



Offering of 1,768,412,544 Bearer Depositary Receipts representing 1,768,412,544 Ordinary Shares
(with a par value of EUR 0.24 each) of

ING Groep N.V.

(a public limited liability company incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands)
Subscription Price in the Rights Offering: EUR 4.24 per Bearer Depositary Receipt

This prospectus (the “**Prospectus**”) relates to an offering of 1,768,412,544 bearer depositary receipts (the “**New BDRs**”) of *Stichting ING Aandelen* (the “**Trust**”) representing 1,768,412,544 ordinary shares (the “**New Ordinary Shares**”) of ING Groep N.V. (“**ING Groep N.V.**” or the “**Company**” and, together with its consolidated subsidiaries, “**ING**” or the “**Group**”). We refer to the New BDRs, together with the New Ordinary Shares, as the “**New Shares**” and to the existing ordinary shares of ING Groep N.V. (the “**Existing Ordinary Shares**”) and the existing bearer depositary receipts of the Trust (the “**Existing BDRs**”) as the “**Existing Shares**”.

The offering (the “**Offering**”) comprises: (1) the rights offering (“**Rights Offering**”) in which the holders of Existing Ordinary Shares (other than the Trust) and Existing BDRs will receive tradable rights (“**Tradable Rights**”) and the holders of American depositary shares (“**ADSs**”), each representing one Existing BDR (“**Existing ADSs**”), will receive non-transferable rights (“**ADS Rights**” and, together with the Tradable Rights, the “**Rights**”) to subscribe for New BDRs and new ADSs (“**New ADSs**”), respectively, at the Subscription Price (as defined below), and (2) the global offering (“**Global Offering**”), in which New Shares for which Rights have not been validly exercised during the applicable Rights Exercise Period (as defined herein) (the “**Rump Shares**”) may be sold at the Global Offering Price (as defined below) or in open market transactions. The Rights Offering will be made by way of (1) public offerings in the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland and the United Kingdom, in reliance on Regulation S (“**Regulation S**”) under the US Securities Act of 1933, as amended (the “**Securities Act**”), (2) private placements to certain institutional investors outside the United States of America (the “**United States**” or “**US**”) in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (3) a public offering in the United States under the Securities Act. The Global Offering will be made by way of (1) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (2) a public offering in the United States under the Securities Act. The terms of the Rights Offering for holders of Existing ADSs are different from the terms described herein. If you are a holder of Existing ADSs, please see the US prospectus supplement and the related prospectus pursuant to which the Offering will be made in the United States, which was filed with the US Securities and Exchange Commission (the “**SEC**”) on 27 November 2009. For holders of International Depositary Receipts (“**IDRs**”) representing Existing BDRs (“**Existing IDRs**”) issued in Belgium, the Tradable Rights will be represented by coupon number 24 attached to the IDRs (the “**Tradable IDR Rights**”). Certain restrictions on the sale and exercise of the Tradable Rights including the Tradable IDR Rights will apply. See “**Selling and Transfer Restrictions**”.

Subject to the terms and conditions set out in this Prospectus, holders of Existing Shares (other than the Trust) after close of business on 27 November 2009 (the “**Record Date**”) will be allotted one Right per Existing Share held. The exercise of 7 Rights entitles the exercising holder to subscribe for 6 New BDRs, against payment of a subscription price of EUR 4.24 per New BDR (the “**Subscription Price**”). On 26 November 2009, the closing price of the ING shares was EUR 8.92 per share on Euronext Amsterdam by NYSE Euronext (“**Euronext Amsterdam**”) and on Euronext Brussels by NYSE Euronext (“**Euronext Brussels**”), and on 25 November 2009, the closing price of Existing ADSs representing ING shares was USD 12.28 per Existing ADS on the New York Stock Exchange (“**NYSE**”). In this Prospectus, “**ING shares**” refers to bearer depositary receipts issued by the Trust representing ordinary shares of ING Groep N.V. Bearer depositary receipts can be exchanged for (non-listed) ordinary shares against payment of a fee of EUR 0.01 per bearer depositary receipt with a minimum of EUR 25.00 per exchange transaction.

The Tradable Rights are expected to be traded on Euronext Amsterdam and Euronext Brussels under the symbol “INGRI” during the period from 30 November 2009 (inclusive) to 1:15 p.m. (Amsterdam time) on 15 December 2009 (inclusive) (the “**Rights Trading Period**”). The Tradable IDR Rights are expected to be traded on Euronext Brussels under the symbol “ING24” during the period from 30 November 2009 (inclusive) to 1.15 p.m. (Amsterdam time) on 15 December 2009 (inclusive). The ADS Rights are not transferable and will not be admitted to trading on the NYSE or any other exchange. Holders of Tradable Rights wishing to subscribe for New BDRs must exercise their Rights during the period from 30 November 2009 through 3:00 p.m. (Amsterdam time) on 15 December 2009 (the “**Rights Exercise Period**”). Rights may be exercised only in integral multiples of the subscription ratio. Tradable Rights not validly exercised during the Rights Exercise Period, including Rights in excess of the nearest integral multiple of the subscription ratio, will no longer be exercisable.

