Dated 19 August 2009

ING GROEP N.V.

REGISTRATION DOCUMENT

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INTRODUCTION

This document constitutes a registration document ("Registration Document") for the purposes of Article 5 of Directive 2003/71/EC (the "Prospectus Directive") and has been prepared for the purpose of giving information with respect to ING Groep N.V. (the "Issuer") which, according to the particular nature of the Issuer and the securities which it may offer to the public within a member state ("Member State") of the European Economic Area (the "EEA") or apply to have admitted to trading on a regulated market situated or operating within such a Member State, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Registration Document. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Registration Document was approved by the Netherlands Authority for the Financial Markets (the "AFM") for the purposes of the Prospectus Directive on 19 August 2009.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Registration Document and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

This Registration Document should not be considered as a recommendation by the Issuer that any recipient of this Registration Document should purchase any securities of the Issuer. Each investor contemplating purchasing any securities of the Issuer should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. This Registration Document does not constitute an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any securities of the Issuer.

The delivery of this Registration Document shall not in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof. Investors should carefully review and evaluate, *inter alia*, the most recent financial disclosure of the Issuer from time to time incorporated by reference herein when deciding whether or not to purchase any securities of the Issuer.

The distribution of this Registration Document and the offer or sale of any securities of the Issuer may be restricted by law in certain jurisdictions. Persons into whose possession this Registration Document or any securities of the Issuer come must inform themselves about, and observe, any such restrictions.

Any securities to be issued by the Issuer in connection with this Registration Document have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, any such securities may not be offered, sold, pledged or otherwise transferred within the United States or to or for the account or benefit of U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Any securities to be issued by the Issuer in connection with this Registration Document have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of any such securities or the accuracy or the adequacy of this Registration Document. Any representation to the contrary is a criminal offence in the United States.

TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER RSA 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSONS, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

This Registration Document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact included in this Registration Document, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Registration Document or as of such earlier date at which such statements are expressed to be given. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Registration Document and have been approved by AFM or filed with it, shall be deemed to be incorporated in, and to form part of, this Registration Document; this Registration Document should be read and construed in conjunction with such documents:

(a) the Articles of Association (*statuten*) of the Issuer;

(b) the publicly available audited consolidated annual accounts of the Issuer in respect of the financial years ended 31 December 2007 and 2008, including the auditors' reports in respect of such financial years, which are contained in the annual reports of the Issuer for the relevant periods, and the publicly available unaudited condensed consolidated interim accounts of the Issuer for the period ended 30 June 2009, which are contained in the 'Condensed consolidated interim financial information for the period ended 30 June 2009' of the Issuer;

(c) a press release entitled "ING to strengthen core capital by EUR 10 billion" (the "Core Capital Release") published by ING Groep N.V. on 19 October 2008;

(d) a press release entitled "ING update on results and measures to reduce risks and costs" (the "Results and Measures Release") published by ING Groep N.V. on 26 January 2009;

(e) the press release entitled "ING posts full year underlying net loss of EUR 171 million" (the "2008 Results Release") published by ING Groep N.V. on 18 February 2009;

(f) the press release entitled "ING and Dutch State finalize Illiquid Assets Back-up Facility" (the "Illiquid Assets Back-up Facility Finalization Release") published by ING Groep N.V. on 1 April 2009;

(g) the press release entitled "Update on strategy: Taking ING back to basics" (the "Strategy Update Release") published by ING Groep N.V. on 9 April 2009;

(h) the unaudited ING Group 2009 quarterly report for the first quarter of 2009, as published by ING Groep N.V. on 13 May 2009 (the "Q1 Report"). The Q1 Report contains, among other things, the consolidated unaudited interim results of ING Groep N.V. as at, and for the three month period ended, 31 March 2009;

(i) the press release entitled "ING to strengthen Dutch insurance organisation" (the "Insurance Organisation Release") published by ING Groep N.V. on 1 July 2009; and

(j) the unaudited ING Group 2009 quarterly report for the second quarter of 2009 (the "Q2 Report"), as published by ING Groep N.V. on 12 August 2009. The Q2 Report contains, amongst other things, the consolidated unaudited interim results of ING Groep N.V. as at, and for the three and six month period ended, 30 June 2009.

save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Any information or other documents themselves incorporated by reference, either expressly or implicitly, in the documents incorporated by reference in this Registration Document shall not form part of this Registration Document, except where such information or other documents are specifically incorporated by reference into this Registration Document.

The Issuer will provide, without charge, to each person to whom a copy of this Registration Document has been delivered in accordance with applicable law, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer, c/o ING Bank N.V. at Foppingadreef 7, Amsterdam, The Netherlands (Tel.: +31 (0)20 501 3209). In addition, this Registration Document and all of the documents which are incorporated herein by reference will be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

RISK FACTORS

Set out below are certain risk factors which could affect the future financial performance of the Issuer and its subsidiaries ("ING") and thereby potentially affect the Issuer's ability to fulfil its obligations in respect of securities issued or guaranteed by it. The factors discussed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties ING's businesses face. The Issuer has described only those risks relating to its operations of which it is aware and that it considers to be material. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware and any of these risks could have the effects set forth above. Investors should note that they bear the Issuer's solvency risk. The term Issuer, for purposes of this section (but not others) also refers, where the context so permits, to any group company of the Issuer.

Because the Issuer is an integrated financial services company conducting business on a global basis, the revenues and earnings of the Issuer are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which the Issuer conducts business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect the profitability of the Issuer's insurance, banking and asset management business.

Factors such as interest rates, securities prices, credit (including liquidity) spreads, exchange rates, consumer spending, business investment, real estate and private equity valuations, government spending, inflation, the volatility and strength of the capital markets, and terrorism all impact the business and economic environment and, ultimately, the amount and profitability of business the Issuer conducts in a specific geographic region. For example, in an economic downturn, such as the one currently taking place, characterised by higher unemployment, lower family income, lower corporate earnings, higher corporate and private debt defaults, lower business investment and consumer spending, the demand for banking and insurance products is adversely affected and the Issuer's reserves and provisions are likely to increase, resulting in lower earnings. Securities prices, real estate valuations and private equity valuations may be adversely impacted, and any such losses would be realized through profit and loss and shareholders equity. Some insurance products contain minimum return or accumulation guarantees. If returns do no meet or exceed the guarantee levels the Issuer may need to set up additional reserves to fund these future guaranteed benefits. In addition, the Issuer may experience an elevated incidence of claims and lapses or surrenders of policies. The Issuer's policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. Similarly, a downturn in the equity markets, such as the one currently taking place, causes a reduction in commission income the Issuer earns from managing portfolios for third parties, income generated from its own proprietary portfolios, asset-based fee income on certain insurance products, and its capital base. The Issuer also offers a number of insurance and financial products that exposes it to risks associated with fluctuations in interest rates, securities prices, corporate and private default rates, the value of real estate assets, exchange rates and credit spreads.

In case one or more of the factors mentioned above adversely affects the profitability of the Issuer's business this might also result, among others, in the following:

- the unlocking of deferred acquisition costs impacting earnings; and/or
- reserve inadequacies which could ultimately be realized through profit and loss and shareholders equity; and/or

- the write down of tax assets impacting net results; and/or
- impairment expenses related to goodwill and other intangible assets, impacting net results.

The Issuer believes that if ongoing market volatility adversely impacts the performance of the reporting units Retail Banking - Central Europe and Insurance Americas - United States, compared with what was assumed in the year-end 2008 goodwill impairment test, the book value (including goodwill) of these reporting units may exceed the related fair values, which would result in impairments.

Shareholders' equity and net result of ING in 2008 were significantly impacted by the turmoil and the extreme volatility in the worldwide financial markets. The financial markets and worldwide economies have deteriorated further in the first months of 2009 in several areas, especially the equity markets. Current levels continuing or a further negative development in financial markets and/or economies in 2009 may have a material adverse impact on the Issuer’s shareholders' equity and net result in future periods, including as a result of the potential consequences listed above.

Adverse capital and credit market conditions may impact the Issuer’s ability to access liquidity and capital, as well as the cost of credit and capital.

The capital and credit markets have been experiencing extreme volatility and disruption for more than eighteen months. In the second half of 2008, the volatility and disruption reached unprecedented levels. In some cases, market developments have resulted in restrictions on the availability of liquidity and credit capacity for certain issuers.

The Issuer needs liquidity in its day-to-day business activities to pay its operating expenses, interest on its debt and dividends on its capital stock; maintain its securities lending activities; and replace certain maturing liabilities. The principal sources of the Issuer’s liquidity are deposit funds, insurance premiums, annuity considerations, cash flow from its investment portfolio and assets, consisting mainly of cash or assets that are readily convertible into cash. Sources of liquidity in normal markets also include a variety of short- and long-term instruments, including repurchase agreements, commercial paper, medium- and long-term debt, junior subordinated debt securities, capital securities and shareholders’ equity.

In the event current resources do not satisfy the Issuer’s needs, it may have to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, its credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of its long- or short-term financial prospects. Similarly, the Issuer’s access to funds may be limited if regulatory authorities or rating agencies take negative actions against it. If the Issuer’s internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available, or available at unfavourable terms.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit the Issuer’s access to capital required to operate its business. Such market conditions may limit the Issuer’s ability to raise additional capital to support business growth, or to counter-balance the consequences of losses or increased regulatory capital requirements. This could force the Issuer to delay raising capital, reduce or postpone payment of dividends on its shares or interest payments on other securities, issue capital of different types or under different terms than the Issuer would otherwise, or incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both the Issuer’s profitability and its financial flexibility.

The Issuer's results of operations, financial condition, cash flows and regulatory capital position could be materially adversely affected by disruptions in the financial markets.

In the course of 2008, governments around the world, including the Dutch government, have implemented measures providing assistance to financial institutions, in certain cases requiring (indirect) influence on or changes to governance and remuneration practices. In certain cases governments have even nationalised companies or parts thereof. The measures adopted in the Netherlands consist in both liquidity provision and capital reinforcement, and a Dutch Capital Guarantee Scheme. The liquidity and capital reinforcement measures apply for a period of one year as of 10 October 2008, while the Credit Guarantee Scheme of the Netherlands is scheduled to run through 31 December 2009. So far the Issuer has been able to benefit from these measures. Going forward, the Dutch authorities will look at each application individually. Potential future transactions with the Dutch government or any other government or actions by such government regarding ING could adversely impact the position or rights of the Issuer's shareholders, bondholders, customers, creditors, or the Issuer's results, operations, solvency, liquidity and governance.

Because life and non-life insurance and reinsurance businesses of the Issuer are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the actual claims amount of the Issuer may exceed the Issuer's established reserves, or as a result of such events the Issuer may experience an abrupt interruption of activities, each of which could result in lower net results and have an adverse effect on its results of operations.

In its life and non-life insurance and reinsurance businesses, the Issuer is subject to losses from natural and man-made catastrophic events. Such events include, without limitation, weather and other natural catastrophes such as hurricanes, floods, earthquakes and epidemics, as well as events such as terrorist attacks. The frequency and severity of such events, and the losses associated with them, are inherently unpredictable and can not always be adequately reserved for. Furthermore, the Issuer is subject to actuarial and underwriting risks such as, for instance, mortality, morbidity, and adverse home claims development which result from the pricing and acceptance of insurance contracts. In accordance with industry practices, modelling of natural catastrophes is performed and risk mitigation measures are made. In case claims occur, reserves are established based on estimates using actuarial projection techniques. The process of estimating is based on information available at the time the reserves are originally established and includes updates when more information becomes available. Although the Issuer continually reviews the adequacy of the established claim reserves, and based on current information, the Issuer believes its claim reserves are sufficient, there can be no assurances that its actual claims experience will not exceed its estimated claim reserves. If actual claim amounts exceed the estimated claim reserves, the Issuer's earnings may be reduced and its net results may be adversely affected. In addition, because unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, the Issuer's banking and insurance operations may be subject to losses resulting from such disruptions. Losses can relate to property, financial assets, trading positions, insurance and pension benefits to employees and also to key personnel. If the Issuer's business continuity plans are not able to be put into action or do not take such events into account, losses may further increase.

Because the Issuer operates in highly regulated industries, laws, regulations and regulatory policies or the enforcement thereof that govern activities in its various business lines could have an effect on its reputation, operations and net results.

