	1,136	1,130	0.5%
Investment income	52	52	0.0%	124	-58.1%	176	173	1.7%
Other income	212	109	94.5%	270	-21.5%	483	183	163.9%
Total underlying income	**3,853**	**3,594**	**7.2%**	**3,863**	**-0.3%**	**7,716**	**7,311**	**5.5%**
Staff expenses	1,236	1,213	1.9%	1,239	-0.2%	2,475	2,441	1.4%
Other expenses	828	775	6.8%	855	-3.2%	1,683	1,605	4.9%
Intangibles amortisation and impairments	26	56	-53.6%	39	-33.3%	65	125	-48.0%
Operating expenses	**2,090**	**2,044**	**2.3%**	**2,133**	**-2.0%**	**4,224**	**4,171**	**1.3%**
Gross result	**1,762**	**1,550**	**13.7%**	**1,730**	**1.8%**	**3,492**	**3,140**	**11.2%**
Addition to loan loss provision	616	540	14.1%	561	9.8%	1,176	978	20.2%
Underlying result before tax	**1,147**	**1,011**	**13.5%**	**1,169**	**-1.9%**	**2,316**	**2,162**	**7.1%**
Taxation	283	257	10.1%	331	-14.5%	614	613	0.2%
Minority interests	23	20	15.0%	30	-23.3%	53	46	15.2%
Underlying net result	**840**	**734**	**14.4%**	**809**	**3.8%**	**1,649**	**1,502**	**9.8%**
Net gains/losses on divestments	0	0		-6		-6	489	
Net result from divested units	0	11		-37		-37	23	
Special items after tax	-22	202		-23		-44	-202	
Net result from Banking	**819**	**948**	**-13.6%**	**744**	**10.1%**	**1,563**	**1,813**	**-13.8%**
Client balances (in EUR billion)[2]								
Residential Mortgages	282.6	282.5	0.0%	287.0	-1.5%	282.6	282.5	0.0%
Other Lending	222.1	232.3	-4.4%	223.8	-0.8%	222.1	232.3	-4.4%
Funds Entrusted	467.1	427.6	9.2%	465.4	0.4%	467.1	427.6	9.2%
AUM/Mutual Funds	56.6	53.3	6.2%	57.3	-1.2%	56.6	53.3	6.2%
Profitability and efficiency[2]								
Interest margin	1.42%	1.27%		1.38%		1.40%	1.30%	
Cost/income ratio	54.3%	56.9%		55.2%		54.7%	57.1%	
Return on equity based on IFRS-EU equity	9.5%	8.4%		9.0%		9.3%	8.7%	
Return on equity based on 10.0% core Tier 1[3]	12.4%	10.3%		12.1%		12.3%	10.6%	
Staff (FTEs end of period)	64,298	66,179	-2.8%	64,359	-0.1%	64,298	66,179	-2.8%
Risk[2]								
Non-performing loans/total loans	2.8%	2.3%		2.6%		2.8%	2.3%	
Stock of provisions/provisioned loans	36.4%	38.3%		36.7%		36.4%	38.3%	
Risk costs in bp of average RWA	89	73		81		85	67	
Risk-weighted assets (end of period)	277,632	295,568	-6.1%	278,225	-0.2%	277,632	295,568	-6.1%

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.
2) Key figures based on underlying figures except loans figures
3) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

ING Bank posted a solid second quarter as the interest margin continued to improve and ongoing cost-containment programmes yielded further expense savings. Underlying result before tax rose 13.5% from a year ago to EUR 1,147 million, supported by higher margins and volume growth and an improvement in the cost/income ratio to 54.3%. Results declined marginally from the first quarter as higher risk costs and seasonally lower Financial Markets results largely offset higher margins on savings and volume growth.

The Bank attracted EUR 6.5 billion of net funds entrusted, while net lending production was EUR 1.4 billion in the quarter. The net interest margin rose four basis points on a sequential basis to 1.42%, supported by an improvement of savings margins. Expenses were lower than the first quarter, but they rose 2.3% from the second quarter of last year, which included favourable non-recurring items. These items, together with higher pension costs and the impact of collective labour agreements, more than offset the savings achieved from announced cost-containment initiatives as well as lower real estate impairments. Risk costs remained elevated amid the continued weak macroeconomic environment and increased on both comparable quarters.

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



Total underlying income

Total underlying income increased 7.2% year-on-year to EUR 3,853 million, mainly reflecting higher interest results and a strong improvement in other income following the completion of the planned de-risking of the investment portfolio at the end of last year. Credit valuation and debt valuation adjustments (CVA/DVA) recorded in Commercial Banking and the Corporate Line contributed EUR 52 million to income, which was slightly higher than the combined positive CVA/DVA impacts in both comparable quarters. Compared with the first quarter of 2013, underlying income was flat as seasonally lower Financial Markets revenues were largely offset by higher interest results in Retail Banking.

The underlying interest margin improved by four basis points to 1.42% from 1.38% in the first quarter, while the interest result rose 3.1%, mainly driven by Retail Banking. The interest result on funds entrusted increased, reflecting higher volumes and an improvement of the interest margin as client savings rates were lowered in several countries during the first half of 2013. The interest result on lending activities was flat, while a decline in Financial Markets was largely offset by improved interest results in the Bank's treasury activities. Compared with the second quarter of last year, the total interest result rose 5.3%. The increase was primarily driven by repricing of the loan book, while the interest margin on funds entrusted remained lower year-on-year, reflecting lower returns from the investment portfolio amid the low interest rate environment; however, this was compensated by higher volumes.

ING Bank continued to attract strong net inflow of funds entrusted, which amounted to EUR 6.5 billion during the second quarter. This was primarily driven by Retail Banking with net growth in all regions. Net production in lending was modest at EUR 1.4 billion, of which EUR 0.9 billion was in mortgages and EUR 0.5 billion in other lending. Net lending growth in Retail Banking businesses outside of the Netherlands as well as in the Trade Finance Services activities of Commercial Banking was largely offset by lower levels of lending in International Trade & Export Finance in Structured Finance as well as reductions in Real Estate Finance and the Lease run-off portfolio.

Commission income rose 0.9% compared with a year ago and increased 5.1% to EUR 582 million from the first quarter of 2013. The increase versus the previous quarter was mainly caused by higher brokerage and advisory fees in Commercial Banking and increased fee income in Retail Central Europe.

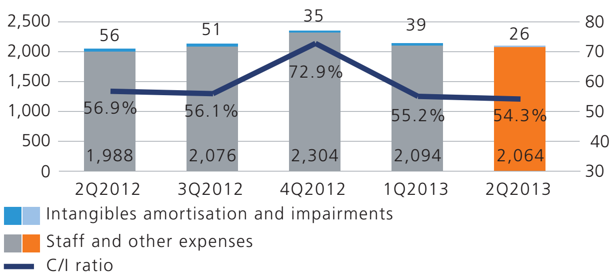
Investment income was stable compared with a year ago at EUR 52 million, but declined from EUR 124 million in the first quarter, which included EUR 110 million of net realised gains on bonds and equities. The current quarter included EUR 26 million of realised gains as well as EUR 13 million of dividend income.

Other income rose to EUR 212 million from EUR 109 million in the second quarter of 2012, which included EUR 148 million of losses from the selective de-risking programme completed at the end of last year. The current quarter included a loss of EUR 25 million from the repurchase of EUR 2.0 billion of Dutch government-guaranteed ING Bank notes, and a EUR 13 million gain on the sale of a EUR 0.8 billion mortgage portfolio in Australia. The impact from CVA/DVA was EUR 52 million positive, of which EUR 45 million related to CVA/DVA on derivatives and EUR 34 million to DVA on structured notes, both at Commercial Banking, as well as EUR -28 million in DVA on own-issued debt in the Corporate Line. This compares with a total positive CVA/DVA impact of EUR 36 million in the second quarter of 2012 and EUR 48 million in the previous quarter. Excluding aforementioned items and the impact of CVA/DVA, other income declined by EUR 48 million from a year ago, mainly due to hedge ineffectiveness. Compared with the first quarter of 2013, other income decreased by EUR 58 million.

Operating expenses

Cost-saving initiatives at the Bank are on track, which are helping to offset the impact of inflation, higher pension costs and bank levies. Underlying operating expenses declined 2.0% from the first quarter to EUR 2,090 million, supported by strong cost control and lower impairments on real estate development projects. Compared with the second quarter of last year, which included a EUR 38 million reimbursement from the old deposit guarantee scheme in Belgium as well as lower performance-related personnel expenses, operating expenses rose 2.3%. The increase in expenses was mainly due to EUR 56 million of higher pension costs (caused by a decrease in the discount rate at the end of 2012) and the impact of collective labour agreements. In the first half of 2013, average staff expenses per FTE excluding higher pension costs, were about flat compared with a year ago. The underlying cost/income ratio improved to 54.3% in the second quarter of 2013 from 56.9% a year ago and 55.2% in the previous quarter. The earlier-announced cost-saving initiatives are expected to reduce expenses at the Bank by EUR 840 million by 2015, of which EUR 279 million has already been achieved. Headcount reductions related to these initiatives are running ahead of schedule. Headcount has declined by 3,440 FTEs out of 6,100 FTE reductions expected until the end of 2015.

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



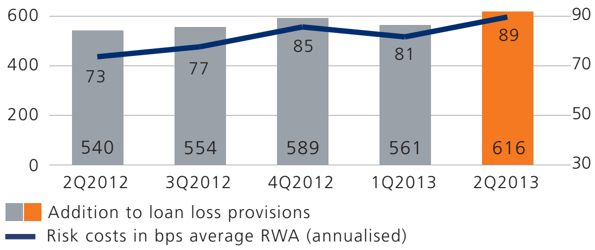
The total number of internal staff declined by 61 to 64,298 FTEs in the second quarter as the impact of the cost-saving initiatives in the Benelux were largely offset by headcount increases in India and Turkey.

Loan loss provisions

Risk costs remained elevated in the second quarter reflecting the persistently weak economic environment. ING Bank added EUR 616 million to the provision for loan losses, up from EUR 561 million in the first quarter and EUR 540 million a year ago. The sequential increase mainly reflects a EUR 30 million provision for a restructured CMBS loan in the UK legacy portfolio as well as higher additions in the General Lending and Lease run-off portfolios of Commercial Banking. Risk costs at Real Estate Finance were stable but remained elevated, while Structured Finance recorded lower net additions. Risk costs for Dutch mortgages were stable on the previous quarter at EUR 81 million, but were significantly higher than a year ago. Non-performing loans (NPLs) on Dutch mortgages increased marginally to 1.6% of credit outstandings. Risk costs for business lending in Retail Netherlands remained elevated, but were slightly lower than in the previous quarter, while risk costs for non-mortgage lending to private persons increased. Total NPLs at ING Bank increased to 2.8% of credit outstandings, up from 2.6% at the end of the first quarter.

Total underlying risk costs were 89 basis points of average risk-weighted assets, compared with 81 basis points in the first quarter and 73 basis points in the same quarter of 2012. For the coming quarters, ING expects risk costs to remain elevated at around these levels amid the weak economic climate.

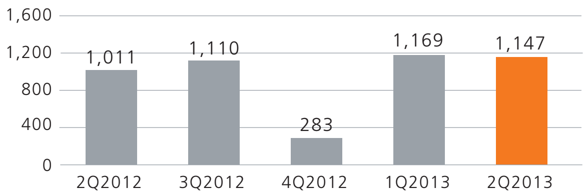
ADDITIONS TO LOAN LOSS PROVISIONS (in EUR million)



Underlying result before tax

The underlying result before tax rose 13.5% to EUR 1,147 million from EUR 1,011 million a year earlier, despite the EUR 76 million increase in risk costs. The gross result (before risk costs) rose 13.7%, driven by the higher interest result and the absence of de-risking losses this quarter. Compared with the first quarter, the underlying result before tax declined 1.9% as a lower cost base was more than offset by a EUR 55 million increase in risk costs.

UNDERLYING RESULT BEFORE TAX - BANK (in EUR million)



Net result

The underlying net result rose to EUR 840 million from EUR 734 million in the second quarter of 2012 and EUR 809 million in the first quarter of 2013. The effective underlying tax rate was 24.7% compared with 25.4% in the second quarter of 2012 and 28.3% in the previous quarter.

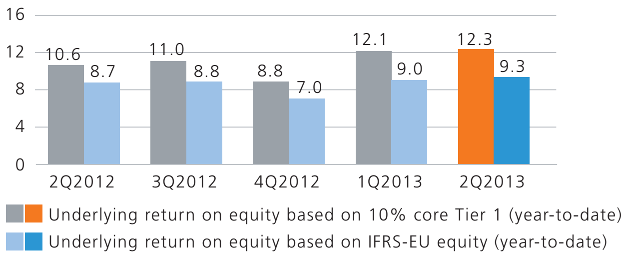
ING Bank's second-quarter net result was EUR 819 million, including EUR -22 million of special items after tax. These items primarily reflect EUR 49 million of after-tax charges for the previously announced restructuring programmes in Retail Netherlands and an additional pension release of EUR 28 million after tax related to the new Dutch pension scheme which was announced in 2012.

Key metrics

Underlying risk-weighted assets (RWA) remained stable at EUR 278 billion in the second quarter. Currency effects had an impact of EUR -3 billion, while lower volumes at Commercial Banking and the cancellation of a letter of credit provided to Insurance US reduced RWA by another EUR 5 billion. This reduction was largely offset by an EUR 8 billion increase due to deteriorating economic conditions being reflected in ING's own models. This increase included a EUR 4 billion conservative factor for Real Estate Finance and an update for Dutch mortgages and small business lending as well as an increase in operational RWA.

ING Bank's core Tier 1 ratio declined to 11.8% from 12.3% at the end of March 2013 as the Bank's equity was reduced by EUR 1.8 billion of dividends paid and declared, to facilitate a EUR 1.5 billion reduction of Group double leverage and a EUR 0.3 billion capital injection into Nationale-Nederlanden Bank ahead of the transfer of the activities of WestlandUtrecht Bank.

RETURN ON EQUITY (in %)



The year-to-date underlying return on IFRS-EU equity improved to 9.3% from 8.7% in the first half of last year as higher earnings more than offset the increase in the equity base. The Ambition 2015 target for return on IFRS-EU equity is 10-13%. The year-to-date underlying return on equity based on a 10% core Tier 1 ratio was 12.3% compared with 10.6% in the first six months of 2012.

RETAIL BANKING

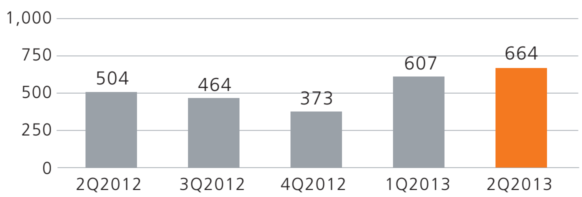
Retail Banking: Consolidated profit and loss account

	Total Retail Banking		Retail Banking Benelux				Retail International			
			Netherlands		Belgium		Germany		Rest of World	
In EUR million	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]
Profit & loss										
Interest result	2,121	1,980	893	844	440	431	322	284	467	420
Commission income	330	316	117	128	90	86	28	20	94	82
Investment income	3	4	1	2	0	0	0	-8	2	10
Other income	99	-93	13	0	39	25	3	-8	44	-110
Total underlying income	**2,552**	**2,207**	**1,024**	**974**	**569**	**543**	**352**	**287**	**607**	**402**
Staff and other expenses	1,508	1,438	560	551	364	326	173	162	412	398
Intangibles amortisation and impairments	9	4	7	4	2	0	0	0	0	0
Operating expenses	**1,518**	**1,442**	**567**	**555**	**366**	**326**	**173**	**162**	**412**	**398**
Gross result	**1,035**	**765**	**457**	**420**	**202**	**217**	**179**	**124**	**195**	**4**
Addition to loan loss provision	370	261	218	161	41	28	21	25	91	48
Underlying result before tax	**664**	**504**	**240**	**259**	**161**	**189**	**159**	**100**	**105**	**-44**
Client balances (in EUR billion)[2]										
Residential Mortgages	282.6	282.5	143.6	142.5	30.4	29.8	60.4	58.2	48.2	52.0
Other Lending	97.1	95.1	38.4	41.1	35.5	32.7	4.1	3.6	19.1	17.7
Funds Entrusted	393.6	369.6	119.5	113.8	80.2	73.8	102.2	91.9	91.7	90.2
AUM/Mutual Funds	56.4	53.1	16.8	15.3	25.8	25.5	6.4	5.9	7.4	6.4
Profitability and efficiency [2]										
Cost/income ratio	59.5%	65.3%	55.3%	56.9%	64.4%	60.0%	49.0%	56.6%	67.8%	99.1%
Return on equity based on 10.0% core Tier 1[3]	13.2%	10.2%	13.1%	15.8%	21.6%	27.3%	19.7%	12.2%	6.2%	-2.9%
Risk[2]										
Risk costs in bp of average RWA	105	73	158	129	81	55	38	45	83	37
Risk-weighted assets (end of period)	141,770	145,122	56,530	50,579	20,739	20,403	21,850	21,863	42,651	52,277

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.
2) Key figures based on underlying figures
3) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

The underlying result before tax from Retail Banking increased to EUR 664 million from EUR 607 million in the first quarter, driven by improved margins on savings. Risk costs increased by EUR 27 million on the previous quarter, mainly due to a provision for a restructured CMBS loan, while risk costs on the rest of the loan book were slightly higher. Compared with the second quarter of 2012, the underlying result before tax increased 31.7%. Retail Banking attracted EUR 6.2 billion of net funds entrusted in the second quarter of 2013, while net production in lending was EUR 2.2 billion.

