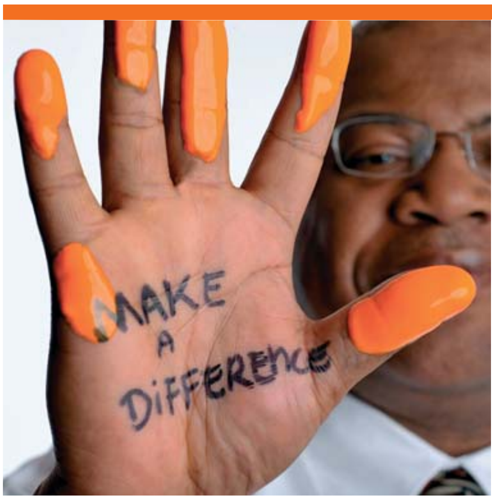
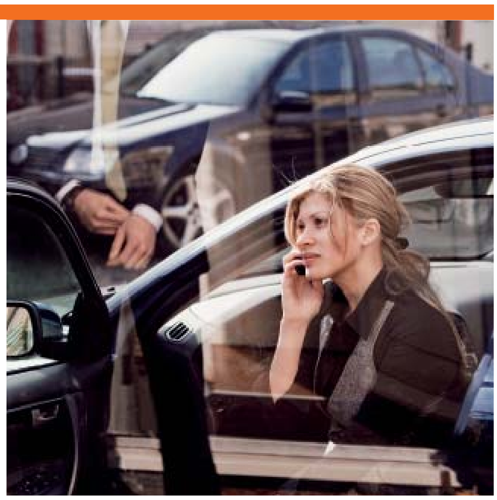
ING BANK



Condensed consolidated interim financial information for the period ended 30 June 2010

In this report

ING BANK N.V.

Consolidated results

ING Bank N.V., together with ING Insurance N.V., is part of ING Groep N.V. ING Bank N.V. consists of the following business lines: Retail Netherlands, Retail Belgium, ING Direct, Retail Central Europe, Retail Asia, Commercial Banking excluding Real Estate and ING Real Estate.

Net profit for ING Bank N.V. was EUR 2,405 million, up from EUR 315 million in the first six months of 2009. Net results in the first six months of 2010 included EUR 407 million net results on divestments, which related to the sale of ING's private banking businesses in Asia and Switzerland. Special items included a charge of EUR 137 million after tax mainly related to the combination of the Dutch retail activities, the Belgium retail transformation program and costs related to the separation of Banking and Insurance. In the first six months of 2009, special items included a charge of EUR 263 million after tax, mainly related to the Back to Basics restructuring program and the combination of the Dutch retail activities. In the same period, the divested private banking businesses reported a net loss of EUR 65 million.

Excluding divestments and special items, ING Bank posted an underlying net profit of EUR 2,135 million in the first six months of 2010, up from EUR 643 million in the same period last year.

ING Bank's results strongly improved, driven by volume growth at attractive margins, a decline in risk costs and strong cost containment following substantial cuts last year. The underlying result before tax increased to EUR 2,969 million from EUR 704 million in the first six months of last year, when market related impacts were substantial. The annualized underlying return on average IFRS equity increased to 13.4% from 5.0% in the first six months of 2009.

Total underlying income rose 27.0% compared with the first six months of 2009, driven by higher interest results, increased commission income and a sharp decline in negative market impacts as market conditions improved. Impairments on debt and equity securities and negative revaluations on real estate decreased to EUR 198 million from EUR 1,259 million in the first six months of last year. The other market impacts, including capital gains on the sale of bonds and equities, improved to a profit of EUR 265 million compared with a loss of EUR 73 million in same period last year.

The interest result increased 4.4%, mainly driven by higher margins and growth in client balances. The total interest margin was 1.41%, up 15 basis points compared with the first six months of 2009, supported by the deleveraging of the balance sheet in the first half of 2009 and despite substantial lower interest results in Financial Markets activities. Margins on lending and savings both improved.

Efficiency improved, reflecting ongoing cost containment following significant cuts last year. Underlying operating expenses rose 2.4% to EUR 4,719 million. However excluding currency effects and impairments on real estate development projects, expenses were down 3.0% from the first half last year. The underlying cost/income ratio improved to 54.6%, or 52.2% excluding market-related impacts.

Risk costs declined towards more normalised levels, driven mainly by improvements in Structured Finance, Real Estate Finance and the US mortgage book, while provisions remained elevated for mid-corporate and SME clients in the Benelux. ING Bank added underlying EUR 962 million to the loan loss provisions, down from EUR 1,498 million in the first six months of 2009. Risk costs amounted to an annualized 57 basis points of average risk-weighted assets. In the coming periods ING expects net provisions to remain at around the level seen in the first half of 2010.

The underlying result before tax of Retail Banking more than tripled to EUR 1,810 million compared with EUR 511 million in the first six months of 2009, driven by strong income growth on higher margins as well as lower impairments at ING Direct USA. Retail Netherlands increased 124.1% to EUR 715 million, reflecting an improved margin on savings and a decline in operating expenses following cost savings initiatives taken in 2009. Retail Belgium rose 3.0% to EUR 314 million, driven by cost containment and lower risk costs offsetting lower interest results as re-investment returns declined in the current low interest rate environment. ING Direct posted an underlying profit before tax of EUR 675 million, up from a loss of EUR 131 million in the first half last year, driven by higher interest results, lower impairments on the US investment portfolio, and lower loan loss provisions on the US mortgage portfolio. Retail Central Europe posted a profit of EUR 72 million, up from EUR 21 million, mainly due to higher income and lower risk costs. Retail Asia posted an underlying profit before tax of EUR 33 million, up from a loss of EUR 3 million in the same period last year, driven by higher income at ING Vysya Bank and better results from TMB.

