ING Group Credit Update 1Q17

Amsterdam ▪ 10 May 2017

thinkforward

Key points

- ING recorded 1Q17 net profit of EUR 1,143 mln; underlying pre-tax result up 39.3% from 1Q16 to EUR 1,652 mln
- Strong results reflect continued loan growth, good cost control and low risk costs
- Wholesale Banking results were particularly strong, led by higher income from Financial Markets and commissions
- In the quarter, we attracted 150,000 new primary bank customers; differentiating customer experience drives leading Net Promoter Scores in our retail markets
- On a four-quarter rolling average basis, ING Group's underlying return on equity was 10.8% and the cost/income ratio improved to 53.1%
- ING Group's fully-loaded CET1 ratio rose to 14.5%, well above prevailing fully-loaded regulatory requirements
- We have made significant progress on TLAC/MREL by issuing more than EUR 5 billion of Group senior debt in the first quarter

Ambition 2020 – ING Group Financial Targets

		Actual 2016	Actual 1Q17	Ambition 2020*
Capital	• CET1 ratio (%)	14.2%	**14.5%**	> Prevailing fully-loaded requirements**
	• Leverage ratio (%)	4.8%	**4.5%**	> 4%
Profitability	• Underlying C/I ratio (%)***	54.2%	**53.1%**	50-52%
	• Underlying ROE (%)*** (IFRS-EU Equity)	10.1%	**10.8%**	Awaiting regulatory clarity
Dividend	• Dividend (per share)	EUR 0.66	-	Progressive dividend over time

* Ambition 2020 financial targets based on assumption of low-for-longer interest rate environment in the Eurozone
** Currently estimated to be 11.77%, plus a comfortable management buffer (to include Pillar 2 Guidance)
*** Based on 4-quarter rolling average; with effect from 1Q17, the ING Group ROE is calculated using IFRS-EU shareholders' equity after excluding 'interim profit not included in CET1 capital'. As at 31 March 2017, this comprised the final 2016 dividend of EUR 1,629 mln and the 1Q17 interim profit not included in CET1 capital of EUR 853 mln

Business profile and strategy

We have a well-diversified portfolio with strong profitability

Retail Banking

- We use technology to offer a differentiating experience to our customers
- Distribution increasingly through mobile devices which requires simple product offering

Market Leaders
Netherlands, Belgium / Luxembourg

Challengers
Germany / Austria, Czech Republic, Spain / Portugal, Italy, France and Australia

Growth Markets
Poland, Turkey, Romania and Asian bank stakes

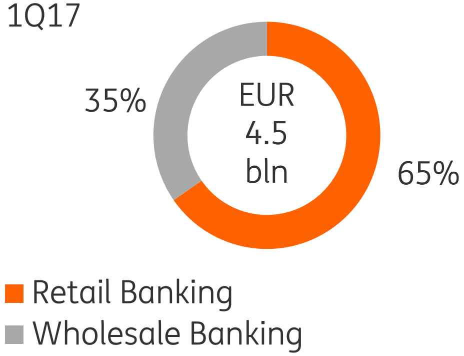
Wholesale Banking International Network

Wholesale Banking

- Our business model is the same throughout our global WB franchise of more than 40 countries
- We focus on top-end corporates, including domestic blue chips and multinationals, and Financial Institutions

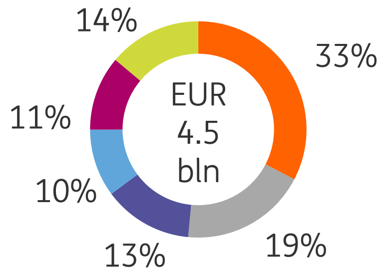
Underlying income*

1Q17



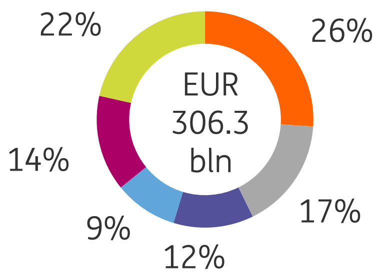
Underlying income**

1Q17



RWA (end of period)**

1Q17



Netherlands | Belgium | Germany | Other Challengers | Growth Markets | WB Rest of World

*As per business line split; segment "Corporate Line" not shown on slide. The underlying income for this segment was EUR -63 mln in 1Q17
** As per geographical split by booking location; segment "Other" not shown on slide. For this segment (Corporate Line and Real Estate run-off portfolio), the underlying income was EUR -52 mln in 1Q17 and RWA was EUR 3.5 bln by 31 March 2017

Our focus on primary customer relationships drives value

1Q17 net customer growth

+300k
total customers

+150k
primary customers

1Q17 core lending growth

EUR **+5.7** bln

1Q17 Net Promoter Scores (NPS)

#1 in **8** of
13 retail countries

Consumer lending

Retail C&GM

EUR **+2.1** bln

+18% YoY

Assets under management

Retail C&GM

EUR **+4.5** bln

+21% YoY

Commission income

Retail C&GM

EUR **+30** mln

+28% YoY

↑ Customer value = ↑ Number of customers × ↑ Share of primary × ↑ Cross-buy × ↑ Product value

Transformation programmes on track

Four major digital transformation programmes

Orange Bridge*

- Agreement on a Social Plan with trade union partners in Belgium
- Transformation governance in place

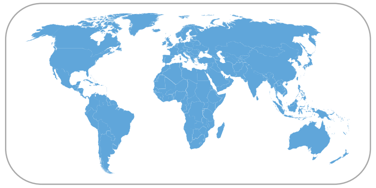
Model Bank

- Ramp up of central IT team in Madrid (> 100 FTE)
- Multi-currency/language functionality in production

Welcome

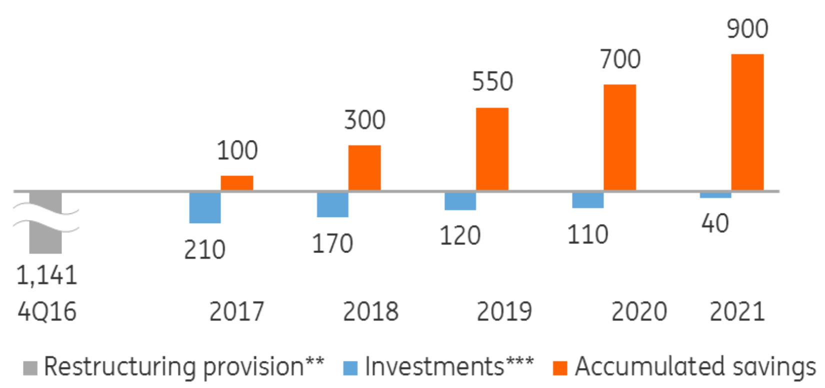
- New digital current account opening process
- Faster processing of consumer loans via new digital income check

WTOM



- InsideBusiness, the WB client portal, now live in 15 countries

Estimated impact of digital transformation programmes (in EUR mln)



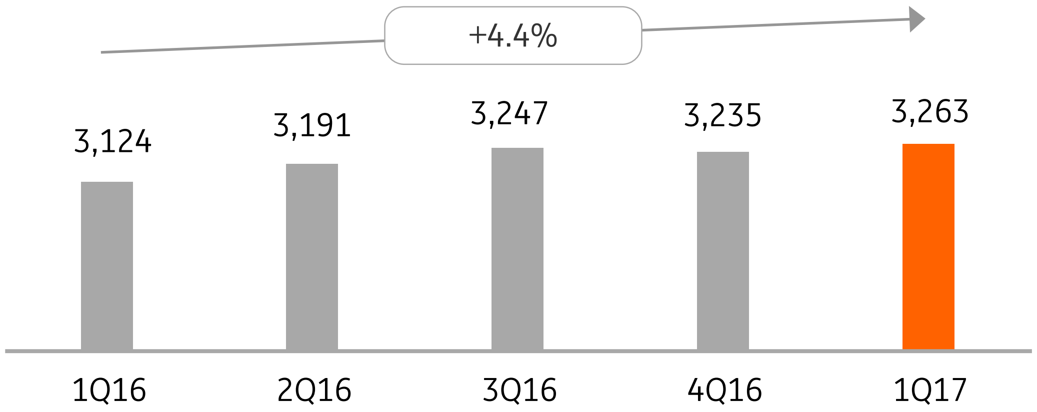
* Initiatives have been submitted to the relevant regulatory authorities and are under review
** Booked in 4Q16 as a special item
*** Defined as incremental expenses from newly announced programmes on 3 October 2016

ING

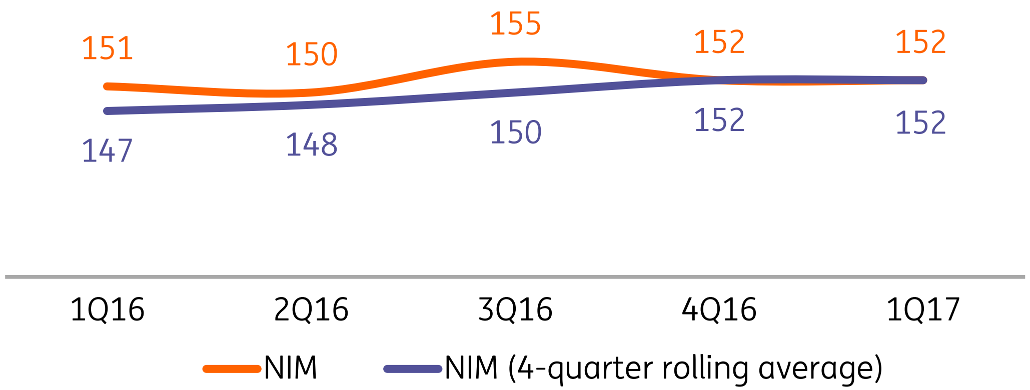
Update 1Q17 results

Robust NII result supported by margin resilience

Net interest income excl. Financial Markets (in EUR mln)