The “**Global Offering Price**”, if applicable, is expected to be determined following an institutional bookbuilding procedure commencing on or about 16 December 2009 and is expected to be published on or about 16 December 2009.

Subject to the satisfaction of certain conditions as set forth in the Underwriting Agreement (as defined herein), the Offering has been underwritten by an underwriting syndicate led by Goldman Sachs International and J.P. Morgan Securities Ltd. (the “**Representatives**” and, together with ING Bank N.V., the “**Joint Global Coordinators and Joint Bookrunners**”). The Representatives, together with the other members of the underwriting syndicate are referred to as the “**Underwriters**”. If any or all of the conditions of the Offering are not met or waived by the Representatives on behalf of the Underwriters prior to payment for and delivery of the Rump Shares, or if certain circumstances occur prior to payment for and delivery of the Rump Shares, the Representatives, on behalf of the Underwriters may, at their discretion, terminate the Global Offering and their obligation to subscribe for any Rump Shares, whereupon the Offering will be cancelled and the Company will not receive the proceeds expected to be generated by the Offering. For more information regarding the conditions of the Offering and the consequences of any termination or withdrawal of the Offering, see “**The Offering — Withdrawal of the Offering**”.

The Existing BDRs are listed on Euronext Amsterdam and on Euronext Brussels under the symbol “INGA” and the Existing ADSs are listed on the NYSE under the symbol “ING”. The Existing IDR’s are listed on Euronext Brussels under the symbol “INGS”. Beginning on 30 November 2009, the Existing BDRs are expected to trade on Euronext Amsterdam and Euronext Brussels (including the Existing IDRs), at which time the Tradable Rights are expected to start trading on Euronext Amsterdam and Euronext Brussels (including the Tradable IDR Rights). The ADS Rights will not trade on NYSE and are not transferable. Applications have been or will be made for listing of the New BDRs on Euronext Amsterdam and Euronext Brussels and for listing of the New ADSs on the NYSE, which are expected to be granted on or before 21 December 2009. Trading of the New BDRs is expected to commence on or about 21 December 2009 and trading of the New ADSs is expected to commence on or about 21 December 2009.

Application has been made for the Tradable Rights and the New BDRs to be accepted for clearance through *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* (“**Euroclear Netherlands**”), Clearstream Banking S.A. Luxembourg (“**Clearstream**”) and Euroclear Banking S.A./N.V., as operator of the Euroclear system (“**Euroclear**”). The New BDRs for which Tradable Rights have been exercised are expected to be delivered through the facilities of Euroclear Netherlands on or about 21 December 2009.

Investing in the Rights or the New Shares involves risks. For a discussion of material risks which the investors should consider before exercising their Rights or investing in the Rights or the New Shares, see “Risk Factors” beginning on page 73.

This document constitutes a prospectus for the purposes of Article 3 of the prospectus directive 2003/71/EC (the “**Prospectus Directive**”) and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the “**Dutch Financial Supervision Act**”) and the rules promulgated thereunder. The Prospectus has been filed with and approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the “**AFM**”). The approved Prospectus will be notified by the AFM to the competent authorities in Belgium, France, Germany, Luxembourg, Spain and the United Kingdom for passporting in accordance with Article 18 of the Prospectus Directive. This Prospectus is not for use inside the United States.

Joint Global Coordinators and Joint Bookrunners

Goldman Sachs International

ING

J.P. Morgan

Co-Bookrunners

Credit Suisse

Deutsche Bank

HSBC

Morgan Stanley

Joint Lead Managers

ABN AMRO

UBS Investment Bank

Co-Lead Managers

BNP PARIBAS

COMMERZBANK

Fortis Bank Nederland

Lloyds TSB Corporate Markets

Rabo Securities

Banco Santander

Société Générale Corporate & Investment Banking

UniCredit Group

Subscription, Listing and Paying Agent

ING

The date of this Prospectus is 27 November 2009

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Rights and the New Shares offered hereby, and does not constitute an offer to sell or a solicitation of an offer to buy any Rights or New Shares offered hereby to any person in any jurisdiction in which it is unlawful to make any such offer or solicitation to such person. Neither the delivery of this Prospectus nor any sale made hereby shall under any circumstances imply that there has been no change in the affairs of ING Groep N.V. or its subsidiaries or that the information contained herein is correct as of any date subsequent to the earlier of the date hereof and any earlier specified date with respect to such information.