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



Underlying income rose 15.6% to EUR 2,552 million compared with the second quarter of 2012, supported by volume growth and higher interest margins on lending products as well as the absence of losses from de-risking, which impacted the year-earlier quarter. Compared with the first quarter, income rose 3.1% as the interest margin on savings improved following client rate reductions during the first half of 2013.

The interest result rose on both comparable quarters as a result of higher client balances and an improved net interest margin. Net production of funds entrusted was EUR 6.2 billion, of which EUR 2.8 billion was in the Netherlands, EUR 1.5 billion in Belgium and EUR 1.9 billion in Retail International. Net loan growth remained modest at EUR 2.2 billion, of which EUR 0.9 billion was in mortgages and EUR 1.3 billion in other lending.

Commission income was up on both comparable quarters, increasing 4.4% from a year ago and 3.8% from the previous quarter, mainly driven by higher fee income from Retail Rest of World. Investment and other income totalled EUR 101 million; this is a strong improvement from the second quarter of 2012, which included losses of EUR 158 million from de-risking. Compared with the previous quarter, which included EUR 41 million from capital gains on bonds and the sale of the equity stake in KB Financial Group, investment and other income declined by EUR 27 million.

Operating expenses increased 5.3% to EUR 1,518 million compared with the second quarter of 2012, which included a EUR 38 million reimbursement from the old DGS in Belgium and lower accruals for variable remuneration. The benefits from the ongoing cost-reduction programmes in the Benelux were largely offset by higher pension costs, additional charges for bank levies, collective labour agreements, inflation and business growth. Expenses fell 0.5% sequentially, mainly reflecting lower marketing costs.

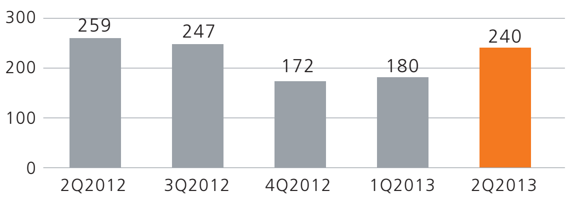
Risk costs rose to EUR 370 million, up EUR 27 million from the first quarter, mainly due to an additional EUR 30 million provision for a restructured CMBS loan in the UK legacy portfolio, whereas in the first quarter EUR 15 million was added. Risk costs for the own-originated loan book were slightly higher. Risk costs increased from EUR 261 million a year ago, mainly due to elevated risk costs in the Dutch mortgage portfolio stemming from the continued weakness of the Dutch economy, and the restructured CMBS loan.

Risk-weighted assets increased by EUR 1.6 billion in the second quarter to EUR 141.8 billion, despite negative currency impacts. The increase was, next to volume growth, caused by deteriorating economic conditions reflected in the models, mainly related to the mortgage and business lending portfolio in the Netherlands and the operational risk model.

The underlying return on equity, based on a 10% core Tier 1 ratio, rose to 13.2% from 10.2% in the same quarter last year, due to higher results and a 2.3% decline in RWA from a year ago following selective de-risking in the investment portfolio.

RETAIL NETHERLANDS

UNDERLYING RESULT BEFORE TAX - NETHERLANDS (in EUR million)



Results from Retail Netherlands recovered strongly to EUR 240 million from EUR 180 million in the first quarter of 2013, reflecting higher margins on savings, while risk costs remained stable. Savings volumes continued to grow, with funds entrusted up EUR 2.8 billion in the quarter, while the lending portfolio remained stable. Compared with the second quarter of 2012, underlying results before tax declined from EUR 259 million, reflecting higher risk costs amid the weak economic climate.

Total underlying income was EUR 1,024 million, up 5.1% from EUR 974 million in the second quarter of last year. The increase mainly reflects improved margins on mortgages. Compared with the first quarter, income rose 5.6%, as savings margins improved after client savings rates were lowered for the main accounts by 30 basis points in the first quarter of 2013 and by 10 basis points in the second quarter. Demand for credit remained weak, both for mortgages and business lending. However, the total loan portfolio remained stable and interest results increased, supported by higher margins on new production and repricing.

Operating expenses were down 1.4% from the first quarter, but were up 2.2% compared with a year ago due to higher pension costs. Excluding higher pension costs, expenses fell almost 4% from a year ago, supported by the ongoing efficiency programmes and lower marketing expenses. The combined cost-saving programmes, announced in 2011 and 2012, are running ahead of plan. Headcount has been reduced by 2,515 out of an expected 2,950 by year-end 2013. Since the start of the programme, EUR 194 million of cost savings have already been realised out of an expected EUR 430 million by year-end 2015.

The net additions to loan loss provisions remained at an elevated level of EUR 218 million versus EUR 215 million in the previous quarter. Risk costs for mortgages remained stable at EUR 81 million, while the NPL for Dutch mortgages increased marginally to 1.6%. Risk costs for business lending declined slightly to EUR 112 million, while risk costs for non-mortgage lending to private persons increased. Given the continued weakness in the housing market and in the broader Dutch economy, loan loss provisions on the mortgage portfolio are expected to remain at around this level for the coming quarters.

Risk-weighted assets rose by EUR 2.8 billion in the quarter to EUR 56.5 billion due to model updates in the mortgages and business lending portfolios, reflecting the development in the market.

RETAIL BELGIUM

UNDERLYING RESULT BEFORE TAX - BELGIUM (in EUR million)

Retail Belgium had a solid quarter with an underlying result before tax of EUR 161 million. The result was lower on both comparable quarters, which contained some elements of seasonality and one-off benefits in both income and expenses.

Underlying income rose 4.8% to EUR 569 million compared with a year ago, driven by volume growth in savings and lending and higher margins on business lending. Income fell by EUR 23 million from the first quarter, which contained a EUR 10 million capital gain and seasonally higher fees on mutual funds sales. Funds entrusted rose by EUR 1.5 billion, but margins on savings remained under pressure, despite a reduction of client savings rates by 10-20 basis points on certain products in March due to the low interest rate environment. Client rates were further reduced by 20-25 basis points for certain savings products in the second quarter. Net lending grew by EUR 0.5 billion.

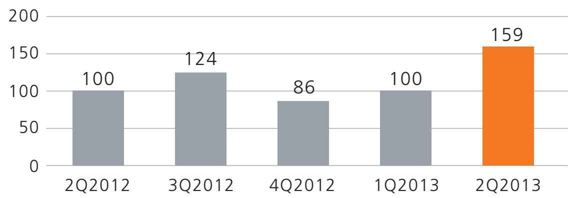
Operating expenses increased to EUR 366 million, up versus both comparable quarters and primarily due to one-off items. Expenses were up EUR 40 million versus a year ago, which included a EUR 38 million refund from the old deposit guarantee scheme. Compared with the first quarter, expenses rose by EUR 15 million as a EUR 28 million increase in bank levies and deposit insurance premiums were only partly offset by lower personnel-related provisions. The strategic projects announced by ING Belgium at the beginning of 2013 are on track to reduce headcount by 300 FTEs in 2013 through natural attrition, of which 249 have been realised. EUR 20 million of cost savings have already been realised out of the targeted EUR 150 million by 2015.

Risk costs remained elevated and rose slightly by EUR 2 million to EUR 41 million compared with the first quarter. The net addition for mortgages remained low at EUR 2 million, while risk costs for non-mortgage lending to private persons were EUR 4 million. Risk costs for the business banking segment increased to EUR 35 million from EUR 27 million.

Risk-weighted assets rose by EUR 1.1 billion to EUR 20.7 billion on the first quarter due to volume growth and a model refinement.

RETAIL GERMANY

UNDERLYING RESULT BEFORE TAX - GERMANY (in EUR million)



Retail Germany had a strong second quarter with an underlying result before tax of EUR 159 million, up from EUR 100 million in both comparative quarters. The increase reflects higher interest margins and continued volume growth, combined with a positive impact from hedge ineffectiveness. Retail deposits rose by EUR 1.0 billion in the quarter, while lending growth was EUR 0.5 billion.

Underlying income rose strongly to EUR 352 million, up 18.5% on the first quarter and 22.6% versus a year earlier. The increase reflects higher interest results supported by the full impact from a 25 basis-point reduction of the main client savings rate in the previous quarter. The increase in income was further supported by a small positive impact from hedge ineffectiveness, while the impact was negative in the comparable quarters.

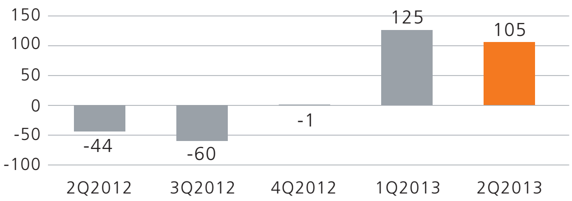
Operating expenses were reduced by 1.7% to EUR 173 million compared with the first quarter, reflecting lower marketing spending. Operating expenses rose 6.8% versus a year ago due to an increase in the number of staff and higher deposit guarantee costs, in line with growth in the deposit base.

Risk costs were EUR 21 million in the second quarter, flat on the previous quarter and EUR 4 million lower than a year ago.

Risk-weighted assets edged up by EUR 0.3 billion in the quarter to EUR 21.8 billion due to the net lending production.

RETAIL REST OF WORLD

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



The underlying result before tax of Retail Rest of World was EUR 105 million, down from EUR 125 million in the previous quarter, primarily reflecting higher risk costs in the UK legacy run-off portfolio. The result improved from a loss of EUR 44 million in the second quarter of 2012, when results were impacted by losses related to the selective de-risking of the investment portfolio. Excluding the UK legacy results and de-risking losses, result rose 45.0% to EUR 158 million from a year ago, reflecting higher margins on lending activities and a relatively stable cost base.

Total underlying income increased to EUR 607 million from EUR 402 million a year ago, which included EUR 150 million of de-risking losses. Excluding de-risking, income was up 10.0%. Compared with the first quarter, income was down 1.3%, while the first quarter benefited from EUR 31 million of capital gains, this quarter included a EUR 13 million gain on the sale of a EUR 0.8 billion mortgage portfolio in Australia. The interest result rose on both quarters, driven by higher balances and improved margins. Funds entrusted, excluding currency effects, increased by EUR 0.9 billion, primarily driven by Poland and Australia. Lending assets, excluding currency effects and the sale of the mortgage portfolio, grew moderately by EUR 1.1 billion, primarily in Turkey.

Operating expenses rose 3.5% to EUR 412 million from a year ago due to higher deposit insurance premiums as well as inflationary pressure in Turkey and India, but declined 2.4% from the previous quarter, reflecting lower marketing spending in France and Italy.

Risk costs rose to EUR 91 million from EUR 68 million in the first quarter and EUR 48 million a year ago. The increase was mainly due to an additional EUR 30 million provision for a restructured CMBS loan in the UK legacy portfolio, whereas in the first quarter EUR 15 million was added. The remaining increase versus the previous quarter was mainly due to higher risk costs on the own-originated loan book in Poland, India and Australia, while risk costs in Turkey were lower.

Risk-weighted assets declined by EUR 2.6 billion in the second quarter to EUR 42.7 billion as a consequence of currency impacts and an upgrade of Turkey to investment grade by a rating agency.

The underlying return on equity, based on a 10% core Tier 1 ratio improved to 6.2% (or 11.0% excluding the UK legacy results).

COMMERCIAL BANKING

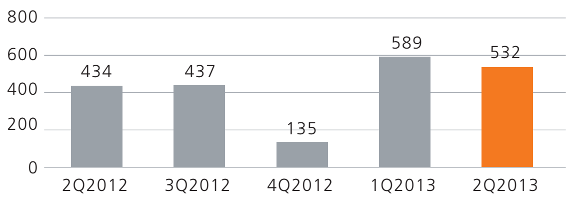
Commercial Banking: Consolidated profit and loss account

	Total Commercial Banking		Industry Lending		General Lending & Transaction Services		Financial Markets		Bank Treasury, Real Estate & Other	
In EUR million	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]	2Q2013	2Q2012[1]
Profit & loss										
Interest result	757	853	387	390	239	268	123	125	8	71
Commission income	253	258	124	132	98	88	30	41	1	-2
Investment income	49	21	15	7	0	9	5	-2	29	7
Other income excl. CVA/DVA	192	177	-18	-18	5	6	153	152	52	36
Underlying income excl. CVA/DVA	1,251	1,310	507	511	342	371	312	316	90	111
Other income - DVA on structured notes	34	97					34	97		
Other income - CVA/DVA on derivatives	45	-117					45	-117		
Total underlying income	**1,330**	**1,290**	**507**	**511**	**342**	**371**	**391**	**296**	**90**	**111**
Staff and other expenses	543	533	111	104	176	173	195	208	61	48
Intangibles amortisation and impairments	10	44	0	0	0	0	0	0	10	44
Operating expenses	**553**	**577**	**111**	**104**	**176**	**173**	**195**	**208**	**71**	**93**
Gross result	**778**	**713**	**396**	**407**	**166**	**199**	**196**	**88**	**20**	**19**
Addition to loan loss provision	245	278	155	223	44	16	-1	0	47	40
Underlying result before tax	**532**	**434**	**241**	**185**	**122**	**183**	**197**	**88**	**-28**	**-21**
Client balances (in EUR billion)[2]										
Residential Mortgages										
Other Lending	125.0	137.2	74.4	77.3	39.3	45.8	1.6	2.3	9.6	11.9
Funds Entrusted	73.5	58.0	0.8	1.5	35.8	32.9	3.9	3.1	33.0	20.4
AUM/Mutual Funds	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
Profitability and efficiency[2]										
Cost/income ratio	41.5%	44.8%	21.9%	20.3%	51.4%	46.5%	49.8%	70.4%	78.3%	83.1%
Return on equity based on 10.0% core Tier 1[3]	12.4%	9.8%	15.4%	14.1%	9.2%	12.8%	22.6%	8.2%	-11.0%	-8.1%
Risk[2]										
Risk costs in bp of average RWA	76	82	118	204	47	15	-1	0	141	106
Risk-weighted assets (end of period)	130,128	134,647	54,860	43,399	36,674	42,883	25,317	33,402	13,277	14,964

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.
2) Key figures based on underlying figures
3) Underlying after-tax return divided by average equity based on 10.0% core Tier 1 ratio (annualised)

Commercial Banking continued to show solid results in the second quarter, as a strong performance from Structured Finance and the impact of cost reductions were partially offset by lower volumes in General Lending and Real Estate Finance, while risk costs remained elevated. The underlying result before tax was EUR 532 million, up 22.6% from the second quarter of 2012, and was flat excluding positive CVA/DVA effects within Financial Markets. The underlying result before tax was down 9.7% versus the first quarter, which traditionally shows strong results in Financial Markets.

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



Underlying income increased 3.1% year-on-year as credit and debt valuation adjustments (CVA/DVA) swung to a positive EUR 79 million compared with EUR -20 million a year ago and EUR 75 million in the first quarter. Excluding the CVA/DVA impact, income was down 4.5% from a year earlier, due to lower volumes in General Lending, lower margins in Transaction Services and lower income in Bank Treasury, Real Estate & Other. Income from Industry Lending decreased slightly from a year ago as volume growth and higher margins in Structured Finance could not fully absorb the portfolio reduction in Real Estate Finance. Compared with the previous quarter, income excluding CVA/DVA was down 6.4%, mainly due to Financial Markets after the seasonally strong first quarter.

The interest result declined 11.3% from a year ago, mainly reflecting higher funding costs in Bank Treasury as the funding profile was lengthened, as well as lower interest results in the core lending businesses as higher interest margins were more than offset by lower volumes in General Lending and Real Estate Finance. The interest result in Transaction Services was also lower, attributable to the continuing margin pressure in Payments and Cash Management amid the low interest rate environment. Compared with the first quarter of the year, the interest result declined 5.1%, mainly due to Financial Markets.

Commission income declined 1.9% from a year ago, mainly due to Financial Markets, but it was up 7.2% from the first quarter, driven by higher commissions in Structured Finance and Trade Financial Services. Investment income was EUR 49 million compared with EUR 21 million in the second quarter of 2012 and EUR 77 million in the first quarter, mainly reflected in Bank Treasury. Other income was EUR 271 million, an increase of EUR 114 million from the second quarter of 2012, which mainly reflects the CVA/DVA adjustments in Financial Markets. Compared to a seasonally high first quarter, other income declined by EUR 28 million.

Despite higher pension costs, operating expenses were reduced by 4.2% from a year ago, supported by cost savings from the restructuring initiatives announced last year, as well as lower impairments on real estate development (RED) projects. Compared with the previous quarter, which included the annual Belgian bank levy, expenses declined 8.4%, supported by lower impairments on RED projects and lower performance-related costs. The cost/income ratio improved to 41.5% from 44.8% a year ago and 42.8% in the first quarter.

Risk costs were EUR 245 million, down from EUR 278 million a year ago, mainly due to lower additions in Industry Lending. Risk costs rose by EUR 27 million from the first quarter, mainly due to higher additions in General Lending and Transaction Services after an exceptionally favourable first quarter.

Risk-weighted assets (RWA) totalled EUR 130.1 billion and were almost stable on the previous quarter. An increase in Industry Lending due to an additional model refinement for commercial real estate (reflecting a further deterioration of the foreclosure values of real estate assets) was offset by lower RWA in General Lending and Transaction Services and Financial Markets due to lower credit outstandings.

The underlying return on equity, based on a 10% core Tier 1 ratio, rose to 12.4% from 9.8% in the second quarter of 2012.