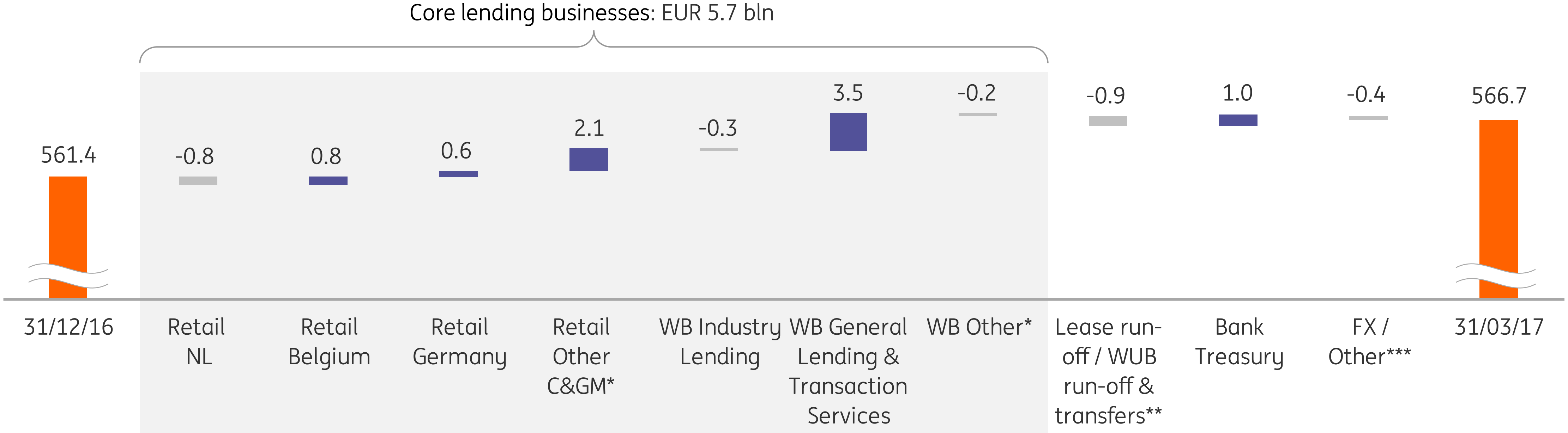
Net interest margin remains stable (in bps)



- Net interest income was up 4.4% versus 1Q16 and up slightly on the previous quarter:
  - Continued volume growth in mortgages as well as Retail and Wholesale Bank lending
  - Stable lending margins year-on-year, despite pressure from the persistently low interest rate environment
  - Higher interest income in Bank Treasury and benefits from balance sheet optimisation
- Net interest margin is stable on 4Q16, despite a 1 bp negative impact from lower interest income within Financial Markets

Our core lending franchises grew by EUR 5.7 bln in 1Q17

Customer lending ING Group 1Q17 (in EUR bln)

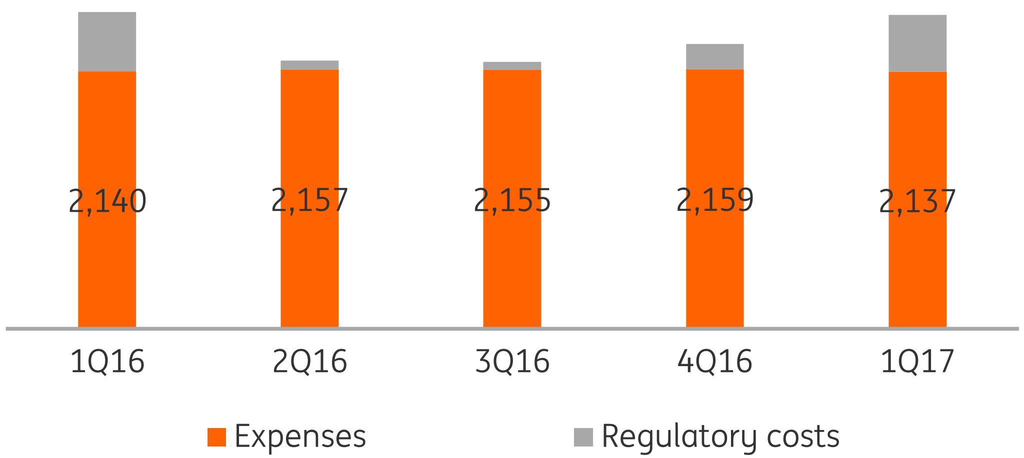


- Our core lending franchises grew by EUR 5.7 bln in 1Q17:
  - Wholesale Banking increased by EUR 3.0 bln which was fully driven by General Lending & Transaction Services
  - Retail Banking increased by EUR 2.7 bln, mainly in the Other Challengers & Growth Markets which was almost equally split between mortgages and other customer lending

* C&GM is Challengers & Growth Markets; WB Other includes Financial Markets
** Lease run-off was EUR -0.1 bln, WUB run-off was EUR -0.5 bln and WUB transfer to NN was EUR -0.3 bln
*** FX impact was EUR +0.8 bln and Other EUR -1.2 bln

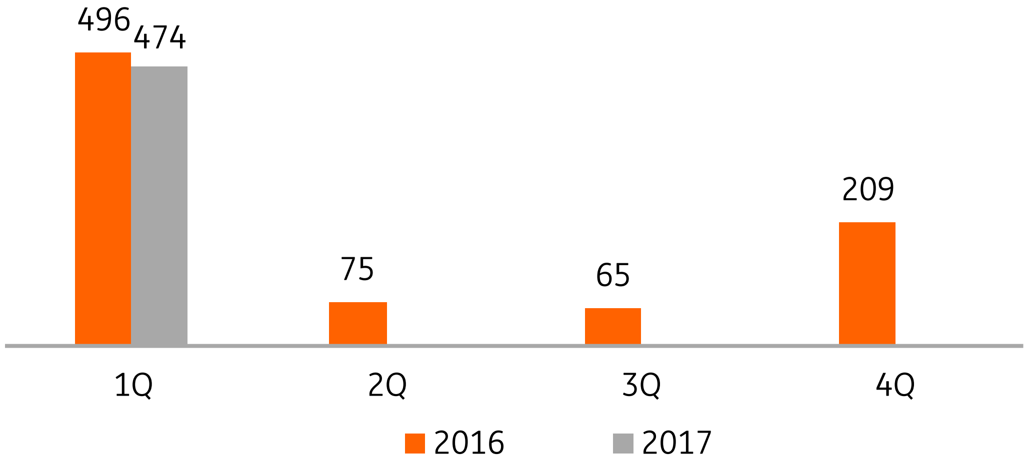
Operating expenses stable; seasonally high regulatory costs

Underlying operating expenses (in EUR mln)

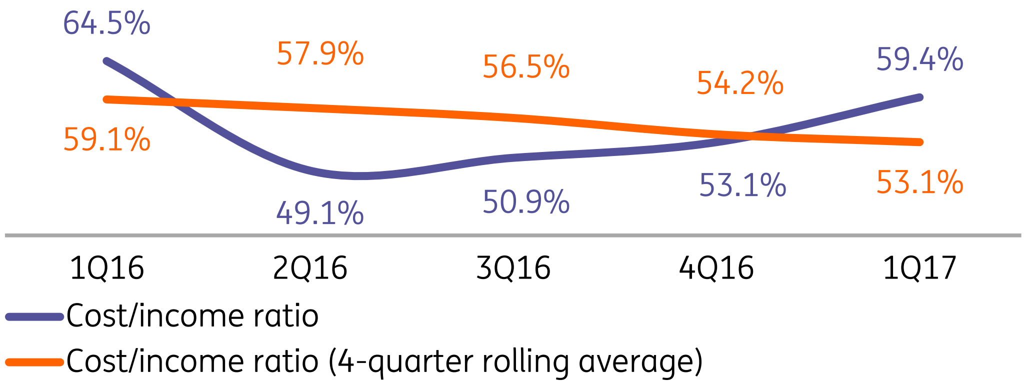


- Underlying expenses remained stable as business growth is offset by ongoing cost-saving initiatives
- 1Q17 regulatory costs were in line with last year and are seasonally high due to contributions to the European single resolution fund and annual bank taxes in Belgium

Regulatory costs experience seasonality (in EUR mln)



