SIXTH SUPPLEMENT DATED 19 FEBRUARY 2009
TO THE BASE PROSPECTUS DATED 15 SEPTEMBER 2008

ING Bank N.V.

(Incorporated in The Netherlands with its statutory seat in Amsterdam)

Postbank Groen N.V.

(Incorporated in The Netherlands with its statutory seat in Amsterdam)

ING Bank N.V., Sydney Branch

(Australian Business Number 32 080 178 196)

(Incorporated in The Netherlands with its statutory seat in Amsterdam)

ING Bank (Australia) Limited

(Australian Business Number 24 000 893 292)

(Incorporated in Australia under the Corporations Act 2001 of Australia)

ING Bank of Canada

(A Schedule II bank incorporated under the Bank Act (Canada))

ING (US) Issuance LLC

(Organised under the laws of the State of Delaware)

ING Americas Issuance B.V.

(Incorporated in The Netherlands with its statutory seat in Amsterdam)

€80,000,000,000
Global Issuance Programme

Supplement to the Base Prospectus dated 15 September 2008

This Supplement (the "Supplement") is prepared as a supplement to, and must be read in conjunction with, the Base Prospectus dated 15 September 2008 as supplemented by supplemental prospectuses dated 28 October 2008, 13 November 2008, 1 December 2008, 27 January 2009 and 30 January 2009 (the "Base Prospectus") (this Supplement and the Base Prospectus together, the "Prospectus"). The Base Prospectus has been issued by ING Bank N.V. (the "Global Issuer"), Postbank Groen N.V., ING Bank N.V., Sydney Branch, ING Bank (Australia) Limited, ING Bank of Canada, ING (US) Issuance LLC and ING Americas Issuance B.V. in respect of an €80,000,000,000 Global Issuance Programme (the "Programme"). This Supplement, together with the Base Prospectus, constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council (the "Prospectus Directive"). Terms used but not defined in this Supplement have the meanings ascribed to them in the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail. The Global Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Global Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Programme Arranger

ING WHOLESALE BANKING

Covered Bond Arranger

BARCLAYS CAPITAL

Covered Bond Co-Arranger

ING WHOLESALE BANKING

Dated 19 February 2009

INTRODUCTION

No person has been authorised to give any information or to make any representation not contained in or not consistent with the Base Prospectus and this Supplement, or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Global Issuer, the Arrangers or any of the Dealers appointed by the Global Issuer.

Neither the delivery of this Supplement nor the Base Prospectus shall in any circumstances imply that the information contained in the Base Prospectus and herein concerning the Global Issuer is correct at any time subsequent to 30 January 2009 (in the case of the Base Prospectus) or the date hereof (in the case of this Supplement) or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same.

So long as the Base Prospectus and this Supplement are valid as described in Article 9 of the Prospectus Directive, copies of this Supplement and the Base Prospectus, together with the other documents listed in the "General Information" section of Chapter 1 of the Base Prospectus and the information incorporated by reference in the Prospectus by this Supplement, will be available free of charge from the Global Issuer, the specified office of the Paying Agents and, if applicable for Austrian investors from ING Bank N.V., Zweigniederlassung Wien, Ungargasse 64/3/305,1030 Vienna, Austria. Written or oral requests for such documents should be directed to the Global Issuer at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands.

Other than in Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain and Sweden, the Global Issuer, the Arrangers and any Dealer do not represent that the Base Prospectus and this Supplement may be lawfully distributed in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering.

The distribution of the Base Prospectus and this Supplement may be restricted by law in certain jurisdictions. Persons into whose possession the Base Prospectus and this Supplement come must inform themselves about, and observe, any such restrictions (see "Chapter 1– Subscription and Sale" in the Base Prospectus).

In relation to any non-exempt offers currently being made under the Base Prospectus investors have the right, in accordance with Article 16 of the Prospectus Directive, to withdraw their acceptances within two working days commencing from the date of publication of this Supplement or such longer period as is required under applicable law.

RECENT DEVELOPMENTS

On 6 February 2009 the Global Issuer amended its Articles of Association. Copies of the amended Articles of Association of the Global Issuer have been filed with the AFM, and by virtue of this Supplement are incorporated by reference in, and form part of, the Prospectus.

On 18 February 2009 ING Groep N.V. ("ING Group") published a press release entitled "ING posts full year underlying net loss of EUR 171 million" (the "2008 Results Release") as well as the unaudited ING Group 2008 quarterly report for the fourth quarter of 2008 (the "Q4 Report"). The 2008 Results Release contains, among other things, details of the assets reclassification as at 12 January 2009. The Q4 Report contains, among other things, ING Group's consolidated unaudited results as at, and for the three month period ended, 31 December 2008, and as at, and for the year ended, 31 December 2008. For information about recent developments in the banking business of ING Group, which is conducted substantially through the Global Issuer and its consolidated group, during these periods, see pages 9 to 23 (inclusive) and 51 to 75 (inclusive) of the Q4 Report. Copies of the 2008 Results Release and Q4 Report have been filed with the AFM and the information included in the 2008 Results Release and on the specified pages of the Q4 Report, by virtue of this Supplement, are incorporated by reference in, and form part of, the Prospectus.

Please note, however, that the Global Issuer's consolidated operations are not identical with the reported financial and statistical information on a segment basis for ING Group's banking business as described in the Q4 Report. In addition, ING Group is not responsible for production of the Prospectus or for any other information furnished to purchasers of Notes and Warrants. ING Group is not a guarantor or obligor of the Notes or Warrants.

MODIFICATION TO THE BASE PROSPECTUS

1. *The wording below replaces in its entirety the corresponding wording included in the first paragraph under the heading "General Information – No Significant or Material Adverse Change" on page 293 of Chapter 1 of the Base Prospectus, as most recently amended by the supplemental prospectus dated 30 January 2009 .*

   "At the date hereof, other than in respect of (i) a decline in the unrealised revaluations of equity and debt securities, (ii) a cash dividend upstream towards ING Groep N.V., (iii) the capital injection of ING Groep N.V. into ING Bank N.V. as disclosed in the supplemental prospectus dated 28 October 2008, (iv) the establishment of the illiquid assets back-up facility covering part of its mortgage backed securities portfolio as agreed with the State of the Netherlands and disclosed in the press release of 26 January 2009, (v) the assets reclassification as at 12 January 2009 as disclosed in the press release of 18 February 2009 and (vi) the other material developments during 2008 disclosed in the ING Groep N.V. Quarterly Reports for the first, second, third and fourth quarters of 2008 dated 14 May 2008, 13 August 2008, 12 November 2008 and 18 February 2009, respectively, and for the fourth quarter in the press release entitled "ING to strengthen core capital by EUR 10 billion" dated 19 October 2008 and the press release entitled "ING update on results and measures to reduce risk and costs" dated 26 January 2009, as and to the extent previously or contemporaneously incorporated by reference herein, there has been no significant change in the financial or trading position of ING Bank N.V. (including ING Sydney Branch) and its consolidated subsidiaries and no material adverse change in the prospects of ING Bank N.V. since 31 December 2007."

2. *The wording below replaces in its entirety the corresponding wording included under the heading "ING Bank N.V." beginning on page 132 of Chapter 1 of the Base Prospectus.*

"ING BANK N.V.

Profile

ING Bank N.V. is part of ING Groep N.V., also called ING Group. ING Group is the holding company of a broad spectrum of companies (together called "ING"), offering banking, investments, life insurance and retirement services to about 85 million private, corporate and institutional clients in Europe, the United States, Canada, Latin America, Asia and Australia. Originating from The Netherlands, ING has a workforce of almost 125,000 people worldwide. ING Group holds all shares of ING Bank N.V., which is a non-listed 100% subsidiary of ING Group.