INDUSTRY LENDING

Industry Lending booked an underlying result before tax of EUR 241 million, up 30.3% from a year ago and up 17.0% from the first quarter, supported by lower risk costs. Income was down 0.8% year-on-year, as higher income due to higher volumes and increased interest margins in Structured Finance was more than offset by lower income in Real Estate Finance as the portfolio was reduced. The Real Estate Finance portfolio has been trimmed from EUR 32 billion a year ago to EUR 28 billion at the end of June as the bank refocused on core markets and core clients. Compared with the first quarter, income rose 2.8%, due in part to higher commission income. Expenses increased 6.7% from a year ago, mainly due to higher pension costs, and were up 1.8% from the first quarter. The cost/income ratio remained at a low level of 21.9%, in line with the previous quarter. Net additions to loan loss provisions declined to EUR 155 million, from EUR 223 million a year ago and EUR 178 million in the first quarter. The decline was mainly due to lower provisions for the Acquisition Finance portfolio within Structured Finance. Risk costs in Real Estate Finance were EUR 112 million, down from the second quarter of last year and flat versus the first quarter.

GENERAL LENDING AND TRANSACTION SERVICES

The underlying result before tax from General Lending and Transaction Services declined 33.3% from a year ago to EUR 122 million, and fell 23.2% from the previous quarter, reflecting higher risk costs, lower volumes in General Lending and pressure on margins in Transaction Services amid the low interest rate environment. Income declined 7.8% year-on-year, due in part to a one-off gain on the sale of shares from the restructuring of a loan in the comparable quarter. Compared with the first quarter, income was largely flat. Expenses increased 1.7% from a year ago, mainly due to the increase in pension costs. Risk costs equalled EUR 44 million, up from EUR 16 million a year ago and EUR 5 million in the first quarter.

FINANCIAL MARKETS

Financial Markets posted an underlying result before tax of EUR 197 million, up from EUR 88 million a year ago, but down from EUR 258 million in the seasonally strong first quarter. Results in the current quarter included EUR 79 million of positive credit and debt valuation adjustments (CVA/DVA) compared with EUR -20 million a year ago and EUR 75 million in the first quarter of 2013. Excluding CVA/DVA, the result before tax from Financial Markets was EUR 118 million in the second quarter, up from EUR 108 million a year ago, but down from EUR 183 million in the first quarter. Income excluding CVA/DVA declined 1.3% year-on-year and was down 24.3% from the traditionally strong first quarter, mainly in the rates and credit business. Expenses fell 6.3% from a year ago, supported by cost-saving programmes announced last year as well as lower bank levies in Belgium, which more than offset higher pension costs. Expenses declined 14.8% from the previous quarter, reflecting the booking of the annual Belgium bank levy in the first quarter, as well as lower performance-related costs in the current quarter.

BANK TREASURY, REAL ESTATE AND OTHER

Bank Treasury, Real Estate and Other continued to report small losses in line with comparable quarters, reflecting the impact of higher funding costs as the Bank lengthened its funding profile over the course of last year, as well as lower income from non-core activities that are in run-off. The underlying result before tax was EUR -28 million versus EUR -21 million in the second quarter last year and EUR -34 million in the first quarter of 2013. Income was EUR 90 million, down 18.9% from a year ago following portfolio reductions in General Lease, which is in run-off, as well as lower income in Bank Treasury, reflecting higher liquidity costs. Compared with the first quarter, income rose 3.4%, reflecting improved interest results, supported by higher positive revaluations of derivatives for hedging purposes in Bank Treasury. This was partially offset by lower investment income from capital gains on bonds. Bank Treasury reported EUR 18 million of capital gains on bonds this quarter compared with EUR 65 million in the first quarter of the year. Expenses were down 23.7% from the second quarter of last year and down 18.4% from the first quarter due to lower impairments on real estate development (RED) projects. RED impairments in this quarter were EUR 8 million, down from EUR 44 million a year ago and EUR 25 million in the first quarter. Excluding RED impairments and a one-off release a year ago, expenses were about flat, as cost savings in run-off activities were offset by higher costs in Bank Treasury related to the implementation of a single Bank Treasury organisation. Risk costs were EUR 47 million versus EUR 40 million in the second quarter last year and EUR 34 million in the first quarter, driven by the Lease run-off activities, primarily in Italy.

CORPORATE LINE BANKING

Corporate Line Banking: Underlying result before tax

In EUR million	2Q2013	2Q2012[1)]
Income on capital surplus	147	115
Solvency costs	-59	-56
Financing charges	-33	-58
Amortisation intangible assets	-7	-7
FX-results, fair value hedging and other	-76	27
Total Capital Management excl. DVA	-28	22
DVA	-28	56
Total Capital Management	-56	78
Other	6	-5
Underlying result before tax	**-50**	**73**

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.

The underlying result before tax of Corporate Line Banking declined to EUR -50 million from EUR 73 million in the same quarter of last year and EUR -27 million in the first quarter of 2013.

Capital Management-related results declined to EUR -56 million from EUR 78 million a year ago, mainly due to a negative swing in DVA impacts on own-issued debt and the impact of hedge ineffectiveness, which was partially offset by higher income on capital surplus and lower financing charges.

DVA on own issued debt (including ING Bank's own Tier 2 debt) was EUR -28 million due to a tightening of ING's credit spread, compared with EUR 56 million in the second quarter of last year when credit spreads widened.

'Income on capital surplus' rose by EUR 32 million to EUR 147 million. The increase was mainly attributable to lower income paid on allocated equity to the business lines due to a decline in average economic capital.

'Solvency costs' increased to EUR 59 million from EUR 56 million a year ago due to higher interest expenses after the cancellation of a swap on hybrid capital in the second quarter of 2013.

'Financing charges' dropped to EUR 33 million from EUR 58 million in the same quarter of last year. This was mainly due to lower interest expenses from ING Group following a reduction in core debt.

'FX-results, fair value hedging and other' declined to EUR -76 million from EUR 27 million in the second quarter last year. The decline was largely due to EUR 63 million of negative fair value changes in the second quarter of 2013, mainly a result of hedge ineffectiveness, compared with EUR 17 million of positive fair value changes in the same quarter of last year. The repurchase of EUR 2.0 billion of Dutch government-guaranteed ING Bank notes at the end of June resulted in a loss of EUR 25 million, but it will reduce future interest expenses.

The result of 'Other' turned positive to EUR 6 million compared with EUR- 5 million in the same quarter of last year. This improvement was mainly due to value-added tax restitutions over the years 2008 and 2009.

CONSOLIDATED BALANCE SHEET

ING Bank N.V.: Consolidated balance sheet

in EUR million	30 June 13	31 Mar. 13 pro forma[1)]	31 Mar. 13		30 June 13	31 Mar. 13 pro forma[1)]	31 Mar. 13
Assets				**Equity**			
Cash and balances with central banks	16,928	10,554	10,554	Shareholders' equity	34,424	36,548	36,548
Amounts due from banks	43,027	47,256	47,262	Minority interests	835	873	873
Financial assets at fair value through P&L	133,722	147,012	147,012	**Total equity**	**35,260**	**37,421**	**37,421**
- trading assets	124,979	134,850	134,850	**Liabilities**			
- non-trading derivatives	6,140	8,262	8,262	Subordinated loans	15,467	15,840	15,840
- other	2,603	3,900	3,900	Debt securities in issue	129,963	137,082	137,082
Investments	79,119	77,418	77,434	Amounts due to banks	35,156	37,425	37,425
- debt securities available-for-sale	73,245	71,214	71,229	Customer deposits and other funds on deposit	475,672	474,446	477,987
- debt securities held-to-maturity	3,936	4,108	4,108	- savings accounts	282,603	282,914	286,455
- equity securities available-for-sale	1,937	2,096	2,096	- credit balances on customer accounts	130,112	128,140	128,140
Loans and advances to customers	529,165	541,158	544,894	- corporate deposits	61,325	61,053	61,053
- securities at amortised cost and IABF	20,469	21,215	21,215	- other	1,632	2,339	2,339
- customer lending	508,696	519,943	523,679	Financial liabilities at fair value through P&L	115,052	124,942	124,942
Investments in associates	864	901	901	- trading liabilities	90,757	97,102	97,102
Real estate investments	151	153	153	- non-trading derivatives	11,578	14,740	14,740
Property and equipment	2,311	2,359	2,360	- other	12,716	13,100	13,100
Intangible assets	1,694	1,777	1,777	Other liabilities	19,622	20,434	20,454
Other assets	18,919	18,768	18,805				
Total assets excl. assets held for sale	**825,900**	**847,356**	**851,152**	**Total liabilities excl. liabilities held for sale**	**790,931**	**810,169**	**813,731**
Assets held for sale	4,033	3,795	-	Liabilities held for sale	3,742	3,562	-
				Total liabilities	**794,673**	**813,731**	**813,731**
Total assets	**829,933**	**851,152**	**851,152**	**Total equity and liabilities**	**829,933**	**851,152**	**851,152**

1) The figures have been adjusted to reflect the transfer of part of WUB assets and liabilities to assets/liabilities held for sale.

ING Bank's balance sheet declined by EUR 21 billion to EUR 830 billion. This was mainly due to lower valuations of derivatives as long-term interest rates increased, as well as to EUR 10 billion of negative currency impacts. The funding profile continued to improve, with net inflows of customer deposits, a relatively stable customer lending portfolio and a reduction of short-term professional funding. The loan-to-deposit ratio improved to 1.07 from 1.10, which already meets the Bank's Ambition 2015 target.

Cash and balances with central banks

Cash and balances with central banks increased by EUR 6 billion to EUR 17 billion at the end of June, as more cash was shifted from Amounts due from banks and placed at central banks.

Amounts due from and to banks

Amounts due from banks was reduced by EUR 4 billion to EUR 43 billion, as maturing reverse repos were placed at central banks. Amounts due to banks declined by EUR 2 billion.

Loans

Loans and advances to customers declined by EUR 5 billion at comparable currency rates to EUR 529 billion, including EUR 1 billion maturing securities at amortised cost and IABF, a EUR 2 billion repayment of loans by ING Group, the sale of a mortgage portfolio in Australia, and a EUR 1 billion lower fair value hedge for mortgages. Excluding these items, customer lending remained flat as growth in some specific portfolios was offset by a decrease in Real Estate Finance and the Lease run-off portfolio.

Financial assets/liabilities at fair value

Financial assets at fair value through P&L decreased by EUR 13 billion to EUR 134 billion, due to a lower valuation of derivatives as long-term interest rates increased. Financial liabilities at fair value through P&L mirrored the development on the asset side. Financial assets and liabilities at fair value comprise primarily derivatives, securities and repos, which are mostly used to facilitate the servicing of our clients (banks and non-banks).

Debt securities in issue

Debt securities in issue was reduced by EUR 5 billion at comparable currency rates, reflecting a EUR 2 billion reduction of short-term debt (CD/CPs), a EUR 3 billion reduction in long-term debt following the buy-back of EUR 3 billion of government-guaranteed debt issued by ING Bank N.V. and ING Australia, as well as maturing securities. An additional EUR 2 billion of debt with a maturity longer than 2 years was issued in the second quarter of 2013, including an RMBS in Australia and covered bonds in the Netherlands.

Customer deposits

Customer deposits grew by EUR 6 billion at comparable currency rates to EUR 476 billion. This includes a EUR 3 billion net inflow in savings accounts, driven mainly by the Netherlands, Belgium and Germany. Credit balances on customer accounts were EUR 3 billion higher, mainly in the Netherlands.

Assets/liabilities held for sale

Assets and liabilities held for sale amounted to EUR 4 billion, following the agreement to transfer mortgages and savings from WestlandUtrecht Bank to ING Insurance in July.

Shareholders' equity

Shareholders' equity of ING Bank decreased by EUR 2.1 billion to EUR 34.4 billion in the quarter, following an EUR 1.8 billion dividend to ING Group, EUR 0.8 billion lower revaluation reserves and a EUR 0.4 billion lower currency translation reserve. This is partly compensated by EUR 0.9 billion retained profit. The asset leverage ratio rose to 24.1 from 23.3 at the end of March as the impact from the dividend upstream more than offset the lower balance sheet total.

RISK & CAPITAL MANAGEMENT

ING Bank: Loan book

in EUR million	Credit outstandings[1]		Non performing loans		NPL%	
	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13	30 June 13	31 Mar. 13
Residential mortgages Netherlands	148,685	148,531	2,408	2,270	1.6%	1.5%
Other lending Netherlands	39,498	39,497	2,615	2,472	6.6%	6.3%
of which Business Lending Netherlands	31,798	32,088	2,023	1,925	6.4%	6.0%
Residential mortgages Belgium	29,981	29,643	677	662	2.3%	2.2%
Other lending Belgium	37,850	37,666	1,516	1,482	4.0%	3.9%
of which Business Lending Belgium	31,639	31,429	1,318	1,300	4.2%	4.1%
Retail Banking Benelux	**256,014**	**255,337**	**7,216**	**6,886**	**2.8%**	**2.7%**
Residential mortgages Germany	60,095	59,676	581	585	1.0%	1.0%
Other lending Germany	11,925	10,348	132	130	1.1%	1.3%
Residential mortgages Rest of World	48,405	53,351	299	321	0.6%	0.6%
Other lending Rest of World	28,601	33,439	1,338	1,301	4.7%	3.9%
Retail Banking International	**149,026**	**156,814**	**2,350**	**2,337**	**1.6%**	**1.5%**
Industry lending	91,372	94,859	4,440	3,800	4.9%	4.0%
of which: Structured Finance	62,298	64,886	1,352	1,319	2.2%	2.0%
of which: Real Estate Finance	28,824	29,735	3,009	2,409	10.4%	8.1%
General Lending & Transaction Services	55,887	57,090	1,041	1,119	1.9%	2.0%
FM, Bank Treasury, Real Estate & other	22,948	28,800	1,146	1,105	5.0%	3.8%
of which General Lease run-off	8,192	8,994	1,123	1,078	13.7%	12.0%
Commercial Banking	**170,207**	**180,749**	**6,627**	**6,024**	**3.9%**	**3.3%**
Total loan book	**575,247**	**592,900**	**16,193**	**15,247**	**2.8%**	**2.6%**

1) Lending and money market credit outstandings, including guarantees and letters of credit (off balance positions).

Despite the weak macroeconomic backdrop, ING Bank's loan book continued to hold up well. Non-performing loans increased to 2.8%, while the coverage ratio edged down to 36.4%. The bank's capital position remains robust with a core Tier 1 ratio of 11.8%, even following EUR 1.8 billion dividends to the Group. The funding profile remained strong: funds entrusted increased further, leading to an improvement of the loan-to-deposit ratio to 1.07. In addition, long-term debt issuance continued and partly facilitated the buyback of government-guaranteed bonds.

Credit risk management

Non-performing loans (NPLs) as a percentage of credit outstandings increased to 2.8% from 2.6% in the first quarter, driven by lower credit outstandings and slightly higher NPLs.

The NPL ratio for Dutch mortgages increased from 1.5% to 1.6%, due to a slight increase in payment arrears. Business Lending in the Netherlands continued to be impacted by the weak economic environment and NPLs increased to 6.4% from 6.0%. As the macroeconomic outlook for the Dutch economy remains weak, NPLs are expected to remain elevated.

Real Estate Finance showed a sharp increase in NPLs to 10.4% from 8.1%. This rate was heavily influenced by the 'One Obligor Rule' which classifies all exposures to a borrower as non-performing if any loan to the borrower or group is in default. Given the income producing nature of real estate and the customer centric approach of ING Bank, this can cause increased volatility in NPL%. In the Netherlands, the NPL ratio for REF rose modestly to 6.6% from 6.5%, while the ratios for REF Spain and UK remained relatively high. The average loan-to-value increased to 74% compared with 72% in the first quarter, reflecting lower valuations. Given the continued weakness in European commercial real estate markets, risk costs and NPLs are expected to remain elevated in this area for the coming quarters.

ING Bank's stock of provisions increased by EUR 0.3 billion in the second quarter to EUR 5.9 billion as net additions to loan loss provisions were higher than the amounts written off. The coverage ratio slightly decreased to 36.4%. The coverage ratio in Retail Banking Benelux decreased slightly, mainly due to higher secured NPLs in the Netherlands. In Retail Banking International, the increase in the coverage ratio was primarily caused by additional provisions on existing NPLs, while the Commercial Banking's coverage ratio decrease is primarily due to impact of the 'One Obiligor Rule'. The Bank's coverage ratio is a combination of unsecured loans with a relatively high coverage ratio and loans with high collateral values and a relatively low coverage ratio. The Bank's loan portfolio consists predominantly of asset-based and/or well-secured loans including Structured Finance, Real Estate Finance and the mortgage books in Retail Banking.

Securities portfolio

During the second quarter of 2013, ING Bank continued to transform its debt securities portfolio into a liquidity buffer as part of the strategy to optimise the balance sheet and prepare for new regulatory LCR requirements.

ING Bank: Stock of provisions[1]					
in EUR million	Retail Banking Benelux	Retail Banking International	Commercial Banking	Total ING Bank 2Q 2013	Total ING Bank 1Q 2013
Stock of provisions at start of period	**1,950**	**1,396**	**2,250**	**5,596**	**5,508**
Changes in composition of the Bank	-11			-11	-6
Amounts written off	-168	-20	-79	-267	-484
Recovers of amounts written off	1	6	16	23	13
Increases in loan loss provisioning	352	113	372	837	736
Releases from loan loss provisioning	-93	-1	-127	-221	-175
Net additions to loan loss provisions	259	112	245	616	561
Exchange or other movements	-34	-28	-9	-71	4
Stock of provisions at end of period	**1,997**	**1,466**	**2,423**	**5,886**	**5,596**
Coverage ratio 2Q 2013 [2]	**27.8%**	**62.4%**	**36.6%**	**36.4%**	
Coverage ratio 1Q 2013	28.3%	59.7%	37.4%	36.7%	

1) At the end of June 2013, the stock of provisions included provisions for amounts due from banks: EUR 20 million (March 2013: EUR 22 million)
2) The coverage ratio 2Q 2013 included EUR 11 million of provisions related to WestlandUtrecht Bank assets held for sale

ING Bank's total exposure to debt securities increased by EUR 1.1 billion in the second quarter to EUR 99.6 billion. This was mainly the result of the EUR 1.7 billion increase in LCR eligible governments bonds, which was partly offset by a EUR 0.4 billion decrease in ABS. The revaluation reserve declined to EUR 0.8 billion after tax at 30 June 2013, mainly caused by higher interest rates and credit spreads.