The distribution of this Prospectus and the offer of the Rights or the New Shares may be restricted by law in certain jurisdictions. ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners and the Underwriters require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase the Rights or the New Shares in any jurisdiction in which such offer or invitation would be unlawful. For a description of certain restrictions on the offer and sale of the Rights and the New Shares, see “Selling and Transfer Restrictions”. None of ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners or the Underwriters accepts any legal responsibility for any violation by any person, whether or not a prospective investor in the Rights or the New Shares, of any such restrictions.

None of ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners, the Underwriters, or any of their respective representatives is making any representation to any offeree or purchaser of the securities offered hereby regarding the legality of an investment by such offeree or purchaser under applicable legal investment or similar laws. Each investor should consult with its own advisors as to the legal, tax, business, financial and related aspects of the subscription and the purchase of the New Shares or Rights in the Offering.

This Prospectus has been prepared by ING Groep N.V. in connection with the Offering solely for the purpose of enabling a prospective investor to consider the subscription or the purchase of the New Shares or the purchase of the Rights. Reproduction and distribution of this Prospectus or disclosure or use of the information contained herein for any purpose other than considering an investment in the New Shares is prohibited.

The information contained in this Prospectus has been provided by ING Groep N.V. and other sources identified herein. No person has been authorized to give any information or to make any representation not contained in this Prospectus in connection with the Offering and, if given or made, any such information or representation should not be relied upon as having been authorized by ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners or the Underwriters.

The Joint Global Coordinators and Joint Bookrunners are acting for the Company and for no one else in connection with the Offering and will not regard any other person as the respective clients of each of the Joint Global Coordinators and Joint Bookrunners in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to the respective clients of each of the Joint Global Coordinators and Joint Bookrunners nor for providing advice in relation to the Offering or any transaction or arrangement referred to in this Prospectus.

In making an investment decision, investors must rely on their own examination of ING Groep N.V. and the terms of the Offering, including the merits and risks involved. Any decision to subscribe for or purchase New Shares or to purchase Rights should be based solely on this Prospectus.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Prospectus has been approved by the AFM, the competent authority of the Netherlands. It has been prepared on the basis that all offers of New Shares (other than the offers in the Netherlands or which will be made pursuant to the “passport procedure” provided by Article 17 of the Prospectus Directive (2003/71/EC)) will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the European Economic Area (“EEA”), from the requirement to produce a prospectus for offers of shares. Accordingly, any person making or intending to make any offer within any such EEA member state of the New Shares should only do so in circumstances in which no obligation arises for ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners or the Underwriters to produce a prospectus for such offer. None of ING Groep N.V., the Underwriters, or the Joint Global Coordinators and Joint Bookrunners, or any of their respective affiliates, have authorized, or do authorize, the making of any offer of New Shares through any financial intermediary, other than offers made by Underwriters which constitute the final placement of the New Shares contemplated in this Prospectus.

In relation to each EEA member state which has implemented the Prospectus Directive (each, a **“Relevant Member State”**), an offer to the public of any New Shares may not be made in that Relevant Member State (other than the offers in the Netherlands or which will be made pursuant to the “passport procedure” provided by Article 17 of the Prospectus Directive), except that an offer to the public in that Relevant Member State of any of the New Shares may be made at any time under the following exemptions from the Prospectus Directive, if they have been implemented in that Relevant Member State:

1. to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
2. to any legal entity which has two or more of (A) an average of at least 250 employees during the last financial year; (B) a total balance sheet of more than €43,000,000 and (C) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
3. in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the New Shares shall result in a requirement for the publication by ING Groep N.V. or any Underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an **“offer to the public”** in relation to any of the securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any of the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression **“Prospectus Directive”** includes any relevant implementing measure in each Relevant Member State.

NOTICE TO INVESTORS IN CANADA

This Prospectus is not, and under no circumstance is to be construed as, an advertisement or a public offering of the Rights or the New Shares in any Canadian province or territory. Any offer or sale of the Rights or the New Shares in any Canadian jurisdiction will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and in compliance with applicable Canadian provincial and territorial securities laws. Furthermore, any resale of the Rights or the New Shares must be made in accordance with an exemption from the prospectus requirements and in accordance with the registration requirements of applicable Canadian provincial and territorial securities laws in which such resale is made.