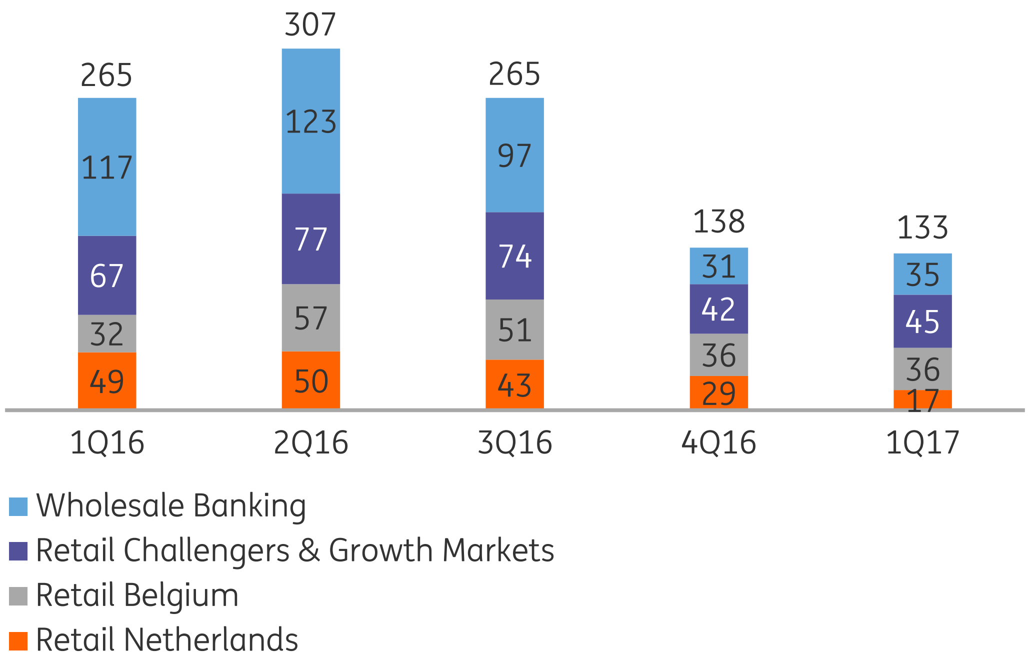
Cost/income ratio improving further



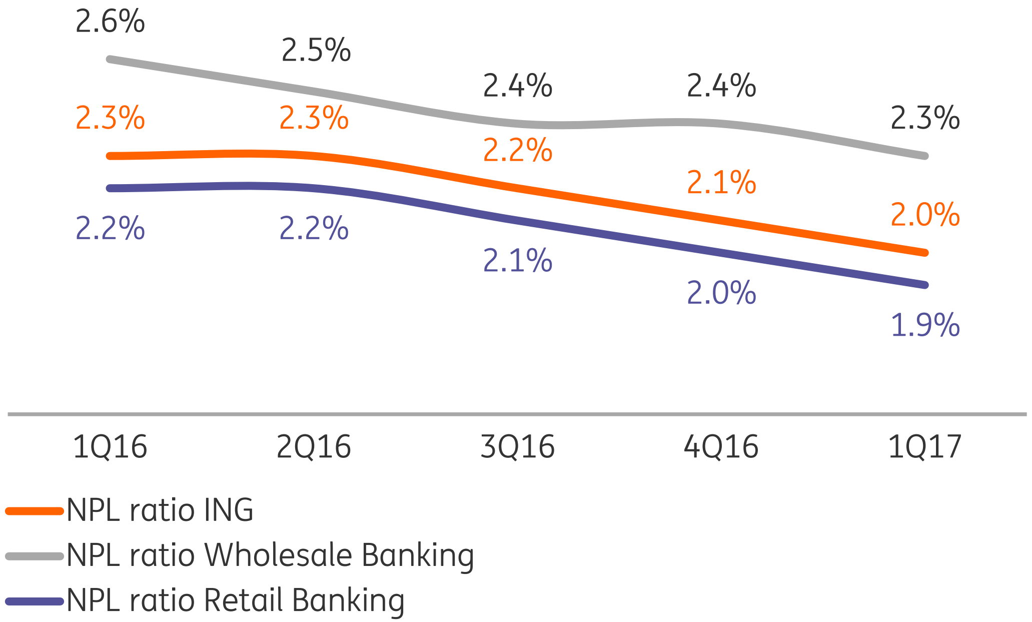
Asset quality

Risk environment remains benign; NPLs trending down

Risk costs (in EUR mln)



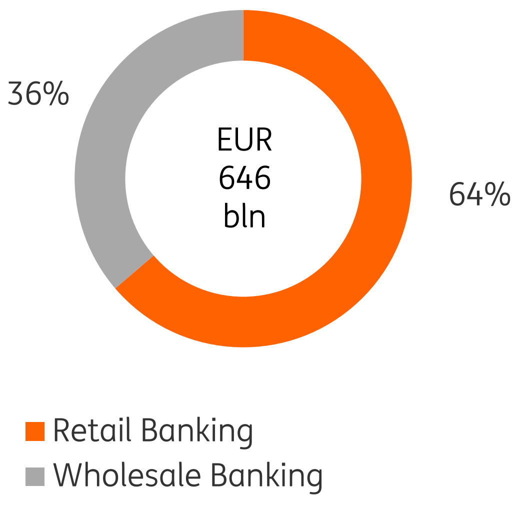
NPL ratio



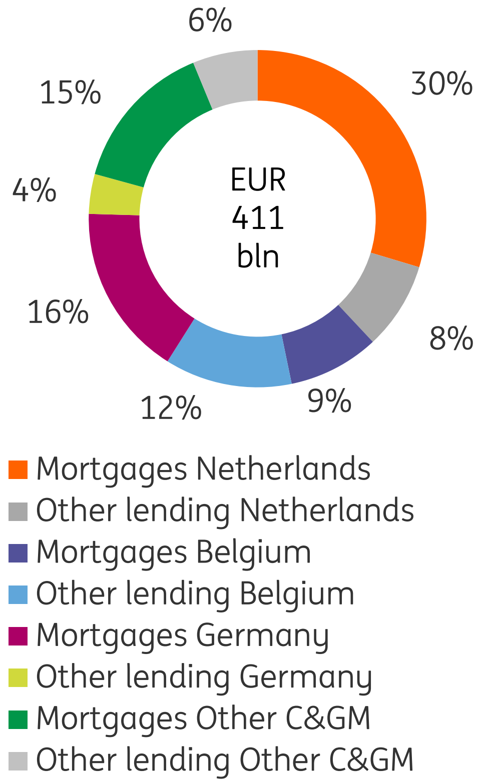
- 1Q17 risk costs were EUR 133 mln, or 17 bps of average RWA, well below the 40-45 bps through-the-cycle average
- Retail Netherlands risk costs declined in line with the improving economic backdrop; Retail C&GM risk costs were mainly related to Turkey, Poland and Spain, whereas Italy recorded a release
- Wholesale Banking saw low risk costs on the back of releases in the Netherlands, Asia and Latin America

Lending credit outstandings are well-diversified

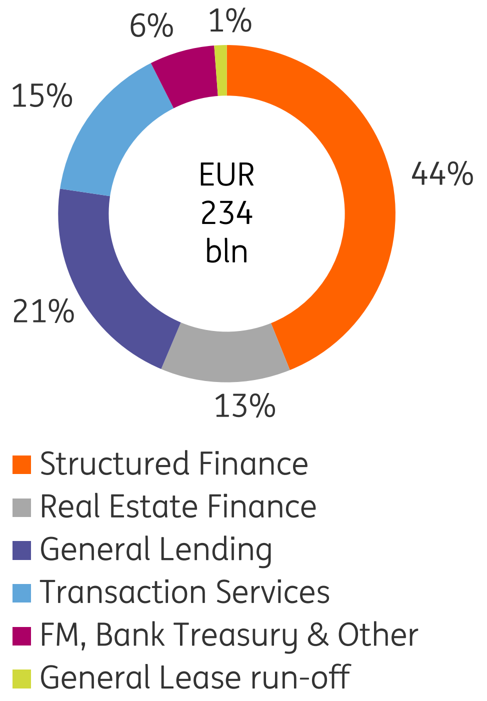
ING Group*



Retail Banking*



Wholesale Banking*



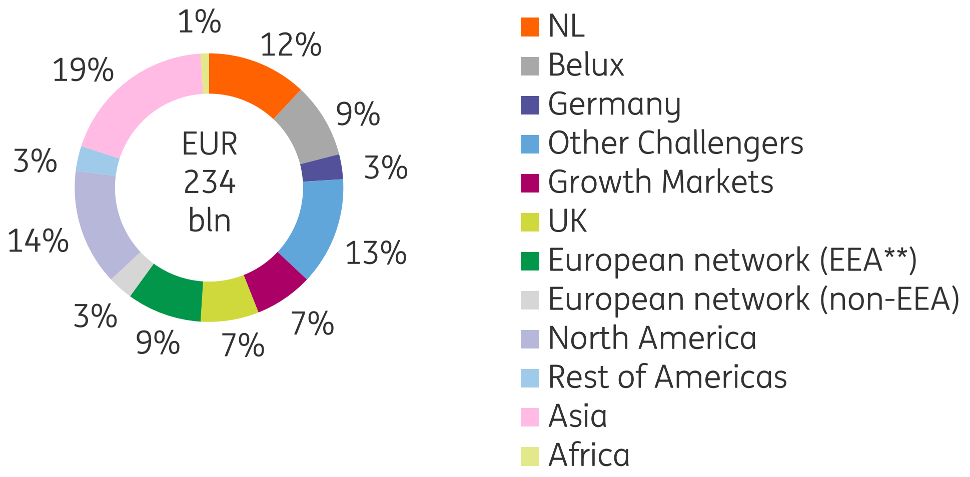
- ING has a well-diversified and collateralised loan book with a strong focus on own-originated mortgages
- 64% of the portfolio is retail-based

* 31 March 2017 lending and money market credit outstandings, including guarantees and letters of credit, but excluding undrawn committed exposures (off-balance sheet positions)

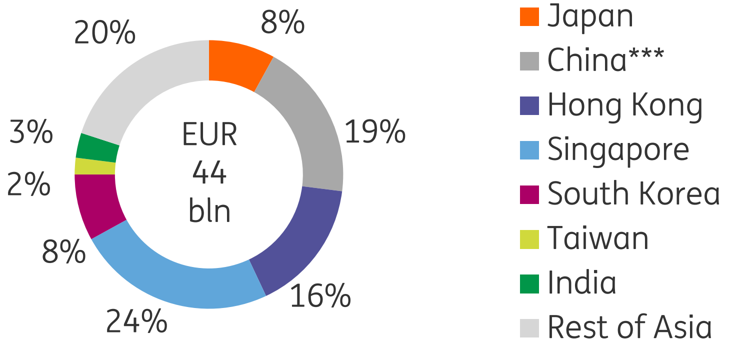
Lending credit outstandings Wholesale Banking well-diversified by geography and sector

Loan portfolio is well diversified across geographies...