ING Bank: Debt securities[1]		
in EUR billion	30 June 2013	31 Mar. 2013
Government bonds	56.6	54.9
Covered bonds	19.2	19.4
Financial Institutions	13.7	13.8
Corporate bonds	2.2	1.9
ABS	8.0	8.4
US RMBS	0.5	0.6
Non-US RMBS	4.7	4.9
CMBS	0.2	0.5
CDO/CLO	0.0	0.2
Other ABS	2.5	2.2
Subtotal debt securities	**99.6**	**98.5**

1) Figures exclude trading positions but include securities classified as Loans & Receivables

BANK - BREAKDOWN OF GOVERNMENT BONDS 2Q2013

Market risk

The average Value-at-Risk (VaR) increased to EUR 10 million from EUR 7 million in the first quarter of 2013, mainly due to higher market volatility. The overnight VaR for ING Bank's trading portfolio ranged from EUR 6 million to EUR 17 million.

ING Commercial Bank: Consolidated VaR trading books				
in EUR million	Minimum	Maximum	Average	Quarter-end
Foreign exchange	1	5	3	3
Equities	2	8	5	7
Interest rate	4	13	7	9
Credit spread	3	4	3	3
Diversification			-9	-7
Total VaR[1]	**6**	**17**	**10**	**15**

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.

Funding and liquidity

Market sentiment in funding markets weakened somewhat in the second quarter amid worries about bail-in debt, softening macro-economic indicators in Asia, and messaging about the tapering of Quantitative Easing in the US. Despite this challenging sentiment, ING Bank issued in the first six months of this year EUR 14.5 billion of debt with tenors longer than one year in different markets and at competitive levels. Part of the issuance was used to replace government-guaranteed bonds, for which ING Bank announced a tender offer in June. With this transaction, ING Bank bought back USD 990 million from the USD 2.25 billion notes and EUR 1.28 billion from the EUR 4.0 billion notes. In addition, ING Direct Australia bought back AUD 1.4 billion of government-guaranteed bonds.

In addition, at comparable currency rates, customer deposits continued to grow by EUR 6 billion in the second quarter. ING Bank's loan-to-deposit ratio, excluding securities that are recorded at amortised costs and the IABF government receivable, improved to 1.07 within the Bank's Ambition 2015 target of 1.10.

The Bank's total eligible collateral position increased to EUR 197 billion at market values compared with EUR 194 billion at the end of the first quarter. This primarily reflects higher cash and balances held with central banks.

ING Bank: Greece, Italy, Ireland, Portugal, Spain and Cyprus - Total exposures - 2Q2013							
in EUR million	Greece	Italy	Ireland	Portugal	Spain	Cyprus	Total
Residential Mortgages and other Consumer Lending	2	7,749	6	4	9,698	2	17,461
Corporate Lending	441	8,331	703	1,147	5,576	560	16,758
Financial Institutions Lending	0	334	158	36	168	7	704
Government Lending	0	177	0	0	35	0	212
Total Lending	**443**	**16,591**	**867**	**1,188**	**15,477**	**569**	**35,135**
RMBS	0	605	66	417	2,315	0	3,402
CMBS	0	0	8	0	0	0	8
Other ABS	0	23	13	7	27	0	69
Corporate Bonds	0	32	15	77	3	0	127
Covered Bonds	0	174	370	154	10,044	0	10,743
Financial Institutions Bonds (unsecured)	0	253	0	8	0	0	261
Government Bonds	0	1,129	0	613	339	10	2,091
CDS exposures in banking book[1)]	0	0	0	0	-88	0	-88
Total Debt Securities	**0**	**2,216**	**471**	**1,277**	**12,640**	**10**	**16,613**
Real Estate[2)]	**0**	**102**	**0**	**0**	**245**	**0**	**346**
Trading excluding CDS exposures	0	550	83	23	445	1	1,102
Sold CDS protection	0	2	2	4	0	0	8
Bought CDS protection	-1	-11	-10	-1	-27	0	-51
Trading including CDS exposures	**-1**	**541**	**75**	**26**	**418**	**1**	**1,059**
Undrawn committed facilities	**28**	**1,084**	**187**	**202**	**2,458**	**37**	**3,996**
Pre-settlement exposures[3)]	**65**	**519**	**443**	**40**	**612**	**81**	**1,760**
Total Risk exposures 30 June 2013	**534**	**21,053**	**2,043**	**2,732**	**31,850**	**697**	**58,909**
Total Risk exposures 31 March 2013	**577**	**21,534**	**1,924**	**2,713**	**32,405**	**832**	**59,986**
Total change in second quarter 2013	**-43**	**-481**	**119**	**19**	**-555**	**-136**	**-1,076**

1) In the second quarter of 2013 ING Bank held CDS protection on the Spanish government.
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.

Greece, Italy, Ireland, Portugal, Spain and Cyprus

ING Bank's total exposure to the GIIPSC countries was reduced by EUR 1.1 billion in the second quarter, mainly due to a reduction of EUR 0.5 billion in undrawn committed facilities.

The main decrease in the second quarter in the GIIPSC countries was EUR 0.6 billion in Spain, due to lower amounts of undrawn committed facilities and pre-settlement exposures. The NPL ratio on the own-originated loan book in Spain increased to 9.4% from 6.9% in the first quarter. Spanish mortgages remained stable with an NPL of 0.8%. The mismatch between Spanish assets and liabilities was EUR 7.8 billion at the end of June. With an additional EUR 1.2 billion of covered bonds that will mature before the end of this year, it is expected that the funding mismatch will be further reduced.

Non-financial risk

Since the DDoS (Distributed Denial of Service) attacks, which took place in the last quarter, a taskforce has been established to look further into mitigating actions concerning IT security and further strengthening DDoS defences. This approach resulted in new measures that are being implemented at ING premises, the Internet Service Providers and DDoS mitigation providers.

The external fraud risk level of the Netherlands improved significantly in the last quarter due to the implementation of geo-blocking: bank cards are blocked for use outside of Europe unless the client requests otherwise.

Risk-weighted assets

ING Bank's total amount of risk-weighted assets (RWA) slightly decreased to EUR 277.6 billion at the end of the second quarter as additional RWA for operational risk due to model updates were more than offset by lower credit RWAs.

Credit RWA decreased from EUR 236.0 billion to EUR 233.2 billion as an additional model refinement for commercial property financing (to reflect a further deterioration of the foreclosure values of real estate assets) was more than offset by a reduction in the size of the portfolio as well as EUR 3.2 billion of negative currency effects. Despite the weak macroeconomic conditions, the effect of risk migration on the total Credit RWA remained limited.

Operational RWA increased by EUR 2.4 billion in the second quarter to EUR 35.8 billion due to model updates, while Market RWA decreased slightly to EUR 8.6 billion.

ING Bank: RWA composition		
in EUR billion	30 June 13	31 Mar. 13
Credit RWA	233.2	236.0
Operational RWA	35.8	33.4
Market RWA	8.6	8.8
Total RWA	**277.6**	**278.2**

Capital ratios

ING Bank's core Tier 1 ratio remained strong at 11.8%, decreasing from 12.3% in March, due to EUR 1.8 billion of dividends. In May 2013 ING Bank paid to the Group a dividend of EUR 1.5 billion to facilitate the reduction of the Group double leverage. In addition, a decision was taken at the end of June 2013, to pay a dividend of EUR 330 million to facilitate the capital injection into NN Bank ahead of the transfer of WestlandUtrecht Bank. This dividend of EUR 330 million was paid by ING Bank to the Group in early July 2013.

Capital ratios: ING Bank

In EUR million	30 June 13	31 Mar. 13
Shareholders' equity	34,424	36,548
Required regulatory adjustments	-1,578	-2,200
Core Tier 1	32,847	34,348
Hybrid Tier 1	6,812	6,905
Total Tier 1 capital	**39,659**	**41,252**
Other capital	6,451	6,934
BIS Capital	**46,110**	**48,187**
Risk-weighted assets	277,632	278,225
Required capital Basel II *	22,211	22,258
Required capital based on Basel I floor *	27,734	28,450
Basel II core Tier 1 ratio	**11.8%**	**12.3%**
Basel II Tier 1 ratio	**14.3%**	**14.8%**
Basel II BIS ratio**	**16.6%**	**17.3%**

*) required capital is the highest of the two
**) pre-floor

Basel III will be implemented in the EU through the CRR/CRD4 as of 1 January 2014. ING Bank already meets most of its requirements. The pro-forma core Tier 1 ratio on a fully loaded basis stands at 10.2%, exceeding the Bank's target of 10%. The impact is calculated on the basis of an immediate implementation without future management actions.

Insurance EurAsia

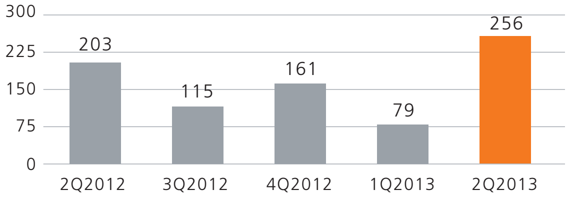
CONSOLIDATED RESULTS

Insurance EurAsia: Consolidated results								
In EUR million	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Insurance - Margin analysis								
Investment margin	194	196	-1.0%	127	52.8%	321	352	-8.8%
Fees and premium-based revenues	351	355	-1.1%	379	-7.4%	730	743	-1.7%
Technical margin	105	99	6.1%	86	22.1%	192	180	6.7%
Income non-modelled life business	6	6	0.0%	5	20.0%	10	11	-9.1%
Life Insurance & Investment Management operating income	**657**	**658**	**-0.2%**	**596**	**10.2%**	**1,253**	**1,286**	**-2.6%**
Administrative expenses	279	288	-3.1%	295	-5.4%	574	593	-3.2%
DAC amortisation and trail commissions	95	98	-3.1%	102	-6.9%	197	212	-7.1%
Life Insurance & Investment Management expenses	**374**	**387**	**-3.4%**	**397**	**-5.8%**	**771**	**805**	**-4.2%**
Life Insurance & Investment Management operating result	**283**	**271**	**4.4%**	**199**	**42.2%**	**482**	**481**	**0.2%**
Non-life operating result	45	36	25.0%	-3	n.a.	42	49	-14.3%
Corporate Line operating result	-72	-105	n.a.	-117	n.a.	-190	-199	n.a.
Operating result	**256**	**203**	**26.1%**	**79**	**224.1%**	**335**	**331**	**1.2%**
Gains/losses and impairments	-15	-60		50		34	-2	
Revaluations	5	-22		-10		-5	-235	
Market & other impacts	-63	-230		-34		-97	-248	
Underlying result before tax	**182**	**-110**	**n.a.**	**85**	**114.1%**	**266**	**-153**	**n.a.**
of which life insurance	162	-70	n.a.	165	-1.8%	327	-45	n.a.
of which non-life insurance	43	28	53.6%	-3	n.a.	40	30	33.3%
of which investment management	41	33	24.2%	31	32.3%	72	60	20.0%
of which corporate line	-64	-101	n.a.	-108	n.a.	-172	-199	n.a.
Taxation	47	-31	n.a.	19	147.4%	66	-72	n.a.
Minority interests	4	-0	n.a.	2	100.0%	6	18	-66.7%
Underlying net result	**131**	**-79**	**n.a.**	**64**	**104.7%**	**194**	**-100**	**n.a.**
Net gains/losses on divestments	-4	-186		945		942	-186	
Net results from divested units	0	-3		-1		-1	-3	
Net results from discontinued operations	-98	111		155		58	274	
Special items after tax	-10	63		-21		-31	-6	
Net result	**20**	**-93**	**n.a.**	**1,142**	**-98.2%**	**1,162**	**-21**	**n.a.**
Life Insurance - New business figures								
Single premiums	377	572	-34.1%	396	-4.8%	773	1,220	-36.6%
Annual premiums	120	141	-14.9%	194	-38.1%	314	310	1.3%
New sales (APE)	157	198	-20.7%	234	-32.9%	391	432	-9.5%
Life Insurance & Investment Management - Key figures								
Administrative expenses / operating income	42.5%	43.8%		49.5%		45.8%	46.1%	
Life general account invested assets (end of period, in EUR billion)	67	67	0.0%	68	-1.5%	67	67	0.0%
Investment margin / Life general account invested assets (in bps)[2]	94	109		94				
Client balances (end of period, in EUR billion)	192	170	12.9%	189	1.6%	192	170	12.9%
Investment Management Assets under Management (end of period, in EUR billion)	176	174	1.1%	184	-4.3%	176	174	1.1%
Other key figures								
Gross premium income	1,498	1,774	-15.6%	2,848	-47.4%	4,346	4,946	-12.1%
Administrative expenses (total)	414	425	-2.6%	434	-4.6%	848	842	0.7%
Return on IFRS-EU equity[3]	3.0%	-1.9%		1.4%		2.2%	-1.2%	
Employees (FTEs, end of period)	11,339	11,959	-5.2%	11,564	-1.9%	11,339	11,959	-5.2%

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.
2) Four-quarter rolling average
3) Annualised underlying net result divided by average IFRS-EU equity

Results from Insurance EurAsia improved significantly compared with both the second quarter of last year and the first quarter of 2013, supported by cost reductions from the transformation programme announced last year, a lower impact from market-related items, and lower funding costs. The underlying result before tax increased to EUR 182 million from EUR -110 million last year. On a sequential basis, results improved from EUR 85 million, mainly due to seasonally higher dividend income, and improved results both in the Corporate Line and Non-life business.

OPERATING RESULT INSURANCE EURASIA (in EUR million)



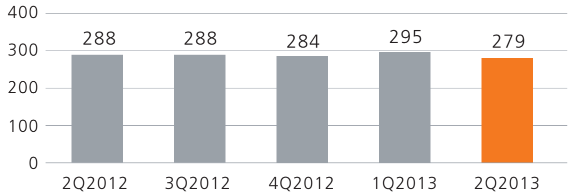
Insurance EurAsia recorded an operating result of EUR 256 million, up 26.1% from a year ago. The increase mainly reflects a 3.1% reduction in Life Insurance and Investment Management administrative expenses, an improvement in the Non-life result of EUR 9 million, and a EUR 33 million improvement in the Corporate Line result due to lower funding costs. Compared with the previous quarter, the operating result more than tripled, supported by seasonally higher dividend income, improved Non-life results, lower expenses and lower funding costs. The previous quarter also included a EUR 31 million non-recurring loss on a reinsurance contract.

The investment margin was EUR 194 million, down 1.0% from a year ago due to the impact of the low yield environment across Europe and lower dividends reflecting the reduction in the equity exposure in 2012. This was partly offset by lower additions to the provision for profit sharing in the Benelux. Compared with the previous quarter, the investment margin jumped 52.8%, largely driven by seasonally higher dividends on equities in the Benelux received in the second quarter. The four-quarter rolling average investment spread was 94 basis points, unchanged from the previous quarter, as both average life general account assets and investment income remained stable.

Fees and premium-based revenues declined 1.1% from a year ago to EUR 351 million, as lower premium income in the Dutch retail life business was partly offset by higher fees and premium-based revenues in Central and Rest of Europe and at Investment Management. Compared with the previous quarter, fees and premium-based revenues declined 7.4%, reflecting seasonality in the corporate pensions business in the Netherlands.

The technical margin was EUR 105 million, up 6.1% from one year ago and up 22.1% from the first quarter, mainly reflecting the decrease of unit-linked guarantee provisions in the Benelux in the current quarter following an increase in market interest rates. The increase from the same quarter a year ago was partly offset by lower surrender and morbidity results in Central and Rest of Europe. A higher result on mortality in corporate pensions in the Benelux also contributed to the improvement from the first quarter.

ADMINISTRATIVE EXPENSES INSURANCE LIFE/IM EURASIA (in EUR million)



Administrative expenses for Life Insurance and Investment Management, declined 2.8% from a year ago and 5.4% from the first quarter, both excluding currency effects, reflecting the impact from the transformation program in the Benelux and strong cost control throughout Europe. These impacts more than offset higher pension costs in the Netherlands compared to a year ago.

The Non-life operating result rose to EUR 45 million from EUR 36 million in the second quarter of 2012. The increase reflects a more favourable claims experience in the Group Disability portfolio following management actions to restore profitability, as well as additional reserve strengthening in the second quarter last year. This was partly offset by unfavourable claims experience in the Individual Disability and Motor portfolios, all in the Netherlands. Compared with the previous quarter, the Non-life operating result increased by EUR 48 million due to a more favourable claims experience in Disability and P&C as well as higher investment income.

The Corporate Line operating result was EUR -72 million versus EUR -105 million a year ago, mainly due to lower interest expenses on hybrids and debt. On a sequential basis, the Corporate Line operating result improved by EUR 45 million mainly due to a EUR 31 million non-recurring loss on a reinsurance contract that was recorded in the first quarter of 2013.

The underlying result before tax of Insurance EurAsia improved to EUR 182 million from EUR -110 million in the second quarter of 2012. This was largely attributable to the lower impact of market-related items.

Gains/losses and impairments on investments were EUR -15 million compared with EUR -60 million in the second quarter of 2012 and EUR 50 million in the previous quarter. Impairments on public equities and real estate in the Benelux were partially offset by realised gains on sales of debt and equity securities in the Benelux and in the Corporate Line in the second quarter.

Revaluations totalled EUR 5 million compared with EUR -22 million in the second quarter of 2012 and EUR -10 million in the previous quarter.