ING Bank N.V. (ING Bank) is represented in more than 40 countries around the world through a large network of subsidiaries, offices and agencies. It offers its commercial and retail customers a full range of banking and financial services, including lending, stock-broking, insurance broking, fund management, leasing, factoring, investment banking and the provision of funds for venture capital purposes.

With more than 75,000 employees, ING Bank N.V. (ING Bank) is active through three Business Lines: Retail Banking, ING Direct and Wholesale Banking.

Retail Banking offers retail banking services in the mature markets of The Netherlands and Belgium, and in the growth markets of Poland, Romania, Turkey, Ukraine, India, Thailand and China. Private Banking is offered in The Netherlands, Belgium, Luxembourg, Switzerland and various countries in Asia, Latin America and Central and Eastern Europe.

ING Direct operates direct retail banking activities for customers in Australia, Canada, France, Germany and Austria, Italy, Spain, the United Kingdom and the United States. The main products offered are savings accounts and mortgages, and increasingly also mutual funds and payment accounts.

Wholesale Banking conducts operations for corporations and other institutions with a primary focus on The Netherlands, Belgium, Poland and Romania, where it offers a full range of products. Wholesale Banking also manages ING Real Estate, a large real estate investment manager.

Incorporation and history

ING Bank N.V. was incorporated under Dutch law in The Netherlands on 12 November 1927 for an indefinite duration in the form of a public limited company as Nederlandsche Middenstandsbank N.V., also known as NMB Bank.

On 4 October 1989, NMB Bank merged with Postbank, the leading Dutch retail bank. The legal name of NMB Bank was changed into NMB Postbank Groep N.V. On 4 March 1991, NMB Postbank Groep N.V. merged with Nationale-Nederlanden N.V., the largest Dutch insurance group. On that date the newly formed holding company Internationale Nederlanden Groep N.V. honoured its offer to exchange the shares of NMB Postbank Groep N.V. and of Nationale-Nederlanden N.V. NMB Postbank Groep N.V. and Nationale-Nederlanden N.V. continued as sub-holding companies of Internationale Nederlanden Groep N.V. An operational management structure has ensured a close co-operation between the banking and insurance activities, strategically as well as commercially. The sub-holding companies remained legally separate. After interim changes of names the statutory names of the above mentioned companies were changed into ING Groep N.V., ING Bank N.V. and ING Verzekeringen N.V. on 1 December 1995.

ING Bank N.V. is registered at the Chamber of Commerce of Amsterdam under no. 33031431. The articles of association were last amended by notarial deed executed on 6 February 2009. According to its articles of association, the objects of the company are to conduct the banking business in the broadest sense of the word, including insurance brokerage, to acquire, construct and operate immovable properties, and furthermore to participate in, conduct the management of, finance and furnish personal or real security for the obligations of and provide services to other enterprises and institutions of whatever kind, but in particular enterprises and institutions active in the credit business, investments and/or other financial services, as well as to perform all that which is related or may be conducive to the foregoing.

The address and telephone number of the registered office of ING Bank N.V. is: Bijlmerplein 888, 1102 MG Amsterdam Zuid-Oost, The Netherlands (tel.: +31 20 501 3209).

Supervisory Board and Executive Board

ING Bank has a two tier board system, consisting of a Supervisory Board and an Executive Board. The Supervisory Board consists of all but one independent non-executives. Piet Hoogendoorn qualifies as 'non-independent' as defined in best practice provision III.2.1 of the Dutch Corporate Governance Code. Mr. Hoogendoorn is considered to be not independent, because of his position with Deloitte Touche Tohmatsu until 1 June 2007, considering the important relationship between Deloitte Touche Thomatsu and ING. The task of the Supervisory Board is to supervise the policy of the Executive Board and the general course of events in the company and to assist the Executive Board by providing advice. The Executive Board is responsible for the daily management of the company.

The composition of the Executive Board and the Supervisory Board of ING Bank N.V. is as follows:

- Supervisory Board: Jan H.M. Hommen (chairman), Eric Bourdais de Charbonnière (vice-chairman), Henk W. Breukink, Peter A.F.W. Elverding, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet C. Klaver, Wim Kok, Godfried J.A. van der Lugt, Harish Manwani, Aman Mehta, Joan E. Spero, Jackson P. Tai and Karel Vuursteen.

- Executive Board: Michel J. Tilmant (chairman until 26 January 2009), Eric F. Boyer de la Giroday (acting chairman from 26 January 2009-27 April 2009), Dick H. Harryvan, John C.R. Hele (CFO), Eli P. Leenaars, Tom J. McInerney, Hans van der Noordaa, Koos (J.)V. Timmermans (CRO) and Jacques M. de Vaucleroy.

The business address of all members of the Supervisory Board and the Executive Board is: ING Bank N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands.

In order to avoid potential conflicts of interest, ING Bank has a policy that members of its Executive Board do not accept corporate directorships with listed companies outside ING. The only exception is the membership of Jacques de Vaucleroy on the Board of Directors of the Delhaize Group in Belgium. Mr. de Vaucleroy held this position prior to his appointment to the Executive Board of ING Bank. Mr. de Vaucleroy observes a strict "chinese wall" between his position at ING Bank and his position at the Delhaize Group. As a result, and given the different fields of business of each company, ING Bank believes that there is no potential conflict of interests.

Details of relationships that members of the Executive Board may have with ING Group subsidiaries as ordinary, private individuals are not reported, with the exception of information on any loans that may have been granted to them. In all these cases, the company complies with the best-practice provisions of the Dutch Corporate Governance Code.

Listed below are the principal activities performed by members of the Supervisory Board outside ING. None of the members of the Supervisory Board have any conflict between their duties to ING and their other principal activities as listed below.

Hommen, J.H.M.

- Non-executive chairman of Reed Elsevier Group plc and Reed Elsevier PLC (UK) and chairman of the Supervisory Board of Reed Elsevier NV, The Netherlands (until 22 April 2009).
- Member of the Supervisory Board of TNT N.V., The Netherlands (until 8 April 2009).
- Chairman of the Supervisory Board of Academisch Ziekenhuis Maastricht (hospital), The Netherlands.
- Member of the Supervisory Board of Koninklijke FrieslandCampina N.V., The Netherlands (until April 2009).

Bourdais de Charbonnière, E.

- Chairman of the Supervisory Board of Michelin, France.
- Member of the Supervisory Board of Thomson, France.
- Member of the Supervisory Board of Oddo et Cie, France.
- Member of the Supervisory Board of American Hospital of Paris, France.
- Member of the Supervisory Board of Associés en Finance.

Breukink, H.W.

- Non-executive/vice-chairman of VastNed Offices/Industrial (real estate fund), The Netherlands.
- Non-executive director of F&C hedge funds, Ireland.
- Non-executive director of Heembouw Holding B.V., The Netherlands.
- Member of the Supervisory Board of Omring (health care institution), Hoorn, The Netherlands.
- Chairman of the Supervisory Board of Modulus VastGoed Ontwikkelingen, The Netherlands.

- Member of the Supervisory Board of HaagWonen (housing corporation), The Netherlands.
- Associated as coach with TEC (Top Executive Coaching), The Netherlands.

Elverding, P.A.F.W.

- Chairman of the Supervisory Board of Océ N.V., The Netherlands.
- Member of the Supervisory Board of SHV Holdings N.V., The Netherlands.
- Vice-chairman of the Supervisory Board of Q-Park N.V., The Netherlands.
- Member of the Supervisory Board of Koninklijke FrieslandCampina N.V., The Netherlands.
- Chairman of the Supervisory Board of Maastricht University, The Netherlands.
- Member of the Supervisory Board of the cross-border University of Limburg, The Netherlands.