NOTICE TO INVESTORS IN JAPAN

The Rights to be offered in the Rights Offering, and the New Shares to be issued upon exercise of the Rights or to be sold in the Global Offering, have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. Accordingly, no resident of Japan may participate in the Offering or exercise any Rights and no Underwriter is allowed to, directly or indirectly, offer or sell any Rights or New Shares in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, or otherwise in compliance with, the Financial Instruments and Exchange Law or other relevant laws and regulations of Japan. As used in this paragraph, **“resident of Japan”** means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

NOTICE TO INVESTORS IN AUSTRALIA

This Prospectus does not constitute a disclosure document under Part 6D.2 or Part 7.9 of the Corporations Act 2001 of the Commonwealth of Australia (the **“Corporations Act 2001 (Cth)”**) and has not been, and will not be, lodged with the Australian Securities and Investments Commission. Accordingly, this Prospectus does not necessarily contain all of the information a prospective investor would expect to be contained in an offering document or which he/she may require to make an investment decision. The offer to which this document relates is being made in Australia to persons who fall within one of the categories set out in sections 708(8) or 708(11) of the Corporations Act 2001 (Cth), and who are “wholesale clients” which has the meaning given in subsection 761G(4) of the Corporations Act 2001 (Cth).

As any offer for the issue of the Rights and the New Shares under this document will be made without disclosure in Australia under the Corporations Act 2001 (Cth), the offer of such Rights and New Shares for resale in Australia within 12 months of their issue may, under the Corporations Act 2001 (Cth), require disclosure to investors under

Part 6D.2 or Part 7.9 unless one of the exemptions in section 708 of the Corporations Act 2001 (Cth) apply to that resale, the sale offer is made to a “wholesale client” or is received outside of Australia.

This Prospectus is intended to provide general information only and has been prepared by the Company without taking into account any particular person’s objectives, financial situation or needs. Recipients should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. Recipients should review and consider the contents of this document and obtain financial advice (or other appropriate professional advice) specific to their situation before making any decision to accept the offer of the Rights and/or the New Shares.

NOTICE TO INVESTORS IN ITALY

The Offering of the Rights and the New Shares has not been approved by the Italian Exchange and Securities Commission (*Commissione Nazionale per le Società e la Borsa* —“**CONSOB**”) pursuant to Legislative Decree No. 58 of 24 February 1998 (“**Consolidated Financial Act**”) and related implementing regulations or the Prospectus Directive. Accordingly, no Rights or New Shares may be offered nor may copies of the Prospectus or of any other document relating to the Rights or the New Shares be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 34-ter, first paragraph, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Consolidated Financial Act and Article 34-ter, first paragraph of Regulation No. 11971.

Any offer of Rights or New Shares or distribution of copies of the Prospectus or any other document relating to the Rights or the New Shares in the Republic of Italy must take place:

- (a) through *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by the Consolidated Financial Act), to the extent duly authorized to engage in the placement and/or underwriting of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Consolidated Financial Act, Legislative Decree No. 385 of 1 September 1993 (“**Consolidated Banking Act**”) and CONSOB Regulation No. 16190 of 29 October 2007;
- (b) in compliance with Article 129 of the Consolidated Banking Act and with the related implementing regulations of the Bank of Italy by virtue of which the issue or offer of securities in Italy may be followed by notice thereof to the Bank of Italy according to the total value of the securities offered in Italy and to their characteristics; and
- (c) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or the Bank of Italy or any other Italian authority.

WHERE TO FIND HELP

If you have questions in relation to the Offering, please telephone the Shareholder Helpline at the following European toll-free number: 00800 2667 8825, or, from the United Kingdom at 0117 378 5973. The helpline is available from 9:00 a.m. to 9:00 p.m. (CET time) Monday to Friday (other than public holidays) and will remain open until 18 December 2009.

Please note that, for legal reasons, the Shareholder Helpline will only be able to provide information contained in this Prospectus and information relating to ING Groep N.V.’s register of shareholders and will be unable to give advice on the merits of the Offering or provide financial, legal, tax or investment advice.

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1. SUMMARY OF THE PROSPECTUS

This summary should be read as an introduction to this Prospectus and any decision to invest in any New Shares or trade in Tradable Rights should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference and the risks of investing in the New Shares or trading in the Tradable Rights as set out in the “Risk Factors” below. This summary is not complete and does not contain all the information that you should consider in connection with any decision relating to the New Shares or the Rights.

Civil liability attaches to the Company in any state party to the European Economic Area (an “EEA State”) in respect of this summary, including any translation hereof, only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. In the event claims are brought before a court of law based on information contained in this Prospectus, the investor appearing as a plaintiff may have to bear the costs of translating the Prospectus before legal proceedings begin in compliance with the national laws of the individual EEA State.

In this Prospectus, and unless otherwise stated or the context otherwise dictates, references to “**ING Groep N.V.**”, “**ING Groep**”, the “**Company**” and “**ING Group**” refer to ING Groep N.V. and references to “**ING**”, the “**Group**”, “**we**” and “**us**” refer to ING Groep N.V. and its consolidated subsidiaries. ING Groep N.V.’s primary insurance and banking subsidiaries are ING Verzekeringen N.V. (together with its consolidated subsidiaries, “**ING Insurance**”) and ING Bank N.V. (together with its consolidated subsidiaries, “**ING Bank**”), respectively. References to “**Executive Board**”, “**Supervisory Board**” and “**General Meeting**” refer to the Executive Board, Supervisory Board and a General Meeting of Shareholders of ING Groep N.V., respectively.