Commercial Banking excluding ING Real Estate posted an underlying profit before tax of EUR 1,250 million, up 9.8% from the first six months last year, despite lower income from Financial Markets due to reduced customer activity and less favourable trading conditions. Results were supported by higher margins in General Lending and Structured Finance and a sharp decline in risk costs compared with the same period last year. Expenses increased 4.2%, largely due to currency effects. ING Real Estate's loss narrowed to EUR 116 million from a loss of EUR 770 million in the first half of last year as negative revaluations diminished to EUR 70 million, down from EUR 676 million. Impairments, mainly on development projects, were EUR 236 million, up from EUR 132 million in the same period last year.

The Corporate Line Banking reported an underlying profit before tax of EUR 26 million compared with a EUR 176 million loss in the first half of the previous year. The improvement was supported by the gain on the sale of an equity stake, while the first half of 2009 included a sizeable loss on a FX hedge.

Balance sheet

ING Bank's balance sheet increased by EUR 73 billion, of which EUR 38 billion due to currency impacts, to EUR 955 billion at 30 June 2010 from EUR 882 billion at the end of 2009. The adjusted loan-to-deposit ratio (excluding securities at amortized costs and the IABF receivable) improved to 1.04 from 1.06 at the end of December 2009. The asset leverage ratio decreased to 27.2 from 27.8 at the end of 2009, driven by net profit and including EUR 1.7 billion from adjusting ING Bank's own debt to market valuations.

Assets
Excluding currency impacts, total assets increased by EUR 35 billion. This was driven by EUR 20 billion higher financial assets at fair value through P&L, mainly trading and non-trading derivatives following the effect of market impacts on valuation. Excluding currency impacts, loans and advances to customers and amounts due from banks both increased by EUR 11 billion. This was partly offset by a reduction of EUR 5 billion in assets held for sale, due to the sale of Private Banking Asia and Switzerland.

Loans and advances to customers
Loans and advances to customers increased by EUR 34 billion to EUR 586 billion at 30 June 2010 from EUR 552 billion at 31 December 2009. The increase was for EUR 23 billion attributable to currency impacts. Excluding currency impacts, residential mortgages increased by EUR 12 billion, mainly at ING Direct and Retail Netherlands, while loans to '(mid)-corporates, SMEs and other' rose by EUR 5 billion. At comparable exchange rates, securities at amortized cost and the IABF receivable decreased by EUR 6 billion.

Liabilities
Total liabilities increased by EUR 70 billion, of which EUR 36 billion due to currency impacts, to EUR 921 billion at 30 June 2010 from EUR 851 billion at 31 December 2009. Excluding these currency impacts, the increase was mainly due to EUR 28 billion higher customer deposits and other funds on deposit (especially current accounts and savings) and to EUR 18 billion higher financial liabilities at fair value through P&L, partly compensated by a reduction of EUR 5 billion in liabilities held for sale (due to the sale of Private Banking Asia/Switzerland). Growth of financial liabilities at fair value through P&L is - similarly to the assets development - mainly attributable to higher trading and non-trading derivatives following the effect of market impacts on valuation.

Customer deposits and other funds on deposit
Customer deposits and other funds on deposit rose by EUR 45 billion to EUR 523 billion, of which EUR 17 billion was attributable to currency impacts. Excluding these currency impacts, the increase was EUR 28 billion, mainly caused by EUR 13 billion growth in current accounts (mainly in the Benelux), EUR 7 billion growth in individual savings accounts and EUR 5 billion growth in corporate savings.

Shareholders' equity
Shareholders' equity increased by EUR 3.2 billion, or 10.5%, to EUR 33.4 billion. The increase was mainly driven by a net profit of EUR 2.4 billion. The revaluation reserve equity securities decreased by EUR 0.7 billion after tax to EUR 1.8 billion due to a lower book value of ING Bank's stake in Bank of Beijing and the sale of an equity stake. The currency translation reserve increased by EUR 1.3 billion to EUR 1.0 billion, driven by the depreciation of the euro against various currencies.

Risk Management
ING Bank added underlying EUR 962 million to the loan loss provisions compared with EUR 1,499 million in the first six months of 2009 (adjusted for divestments). Gross additions to the loan loss provisions in the first six months of 2010 were EUR 1,319 million, while releases amounted to EUR 357 million. This translated into (annualised) 57 basis points of average risk weighted assets (RWA) versus 88 basis points in the first six months 2009. In the coming quarters risk costs are expected to remain around the 1H 2010 level.

The value of the securities portfolio (excluding trading positions and including securities booked under loans & receivables) was EUR 151.3 billion at the end of June 2010, of which EUR 148.2 billion was debt-related and EUR 3.1 billion equity-related. The EUR 4.3 billion increase in the debt securities portfolio since 31 December 2009 is largely due to foreign currency effects and an increase in government bonds and US agency RMBS partly offset by sales or maturing of securities. The total revaluation reserve after tax on the debt portfolio rose from a negative EUR 123 million in the fourth quarter of 2009 to a positive EUR 353 million at the end of the second quarter of 2010. During the first six months of 2010, the exposure to southern European countries has been reduced, reinvesting the proceeds in other government bonds primarily from Germany and the Netherlands.

The direct real estate exposure of ING Bank reduced from EUR 7.0 billion at the end of December 2009 to EUR 6.7 billion at the end of June 2010. The real estate investments that are subject to revaluation through the P&L decreased 0.1 billion to EUR 3.2 billion at 30 June 2010. The total fair value changes of real estate investment through the P&L were limited to a negative EUR 70 million in the first six months of 2010, reflecting the stabilising real estate markets. ING Bank has investments of EUR 2.1 billion in real estate development projects, for which an impairment of EUR 236 million was taken in the first six months. Impairments were mainly taken on the Dutch portfolio following management decisions to scale down projects.

Total risk weighted assets (RWA) were EUR 343.9 billion at June 2010, compared with EUR 332.4 billion at the end of December 2009. Credit RWA increased by EUR 18 billion compared with the end of December 2009, of which EUR 16 billion driven by currency effects. Credit rating migration decreased RWA by EUR 2 billion, whereas volume impacts added EUR 3 billion. Market RWA remained stable. Operational RWA declined EUR 6 billion due mainly to model updates.