Lending Credit O/S Wholesale Banking (1Q17)*

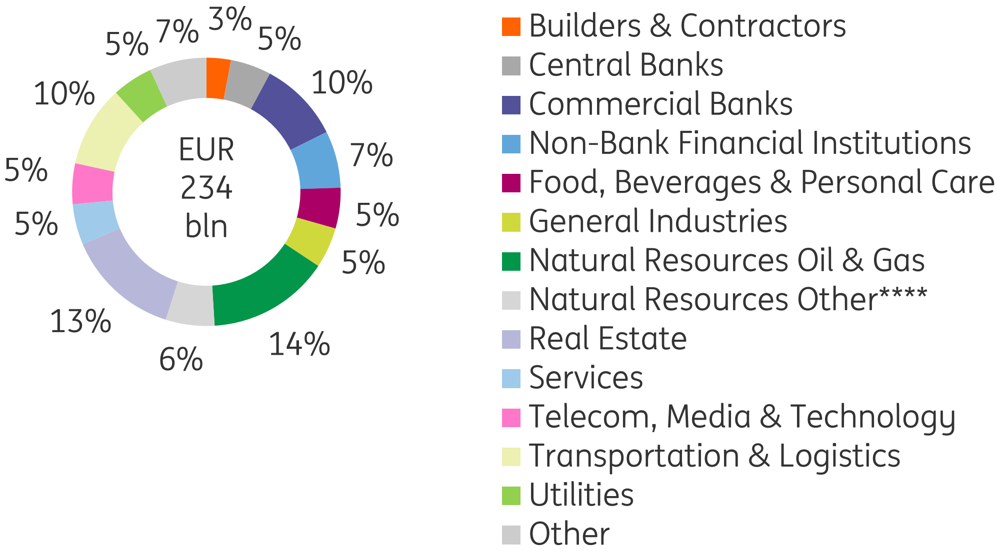


Lending Credit O/S Asia (1Q17)*



...and sectors

Lending Credit O/S Wholesale Banking (1Q17)*



* Data is based on country of residence; Lending Credit O/S include guarantees and letters of credit
** Member countries of the European Economic Area (EEA)
*** Excluding our stake in Bank of Beijing (EUR 2.7 bln at 31 March 2017)
**** Mainly Metals & Mining

Detailed NPL disclosure on selected lending portfolios

Selected lending portfolios

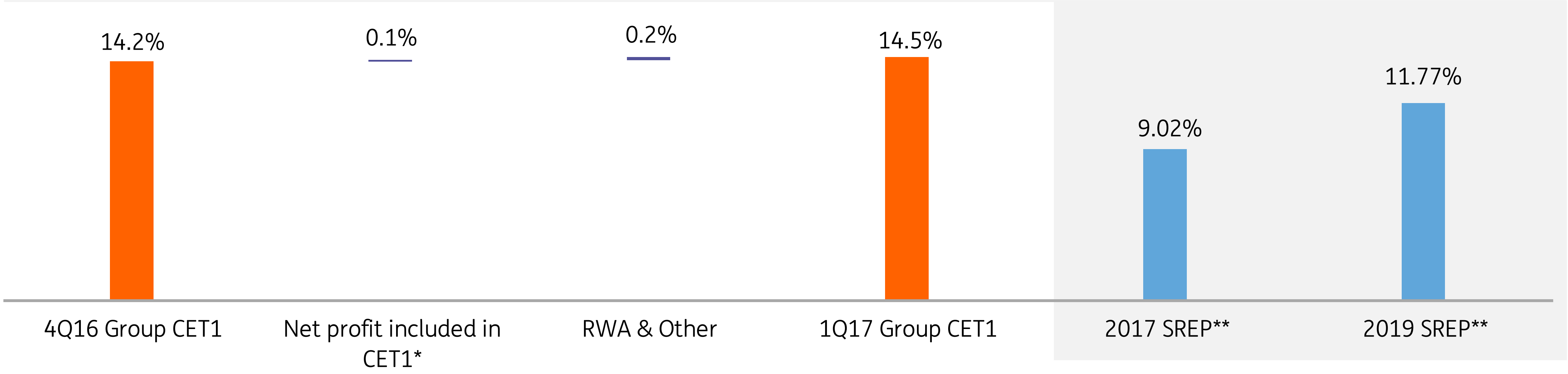
	Lending credit O/S 1Q17	NPL ratio 1Q17	Lending credit O/S 4Q16	NPL ratio 4Q16	Lending credit O/S 1Q16	NPL ratio 1Q16
Wholesale Banking	**234,175**	**2.3%**	**224,916**	**2.4%**	**204,240**	**2.6%**
Industry Lending	131,979	2.4%	131,221	2.4%	111,549	2.6%
Of which Structured Finance	102,826	2.4%	102,084	2.3%	84,589	2.3%
Of which Real Estate Finance	29,153	2.4%	29,137	2.7%	26,960	3.6%
Selected industries*						
Oil & Gas related	36,495	2.7%	36,277	2.1%	28,051	2.1%
Metals & Mining**	15,485	4.4%	14,892	5.0%	14,128	6.0%
Shipping & Ports***	14,384	6.6%	14,668	5.3%	12,281	4.1%
Selected countries						
Turkey****	17,524	2.4%	18,262	3.1%	18,875	2.1%
China*****	8,544	0.0%	7,021	0.0%	6,554	0.0%
Russia	5,117	3.1%	5,100	3.2%	5,528	2.8%
Ukraine	1,077	48.5%	1,162	44.8%	1,236	55.0%

* Includes WB Industry Lending, General Lending (CFIL) and Transaction Services
** Excluding Ukrainian and Russian Metals & Mining exposure, the NPL ratio would be just 0.9%
*** Shipping & Ports includes Coastal and Inland Water Freight which is booked within Retail Netherlands. Excluding this portfolio, NPL ratio is only 3.0%
**** Turkey includes Retail Banking activities (EUR 9.1 bln)
***** China exposure is excluding Bank of Beijing stake

Group capital

ING Group CET1 ratio at 14.5%; interim profits partly reserved

ING Group fully-loaded CET1 ratio development

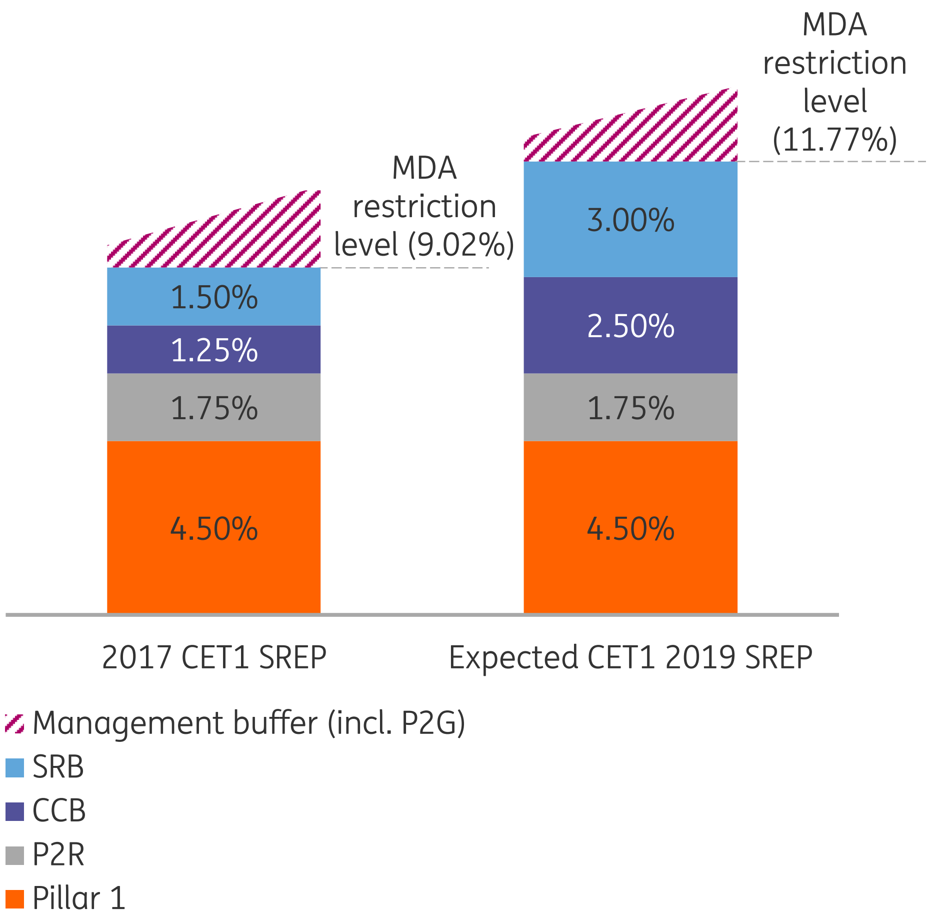


- ING Group's 1Q17 fully-loaded CET1 ratio rose to 14.5% mainly due to a reduction in RWA and partial profit inclusion in capital
- ING has decided to reserve an amount equal to one third of the 2016 total dividend in each of the first three quarters of 2017:
  - Consistent with ING's aim to pay a progressive dividend over time
  - A smoother quarterly development of ING Group's capital position
- Our 2017 SREP (CET1) requirement equals 9.02% and is expected to be 11.77% fully-loaded by 2019 assuming no change in our Pillar 2 requirements, excluding Pillar 2 Guidance

* 1Q17 Group net profit of EUR 1,143 mln of which EUR 853 mln set aside for dividends and the remainder added to CET1 (EUR 290 mln)
** Including Countercyclical buffer of 0.02%

ING Group's 2016 SREP process completed

ING Group SREP and Ambition*



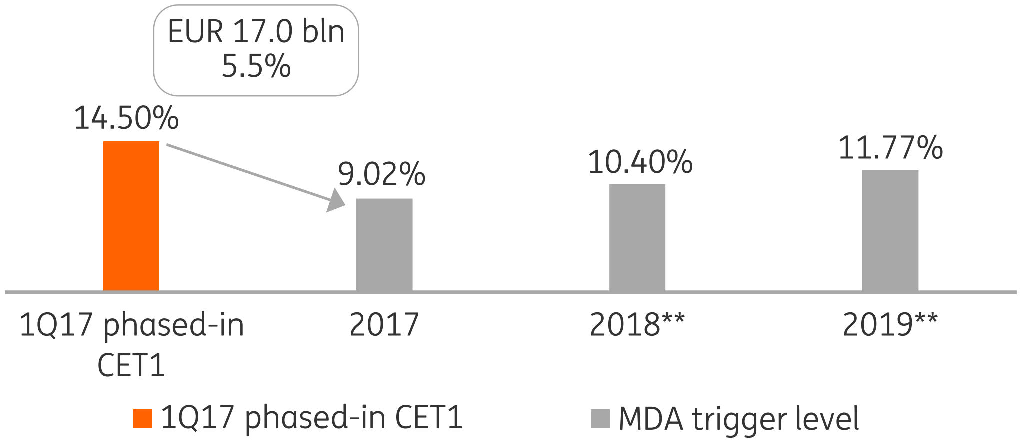
* Including Countercyclical buffer of 0.02%