Overview of ING

ING is a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services. As of 30 September 2009, we served more than 85 million private, corporate and institutional customers in Europe, North and Latin America, Asia and Australia. We draw on our experience and expertise, our commitment to excellent service and our global scale to meet the needs of a broad customer base, comprising individuals, families, small businesses, large corporations, institutions and governments. ING Groep N.V. was incorporated as a *Naamloze Vennootschap* (public limited liability company) under the laws of the Netherlands on 21 January 1991.

On 26 October 2009, ING announced that it plans to divest all of its insurance operations, including its investment management business by the end of 2013. This represents the next step in the Back to Basics program announced in April 2009 under which ING had already begun the process of restructuring its banking and insurance businesses (together with the investment management business) so that they are operated separately under the ING umbrella. The envisaged divestment forms part of ING’s restructuring plan (“**Restructuring Plan**”) for which ING finalized negotiations with the European Commission (“**EC**”) in October 2009 and which was formally approved by the EC on 18 November 2009. Under the Restructuring Plan, ING has also agreed to divest ING Direct US, which operates the Group’s direct banking business in the United States, by the end of 2013, and to divest certain portions of its Dutch retail banking business. ING will consider a range of options to carry out these divestments including through initial public offerings, sales, spin-offs or combinations thereof. For more information about the Restructuring Plan, see “Business — Recent Developments — Insurance and other Divestments, EC Agreement”.

Following the completion of the Restructuring Plan, ING Bank will be a mid-sized European retail and commercial bank, anchored in the Benelux, with strong ING Direct and Central Europe franchises, and will pursue attractive growth prospects outside Europe.

For more information on ING’s history and business see “Business” elsewhere in this Prospectus; for more information on ING’s financial results, see “Selected Consolidated Financial Information” and “Operating and Financial Review and Prospects”; and for more information on certain legal matters relating to ING, see “General Information about the Company”.

Background To and Reasons For The Offering

In October 2008, the Dutch State purchased EUR 10 billion Core Tier-1 Securities (“**Core Tier-1 Securities**”) of ING as part of its measures to protect the Dutch financial sector during the global financial crisis. See “Business — Transactions with the Dutch State”. The original terms of the Core Tier-1 Securities allowed ING to repurchase some or all of the one billion Core Tier-1 Securities at any time at a price of EUR 15 per Core Tier-1 Security plus accrued interest to the date of repurchase. In connection with the Restructuring Plan, ING and the Dutch State have agreed that up to EUR 5 billion of the EUR 10 billion Core Tier-1 Securities may be repurchased at any time until 31 January 2010 at the original issue price of EUR 10 per Core Tier-1 Security, plus a repurchase premium ranging from EUR 346 million to EUR 705 million and accrued interest. ING plans to use the proceeds from the Offering

primarily to fund the repurchase of such EUR 5 billion in issue amount of the Core Tier-1 Securities. For more information about the proposed repurchase of the Core Tier-1 Securities, see “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”.

On 31 March 2009, ING Group and the Dutch State completed the Illiquid Assets Back-Up Facility covering the Alt-A Residential Mortgage-Backed securities portfolios of both ING Direct US and Insurance Americas with a par value of approximately EUR 30 billion. Under the Illiquid Assets Back-Up Facility (the “**Illiquid Assets Back-Up Facility**”), ING transferred 80% of the economic ownership of its Alt-A portfolio to the Dutch State. In order to obtain the approval of the EC for the Restructuring Plan, ING committed to make a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. These additional payments will amount to a net present value of EUR 1.3 billion, which will be reflected in a one-off pre-tax charge in the fourth quarter of 2009. For more information about these additional payments, see “Business — Recent Developments — Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility”. For more information about the Restructuring Plan, see “Business — Recent Developments — Insurance and other Divestments, EC Agreement”. ING plans to use the remaining proceeds of the Offering, after repayment of the Core Tier-1 Securities, to strengthen its capital position, including to offset the EUR 1.3 billion charge and to allocate the remaining proceeds partially to coupon payments due in December 2009 on its outstanding hybrid securities, as required by the EC in order not to be required to defer coupons on hybrid securities.

Summary Consolidated Financial Information

Except as otherwise indicated, the following summary historical financial information for the Group is based on, and should be read together with, (1) the consolidated financial information of ING Groep N.V. as set forth in the audited consolidated financial statements and notes thereto of ING Groep N.V. as of and for the years ended 31 December 2008 (the “**2008 Financial Statements**”), 31 December 2007 and 31 December 2006 (together, the “**Financial Statements**”) and (2) the unaudited consolidated financial information and notes thereto of ING Groep N.V. as of and for the three months and nine months ended 30 September 2009 and as of and for the three months and six months ended 30 June 2009 (the “**Interim Financial Information**”), all of which are incorporated by reference or reproduced elsewhere in this Prospectus.