Market and other impacts totalled EUR -63 million compared with EUR -229 million a year ago and EUR -34 million in the first quarter. The result in the current quarter was largely driven by negative results on long-term interest rate hedges due to an increase in swap rates. The change in the provision for guarantees on separate account pension contracts (net of hedging) in the Benelux was EUR -14 million in the current quarter compared with EUR -241 million a year ago.

The net result for Insurance and Investment Management EurAsia was EUR 20 million. This included a EUR -98 million net result from discontinued operations in Insurance and Investment Management Asia, EUR -10 million of special items after tax, and a EUR 4 million net loss on divestments. Special items primarily related to additional IT investments for the accelerated transformation programme in the Benelux. As announced in November of 2012, additional IT investments totalling EUR 75 million after tax will be made over 2013 and 2014 to improve processes and systems, of which EUR 23 million has been booked in the first half of 2013.

The net result from discontinued operations decreased to EUR -98 million compared with EUR 111 million one year ago and EUR 155 million in the first quarter of 2013. Insurance Asia recorded a 17.9% decline in the second-quarter net result. This was mainly due to the sale of Insurance Malaysia in December 2012. Excluding the businesses in Malaysia, Hong Kong, Thailand and India, which have now all been divested (and excluding currency impacts), the underlying result before tax of Insurance Asia improved 28% to EUR 92 million, on higher investment income and technical results, as well as lower expenses. The net result from the internally reinsured Japanese SPVA guarantees and related hedges deteriorated to EUR -190 million from EUR 3 million in the second quarter of 2012. The result for the current quarter mainly reflects negative hedge results driven by an increase in financial market volatility, as well as appreciation in the value of the underlying funds which are not reflected in IFRS reserves for the guaranteed death benefit block. This, combined with a devaluation of the Japanese yen, improved the reserve adequacy for the Japanese closed block VA by EUR 170 million. Compared with the second quarter last year, the underlying net result of ING Investment Management Asia improved by EUR 4 million to break-even.

Total new sales (APE) on a constant currency basis decreased 20.3% year-on-year, as a 64.0% decline in sales in the Benelux was only partly compensated by 36.0% growth in Central and Rest of Europe. The decline in the Benelux was attributable to lower retail life sales and lower sales and renewals in corporate pensions in the Netherlands, as well as lower single-premium product sales in Belgium stemming from the low yield environment. In Central and Rest of Europe, pension sales jumped 108.3% compared with the second quarter of 2012, mainly due to the pension reform in Turkey. Life sales in Central and Rest of Europe rose 8.1% from one year ago, mainly due to strong sales in Poland. Compared with the previous quarter, total new sales at Insurance EurAsia fell 32.3% on a constant currency basis, as the first quarter of 2013 included seasonally higher corporate pension renewals in the Netherlands.

INSURANCE EURASIA

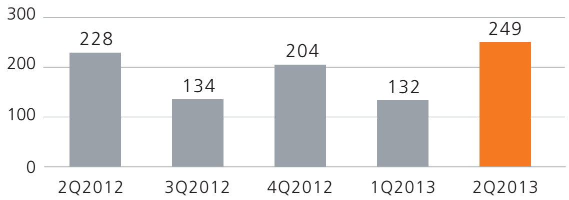
Insurance EurAsia: Breakdown by business area

In EUR million	Benelux 2Q2013	Benelux 2Q2012[1]	Central & Rest of Europe 2Q2013	Central & Rest of Europe 2Q2012	Investment Management 2Q2013	Investment Management 2Q2012[1]
Insurance - Margin analysis						
Investment margin	184	180	10	15	0	2
Fees and premium-based revenues	125	143	109	103	117	109
Technical margin	69	56	36	43	-	-
Income non-modelled life business	-0	1	6	5	0	-0
Life Insurance & Investment Management operating income	**378**	**381**	**162**	**166**	**117**	**111**
Administrative expenses	136	142	67	68	76	78
DAC amortisation and trail commissions	37	44	58	54	0	0
Life Insurance & Investment Management expenses	**173**	**187**	**125**	**122**	**76**	**78**
Life Insurance & Investment Management operating result	**205**	**194**	**37**	**44**	**41**	**33**
Non-life operating result	43	34	2	2	-	-
Operating result	**249**	**228**	**38**	**47**	**41**	**33**
Gains/losses and impairments	-28	-50	1	-13	0	0
Revaluations	8	-44	-	20	-	-
Market & other impacts	-63	-229	-0	-0	-	-
Underlying result before tax	**166**	**-95**	**39**	**53**	**41**	**33**
Life Insurance - New business figures						
Single premiums	192	426	186	146	-	-
Annual premiums	21	69	99	72	-	-
New sales (APE)	40	111	118	87	-	-
Life Insurance & Investment Management - Key figures						
Adm. expenses / operating income	36.0%	37.3%	41.4%	41.0%	65.0%	70.3%
Life general account invested assets (end of period, in EUR billion)	61	60	6	7	-	-
Investment margin / Life general account invested assets (in bps)[2]	96	111	82	90	-	-
Provision for life insurance & investm. contracts for risk policyholder (end of period, in EUR billion)	20.9	22.1	3.7	3.6	-	-
Net production client balances (in EUR billion)	-0.8	-0.6	0.3	0.1	6.3	-1.4
Client balances (end of period, in EUR billion)	70.9	70.7	29.2	27.0	91.9	72.8
Other key figures						
Gross premium income	1,022	1,305	469	453	-	-
Administrative expenses (total)	229	233	68	69	76	78

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.
2) Four-quarter rolling average

INSURANCE BENELUX

OPERATING RESULT - BENELUX (in EUR million)



The operating result for Insurance Benelux increased 9.2% from a year ago to EUR 249 million, driven by improved results from both Life and Non-life. Compared with the first quarter, operating results jumped 88.6%, supported by a seasonally higher investment margin, higher Non-life results, an improved technical margin and lower administrative expenses.

The investment margin increased slightly to EUR 184 million from EUR 180 million a year ago, driven by lower additions to the provision for profit sharing to policyholders and higher dividends on private equity, which offset lower dividends on public equities following the reduction in equity exposure in 2012.

The investment margin increased from EUR 114 million in the first quarter of 2013, driven by seasonally higher dividends, which are typically received in the second quarter of the year. The investment spread increased to 96 basis points from 95 basis points in the previous quarter.

Fees and premium-based revenues declined to EUR 125 million from EUR 143 million a year ago, mainly due to lower gross premium income in retail life as well as a further reduction of cost charges within unit-linked insurance policies from 2013 onwards for clients in the Netherlands. Compared with the first quarter of 2013, fees and premium-based revenues declined by EUR 44 million due to seasonality, as annual premiums for corporate pensions are typically received in the first quarter of the year.

The technical margin increased to EUR 69 million from EUR 56 million a year ago, mainly reflecting the decrease of unit-linked guarantee provisions in the current quarter due to higher interest rates. Compared with the first quarter, the technical margin increased by EUR 22 million, reflecting improved mortality results and higher results on surrenders in the pension business, both in the Netherlands.

Despite higher pension costs, Life administrative expenses declined 4.2% from a year ago to EUR 136 million, mainly reflecting the transformation programme at Nationale-Nederlanden. Compared with the first quarter, life administrative expenses were reduced by 8.1%, supported by the transformation programme. The ratio of life administrative expenses to operating income improved to 36.0% from 44.8% in the first quarter of 2013 as a result of lower expenses and seasonally higher income.

DAC amortisation and trail commissions declined to EUR 37 million from EUR 44 million a year ago due to lower commissions as a result of lower client balances, lower distribution fees in Belgium and lower gross premium income in the Netherlands. Compared with the first quarter, DAC and trail commissions decreased by EUR 10 million due to seasonality, as annual premiums for corporate pensions are typically received in the first quarter.

Operating results from Non-life improved to EUR 43 million from EUR 34 million a year ago, driven by a more favourable claims experience in the Group Disability portfolio for income protection products following management actions to restore profitability, as well as additional reserve strengthening in the second quarter last year. Claims experience for Individual Disability and Motor is unfavourable, but measures were taken, including price increases and further optimisation of claims handling. The operating result improved from a loss of EUR 4 million in the first quarter, mainly due to less negative claims experience in Disability and P&C in the current quarter and higher investment income.

The underlying result before tax improved significantly to EUR 166 million, from a loss of EUR 95 million in the second quarter of last year. This improvement mainly reflects a negative result (net of hedging) on separate account pension contracts of EUR 229 million in the comparable quarter.

Gains/losses and impairments totalled EUR -28 million, improving from EUR -50 million in the second quarter of last year, as realised gains on sales of debt and equity securities partially offset impairments on public equity and real estate. The positive result of EUR 41 million in the first quarter of 2013 was driven by realised net gains on sales of public equities and debt securities.

Revaluations amounted to EUR 8 million in this quarter as a positive result on derivatives offset negative revaluations on real estate. Revaluations were EUR -44 million in the second quarter of 2012 and EUR -10 million in the first quarter of 2013; both were mainly driven by negative revaluations on the real estate portfolio.

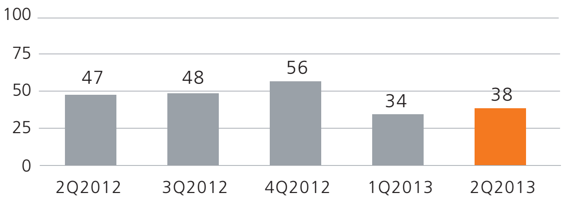
Market and other impacts totalled EUR -63 million compared with EUR -229 million a year ago and EUR -34 million in the first quarter. The result in the current quarter is largely due to negative results on long-term interest rate hedges following an increase in swap rates. These hedges have now been significantly reduced which will lower volatility in reported results. The change in the provision for guarantees on a separate account pension contracts (net of hedging) in the Benelux was EUR -14 million in the current quarter compared with EUR -241 million a year ago.

New sales (APE) declined to EUR 40 million from EUR 111 million a year ago, reflecting declining sales in the retail life business, lower contract acquisitions and renewals in the pension business, and lower sales of single premiums in Belgium, following a lowering of interest rate guarantees. Compared with the first quarter, APE declined from EUR 116 million, primarily due to seasonality of corporate pension sales in the Netherlands.

The total funds entrusted in NN Banksparen accounts, which are not included in APE, grew by EUR 167 million in the second quarter reaching a total of EUR 686 million. NN Bank extended its product offering in the quarter with the introduction of both a variable and fixed-rate savings product.

INSURANCE CENTRAL AND REST OF EUROPE

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



Central and Rest of Europe continued to drive for higher sales in life and third-pillar pensions products, posting a 36% increase in sales (APE) in the second quarter, led by higher life sales in Poland and pension products in Turkey. The resulting new business strain weighed on operating results, while the low interest rate environment also put pressure on the investment margin.

The operating result for Central and Rest of Europe declined 19.1% from a year ago to EUR 38 million, due to higher DAC amortisation and trail commissions in line with higher sales, as well as lower investment income due to the low yield environment. The operating result increased 11.8% from the first quarter, mainly reflecting higher fees and premium-based revenues due to a change in the amortisation of commission and expenses in Turkey.

The investment margin declined to EUR 10 million from EUR 12 million in the previous quarter and EUR 15 million in the second quarter of last year. The year-on-year decline was mainly due to the impact from the low yield environment across the region, as well as regulatory changes in the Czech Republic, which resulted in third-pillar pension funds being taken off the balance sheet as of 1 January 2013. As a result, lower investment income will be partly offset in fees and premium-based revenues.

Fees and premium-based revenues rose to EUR 109 million from EUR 103 million a year ago and EUR 101 million in the first quarter, mainly due to a change in the amortisation of commissions and expenses in Turkey. A more profitable product mix in Poland from sales of (cancer-)riders also contributed to the year-on-year increase, which was partially offset by lower management fees on unit-linked products in the Czech Republic.

The technical margin was EUR 36 million, down 16.3% from a year ago and down 7.7% from the first quarter. The decline was mainly due to lower morbidity and mortality results and lower surrender results in Greece, as well as lower morbidity results in Spain following higher claims from risk protection products.

DAC amortisation and trail commissions increased to EUR 58 million, up 7.4% from the second quarter of last year and 5.5% the first quarter. This was in line with higher acquisition commissions driven by higher Life sales, particularly in Poland.

Administrative expenses were EUR 67 million, flat on the second quarter of last year and down 1.5% from the previous quarter, both excluding currency effects, due to tight cost controls throughout the region and timing effects.

The underlying result before tax increased to EUR 39 million from EUR 34 million in the previous quarter; however, it declined from EUR 53 million in the second quarter of last year, which included a EUR 20 million positive revaluation result (driven by the unwinding of interest rate hedges) as well as EUR 13 million of de-risking losses, both in Spain.

New sales (APE) increased to EUR 118 million, up 36% from a year ago and 0.9% higher than the first quarter, both excluding currency effects. Pension sales jumped 117.4%, driven by pension regulatory incentives and by sales channel investments in Turkey. Life sales grew 8.1%, mainly due to higher sales through multi-agencies and bancassurance channels in Poland, as well as higher sales of a health insurance product launched in Greece. Sales increased slightly from the first quarter as higher pension sales in Turkey were partly offset by seasonally lower life sales in Romania, where group life sales are recognised in the first quarter.

INVESTMENT MANAGEMENT

Investment Management Key figures

In EUR billion	2Q2013	1Q2013	2Q2012[1]
Operating result (in EUR million)	41	31	33
Assets under Management	176.0	184.5	173.5
of which Proprietary	74.3	77.8	73.4
of which Retail	45.3	45.7	41.9
of which Institutional	56.3	61.0	58.2
Net inflow	-3.6	-3.0	-1.7
Fees and premium based revenues / average AUM (annualised in bps)	26	24	25
Administrative expenses / operating income	65.0%	71.8%	70.3%

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.

Total assets under management (AuM) for Investment Management declined by EUR 8.5 billion to EUR 176.0 billion at the end of the second quarter, due to net outflows of EUR 3.6 billion at the end of the quarter, market depreciation of EUR 3.8 billion and negative currency impacts of EUR 1.1 billion.

Despite the lower AuM, the operating result increased 24.2% from a year ago to EUR 41 million, reflecting higher operating income on higher average AuM (as financial markets rose at the beginning of the quarter) as well as lower expenses. Compared with the previous quarter, the operating result rose 32.3%, reflecting lower expenses due to recognition of an insurance claim and seasonally higher securities lending fees in the second quarter.

Fees and premium-based revenues were EUR 117 million, up 7.3% from the second quarter of 2012 and driven by higher average AuM of EUR 184 billion. Compared with the first quarter of 2013, fees and premium-based revenues rose 7.3%, largely due to higher securities lending fees, which are typically received in the second quarter.

Administrative expenses excluding currency effects declined 1.3% from a year ago and 3.8% from the first quarter, supported by the recognition of an insurance claim of EUR 3 million in the second quarter.

The underlying result before tax was EUR 41 million, up 24.2% from a year ago and 32.3% from the previous quarter and fully attributable to the higher operating result in the current quarter.

CORPORATE LINE EURASIA

Corporate Line EurAsia

in EUR million	2Q2013	2Q2012
Interest on hybrids and debt	-35	-59
Amortisation intangible assets	-2	-5
Investment income & fees (ING Insurance holding)	0	0
Capital Management	**-37**	**-64**
Corporate expenses	-40	-42
ING Re	5	6
Other	0	-4
Operating result	**-72**	**-105**
Gains/losses and impairments	12	3
Revaluations	-4	1
Market and other impacts	0	-1
Underlying result before tax	**-64**	**-101**

The operating result for Corporate Line EurAsia improved to EUR -72 million from EUR -105 million a year earlier, mainly reflecting lower funding costs.

The Capital Management result was EUR -37 million compared with EUR -64 million in the second quarter of last year, mainly reflecting EUR 24 million of lower interest expenses on EUR 3.5 billion of intercompany hybrid loans due to a lower credit spread.

Corporate expenses declined slightly to EUR 40 million from EUR 42 million a year ago. These expenses reflect EurAsia corporate staff expenses which are not allocated to the business lines.

The underlying result before tax of EUR -64 million improved by EUR 37 million from a year ago, reflecting the improved operating result and a EUR 5 million higher positive impact from market-related items. The latter is mainly attributable to gains on sales of debt securities in ING Re.

CONSOLIDATED BALANCE SHEET

ING Insurance EurAsia N.V.: Consolidated balance sheet

in EUR million	30 June 13	31 Mar. 13	31 Dec. 12[1]		30 June 13	31 Mar. 13	31 Dec. 12[1]
Assets				**Equity**			
Cash and balances with central banks	5,899	5,494	3,558	Shareholders' equity	16,553	18,253	18,759
Financial assets at fair value through P&L	27,583	29,175	30,855	Minority interests	67	70	68
- trading assets	597	596	586	**Total equity**	**16,620**	**18,323**	**18,827**
- non-trading derivatives	2,370	2,883	3,295	**Liabilities**			
- investments for risk of policyholders	24,517	25,615	26,919	Subordinated loans	3,500	3,500	3,500
- other	100	81	56	Other borrowed funds	2,541	3,240	3,715
Investments	56,032	58,172	58,637	Insurance and investment contracts	90,018	92,472	93,536
- debt securities available-for-sale	50,926	53,180	53,675	- life insurance provisions	60,733	61,987	62,162
- equity securities available-for-sale	5,106	4,992	4,962	- non-life insurance provisions	3,809	3,923	3,498
Loans and advances to customers	16,969	17,208	18,744	- provision for risk of policyholders	24,635	25,717	27,023
Reinsurance contracts	273	283	254	- other	841	845	853
Investments in associates	869	881	899	Financial liabilities at fair value through P&L	632	625	579
Real estate investments	790	793	799	- non-trading derivatives	632	625	579
Property and equipment	180	189	195	Other liabilities	4,607	4,475	4,775
Intangible assets	404	420	433				
Deferred acquisition costs	725	745	733				
Other assets	4,281	3,942	3,928				
Total assets excl. assets held for sale	**114,007**	**117,302**	**119,036**	**Total liabilities excl. liabilities held for sale**	**101,298**	**104,311**	**106,104**
Assets held for sale	48,068	55,019	61,549	Liabilities held for sale	44,158	49,688	55,655
				Total liabilities	**145,456**	**153,999**	**161,759**
Total assets	**162,075**	**172,321**	**180,585**	**Total equity and liabilities**	**162,075**	**172,321**	**180,585**

1) The comparative figures of this period have been restated to reflect the new pension accounting requirement under IFRS which took effect on 1 January 2013.