Looking ahead

The measures taken over the past six quarters to strengthen our balance sheet have reduced vulnerability to market shocks. ING Bank comfortably passed the European Union's stress test last month, and we are pleased that the increased disclosure from the industry appears to have helped stabilise markets and restore confidence in the sector. We also welcome the increased clarity around changes under Basel III, and ING Bank is well positioned for this new regulatory environment, with a healthy liquidity position and funding mix.

Conformity statement pursuant to section 5:25d paragraph 2(c) of the Dutch Financial Supervision Act *(Wet op het financieel toezicht)*

The Management Board is responsible for maintaining proper accounting records, for safeguarding assets and for taking reasonable steps to prevent and detect fraud and other irregularities. It is responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and reasonable. It is also responsible for establishing and maintaining internal procedures which ensure that all major financial information is known to the Management Board, so that the timeliness, completeness and correctness of the external financial reporting are assured.

As required by section 5:25d paragraph 2(c) of the Dutch Financial Supervision Act, each of the signatories hereby confirms that to the best of his or her knowledge:

- the ING Bank N.V. Interim Accounts for the period ended 30 June 2010 give a true and fair view of the assets, liabilities, financial position and profit or loss of ING Bank N.V. and the enterprises included in the consolidation taken as a whole;
- the ING Bank N.V. Interim Report for the period ended 30 June 2010 gives a true and fair view of the information required pursuant to article 5:25d, subsection 8 of the Dutch Financial Supervision Act *(Wet op het financieel toezicht)* regarding ING Bank N.V. and the enterprises included in the consolidation taken as a whole.

AMSTERDAM, 10 AUGUST 2010

Jan Hommen
Chairman of the Management Board

Patrick Flynn
CFO, member of the Management Board

Koos Timmermans
CRO, member of the Management Board

Eric Boyer de la Giroday
Vice-chairman of the Management Board

Eli Leenaars
Member of the Management Board

Hans van der Noordaa
Member of the Management Board

Condensed consolidated balance sheet of ING Bank

as at

amounts in millions of euros	30 June 2010	31 December 2009
ASSETS		
Cash and balances with central banks	**9,963**	12,602
Amounts due from banks	**56,109**	43,397
Financial assets at fair value through profit and loss 2	**150,125**	122,769
Investments 3	**112,197**	106,591
Loans and advances to customers 4	**585,824**	551,774
Investments in associates	**1,480**	1,396
Real estate investments	**2,367**	2,283
Property and equipment	**5,614**	5,567
Intangible assets 5	**2,440**	2,377
Assets held for sale 6		4,583
Other assets	**29,178**	28,780
Total assets	**955,297**	882,119
EQUITY		
Shareholders' equity (parent)	**33,400**	30,222
Minority interests	**1,122**	995
Total equity	**34,522**	31,217
LIABILITIES		
Subordinated loans	**22,584**	21,193
Debt securities in issue	**113,406**	109,357
Amounts due to banks	**85,542**	84,235
Customer deposits and other funds on deposit	**522,656**	477,602
Financial liabilities at fair value through profit and loss 7	**150,877**	126,496
Liabilities held for sale 6		4,631
Other liabilities	**25,710**	27,388
Total liabilities	**920,775**	850,902
Total equity and liabilities	**955,297**	882,119

References relate to the accompanying notes. These form an integral part of the condensed consolidated interim accounts.

Condensed consolidated profit and loss account of ING Bank

for the three and six month period ended

	3 month period 1 April to 30 June		6 month period 1 January to 30 June	
amounts in millions of euros	**2010**	2009	**2010**	2009
Interest income	**16,170**	20,528	**32,555**	44,737
Interest expense	**12,875**	17,281	**25,961**	38,388
Interest result	**3,295**	3,247	**6,594**	6,349
Investment income 8	**119**	-593	**168**	-652
Commission income	**658**	664	**1,317**	1,274
Other income 9	**357**	-255	**995**	54
Total income	**4,429**	3,063	**9,074**	7,025
Addition to loan loss provision	**465**	853	**962**	1,625
Intangible amortisation and other impairments	**118**	66	**287**	99
Staff expenses	**1,337**	1,325	**2,699**	2,794
Other operating expenses	**941**	1,077	**1,921**	2,282
Total expenses	**2,861**	3,321	**5,869**	6,800
Result before tax	**1,568**	-258	**3,205**	225
Taxation	**416**	-110	**766**	19
Net result (before minority interests)	**1,152**	-148	**2,439**	206
Attributable to:				
Shareholders of the parent	**1,135**	-62	**2,405**	315
Minority interests	**17**	-86	**34**	-109
	1,152	-148	**2,439**	206

References relate to the accompanying notes. These form an integral part of the condensed consolidated interim accounts.

Condensed consolidated statement of comprehensive income of ING Bank
for the three and six month period ended

	3 month period 1 April to 30 June		6 month period 1 January to 30 June	
amounts in millions of euros	**2010**	2009	**2010**	2009
Result for the period	**1,152**	-148	**2,439**	206
Unrealised revaluations after taxation	**-444**	1,025	**-494**	4,241
Realised gains/losses transferred to profit and loss	**-92**	234	**-111**	249
Changes in cash flow hedge reserve	**-192**	-15	**-268**	-311
Exchange rate differences	**849**	-30	**1,651**	203
Other revaluations	**-9**	23	**-2**	23
Total amount recognised directly in equity (other comprehensive income)	**112**	1,237	**776**	4,405
Total comprehensive income	**1,264**	1,089	**3,215**	4,611
Comprehensive income attributable to:				
Shareholders of the parent	**1,247**	1,168	**3,151**	4,734
Minority interests	**17**	-79	**64**	-123
	1,264	1,089	**3,215**	4,611

For the three month period 1 April 2010 to 30 June 2010 the Unrealised revaluations after taxation comprises nil (1 April 2009 to 30 June 2009: nil) related to the share of other comprehensive income of associates.