Except as otherwise noted, financial statement amounts set forth in this Prospectus are presented in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the European Union (“**EU**”). In this document the term “**IFRS-EU**” is used to refer to International Financial Reporting Standards as adopted by the EU including the decisions ING Group made with regard to the options available under International Financial Reporting Standards as adopted by the EU. See “Basis of Presentation” under Section 2.1. of the 2008 Financial Statements for further discussion of the basis of presentation. IFRS-EU differs from International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS-IASB**”) in respect of certain paragraphs in IAS 39 ‘Financial Instruments: Recognition and Measurement’. See “Selected Consolidated Financial Information” elsewhere in this Prospectus for more information on the differences between IFRS-IASB and IFRS-EU as applied by ING.

The Financial Statements were audited by Ernst & Young Accountants LLP (“**Ernst & Young**”) and issued in each case with the unqualified auditor’s report reproduced in this Prospectus. Ernst & Young has also reviewed the Interim Financial Information. The unaudited consolidated financial information as of and for the three months and nine months ended 30 September 2009 and as of and for the three months and six months ended 30 June 2009 fairly presents the Group’s interim results and financial position in accordance with IAS 34, *Interim Financial Reporting*. These interim results are not necessarily indicative of results to be expected for the full year 2009.

The summary consolidated financial information reproduced below is intended only as an introduction. Investors should base their investment decisions on a review of the Prospectus as a whole.

	Nine months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(EUR millions, except amounts per share and ratios)						
	unaudited						
IFRS-EU Consolidated Income Statement							
Data							
Income from insurance operations:							
Gross premiums written:							
Life	22,341	30,074	15,036	20,742	38,868	40,732	40,501
Non-life	1,475	4,035	1,147	2,987	4,944	6,086	6,333
Total	23,816	34,109	16,183	23,729	43,812	46,818	46,834
Commission income	1,469	1,565	971	1,008	2,070	1,901	1,636
Investment and other income	2,153	7,280	1,261	5,121	8,970	13,488	11,172
Total income from insurance operations	27,438	42,954	18,415	29,858	54,851	62,208	59,642
Income from banking operations:							
Interest income	64,418	71,613	44,633	46,579	98,201	76,859	59,262
Interest expense	55,030	63,744	38,410	41,354	87,115	67,823	49,927
Net interest result	9,388	7,869	6,223	5,225	11,085	9,036	9,335
Investment income	(1,346)	(622)	(652)	(101)	(2,459)	947	483
Commission income	1,991	2,177	1,274	1,472	2,895	2,926	2,681
Other income	20	886	40	1,088	209	1,693	1,696
Total income from banking operations	10,053	10,310	6,885	7,685	11,731	14,602	14,195
Total income ⁽²⁾	37,237	53,067	25,129	37,428	66,291	76,586	73,621
Expenditure from insurance operations:							
Life	26,686	37,533	18,324	24,948	51,622	49,526	49,106
Non-life	1,512	3,945	1,221	2,996	4,864	6,149	5,601
Total expenditure from insurance operations	28,198	41,478	19,545	27,944	56,486	55,675	54,707
Total expenditure from banking operations	9,768	8,219	6,776	5,341	11,583	10,092	9,190
Total expenditure ^{(2),(3)}	37,712	49,500	26,150	33,171	67,778	65,543	63,681
Result before tax from insurance operations:							
Life	(919)	957	(1,168)	1,583	(2,146)	5,314	3,436
Non-life	159	519	38	331	511	1,219	1,499
Total	(760)	1,476	(1,130)	1,914	(1,635)	6,533	4,935
Result before tax from banking operations	285	2,091	109	2,343	148	4,510	5,005
Result before tax	(475)	3,567	(1,021)	4,257	(1,487)	11,043	9,940
Taxation	(140)	577	(196)	796	(721)	1,535	1,907
Minority interests	(112)	8	(103)	1	(37)	267	341
Net result	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Dividend on ordinary shares		1,500		1,500	1,500	3,180	2,865
Addition to shareholders' equity	(223)	1,482	(722)	1,960	(2,654)	6,061	4,827
Payable on non-voting equity securities ⁽⁴⁾	—	—	—	—	(425)		
Net result attributable to equity holders of the							
Company	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Basic earnings per share ⁽⁵⁾	(0.11)	1.46	(0.36)	1.68	(0.36)	4.32	3.57
Diluted earnings per share ⁽⁵⁾	(0.11)	1.45	(0.36)	1.68	(0.36)	4.28	3.54
Dividend per ordinary share ⁽⁵⁾	—	0.74	—	0.74	0.74	1.48	1.32
Interim Dividend	—	0.74	—	0.74	0.74	0.66	0.59
Final Dividend	—	—	—	—	—	0.82	0.73
Number of ordinary shares outstanding (in millions)	2,063.1	2,081.3	2,063.1	2,081.3	2,063.1	2,226.4	2,205.1
Dividend pay-out ratio ⁽⁶⁾		50.7%		44.0%	N/A	34.3%	37.0%