2016 SREP (Supervisory Review and Evaluation Process)

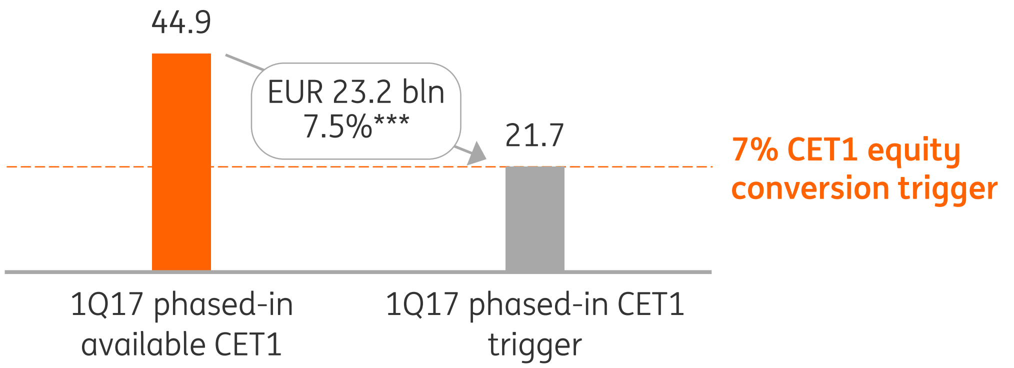
- ING Group has been notified of the European Central Bank (ECB) decision on the 2016 SREP which will set the capital requirements for 2017
- A 9.02% phased-in CET1 ratio requirement applies for 2017, of which:
  - 4.50% Pillar 1 minimum (P1)
  - 1.75% Pillar 2 Requirement (P2R)
  - 1.25% Capital Conservation Buffer (CCB)
  - 1.50% Systemic Risk Buffer (SRB)
  - 0.02% Countercyclical Buffer (CCyB)
  - Excluding Pillar 2 Guidance (P2G)
- A fully-loaded 11.77% CET1 requirement is expected for 2019 as the CCB and SRB are scheduled to phase-in over the coming years to 2.5% and 3.0%, and assuming no change in P2R
- ING Group's CET1 Ambition is to remain above the prevailing fully-loaded requirements plus a comfortable management buffer (to include P2G)

Additional Tier 1: comfortable buffers to triggers

Buffer to MDA 1Q17*



Buffer to Conversion Trigger 1Q17 (in EUR bln)



Buffer to MDA	• MDA restrictions will apply if ING Group breaches Combined Buffer Requirements (CBR) • Under the new MDA framework, ING's trigger level is 9.02% in 2017 and is expected to rise to 11.77% in 2019 under the assumption P2R will remain the same. This includes the 1.75% P2R and excludes P2G • As per 1Q17, the buffer to the 2017 MDA restriction level is EUR 17.0 bln or 5.5% of RWAs • This excludes EUR 853 mln of interim profits that we have set aside for dividends in 1Q17
Buffer to Conversion Trigger	• The ING Group phased-in capital buffer to conversion trigger (7% CET1) is high at EUR 23.2 bln
Available Distributable Items	• AT1 discretionary distributions may only be paid out of distributable items • As per year-end 2016, ING Group had EUR 38.0 bln of available distributable items, compared to EUR 36.3 bln in 2015

* Including Countercyclical buffer of 0.02%
** Subject to SREP process, assumes no change in P2R
*** Difference between 14.5% ING Group phased-in CET1 ratio in 1Q17 and 7% CET1 equity conversion trigger

HoldCo resolution strategy

ING well positioned for TLAC issuance plans

Strong current capital position....

- ING maintains strong CET1 ratio
- Steady state TLAC needs to be met by 2019/2022
- Strong capital generation capacity
- ING amongst the highest rated HoldCo issuers
- Execution of current TLAC plans may provide rating upside
- Business model has limited exposure to volatile investment banking activities

...which provides flexibility for TLAC issuance plans

- ING Group fully-loaded CET1 ratio at 14.5%
- ING Group currently has a very manageable TLAC shortfall
- Generated 33 bps of ING Group fully-loaded CET1 capital in 1Q17
- HoldCo rated Baa1 / A- / A+
- Outlook upgrade to ‘positive’ by Moody’s on “*expectations that the group's bail-in-able debt buffer is going to increase*”*
- ING’s Wholesale Banking portfolio consists mainly of Industry Lending, General Lending and Transaction Services

* Most recent Moody’s credit opinion published 21/04/2016

New legislation focuses on loss absorbing capacity

Loss absorbing capacity

- Regulators have added total loss-absorbing capacity (TLAC) and (in the EU) minimum requirement for own funds and eligible liabilities (MREL) to the post-crisis regulatory reform aimed at ending too-big-to-fail
- Regulators are now looking to ensure that banks' liability structures provide sufficient TLAC and MREL to absorb losses and facilitate the recapitalisation of the bank in the event of resolution

TLAC

- Scope: G-SIBs
- Implementation:
  - 1/1/2019: the higher of 16% RWA or 6% of Basel 3 leverage exposures
  - 1/1/2022: the higher of 18% RWA or 6.75% of Basel 3 leverage exposures
- Buffer requirements will come on top of the RWA requirement*:
  - ING Group: 2.5% Capital Conservation Buffer + 3% Systemic Risk Buffer
- Home authorities of resolution entities could apply additional firm-specific requirements
- TLAC instruments should be subordinated to excluded liabilities

MREL

- Scope: EU banks
- Two components:
  - Loss absorption amount
  - Recapitalisation amount
- Implementation timeline pending
- MREL instruments are not currently required to be subordinated to operational liabilities
- MREL requirements could be subject to change, pending new regulations

* Minimum RWA requirement currently more constraining than minimum leverage requirement

Loss absorption and recapitalisation overview

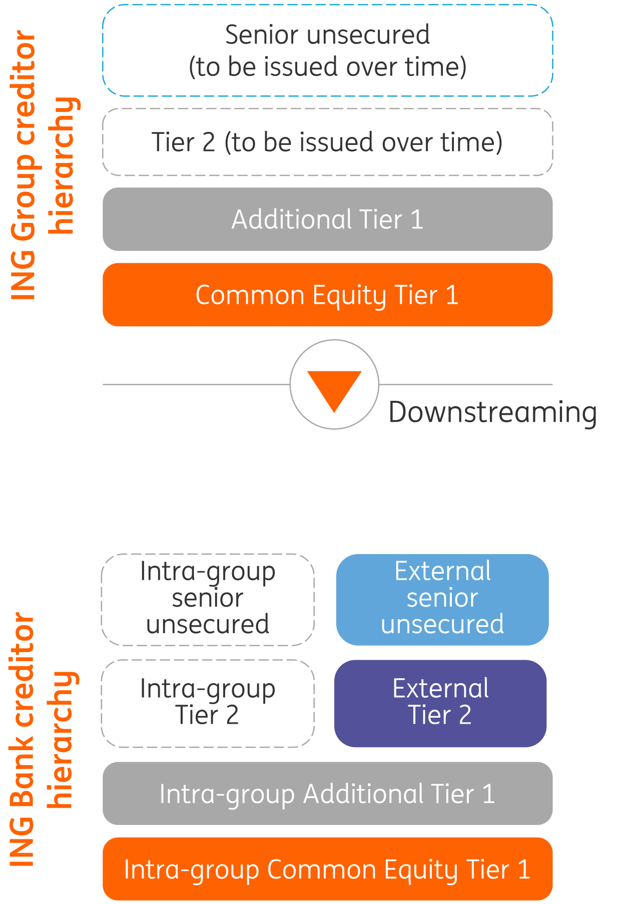
Pre-resolution tools			Resolution tools	Insolvency tools
Going concern	**Recovery**	**PONV**	**Resolution**	**Liquidation**
• Dividend payments • AT1 coupon payments	• Dividends, AT1 coupons and variable remuneration subject to MDA restrictions • AT1 instruments convert into equity upon a breach of CET1 trigger	• Capital instruments • Conversion or write-down of these capital instruments at the point of non-viability ("PONV")	• Remaining instruments, including senior unsecured* • Application of resolution tools	• Liquidation through normal insolvency proceedings

- There are a number of resolution tools granted to the relevant Resolution Authority under the BRRD, including (a) sale of a business, (b) bridge institution, (c) asset separation and (d) bail-in
- The resolution tools can only be applied when the relevant entity is put into resolution
- In resolution, the Resolution Authority could require a Business Reorganization Plan