The Issuer is subject to detailed banking, insurance, asset management and other financial services laws and government regulation in each of the jurisdictions in which the Issuer conducts business. Regulatory agencies have broad administrative power over many aspects of the financial services business, which may include liquidity, capital adequacy and permitted investments, ethical issues, money laundering, privacy, record keeping, and marketing and selling practices. Banking, insurance and other financial services laws, regulations and policies currently governing the Issuer may also change at any time in ways which have an adverse effect on the Issuer's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. Also, bank regulators and other supervisory authorities in the EU, the US and elsewhere continue to scrutinize payment processing and other transactions under regulations governing such matters as money-laundering, prohibited transactions with countries subject to sanctions, and bribery or other anti-corruption measures. Regulation is becoming increasingly more extensive and complex and regulators are focusing increased scrutiny on the industries in which the Issuer operates, often requiring additional resources of the Issuer. These regulations can serve to limit the Issuer's activities, including through its net capital, customer protection and market conduct requirements, and restrictions on businesses in which the Issuer can operate or invest. If the Issuer fails to address, or appears to fail to address, appropriately any of these matters, the Issuer's reputation could be harmed and the Issuer could be subject to additional legal risk, which could, in turn, increase the size and number of claims and damages asserted against the Issuer or subject the Issuer to enforcement actions, fines and penalties.

In light of current conditions in the global financial markets and the global economy, regulators have increased their focus on the regulation of the financial services industry. Most of the principal markets where the Issuer conducts its business have adopted, or are currently considering, major legislative and/or regulatory initiatives in response to the financial crisis. In particular, governmental and regulatory authorities in the Netherlands, the United Kingdom, the United States and elsewhere are implementing measures to increase regulatory control in their respective financial markets and financial services sectors, including in the areas of prudential rules, capital requirements, executive compensation and financial reporting, among others. Most recently, governments in the Netherlands and abroad have intervened on an unprecedented scale, responding to stresses experienced in the global financial markets. Some of the measures adopted subject the Issuer and other institutions for which they were designed to additional restrictions, oversight or costs. The Issuer cannot predict whether or when future legislative or regulatory actions may be taken, or what impact, if any, actions taken to date or in the future could have on its business, results of operations and financial condition.

Despite the Issuer's efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, there are a number of risks in areas where applicable regulations may be unclear, subject to multiple interpretation or conflict with one another, where regulators revise their previous guidance or courts overturn previous rulings, or the Issuer fails to meet applicable standards. Regulators and other authorities have the power to bring administrative or judicial proceedings against the Issuer, which could result, amongst other things, in suspension or revocation of its licenses, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially harm the Issuer's results of operations and financial condition.

Ongoing turbulence and volatility in the financial markets have adversely affected the Issuer, and may continue to do so. The Issuer currently does not expect these conditions to improve in the short term.

The Issuer's results of operations are materially impacted by conditions in the global capital markets and the economy generally. The stress experienced in the global capital markets that started in the second half of 2007 continued and substantially increased throughout 2008 and continues in 2009. The crisis in the mortgage market in the United States, triggered by a serious deterioration of credit quality, led to a revaluation of credit risks. These conditions have resulted in greater volatility, widening of credit spreads and overall shortage of liquidity and tightening of financial markets throughout the world. In addition, prices for many types of asset-backed securities (ABS) and other structured products have significantly deteriorated. These concerns have since expanded to include a broad range of fixed income securities, including those rated investment grade, the international credit and interbank money markets generally, and a wide range of financial institutions and markets, asset classes, such as public and private equity, and real estate sectors. As a result, the market for fixed income instruments has experienced decreased liquidity, increased price volatility, credit downgrade events, and increased probability of default. Securities that are less liquid are more difficult to value and may be hard to dispose of. International equity markets have also been experiencing heightened volatility and turmoil, with issuers, including ourselves, that have exposure to the real estate, mortgage, private equity and credit markets particularly affected. These events and the continuing market upheavals, including extreme levels of volatility, have had and may continue to have an adverse effect on the Issuer's revenues and results of operations, in part because the Issuer has a large investment portfolio and extensive real estate activities around the world. In addition, the confidence of customers in financial institutions is being tested. Reduced confidence could have an adverse effect on the Issuer's revenues and results of operations, including through an increase of lapses or surrenders of policies and withdrawal of deposits.

As a result of the ongoing and unprecedented volatility in the global financial markets in 2007 and 2008, the Issuer has incurred negative revaluations on its investment portfolio, which have impacted its earnings and shareholders' equity. Furthermore, the Issuer has incurred impairments and other losses, which have impacted its profit and loss accounts. Reserves for insurance liabilities are overall adequate at the Group and Business Line level. Inadequacies in certain product areas have developed.

Such impacts have arisen primarily as a result of valuation issues arising in connection with the Issuer's investments in real estate and private equity, exposures to US mortgage-related structured investment products, including sub-prime and Alt-A Residential and Commercial Mortgage-Backed Securities (CMBS and RMBS), Collateralized Debt Obligations (CDOs) and Collateralized Loan Obligations (CLOs), monoline insurer guarantees, Structured Investment Vehicles (SIVs) and other investments. In many cases, the markets for such investments and instruments have become highly illiquid, and issues relating to counterparty credit ratings and other factors have exacerbated pricing and valuation uncertainties. Valuation of such investments and instruments is a complex process involving the consideration of market transactions, pricing models, management judgment and other factors, and is also impacted by external factors such as underlying mortgage default rates, interest rates, rating agency actions and property valuations. While the Issuer continues to monitor its exposures in this area, in light of the ongoing market environment and the resulting uncertainties concerning valuations, there can be no assurances that the Issuer will not experience further negative impacts to its shareholders' equity or profit and loss accounts from such assets in future periods.

Because the Issuer operates in highly competitive markets, including in its home market, the Issuer may not be able to increase or maintain its market share, which may have an adverse effect on its results of operations.

There is substantial competition in the Netherlands and the other countries in which the Issuer does business for the types of insurance, commercial banking, investment banking, asset management and other products and services the Issuer provides. Customer loyalty and retention can be influenced by a number of factors, including relative service levels, the prices and attributes of products and services, and actions taken by competitors. If the Issuer is not able to match or compete with the products and services offered by its competitors, it could adversely impact its ability to maintain or further increase its market share, which would adversely affect the Issuer's results of operations. Such competition is most pronounced in the Issuer's more mature markets of the Netherlands, Belgium, the Rest of Europe, the United States, Canada and Australia. In recent years, however, competition in emerging markets, such as Latin America, Asia and Central and Eastern Europe, has also increased as large insurance and banking industry participants from more developed countries have sought to establish themselves in markets which are perceived to offer higher growth potential, and as local institutions have become more sophisticated and competitive and have sought alliances, mergers or strategic relationships with the Issuer's competitors. The Netherlands and the United States are the Issuer's largest markets for both its banking and insurance operations. The Issuer's main competitors in the banking sector in the Netherlands are ABN AMRO Bank/Fortis and Rabobank. The Issuer's main competitors in the insurance sector in the Netherlands are Achmea, Fortis and Aegon. The Issuer's main competitors in the United States are insurance companies such as Lincoln National, Hartford, Aegon Americas, AXA, Met Life, Prudential, Nationwide and Principal Financial. Increasing competition in these or any of the Issuer's other markets may significantly impact the Issuer's results if the Issuer unable to match the products and services offered by its competitors. Over time, certain sectors of the financial services industry have become more concentrated, as institutions involved in a broad range of financial services have been acquired by or merged into other firms or have declared bankruptcy. In 2008, this trend accelerated considerably, as several major financial institutions consolidated, were forced to merge or received substantial government assistance. These developments could result in the Issuer's competitors gaining greater access to capital and liquidity, expanding their ranges of products and services, or gaining geographic diversity. The Issuer may experience pricing pressures as a result of these factors in the event that some of its competitors seek to increase market share by reducing prices.

Because the Issuer does business with many counterparties, the inability of these counterparties to meet their financial obligations could have an adverse effect on the Issuer's results of operations.

General

Third-parties that owe the Issuer money, securities or other assets may not pay or perform under their obligations. These parties include the issuers whose securities the Issuer holds, borrowers under loans originated, customers, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing house and other financial intermediaries. Defaults by one or more of these parties on their obligations to the Issuer due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumours about potential defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for the Issuer, and defaults by other institutions. In addition, with respect to secured transactions, the Issuer's credit risk may be exacerbated when the collateral held by it cannot be realized, or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to it. The Issuer also has exposure to a number of financial institutions in the form of unsecured debt instruments, derivative transactions and equity investments. There is no assurance that losses on, or impairments to the carrying value of these assets would not materially and adversely affect the Issuer's business or results of operations.

Reinsurers

The Issuer's insurance operations have bought protection for risks that exceed certain risk tolerance levels set for both the Issuer's life and non-life businesses. This protection is bought through reinsurance arrangements in order to reduce possible losses. Because in most cases the Issuer must pay the policyholders first, and then collect from the reinsurer, the Issuer is subject to credit risk with respect to each reinsurer for all such amounts. As a percentage of the Issuer's (potential) reinsurance receivables as of 31 December 2008, the greatest exposure after collateral to an individual reinsurer was approximately 32%, approximately 68% related to four other reinsurers and the remainder of the reinsurance receivables balance related to various other reinsurers. The inability or unwillingness of any one of these reinsurers to meet its financial obligations to the Issuer, or the insolvency of the Issuer's reinsurers, could have a material adverse effect on the Issuer's net results and the Issuer's financial results.

Because the Issuer uses assumptions about factors to determine the insurance provisions, deferred acquisition costs (DAC) and value of business added (VOBA), the use of different assumptions about these factors may have an adverse impact on the Issuer's results of operations.

The establishment of insurance provisions, including the impact of minimum guarantees which are contained within certain variable annuity products, the adequacy test performed on the provisions for life policies and the establishment of DAC and VOBA are inherently uncertain processes involving assumptions about factors such as court decisions, changes in laws, social, economic and demographic trends, inflation, investment returns, policyholder behaviour (e.g. lapses, persistency, etc.) and other factors, and, in the life insurance business, assumptions concerning mortality and morbidity trends.

The use of different assumptions about these factors could have a material effect on insurance provisions and underwriting expense. Changes in assumptions may lead to changes in the insurance provisions over time. Furthermore, some of these assumptions can be volatile.

Because the Issuer uses assumptions to model client behaviour for the purpose of its market risk calculations, the difference between the realisation and the assumptions may have an adverse impact on the risk figures and future results.

The Issuer uses assumptions in order to model client behaviour for the risk calculations in its banking and insurance books. Assumptions are used to determine insurance liabilities, the price sensitivity of savings and current accounts and to estimate the embedded optional risk in the mortgage and investment portfolios. The realisation or use of different assumptions to determine the client behaviour could have material adverse effect on the calculated risk figures and ultimately future results.

Because the Issuer also operates in markets with less developed judiciary and dispute resolution systems, in the event of disputes in these markets, the quality and the effectiveness of such systems could have an adverse effect on the Issuer's operations and net results.

In the less developed markets in which the Issuer operates, judiciary and dispute resolution systems may be less developed. As a result in case of a breach of contract the Issuer may have difficulties in making and enforcing claims against contractual counterparties and, if claims are made against the Issuer, it might encounter difficulties in mounting a defence against such allegations. If the Issuer becomes party to legal proceedings in a market with an insufficiently developed judiciary system, it could have an adverse effect on the Issuer's operations and net result.

Because the Issuer is a financial services company and it is continually developing new financial products, the Issuer might be faced with claims that could have an adverse effect on its operations and net result if clients' expectations are not met.

When new financial products are brought to the market, communication and marketing aims to present a balanced view of the product (however there is a focus on potential advantages for the customers). Whilst the Issuer engages in a due diligence process when it develops products, if the products do not generate the expected profit, or result in a loss, or otherwise do not meet expectations, customers may file claims against the Issuer. Such claims could have an adverse effect on the Issuer's operations and net result.

Ratings are important to the Issuer's business for a number of reasons. Among these are the issuance of debt, the sale of certain products and the risk weighting of bank assets. Downgrades could have an adverse impact on the Issuer's operations and net results.

The Issuer obtains credit ratings from Standard & Poor's, Moody's and Fitch. While the Issuer aims for a senior unsecured rating of AA, each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may have assigned a lower rating at a specific moment in time and/or may decide on a downgrade at any time. In the event of a downgrade the cost of issuing debt will increase, having an adverse effect on net results.

Claims paying ability, at the ING Group or subsidiary level, and financial strength ratings are factors in establishing the competitive position of insurers. A rating downgrade could elevate lapses or surrenders of policies requiring cash payments, which might force the Issuer to sell assets at a price that may result in realized investment losses. Among others, total invested assets decreases and deferred acquisition costs might need to be accelerated, adversely impacting earnings. A downgrade may adversely impact relationships with distributors of the Issuer's products and services and customers, which may affect new sales and the Issuer's competitive position.