	As of 30 September	As of 30 June	As of 31 December		
	2009	2009	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(EUR billions, except amounts per share and ratios) unaudited				
IFRS-EU Consolidated Balance Sheet Data					
Total assets	1,187.9	1,187.9	1,331.7	1,312.5	1,226.3
Investments:					
Insurance	103.2	101.6	109.5	132.3	140.5
Banking	105.0	105.9	148.8	160.4	171.1
Total	208.2	207.5	258.3	292.6	311.6
Loans and advances to customers	577.9	589.4	619.8	553.0	474.4
Insurance and investment contracts:					
Life	221.9	214.6	213.0	232.4	237.9
Non-life	3.7	3.9	6.8	9.6	10.1
Investment contracts	11.2	19.5	21.1	23.7	20.7
Total	236.8	238.0	240.8	265.7	268.7
Customer deposits and other funds on deposit:					
Savings accounts of the banking operations . .	296.3	291.9	274.3	275.1	283.1
Other deposits and bank funds	162.9	169.9	248.5	250.1	213.6
Total	459.2	461.8	522.8	525.2	496.7
Amounts due to banks	96.9	104.1	152.3	167.0	120.8
Share capital (in millions)	2,063.1	2,063.1	2,063.1	2,242.4	2,268.1
Shareholders' equity	26.5	22.3	17.3	37.2	38.3
Non-voting equity securities ⁽⁴⁾	10.0	10.0	10.0		
Shareholders' equity per ordinary share ⁽⁵⁾	13.07	10.99	8.55	17.73	17.78

(1) For the impact of divestments see "Operating and Financial Review and Prospects".

(2) After elimination of certain intercompany transactions between the insurance operations and the banking operations. See "Principles of Valuation and Determination of Results — Consolidation" under Section 2.1. of the 2008 Financial Statements.

(3) Includes all non-interest expenses, including additions to the provision for loan losses. See "Operating and Financial Review and Prospects — Liquidity and Capital Resources".

(4) For details of the agreements with the Dutch State see "Business — Transactions with the Dutch State" elsewhere in this Prospectus.

(5) Net result per share amounts have been calculated based on the weighted average number of ordinary shares outstanding and equity per share amounts have been calculated based on the number of ordinary shares outstanding at the end of the respective periods. For purposes of this calculation ING Groep N.V. shares held by Group companies are deducted from the total number of ordinary shares in issue. Shareholders' equity per share is based on ordinary shares outstanding at end of period.

(6) The dividend pay-out ratio is based on net result attributable to equity holders of the Company.

	As of 30 September	As of 30 June	As of 31 December		
	2009	2009	2008	2007	2006
	unaudited				
Key Performance Indicators					
Return on equity	(1.1)%	(5.2)%	(2.1)%	24.2%	23.5%
Capital Ratios					
ING Group debt/equity ratio	13.1%	13.5%	13.5%	9.5%	9.0%
Insurance capital coverage ratio	256%	257%	256%	244%	274%
Insurance debt/equity ratio	11.5%	12.4%	8.8%	13.6%	14.2%
Bank Core Tier-1 ratio	7.6%	7.3%	7.3%		
Bank Tier-1 capital ratio ⁽¹⁾	9.7%	9.4%	9.3%	7.39%	7.63%
Bank total capital ratio ⁽¹⁾	12.9%	12.5%	12.8%	10.3%	11.0%

(1) Capital ratios for 2006 and 2007 are calculated under Basel I rules. Capital ratios from 2008 are calculated under Basel II rules without the application of a Basel I floor.

Summary of the Offering

The terms of the Rights Offering for holders of ADSs are different from the terms described herein. If you are a holder of ADSs or a resident in the US, please see the US prospectus supplement and related prospectus pursuant to which the Offering will be made in the United States, which was filed with the US Securities and Exchange Commission (“SEC”) on 27 November 2009 and is available at www.sec.gov.

Issuer: ING Groep N.V., a public company with limited liability (*Naamloze Vennootschap*) incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands.