Hoffmann, C.D.

- Managing partner of H+H Senior Advisors, Stuttgart, Germany.
- Chairman of the Supervisory Board of EnBW AG, Germany.
- Member of the Supervisory Board of de Boer Structures Holding B.V, The Netherlands.
- Chairman of the Charlottenklinik Foundation (hospital), Germany.
- Chairman of the Board of Trustees (Vereinigung der Freunde) of Stuttgart University, Germany.

Hoogendoorn, P.

- Former chairman of the Board of Directors of Deloitte Touche Tohmatsu and CEO of Deloitte in The Netherlands.
- Former chairman of Royal NIVRA (Netherlands Institute of Chartered Accountants), The Netherlands.

Klaver, P.C.

- Chairman of the Supervisory Board of TNT N.V., The Netherlands.
- Chairman of the Supervisory Board of Dekker Hout Groep B.V., The Netherlands.
- Chairman of the Supervisory Board of Jaarbeurs Holding B.V., The Netherlands.
- Chairman of the Supervisory Board of Credit Yard Group BV, The Netherlands.
- Member of the Supervisory Board of SHV Holdings N.V., The Netherlands.
- Member of the Supervisory Board of Dura Vermeer Groep N.V., The Netherlands.
- Member of the African Parks Foundation, The Netherlands.
- Chairman of the Utrecht School of the Arts, The Netherlands.

Kok, W.

- Non-executive member of the Board of Directors of Royal Dutch Shell plc, The Netherlands.
- Member of the Supervisory Board of TNT N.V., The Netherlands.
- Member of the Supervisory Board of KLM Royal Dutch Airlines, The Netherlands.
- Chairman of the Supervisory Board of the Anne Frank Foundation, The Netherlands.
- Chairman of the Supervisory Board of Het Nationale Ballet, The Netherlands.

- Member of the Supervisory Board of Het Muziektheater, The Netherlands.
- Member of the Supervisory Board of the Rijksmuseum, The Netherlands.
- Chairman of the Supervisory Board of The Netherlands Cancer Institute – Antoni van Leeuwenhoek Hospital, The Netherlands.
- Member of the Board of Start Foundation, The Netherlands.

Lugt, G.J.A. van der

- Chairman of the Supervisory Board of Stadsherstel Amsterdam NV, The Netherlands.
- Chairman of the Advisory Board of Kasteel De Haar, The Netherlands.
- Chairman of the Advisory Board of R.C. Oude Armenkantoor, The Netherlands.
- Member of the Investment Advisory Committee of Stichting Instituut GAK, The Netherlands.

Manwani, H.

- President Unilever Asia, Africa, Central & Eastern Europe.
- Non-executive chairman of Hindustan Unilever Ltd.
- Member of the Executive Board of Indian School of Business.

Mehta, A.

- Non-executive director of Tata Consultancy Services.
- Non-executive director of Jet Airways Ltd.
- Non-executive director of PCCW Ltd.
- Non-executive director of Vedanta Resources Plc.
- Non-executive director of Wockhardt Ltd.
- Non-executive director of Godrej Consumer Products Ltd.
- Non-executive director of Cairn India Ltd.
- Non-executive director of Max Healthcare Institute Ltd.
- Non-executive director of Emaar MGF Land Ltd.
- Member of the governing board of Indian School of Business.
- Member of the governing board of Centre for International Economic Relations.
- Member of the International Advisory Council of INSEAD.

Spero, J.E.

- Non-executive director of IBM Corporation.
- President of Doris Duke Charitable Foundation.
- Trustee of Columbia University, Council on Foreign Relations.
- Trustee of Wisconsin Alumni Research Foundation.
- Member of the International Advisory Board of Toyota Motor Corporation.

Tai, J.P.

- Non-executive director of MasterCard Incorporated.
- Non-executive director of CapitaLand.
- Non-executive director of Brookstone, Inc.
- Member of the Bloomberg Asia Pacific Advisory Board.
- Member of the Harvard Business School Asia Pacific Advisory Board.
- Trustee of Rensselaer Polytechnic Institute.

Vuursteen, K.

- Vice-chairman of the Supervisory Board of Akzo Nobel N.V., The Netherlands.
- Chairman of the Supervisory Board of TomTom N.V., The Netherlands.
- Member of the Supervisory Board of Henkel KGaA., Germany
- Member of the Board of Directors of Heineken Holding N.V., The Netherlands
- Member of the Advisory Board of CVC Capital Partners.
- Chairman of World Wild Life Fund Netherlands, The Netherlands..
- Chairman of the Concertgebouw Fund Foundation, The Netherlands.
- Member of the Supervisory Board of Nyenrode Foundation, The Netherlands.

There are no potential conflicts of interest between any duties owed by the members of the Supervisory Board or the Executive Board to the Issuer and any private interests or other duties which such persons may have.

Supervisory Board committees

On 31 December 2008, the Supervisory Board had three committees: the Audit Committee, the Remuneration and Nomination Committee and the Corporate Governance Committee. On 1 January 2009, the Remuneration and Nomination Committee was split into a separate Remuneration Committee and a separate Nomination Committee. The organisation, powers and modus operandi of the Supervisory Board are detailed in the Supervisory Board Charter. Separate charters have been drawn up for the Audit Committee, the Remuneration and Nomination Committee and the Corporate Governance Committee. These charters are available on the ING website (www.ing.com). Separate chapters are being drawn up for the (new) Remuneration Committee and the (new) Nomination Committee and will be made available on the ING website (www.ing.com) once completed. A short description of the duties for the Committees follows below.

The Audit Committee assists the Supervisory Board in monitoring the integrity of the financial statements of ING Groep N.V., ING Verzekeringen N.V. and ING Bank N.V., in monitoring the compliance with legal and regulatory requirements, and in monitoring the independence and performance of ING's internal and external auditors.

The Remuneration and Nomination Committee advised the Supervisory Board, among other things, on the composition of the Supervisory Board and Executive Board, on the compensation packages of the members of the Executive Board and on stock-based compensation programmes for top senior management, including the Executive Board.

The Corporate Governance Committee assists the Supervisory Board in monitoring and evaluating the corporate governance of ING as a whole and the reporting of this in the Annual Report and to the General Meeting, and advises the Supervisory Board on improvements.

The (new) Remuneration Committee will, among other things, advise the Supervisory Board on the compensation packages of the members of the Executive Board and on stock-based compensation programmes for top senior management, including the Executive Board.

The (new) Nomination Committee will, among other things, advise the Supervisory Board on the composition of the Supervisory Board and Executive Board.

FIVE YEAR KEY CONSOLIDATED FIGURES ING BANK

(amounts in millions of euros)	**2007**	2006	2005	2004	2003 (1)
Balance sheet(2)					
Total assets	**994,113**	894,985	834,035	620,035	541,594
Total equity	**27,195**	22,502	21,813	15,402	15,890
Deposits and funds borrowed(3)	**751,159**	685,078	661,683	517,504	482,280
Loans and advances	**526,323**	437,774	403,059	298,643	293,987
Results(4)					
Total income	**14,592**	14,190	13,819	12,663	11,508
Operating expenses	**10,013**	9,063	8,855	8,796	8,364
Additions to the provision for loan losses	**125**	103	88	465	1,125
Profit before taxation	**4,454**	5,024	4,876	3,402	2,019
Taxation	**753**	1,211	876	898	520
Profit after taxation	**3,701**	3,813	4,000	2,504	1,499
Net profit for the period	**3,589**	3,753	3,950	2,482	1,440
Ratios (in %)					
BIS ratio	**10.32**	11.02	10.86	11.07	11.34
Tier-1 ratio	**7.39**	7.63	7.32	7.30	7.59

(1) Figures according to Dutch GAAP.
(2) As at 31 December.
(3) IFRS figures including Banks and Debt securities, for Dutch GAAP figures Funds entrusted are included.
(4) For the year ended 31 December.