The Issuer's bank assets are risk weighted. Downgrades of these assets could result in a higher risk weighting which may result in higher capital requirements and thus a need to deleverage. This may impact net earnings and the return on capital, and may have an adverse impact on the Issuer's competitive position.

The Issuer's business may be negatively affected by a sustained increase in inflation.

A sustained increase in the inflation rate in the Issuer's principal markets would have multiple impacts on ING and may negatively affect the Issuer's business, solvency position and results of operations. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may (i) decrease the value of certain fixed income securities the Issuer holds in its investment portfolios resulting in reduced levels of unrealized capital gains available to it which could negatively impact the Issuer's solvency position and net income, (ii) result in increased surrenders of certain life & savings products, particularly, those with fixed rates below market rates, and (iii) require the Issuer, as an issuer of securities, to pay higher interest rates on debt securities it issues in the financial markets from time to time to finance its operations which would increase the Issuer's interest expenses and reduce the Issuer's results of operations. A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may (i) result in impairment charges to equity securities that the Issuer holds in its investment portfolios and reduced levels of unrealised capital gains available to it which would reduce the Issuer's net income and negatively impact the Issuer's solvency position, (ii) negatively impact performance, future sales and surrenders of the Issuer's unit-linked products where underlying investments are often allocated to equity funds, and (iii) negatively impact the ability of the Issuer's asset management subsidiaries to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations. In addition, in the context of certain property & casualty risks underwritten by the Issuer's insurance subsidiaries (particularly "long-tail" risks), a sustained increase in inflation with a resulting increase in market interest rates may result in (i) claims inflation (i.e., an increase in the amount ultimately paid to settle claims several years after the policy coverage period or event giving rise to the claim), coupled with (ii) an underestimation of corresponding claims reserves at the time of establishment due to a failure to fully anticipate increased inflation and its effect on the amounts ultimately payable to policyholders, and, consequently, (iii) actual claims payments significantly exceeding associated insurance reserves which would negatively impact the Issuer's results of operations. In addition, a failure to accurately anticipate higher inflation and factor it into the Issuer's product pricing assumptions may result in a systemic mis-pricing of the Issuer's products resulting in underwriting losses which would negatively impact the Issuer's results of operations.

Operational risks are inherent in the Issuer's business.

The Issuer's businesses depend on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequate personnel, inadequate or failed internal control processes and systems, or from external events that interrupt normal business operations. The Issuer also faces the risk that the design of its controls and procedures prove to be inadequate or are circumvented. The Issuer has suffered losses from operational risk in the past and there can be no assurance that it will not suffer material losses from operational risk in the future.

The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to the Issuer, other well-known companies or the financial services industry in general.

Adverse publicity and damage to the Issuer's reputation arising from its failure or perceived failure to comply with legal and regulatory requirements, financial reporting irregularities involving other large and well known companies, increasing regulatory and law enforcement scrutiny of "know your customer" anti-money laundering, prohibited transactions with countries subject to sanctions, and bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the mutual fund, banking and insurance industries, and litigation that arises from the failure or perceived failure by the Issuer to comply with legal, regulatory and compliance requirements, could result in adverse publicity and reputation harm, lead to increased regulatory supervision, affect the Issuer's ability to attract and retain customers, maintain access to the capital markets, result in cease and desist orders, suits, enforcement actions, fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on the Issuer in ways that are not predictable.

The Issuer's agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of shares and the compensation of certain senior management positions.

For so long as the Dutch State holds at least 25% of the Core Tier-I Securities issued by the Issuer on 12 November 2008 or for so long as the Illiquid Assets Back-up Facility between the Issuer and the Dutch State agreed upon in the terms sheet of 26 January 2009 is in place, or so long as any of the government guaranteed senior unsecured bonds issued by ING Bank N.V. successively on 30 January 2009, 20 February 2009, 12 March 2009 and 19 March 2009 under the Credit Guarantee Scheme of the Netherlands (the "Government Guaranteed Bonds") are outstanding, whichever expires last, the Issuer is prohibited from issuing or repurchasing any of its own shares (other than as part of regular hedging operations and the issuance of shares according to employment schemes) without the consent of the Dutch State's nominees on the Issuer's Supervisory Board. In addition, under the terms of these agreements with the Dutch State, the Issuer has agreed to institute certain restrictions on the compensation of the members of its

Executive Board and Senior Management, including incentives or performance-based compensation. These restrictions could hinder or prevent the Issuer from attracting or retaining the most qualified management with the talent and experience to manage its business effectively. In connection with these transactions, the Dutch State was granted the right to nominate two candidates for appointment to the Issuer's Supervisory Board. The Dutch State's nominees have veto rights over certain material transactions.

The issuance of the Core Tier-I Securities to the Dutch State has increased the cumulative change of ownership for United States tax purposes to approximately 42% as per 12 November 2008. Future increases of capital or other ownership changes may bring the Issuer over the 50% threshold; in which case limitations to the future use of tax loss carry forwards as well as certain so-called built-in-losses may adversely affect net result and equity.

Section 382 of the United States Internal Revenue Code contains a so-called loss limitation rule, the general purpose of which is to prevent trafficking in tax losses (i.e. it is an anti-abuse rule). The rule is triggered when the ownership of a company changes by more than 50% (measured by value) on a cumulative basis in any three year period. If triggered, restrictions may be imposed on the future use of realised tax losses as well as certain losses that are built into the assets of the company at the time of the ownership change and that are realised within the next five years. The issuance of EUR 10 billion of securities by the Issuer to the Dutch State on 12 November 2008 brought the Issuer's (cumulative) change of ownership as per that date to approximately 42%. As a result, future increases in capital or other changes of ownership may adversely affect the net result or equity of the Issuer, unless relief from the loss limitation rules is obtained, which may or may not be possible.

The European Commission may impose conditions and/or obligations in the context of applying the EC State aid rules to the transactions entered into by the Dutch State and the Issuer.

The European Commission has temporarily approved ING Groep N.V.'s Core Tier 1 securities and the Illiquid Assets Back-up Facility with the Dutch State. Final approval requires ING Groep N.V. to submit a restructuring plan in accordance with guidelines published by the Commission on 22 July 2009 for financial institutions that received aid in the context of the financial crisis. ING Groep N.V. is currently reviewing strategic options to facilitate its continued transformation and realise its ambition to repay the Dutch State. The process will also support ING Groep N.V.'s efforts to meet the restructuring requirements set out in the guidelines published by the European Commission. The state aid process is formally one between the Dutch Ministry of Finance and the Commission, and ING Groep N.V. is working constructively with both parties to come to a resolution in the interest of all stakeholders. In-depth discussions will soon commence, the outcome of which can not be predicted, but could lead to significant changes for ING Group going forward.

DESCRIPTION OF ING GROEP N.V.

Profile

ING Groep N.V., also called 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 more than 111,000 people worldwide. Based on market capitalisation, ING Groep N.V. is one of the 25 largest financial institutions in Europe (source: MSCI, Bloomberg, 30 June 2009). ING Groep N.V. is a listed company and holds all shares of ING Bank N.V. and ING Verzekeringen N.V., which are non-listed 100% subsidiaries of ING Groep N.V.

With over 72,000 employees, ING Bank N.V. ("ING Bank") is active through three Business Lines: Retail Banking, ING Direct and Commercial Banking (formerly Wholesale Banking). Retail Banking offers retail banking services in the mature markets of The Netherlands, Belgium and Luxembourg, and in the growth markets of Poland, Romania, Turkey, India, Thailand and China. Private Banking is offered in The Netherlands, Belgium, Luxembourg, Switzerland and various countries in Asia and Central 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 also mutual funds and payment accounts. Commercial 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. Commercial Banking also manages ING Real Estate, a real estate investment manager.

ING Verzekeringen N.V. ("ING Insurance") has over 39,000 people active through three Business Lines: Insurance Europe, Insurance Americas and Insurance Asia/Pacific. Insurance Europe operates the insurance and asset management activities in Europe. Main insurance activities are in The Netherlands, Belgium, Spain, Greece, Turkey and Central Europe, where ING offers life insurance with a particular focus on retirement services. In The Netherlands and Belgium, ING also offers non-life insurance. Insurance Americas provides insurance, investment, retirement and asset management products and services in the region. The United States is an important insurance market for retirement services. ING is a leading insurance company in a number of Latin American countries, including Mexico, Chile and Peru. Insurance Asia/Pacific conducts life insurance and asset/wealth management activities in the region and is well-established in Australia, New Zealand, Japan, Hong Kong, Malaysia and South Korea. ING is of the opinion that the activities in China, India and Thailand are high-growth markets.

Under the new structure which was announced on 9 April 2009, the asset-management activities which are now part of Insurance Europe, Insurance Americas and Insurance Asia/Pacific, will be centralised in due course in a separate global division under the name Investment Management. Furthermore, ING Real Estate Investment Management, currently part of the Commercial Banking division, will also be integrated in the Investment Management division.

Incorporation and history

ING Groep N.V. was incorporated under Dutch law in The Netherlands on 21 January 1991 for an indefinite duration in the form of a public limited company (naamloze vennootschap) as Internationale Nederlanden Groep N.V., also known as ING Group.

ING Group is the result of the merger between NMB Postbank Group and Nationale-Nederlanden in 1991. NMB Bank and Postbank, two leading Dutch banks, merged in 1989. The legal name of

NMB Bank as holding company for the merged entities 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 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 have been changed into ING Groep N.V., ING Bank N.V. and ING Verzekeringen N.V. on 1 December 1995.

On 13 May 2009, ING announced that – in line with the April 2009 strategy announcement – it is taking measures to simplify its governance. These measures have now been implemented. To increase the business focus of the Group's leadership, Banking and Insurance now each have their own Management Board, consisting of the heads of the respective business lines and the Group CEO, CFO and CRO.

The registered office is at Amstelveenseweg 500 (ING House), 1081 KL Amsterdam, The Netherlands, telephone number +31 20 541 5411. ING Groep N.V. is registered at the Chamber of Commerce and Industry of Amsterdam under no. 33231073 and its corporate seat is in Amsterdam, the Netherlands. In connection with the cancellation of all preference A shares in the capital of ING Groep N.V., the Articles of Association of ING Groep N.V. were amended by notarial deed executed on 8 October 2008. According to article 3 of the Articles of Association, the object of ING Groep N.V. is to participate in, manage, finance, furnish personal or real security for the obligations of and provide services to other enterprises and institutions of any kind, but in particular enterprises and institutions which are active in the field of insurance, lending, investment and/or other financial services, and to engage in any activity which may be related or conducive to the foregoing.

ING's implementation of the Dutch Corporate Governance Code (the 'Code') was approved at the General Meeting of Shareholders on 26 April 2005. Given this approval, ING is deemed to be in full compliance with the Code. In December 2008, the Monitoring Committee of the Dutch Corporate Governance Code (the 'Frijns Committee') published an updated version of the Code. The revised Code became effective on 1 January 2009. ING Group is now considering the revised Code and to what extent it can be implemented. As recommended by the Frijns Committee, the implementation of the revised Code will be discussed at the 2010 General Meeting as a separate agenda item.

Supervisory Board and Executive Board

ING Group 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 not to be independent, because he held a position with Deloitte Touche Tohmatsu until 1 June 2007 and 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 Supervisory Board and the Executive Board* of ING Groep N.V. is as follows:

Supervisory Board:	Peter A.F.W. Elverding (chairman), J.P. (Tineke) Bahlmann, Henk W. Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet C. Klaver, Godfried J.A. van der Lugt, Harish Manwani, Aman Mehta, Joan E. Spero, Jackson P. Tai, Jeroen van der Veer, Karel Vuursteen and Lodewijk J. de Waal.
Executive Board:	Jan H.M. Hommen (chairman), Patrick G. Flynn (CFO) and J.V. (Koos) Timmermans (CRO).
*)	In line with the new organisational structure, the following members have stepped down from the Executive Board ING Group: Tom J. McInerney, Eric F.C. Boyer de la Giroday, C.P.A.J. (Eli) Leenaars, Jacques M.G.J. de Vaucleroy, Hans van der Noordaa and Dick H. Harryvan.

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

In order to avoid potential conflicts of interest, ING has a policy that members of its Executive Board do not accept corporate directorships with listed companies outside ING. As a result, and given the different fields of business of each company, ING 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.

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 Friesland Campina 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.

Bahlmann, J.P.

Vice-chairman of the Supervisory Board of N.V. Nederlandsche Apparatenfabriek “Nedap”, The Netherlands.

Member of the Supervisory Board of Deloitte Holding B.V., The Netherlands.

Member of the Board of Maatschappelijk Verantwoord Ondernemen Nederland, The Netherlands.

Chairman of Stichting Max Havelaar, The Netherlands.