For the six month period 1 January 2010 to 30 June 2010 the Unrealised revaluations after taxation comprises nil (1 January 2009 to 30 June 2009: nil) related to the share of other comprehensive income of associates.

For the three month period 1 April 2010 to 30 June 2010 the Exchange rate differences comprises EUR 61 million (1 April 2009 to 30 June 2009: EUR 32 million) related to the share of other comprehensive income of associates.

For the six month period 1 January 2010 to 30 June 2010 the Exchange rate differences comprises EUR 129 million (1 January 2009 to 30 June 2009: EUR 53 million) related to the share of other comprehensive income of associates.

Condensed consolidated statement of cash flows of ING Bank

for the six month period ended

amounts in millions of euros		30 June 2010	30 June 2009
Result before tax		**3,205**	225
Adjusted for	– depreciation	**745**	703
	– addition to loan loss provisions	**962**	1,625
	– other	**377**	1,458
Taxation paid		**-86**	-108
Changes in	– amounts due from banks, not available on demand	**-5,814**	4,105
	– trading assets	**-22,591**	44,665
	– non-trading derivatives	**-3,414**	327
	– other financial assets at fair value through profit and loss	**784**	147
	– loans and advances to customers	**-13,492**	490
	– other assets	**5,576**	736
	– amounts due to banks, not payable on demand	**709**	-51,172
	– customer deposits and other funds on deposit	**18,363**	5,369
	– trading liabilities	**22,791**	-35,084
	– other financial liabilities at fair value through profit and loss	**1,284**	-2,240
	– other liabilities	**-5,487**	-2,336
Net cash flow from (used in) operating activities		**3,912**	-31,090
Investments and advances	– available-for-sale investments	**-44,536**	-36,272
	– other investments	**-998**	-1,093
Disposals and redemptions	– available-for-sale investments	**44,733**	41,036
	– other investments	**4,196**	1,713
Net cash flow from (used in) investing activities		**3,395**	5,384
Proceeds from issuance of subordinated loans		**858**	383
Proceeds from borrowed funds and debt securities		**165,445**	225,441
Repayments of borrowed funds and debt securities		**-171,108**	-201,913
Net cash flow from financing activities		**-4,805**	23,911
Net cash flow		**2,502**	-1,795
Cash and cash equivalents at beginning of period		**18,170**	27,395
Effect of exchange rate changes on cash and cash equivalents		**882**	-57
Cash and cash equivalents at end of period		**21,554**	25,543
Cash and cash equivalents comprises the following items:			
Treasury bills and other eligible bills		**6,083**	6,997
Amounts due from/to banks		**5,508**	1,324
Cash and balances with central banks		**9,963**	17,222
Cash and cash equivalents at end of period		**21,554**	25,543

Condensed consolidated statement of changes in equity of ING Bank
for the six month period ended

amounts in millions of euros	Share capital	Share premium	Reserves	Total shareholders' equity (parent)	Minority interests	Total
Balance at 1 January 2010	**525**	**16,542**	**13,155**	**30,222**	**995**	**31,217**
Unrealised revaluations after taxation			**-494**	**-494**		**-494**
Realised gains/losses transferred to profit and loss			**-111**	**-111**		**-111**
Changes in cash flow hedge reserve			**-268**	**-268**		**-268**
Exchange rate differences			**1,621**	**1,621**	**30**	**1,651**
Other revaluations			**-2**	**-2**		**-2**
Total amount recognised directly in equity			**746**	**746**	**30**	**776**
Net result for the period			**2,405**	**2,405**	**34**	**2,439**
			3,151	**3,151**	**64**	**3,215**
Changes in the composition of the group					**63**	**63**
Dividends						
Employee stock option and share plans			**27**	**27**		**27**
Balance at 30 June 2010	**525**	**16,542**	**16,333**	**33,400**	**1,122**	**34,522**

amounts in millions of euros	Share capital	Share premium	Reserves	Total shareholders' equity (parent)	Minority interests	Total
Balance at 1 January 2009	525	16,392	5,972	22,889	1,232	24,121
Unrealised revaluations after taxation			4,241	4,241		4,241
Realised gains/losses transferred to profit and loss			249	249		249
Changes in cash flow hedge reserve			-311	-311		-311
Exchange rate differences			217	217	-14	203
Other revaluations			23	23		23
Total amount recognised directly in equity			4,419	4,419	-14	4,405
Net result for the period			315	315	-109	206
			4,734	4,734	-123	4,611
Changes in the composition of the group					41	41
Employee stock option and share plans			30	30		30
Balance at 30 June 2009	525	16,392	10,736	27,653	1,150	28,803

1. BASIS OF PRESENTATION

These condensed consolidated interim accounts have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The accounting principles used to prepare these condensed consolidated interim accounts comply with International Financial Reporting Standards as adopted by the European Union and are consistent with those set out in the notes to the 2009 Consolidated Annual Accounts of ING Bank, except for the amendments referred to below.

These condensed consolidated interim accounts should be read in conjunction with ING Bank’s 2009 Annual Accounts.

The following standards, interpretations and amendments to standards and interpretations became effective in 2010:

- Amendment to IFRS 1 ‘First-time adoption of IFRS’
- IFRS 3 ‘Business Combinations’ (revised) and IAS 27 ‘Consolidated and Separate Financial Statements’ (amended)
- Amendment to IAS 39 ‘Financial Instruments: Recognition and Measurement’ – ‘Eligible Hedged Items’
- IFRIC 17 ‘Distributions of Non-cash Assets to Owners’
- IFRIC 18 ‘Transfers of Assets from Customers’
- 2009 Annual improvements to IFRS
- Amendment to IFRS 2 ‘Group Cash-settled Share-based Payment Transactions’

None of these new or revised standards and interpretations had a significant effect on the condensed consolidated interim accounts for the period ended 30 June 2010.