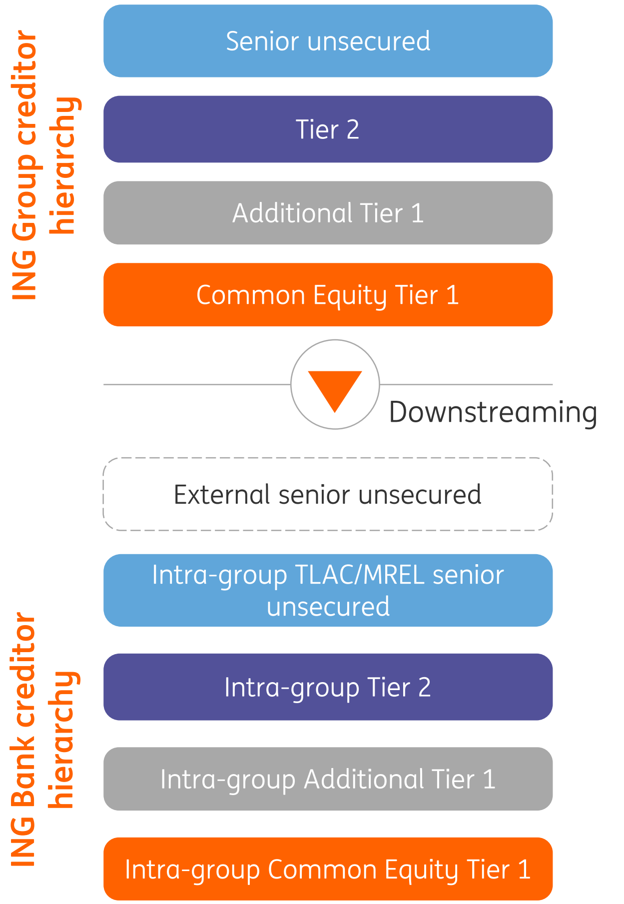
* Certain exemptions may apply

Simplified indicative transition and end-state issuance structures

Transition structure



End-state structure



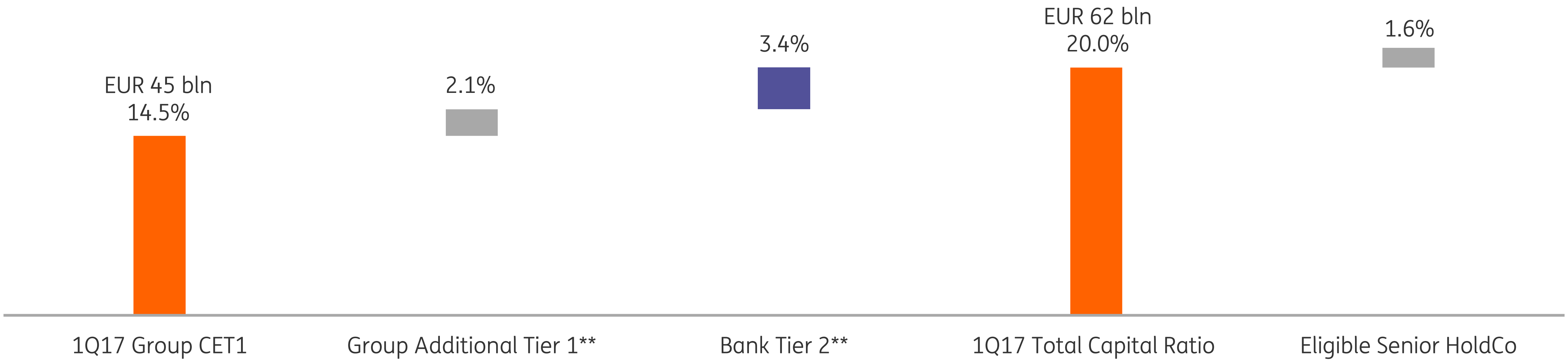
HoldCo issuance strategy

- Earlier this year, the SRB informed us that it supports the designation of ING Group as the point of entry
- All external TLAC/MREL-eligible debt will be issued by ING Group (HoldCo) going forward
- ING Group capital will be downstreamed to ING Bank like-for-like in both the transition and end-state structures
- ING Group senior unsecured will be downstreamed as ING Bank (a) senior unsecured, initially, and (b) intra-group TLAC/MREL senior unsecured, once the regulations for internal TLAC/MREL have been finalised*
- Losses arise at ‘OpCo’ level, and consequently apply at ‘HoldCo’ level

* The terms of securities already downstreamed as senior unsecured will be amended to become intra-group TLAC/MREL senior unsecured

TLAC requirements are manageable...

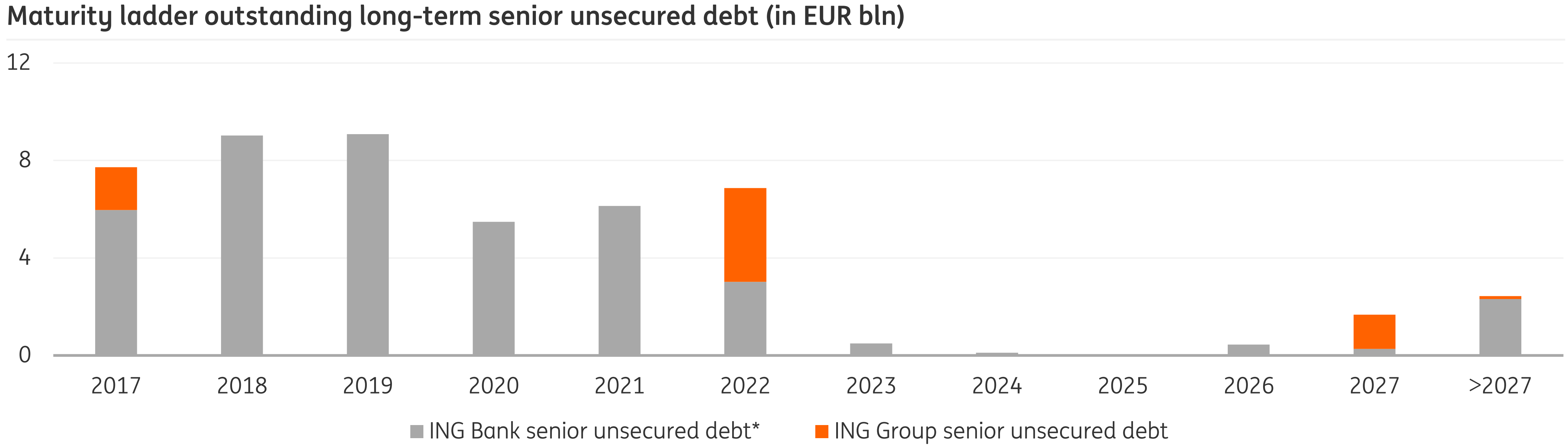
ING Group 1Q17 capital position*



- ING had a successful start to its TLAC issuance strategy in 1Q17 with EUR 5.3 bln of Senior HoldCo debt issued in March 2017
- The pro-forma TLAC ratio would be 21.6%, which is ahead of the 2019 TLAC requirements of 21.5%
- MREL requirements have yet to be determined and could well be higher
- Any potential (higher) shortfall related to MREL requirements, new regulatory initiatives and balance sheet growth will be met with additional Group issuance

* Concerns fully-loaded ratios
** Including grandfathered securities

...supported by a recycling strategy of ING Bank instruments



- ING Bank has EUR 38.7 billion of long-term senior unsecured debt maturing from 2017 until 2022 of which EUR 15.0 billion (4.8% of RWA) is maturing in 2017/2018
- In addition, EUR 1.75 billion of ING Group senior unsecured matures in May 2017
- Consequently, recycling these maturing notes will give us ample flexibility to comply with remaining TLAC requirements

* As per the publication date of this Credit Update 1Q17; ING consolidated figures shown for issued senior bonds are included with a tenor ≥ 1 year

Issuance entities under our approach to resolution

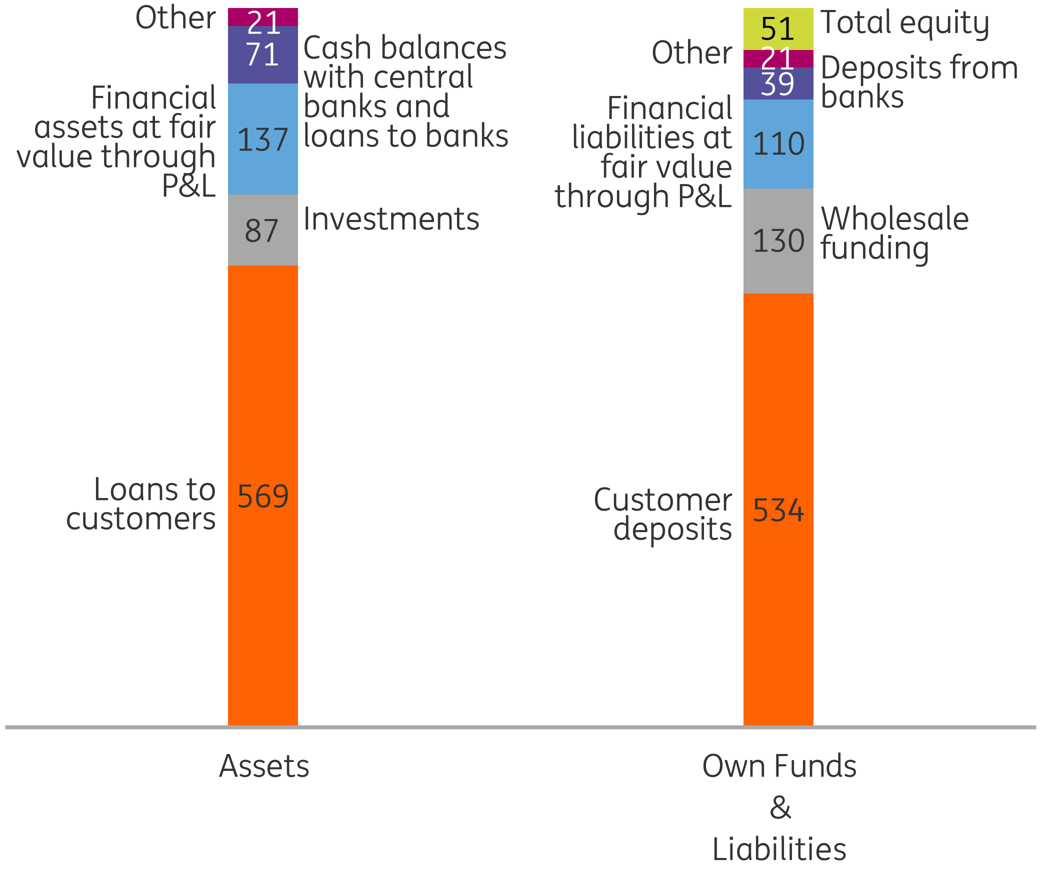
Issuance entities	Instruments
ING Group	• Capital instruments • Senior unsecured debt (TLAC / MREL eligible)
ING Bank	• Covered Bonds / secured funding • Senior unsecured debt (TLAC / MREL ineligible)
Various ING subsidiaries	• Covered Bonds / secured funding • Senior unsecured debt (TLAC / MREL ineligible)