Total assets of ING Insurance EurAsia declined by EUR 7.2 billion, excluding currency effects, to EUR 162.1 billion, primarily due to a reduction in assets held for sale (as divestments were completed) and the lower market value of the debt securities portfolio. Shareholders' equity declined by EUR 1.7 billion to EUR 16.5 billion, reflecting a lower revaluation reserve for debt securities as interest rates rose.

Assets

Investments for risk of policyholders declined by EUR 1.1 billion, mainly due to negative revaluations. These changes are also reflected in the Provision for risk of policyholders on the liability side of the balance sheet.

Debt securities available-for-sale declined by EUR 2.2 billion, due to negative revaluations as interest rates increased.

Liabilities

Insurance and investment contracts declined by EUR 2.5 billion, mainly reflecting a decrease in the Provision for risk of policyholders as well as lower deferred profit sharing to policyholders following a decline of the debt securities revaluation reserve.

Assets/Liabilities held for sale

Assets held for sale, which reflect the balance sheet items of Insurance & Investment Management Asia, declined by EUR 4 billion, excluding currency effects, following the closing of the sale of the 49% stake in KB Life and reflecting a lower market value of the debt securities portfolios in Japan and Korea. The decline in the Liabilities held for sale of EUR 2.7 billion, excluding currency effects, mainly relates to the closing of the sale of KB Life.

Shareholders' equity

Shareholders' equity declined by EUR 1.7 billion from the first quarter to EUR 16.5 billion, mainly due to EUR 2.3 billion of negative revaluations on the investment portfolio and currency impacts, which were partly offset by EUR 0.6 of billion lower deferred profit sharing to policyholders. The decline in the revaluation reserve deb securities did not have a material impact on the regulatory capital ratios of our subsidiaries.

RISK & CAPITAL MANAGEMENT

Insurance EurAsia continued to improve its risk profile in preparation for its stand-alone future focusing on initiatives to improve hedging and to manage insurance risks. Solvency levels improved over the second quarter, reflecting higher interest rates as well as the sale of the 49% stake in KB Life.

The key risks for ING Insurance EurAsia (excluding the held-for-sale Asia entities) are explained below.

Earnings sensitivities for market and credit risks (full-year impact)

In EUR million	2Q2013	1Q2013
Interest Rates +30%*	-13	-27
Interest Rates -30%*	-14	64
Equity -25%	-366	-346
Equity +25%	278	331
Implied Volatility (interest rates +30%, equity 1-3yr +30%)	-31	-12
Credit default (moderate rating based shock)	-74	-73
Real Estate -10%	-488	-480
Foreign Exchange -10%	-27	-27

* based on a parallel shock of 30% of the 10-year interest rate

Market risk

ING has hedged its economic interest rate exposure by investing in long-term bonds and closing the remaining interest rate gap through receiver swaps and swaptions. Interest rate risk is also mitigated through a disciplined pricing and renewal strategy in the Dutch corporate pensions business. The use of interest rate derivatives results in an IFRS earnings sensitivity to rising interest rates. This earnings sensitivity was reduced over the second quarter as EUR 1.0 billion in long-term interest-rate hedges were unwound with only a moderate increase in interest rate risk at the long end of the curve. As a result, P&L volatility and the impact from option time value decay will also reduce. The IFRS earnings interest rate sensitivities above relate to parallel movements in the yield curve. Non-parallel movements at the long end of the curve may cause larger earnings sensitivity due to an asymmetry between the accounting of the liability and (hedge) assets for the guaranteed separate account business in the Netherlands.

The equity risk primarily relates to direct equity holdings in the Netherlands. Market value movements in equities are directly reflected in regulatory capital. ING has hedged the equity risk within the guaranteed separate account pension business to a large extent by using equity options. The IFRS earnings sensitivities for rising equity markets for that specific business decreased due to equity markets appreciation in the second quarter.

The real estate sensitivity reflects investments in real estate funds and direct real estate assets. Market movements in real estate are taken through the P&L; therefore, real estate sensitivities are similar from an economic, regulatory capital and IFRS earnings perspective.

Credit risk

Credit spread risk is the single largest risk from a regulatory capital perspective in the Netherlands. It reflects the impact of the mismatch between the ECB AAA government bond rate used to value the long-term liabilities and the spreads in the assets held to match the duration of these liabilities. This mismatch is not expected to be realised as long as the underlying assets do not default and are held to maturity. On 12 July, Fitch downgraded France, changing the composition of the ECB AAA government bond curve, which fell on average by 15 basis points. This had no impact on regulatory solvency ratios as at 30 June 2013. Any potential future impact to liability valuation for solvency purposes is currently under discussion with the local regulator.

The total exposure to Greece, Italy, Ireland, Portugal and Spain (GIIPS) was reduced by EUR 201 million during the second quarter, mainly due to redemptions (EUR 161 million) and a decrease in real estate (EUR 33 million).

ING Insurance: Greece, Italy, Ireland, Portugal and Spain - Total exposures - 30 June 2013

in EUR million	Greece	Italy	Ireland	Portugal	Spain	Total
Residential mortgages and other consumer lending	10				19	29
Corporate lending		75	25			100
Financial institutions lending	5				187	192
Total Lending	**15**	**75**	**25**	**0**	**206**	**321**
RMBS	29	282	95	105	329	840
Other ABS		21	101		109	231
Corporate bonds		291	240	27	190	747
Covered bonds		9	5		444	458
Financial institutions bonds (unsecured)		52	23	26	77	178
Government bonds	38	1,323	53	5	983	2,402
Total Debt Securities	**67**	**1,978**	**517**	**162**	**2,133**	**4,857**
Real Estate	**21**	**245**		**207**	**313**	**786**
Total Risk exposures 30 June 2013	**103**	**2,298**	**542**	**369**	**2,652**	**5,964**
Total Risk exposures 31 March 2013	**108**	**2,330**	**591**	**389**	**2,747**	**6,165**
Total change over second quarter 2013	**-5**	**-32**	**-49**	**-20**	**-95**	**-201**

Footnote: ING Insurance/IM has no credit risks linked to Cyprus.

Insurance risks

Earnings sensitivities for Insurance risks (full-year impact)		
In EUR million	2Q2013	1Q2013
Mortality	-25	-30
Morbidity	-103	-107
P&C	-84	-81

The IFRS earnings sensitivities to Insurance risks primarily relate to fluctuations in actual mortality, morbidity and P&C experience. The sensitivities are measured to an adverse change of insurance risk factors at the 90% confidence level over a one-year period. There were no major changes in these sensitivities during the quarter.

ING is exposed to longevity risks arising from the large defined-benefit pension book in the Netherlands. ING currently uses the 2012 Dutch Central Bureau of Statistics (CBS) tables as a basis for IFRS reserve adequacy testing, regulatory solvency for Dutch entities and pricing. Updates to these tables only impact IFRS earnings over time, though they may result in large immediate impacts on present value metrics and regulatory capital. The disability business in the Netherlands is the largest contributor to morbidity risk. This business has had unfavourable claims experience since the second half of 2011. Whilst Group disability is starting to improve reflecting decisive actions taken in 2012, claims experience in Individual disability continues to be unfavourable. Management has taken actions to improve profitability for Individual disability including premium increases on renewals and further optimising claims handling.

Non-financial risks

Pricing for long-term options and guarantees reflects dynamic policyholder behaviour, which can be uncertain. Insurance EurAsia is mitigating this risk by establishing a closer relationship with end customers. The product approval and review process ensures that new products are suitable for customers. Existing and in-force products are also reviewed regularly for their suitability, and adjustments are made when required.

Regulatory and political risks are addressed by closely monitoring regulatory developments and by being actively involved in industry bodies. In Poland, pillar II pension fund regulations are currently being reviewed. The outcome of this review may reduce the growth and profitability of our Polish pension business as well as current in-force value. This business currently accounts for around 3 million clients and EUR 15.6 billion in assets under management.

In the Netherlands, interim measures towards Solvency II are being worked out and are currently expected to be implemented by 1 January 2014 in an effort to make existing solvency measurement more risk based. ING is participating in impact studies driven by the local regulator through the Verbond van Verzekeraars (Dutch Insurers Association).

IT, data quality and other operational risks are addressed by performing regular risk assessments and by maintaining a constant focus on how to improve areas with significant operational risks.

Reserve adequacy Japan

The increase of Japanese stock markets combined with the devaluation of the Japanese yen in the second quarter significantly increased the value of the funds supporting the Japanese variable annuities, moving them closer to the guarantee values. The reserve inadequacy for the Japanese insurance business, including the VA guarantees reinsured to ING Re, improved from EUR 0.3 billion at 31 March 2013 to approximately EUR 0.1 billion at the 50% confidence level at 30 June 2013. This comprises an inadequacy of approximately EUR 0.6 billion for the closed block VA, offset by a sufficiency of EUR 0.5 billion for the corporate-owned life insurance business.

Capital ratios

Capital ratios ING Insurance EurAsia			
in EUR million		30 June 13	31 Mar. 13
	Shareholders' equity	16,553	18,253
	Hybrids issued by ING Insurance	3,500	3,500
	Required regulatory adjustments	-4,648	-6,187
(a)	Total capital base	15,405	15,566
(b)	EU required capital	5,064	5,326
	IGD Solvency I ratio (a/b)	**304%**	**292%**

The Insurance Groups Directive (IGD) ratio for Insurance EurAsia increased to 304% from 292% at the end of the first quarter. Shareholders' equity and required regulatory adjustments declined as interest rates rose, which improved the solvency position at NN Life. The EU required capital declined due to higher interest rates, currency effects, and the sale of the 49% stake in KB Life.

Insurance ING U.S.

CONSOLIDATED RESULTS

Insurance ING U.S.: Consolidated results								
In EUR million	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Insurance - Margin analysis								
Investment margin	253	278	-9.0%	264	-4.2%	517	548	-5.7%
Fees and premium-based revenues	450	414	8.7%	410	9.8%	861	822	4.7%
Technical margin	21	-7	n.a.	3	600.0%	25	-6	n.a.
Income non-modelled life business	0	0	n.a.	0	n.a.	0	0	n.a.
Life Insurance & Investment Management operating income	**725**	**686**	**5.7%**	**677**	**7.1%**	**1,402**	**1,364**	**2.8%**
Administrative expenses	324	328	-1.2%	332	-2.4%	656	648	1.2%
DAC amortisation and trail commissions	221	220	0.5%	215	2.8%	437	430	1.6%
Life Insurance & Investment Management expenses	**545**	**548**	**-0.5%**	**547**	**-0.4%**	**1,093**	**1,079**	**1.3%**
Life Insurance & Investment Management operating result	**179**	**138**	**29.7%**	**130**	**37.7%**	**309**	**285**	**8.4%**
Corporate Line operating result	-40	-36	n.a.	-43	n.a.	-83	-64	n.a.
Operating result	**140**	**102**	**37.3%**	**87**	**60.9%**	**226**	**221**	**2.3%**
Gains/losses and impairments	-3	6		11		8	40	
Revaluations	-70	53		16		-54	90	
Market & other impacts	-86	234		-306		-392	-156	
Underlying result before tax	**-19**	**394**	**-104.8%**	**-192**	**n.a.**	**-211**	**195**	**-208.2%**
of which life insurance	9	408	-97.8%	-159	n.a.	-151	216	-169.9%
of which investment management	12	22	-45.5%	10	20.0%	22	44	-50.0%
of which corporate line	-40	-36	n.a.	-43	n.a.	-83	-64	n.a.
Taxation	44	-42	n.a.	2	n.a.	46	-47	n.a.
Minority interests	-48	-	n.a.	-6	n.a.	-54	-	n.a.
Underlying net result	**-15**	**436**	**-103.4%**	**-189**	**n.a.**	**-204**	**243**	**-184.0%**
Net gains/losses on divestments	-	18		-		-	18	
Net results from divested units	-	-		-		-	-	
Net results from discontinued operations	-	-		-		-	-	
Special items after tax	-8	-9		-6		-15	-21	
Net result	**-23**	**445**	**-105.2%**	**-195**	**n.a.**	**-219**	**240**	**-191.3%**
Life Insurance - New business figures								
Single premiums	1,895	1,983	-4.4%	2,848	-33.5%	4,743	3,862	22.8%
Annual premiums	237	271	-12.5%	347	-31.7%	584	632	-7.6%
New sales (APE)	427	469	-9.0%	632	-32.4%	1,058	1,018	3.9%
Life Insurance & Investment Management - Key figures								
Administrative expenses / operating income	44.7%	47.8%		49.0%		46.8%	47.5%	
Life general account invested assets (end of period, in EUR billion)	65	69	-5.8%	67	-3.0%	65	69	-5.8%
Investment margin / Life general account invested assets (in bps)[2]	160	158		164				
Client balances (end of period, in EUR billion)	192	180	6.7%	194	-1.0%	192	180	6.7%
Investment Management Assets under Management (end of period, in EUR billion)	138	135	2.2%	142	-2.8%	138	135	2.2%
Other key figures								
Gross premium income	2,983	3,039	-1.8%	2,938	1.5%	5,921	5,992	-1.2%
Administrative expenses (total)	324	328	-1.2%	332	-2.4%	656	648	1.2%
Return on IFRS-EU equity[3]	-0.7%	18.7%		-7.5%		-4.4%	5.3%	
Employees (FTEs, end of period)	6,845	8,343	-18.0%	6,948	-1.5%	6,845	8,343	-18.0%

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013
2) Four-quarter rolling average
3) Annualised underlying net result divided by average IFRS-EU equity

INSURANCE ING U.S.

ING U.S. recorded a strong second quarter, driven by a significant improvement in operating results and continued strength in net flows in Retirement and Investment Management. Total operating results increased 37.3% year-over-year and jumped 59.1% sequentially, both excluding currency effects. The increase compared with both quarters was driven by growth in fees and premium-based revenues and a stronger technical margin.

In this report, ING U.S. refers to all of ING's U.S.-based retirement, investment and insurance businesses, the Closed Block VA business, corporate, and other closed blocks; and Insurance US refers to ING U.S.'s businesses excluding ING U.S.'s Closed Block VA, Investment Management, and the US Corporate Line (primarily financing costs), which have dedicated sections in this report.

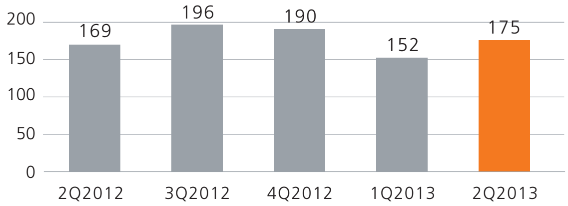
The operating result for Insurance US rose 3.6% year-on-year, excluding currency effects, to EUR 175 million, driven by higher fees and premium-based revenues and a higher technical margin, which more than offset a decline in the investment margin. Investment Management posted a second-quarter operating result of EUR 27 million, more than double the EUR 11 million reported a year earlier, due to growth in assets under management (AuM) from strong net inflows and higher equity markets. The US Closed Block VA reported an operating loss of EUR 22 million, narrowing from a loss of EUR 43 million a year ago, supported by higher equity markets. The operating result for the Corporate Line US was EUR -40 million, down from EUR -36 million in the second quarter of 2012 as higher funding costs on debt were only partially offset by lower costs on a letter of credit following the cancellation of the contingent funding facility between ING U.S. and ING Bank N.V. in the second quarter.

The total underlying result before tax for ING U.S. was EUR -19 million in the second quarter, reflecting EUR 112 million of losses in the US Closed Block VA primarily reflecting hedge losses as equity markets increased 2.4% in the quarter. The hedge programme in the US Closed Block VA is focused on protecting regulatory and rating agency capital rather than mitigating IFRS earnings volatility.

The net result for ING U.S. was EUR -23 million, including special items of EUR -8 million, which reflect IPO-related costs.

INSURANCE US

OPERATING RESULT - INSURANCE US (in EUR million)



Insurance US posted a second-quarter operating result of EUR 175 million, up 3.6% from a year ago and 13.6% higher than in the first quarter, both excluding currency effects. Higher fees and premium-based revenues and an improvement in the technical margin more than compensated for a decline in the investment margin.

The investment margin declined 11.1%, excluding currency effects, from a year ago to EUR 249 million due to lower earned rates and the run-off of assets related to the Institutional Spread business. The lower earned rates reflect the restructuring implemented in 2012 to reduce capital intensity as well as the impact of the low yield environment. Credited rates in the Retirement and Individual Life businesses were reduced, primarily in the first quarter of 2013, to mitigate spread pressure, while on-going growth in assets in the Retirement business helped to offset some of the pressure on investment income. The investment margin was 6.4% lower than in the first quarter of 2013, excluding currency effects, primarily reflecting the impact of low interest rates on the average portfolio yield.

Fees and premium-based revenues grew 3.4% from a year ago to EUR 305 million, excluding currency effects. Strong net inflows in the Retirement and Annuities businesses as well as equity market appreciation drove fee income higher. The higher fee income more than offset lower premium-based revenue in the Individual Life business, reflecting lower sales following management actions to focus on less capital-intensive products. Compared with the first quarter, fees and premium-based revenues rose 4.1%, excluding currency effects, driven by higher fee income in the Retirement business as well as higher premium-based revenue in Individual Life, reflecting seasonality of premiums in Term Life.