Chairman of the audit committee of De Baak Management Centre VNO-NCW, The Netherlands.

Member of the Board of Trustees of Canisius-Wilhelmina Ziekenhuis (hospital), The Netherlands.

Member of the Board of Toneelgroep Amsterdam, The Netherlands.

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.

Chairman of the Supervisory Board of Modulus VastGoed Ontwikkelingen, The Netherlands.

Member of the Supervisory Board of Omring (health care institution), Hoorn, The Netherlands.

Member of the Supervisory Board of HaagWonen (housing corporation), The Netherlands.

Associated as coach with TEC (Top Executive Coaching), 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.

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.

Member of the International Advisory Board of Toyota Motor Corporation.

Trustee of Columbia University, Council on Foreign Relations.

Trustee of Wisconsin Alumni Research Foundation.

Tai, J.P.

Non-executive director of MasterCard Incorporated.

Non-executive director of CapitaLand.

Chairman of the Board of Directors 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.

Veer, J. van der

Vice-chairman and senior independent director of Unilever N.V., The Netherlands.

Non-executive director of Royal Dutch Shell plc, The Netherlands/United Kingdom.

Non-executive director of Royal Philips Electronics, The Netherlands.

Chairman of the Energy and Climate Change Working Group of the European Round Table of Industrialists.

Vice-chairman of a NATO Expert Group to work on NATO's new strategic concept.

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.

Waal, L.J. de

Member of the Supervisory Board of PGGM N.V., The Netherlands.

Member of the Advisory Board of Zorgverzekeraars Nederland, The Netherlands.

Chairman of the Supervisory Council of SNV, The Netherlands.

Member of the Advisory Board of Stichting Nationaal Fonds Kunstbezit, 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. Furthermore, a fifth committee, the Risk Committee was established. 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 Risk Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee. These charters are available on the ING website (www.ing.com). 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 current members of the Audit Committee are Jackson Tai (chairman), Tineke Bahlmann, Henk Breukink, Piet Hoogendoorn, Godfried van der Lugt and Jeroen van der Veer.

The Risk Committee assists the Supervisory Board in monitoring the risk profile of the company as well as the structure and operation of the internal risk management and control systems.

The Remuneration Committee, among other things, advises 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 Nomination Committee, among other things, advises the Supervisory Board on the composition of the Supervisory Board and 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 on this in the Annual Report and to the General Meeting, and advises the Supervisory Board on improvements.

FIVE YEAR KEY CONSOLIDATED FIGURES ING GROEP N.V.*

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	2008	2007	2006	2005	2004
Income (in EUR million)					
Insurance operations	**54,851**	62,208	59,642	57,403	55,614
Banking operations	**11,731**	14,602	14,195	13,848	12,678
Total income (1)	**66,291**	76,587	73,621	71,120	68,171
Operating expenses (in EUR million)					
Insurance operations	**5,422**	5,515	5,275	5,195	4,746
Banking operations	**10,303**	9,967	9,087	8,844	8,795
Total operating expenses	**15,725**	15,481	14,362	14,039	13,541
Additions to loan loss provision Banking operations (in EUR million)	**1,280**	125	103	88	465
Result before tax (in EUR million)					
Insurance result before tax	**-1,635**	6,533	4,935	3,978	4,322
Banking result before tax	**148**	4,510	5,005	4,916	3,418
Total result before tax	**-1,487**	11,043	9,940	8,894	7,740
Taxation	**-721**	1,534	1,907	1,379	1,709
Minority interests	**-38**	267	341	305	276
Net result	**-729**	9,241	7,692	7,210	5,755
Figures per ordinary share (in EUR)					
Basic earnings	**-0.36**	4.32	3.57	3.32	2.71
Earnings – after attribution to non-voting securities (2)	**-0.56**	4.32	3.57	3.32	2.71
Dividend	**0.74**	1.48	1.32	1.18	1.07
Shareholders' equity (in parent)	**8.55**	17.73	17.78	16.96	12.95

Balance sheet (in EUR billion)					
Total assets	**1,332**	1,313	1,226	1,159	964
Total equity	**29**	40	41	38	28
Shareholders’equity	**17**	37	38	37	28
Core Tier-1 securities	**10**				
Capital ratios					
ING Group debt/equity ratio	**13.5%**	9.5%	9.0%	9.4%	10.2%
Insurance capital coverage ratio	**256%**	244%	274%	255%	204%
Insurance debt/equity ratio	**8.8%**	13.6%	14.2%	13.4%	14.3%
Bank Tier-1 ratio	**9.32%**	7.39%	7.63%	7.32%	6.92%
Market capitalisation (in EUR billion)	**15**	60	74	65	49
Key performance Indicators					
Net return on equity (ROE)	**-2.1%**	24.2%	23.5%	26.6%	25.4%
Net result change	**108%**	20%	7%	25%	n.a.
Insurance					
Value of new life business (in EUR million)	**924**	1,113	807	805	632
Internal rate of return (life)	**13.9%**	14.3%	13.3%	13.2%	12.1%
Combined ratio (non-life)	**97%**	97%	91%	95%	94%
Banking					
Cost/income ratio	**87.8%**	68.3%	64.0%	63.9%	69.4%
RAROC after tax	**1.2%**	19.9%	19.7%	22.6%	14.5%
Assets under management (in EUR billion)	**551**	643	600	547	492
Employees (FTEs year-end)	**124,661**	124,634	119,801	116,614	112,195

(1) Including inter-company eliminations.

(2) Including impact coupon to Dutch State (EUR 425 million with regard to EUR 10 billion).

Note: small differences are possible in the tables due to rounding.

* These figures were derived from the annual report, which include the audited annual accounts, for the years ended 31 December 2004-2008.

Changes in Accounting Policies

ING Group 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 Group's previous accounting policies (Dutch GAAP).

Share capital and preference shares

The authorised share capital of ING Groep N.V. amounts to EUR 2,160 million, consisting of 4,500 million ordinary shares with a nominal value of EUR 0.24 each and 4,500 million cumulative preference shares, with a nominal value of EUR 0.24 each. The issued and paid-up capital amounted to EUR 495 million, consisting of 2,063 million ordinary shares as at 31 December 2008. No cumulative preference shares have been issued.

Pursuant to an amendment of ING Groep N.V.'s Articles of Association, effected on 8 October 2008, the authorised share capital of ING Groep N.V. was adjusted in such a way that it increased the authorised ordinary share capital of ING Group from 3,000 million shares to 4,500 million shares. It no longer provided for preference A shares and/or preference B shares, so that such shares may no longer be issued by ING Groep N.V.

Non-voting equity securities

On 12 November 2008, ING Groep N.V. issued EUR 10 billion non-voting equity securities to the Dutch government. This was effected by issuing one billion securities with an issue price of EUR 10 each. The nominal value of each security is EUR 0.24. These securities do not have voting rights. However as a holder of the non-voting equity securities, the Dutch government has the right to, subject to applicable law and to corporate governance practices, generally accepted under applicable stock listing regimes, recommend two candidates for appointment to the Supervisory Board. Certain Supervisory Board approval items require approval by these nominees. Until their formal appointment, the nominees will function as observers. As at 31 December 2008 the General Meeting of Shareholders had not yet adopted any resolution to implement the State recommendation. The non-voting equity securities are deeply subordinated and rank pari-passu with ordinary shares in a winding up of ING Group.

MAIN DEVELOPMENTS IN 2008 AS OF 19 OCTOBER

On 19 October 2008, ING announced that it had reached an agreement with the Dutch government to strengthen its capital position. ING would issue non-voting core Tier-1 securities for a total consideration of EUR 10 billion to the Dutch State. ING also announced that, given the exceptional circumstances, it had decided to pass over the final dividend for 2008, leaving the total 2008 dividend at the EUR 0.74 per share, which had already been paid as interim dividend.

On 20 October 2008, ING announced that it had reached an agreement with Fubon Financial Holding Co. Ltd., a leading diversified Taiwanese financial services company, to sell its Taiwanese life insurance business for a consideration equivalent to USD 600 million (EUR 447 million). This transaction is subject to regulatory approval and is expected to close by the end of the first quarter of 2009.

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 would be represented on the Audit Committee, Corporate Governance Committee and Remuneration and Nomination Committee of the Supervisory Board and would 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, would leave ING as of 31 March 2009. John Hele remained 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.

ING announced on 21 November 2008 that Nationale-Nederlanden and its other Dutch insurance subsidiaries had reached agreements with the Stichting Verliespolis and Stichting WPC and their related consumer organisations to resolve a dispute regarding the cost charges related to individual universal life insurance products ("particuliere beleggingsverzekeringen") sold to customers in The Netherlands. The agreement is in line with an arrangement that was previously reached by another company in the Dutch insurance sector. Under the terms of the agreement, ING's Dutch insurance subsidiaries will offer compensation to policyholders where individual universal life policies have a cost charge in excess of an agreed maximum.

On 4 December 2008, ING announced that it had closed the transaction to acquire Oyak Emeklilik. As previously announced on 17 June 2008, ING will acquire Turkey's sixth largest pension company for a total cash consideration of EUR 110 million, entirely financed from existing internal resources.

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 appointed Jan Hommen - who was chairman of the Supervisory Board - as chairman of the Executive Board of ING Group, subject to his appointment as a member of the Executive Board by the annual General Meeting (AGM). This meeting took place on 27 April 2009. Prior to the AGM, Jan Hommen was closely involved in the day-to-day operations of ING and worked alongside the Executive Board in anticipation of his official appointment as chairman of the Executive Board. As of 26 January 2009, Eric Boyer, a member of the Executive Board since 2004, was appointed acting CEO until Jan Hommen could formally take over after the AGM. The Supervisory Board appointed Peter Elverding as successor to Jan Hommen as chairman of the Supervisory Board effective following the AGM in April 2009. In light of this appointment, the Dutch State nominated another member for the Supervisory Board.

On 26 January 2009, ING issued a press release with preliminary and unaudited figures on the 2008 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 made 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 Illiquid Assets Back-up Facility agreement with the Dutch State, 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 3 February 2009, ING announced that it had entered into several agreements to sell most of its stake in ING Canada, the largest provider of property and casualty insurance products and services in Canada. ING owned approximately 70% of the outstanding common shares in ING Canada. The transaction is part of the announced intention to increase focus on core franchises. Under the terms of these agreements, ING Group would sell in a private placement an aggregate of 36.02 million common shares to a group of institutional investors at a price of CAD 25.00 per common share. ING would also sell an aggregate of 34.16 million common shares to a syndicate of underwriters at a price of CAD 26.35 per common share through a concurrent ‘bought deal’ public offering in Canada. ING had also granted the underwriters an overallotment option, exercisable until 30 days after closing, to purchase up to an additional 5.12 million common shares at the public offering price. Gross proceeds from these sales would total approximately CAD 1.9 billion, assuming exercise in full of the overallotment option. Following completion of the transaction, assuming exercise in full of the overallotment option, ING would continue to own approximately 8.6 million shares of ING Canada, representing an approximately 7% shareholding in ING Canada.

In the context of ING Group’s press release of 3 February 2009, in which ING announced that it had sold the majority of its stake in ING Canada, ING announced on 4 February 2009 that it had entered into an additional agreement with a syndicate of underwriters to sell the remaining approximate 10% of its shareholding in ING Canada. As a result, ING divested its total stake in ING Canada, totalling 70% of the company.

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

On 11 February 2009, ING announced that it had closed the sale of its Taiwanese life insurance business to Fubon Financial Holding Co. Ltd. (‘Fubon Financial Holding’), a leading diversified Taiwanese financial services company. As announced on 20 October 2008, the divestment was in line with ING’s strategy to actively manage its portfolio of businesses, allocating capital to those businesses that generate the highest return. Under the terms of the agreement, ING sold its Taiwanese life insurance business for a consideration equivalent to USD 600 million. The transaction has significantly reduced the economic capital attributed to insurance. The transaction resulted in a loss of EUR 292 million which was booked in the fourth quarter of 2008.

On 16 February 2009, ING confirmed - in light of the recently announced cost reduction programme - not to renew the three-year sponsorship (2007-2009) contract with Renault F1 and to end its presence in F1 beyond the 2009 season. ING's participation in Formula 1 was the company's first global sponsorship project aimed at delivering revenue and raising the global brand awareness, particularly in ING's key growth markets.

On 20 February 2009, ING Bank announced that it had placed a 5-year EUR 4 billion government guaranteed senior unsecured bond issue. The issue of EUR 4 billion was made under the Credit Guarantee Scheme of the Dutch State and was part of ING Bank’s regular medium-term funding operations. The issue followed the announcement of 26 January 2009 that under the terms of the Illiquid Assets Back-up Facility agreement with the Dutch State, ING would pro-actively issue EUR 10 billion in government guaranteed bonds.