Liquidity and funding

ING Group balance sheet: strong and conservative with customer deposits as the primary source of funding

Balance sheet ING Group (in EUR bln)

Balance sheet size ING Group 31 March 2017: EUR 885 bln



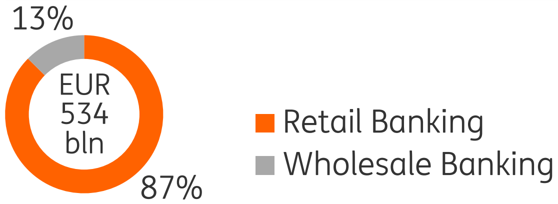
High quality customer loan book

- See "Asset Quality" section of the presentation

Attractive funding profile

- 60% of the balance sheet is funded by customer deposits
- 87% of total customer deposits is retail based
- Attractive loan-to-deposit ratio of 105% as per 31 March 2017

Customer deposits by segment



Large, high quality liquidity buffer

- See "Funding & Liquidity" sections of the presentation

Conservative trading profile

- Majority of our Financial Markets business is customer flow based where we largely hedge out positions, reflected in large but often off-setting assets and liabilities at FV positions
- Average VaR during 1Q17 remained stable at EUR 7 mln compared to the previous quarter for ING's trading portfolio

Robust rating profile with strong trend over the last quarters

Credit ratings on 9 May 2017

	S&P	Moody's	Fitch
Stand-alone rating	bbb+	baa1	a+
Business position	1 notch		
Capital and earnings	1 notch		
Government support	-	1 notch	-
Junior debt support	-	N/A	-
Moody's LGF support	N/A	2 notches	N/A
ING Bank NV (OpCo)			
Bank senior LT rating	A	A1	A+
Outlook	Stable	Positive	Stable
Bank senior ST rating	A-1	P-1	F1
Tier 2	BBB+*	Baa2	A
ING Groep NV (HoldCo)			
Group senior LT rating	A-	Baa1	A+
AT1	BB	Ba1	BBB-

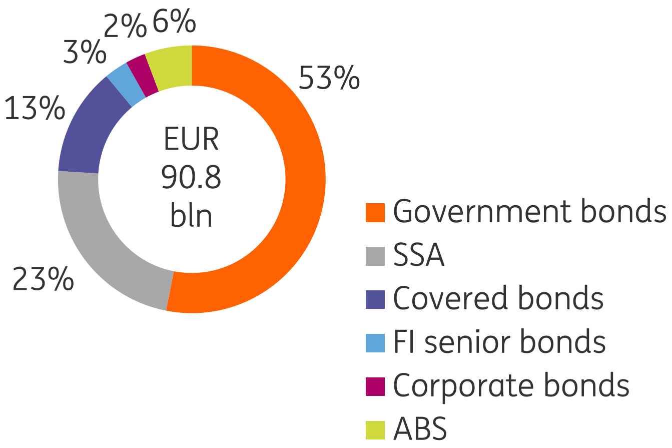
* Tier 2 rating for latest instrument with issuer substitution option via exchange is BBB

Latest ING Bank rating actions

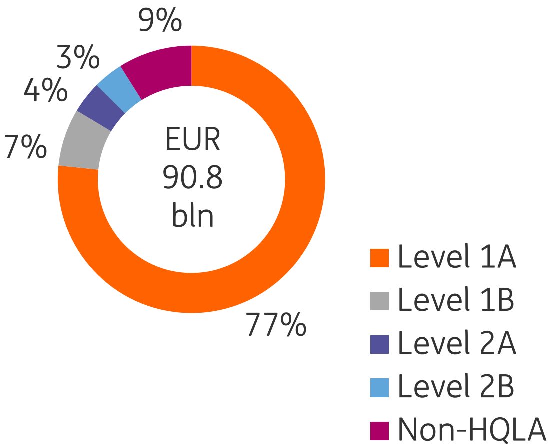
- S&P: Jun-2015 outlook change from 'A' Negative to 'A' Stable on strengthening capital
- Moody's: May-2015 rating uplift from 'A2' to 'A1' following the publication of Moody's new bank rating methodology
- Fitch: Apr-2016 rating uplift from 'A' to 'A+' reflecting ING's solid financial metrics and strong execution of strategy, supported by higher capital ratios, which resulted in an improvement of ING Bank's viability rating
- Moody's: outlook change from 'A1' Stable to 'A' Positive on expected increase of ING Group's bail-in-able debt buffer

Investment portfolio consists of high quality assets

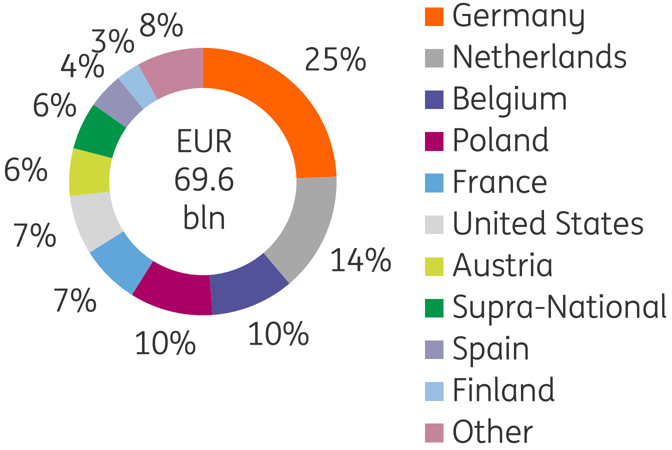
Debt securities by type



Debt securities by LCR category



Level 1A assets by country



Strong investment portfolio with mainly HQLA assets

- ING Group's investment portfolio decreased to EUR 90.8 billion in 1Q17. The decrease is mainly the result of maturities and sales, notably government bonds and SSA bonds reduced predominantly due to de-concentrating ahead of French election, which more than offset new LCR HQLA investments
- EUR 82.7 billion of bonds in the investment portfolio qualify as HQLA (91%) and 75.9 billion of bonds qualify as Level 1 HQLA under the EU's Delegated Act
- The investment portfolio has an average tenor of 4.5 years
- Total liquidity buffer well exceeds short-term wholesale debt*

* Includes ING Group NV long-term debt with remaining lifetime < 12 months and balance of CD/CP Issued

Appendix

Outstanding capital securities

(Additional) Tier 1 securities issued by Group

Currency	Issue date	First call date	Coupon	Issued	Outstanding**
USD (compliant)	Nov-16	Apr-22	6.875%	1,000	1,000
USD (compliant)	Apr-15	Apr-20	6.000%	1,000	1,000
USD (compliant)	Apr-15	Apr-25	6.500%	1,250	1,250
USD	Jun-07	Jun-12	6.375%	1,045	1,045
USD	Sep-05	Jan-11	6.125%	700	700
EUR	Jun-04	Jun-14	10yr DSL +10	1,000	563
USD	Oct-03	Jan-09	6.200%	500	500
EUR	Jun-03	Jun-13	10yr DSL +50	750	432
USD	Dec-00	Dec-10	3mL + 360	1,500	522

Tier 2 securities issued by Group

Currency	Issue date	First call date	Maturity	Coupon	Outstanding**
EUR (compliant)	Apr-16*	Apr-23	Apr-28	3.00%	1,000
EUR (compliant)	Feb-17	Feb-24	Feb-29	2.50%	750

Tier 2 securities issued by Bank

Currency	Issue date	First call date	Maturity	Coupon	Outstanding**
EUR (compliant)	Feb-14	Feb-21	Feb-26	3.63%	1,500
USD (compliant)	Nov-13	Nov-18	Nov-23	4.13%	2,058
EUR (compliant)	Nov-13	Nov-18	Nov-23	3.50%	1,057
USD (compliant)	Sep-13	n/a	Sep-23	5.80%	2,000
GBP	May-08	May-18	May-23	6.875%	800
EUR	May-08	May-18	May-23	6.125%	1,000
EUR	Jul-07	Jul-22	Jul-27	10yr CMS +4	150

* ING has exercised the option to replace the ING Bank EUR 1 bln Tier 2 notes issued in April 2016 for ING Group Tier 2 notes in April 2017
** Amount outstanding in original currency

ING

Recent ING HoldCo, OpCo Senior and Covered benchmarks

HoldCo Senior Unsecured*

ISIN	Issue date	Maturity	Tenor	Coupon	Currency	Issued	Spread
US456837AG8	Mar-17	Mar-22	5yr	3.15%	USD	1,500	T + 125
US456837AH6	Mar-17	Mar-27	10yr	3.95%	USD	1,500	T + 155
US456837AJ28	Mar-17	Mar-22	5yr	3mL + 115	USD	1,000	3mL + 115
XS1576220484	Mar-17	Mar-22	5yr	0.75%	EUR	1,500	m/s + 70

OpCo Senior Unsecured*

ISIN	Issue date	Maturity	Tenor	Coupon	Currency	Issued	Spread
US449786BG67	Aug-16	Aug-19	3yr	3mL + 61	USD	250	3mL + 61
US449786BH41	Aug-16	Aug-19	3yr	1.65%	USD	450	T + 83
US449786BF84	Aug-16	Aug-21	5yr	3mL + 88	USD	250	3mL + 88
US449786BJ07	Aug-16	Aug-21	5yr	2.05%	USD	600	T + 93

Covered Bond**

ISIN	Issue date	Maturity	Tenor	Currency	Issued
XS1599273189	Apr-17	Feb-27	10yr	EUR	500
XS1565338743	Feb-17	Feb-27	10yr	EUR	1,000
XS1433124457	Jun-16	Sep-24	8yr	EUR	1,500
XS1433124705	Jun-16	Sep-26	10yr	EUR	1,500

* OpCo USD issues under 144A / RegS format and HoldCo USD issues SEC registered
** Internally placed Soft Bullet Covered Bonds issued under ING Bank´s EUR 10 bln Soft Bullet Covered Bond programme

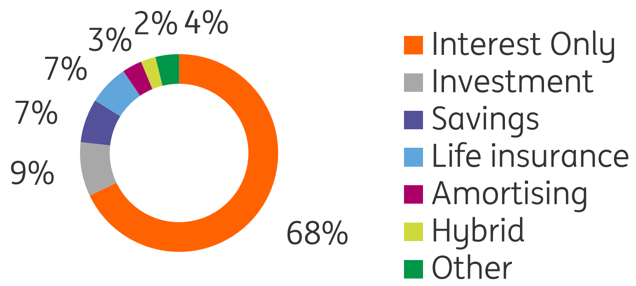
ING Bank's covered bond programme...