The technical margin improved to EUR 19 million from EUR -8 million in the second quarter of 2012 and EUR 3 million in the first quarter of 2013. The increase from a year ago was primarily due to higher margins in Individual Life, reflecting improvements in net mortality and lower reserve changes related to the suspension of Guaranteed Universal Life sales and lower new Term Life sales. The increase in the technical margin compared with the first quarter was primarily due to improved loss ratios in Employee Benefits, favourable reserve developments in the Closed Block Group Reinsurance business, and favourable net mortality results in Individual Life. These factors were only partially offset by non-recurring reserve releases in the Individual Life, Annuities, and Retirement businesses in the first quarter of 2013.

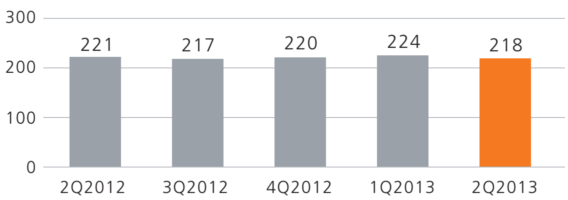
INSURANCE ING U.S.

Insurance ING U.S.: Breakdown by business area

	Insurance US		Investment Management		US Closed Block VA	
In EUR million	2Q2013	2Q2012[1]	2Q2013	2Q2012	2Q2013	2Q2012
Investment margin	249	283	0	-0	4	-4
Fees and premium-based revenues	305	298	110	92	35	24
Technical margin	19	-8	-	-	2	0
Income non-modelled life business	-0	0	0	-0	-0	0
Life Insurance & Investment Management operating income	**573**	**573**	**110**	**92**	**42**	**21**
Administrative expenses	218	221	83	80	23	27
DAC amortisation and trail commissions	180	183	1	1	41	37
Life Insurance & Investment Management expenses	**398**	**404**	**84**	**80**	**63**	**64**
Life Insurance & Investment Management operating result	**175**	**169**	**27**	**11**	**-22**	**-43**
Gains/losses and impairments	-3	6	0	0	0	0
Revaluations	-57	41	-15	10	1	1
Market & other impacts	5	-24	-	-	-91	258
Underlying result before tax	**121**	**192**	**12**	**22**	**-112**	**216**
Life Insurance - New business figures						
Single premiums	1,895	1,983	-	-	-	-
Annual premiums	237	271	-	-	-	-
New sales (APE)	427	469	-	-	-	-
Life Insurance & Investment Management - Key figures						
Adm. expenses / operating income	38.0%	38.6%	75.5%	87.0%	54.8%	128.6%
Life general account invested assets (end of period, in EUR billion)	60	64	-	-	5	5
Investment margin / Life general account invested assets (in bps)[2]	171	169	-	-	25	32
Provision for life insurance & investm. contracts for risk policyholder (end of period, in EUR billion)	42.9	40.7	-	-	32.1	33.1
Net production client balances (in EUR billion)	-0.4	-0.3	2.5	-0.3	-0.8	-0.6
Client balances (end of period, in EUR billion)	107.4	103.7	51.0	42.4	33.2	34.0
Other key figures						
Gross premium income	2,849	2,925	-	-	134	114
Administrative expenses (total)	218	221	83	80	23	27

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013
2) Four-quarter rolling average

ADMINISTRATIVE EXPENSES - INSURANCE US (in EUR million)



Administrative expenses were flat compared with a year ago and declined 3.9% (excluding currency effects) from the first quarter to EUR 218 million. The decline in operating expenses was partially due to a one-time adjustment related to certain stock compensation accruals.

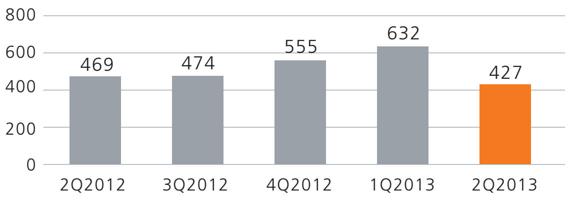
DAC amortisation and trail commissions of EUR 180 million were essentially flat with both prior quarters, excluding currency effects.

The underlying result before tax declined compared with both comparable quarters to EUR 121 million, primarily due to negative revaluations on CMO assets following changes in prepayment assumptions and as a result of increased volatility in interest rates during the quarter. Compared with the second quarter of last year, underlying results were down 38.3%, excluding currency effects, from EUR 192 million, which included significant positive revaluations on CMOs, while the current quarter included negative revaluations. Compared with the first quarter, underlying results were down 37.0%, excluding currency effects, from EUR 189 million, also reflecting the negative CMO revaluations in the current quarter.

Gains/losses and impairments amounted to EUR -3 million compared with EUR 6 million in the second quarter of 2012 and EUR 3 million in the first quarter of 2013.

Revaluations totalled EUR -57 million compared with EUR 41 million in the second quarter of 2012 and EUR 18 million in the first quarter of 2013, reflecting the aforementioned CMO revaluations. Market and other impacts were EUR 5 million, compared with EUR -24 million in the second quarter of 2012 and EUR 16 million in the first quarter of 2013. The current quarter reflects positive DAC amortisation due to the negative CMO revaluations, partially offset by Stable Value hedge losses due to the increase in interest rates during the quarter. The second quarter of 2012 included negative DAC amortisation due to the positive CMO revaluations in that period.

NEW SALES (APE) - INSURANCE US (in EUR million)



New sales (APE) were EUR 427 million, down 8.6% from the second quarter of 2012 and 34.1% lower than in the first quarter, both excluding currency effects. Full Service Retirement Plan sales grew 11.5% year-on-year and Annuity/Mutual Fund products sales rose by 5.7%. These increases were more than offset by declines in Individual Life, following management actions to focus on less capital-intensive products, as well as lower Stable Value sales, which can fluctuate by quarter. The decline versus the first quarter was primarily due to seasonality in Employee Benefit sales and lower Retirement sales following a very strong first quarter of 2013. Net AuM inflows in the Retirement business amounted to EUR 340 million in the second quarter.

INVESTMENT MANAGEMENT

Investment Management posted a second-quarter operating result of EUR 27 million, up from EUR 11 million in the second quarter of 2012 and EUR 14 million in the first quarter. The increase was fuelled by growth in fees and premium-based revenues.

Investment Management Key figures

In EUR billion	2Q2013	1Q2013	2Q2012
Operating result (in EUR million)	27	14	11
Assets under Management (in EUR billion)	137.8	142.3	135.4
of which Proprietary	67.5	71.5	74.3
of which Retail	37.1	38.6	35.3
of which Institutional	33.2	32.2	25.8
Net inflow (in EUR billion)	1.7	1.0	2.1
Fees and premium-based revenues / average AUM (annualised in bps)	31	28	28
Administrative expenses / operating income	75.5%	85.7%	87.0%

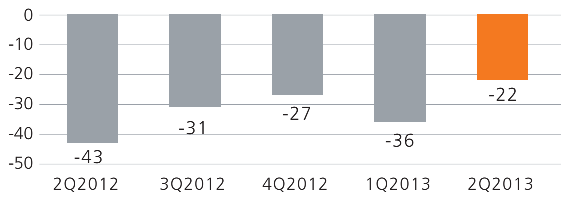
Fees and premium-based revenues grew to EUR 110 million, up 20.9% from a year ago and up 10.0% from the first quarter, both excluding currency effects. The increase was driven by growth in AuM from strong net inflows as well as equity market appreciation, a favourable change in asset mix resulting in higher fees per AuM, and an increase in performance- and distribution-related fees.

Administrative expenses increased 5.1% from a year ago to EUR 83 million but were down 2.4% sequentially, both excluding currency effects. The increase compared with the second quarter of 2012 was primarily driven by higher variable and performance-related compensation consistent with the increase in revenues.

The underlying result before tax of Investment Management was EUR 12 million, down from EUR 22 million in the second quarter of 2012 but up from EUR 10 million in the first quarter of 2013, driven mainly by revaluations. The current quarter included revaluations of EUR -15 million versus EUR 10 million in the second quarter of 2012 and EUR -4 million in the first quarter of 2013. Revaluations for Investment Management reflect both the revaluations on Investment Management's investment capital results, as well as results attributable to minority interests in partnerships managed by Investment Management. The negative revaluation attributable to minority interests for the second quarter of 2013 amounts to EUR 20 million and was primarily driven by the increase in the interest rates during the quarter. The comparative figures for the share of minority interests are EUR -6 million for the first quarter of 2013 and nil for the second quarter of 2012.

US CLOSED BLOCK VA

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



Market volatility continued to impact the underlying results from the US Closed Block VA as the hedge programme is focused on protecting regulatory and rating agency capital rather than mitigating IFRS earnings volatility. The underlying result before tax was EUR -112 million in the second quarter, primarily reflecting losses on equity hedges as equity markets appreciated in the quarter. The second-quarter result compares with EUR 216 million in the second quarter of 2012 and EUR -349 million in the first quarter of 2013.

On an operating basis, the US Closed Block VA reported a loss of EUR 22 million compared with a loss of EUR 43 million one year ago and a loss of EUR 36 million in the previous quarter. The improvement over both prior quarters was primarily driven by an increase in fees and premium-based revenues.

The investment margin was EUR 4 million in the current quarter compared with EUR -4 million in the second quarter of 2012 and EUR 3 million in the first quarter of 2013.

Fees and premium-based revenues rose to EUR 35 million in the current quarter from EUR 24 million in both comparative quarters, fuelled by higher fee income and a lower cost of guaranteed benefits (reserve change) as equity markets appreciated. Net AuM outflows in the second quarter were EUR 0.8 billion.

Administrative expenses declined to EUR 23 million from EUR 27 million in the second quarter of 2012 and EUR 24 million in the first quarter, mainly due to a one-time adjustment related to certain stock compensation accruals in the second quarter of 2013.

DAC amortisation and trail commissions increased to EUR 41 million compared with EUR 37 million in the second quarter of

2012 and EUR 38 million in the first quarter of 2013. The increase was driven by higher trail commissions, which rose in proportion to the growth in fee revenue as equity markets appreciated.

Gains/losses and impairments were nil, unchanged from a year ago, but down from EUR 8 million in the previous quarter. Revaluations were EUR 1 million in the current quarter, on par with both prior periods.

Market and other impacts were EUR -91 million versus EUR 258 million a year ago and EUR -322 million in the first quarter of 2013. These results reflect the difference between hedge gains and losses versus the change in reserves, as the hedge programme is focused on protecting regulatory and rating agency capital rather than mitigating earnings volatility.

CORPORATE LINE US

Corporate Line US		
EUR million	2Q2013	2Q2012
Interest on hybrids and debt	-33	-25
Amortisation intangible assets	-2	-2
Investment Income & fees	-4	-9
Operating result	**-40**	**-36**
Gains/losses and impairments	-	-
Revaluations	-	-
Market and other impacts	-	-
Underlying result before tax	**-40**	**-36**

The underlying result before tax from the US Corporate Line was EUR -40 million, compared with EUR -36 million in the second quarter of 2012 and EUR -43 million in the first quarter of 2013. The year-on-year decline was attributable to higher interest costs as short-term and internal debt were replaced with longer-term external debt. This impact was partially offset by lower letter of credit (LOC) costs related to the cancellation of the contingent funding facility between ING U.S. and ING Bank N.V. in the second quarter of 2013. The improvement in the US Corporate Line result compared with the first quarter of 2013 was primarily due to the lower LOC costs.

CONSOLIDATED BALANCE SHEET

Insurance ING U.S.: Consolidated balance sheet

in EUR million	30 June 13	31 Mar. 13	31 Dec. 12[1]
Assets			
Cash and balances with central banks	1,330	1,764	1,788
Financial assets at fair value through P&L	78,103	81,192	75,648
- non-trading derivatives	993	1,729	1,859
- investments for risk of policyholders	75,049	77,445	71,846
- other	2,061	2,018	1,943
Investments	57,512	60,900	60,663
- debt securities available-for-sale	57,438	60,826	60,553
- equity securities available-for-sale	73	74	111
Loans and advances to customers	8,472	8,699	8,236
Reinsurance contracts	4,855	4,983	5,037
Investments in associates	70	73	87
Real estate investments	6	6	6
Property and equipment	136	141	141
Intangible assets	808	652	585
Deferred acquisition costs	4,486	4,065	3,816
Other assets	2,720	2,695	2,832
Total assets	**158,498**	**165,169**	**158,840**

	30 June 13	31 Mar. 13	31 Dec. 12[1]
Equity			
Shareholders' equity	9,763	10,091	10,165
Minority interests	182	170	149
Total equity	**9,945**	**10,262**	**10,315**
Liabilities			
Debt securities in issue	2,486	1,949	1,138
Other borrowed funds	195	1,063	2,149
Insurance and investment contracts	138,884	143,524	136,382
- life insurance provisions	60,206	62,157	60,828
- provision for risk of policyholders	75,049	77,445	71,846
- other	3,629	3,922	3,708
Financial liabilities at fair value through P&L	2,289	2,684	2,717
- non-trading derivatives	2,289	2,684	2,717
Other liabilities	4,701	5,689	6,140
Total liabilities	**148,553**	**154,907**	**148,525**
Total equity and liabilities	**158,498**	**165,169**	**158,840**

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013.

Total assets for ING U.S. declined by EUR 3.5 billion, excluding currency effects, to EUR 158.5 billion, mainly due to the impact of interest rate movements. Shareholders' equity declined by EUR 0.3 billion to EUR 9.8 billion, driven primarily by the change in revaluations on debt securities as interest rates rose during the second quarter.

Assets

Non-trading derivatives declined by EUR 0.7 billion, excluding currency effects, mainly due to the impact of interest rate movements on the interest rate derivative contracts.

Investments for risk of policyholders declined by EUR 0.9 billion, excluding currency effects, mainly due to net outflows from the Closed Block Variable Annuity segment, partially offset by a growth in assets resulting from equity market appreciation during the second quarter.

Debt securities available for sale declined by EUR 2.2 billion, excluding currency effects, mainly as a result of lower revaluation reserves as interest rates increased, as well as the continued run-off of the Closed Block Institutional Spread products business.

Liabilities

Debt securities in issue increased by EUR 0.6 billion, excluding currency effects, to EUR 2.5 billion, driven by recent debt offerings.

Other borrowed funds were reduced by EUR 0.8 billion, excluding currency effects, to EUR 0.2 billion. This reflects the repayment of a portion of a bank term loan and of commercial paper using the proceeds from debt offerings. In addition, there was a repayment of a surplus note in conjunction with the novation and recapture of an Individual Life insurance captive.

Life insurance provisions decreased by EUR 0.8 billion, excluding currency effects, to EUR 60.2 billion, reflecting increased deferrals of investment losses on experience rated contracts and lower reserves on minimum guarantee products, resulting from interest rate increases during the second quarter and equity market appreciation.

Provision for risk of policyholders decreased by EUR 0.9 billion, excluding currency effects, to EUR 75.1 billion. This was due to net outflows from the Closed Block Variable Annuity segment, which were partially offset by growth in assets resulting from equity market appreciation during the second quarter. This line item mirrors the movement in the Investments for risk of policyholders.

Shareholders' equity

Shareholders' equity declined by EUR 0.3 billion from the end of the first quarter of 2013 to EUR 9.8 billion, mainly as a result of the change in revaluations on debt securities due to movements in interest rates during the second quarter, partly offset by the proceeds from the primary offering in the ING U.S. IPO. The decline in the revaluation reserve debt securities did not have a material impact on the regulatory capital ratios of our subsidiaries.

RISK & CAPITAL MANAGEMENT

ING U.S. continued to align its risk organisation and risk profile to reflect its stand-alone position following the successful initial public offering of the company in May, which strengthened the capital position and reduced ING Group's ownership in the company to 71%. Favourable market conditions in the second quarter also had a positive impact on the ING U.S. risk profile, as equity markets and interest rates increased.

Market risk and credit risk

Earnings sensitivities for market risk (full-year impact) excluding Closed Block VA

In EUR million	2Q2013	1Q2013
Interest Rates +1% parallel shift	140	101
Interest Rates -1% parallel shift	-147	-124
Equity -25%	-203	-205
Equity +25%	191	191
Credit – Default[1)]	-236	-268
Credit – Spread[2)]	-231	-248

1) Impact that credit default risk can have on credit impairment levels in a '1 in 10' scenario
2) Impact that a '1-in-10 ' increase in credit spreads levels can have on previously impaired structured assets (re-impairment risk) and on CDS transactions that are carried at market value
Note: Implied Volatility, Real Estate, and Foreign Exchange sensitivities do not have a material impact

The primary interest rate exposure for the US business, excluding Closed Block VA, is to falling interest rates. ING U.S. has hedged its economic interest rate exposure by matching assets and liabilities for in-force policies and by adjusting policy credited rates and pricing for long-term guarantees on new business. The increase in sensitivity to interest rates over the quarter is primarily driven by additional potential DAC write-downs in the Fixed Annuity business and a reduction in interest rate hedging targets for Retirement.

Earnings sensitivities to equity market changes for the ongoing business are driven primarily by changes in fees on certain policyholder account values, predominantly in the Retirement business. Changes in the value of private equity and other alternative assets held in the general account also contribute to equity market sensitivities. The primary equity risk is to falling markets. ING U.S. has taken steps to mitigate equity risk primarily through hedging strategies and by maintaining broad diversity in its investment portfolio. The sensitivity to equities did not change significantly in the second quarter.

Earnings sensitivity due to Credit Default risk decreased by approximately 10% over the quarter following sales of lower-rated Sub-Prime RMBS and CMBS securities. As of 30 June 2013, low-rated structured assets account for almost half of the earnings sensitivity.