On 23 February 2009, ING announced that the Supervisory Board intended to nominate Patrick Flynn (1960, Irish) for appointment to the Executive Board at the annual General Meeting of Shareholders of 27 April 2009. Upon appointment, Patrick Flynn will become the new chief financial officer of ING. Subject to approval by the Dutch central bank (DNB), Patrick Flynn will succeed John Hele who, as announced in October 2008, would leave ING and relocate to the United States for family reasons. Until the end of March, John Hele completed the annual accounts and filings for the financial year 2008 and worked with Patrick Flynn on the transition of duties.

On 12 March 2009, ING Bank announced that it had placed a 5-year USD denominated government guaranteed senior unsecured bond issue. The issue of USD 2 billion was made under the Credit Guarantee Scheme of the State of the Netherlands and is part of ING Bank’s regular medium-term funding operations. The issue followed the announcement of 26 January 2009 that under the terms of the Illiquid Assets Back-up Facility agreement with the Dutch State, ING would pro-actively issue EUR 10 billion in government guaranteed bonds.

On 19 March 2009, ING Group announced the appointment of two new members to the Supervisory Board: Mrs. Tineke Bahlmann and Mr. Jeroen van der Veer. At the General Meeting of 27 April 2009, Mrs. Bahlmann was appointed as of 27 April 2009 and Mr. van der Veer was appointed as of 1 July 2009. The appointments have been approved by the Dutch central bank (DNB). Tineke Bahlmann was recommended for nomination by the Dutch government. As a State nominee, Tineke Bahlmann would replace Peter Elverding who succeeded Jan Hommen as chairman of the Supervisory Board. Eric Bourdais de Charbonnière and Wim Kok retired from the Supervisory Board after the 2009 AGM.

On 19 March 2009, ING Group released the 2008 Annual Report and the proxy voting materials relating to the 2009 annual General Meeting on the ING website (www.ing.com). The date of the General Meeting was Monday, 27 April 2009. ING also announced the filing of its Annual Report on Form 20-F for the year ended 31 December 2008 with the Securities and Exchange Commission (SEC) later that day.

On 24 March 2009, ING Group announced that it had bought 7,260,000 ordinary shares or depositary receipts therefor for its delta hedge portfolio, which is used to hedge employee options. The shares were bought on the open market between 19 March and 23 March 2009 at an average price of EUR 4.24 per share.

On 1 April 2009, ING Group announced that it had finalised the transaction with the Dutch government on an Illiquid Assets Back-up Facility as announced on 26 January 2009. The transaction was booked and closed in the first quarter and has a limited impact on the profit and loss account for the quarter.

On 2 April 2009, ING Group announced that it had published the 2008 Annual Reports for ING Bank and ING Insurance.

In a press release published on 9 April 2009, ING announced a strategic update: Taking ING back to basics. To reduce complexity, ING announced that it will operate the banking and insurance operations separately under the Group umbrella. It further announced that measures to reduce cost, risk and leverage were on track.

On 27 April 2009, ING announced that the annual General Meeting (AGM) of ING Groep N.V. adopted the 2008 Annual Accounts and declared a total dividend for 2008 of EUR 0.74 per ordinary share or a depositary receipt therefor. Taking into account the interim dividend of EUR 0.74 paid in August 2008, no final dividend will be paid out for 2008. In addition, the AGM approved the appointment of Jan Hommen and Patrick Flynn as new Executive Board members. The AGM also appointed Tineke Bahlmann, Jeroen van der Veer and Lodewijk de Waal to the Supervisory Board. The required approvals were obtained from DNB, the Dutch central bank, at an earlier stage. In addition, Godfried van der Lugt was reappointed to the Supervisory Board.

On 13 May 2009, ING announced that in line with the April 2009 strategy announcement, ING is taking measures to simplify the governance. To increase the business focus of the Group's leadership, Banking and Insurance will each have its own Management Board consisting of the Group CEO, CFO and CRO and the heads of the respective business lines currently serving on the Group's Executive Board. Strategic, operational and business decisions that do not affect the Group's direction or regulatory and government issues will be taken by the Banking or Insurance Management Board. Within the Insurance Board, Jacques de Vaucleroy will be responsible for Global Asset Management. Hans van der Noordaa will take up responsibility for Insurance Europe in addition to his current responsibility for Insurance Asia/Pacific. These organisational changes were scheduled to become effective as of 1 June 2009, pending approval of DNB, the Dutch central bank. In the meantime the implementation of these organisational changes was finalised.

In addition, on 13 May 2009, ING Group announced, among other things, a decline in market values of available-for-sale debt securities and balance sheet reductions in respect of ING Bank N.V. for the first three months of 2009, as disclosed in the Q1 Report of 13 May 2009.

ING announced on 5 June 2009 that it had sold 5,230,000 (depositary receipts for) ordinary shares for its delta hedge portfolio, which is used to hedge employee options. The shares were sold on the open market between 2 June and 5 June 2009 at an average price of EUR 7.80 per share.

On 1 July 2009, ING announced that Nationale-Nederlanden, RVS and ING Verzekeren Retail (formerly Postbank Verzekeren) will be combined into one organisation under the brand name Nationale-Nederlanden. The decision is in line with the 'Back to Basics' strategy to simplify the organisation, reduce costs and improve customer focus. The new insurance organisation will have dedicated business units for retail customers, small and medium-sized enterprises and corporate clients.

On 31 July 2009, ING Group announced that it had reached an agreement to sell its non-core Annuity and Mortgage businesses in Chile to Corp Group Vida Chile, S.A. Terms of the agreement were not disclosed. This transaction is subject to various national regulatory approvals. The sale does not impact ING's Pension, Life Insurance, and Investment Management businesses in Chile where ING remains committed to developing leadership positions.

RESULTS 2008

Overall development in 2008

In 2008, ING's results were adversely impacted by the global financial crisis. The sharp market deterioration led to significant impairments and negative revaluations across almost all asset classes. Several steps were taken to strengthen ING Group's capital position, including a capital support facility of EUR 10 billion by the Dutch State. ING also actively reduced risk exposures. The turmoil in financial markets caused a sharp decline in results for ING's insurance operations. At the same time, the banking business reported positive net results despite the challenging circumstances.

Financial development in 2008

Total net result decreased from EUR 9,241 million in 2007 to EUR -729 million. Underlying net result, which is defined as total net result excluding the impact of divestments and special items, decreased from EUR 9,172 million to EUR -171 million. Underlying result before tax decreased from EUR 11,080 million to EUR -786 million. Extreme market volatility and sharp declines in asset prices triggered impairments and fair value changes of EUR 5,081 million, of which EUR 2,599 million related to pressurised assets and EUR 1,707 million to equity securities. The remainder was attributable to impairments on other debt securities, including financial institutions' debt.

Globally, real estate prices fell noticeably in 2008, leading to negative revaluations on real estate and impairments on development projects of EUR 1,184 million. Negative revaluations on private equity were EUR 399 million. Other impacts stemming from the weak financial landscape were EUR -162 million, including deferred acquisition cost unlocking and hedge losses, partly compensated by capital gains on equity securities. The weakening of most currencies against the euro during 2008 had a negative impact of EUR 163 million on net underlying result. Earnings per share decreased to EUR -0.36 from EUR 4.32.

Commercial performance

Underlying result before tax of the Insurance operations decreased to a loss of EUR 1,235 million in 2008 from a profit of EUR 6,113 million in 2007. The sharp decline in results was mainly due to the financial market deterioration in the second half of 2008. However, the reported decline in 2008 is somewhat distorted by the fact that EUR 2,087 million in capital gains were booked in 2007. Underlying result before tax of the Banking operations declined by 91.0% to EUR 449 million. Retail Banking and Wholesale Banking remained profitable, while ING Direct turned to a loss of EUR 1,125 million due to impairments on pressurised assets.

Measured over the full-year 2008, net production of client balances was EUR 93 billion, excluding currency impacts. Including the impact of currency effects, total client balances remained stable at EUR 1,455 billion compared with the previous year. Client savings and deposits accounted for EUR 21 billion of the net production (excluding currency effects), EUR 12 billion of which was attributable to retail customers. At Insurance, positive net production of client balances was generated by all business lines as inflows in life insurance and retirement services more than offset outflows in third-party assets under management.

Overall, lending growth was robust in 2008, despite a fourth quarter decline in all markets except for the Netherlands. Of the client balance net production, bank lending contributed EUR 59 billion in 2008, excluding currency effects.

Bringing expenses in line with operating environment

Underlying operating expenses (i.e. excluding the impact of divestments and special items) from Insurance operations decreased 0.6%. Underlying operating expenses from Banking operations increased 5.0% to EUR 10,002 million mainly at Retail Banking (due to the inclusion of ING Bank Turkey, formerly Oyak Bank) and ING Direct.

Across the organisation, cost-cutting initiatives have been implemented to adapt to the negative economic climate, amounting to a targeted overall cost reduction of EUR 1 billion in 2009.

Divestments and special items

Divestments resulted in a gain after tax of EUR 7 million in 2008 compared with a gain of EUR 407 million in 2007. The impact from operations of divested units on total net result was EUR -50 million, versus EUR -4 million a year earlier. Special items in 2008 of EUR -515 million after tax were related to integration costs (mainly CitiStreet), the loss for the nationalisation of the pension business and provisioning for annuities in Argentina, the combination of ING Bank and Postbank in the Netherlands, the costs for the cancelled launch of ING Direct Japan, and the provisioning for the unwinding of the joint venture with Postkantoren BV in the Netherlands. The impact from divestments and special items is excluded in the underlying result.

Measures to strengthen capital and reduce risk

ING has taken several measures to strengthen the company. In October 2008, ING Group received a capital support facility, issuing core Tier-1 securities to the Dutch State for the consideration of EUR 10 billion. The facility significantly enhanced the capital position of ING Group (for more information, please refer to the Capital Management section).

In addition to the capital support facility provided by the Dutch State in 2008, ING received an Illiquid Assets Back-up Facility for 80% of its portfolio of Alt-A residential mortgage-backed securities (RMBS) in early 2009. This transaction will result in the reversal of 80% of the negative revaluation reserve held against the shareholders' equity in relation to the Alt-A RMBS portfolio. As a result, ING Group's shareholders' equity will increase by EUR 4.6 billion. In addition, risk-weighted assets will decline by approximately EUR 13 billion, subject to discussions with regulators, increasing ING Bank's Tier-1 ratio by 37 basis points to 9.7%, on a pro-forma basis.

ING aimed to close this transaction in the first quarter of 2009, but is dependent on the approval of various regulators.

The sale of the Taiwan life business substantially reduced our economic capital requirements, releasing EUR 5.7 billion in economic capital. The sale of the Canadian property and casualty business will further reduce leverage in the insurance business, and resulted in gross proceeds of CAD 2.2 billion (EUR 1.35 billion).

At year-end, all key capital and leverage ratios were within market norms. The debt/equity ratio of ING Group was 13.5%, while the debt/equity ratio of Insurance ended the year at 8.8%. The Tier-1 ratio of ING Bank under Basel II stood at 9.32%. The solvency ratio (BIS ratio for the bank) under Basel II was 12.78%. ING Group's Available Financial Resources (AFR) at year-end 2008 was EUR 42.1 billion, compared to economic capital of EUR 30.7 billion after diversification, resulting in an AFR/EC Group ratio of 137%.

One of ING's top priorities is to further reduce asset exposures and rationalise the cost base. We aim to shrink the balance sheet of ING Bank by 10% compared with the end of September 2008, while continuing to lend to key customers in our home markets. Also, ING is reallocating investments towards less risky assets.

Dividend

ING Group has announced that it will not pay a final dividend in May 2009, leaving the total dividend over the year 2008 at EUR 0.74 per share, which was paid as an interim dividend in August 2008. The first short coupon on the core Tier-1 securities was paid to the Dutch State in May 2009. Given the intensity of the crisis, it is difficult to foresee whether ING Group will be in a position to pay a dividend in 2009. The payment of dividends is in relation to underlying cash earnings.

SECOND QUARTER RESULTS, AS PUBLISHED ON 12 AUGUST 2009 (UNAUDITED)

General

ING posted solid commercial performance in the quarter, as a more favourable interest rate environment and improved margins on savings and lending led to a 19.4% increase in interest income at the banking operations. In Insurance, the recovery of equity markets in the second quarter helped boost fees on assets under management. However, sales of investment-linked products remained subdued as customers awaited a sustained market rally or opted for traditional life products.