- ING Bank NV EUR 30 bln Hard and Soft Bullet Covered Bonds programme
  - UCITS, CRR and ECBC Label compliant. Rated Aaa/AAA/AAA (Moody's/S&P/Fitch)
  - Programme is used for external issuance purposes; separate EUR 10 bln Soft Bullet Covered Bonds programme for internal transactions only
  - Cover pool consists of 100% prime Dutch residential mortgage loans, all owner occupied and in EUR only. As per 31 March 2017, no arrears > 90 days in the cover pool
  - Strong Dutch legislation with min. legally required OC of 5% and LTV cut-off rate of 80%
- Latest investor reports are available on www.ing.com/IR

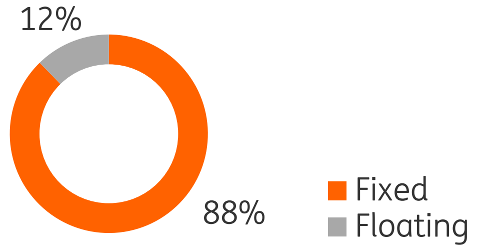
Portfolio characteristics (as per 31 March 2017)

Net principal balance	EUR 31,110 mln
Outstanding bonds	EUR 22,699 mln
# of loans	185,712
Avg. principal balance (per borrower)	EUR 167,516
WA current interest rate	3.27%
WA maturity	18.6 years
WA remaining time to interest reset	5.6 years
WA seasoning	11.0 years
WA current indexed LTV	73.5%
Min. documented OC	17.9%
Nominal OC	37.0%

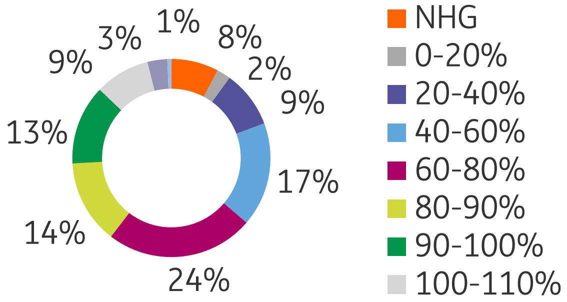
Repayment type



Interest rate type

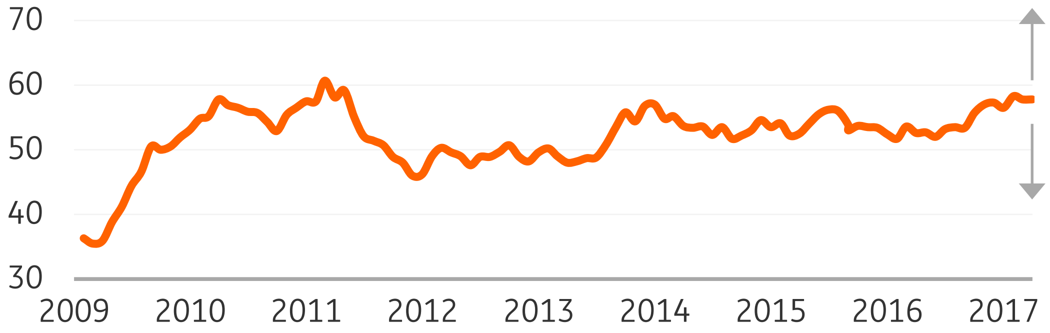


Current Indexed LTVs

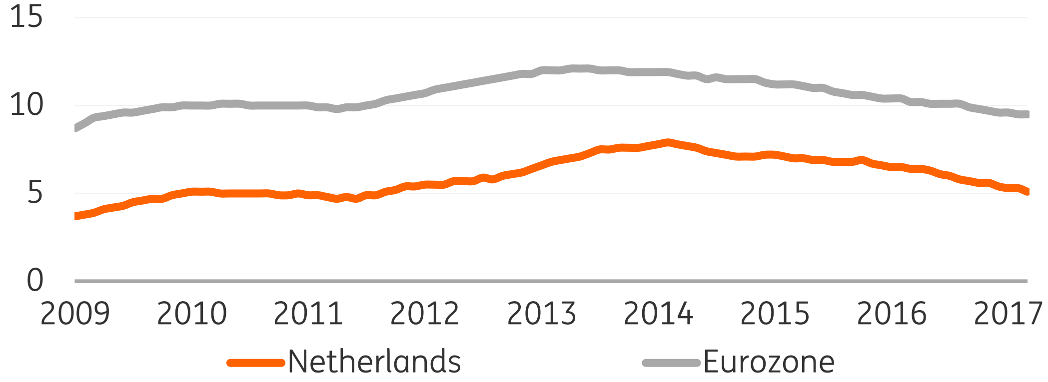


...benefiting from continued improvement of the Dutch economy and housing market

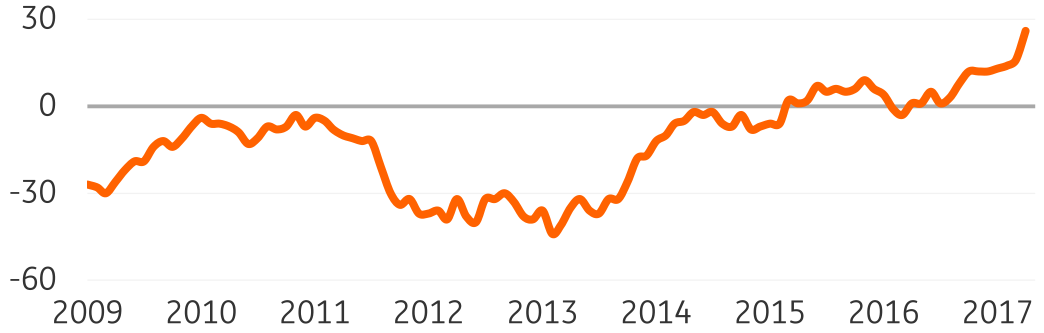
Dutch Purchasing Managers Index (PMI) was 57.8 in April 2017, which indicates positive growth in industry



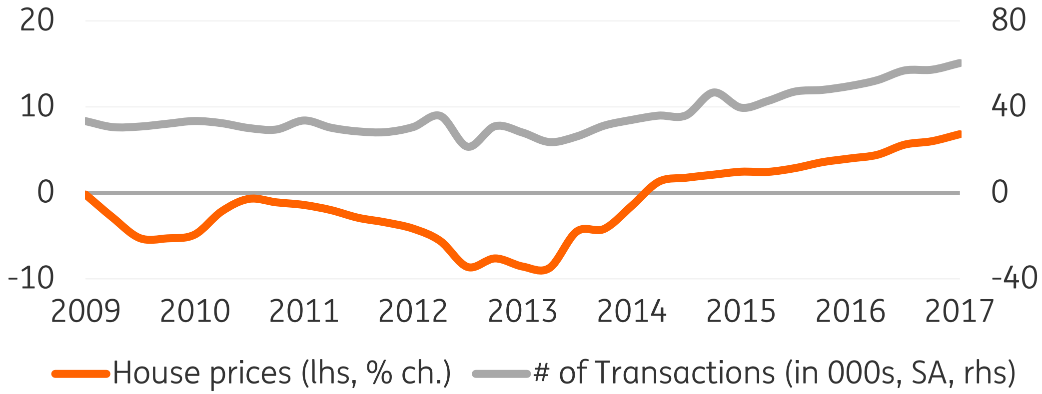
Unemployment rates (%) continue to decline



Dutch consumer confidence* has surged in recent months



Dutch house prices and market turnover underlining healthy state of the housing market**



* Source: Central Bureau for Statistics
** Source: NVM (Dutch Association of Realtors), Statistics Netherlands/CBS

Important legal information

Projects may be subject to regulatory approvals. Insofar as they could have an impact in Belgium, all projects described are proposed intentions of the bank. No formal decisions will be taken until the information and consultation phases with the Work Council have been properly finalised.

ING Group's annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2016 ING Group consolidated annual accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to a number of factors, including, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including developing markets, (3) potential consequences of European Union countries leaving the European Union or a break-up of the euro, (4) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness, (5) changes affecting interest rate levels, (6) changes affecting currency exchange rates, (7) changes in investor and customer behaviour, (8) changes in general competitive factors, (9) changes in laws and regulations and the interpretation and application thereof, (10) geopolitical risks and policies and actions of governmental and regulatory authorities, (11) changes in standards and interpretations under International Financial Reporting Standards (IFRS) and the application thereof, (12) conclusions with regard to purchase accounting assumptions and methodologies, and other changes in accounting assumptions and methodologies including changes in valuation of issued securities and credit market exposure, (13) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (14) changes in credit ratings, (15) the outcome of current and future legal and regulatory proceedings, (16) ING's ability to achieve its strategy, including projected operational synergies and cost-saving programmes and (17) the other risks and uncertainties detailed in the most recent annual report of ING Groep N.V. (including the Risk Factors contained therein) and ING's more recent disclosures, including press releases, which are available on www.ING.com. Many of those factors are beyond ING's control.

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