CHANGES IN ACCOUNTING POLICIES

ING Bank applies IFRS-EU since 2004. However, as permitted by IFRS 1, ING Group implemented IAS 32, IAS 39 and IFRS 4 as of 1 January 2005. Accordingly, comparative information for 2004 with respect to financial instruments is prepared under ING Bank's previous accounting policies (Dutch GAAP).

MAIN DEVELOPMENTS IN 2008

On 5 March 2008, ING announced that it would make a substantial investment in its retail banking branch network in The Netherlands to further raise ING's potential for future growth. The investment is in line with the strategy in The Netherlands to combine Postbank and ING Bank under one single brand. In conjunction, both ING and TNT have agreed to gradually unwind their joint venture Postkantoren B.V. over the next five years.

On 19 May 2008, ING Direct N.V. announced its plan to launch a public tender offer for Interhyp AG, Germany's largest independent residential mortgage distributor, at EUR 64 per share, valuing the company at EUR 416 million. The founders and co-CEOs Robert Haselsteiner and Marcus Wolsdorf have irrevocably committed to tender their approximate 32% stake of Interhyp.

On 5 June 2008, ING announced the rollout of its retail banking operations in Ukraine with the formal opening of its first outlet in Kiev.

On 14 July 2008, ING Direct N.V. announced that it had received regulatory approval from the Dutch Central Bank for the public takeover bid for Interhyp AG. On July 30, 2008, ING Direct N.V. announced that 89.55 percent of Interhyp shares had been tendered in its public takeover offer, giving it a controlling stake in the company.

ING Direct N.V. announced on 18 August 2008 that its public takeover offer for Interhyp, Germany's largest independent residential mortgage distributor, has closed. 91.21 percent of Interhyp shares were tendered in total, giving ING Direct the desired controlling stake in the company. ING Direct announced its intention to launch a public takeover bid for Interhyp on 19 May; that regulatory approval for the offer was received, on 14 July; and the start of the additional acceptance period on 30 July 2008.

ING Direct N.V. announced on 13 October 2008 that it had obtained an additional 208,294 shares in Germany's largest independent residential mortgage distributor, Interhyp AG, at EUR 64 per share. ING Direct's stake in Interhyp has increased from 91.21% as of 18 August 2008 to 96.95% as of 13 October 2008.

On 19 October 2008 ING Groep N.V. (ING) published a press release titled "ING to strengthen core capital by EUR 10 billion" (the Core Capital Release). The Core Capital Release contained, amongst other things, details of ING's agreement with the Dutch government regarding the issue to the Dutch State of non-voting core Tier-1 securities for a total consideration of EUR 10 billion.

ING announced on 22 October 2008 that Lodewijk de Waal and Peter Elverding had been nominated by the Dutch government for the Supervisory Board of ING Group. ING announced on 19 October that it had reached an agreement with the Dutch government to strengthen its capital position. Under the terms of the agreement the Dutch state obtained the right to nominate two members for the ING Group Supervisory Board, to be appointed at the annual General Meeting (AGM) in 2009. They will be represented on the Audit Committee, Corporate Governance Committee and Remuneration and Nomination Committee of the Supervisory Board and will have approval rights for decisions concerning equity issuance or buyback, strategic transactions with a value equalling more than one quarter of ING's share capital and reserves and proposals to shareholders regarding the remuneration policy.

On 23 October 2008, ING announced that John Hele, chief financial officer, will leave ING as of 31 March 2009. John Hele will remain a member of the Executive Board and chief financial officer of ING Group until the end of March 2009 in order to complete the annual accounts and filings for the financial year 2008.

MAIN DEVELOPMENTS IN 2009

On 26 January 2009, ING announced that in light of the extraordinary developments over the previous few months and given his personal condition, Michel Tilmant would step down from the Executive Board as of 26 January 2009. Michel Tilmant will be an advisor to the company until his retirement from ING on 1 August 2009. The Supervisory Board has decided to appoint Jan Hommen, currently chairman of the Supervisory Board of ING Group, as CEO of ING Group, subject to his appointment as a member of the Executive Board by the annual General Meeting (AGM). This meeting is scheduled for 27 April 2009. Until the AGM, Jan Hommen will be closely involved in the day-to-day operations of ING and work alongside the Executive Board in anticipation of his official appointment as CEO. As of 26 January 2009, Eric Boyer, a member of the Executive Board since 2004, will be acting-CEO until Jan Hommen can formally take over after the AGM. The Supervisory Board has decided to appoint Peter Elverding as successor of Jan Hommen as chairman of the Supervisory Board effective after the AGM in April 2009. In light of this appointment, the Dutch State will nominate another member for the Supervisory Board.

On 26 January 2009, ING sent out a press release with preliminary and unaudited figures on results and measures to reduce risk and costs.

On 30 January 2009, ING Bank announced that it had successfully placed 3 year USD denominated government guaranteed senior unsecured bonds. The issue of USD 6 billion was done under the Credit Guarantee Scheme of the Netherlands and is part of ING Group's regular medium-term funding operations. The issue follows the announcement of 26 January 2009 that under the terms of the agreement with the Dutch State on an Illiquid Assets Back-up Facility, ING will pro-actively issue EUR 10 billion in government guaranteed bonds. ING priced USD 5 billion of fixed rate bonds at 80 basis points over mid-swaps and USD 1 billion of floating rate bonds at 80 basis points over 3 month Libor. ING placed the issue among central banks, agencies and fund managers across Europe, the US, the Middle-east and Asia.

On 10 February 2009, ING Bank and Postbank jointly announced that the merger of Postbank and ING Bank was formally concluded on that day.

FINANCIAL RESULTS 2007

Despite the market and credit turmoil, the results at ING's banking business continued to be resilient supported by commercial growth in all three business lines. Total profit before tax from banking operations decreased 11.3%. Underlying profit before tax (excluding the impact of divestments and special items) decreased 3.1% to EUR 4,912 million as higher results at Retail Banking and the Corporate Line were offset by lower results at ING Direct and the Wholesale Banking product groups Financial Markets and Structured Finance.

Underlying income increased 3.4% to EUR 14,603 million. The interest result declined 2.0% as volume growth was offset by the impact of flattening and inverse yield curves and by intensified competition for savings and deposits. Loans and advances to customers increased by EUR 88.5 billion, or 20.2%, to EUR 526.3 billion. Customer deposits and other funds on deposits rose EUR 31.4 billion, or 6.3%, to EUR 528.2 billion. The total interest margin narrowed to 0.94% from 1.06% in 2006. Commission income rose 10.5%, driven by higher management fees, mainly from the investment management activities at ING Real Estate. Investment income was up 58.8% driven by higher capital gains on equities and higher rental income. Other income rose 3.5%.

Underlying operating expenses were up 6.9% to EUR 9,568 million due primarily to investments to support the growth of the business, notably at ING Direct, ING Real Estate and the Retail Banking activities in developing markets. Recurring underlying operating expenses in the mature businesses increased 2.6%. The underlying cost/income ratio deteriorated to 65.2% from 63.5% in 2006 as a result of the investments in growth businesses. The underlying net addition to the provision for loan losses increased to EUR 125 million from EUR 97 million in 2006. Risk costs were 4 basis points of average credit-risk-weighted assets, as gross additions to loan loss provisions of 23 basis points, were offset by 19 basis points in releases. Overall the loan portfolio remained healthy with limited inflow of new impaired files.