Benefits of Back to Basics and improvements in equity and credit markets helped the Group return to profit with an underlying net result of EUR 229 million. However, market impacts and the weaker economic environment continue to strain ING's results. The uptick in equity markets led to a reversal of some of the DAC unlocking seen in the first quarter, but was more than offset by negative results on hedges to preserve regulatory capital. As the real economy was impacted, credit quality worsened, leading to a rise in risk costs, while lower property prices in many markets triggered negative revaluations on real estate, which are immediately reflected in the P&L.

While ING begin to see signs of recovery in financial markets, economic conditions are expected to remain challenging for some time. Against this backdrop our Back to Basics programme is our top priority and progress is ahead of plans. ING's employees have managed these aggressive cost cuts with professionalism and a continued commitment to ING's customers. Of ING's target to reduce operating expenses by EUR 1 billion this year, EUR 525 million was already achieved in the first half and ING now expects cost savings to reach EUR 1.3 billion driven by further reductions in infrastructure costs. Headcount has been reduced by 8,219 FTEs year-to-date, well ahead of the original plan to reduce 7,000 FTEs this year. Deleveraging of the balance sheet is also ahead of plan: the bank has achieved a total balance sheet reduction of EUR 164 billion, exceeding the EUR 110 billion target.

ING has made strides to reduce risk, stabilise the capital base and simplify ING's organisation in the first half. The merger of ING's Dutch retail banking operations is well on track and a programme to integrate ING's Dutch insurance operations has been announced with positive earnings contribution in 2010. In line with ING's Back to Basics strategy, ING has also agreed to sell several non-core or subscale businesses in ING's efforts to streamline the Group and sharpen ING's strategic focus. ING is currently reviewing additional strategic options to facilitate ING's continued transformation and realise ING's ambition to repay the Dutch State. The process will also support ING's efforts to meet the restructuring requirements set out by the European Commission for financial institutions that received state aid in the context of the financial crisis. In the meantime, ING continues to focus on providing first-rate service to ING's customers and providing them with simpler and more transparent products.

ING Group key figures*

in EUR million	*Quarterly Results*			*First-Half Results*		
	2Q 2009	**2Q 2008**	**Change**	**1H 2009**	**1H 2008**	**Change**
Underlying [1] result before tax:						
Retail Banking	426	558	-23.7%	565	1,196	-52.8%
ING Direct	-175	179	-197.8%	-131	334	-139.2%
Commercial Banking	-148	365	-140.5%	358	935	-61.7%
of which Commercial Banking excluding Real Estate	432	509	-15.1%	1,127	971	16.1%
of which ING Real Estate	-580	-143		-770	-36	
Corporate Line Banking	-307	-2		-297	41	
Underlying result before tax from Banking	**-204**	**1,101**	**-118.5%**	**494**	**2,506**	**-80.3%**
Insurance Europe	134	397	-66.2%	58	736	-92.1%
Insurance Americas	256	260	-1.5%	-254	471	-153.9%
Insurance Asia/Pacific	201	124	62.1%	51	306	-83.3%
Corporate Line Insurance	-312	262	-219.1%	-556	219	-353.9%
Underlying result before tax from Insurance	**278**	**1,042**	**-73.3%**	**-701**	**1,732**	**-140.5%**
Underlying result before tax	**74**	**2,144**	**-96.5%**	**-207**	**4,238**	**-104.9%**
Taxation	-71	302	-123.5%	-28	811	-103.5%
Minority interests	-83	-45		-103	-25	
Underlying net result	**229**	**1,887**	**-87.9%**	**-75**	**3,452**	**-102.2%**
Net gains/losses on divestments	8	2		-48	47	
Net result from divested units	-6	60		-1	83	
Special items after tax	-161	-28		-598	-122	
Net result	**71**	**1,920**	**-96.3%**	**-722**	**3,460**	**-120.9%**
Result per share (in EUR)	**0.03**	**0.94**	**-96.8%**	**-0.36**	**1.68**	**-121.4%**
Key figures	•	•	•			
Return on equity (YTD)	-5.2%	19.0%		-5.2%	19.0%	
Underlying cost/income ratio Bank	78.1%	64.6%		68.8%	63.1%	
Underlying cost/income ratio Bank excl. ING Real Estate	64.9%	61.4%		61.5%	61.7%	
Client balances (end of period, EUR billion)	1,479	1,479		1,479	1,479	
Number of staff (FTEs end of period, adjusted for divestments)	111,201	115,439	-3.7%	111,201	115,439	-3.7%

(1) Underlying result before tax and underlying net result are non-GAAP measures for result excluding divestments and special items.

Note: Small differences are possible in the tables due to rounding.

* These figures have been derived from the unaudited six-month figures in respect of the second quarter of the financial year ended 30 June 2009.

ING Group

Global financial markets showed signs of recovery during the second quarter, leading to some improvement in operating conditions. Nonetheless, market impacts and uncertainty in the economic climate continued to weigh on results. Within this context, ING posted an underlying net profit of EUR 229 million in the second quarter, compared to an underlying net loss of EUR -305 million in the first quarter of 2009.

Improvements in the interest rate environment, reductions in client savings rates, and re-pricing in the Commercial Banking loan book fuelled a 19.4% increase in the interest result of the banking operations. Still, demand for credit was relatively low given the current economic climate. In Insurance, the global equity market rallies lifted unit-linked balances, but consumers remained risk-averse and appetite for investment-oriented products was dampened.

Property prices declined further in many markets around the world, leading to negative revaluations on real estate of EUR -584 million and impairments on development projects and other real estate investments of EUR -110 million. The ongoing weakness in the US housing market, coupled with rising unemployment, triggered EUR -323 million of impairments related to the retained Alt-A RMBS portfolio.

Deteriorating credit conditions led to an increase in risk costs. ING Bank added EUR 852 million to loan loss provisions, or 118 basis points of average creditrisk weighted assets. Risk costs rose in Commercial Banking and at ING Direct, but declined in Retail Banking compared with the first quarter of 2009. Risk costs at ING Bank in the first quarter of 2009 were EUR 772 million, or 108 basis points of average credit-risk weighted assets.

The upward trend in US equity markets resulted in positive DAC unlocking of EUR 176 million. However, this was more than offset by EUR -346 million of fair value changes on hedges in place to protect the Insurance US regulatory capital position. Negative fair value changes on hedges related to direct equity exposure in the Netherlands were EUR -417 million.

ING made significant progress with its Back to Basics programme throughout the quarter. Costcontainment programmes and headcount reductions progressed ahead of schedule, while de-leveraging and de-risking measures were actively enforced. The benefits realised from pursuing these strategic initiatives helped to support the Group's results in the challenging operating environment.

Group operating expenses declined 5.5% from the second quarter of 2008 and were down 2.4% compared with the first quarter of 2009. During the first half of 2009, ING realised 53% of its targeted EUR 1 billion of cost savings for the year. The Group now expects to exceed its original target by EUR 0.3 billion, leading to total cost savings of EUR 1.3 billion for 2009. Total headcount reductions stood at 8,219 by the end of the second quarter, ahead of the fullyear target of 7,000 FTEs.

By the end of June, ING Bank had reduced its balance sheet by EUR 164 billion, or 15%, from 30 September 2008, exceeding its 2009 year-end target for a EUR 110 billion, or 10% reduction. The balance sheet reduction had limited implications for earnings as it was mainly due to the netting of current accounts and a decline in the non-lending portion of the balance sheet.

De-risking actions were also undertaken. Equity hedges used to protect listed equity exposure and regulatory capital were maintained, and stood at EUR 8.9 billion at the end of June. Insurance created plans for a de-risked US variable annuity product and prepared for the 31 July withdrawal from the Japanese SPVA market. The existing loan portfolio was carefully monitored using early warning systems, and the recovery process was optimised. Banking posted an underlying loss before tax of EUR -204 million as robust interest results were more than offset by higher risk costs and negative revaluations on real estate. Results were further reduced by impairments on US mortgage-backed securities and fair value changes on part of the Bank's own Tier 2 debt.

The underlying result before tax for Insurance was EUR 278 million. Results were supported by favourable claims experience in the US, effective costcontainment initiatives and lower sales-related expenses. Consumer appetite for investment-oriented products was weak, most notably in the US and Asia/Pacific, resulting in lower sales. The decline in sales also reflects management actions taken to re-price investment products in the US and ING's withdrawal from the Japanese SPVA market. Given the uptick in equity indices during the quarter, Insurance results were adversely impacted by negative fair value changes on the EUR 8.9 billion notional of equity hedges in place to protect regulatory capital and hedge direct equity exposure.

ING Group's second-quarter underlying result before tax was EUR 74 million. Taxation was EUR -71 million, due to the combination of higher positive results that are taxed at relatively low tax rates and negative results that are deductible at relatively high tax rates. Minority interests were EUR -83 million, which includes the third-party share in net results of the Summit real estate portfolio in Canada.

The quarterly net result was EUR 71 million, including the EUR -161 million impact of special items and the EUR 2 million net result from divested units. Special items consisted of a EUR -41 million charge related to the Retail Netherlands strategy, a EUR -96 million restructuring provision related to the Group's expense-reduction programme, a EUR -21 million restructuring provision for the SPVA run-off in Japan, and a EUR -3 million charge related to the cancelled launch of ING Direct Japan.

The net result per share was EUR 0.03. Total shares outstanding in the market were 2,027 million at the end of June 2009, compared with 2,021 million at the end of March 2009. The average number of shares used to calculate earnings per share over the second quarter of 2009 is 2,024 million.

The European Commission has temporarily approved ING's Core Tier 1 securities and the Illiquid Assets Back-up Facility with the Dutch State. Final approval requires ING to submit a restructuring plan in accordance with guidelines published by the Commission on 22 July 2009 for financial institutions that received aid in the context of the financial crisis. The state aid process is formally one between the Dutch Ministry of Finance and the Commission, and ING is working constructively with both parties to come to a resolution in the interest of all stakeholders. In-depth discussions will soon commence, the outcome of which can not be predicted, but could lead to significant changes for ING Group going forward.

Banking

Market conditions remained challenging in the second quarter, leading to lower levels of commercial activity compared with the first quarter of 2009. Nevertheless, the interest margin rose thanks to improvements in the interest rate environment, lower client rates on savings, and re-pricing in the Commercial Banking loan book.

Banking's underlying result before tax was EUR -204 million as strong interest results could not compensate for negative market impacts including revaluations on real estate, impairments on US mortgage-backed securities, fair value changes on part of ING's own Tier 2 debt and higher risk costs. Excluding these impacts, underlying result before tax was EUR 1,838 million compared with EUR 1,443 million in the second quarter of 2008.

Total underlying income fell 21.4% from the second quarter of 2008 and 22.5% compared with the first quarter of 2009. This decline was primarily due to the negative impact of market-related items.

The interest result rose 19.4%, reflecting the favourable yield curve developments and increased margins in Commercial Banking and ING Direct. The interest result of Retail Banking was only slightly higher, primarily due to intense competition in markets such as the Netherlands. Banking's total interest margin rose to 1.31%, up 26 basis points from the second quarter of 2008 and 14 basis points from the first quarter of 2009, supported by the Deleveraging of the balance sheet.

Commission income declined 11.7% from the second quarter last year, mainly due to lower asset management fees in Retail Banking and ING Real Estate. However, commissions rose 9.2% compared with the first quarter of 2009 thanks to higher fees in the securities business and the impact of several large deals in General Lending.

Investment income was EUR -602 million in the quarter. This included EUR -383 million of impairments, primarily on debt securities, and EUR -290 million of negative fair value changes on direct real estate investments.

Other income was EUR -284 million, caused primarily by lower valuation results on non-trading derivatives, higher losses from associates (mainly at ING Real Estate due to the downward valuation of listed funds), and the EUR -168 million negative impact of fair value changes on part of the Bank's own Tier 2 debt. These negative impacts were mitigated by an increase in net trading income.

Operating expenses declined 4.9% from the second quarter of 2008 and 1.7% from the first quarter of 2009. The positive impact of cost-containment initiatives was partly offset by EUR 54 million of impairments on real estate development projects and a EUR 63 million increase in deposit insurance premiums, which includes a one-time special FDIC assessment of EUR 29 million. Excluding those items, expenses were 9.7% lower than the second quarter last year and 5.0% lower than the first quarter of 2009. At the end of June, headcount was reduced by 3,085 FTEs, exceeding the total announced reduction of 2,800 positions for 2009.

ING Bank added EUR 852 million to loan loss provisions due to the continued deterioration in credit conditions. Gross additions were EUR 1,042 million, while releases were EUR 190 million. The EUR 80 million increase in risk costs compared with the previous quarter was largely driven by Structured Finance and General Lending, while risk costs at Retail Banking were lower.