The following new or revised standards and interpretations were issued by the IASB, which become effective for ING Bank as of 2011, unless otherwise indicated, if and when endorsed by the EU:

- Classification of Rights Issues (Amendment to IAS 32)
- Amendment to IAS 24 ‘Related Party Disclosures’
- Amendment to IFRIC 14 ’Prepayments of a Minimum Funding Requirement’
- IFRIC 19 ‘Extinguishing Financial Liabilities with Equity Instruments’
- Amendment to IFRS 1 ‘Limited Exemption from Comparative IFRS 7 Disclosure for First-time Adopters’
- 2010 Annual improvements to IFRS

ING Bank does not expect the adoption of these new or revised standards and interpretations to have a significant effect on the consolidated financial statements.

Furthermore, in 2009 IFRS 9 ‘Financial Instruments’ was issued, which is effective as of 2013. However, this standard was not yet endorsed by the EU and, therefore, is not yet part of IFRS-EU. Implementation of IFRS 9 – if and when endorsed by the EU – may have a significant impact on equity and/or result of ING Bank.

International Financial Reporting Standards as adopted by the EU provide several options in accounting principles. ING Bank's accounting principles under International Financial Reporting Standards as adopted by the EU and its decision on the options available are set out in the section "Principles of valuation and determination of results" in the 2009 Annual Accounts.

Certain amounts recorded in the condensed consolidated interim accounts reflect estimates and assumptions made by management. Actual results may differ from the estimates made. Interim results are not necessarily indicative of full-year results.

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

Financial assets at fair value through profit and loss		
amounts in millions of euros	**30 June 2010**	31 December 2009
Trading assets	**135,142**	110,981
Non-trading derivatives	**11,617**	8,610
Designated as at fair value through profit and loss	**3,366**	3,178
	150,125	122,769

3. INVESTMENTS

Investments		
amounts in millions of euros	**30 June 2010**	31 December 2009
Available-for-sale		
– equity securities	**3,096**	3,682
– debt securities	**96,379**	88,500
	99,475	92,182
Held-to-maturity		
– debt securities	**12,722**	14,409
	12,722	14,409
	112,197	106,591

Held-to-maturity debt securities – sale and reclassification to available-for-sale investments
In the second quarter of 2010 EUR 51 million of Greek government bonds that were classified as held-to-maturity investments were sold. Furthermore, EUR 282 million of Greek government bonds were reclassified from held-to-maturity to available-for-sale investments. As the decisions to sell and reclassify were based on the significant deterioration in the issuer's creditworthiness compared to the credit rating at initial recognition, this sale and reclassification does not impact the intent for the remainder of the held-to-maturity investment portfolio.

Reclassifications to investments held to maturity (2009)
During the second quarter of 2009 ING Bank reclassified EUR 0.7 billion of available-for-sale investments to held-to-maturity. The reclassification resulted from reduction in market liquidity for these assets; ING Bank has the intent and ability to hold these assets until maturity.

Reclassifications to Loans and advances to customers and Amounts due from banks (2008 and 2009)
Reclassifications out of available-for-sale investments to loans and receivables are allowed under IFRS as of the third quarter of 2008. In the first quarter of 2009 and in the fourth quarter of 2008 ING Bank reclassified certain financial assets from Investments available-for-sale to Loans and advances to customers and Amounts due from banks. ING Bank identified assets, eligible for reclassification, for which at the reclassification date it had an intent to hold for the foreseeable future. The table below provides information on the two reclassifications made in the fourth quarter of 2008 and the first quarter of 2009. Information is provided for each of the these reclassifications (see columns) as at the date of reclassification and as at the end of the subsequent reporting periods (see rows). This information is disclosed under IFRS as long as the reclassified assets continue to be recognised in the balance sheet.

Reclassifications to Loans and advances to customers and Amounts due from banks		
amounts in millions of euros	Q1 2009	Q4 2008
As per reclassification date		
Fair value	22,828	1,594
Effective interest rate (weighted average)	2.1%–11.7%	4.1%–21%
Expected recoverable cash flows	24,052	1,646
Unrealised fair value losses in shareholders' equity (before tax)	-1,224	-69
Recognised fair value gains (losses) in shareholders' equity (before tax) between the beginning of the year in which the reclassification took place and the reclassification date	nil	-79
Recognised impairment (before tax) between the beginning of the year in which the reclassification took place and the reclassification date	nil	nil
2010		
Carrying value as at 30 June	18,872	996
Fair value as at 30 June	18,287	995
Unrealised fair value losses in shareholders' equity (before tax) as at 30 June	-774	-72
Effect on shareholders' equity (before tax) for the six month period ended 30 June if reclassification had not been made	-585	-1
Effect on result (before tax) for the six month period ended 30 June if reclassification had not been made	nil	nil
Effect on result (before tax) for the six month period ended 30 June (mainly interest income)	255	19
Recognised impairments (before tax) for the six month period ended 30 June	nil	nil
Recognised provision for credit losses (before tax) for the six month period ended 30 June	nil	nil
2009		
Carrying value as at 31 December	20,551	1,189
Fair value as at 31 December	20,175	1,184
Unrealised fair value losses in shareholders' equity (before tax) as at 31 December	-902	-67
Effect on shareholders' equity (before tax) if reclassification had not been made	-376	-5
Effect on result (before tax) if reclassification had not been made	nil	nil
Effect on result (before tax) after the reclassification till 31 December (mainly interest income)	629	47
Recognised impairments (before tax)	nil	nil
Recognised provision for credit losses (before tax)	nil	nil
2008		
Carrying value as at 31 December		1,592
Fair value as at 31 December		1,565
Unrealised fair value losses recognised in shareholders' equity (before tax) as at 31 December	-192	-79
Effect on shareholders' equity (before tax) if reclassification had not been made	n/a	-28
Effect on result (before tax) if reclassification had not been made	n/a	nil
Effect on result (before tax) after the reclassification till 31 December (mainly interest income)	n/a	9
Recognised impairments (before tax)	nil	nil
Recognised provision for credit losses (before tax)	n/a	nil
2007		
Unrealised fair value losses recognised in shareholders' equity (before tax) during the year		-20
Recognised impairments (before tax)		nil

4. LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers by type		
amounts in millions of euros	**30 June 2010**	31 December 2009
Loans to, or guaranteed by, public authorities	**56,340**	51,082
Loans secured by mortgages	**330,227**	306,526
Loans guaranteed by credit institutions	**8,801**	10,229
Personal lending	**19,626**	19,960
Mortgage backed securities	**16,973**	17,814
Corporate loans	**158,982**	150,516
	590,949	556,127
Loan loss provisions	**-5,125**	-4,353
	585,824	551,774

Changes in loan loss provisions		
	6 month period ended	year ended
amounts in millions of euros	**30 June 2010**	31 December 2009
Opening balance	**4,399**	2,611
Changes in the composition of the group		-3
Write-offs	**-491**	-1,217
Recoveries	**50**	148
Increase in loan loss provisions	**962**	2,973
Exchange rate differences	**273**	-48
Other changes	**-23**	-65
Closing balance	**5,170**	4,399

Changes in the loan loss provisions are presented on the face of the profit and loss account.

The loan loss provision at 30 June 2010 of EUR 5,170 million (31 December 2009: EUR 4,399 million) is presented in the balance sheet under Loans and advances to customers and Amounts due from banks for EUR 5,125 million (31 December 2009: EUR 4,353 million) and EUR 45 million (31 December 2009: EUR 46 million) respectively.

5. INTANGIBLE ASSETS

Intangible assets		
amounts in millions of euros	**30 June 2010**	31 December 2009
Goodwill	**1,575**	1,463
Software	**623**	669
Other	**242**	245
	2,440	2,377

The goodwill has increased as a result of foreign exchange rate differences.

6. ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities held for sale include disposal groups whose carrying amount will be recovered principally through a sale transaction rather than through continuing operations. This relates to businesses for which a sale is agreed or highly probable at balance sheet date but for which the transaction has not yet fully closed. Transactions closed during the first half year but included in Assets and liabilities held for sale at 31 December 2009 included Swiss and Asian Private Banking business. Reference is made to Note 11 'Acquisitions and disposals'.

Assets held for sale

amounts in millions of euros	30 June 2010	31 December 2009
Cash and balances with central banks		183
Amounts due from banks		474
Financial assets at fair value through profit and loss		381
Available-for-sale investments		277
Loans and advances to customers		3,205
Property and equipment		35
Intangible assets		3
Other assets		25
	0	4,583

Liabilities held for sale

amounts in millions of euros	30 June 2010	31 December 2009
Amounts due to banks		30
Customer deposits and other funds on deposit		4,480
Financial liabilities at fair value through profit and loss		36
Other liabilities		85
	0	4,631

7. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

Financial liabilities at fair value through profit and loss

amounts in millions of euros	30 June 2010	31 December 2009
Trading liabilities	117,713	98,245
Non-trading derivatives	20,098	16,777
Designated as at fair value through profit and loss	13,066	11,474
	150,877	126,496

8. INVESTMENT INCOME

Investment income		
3 month period	1 April to 30 June	
amounts in millions of euros	2010	2009
Income from real estate investments	34	42
Dividend income	14	15
Realised gains/losses on disposal of debt securities	19	22
Reversals/Impairments of available-for-sale debt securities	-31	-376
Realised gains/losses on disposal of equity securities	111	1
Impairments of available-for-sale equity securities	-14	-7
Change in fair value of real estate investments	-14	-290
	119	-593

Investment income		
6 month period	1 January to 30 June	
amounts in millions of euros	2010	2009
Income from real estate investments	74	83
Dividend income	17	15
Realised gains/losses on disposal of debt securities	125	199
Reversals/Impairments of available-for-sale debt securities	-106	-555
Realised gains/losses on disposal of equity securities	115	4
Impairments of available-for-sale equity securities	-22	-28
Change in fair value of real estate investments	-35	-370
	168	-652

9. OTHER INCOME

Other income		
3 month period	1 April to 30 June	
amounts in millions of euros	2010	2009
Net result on disposal of group companies	-10	-9
Valuation results on non-trading derivatives	14	-467
Net trading income	252	407
Result from associates	5	-185
Other income	96	-1
	357	-255

Result from associates		
3 month period	1 April to 30 June	
amounts in millions of euros	2010	2009
Share of results from associates	6	-184
Impairments	-1	-1
	5	-185

Other income		
6 month period	1 January to 30 June	
amounts in millions of euros	**2010**	2009
Net result on disposal of group companies	**385**	-9
Valuation results on non-trading derivatives	**-408**	-468
Net trading income	**843**	662
Result from associates	**15**	-280
Other income	**160**	149
	995	54

Result from associates		
6 month period	1 January to 30 June	
amounts in millions of euros	**2010**	2009
Share of results from associates	**17**	-279
Impairments	**-2**	-1
	15	-280

10. SEGMENT REPORTING

ING Bank's operating segments relate to the internal segmentation by business lines; segments include the seven business lines and one corporate line. As a result of changes in the internal management and reporting structure the operating segments have changed as from 1 January 2010. ING Bank identifies the following operating segments:

Operating segments of ING Bank
Retail Netherlands
Retail Belgium
ING Direct
Retail Central Europe (CE)
Retail Asia
Commercial Banking (excluding ING Real Estate)
ING Real Estate
Corporate Line Banking

In 2009 ING Bank consisted of the following business lines: Retail Banking, ING Direct and Commercial Banking.

The Management Board sets the performance targets, approves and monitors the budgets prepared by the business lines. Business lines formulate strategic, commercial and financial policy in conformity with the strategy and performance targets set by the Management Board Banking.

The accounting policies of the operating segments are the same as those described in the Annual Accounts 2009. Transfer prices for inter-segment transactions are set at arm's length. Corporate expenses are allocated to business lines based on time spent by head office personnel, the relative number of staff, or on the basis of income and/or assets of the segment.

ING Bank evaluates the results of its operating segments using a financial performance measure called underlying result. Underlying result is defined as result under IFRS excluding the impact of divestments and special items.