Returns remained high with the underlying risk-adjusted return on capital (RAROC) after tax at 22.3%, up from 20.5% in 2006, reflecting lower tax charges. The pre-tax RAROC was stable at 26.2%. In the RAROC calculations, actual risk costs of 4 basis points are replaced by 25 basis points in expected losses reflecting average credit losses over the economic cycle.

WHOLESALE BANKING

Wholesale Banking achieved resilient results in 2007 in what was a very challenging business environment and with financial markets experiencing significant turbulence. Profitable growth was achieved by concentrating on the needs of clients and on high value-added products, especially in the home markets. There was also a focus on reducing expenses, improving capital efficiency and stimulating growth.

Wholesale Banking's underlying profit before tax declined 5.0% to EUR 2,399 million. Higher profits were recorded in General Lending & Payments and Cash Management, Leasing & Factoring, ING Real Estate and Other Wholesale Products. Underlying profit from Structured Finance decreased 20.6% to EUR 409 million, including a markdown of EUR 29 million on the Leveraged Finance book in the third quarter of 2007. Financial Market profit declined 30.5% to EUR 354 million. The subprime crisis and related issues had a negative pre-tax impact on Financial Market profit of EUR 106 million in the fourth quarter of 2007. Total underlying income rose 1.0% to EUR 5,860 million driven by ING Real Estate and Other Wholesale Products, while income from Financial Markets activities declined 11.2%. Underlying operating expenses remained under control, rising 5.2% to EUR 3,576 million. Fast growing ING Real Estate contributed 2.8%-point to this increase. The underlying cost/income ratio increased to 61.0% from 58.6% in 2006. The underlying risk-adjusted return on capital (RAROC) after tax from Wholesale Banking declined to 20.3% from 20.6% in 2006.

Integral part of ING's strategy

Wholesale Banking plays an integral role in ING, attracting new business and generating profitable growth through a number of channels, including general lending, leasing and structured finance. Wholesale Banking also offers the Group key skills in balance sheet management, including funding and liquidity management. In 2007, Wholesale Banking deepened its client relationships, closed a number of landmark deals, reduced costs and improved returns through more efficient use of capital.

General Lending & PCM volumes growth

Volumes increased in both General Lending and Payments & Cash Management over the year due to concerted efforts in the Benelux and growth initiatives in Central and Eastern Europe. General Lending is used as an entry product across all regions to attract customers and to cross-sell high-value products.

Robust demand for Structured Finance

Structured Finance generally had a good year due to robust demand and solid revenue growth in most product areas. The one exception was Leveraged Finance where the markets came largely to a halt in the second half due to concerns about credit quality in the global credit markets.

Solid growth in Leasing & Factoring

Leasing & Factoring saw a large increase in volumes and income due to solid growth in general leasing despite pressure on margins, as well as efforts to cross-sell services to corporate clients. ING Lease maintained its number five position among European international leasing companies. The year also saw further expansion and volume growth in the buoyant Central and Eastern European markets, including new operations in the Ukraine and the acquisition of Citileasing in Hungary.

Financial Markets building on success

Clients and products business held up well, in line with our aim to diversify away from proprietary risk businesses, including proprietary trading and the Assets & Liability Committee. Financial Markets continues to seek cross-selling opportunities across product areas and clients groups, including a new strategy to target emerging markets. Financial Markets saw a drop in income due to much lower trading income in difficult trading conditions.

ING Real Estate the global leader

ING Real Estate had another year of solid growth, with assets under management increasing by 10% over the year, its loan portfolio growing by 42% and a development portfolio growing to EUR 3 billion. At the year end ING Real Estate's total portfolio was EUR 107.2 billion up 18% on 2006 and profit before tax increased by 5.2% to EUR 664 million.

Looking forward

Wholesale Banking has a clearly defined focus and ambition to be a full-service Benelux bank, specialist products provider and to have key franchises in the emerging markets. Wholesale Banking also offers key balance sheet management skills. Priorities have been identified to provide further growth and to retain and gain competitive advantages in a difficult business environment.

RETAIL BANKING

Retail Banking performed well in 2007, especially in key product areas of mortgages and savings. Important steps were taken to improve efficiency in the mature markets and to enter high-growth markets in Central and Eastern Europe and Asia. In a financial services environment characterised by consumer power, rapid technological change and globalisation, Retail Banking aims to set the standard in convenience banking around the world.

Underlying profit before tax from Retail Banking rose 6.6% to EUR 2,062 million as strong growth in most products helped offset the impact of challenging market conditions as inverse yield curves persisted and competition intensified for retail savings. Underlying income increased 5.1% to EUR 6,396 million as a result of strong growth in almost all products. Total underlying operating expenses increased 4.3% to EUR 4,162 million driven by investments to grow the business in Poland, India, Romania and the Private Banking activities in Asia. The underlying risk-adjusted return on capital (RAROC) after tax from Retail Banking improved to 39.5% from 32.0% in 2006. The after-tax RAROC's of all regions improved.

Efficiency key in mature markets

In the Benelux, ING is concentrating on becoming more efficient and moving towards an 'internet first, advice when needed' model. Improved customer service by delivering simple and fair-priced products creating better prospects for further growth and enhanced efficiency are the key objectives of the new Dutch and Belgian retail strategies. By doing this, ING is better equipped to respond to the challenges of the competitive and economic environment.

In May 2007, ING announced that Postbank and ING Bank will join forces to create a leading Dutch retail bank with more than 8 million retail and 600,000 business customers. By combining the activities of both banks, ING will improve services and maintain a strong focus on cost-effective execution. It will operate under the ING brand from 2009 and will be based on the successful direct banking model of Postbank with enhanced access to the professional advice capabilities of ING Bank.

In line with the new Dutch retail strategy, ING Belgium is to implement a new branch service concept that focuses more on internet banking and automated cash services.

Focus on fast-developing markets

ING is well positioned in the key Central European markets of Romania and Poland and the important Asian markets of China and India. The strategy is to expand in Central and Eastern Europe and Asia and to enter selected high-growth countries by acquiring a partial or full stake in a bank or by starting up a greenfield. ING focuses on entering countries with a large population and strong GDP growth, like Turkey and Thailand, because these are the drivers for expansion of the financial services market.

The intention over the next three years is to increase the contribution that high-growth markets make to total retail banking profit. This will entail substantial investment. Also in the growth countries, initiatives are taken to prepare the business for the increasing demand for direct and simple products.

Private Banking

ING Private Banking is well positioned to capitalise on the global growth in personal wealth. The mix between onshore private banking operations (Belgium and The Netherlands) and offshore (Switzerland and Asia) provides ING with a strong platform to benefit from the worldwide potential. Onshore businesses are centred in the Benelux where ING is able to capitalise on both retail and wholesale distribution models.

Looking forward

ING Retail Banking undertook important initiatives to enhance efficiency and to drive growth. The new Dutch and Belgian strategies are focused on increasing efficiency and reducing costs to secure long term profit growth and executing these strategies will be an important focus for 2008.

ING will continue to expand in Central and Eastern Europe and Asia. The ambition is to increase the contribution that growth markets make to overall retail banking profit in the next three years.

ING DIRECT

ING Direct continued to invest in building the business and expanding its product offering. The company faced a challenging year, given the interest rate environment, strong competition and required repositioning of ING Direct UK, all of which impacted profit. Total client retail balances production was up EUR 35 billion (excluding negative currency effects), bringing the total balance to EUR 310.1 billion, driven by growth in own-originated mortgages of EUR 29 billion.