Insurance

The underlying result before tax for Insurance was EUR 278 million. Equity market gains and narrower credit spreads contributed to an improvement in results, boosting unit-linked product balances and leading to positive DAC unlocking of EUR 176 million. Favourable claims experience in the US, effective cost-containment initiatives and lower salesrelated expenses also supported results. However, these positive factors were more than offset by EUR -764 million of negative fair value changes on EUR 8.9 billion notional of equity hedges due to the uptick in equity indices, as well as EUR -91 million of negative fair value changes on real estate.

Insurance continued to focus on active de-risking during the quarter. Hedges were closely monitored and kept in place to hedge direct equity investments and protect regulatory capital. The US developed plans for a new de-risked variable annuity product and SPVA product sales were discontinued in Japan on 31 July.

Sales (APE) declined 29.7%, or 33.2% on a constant currency basis, as consumer demand for investment oriented products was dampened, and in the US and Japan management action was taken to reduce variable annuity sales. Sales in Europe were flat as lower sales in Central & Rest of Europe were offset by higher sales in the Benelux.

The value of new business (VNB) fell 36.6% from lower sales and margin pressure, especially on variable annuity products due to the higher expected cost of benefit guarantees related to lower interest rates and higher equity volatility.

In line with lower sales, gross premium income was down 22.3%, or 28.3% excluding currency effects.

Commission income was up 2.3%, or 1.0% on a constant currency basis, following increases in Europe and the Americas, as the inclusion of CitiStreet more than offset the impact of lower asset balances in the US.

Investment and other income fell to EUR -400 million. This was mainly the result of negative fair value changes on equity derivatives (largely offset in underwriting expenditure), lower capital gains on equity securities (net of impairments) and negative revaluations on real estate investments.

Operating expenses declined 7.0%, or 11.4% excluding the impact of currency movements and CitiStreet. All business lines contributed to the decline through effective cost-containment measures. Sales-related expenses were down due to lower production. Compared with the first quarter of 2009, operating expenses decreased 3.8%, driven by a decline in Europe. By the end of June 2009, Insurance had reduced 5,134 FTEs, exceeding the planned reduction of 4,200 positions for 2009.

Balance sheet

Key consolidated balance sheet figures

in EUR million	**30 Jun 2009**	**31 Mar 2009**	**Change**
Financial assets at fair value through P&L	238,852	255,586	-6.5%
Investments	207,518	214,225	-3.1%
Loans and advances to customers	589,439	641,075	-8.1%
Other assets	152,112	160,950	-5.4%
Total assets	**1,187,921**	**1,271,836**	**-6.6%**
Shareholders' equity	22,276	19,370	15.0%
Minority interests	1,075	1,137	-5.5%
Non-voting equity securities	10,000	10,000	
Total equity	**33,351**	**30,507**	**9.3%**
Insurance and investment contracts	238,015	236,386	0.7%
Amounts due to banks	104,135	123,538	-15.7%
Customer deposits/other funds on deposit	461,796	516,629	-10.6%
Financial liabilities at fair value through P&L	149,305	164,353	-9.2%
Other liabilities	201,319	200,423	0.4%
Total liabilities	**1,154,570**	**1,241,329**	**-6.9%**
Total equity and liabilities	**1,187,921**	**1,271,836**	**-6.6%**

Note: Small differences are possible in the tables due to rounding.

The reduction of ING Group's balance sheet accelerated in the second quarter. Assets decreased by EUR 84 billion, or 7%, compared with the end of the first quarter of 2009. The decline was primarily attributable to ING Bank.

During the quarter the Bank balance sheet was reduced by EUR 85 billion, mainly due to the netting of corporate current account balances and lower balances in financial assets and liabilities that are recorded at fair value through the P&L. By the end of the quarter, ING Bank had reduced its balance sheet by EUR 164 billion, or 15%, compared with the end of September 2008, exceeding its target for a 10% reduction this year. As part of its ongoing Deleveraging and de-risking process, ING will continue to optimise and reduce its balance sheet during the remainder of 2009.

Shareholders' equity rose by EUR 2.9 billion to EUR 22.3 billion. This was mainly due to EUR 3.8 billion of positive unrealised revaluations of debt securities and EUR 1.0 billion of positive unrealised revaluations on equity securities. These favourable impacts were partially offset by EUR -0.9 billion of negative deferred interest crediting to life policyholders, negative FX impacts of EUR -0.5 billion, and a EUR -0.6 billion change in the cash flow hedge reserve.

The revaluation reserve of debt securities improved by EUR 3.9 billion to EUR -7.9 billion at the end of June, and the revaluation reserve of equity securities increased by EUR 1.0 billion to EUR 2.5 billion.

Capital Management

Key capital and leverage ratios

	30 Jun 2009	31 Mar 2009
Group debt/equity ratio	13.5%	13.5%
Bank core Tier 1 ratio	7.3%	7.5%
Bank Tier 1 ratio	9.4%	9.7%
Insurance debt/equity ratio	12.4%	9.6%
Insurance capital coverage ratio	257%	252%

All of ING's key capital and leverage ratios remained strong during the quarter.

ING Bank's Tier 1 ratio declined from 9.7% to 9.4%. The Bank's core Tier 1 ratio decreased from 7.5% to 7.3%, mainly due to a EUR 5.7 billion net increase in risk-weighted assets (RWA). The increase in RWA was driven by credit rating migration, which was partially offset by the reduction of the Bank's balance sheet. The BIS capital ratio declined from 12.9% to 12.5%, also as a result of the increase in RWA.

The Group's debt/equity ratio remained stable at 13.5%. The Insurance debt/equity ratio rose from 9.6% to 12.4%. Insurance adjusted equity was flat, but Insurance core debt rose by EUR 0.8 billion. ING Insurance injected EUR 1.4 billion of capital into its operating subsidiaries during the second quarter, which was only partially offset by EUR 0.8 billion in dividends received from subsidiaries.

ING completed two minor divestments in the second quarter: the sale of the non-state pension fund business in Russia and the annuity business in Argentina. On 31 July ING announced the sale of its annuity and mortgage businesses in Chile. The sale is expected to close in the fourth quarter of 2009 and will improve the debt/equity-ratio of ING Insurance by approximately 70 basis points.

Dividend

ING has decided not to pay an interim dividend on ordinary common shares over 2009. This decision was taken in view of ING's operational results, its current capital ratios and the financial services industry's ongoing discussion about required capital and leverage ratios.

As previously reported, since an interim dividend on ordinary common shares was paid in August 2008, the first short coupon on the core Tier 1 securities issued to the Dutch State was paid in May 2009. The impact of the EUR 425 million coupon payment was already fully included in ING Group's shareholders' equity and core debt at 31 December 2008.

Risk Management

Pre-tax P&L impact impairments, fair value changes, trading losses and other market impacts ING Groep

in EUR million	2Q 2009	2Q 2008	1Q 2009
Debt securities impairments / fair value changes:			
Subprime RMBS	-49	-7	-76
Alt-A RMBS	-323	-35	-178
Prime RMBS	-21	0	0
Other ABS	-19	0	0
CDO/CLO	85	-12	-36
Monoliners	-58	-5	0
Other debt securities	-22	-18	-80
Equity securities impairments	-64	-334	-194
Equity capital gains	72	698	45
Hedges on direct equity exposure	-417	75	379
Hedges on indirect equity exposure	-346	0	66
DAC unlocking	176	32	-615
Real Estate revaluations / impairments	-694	-282	-383
Private equity revaluations	8	24	-145
Other market impact	259	147	-306
Total market impacts	**-1,413**	**283**	**-1,523**
Loan loss provisions Bank	-852	-234	-772
Total	**-2,265**	**50**	**-2,296**

Note: Small differences are possible in the tables due to rounding.

ING is taking de-risking measures to preserve shareholders' equity and limit earnings volatility. Key measures in place to support both are the Illiquid Assets Back-up Facility with the Dutch State on the Alt-A RMBS portfolio and equity hedges on ING's direct and indirect equity exposure.

ING's exposure to asset-backed securities (ABS) declined to EUR 64.6 billion at 30 June 2009 from EUR 67 billion at the end of March. ING's ABS portfolio mainly consists of US agency RMBS and European RMBS.

ABS in the Available-for-Sale (AFS) investment portfolio declined from EUR 39 billion at the end of the first quarter to EUR 29 billion at the end of June. This reduction was mainly caused by the reclassification of EUR 6.9 billion from AFS into Loans and Receivables and Held-to-Maturity accounting categories on 1 June 2009. These reclassifications recognise the original long-term investment objectives for these securities which primarily encompass European RMBS, and are aimed at insulating shareholders' equity from volatile ABS markets.

Pre-tax impairments on asset-backed securities were EUR -412 million in the second quarter, of which EUR -323 million was attributable to the Alt-A RMBS portfolio. The remainder were impairments on Canadian ABCP and US prime and subprime RMBS.

The EUR -323 million impairment on Alt-A RMBS was triggered by EUR -108 million of estimated credit losses. The impairment comprises EUR -282 million of impairments on newly impaired bonds, which were triggered by EUR -51 million of estimated credit losses, and by EUR -41 million of re-impairments. The difference between the estimated credit loss and the impairment can be attributed to market and illiquidity factors. IFRS requires that any security with an estimated credit loss be impaired to its market price.

ING's Alt-A RMBS portfolio declined from EUR 3.8 billion to EUR 3.1 billion in the second quarter, driven by prepayments and redemptions of underlying Alt-A mortgages. The market value declined to 57.4% of the purchase price, down from 62.8% at 31 March 2009. Delinquencies in ING's Alt-A portfolio increased from 17.2% to 20.9% in the quarter.

ING's subprime RMBS book stood at EUR 1.3 billion at the end of the second quarter. The market value of ING's subprime RMBS decreased to 44.8% of the purchase price from 48.2% at 31 March 2009. ING recorded EUR -49 million of pre-tax impairments on subprime RMBS in the quarter.

ING's CDO/CLO portfolio was EUR 4.3 billion at the end of the second quarter. The CDOs in ING's portfolio generally reference investment-grade corporate credit. Insurance Americas recorded a EUR 85 million positive fair value adjustment through the P&L on (synthetic) CDOs, driven by corporate credit spread tightening in the second quarter. In Commercial Banking, the credit rating downgrade of one monoline insurer triggered a EUR -58 million writedown on two credit default swaps.

The commercial mortgage-backed securities (CMBS) portfolio had a market value of EUR 7.7 billion. ING's CMBS portfolio was fair valued at 74%, up from 69% at the end of the first quarter. The majority of this exposure remains senior AAA tranches with significant credit enhancement although performance indicators have deteriorated. There have been no impairments on ING's CMBS portfolio to date.

Concerning other debt securities, ING incurred EUR 22 million of pre-tax impairments on its corporate bond portfolio in the second quarter. These impairments were mainly in Insurance US.

A decline in credit spreads resulted in fair value changes on part of ING Bank's own Tier 2 debt, which had a negative pre-tax impact of EUR -168 million on the P&L. This is included within other market impact.

ING is exposed to equity risk directly through its AFS equity portfolio and indirectly through equity-related DAC unlocking in Insurance. Favourable stock market performance in the second quarter led to EUR 176 million of positive equity-related DAC unlocking in the US insurance business. However, temporary hedges (short S&P futures) to protect the Insurance US regulatory capital position had a negative impact of EUR -346 million.

ING's listed equity portfolio increased by EUR 0.5 billion to EUR 5.5 billion at 30 June 2009. ING holds put options on the Eurostoxx 50 to hedge ING Insurance's listed equity portfolio. The total nominal hedged amount was EUR 3.9 billion at the end of the second quarter. The impact of these hedges on the P&L was a loss of EUR -417 million. Despite rising equity markets, impairments on equity securities were EUR -64 million in the second quarter as the market value for several securities remained below the purchase value for more than six months, triggering the impairment.

ING Insurance has EUR 1.7 billion in private equity and alternative investments. In the second quarter the positive pre-tax revaluations, which are taken through the P&L, were EUR 8 million.

ING's direct real estate exposure at 30 June 2009 was EUR 14.9 billion, of which EUR 8.8 billion is subject to revaluation through the P&L. In the second quarter, ING recorded a EUR -584 million pre-tax negative revaluation through the P&L on this portfolio, of which EUR -91 million was in Insurance and EUR -251 million related to the Summit portfolio of Canadian industrial properties. As ING Real Estate does not fully own this portfolio, 41% of Summit's after-tax net results, which includes fair value changes, is deducted in minority interests. The negative revaluations were concentrated in Canada and to a smaller extent in the US. EUR 0.1 billion of real estate in Canada was sold during the quarter. Separately, ING recorded EUR 110 million of pre-tax impairments on real estate development projects.