Earnings sensitivity related to Credit Spread risk is almost entirely embedded in the EUR 0.5 billion portfolio of previously impaired structured assets. As these assets are marked to market, substantial spread widening could cause recognition of market value losses through incremental impairments. In the second quarter, the measured earnings sensitivity to Credit Spread risk decreased by 5%, largely driven by asset sales and maturity run-off on the CDS transactions. The earnings sensitivity related to CDS transactions decreased by 10% and accounts for 15% of total earnings sensitivity related to Credit Spread risk.

ING U.S. manages its Credit risk by setting limits for the credit quality at the portfolio level, limits to manage concentration risk in investment portfolios, and limits for counterparty risk. In the second quarter, the portfolio of Alt-A, Sub-Prime and CMBS securities rated below investment grade decreased by 11% to EUR 1.4 billion, due to further asset sales. This reduction in credit risk was offset by a reduction in the amount of short-term assets of EUR 1.0 billion and the reinvestment of those funds, largely in higher-yielding Investment Grade Corporate Bonds. The credit quality of the general account portfolio was stable during the quarter and the average rating quality of the fixed income investments (BBB+) remained unchanged. The total exposure of ING U.S. to the Greece, Italy, Ireland, Portugal and Spain (GIIPS) countries is immaterial and there is no exposure to Cyprus.

Closed Block VA IFRS earnings sensitivities (in EUR mln) 2Q2013

Equity Market Return	2Q2013	RAT50 Sufficiency
-25%	950	-150
-15%	550	150
-5%	100	450
5%	-150	700
15%	-450	1,000
25%	-650	1,250

Equities are the main driver of earnings sensitivities to market developments for the Closed Block Variable Annuity business. The CBVA hedge programme focuses on protecting regulatory and rating agency capital rather than earnings. These hedges will generate losses when equity markets increase and gains when equity markets decrease. The negative variance to expected sensitivities in the quarter was primarily caused by underperformance of the underlying funds relative to the overall market.

The IFRS reserve adequacy testing for the CBVA improved to the 75% confidence level. Nevertheless, reserves are projected to be inadequate at the 50% level in a 25% equity market down shock scenario over one quarter as the increase in interest rates during the second quarter reduced the actual fair value reserve more than it has decreased the tested reserve and therefore has decreased sufficiency.

Insurance risk

Earnings sensitivities for Insurance risk (full-year impact) excluding Closed Block VA		
In EUR million	2Q2013	1Q2013
Mortality	-24	-24
Morbidity	-49	-50

Insurance risks such as mortality, longevity, and morbidity result from the pricing and underwriting of insurance contracts. Through scenario analysis, ING U.S. measures the sensitivity of pre-tax earnings of the insurance operations to an adverse change of insurance risk factors at the 90% confidence level over a one-year period. ING U.S. manages this risk by monitoring pricing assumptions and experience. Additionally, underwriting policies, product design, risk limits related to policy terms and conditions, and reinsurance are used to reduce the insurance risks. The sensitivities presented in the table above are figures before diversification with other risks. The overall exposure to insurance risks did not change significantly during the second quarter.

Non-financial risk

Pricing for long-term options and guarantees reflects dynamic policyholder behaviour, which can be uncertain. ING U.S. closely monitors assumptions and experience. Such a review will typically take place in the third or fourth quarter. The product approval and review process ensures that new products are suitable for customers. Existing and in-force products are also reviewed regularly for their suitability, and adjustments are made when required.

Regulatory and political risks are addressed by closely monitoring regulatory developments and strong involvement in industry bodies.

IT, data quality and other operational risks are addressed through risk assessments and by maintaining a constant focus on improving areas of significant operational risks.

Capital Management

ING U.S. successfully completed its initial public offering in May, generating proceeds of USD 600 million from a primary offering and EUR 635 million from a secondary offering (including the exercise of the underwriters' overallotment option), and reducing ING Group's ownership in the company to approximately 71%.

In connection with the IPO recapitalisation activities, on 8 May 2013, the principal insurance subsidiaries paid extraordinary distributions in the aggregate amount of USD 1,434 million.

ING U.S. completed its recapitalisation plan in July 2013 following the issuance of USD 400 million of senior notes. In May, ING U.S. also issued USD 750 million of junior subordinated debt securities, completing the final capital initiatives that were targeted following the primary equity offering. The proceeds of these debt offerings were used to repay USD 500 million owed to ING Verzekeringen N.V., of which USD 350 million was repaid in the second quarter and the remainder in July. ING Bank has committed to providing up to USD 250 million in financing as part of a syndicated revolving credit facility, however after the USD 500 million repayment there are no other intercompany borrowings outstanding.

The USD 1.5 billion contingent capital letter of credit from ING Bank N.V. was cancelled in the second quarter.

ING U.S. targets capitalisation of its regulated operating companies based on local statutory rules at a level of 425% of Risk Based Capital (RBC). ING U.S. also targets a CTE(95) amount related to its Closed Block VA business, which is primarily reinsured to an affiliated offshore reinsurer and which is not part of the RBC calculation. The target level of CTE(95) capital represents the amount of total assets needed to meet S&P capital requirements for an A-rating level with respect to market risk for the Closed Block VA business. The estimated combined Risk Based Capital ratio for ING U.S. decreased from 556% at the end of the first quarter to 454% at the end of the second quarter, due to the aforementioned extraordinary distributions of USD 1,434 million. Excluding the impact of the extraordinary distributions, the RBC ratio increased slightly in the second quarter.

ING U.S. has a post-IPO debt-to-capital target of approximately 25% on a U.S. GAAP basis. At 30 June 2013, that ratio was 26.2%, down slightly from 27.2% at 31 March 2013. The aforementioned repayment of USD 150 million to ING Verzekeringen in July, related to the recapitalisation plan of ING U.S., will further reduce the ratio to 25.4%.

CORPORATE LINE INSURANCE OTHER

Corporate Line Insurance Other		
in EUR million	2Q2013	2Q2012
Interest on hybrids and debt	-11	7
Investment income & fees	2	4
Capital Management	**-9**	**11**
Result from associates	4	15
Other	-19	-7
Operating result before tax	**-24**	**19**
Gains/losses and impairments	0	0
Revaluations	2	-9
Market and other impacts	0	0
Underlying result before tax	**-22**	**10**

The Corporate Line Insurance Other reflects Capital Management funding related results, including interest received from subsidiaries of ING Verzekeringen N.V., partly offset by interest paid. Furthermore, Corporate Line Insurance Other includes results of insurance businesses and activities that are not related to and therefore not included in Insurance EurAsia and Insurance ING U.S., such as ING's stake in the Brazilian insurer SulAmérica SA and ING's mortgage business in Mexico, and Other items such as Group Shareholders' expenses and several litigations.

The operating result declined to EUR -24 million from EUR 19 million in the second quarter last year, primarily reflecting higher funding costs and lower results from ING's stake in SulAmérica SA.

The Capital Management result declined to EUR -9 million from EUR 11 million a year ago, mainly reflecting lower interest income on a EUR 3.5 billion intercompany hybrid loan with Insurance EurAsia, partly offset by lower external funding costs.

Result from associates includes the result of ING's stake in the Brazilian insurer SulAmérica SA, which declined to EUR 4 million from EUR 15 million in the second quarter of 2012, mainly as a result of higher claims.

The 'Other' result of EUR -19 million was EUR 12 million lower than in the second quarter of 2012, primarily driven by lower results of the Mexican Mortgage business.

Revaluations amounted to EUR 2 million this quarter versus EUR -9 million in the second quarter of last year. This line reflects the changes in the market value of interest hedges and foreign currency positions.

APPENDIX 1

CONSOLIDATED PROFIT AND LOSS ACCOUNT ING GROUP

ING Group: Consolidated profit and loss account

	Total Group[1]		Total Banking		Insurance EurAsia		Insurance ING U.S.		Insurance Other	
in EUR million	2Q2013	2Q2012[2]	2Q2013	2Q2012[2]	2Q2013	2Q2012[2]	2Q2013	2Q2012[2]	2Q2013	2Q2012[2]
Gross premium income	4,479	4,811			1,498	1,774	2,983	3,039	-2	-2
Interest result Banking operations	2,978	2,831	3,006	2,856						
Commission income	963	928	582	577	165	152	229	208	-14	-9
Total investment & other income	1,076	2,766	265	161	713	795	82	1,827	23	-1
Total underlying income	**9,495**	**11,338**	**3,853**	**3,594**	**2,376**	**2,721**	**3,294**	**5,074**	**7**	**-12**
Underwriting expenditure	4,645	6,586			1,729	2,312	2,917	4,262	-2	12
Staff expenses	1,707	1,643	1,236	1,213	269	266	197	165	5	
Other expenses	1,140	1,112	828	775	146	160	162	213	4	-36
Intangibles amortisation and impairments	26	56	26	56						
Operating expenses	2,874	2,811	2,090	2,044	415	426	359	378	10	-36
Interest expenses Insurance operations	70	88			48	87	35	38	21	2
Addition to loan loss provision	616	540	616	540						
Other	4	8			2	6	2	2		
Total underlying expenditure	**8,207**	**10,032**	**2,706**	**2,582**	**2,194**	**2,831**	**3,313**	**4,680**	**29**	**-21**
Underlying result before tax	**1,288**	**1,305**	**1,147**	**1,011**	**182**	**-110**	**-19**	**394**	**-22**	**10**
Taxation	369	179	283	257	47	-31	44	-42	-5	-5
Minority interests	-23	18	23	20	4		-48		-2	-2
Underlying net result	**942**	**1,109**	**840**	**734**	**131**	**-79**	**-15**	**436**	**-15**	**17**
Net gains/losses on divestments	-16	-188			-4	-186		18	-12	-19
Net result from divested units		8		11		-3				
Net result from discontinued operations[3]	-98	111			-98	111				
Special items after tax	-41	252	-22	202	-10	63	-8	-9	-1	-3
Net result	**788**	**1,293**	**819**	**948**	**20**	**-93**	**-23**	**445**	**-28**	**-6**

ING Group: Consolidated profit and loss account

	Total Group[1]		Total Banking		Insurance EurAsia		Insurance ING U.S.		Insurance Other	
in EUR million	1H2013	1H2012[2]	1H2013	1H2012[2]	1H2013	1H2012[2]	1H2013	1H2012[2]	1H2013	1H2012[2]
Gross premium income	10,264	10,934			4,346	4,946	5,921	5,992	-3	-4
Interest result Banking operations	5,870	5,791	5,922	5,825						
Commission income	1,882	1,814	1,136	1,130	314	299	446	408	-14	-23
Total investment & other income	2,052	3,029	659	356	1,353	1,309	-78	1,372	133	33
Total underlying income	**20,067**	**21,568**	**7,716**	**7,311**	**6,013**	**6,554**	**6,289**	**7,771**	**116**	**7**
Underwriting expenditure	10,474	12,431			4,776	5,670	5,701	6,765	-3	-4
Staff expenses	3,446	3,325	2,475	2,441	555	511	413	370	3	3
Other expenses	2,305	2,291	1,683	1,605	294	333	313	379	15	-26
Intangibles amortisation and impairments	65	125	65	125						
Operating expenses	5,817	5,741	4,224	4,171	849	844	726	749	19	-23
Interest expenses Insurance operations	139	166			117	186	70	57	18	-2
Addition to loan loss provision	1,176	978	1,176	978						
Other	7	12			3	8	4	4		
Total underlying expenditure	**17,614**	**19,328**	**5,400**	**5,150**	**5,746**	**6,707**	**6,500**	**7,575**	**34**	**-29**
Underlying result before tax	**2,453**	**2,240**	**2,316**	**2,162**	**266**	**-153**	**-211**	**195**	**82**	**37**
Taxation	711	493	614	613	66	-72	46	-47	-15	-1
Minority interests	1	60	53	46	6	18	-54		-4	-4
Underlying net result	**1,742**	**1,687**	**1,649**	**1,502**	**194**	**-100**	**-204**	**243**	**101**	**41**
Net gains/losses on divestments	924	301	-6	489	942	-186		18	-12	-19
Net result from divested units	-38	21	-37	23	-1	-3				
Net result from discontinued operations[3]	58	274			58	274				
Special items after tax	-94	-262	-44	-202	-31	-6	-15	-21	-4	-34
Net result	**2,592**	**2,020**	**1,563**	**1,813**	**1,162**	**-21**	**-219**	**240**	**86**	**-12**

1) Including intercompany eliminations.
2) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013
3) The results of Insurance/IM Asia have been transferred to “net result from discontinued operations”.

APPENDIX 2

CONSOLIDATED RESULTS ING INSURANCE

Insurance Total: Consolidated results								
In EUR million	2Q2013	2Q2012[1]	Change	1Q2013	Change	1H2013	1H2012[1]	Change
Insurance - Margin analysis								
Investment margin	447	475	-5.9%	390	14.6%	838	900	-6.9%
Fees and premium-based revenues	802	770	4.2%	789	1.6%	1,591	1,565	1.7%
Technical margin	127	92	38.0%	89	42.7%	216	175	23.4%
Income non-modelled life business	6	6	0.0%	5	20.0%	10	11	-9.1%
Life Insurance & Investment Management operating income	**1,382**	**1,343**	**2.9%**	**1,274**	**8.5%**	**2,655**	**2,650**	**0.2%**
Administrative expenses	603	616	-2.1%	627	-3.8%	1,230	1,241	-0.9%
DAC amortisation and trail commissions	316	318	-0.6%	317	-0.3%	633	642	-1.4%
Life Insurance & Investment Management expenses	**919**	**935**	**-1.7%**	**944**	**-2.6%**	**1,864**	**1,884**	**-1.1%**
Life Insurance & Investment Management operating result	**463**	**409**	**13.2%**	**329**	**40.7%**	**792**	**767**	**3.3%**
Non-life operating result	45	36	25.0%	-3	n.a.	42	49	-14.3%
Corporate Line operating result	-136	-121	n.a.	-117	n.a.	-253	-215	n.a.
Operating result	**371**	**324**	**14.5%**	**210**	**76.7%**	**581**	**601**	**-3.3%**
Gains/losses and impairments	-18	-54		120		102	39	
Revaluations	-63	21		7		-57	-156	
Market & other impacts	-149	3		-340		-489	-404	
Underlying result before tax	**141**	**294**	**-52.0%**	**-3**	**n.a.**	**137**	**80**	**71.3%**
of which life insurance	171	339	-49.6%	5	3320.0%	176	171	2.9%
of which non-life insurance	43	28	53.6%	-3	n.a.	40	30	33.3%
of which investment management	53	55	-3.6%	41	29.3%	94	104	-9.6%
of which corporate line	-126	-127	n.a.	-47	n.a.	-173	-226	n.a.
Taxation	85	-78	n.a.	11	672.7%	97	-120	n.a.
Minority interests	-46	-2	n.a.	-6	n.a.	-52	14	-471.4%
Underlying net result	**102**	**374**	**-72.7%**	**-9**	**n.a.**	**92**	**186**	**-50.5%**
Net gains/losses on divestments	-16	-188		945		929	-188	
Net results from divested units	0	-3		-1		-1	-3	
Net results from discontinued operations	-98	111		155		58	274	
Special items after tax	-19	50		-30		-49	-61	
Net result	**-31**	**345**	**-109.0%**	**1,060**	**-102.9%**	**1,029**	**208**	**394.7%**
Life Insurance - New business figures								
Single premiums	2,272	2,555	-11.1%	3,244	-30.0%	5,516	5,083	8.5%
Annual premiums	357	412	-13.3%	541	-34.0%	898	941	-4.6%
New sales (APE)	584	668	-12.6%	866	-32.6%	1,449	1,449	0.0%
Life Insurance & Investment Management - Key figures								
Administrative expenses / operating income	43.6%	45.9%		49.2%		46.3%	46.8%	
Life general account invested assets (end of period, in EUR billion)	132	136	-2.9%	134	-1.5%	132	136	-2.9%
Investment margin / Life general account invested assets (in bps)[2]	127	133		129				
Client balances (end of period, in EUR billion)	384	351	9.4%	382	0.5%	384	351	9.4%
Investment Management Assets under Management (end of period, in EUR billion)	314	309	1.6%	327	-4.0%	314	309	1.6%
Other key figures								
Gross premium income	4,479	4,811	-6.9%	5,785	-22.6%	10,264	10,934	-6.1%
Administrative expenses (total)	748	717	4.3%	775	-3.5%	1,523	1,467	3.8%
Return on IFRS-EU equity[3]	1.6%	6.3%		-0.1%		0.7%	1.6%	
Employees (FTEs, end of period)	18,345	20,469	-10.4%	18,673	-1.8%	18,345	20,469	-10.4%

1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013
2) Four-quarter rolling average
3) Annualised underlying net result divided by average IFRS-EU equity

Capital ratios: ING Insurance			
in EUR million		30 Jun 13	31 Mar 13
	Shareholders' equity	22,370	27,498
	Hybrids issued by ING Group	2,455	2,491
	Required regulatory adjustments	-1,745	-6,109
(a)	**Total capital base**	**23,079**	**23,880**
(b)	EU required capital	8,971	9,340
	IGD Solvency I ratio (a/b)	**257%**	**256%**

Footnotes for the Key figures table on page 6 :
1) The comparative figures of this period have been restated to reflect the new pension accounting requirements under IFRS which took effect on 1 January 2013
2) The results of Insurance/IM Asia have been transferred to “net result from discontinued operations”.
3) Result per share differs from IFRS earnings per share in respect of attributions to the core Tier 1 securities.
4) Four quarter rolling average.
5) Annualised underlying net result divided by average IFRS-EU equity.
6) Underlying after tax return divided by average equity on 10% core Tier 1 ratio (annualised).

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