Against the background of continued investments in growing the business and the difficult external environment, ING Direct's underlying profit before tax declined 23.6% to EUR 530 million, compared with EUR 694 million in 2006. Total underlying income declined in 2007 by 1.7% to EUR 2,196 million due to an

8.1% lower interest result. The interest margin narrowed to 0.75% from 0.89% in 2006 as a result of higher central bank rates in the Euro, British pound and Australian currency zones and the intensified competition for retail funds. Total operating expenses increased by 7.8% to EUR 1,598 million, reflecting higher staff numbers to drive the growth in mortgages and payments accounts, preparations for the launch of ING Direct in Japan (EUR 22 million start-up costs), the consolidation of Sharebuilder in the US, as well as costs for repositioning the UK business. The underlying risk-adjusted return on capital (RAROC) after tax improved to 14.3% from 11.8% in 2006, due to lower tax charges supported by a tax asset in Germany.

Leading direct bank

Launched as an innovative financial-services company in 1997, ING Direct celebrated its tenth anniversary this year as the world's leading direct bank. It is the leading direct bank in each of the nine countries in which it operates. The aim is to become the world's most preferred consumer bank. In all of its activities, ING Direct focuses on making banking simple for customers by offering a range of straightforward and transparent banking products at low costs, combined with excellent service delivered through direct channels. The low-cost base is maintained by the use of standardised, state-of-the-art IT systems and the absence of a branch network.

Growth strategy

ING Direct continued to invest in long-term value creation in 2007, with growth being generated in three ways: an increase in customers at existing operations, geographical expansion and serving a broader range of customer needs. ING Direct USA extended its activities to new cities in 2007: Miami, Seattle and Houston. The company was already active in New York, Philadelphia, Boston, Los Angeles, San Francisco, Baltimore, Washington, Phoenix, Atlanta and Chicago. Further geographical expansion in the US is anticipated.

Organic growth was complemented by the purchase in September of NetBank, the US's oldest internet bank, and in November with the online brokerage business of the US ShareBuilder Corporation. ING-DiBa Germany bought a EUR 3.9 billion mortgage portfolio and customer rights from Hypo Real Estate Bank AG.

Further develop four major product categories

ING Direct accelerated its growth investments to a total of EUR 354 million to further support the growth of the business at the expense of short-term profit. Investments in mortgages, now firmly embedded as our second core product after savings, will continue, as well as in payment accounts and investment products.

ING Direct UK

UK savers are more rate-sensitive than in other countries due to the wide availability of rate comparison tables and an active consumer press. The Bank of England's interest rate increases as from August 2006 were not immediately fully translated into ING Direct UK's customer rates, which meant they became less attractive to people with high balances. Consequently, ING Direct UK suffered savings outflows of EUR 11 billion, excluding currency effects. It took several management, pricing and marketing actions to reverse the trend and reposition the business.

Looking forward

Growth remains the underlying theme of ING Direct's vision to become the world's most preferred consumer bank. Thereto, ING Direct continues to invest in building the business and expanding its product offering and will continue to pursue its growth strategy in a challenging market environment by further building the business – in the US, for example, where we still see much potential – and by product line – savings, mortgages, payment accounts and investment products. In the product area we will concentrate most on expanding the mortgage business, payment accounts and investment products.

RISK MANAGEMENT

To ensure measured risk taking throughout the organisation, ING Bank operates through a comprehensive risk management framework. This ensures the proper identification, measurement and control of risks at all levels of the organisation so that ING Bank's financial strength is safeguarded.

The mission of ING Bank's risk management function is to build a sustainable competitive advantage by fully integrating risk management into daily business activities and strategic planning. This mission is fully embedded in ING Bank's business processes.

The following principles support this objective:

– Products and portfolios are structured, underwritten, priced, approved and managed appropriately and compliance with internal and external rules and guidelines is monitored;

– ING Bank's risk profile is transparent, 'no surprises', and consistent with delegated authorities;

  – Delegated authorities are consistent with the overall ING Bank strategy and risk appetite;

– Transparent communication to internal and external stakeholders on risk management and value creation.

Economic Capital

One of the core risk management tools for ING Bank is Economic Capital which is used to determine the amount of capital that a transaction or business unit requires to support the economic risks it faces. ING Bank implemented Economic Capital for internal use in 1998. Since 1999 ING Bank has been disclosing Economic Capital information externally. The tables below provide ING Bank's Economic Capital by risk type. Figures shown reflect all diversification effects within ING Bank, including risk reduction between the risk categories. Business risk is included in the non-financial risk category to cover unexpected losses that may arise as a result of changes in volumes, margins and costs.

Economic Capital is defined as the amount of capital that a transaction or business unit requires in order to support the economic risks it originates. In general Economic Capital is measured as the unexpected loss above the expected value or loss at a given confidence level. Specific measurement by risk type is described in greater detail in the separate risk type sections; i.e. credit and transfer and operational risk as well as market and business risk bank.

This Economic Capital definition is in line with the net market value (or surplus) definition. The process of Economic Capital modelling enables ING Bank to allocate Economic Capital to the business units and support risk adjusted performance measurement (RAROC). By comparing Economic Capital figures with ING's available financial resources, adequate capital buffers can be ensured.

The following table provides the Economic Capital break down by risk category including diversification benefits proportionally allocated to the risk types:

Economic Capital (Bank diversified only) by risk category

	2007	2006
Credit risk (including Transfer risk)	**7,503**	7,557
Market risk	**7,407**	4,816
Non-financial risk *	**3,017**	3,503
Total banking operations	**17,927**	15,876

* Non-financial risk includes operational risk as well as business risk.

Credit risk

Credit risk is the risk of loss from default by debtors (including bond issuers) or trading counterparties. Credit risks can be split into five principal risk categories: a) lending (including guarantees and letters of credit); b) investments; c) pre-settlement (derivatives, securities financing and foreign exchange trades); d) money markets and e) settlement.

ING Group's credit policy is to maintain an internationally diversified loan and bond portfolio, while avoiding large risk concentrations. The emphasis is on managing business developments within the business lines by means of top-down concentration limits for countries, individual borrowers and borrower groups. The aim within the banking sector is to expand relationship-banking activities, while maintaining stringent internal risk/return guidelines and controls.

Economic Capital for credit risk and for transfer risk is the portion of Economic Capital held to withstand unexpected losses inherent in the credit portfolios related to (unexpected) changes in the underlying creditworthiness of debtors, or the recovery value of underlying collateral (if any). Credit risk and transfer risk capital are calculated on all portfolios which contain credit or transfer risk, including investment portfolios. The same methodology is used for both the banking and the insurance operations.

Economic Capital for credit risk and for transfer risk are calculated using internally developed models with a 99.95% confidence level and a time horizon of one year, which represents ING's desired credit rating.

ING Bank's credit exposure is mainly related to traditional lending to individuals and businesses followed by investments in bonds and other securitised assets. Loans to individuals are mainly mortgage loans secured by residential property. Loans (including guarantees issued) to businesses are often collateralised, but can be unsecured based on internal analysis of the borrowers' creditworthiness. Bonds in the investment portfolio are generally unsecured. Securitised assets such as Mortgage Backed Securities (MBS) and Asset Backed Securities (ABS) are secured by the pro rata portion of the underlying diversified pool of assets (commercial or residential mortgages, car loans and other assets) held by the issuer of the security. The last major area of credit risk involves pre-settlement credit exposures which arise from trading activities, including derivatives, repurchase transactions and securities lending/borrowing and foreign exchange transactions.

For the banking operations, ING Bank uses various market pricing and measurement techniques to determine the amount of credit risk on pre-settlement activities. These techniques estimate ING's potential future exposure on individual and portfolios of trades. Master agreements and collateral agreements are frequently entered into to reduce these credit risks.

Risk classes are defined based upon the quality of the exposures in terms of creditworthiness, varying from investment grade to problem grade expressed in S&P equivalents.