Provisions for loan losses continued to increase in the second quarter to reflect the deteriorating economic conditions. Total net additions to loan loss provisions were EUR 852 million, compared with EUR 772 million in the first quarter. This translates into (annualised) 118 basis points of average credit risk-weighted assets (CRWA) versus 108 basis points in the first quarter of 2009. The majority of the additions to loan loss provisions were made in Commercial Banking. Risk costs in Retail Banking were lower than the first quarter of 2009, and were relatively flat at ING Direct. The economic outlook points to elevated levels of risk costs in the coming quarters of around the level of the first half of 2009.

ING Bank's coverage ratio of loan loss provisions over provisioned loans was 33% at 30 June 2009 as the proportion of collateralised lending in ING Bank's loan book is relatively high.

Risk-weighted assets (RWA) rose by EUR 5.7 billion to EUR 345.1 billion in the second quarter. Credit rating migration generated EUR 11 billion of RWA, including EUR 6 billion in the loan book and EUR 5 billion in the Bank's ABS portfolio, following downgrades of securities in the second quarter. The adverse impact of credit rating migration was partially offset by management actions that included reviewing loan deal structures, enhancing collateral and not reinvesting proceeds from maturing ABS at ING Bank. The balance sheet reduction reduced RWA by EUR 4 billion, while a lower Value-at-Risk in the trading book reduced market risk-weighted assets by EUR 2.5 billion. Currency effects lowered RWA by EUR 3 billion.

Of the EUR 5 billion RWA increase that was driven by ABS rating downgrades, EUR 3.2 billion was due to ING Direct's Alt-A RMBS portfolio. As of the second quarter of 2009, ING Direct's Alt-A book is treated as a loan portfolio and is not subject to the convex RWA treatment for ABS securities. This results in a 240% RWA weighting on Alt-A RMBS, which added EUR 1.8 billion of RWA in the second quarter.

CONSOLIDATED BALANCE SHEET OF ING GROEP N.V. *

(amounts in millions of euros)	31 December 2008	31 December 2007
Assets		
Cash and balances with central banks	**22,045**	12,406
Amounts due from banks	**48,447**	48,875
Financial assets at fair value through profit and loss		
- trading assets	**160,378**	193,213
- investments for risk of policyholders	**95,366**	114,827
- non-trading derivatives	**16,484**	7,637
- designated as at fair value through profit and loss	**8,277**	11,453
Investments		
- available-for-sale	**242,852**	275,897
- held-to-maturity	**15,440**	16,753
Loans and advances to customers	**619,791**	552,964
Reinsurance contracts	**5,797**	5,874
Investments in associates	**4,355**	5,014
Real estate investments	**4,300**	4,829
Property and equipment	**6,396**	6,237
Intangible assets	**6,915**	5,740
Deferred acquisition costs	**11,843**	10,692
Other assets	**62,977**	40,099
Total assets	**1,331,663**	1,312,510
Equity		
Shareholders' equity (parent)	**17,334**	37,208
Non-voting equity securities	**10,000**	
	27,334	37,208
Minority interests	**1,594**	2,323
Total equity	**28,928**	39,531
Liabilities		
Preference shares		21
Subordinated loans	**10,281**	7,325
Debt securities in issue	**96,488**	66,995
Other borrowed funds	**31,198**	27,058
Insurance and investment contracts	**240,790**	265,712

Amounts due to banks	**152,265**	166,972
Customer deposits and other funds on deposit	**522,783**	525,216
Financial liabilities at fair value through profit and loss		
- trading liabilities	**152,616**	148,988
- non-trading derivatives	**21,773**	6,951
- designated as at fair value through profit and loss	**14,009**	13,882
Other liabilities	**60,532**	43,859
Total liabilities	**1,302,735**	1,272,979
Total equity and liabilities	**1,331,663**	1,312,510

* These figures have been derived from the audited annual accounts of ING Groep N.V. in respect of the financial year ended 31 December 2008.

CONSOLIDATED PROFIT & LOSS ACCOUNT OF ING GROEP N.V. *

(amounts in millions of euros)	2008	2008	2007	2007
Interest income banking operations	97,011		76,749	
Interest expense banking operations	–85,969		-67,773	
Interest result banking operations		11,042		8,976
Gross premium income		43,812		46,818
Investment income		4,664		13,352
Net gains/losses on disposals of group companies		17		430
Gross commission income	7,504		7,693	
Commission expense	–2,539		-2,866	
Commission income		4,965		4,827
Valuation results on non-trading derivatives		2,300		-561
Net trading income		–749		1,119
Share of profit from associates		–404		740
Other income		644		885
Total income		66,291		76,586
Gross underwriting expenditure	18,831		51,818	
Investment result for risk of policyholders	32,408		-1,079	
Reinsurance recoveries	–1,754		-1,906	
Underwriting expenditure		49,485		48,833
Additions to loan loss provisions		1,280		125
Intangible amortisation and other impairments		464		15
Staff expenses		8,764		8,261
Other interest expenses		978		1,102
Other operating expenses		6,807		7,207
Total expenses		67,778		65,543
Result before tax		–1,487		11,043
Taxation		–721		1,535
Net result (before minority interests)		–766		9,508
Attributable to:				
Equityholders of the parent		–729		9,241
Minority interests		–37		267
		–766		9,508

* These figures have been derived from the audited annual accounts of ING Groep N.V. in respect of the financial year ended 31 December 2008.

GENERAL INFORMATION

Documents Available for Inspection or Collection

So long as this Registration Document is valid as described in Article 9 of the Prospectus Directive, copies of the following documents will, when published, be available free of charge from the Issuer and from the specified office of the Paying Agents. Written or oral requests for such documents should be directed to the Issuer, c/o ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands (Tel.: +31 (0)20 501 3209).

(i) the English translation of the Articles of Association of the Issuer;

(ii) the annual reports of the Issuer (in English) in respect of the financial years ended 31 December 2007 and 31 December 2008, including the auditors' reports in respect of such financial years;

(iii) the most recently available annual report of the Issuer and its consolidated subsidiaries and the most recently available published interim financial statements of the Issuer (in English and if any);

(iv) a copy of the Registration Document; and

(v) any future supplements to the Registration Document and any other documents incorporated herein or therein by reference.

Ratings

The Issuer has a senior debt rating from Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's"), of A+, a senior debt rating from Moody's Investors Service Limited ("Moody's") of A1 and a senior debt rating from Fitch Ratings Ltd. ("Fitch") of A.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. Over the course of the past year, the Issuer has from time to time been subject to its ratings being lowered.

Significant or Material Adverse Change

At the date hereof, other than in respect of:

(i) the outcome of discussions regarding final approval of the Illiquid Asset Back-up Facility with the Dutch State and a restructuring plan that needs to be drafted according to guidelines published by the European Commission on 22 July 2009, following the temporarily approved ING Core Tier 1 securities issuance to and the Illiquid Assets Back-up Facility with the Dutch State, which outcome cannot be predicted, but could lead to significant changes for ING Group going forward;

(ii) the net result for the period, a decline in market values of available-for-sale debt securities and real estate and balance sheet reductions as disclosed in the Q1 Report of 13 May 2009 and the Q2 Report of 12 August 2009;

(iii) the assets reclassifications as disclosed in the ING Group Interim accounts for the period ended 30 June 2009; and

(iv) the risk and leverage reductions and over time divestments of EUR 6 to 8 billion as announced in the Strategy Update Release of 9 April 2009 and the review of additional strategic options to facilitate ING Group’s transformation and to realize ING Group’s ambition to repay the Dutch State,

there has been no significant change in the financial or trading position of the Issuer and its consolidated subsidiaries and no material adverse change in the prospects of the Issuer since 31 December 2008.

Litigation

ING Group companies are involved in litigation and arbitration proceedings in the Netherlands and in a number of foreign jurisdictions, including the United States, involving claims by and against them which arise in the ordinary course of their businesses, including in connection with their activities as insurers, lenders, employers, investors and taxpayers. In certain of such proceedings, very large or indeterminate amounts are sought, including punitive and other damages. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened legal and regulatory proceedings, the Issuer's management is of the opinion that neither it nor any of its subsidiaries is aware of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Issuer and its subsidiaries taken as a whole.

These proceedings include complaints and lawsuits concerning the performance of certain interest sensitive products that were sold by a former subsidiary of ING in Mexico. Further, purported class litigation has been filed challenging the adequacy of the disclosures made in connection with the 2007 and 2008 issuance and sale of the ING’s Perpetual Hybrid Capital Securities. Additional purported class litigation challenges the operation of the ING American Savings, ESOP and 401(k) Plans. Litigation also includes a case involving the interest crediting methodology that is used in connection with annuity products, and disclosures about the methodology, in which a state court of appeals has determined that the case can be maintained as a nation-wide class action. A higher appellate court has been asked to review and reverse this decision. These matters are being defended vigorously; however, at this time, ING is unable to assess their final outcome. In addition, a subsidiary is a garnishee in proceedings in the United States brought by judgement creditors of the Republic of Argentina who seek to levy on assets that were managed by that subsidiary before the Republic nationalised the private pension business in Argentina. Appropriate steps are being taken to address this matter.

In November 2006, the issue of amongst others the costs charged by the insurance industry to customers in respect of unit-linked products (commonly referred to as ‘beleggingsverzekeringen’) has received attention both in the Dutch public media and from the Dutch regulator for the insurance industry and consumer protection organisations. Mid November, 2008 ING reached an outline agreement with consumer organisations in the Netherlands to resolve a dispute regarding individual unit-linked products sold to customers in the Netherlands by ING's Dutch insurance subsidiaries. It was agreed ING’s Dutch insurance subsidiaries will offer compensation to policy holders where individual unit-linked policies have a cost charge in excess of an agreed maximum. The costs of the settlement have been valued at EUR 365 million. Although the agreement is not binding for policyholders, ING believes a significant step was set towards resolving the issue.

Like many other companies in the mutual funds, brokerage, investment, and insurance industries, several of ING’s companies have received informal and formal requests for information from various governmental and self-regulatory agencies or have otherwise identified issues arising in connection with fund trading, compensation, conflicts of interest, anti-competitive practices, insurance risk transfer and sales practices. ING is responding to the requests and working to resolve issues with regulators. ING believes that any issues that have been identified thus far do not represent a systemic problem in the ING businesses involved and in addition that the outcome of the investigations will not have a material effect on ING Group.

Because of the geographic spread of its business, ING may be subject to tax audits in numerous jurisdictions at any point in time. Although ING believes that it has adequately provided for all its tax positions, the ultimate resolution of these audits may result in liabilities which are different from the amounts recognised.

Auditors

The financial statements of the Issuer for the financial years ended 31 December 2007 and 31 December 2008 have been audited by Ernst &Young Accountants LLP. The auditors of Ernst & Young Accountants LLP are members of the Koninklijk Nederlands Instituut van Registeraccountants (*NIVRA*), which is a member of International Federation of Accountants (IFAC).

The auditors' report in respect of the financial years ended 31 December 2007 and 31 December 2008 incorporated by reference herein and the following auditors' report are included in the form and context in which they appear with the consent of Ernst & Young Accountants LLP, who have authorised the contents of these auditors' reports.

Auditors' Report

To the Executive Board of ING Groep N.V.

Auditor's Report

Introduction

We have audited whether the consolidated balance sheet as at 31 December 2008 and the consolidated profit and loss account for the year then ended of ING Groep N.V., Amsterdam, as included in this Registration Document on page 39, page 40, page 41 and page 42, have been derived consistently from the audited annual accounts of ING Groep N.V. for the year ended 31 December 2008. In our auditors' report dated 16 March 2009 we expressed an unqualified opinion on these annual accounts. Management of the company is responsible for the preparation of the consolidated balance sheet and the consolidated profit and loss account in accordance with the accounting policies as applied in the 2008 annual accounts of ING Groep N.V. Our responsibility is to express an opinion on the consolidated balance sheet and the consolidated profit and loss account.

Scope

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance that the consolidated balance sheet and the consolidated profit and loss account have been derived consistently from the annual accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the consolidated balance sheet and the consolidated profit and loss account have been derived consistently, in all material respects, from the 2008 annual accounts.

Emphasis of matter

For a better understanding of the company's financial position and results and the scope of our audit, we emphasize that the consolidated balance sheet and the consolidated profit and loss account should be read in conjunction with the annual accounts, from which the consolidated balance sheet and the consolidated profit and loss account were derived and our unqualified auditors' report thereon dated 16 March 2009. Our opinion is not qualified in respect of this matter.

Amsterdam, 19 August 2009

Ernst & Young Accountants LLP

Signed by C.B. Boogaart

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