The following table specifies the main sources of income of each of the segments:

Specification of the main sources of income in each of the segments

Segment	Main source of income
Retail Netherlands	Income from retail and private banking activities in the Netherlands. The main products offered are current and savings accounts, business lending, mortgages and other consumer lending.
Retail Belgium	Income from retail and private banking activities in Belgium. The main products offered are similar to those in the Netherlands.
Retail CE	Income from retail and private banking activities in Central Europe. The main products offered are similar to those in the Netherlands.
Retail Asia	Income from retail activities in Asia. The main products offered are similar to those in the Netherlands.
ING Direct	Income from direct retail banking activities. The main products offered are savings accounts and mortgages.
Commercial Banking (excluding ING Real Estate)	Income from wholesale banking activities. A full range of products is offered from cash management to corporate finance.
ING Real Estate	Income from real estate activities.
Corporate Line Banking	Corporate Line Banking is a reflection of capital management activities and certain expenses that are not allocated to the banking businesses. ING Bank applies a system of capital charging for its banking operations in order to create a comparable basis for the results of business units globally, irrespective of the business units' book equity and the currency they operate in.

Operating segments Banking

3 month period 1 April to 30 June 2010 amounts in millions of euros	Retail Netherlands	Retail Belgium	ING Direct	Retail CE	Retail Asia	Commercial Banking	Real Estate	Corporate Line Banking	Total Banking segments	Eliminations	Total Banking
Underlying income:											
– Net interest result	937	392	948	177	44	723	96	-22	3,295		3,295
– Commission income	123	93	41	73	13	225	91	-1	658		658
– Total investment and other income	-3	29	-59	-6	8	301	19	187	476		476
Total underlying income	1,057	514	930	244	65	1,249	206	164	4,429		4,429
Underlying expenditure:											
– Operating expenses	579	329	436	196	43	514	197	18	2,312		2,312
– Additions to loan loss provision	124	44	88	20	7	167	15		465		465
Total underlying expenses	703	373	524	216	50	681	212	18	2,777		2,777
Underlying result before taxation	354	141	406	28	15	568	-6	146	1,652		1,652
Taxation	94	22	136	6	2	135	2	41	438		438
Minority interests		-7		5	5	9	5		17		17
Underlying net result	260	126	270	17	8	424	-13	105	1,197		1,197

Operating segments Banking

3 month period 1 April to 30 June 2009 amounts in millions of euros	Retail Nether-lands	Retail Belgium	ING Direct	Retail CE	Retail Asia	Commer-cial Banking	Real Estate	Cor-porate Line Banking	Total Banking segments	Elimi-nations	Total Banking
Underlying income:											
– Net interest result	769	428	813	172	27	932	88	1	3,230		3,230
– Commission income	123	98	44	64	8	215	79	2	633		633
– Total investment and other income	36	25	-431	-11	10	189	-508	-184	-874		-874
Total underlying income	928	551	426	225	45	1,336	-341	-181	2,989		2,989
Underlying expenditure:											
– Operating expenses	618	323	431	167	35	491	168	45	2,278		2,278
– Additions to loan loss provision	108	41	170	11	9	408	70		817		817
Total underlying expenses	726	364	601	178	44	899	238	45	3,095		3,095
Underlying result before taxation	202	187	-175	47	1	437	-579	-226	-106		-106
Taxation	49	50	-89	9	2	67	-94	-58	-64		-64
Minority interests				3	3	10	-102		-86		-86
Underlying net result	153	137	-86	35	-4	360	-383	-168	44		44

Reconciliation between IFRS-EU and Underlying income, expenses and net result

3 month period	**1 April to 30 June 2010**			1 April to 30 June 2009		
amounts in millions of euros	**Income**	**Expenses**	**Net result**	Income	Expenses	Net result
Underlying	**4,429**	**2,777**	**1,197**	2,989	3,095	44
Divestments				55	76	-12
Special items		**84**	**-62**	19	150	-94
IFRS-EU	**4,429**	**2,861**	**1,135**	3,063	3,321	-62

Operating segments Banking

6 month period 1 January to 30 June 2010 amounts in millions of euros	**Retail Nether-lands**	**Retail Belgium**	**ING Direct**	**Retail CE**	**Retail Asia**	**Commer-cial Banking**	**Real Estate**	**Cor-porate Line Banking**	**Total Banking segments**	**Elimi-nations**	**Total Banking**
Underlying income:											
– Net interest result	**1,848**	**783**	**1,815**	**352**	**86**	**1,537**	**195**	**-24**	**6,592**		**6,592**
– Commission income	**266**	**188**	**79**	**144**	**26**	**429**	**187**	**-6**	**1,313**		**1,313**
– Total investment and other income	**-2**	**65**	**-108**	**-8**	**18**	**611**	**42**	**127**	**745**		**745**
Total underlying income	**2,112**	**1,036**	**1,786**	**488**	**130**	**2,577**	**424**	**97**	**8,650**		**8,650**
Underlying expenditure:											
– Operating expenses	**1,132**	**639**	**894**	**379**	**80**	**1,055**	**469**	**71**	**4,719**		**4,719**
– Additions to loan loss provision	**265**	**83**	**217**	**37**	**17**	**272**	**71**		**962**		**962**
Total underlying expenses	**1,397**	**722**	**1,111**	**416**	**97**	**1,327**	**540**	**71**	**5,681**		**5,681**
Underlying result before taxation	**715**	**314**	**675**	**72**	**33**	**1,250**	**-116**	**26**	**2,969**		**2,969**
Taxation	**183**	**68**	**218**	**13**	**9**	**309**	**-6**	**6**	**800**		**800**
Minority interests		**-8**		**9**	**11**	**18**	**4**		**34**		**34**
Underlying net result	**532**	**254**	**457**	**50**	**13**	**923**	**-114**	**20**	**2,135**		**2,135**