Risk classes ING Bank portfolio by business line, as % of total outstandings (1) (2)

		2007	2006
1	(AAA)	**12.8%**	13.6%
2-4	(AA)	**18.6%**	20.6%
5-7	(A)	**11.8%**	10.9%
8-10	(BBB)	**24.7%**	21.3%
11-13	(BB)	**25.8%**	27.6%
14-16	(B)	**4.3%**	4.1%
17-22	(CCC & Problem Grade)	**2.0%**	1.9%
		100.0%	100.0%

(1) Based on credit risk measurement contained in lending, pre-settlement, money market and investment activities.

The table reflects probabilities of default and does not take collateral into consideration.

(2) Covered bonds are presented on the basis of the external credit rating of the issuer in question. Covered bond issues generally possess a better external credit rating than the issuer standalone, given structural features of such covered bonds.

Largest economic exposures: ING Bank Lending portfolio, by country [(1)]

(amounts in billions of euros)	**2007**	2006
Netherlands	**211.4**	185.9
United States	**87.3**	78.1
Belgium	**73.3**	64.0
Germany	**64.4**	55.9
Spain	**51.3**	47.4
United Kingdom	**36.8**	35.7
Australia	**30.4**	24.4
Italy	**25.3**	21.2
France	**21.7**	20.0
Canada	**17.5**	16.6

(1) only covers exposures in excess of EUR 10 billion

Market risk

Market risk is the risk that movements in market variables, such as interest rates, equity prices, foreign exchange rates, negatively impact the bank's earnings or market value. Market risk either arises through positions in trading books or through the banking book positions. The trading positions are held for the purpose of benefiting from short-term price movements, while the banking book positions are intended to be held in the long-term (or until maturity) or for the purpose of hedging other banking book positions.

ING Wholesale Banking uses the Value-at-Risk (VaR) methodology as its primary risk measure. The VaR for market risk quantifies, with a one-sided confidence level of 99%, the maximum overnight loss that could occur due to changes in risk factors (e.g. interest rates, foreign exchange rates, equity prices, credit spreads, implied volatilities) if positions remain unchanged for a time period of one day. The impact of historical market movements on today's portfolio is estimated, based on equally weighted observed market movements of the previous 250 business days. ING Bank uses VaR with a 1-day horizon for internal risk measurement, control and backtesting, and VaR with a 10-day horizon for determining regulatory capital. ING's VaR model has been approved by the Dutch Central Bank to be used for the regulatory capital calculation of its most important trading activities.

Consolidated trading VaR: ING Wholesale Banking

(amounts in millions of euros)	Minimum		Maximum		Average		Year end	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
Foreign exchange	**2**	1	**7**	7	**4**	3	**4**	2
Equities	**5**	7	**13**	11	**9**	9	**6**	8
Interest rates	**22**	20	**43**	30	**27**	25	**43**	27
Diversification [(1)]					**–6**	–6	**–5**	–4
Total VaR					**34**	31	**48**	33

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

Note: the above captions are consistent with those used for internal risk management purposes and do not relate to financial statement captions.

Non-trading risk- interest rate risk

In the following sections, the risk figures for interest rate risk in the banking books are presented. ING Bank uses several measures to manage interest rate risk both from an earnings and a value perspective. Earnings-at-Risk is used to provide the earnings perspective and the Net Present Value (NPV)-at-Risk and Basis Point Value (BPV) figures provide the value perspective.

Earnings at Risk (EaR)

EaR measures the impact on accounting earnings (pre tax) resulting from changes of market rates over a time period of one year. Changes in balance sheet dynamics and management interventions are not incorporated in these calculations. The EaR figures in the table below are determined on the basis of an instantaneous upward 1% parallel shock in the market rates. This shock is assumed to take place at the beginning of the year and the market rates are assumed to remain stable for the remainder of the year. For the ALM books EaR measures the potential loss of earnings due to the structural mismatch in interest rate positions. The calculations for the ALM books capture the EaR resulting from the current positions. For the commercial banking books the EaR captures the interest rate risks resulting from savings, demand deposits and the main mortgage portfolios. The impact of new business is included in the EaR calculations for the savings and demand deposits portfolios, as it is most relevant for these portfolios. The EaR of the Corporate Line, i.e. the investment of ING Bank's own funds, reflects the interest risk profile of the investments only. This ignores the ALCO Bank's assumption that its shareholders expect ING Bank to invest the funds in such a way that it produces a long-term and stable income.

In the following tables, the risk figures for interest rate risk in the banking books are presented.

Earnings (1% instantaneous upward shock to market rates)[(1)]

(amounts in millions of euros)	**2007**	2006
By Business Line		
ING Wholesale Banking	**-87**	-19
ING Retail Banking	**-121**	-107
ING Direct	**-5**	-260
ING Bank Corporate Line	**26**	22
ING Bank Total	**-187**	-364
By Currency		
Euro	**-125**	-232
US dollar	**9**	-80
Pound sterling	**-13**	-4
Other	**-58**	-48
Total	**-187**	-364

(1) The impact of the newly acquired Oyak Bank has not been included in the tables for interest rate risk in the banking books.

The Net Present Value (NPV)-at-Risk figures represent the full value impact (i.e. including convexity) to the banking books resulting from changing interest rates. This full value impact cannot be linked directly to the balance sheet or profit and loss account as the value mutations in the banking books only for a small part are fed directly through the profit and loss account or through equity. The largest part, namely the value mutations of the amortised cost balances, is neither recognised in the balance sheet or directly in the profit and loss account. The NPV-at-Risk figures in the table below are determined on the basis of an instantaneous upward 1% parallel shock of market rates in line with the EaR calculations. For the ALM books the NPV-at-Risk figures again capture the potential change of value due to the structural mismatch in interest rate positions. For the commercial banking books the NPV-at-Risk calculations capture the convexity resulting from the optionality in the main mortgage portfolios. In these calculations it is assumed that savings and other demand deposits of Retail and Wholesale Banking are perfectly represented via the replicating methods and therefore fully hedged. The NPV-at-Risk of the Corporate Line again only reflects the interest risk profile of the investments of the bank’s own funds.

NPV-at-risk (1% instantaneous upward shock to market rates) [(1)]

(amounts in millions of euros)	**2007**	2006
By Business Line		
ING Wholesale Banking	**-442**	-559
ING Retail Banking	**-222**	-134
ING Direct	**-234**	-377
ING Bank Corporate Line	**-892**	-818
ING Bank Total	**-1,790**	-1,888
By Currency		
Euro	**–1,498**	–1,465

US dollar	**–439**	–402
Pound sterling	**74**	–58
Other	**73**	37
Total	**–1,790**	–1,888

(1) The impact of the newly acquired Oyak Bank has not been included in the tables for interest rate risk in the banking books.

Equity price risk in the banking books

Equity price risk arises from the possibility that equity security prices will fluctuate, affecting the value of equity securities and other instruments of which the price reacts similarly to a particular security, a defined basket of securities, or a securities index. ING Bank maintains a rather stable portfolio with substantial equity exposure in its banking books. This equity exposure mainly consists of the investments in associates of EUR 2,010 million (2006: EUR 1,223 million) and equity securities held in the Available-for-Sale portfolio of EUR 3,627 million (2006: EUR 1,898 million). The value of equity securities held in the Available-for-Sale portfolio is directly linked to equity security prices with increases/decreases being recognised (except in the case of impairment) in the revaluation reserve. During the year ended 31 December 2007 the revaluation reserve relating to equity securities held in the Available-for-Sale portfolio fluctuated between a month-end low amount of EUR 518 million (2006: EUR 463 million) and a high amount of EUR 2,580 million (2006: EUR 641 million). Investments in associates are measured in accordance with the equity method of accounting and the balance sheet value is therefore not directly linked to equity security prices.