Operating segments Banking

6 month period 1 January to 30 June 2009 amounts in millions of euros	Retail Netherlands	Retail Belgium	ING Direct	Retail CE	Retail Asia	Commercial Banking	Real Estate	Corporate Line Banking	Total Banking segments	Eliminations	Total Banking
Underlying income:											
– Net interest result	1,565	836	1,518	330	49	1,836	167	13	6,314		6,314
– Commission income	266	175	75	122	17	383	168	8	1,214		1,214
– Total investment and other income	44	51	-553	-49	15	538	-653	-110	-717		-717
Total underlying income	1,875	1,062	1,040	403	81	2,757	-318	-89	6,811		6,811
Underlying expenditure:											
– Operating expenses	1,320	661	844	318	67	1,013	299	87	4,609		4,609
– Additions to loan loss provision	236	96	327	64	17	605	153		1,498		1,498
Total underlying expenses	1,556	757	1,171	382	84	1,618	452	87	6,107		6,107
Underlying result before taxation	319	305	-131	21	-3	1,139	-770	-176	704		704
Taxation	79	78	-63	4	1	262	-148	-43	170		170
Minority interests		1			5	15	-130		-109		-109
Underlying net result	240	226	-68	17	-9	862	-492	-133	642		643

Reconciliation between IFRS-EU and Underlying income, expenses and net result

6 month period	1 January to 30 June 2010			1 January to 30 June 2009		
amounts in millions of euros	**Income**	**Expenses**	**Net result**	Income	Expenses	Net result
Underlying	**8,650**	**5,681**	**2,135**	6,811	6,107	643
Divestments	**424**	**7**	**407**	111	205	-65
Special items		**181**	**-137**	103	488	-263
IFRS-EU	**9,074**	**5,869**	**2,405**	7,025	6,800	315

Divestments in 2010 mainly include the impact of the sale of Private Banking business in Asia and Switzerland. Divestments in 2009 relate to the result from the in 2010 divested units.

Special items in 2010 include costs mainly related to the combination of the Dutch retail activities, the Belgium retail transformation program and costs related to the separation of Banking and Insurance. In 2009, special items included costs mainly related to the Back to Basics restructuring program and the combination of the Dutch retail activities.

Impairments on investments are presented within Investment income, which is part of Total income. This can be specified for each segment as follows:

Impairments/ reversals of impairments on investments per operating segment

	3 month period		6 month period	
	1 April to 30 June		1 January to 30 June	
amounts in millions of euros	**2010**	2009	**2010**	2009
ING Direct	**27**	361	**78**	491
Commercial Banking (excluding ING Real Estate)	**18**	21	**49**	80
Corporate Line Banking			**1**	12
	45	382	**128**	583

11. ACQUISITIONS AND DISPOSALS

Acquistions

There were no acquisitions in the first half year of 2010.

Disposals

In October 2009 ING reached an agreement to sell its Swiss Private Banking business to Julius Baer for a consideration of EUR 344 million (CHF 520 million) in cash. The sale was completed in January 2010. The transaction generates a profit for ING of EUR 73 million in the first half year of 2010.

In October 2009 ING reached an agreement to sell its Asian Private Banking business for a consideration of USD 1,463 million (approximately EUR 1,000 million). The Asia franchise offers private banking services in 11 markets, including Hong Kong, the Philippines and Singapore. The sale was completed during the first half year of 2010. The transaction generated a profit for ING of EUR 332 million in the first half year of 2010.

12. FAIR VALUE OF FINANCIAL ASSETS

The methods used to determine fair value of financial assets and liabilities are disclosed in the 2009 Annual Accounts, including a breakdown of fair value determined by Reference to published price quotations in active markets (Level 1), by using Valuation techniques supported by observable inputs (Level 2) and by using Valuation techniques supported by unobservable inputs (Level 3). The classification by Levels was impacted in the first quarter of 2010 by a transfer of available-for-sale investments of EUR 2.9 billion from Level 1 to Level 2. Previously these were classified in Level 1because prices were obtained from an external pricing source. As from 2010 these prices are no longer based on active market indexes and these securities are classified in Level 2.

13. DIVIDEND PAID

No dividend was paid in the first half year of 2010 to ING Groep N.V.

14. ISSUANCES, REPURCHASES AND REPAYMENT OF DEBT AND EQUITY SECURITIES IN ISSUE

Issue of debt securities in issue

In total ING Bank issued EUR 10.2 billion in the capital markets (including both unsecured debt and covered bonds) during the first 6 months of 2010. All issues are part of ING Bank’s regular medium term funding operations.

To the Shareholders, the Supervisory Board and the Management Board of ING Bank N.V.

REVIEW REPORT

Introduction

We have reviewed the accompanying condensed consolidated interim accounts for the six-month period ended 30 June 2010, of ING Bank N.V., Amsterdam, which comprises the condensed consolidated balance sheet as at 30 June 2010 and the related condensed consolidated profit and loss account, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows, the condensed consolidated statement of changes in equity and the related notes for the six-month period then ended. Management is responsible for the preparation and presentation of these condensed consolidated interim accounts in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these interim accounts based on our review.

Scope of Review

We conducted our review in accordance with Dutch law including Standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim accounts as at 30 June 2010 are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting", as adopted by the European Union.

AMSTERDAM, 10 AUGUST 2010

Ernst & Young Accountants LLP
Signed by C.B. Boogaart

Disclaimer

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

In preparing the financial information in this document, the same accounting principles are applied as in the 2009 ING Bank Annual Accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including developing markets, (3) the implementation of ING's restructuring plan to separate banking and insurance operations, (4) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (5) the frequency and severity of insured loss events, (6) changes affecting mortality and morbidity levels and trends, (7) changes affecting persistency levels, (8) changes affecting interest rate levels, (9) changes affecting currency exchange rates, (10) changes in general competitive factors, (11) changes in laws and regulations, (12) changes in the policies of governments and/or regulatory authorities, (13) conclusions with regard to purchase accounting assumptions and methodologies, (14) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, and (15) ING's ability to achieve projected operational synergies. ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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