Liquidity risk

Liquidity risk is the risk that ING Bank or one of its subsidiaries cannot meet its financial liabilities when they come due, at reasonable costs and in a timely manner. Liquidity risk can materialise both through trading and non-trading positions. Within ING Bank the liquidity risk framework has been determined by ALCO Bank, which bears the overall responsibility for liquidity risk. The liquidity risk framework is further cascaded down the organisation under the responsibility of the regional and local ALCO's. The main objective of ING's liquidity risk framework is to maintain sufficient liquidity in order to ensure safe and sound operations. For this purpose liquidity risk is considered from three different angles namely from a structural, tactical and a contingency point of view.

Structural liquidity risk

Structural liquidity risk is the risk that the structural, long term balance sheet can not be financed timely or at a reasonable cost. In this view of liquidity risk the total on and off balance sheet positions are considered from a structural asset and liability management perspective. For this purpose a working group consisting of Corporate Market Risk Management, Capital Management and Financial Markets focuses on liquidity risk aspects from a going concern perspective.

Tactical liquidity risk

From a tactical, short-term perspective the liquidity risk resulting from the short term cash and collateral positions is managed. ALCO Bank has delegated day-to-day liquidity management to Financial Markets Amsterdam, which is responsible for managing the overall liquidity risk position of ING Bank, while regional and local Financial Markets departments are responsible for managing liquidity in their respective regions and locations.

Contingency liquidity risk

Contingency liquidity risk relates to the organisation and planning for liquidity management in times of stress. Within ING Bank a specific crisis team is responsible for the liquidity management in times of crisis. This crisis team consists of the ING Group CRO and CFO, the Directors of CMRM and Capital

Management and all the main treasurers of ING Bank. Within ING Bank it is policy to have adequate and up-to-date contingency funding plans in place throughout the organisation. The main objective of ING's contingency funding plans is to enable senior management to act effectively and efficiently at times of crisis. The contingency funding plans are established for addressing temporary and long-term liquidity disruptions caused by a general event in the market or an ING Bank specific event. These plans ensure that all roles and responsibilities are clearly defined and all necessary management information is in place. The contingency funding plans are regularly tested both on consolidated and local level in order to be best prepared for potential liquidity risk issues.

Corporate Compliance

Compliance risk is defined as the risk of damage to ING Bank's reputation as a result of failure (or perceived failure) to comply with relevant laws, regulations, internal policies and procedures or ethical standards. In addition to reputation damage, failure to effectively manage compliance risk can expose financial institutions to fines, civil and criminal penalties, payment of damages, court orders and suspension or revocation of licenses. A failure (or perceived failure) can adversely impact customers, staff and shareholders of ING Bank.

Compliance management is fundamental to driving value. The pursuit of long term business sustainability requires proper conduct of business activities in accordance with the high ethical standards of ING Bank's Business Principles. These principles not only reflect laws and regulations, but are also based on ING Bank's core values: integrity, entrepreneurship, professionalism, responsiveness and teamwork.

Clear and accessible policies and procedures are embedded in ING Bank business processes in all business lines. An infrastructure is in place to enable management to track current and emerging compliance issues and to communicate these to internal and external stakeholders. A comprehensive system of internal controls and audit creates an environment of continuous improvement in managing compliance risk. ING Bank understands that good compliance involves understanding and delivering on the expectations of customers and other stakeholders, thereby improving the quality of key relationships based on honesty, integrity and fairness.

Operational Risks

Effective operational risk management leads to more stable business processes and lower operational risk costs. The operational risk management function comprises operational, information and security risks.

ING Bank has defined operational risk as the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes the risk of reputation loss as well as legal risk; whereas strategic risks are not included. The following eight risk categories are recognised:

– Control risk is the risk on loss due to non-compliance with business policies or guidelines;

– Unauthorised activity risk is the risk on loss caused by unauthorised employee trading, approvals or overstepping of authority;

– Processing risk is the risk on loss due to unintentional human error during (transaction) processing;

– Employment practice and workplace safety risk is the risk of loss due to acts inconsistent with employment, health or safety laws, or agreements, from payment of personal injury claims, or from diversity /discrimination events;

– Personal and physical security risk is the risk of criminal and environmental threats that might endanger the safety of ING Bank personnel within ING Bank locations and ING Bank assets or might have an impact on the ING Bank organisation;

– IT risk is the risk of loss due to inadequate data or information security of systems;

- Crisis management and Business Continuity Planning/Disaster Recovery Planning risk is the risk of loss due to external events (e.g. natural disasters, criminal activity and terrorist attacks) leading to a situation that threatens the safety of people within ING Bank or the continuity of business conducted;
- Internal and external fraud risk is the risk of losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations or the law.

CONSOLIDATED BALANCE SHEET OF ING BANK N.V.
Before profit appropriation

(amounts in millions of euros)	**31 December 2007**	31 December 2006
Assets		
Cash and balances with central banks	**9,829**	11,769
Amounts due from banks	**48,875**	39,868
Financial assets at fair value through profit and loss:		
- trading assets	**192,215**	193,451
- non-trading derivatives	**6,784**	4,968
- designated as at fair value through profit and loss	**9,146**	5,220
Investments:		
- available-for-sale	**143,632**	153,431
- held-to-maturity	**16,753**	17,660
Loans and advances to customers	**526,323**	437,774
Investments in associates	**2,010**	1,223
Real estate investments	**3,527**	3,665
Property and equipment	**5,330**	4,980
Intangible assets	**1,883**	385
Other assets	**27,806**	20,591
Total assets	**994,113**	894,985
Equity		
Shareholders' equity (parent)	**25,511**	21,298
Minority interests	**1,684**	1,204
Total equity	**27,195**	22,502
Liabilities		
Subordinated loans	**18,786**	18,073
Debt securities is issue	**55,990**	67,464
Amounts due to banks	**166,972**	120,839
Customer deposits and other funds on deposit	**528,197**	496,775
Financial liabilities at fair value through profit and loss:		
- trading liabilities	**148,887**	127,925
- non-trading derivatives	**5,569**	4,296
- designated as at fair value through profit and loss	**13,882**	13,702
Other liabilities	**28,635**	23,409
Total liabilities	**966,918**	872,483
Total liabilities and equity	**994,113**	894,985

BREAKDOWN OF SHAREHOLDERS' EQUITY OF ING BANK N.V.

(amounts in millions of euros)	**31 December 2007**	31 December 2006
Share capital	**525**	525
Share premium reserve	**9,192**	6,992
Revaluation reserve	**2,105**	2,295
Currency translation reserve	**-18**	42
Other reserves	**13,707**	11,444
Shareholders' equity	**25,511**	21,298

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF ING BANK N.V.

(amounts in millions of euros)	**2007**	2006

Interest income	**76,765**		59,159	
Interest expense	**-67,730**		-49,826	
Interest result		**9,035**		9,333
Investment income		**809**		528
Net gains/losses on disposal of group companies		**138**		-45
Commission income	**4,166**		3,794	
Commission expense	**-1,240**		-1,113	
Commission result		**2,926**		2,681
Valuation results on non-trading derivatives		**126**		136
Net trading income		**740**		901
Share of profit from associates		**238**		180
Other income		**580**		476
Total income		**14,592**		14,190
Addition to loan loss provision		**125**		103
Other impairments		**-5**		16
Staff expenses		**5,421**		5,091
Operating expenses		**4,597**		3,956
Total expenses		**10,138**		9,166
Profit before tax		**4,454**		5,024
Taxation		**753**		1,211
Net profit (before minority interests)		**3,701**		3,813
Attribution to:				
Shareholders of the parent		**3,589**		3,753
Minority interests		**112**		60
		3,701		3,813

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