Offering: The Offering relates to a total of 1,768,412,544 New BDRs in respect of 1,768,412,544 New Ordinary Shares and consists of the Rights Offering and the Global Offering, as described below. The New Ordinary Shares will be fully fungible and rank *pari passu* with each other and with the Existing Ordinary Shares of the Company. The New BDRs will be fully fungible and rank *pari passu* with each other and with the Existing BDRs. As such, they will be entitled to any distributions for which the applicable record date is after the Closing Date (as defined below).

Goldman Sachs International, ING Bank N.V. and J.P. Morgan Securities Ltd. are the Joint Global Coordinators and Joint Bookrunners of the Offering.

ING Bank N.V. is acting as principal subscription agent.

An underwriting syndicate led by Goldman Sachs International and J.P. Morgan Securities Ltd. (the “**Representatives**” and, together with the other members of such underwriting syndicate, the “**Underwriters**”), based on an underwriting agreement dated as of 25 October 2009, as supplemented by a pricing agreement dated 26 November 2009 (the “**Underwriting Agreement**”), has agreed to underwrite the Offering subject to the satisfaction of customary terms and conditions.

Number of Existing Ordinary Shares outstanding at the date of this Prospectus:

Prospectus: 2,063,147,969

Number of ordinary shares outstanding after issue of New Ordinary Shares:

... 3,831,560,513

Rights Offering: Subject to the terms and conditions set out in this Prospectus, holders of Existing Shares (other than the Trust) after close of business on 27 November 2009 (the “**Record Date**”) will be allotted one Right per Existing Share held. 7 Rights will grant the holder thereof the right to subscribe for 6 New BDRs at the Subscription Price. For holders of IDRs, the Tradable Rights will be represented by coupon number 24 attached to the IDRs.

Subscription Price: The Subscription Price will be EUR 4.24 per New BDR, which compares to a closing price of EUR 8.92 per ING share on Euronext Amsterdam and on Euronext Brussels on 26 November 2009 and USD 12.28 per ADS on the NYSE on 25 November 2009.

Rights Exercise Periods: Subject to the terms set out in this Prospectus, holders of Tradable Rights wishing to subscribe for New BDRs must exercise their Rights during the period from 30 November 2009 through 3:00 p.m. (Amsterdam time) on 15 December 2009. Rights may be exercised only in integral multiples of the subscription ratio. **Holders of Rights are advised to seek and follow instructions from their custodian bank or broker in relation to the proper and timely exercise or sale of their Rights. Tradable Rights not validly exercised during the**

applicable Rights Exercise Period, including Tradable Rights in excess of the nearest integral multiple of the subscription ratio, will continue to be reflected in the securities account of each holder of unexercised Tradable Rights solely for the purpose of the payment of the Excess Amount (as defined below), if any. The exercise of Rights is irrevocable and may not be withdrawn, cancelled or modified, except as otherwise described in this Prospectus in the section “The Offering — Withdrawal of the Offering”.

Pre-emptive Rights: The statutory pre-emptive rights (*wettelijke voorkeursrechten*) in respect of the Offering have been excluded for the purpose of the Offering. See “The Offering — Offered Shares”.

Voting Rights: The New Ordinary Shares will carry the same voting rights as the Existing Ordinary Shares, and the New BDRs will carry the same entitlement to a voting proxy as the Existing BDRs.

Trading and Sale of Rights: The Tradable Rights are expected to be traded on Euronext Amsterdam and Euronext Brussels, from 30 November 2009 through 15 December 2009. No arrangement has been made for the Tradable Rights to be tradable on any other market, including the NYSE. The ADS Rights are not transferable and will not be admitted to trading on the NYSE or any other exchange.

Beginning on 30 November 2009, the Existing BDRs are expected to be traded on Euronext Amsterdam and Euronext Brussels (including in IDR form) “ex subscription right”, at which time the Tradable Rights will start trading on Euronext Amsterdam and Euronext Brussels.

Treatment of New BDRs for which Rights have not been validly exercised:

New BDRs for which Rights have not been validly exercised prior to the end of the applicable Rights Exercise Period (the “**Rump Shares**”) may be sold by the Joint Global Coordinators and Joint Bookrunners in their sole discretion in the Global Offering and/or in open market transactions, subject to applicable selling and transfer restrictions.

Existing Shares Held in Treasury: As of 31 October 2009, the Company directly or indirectly held a total of 35,041,271 Existing Shares. Such shares are held, inter alia, to hedge awards granted under employee equity compensation plans, including employee options. Additionally, ING shares are used for market making and hedging purposes. Existing Shares held in treasury will be allocated Rights in the Rights Offering. The Company will sell the Rights allocated to such shares.

Global Offering Price: In the case of a Global Offering, the Global Offering Price is expected to be determined following an institutional bookbuilding procedure commencing on or about 16 December 2009 and is expected to be published on or about 16 December 2009.

In any event, including in the case of a Global Offering, the issue price for the New Shares will be the Subscription Price and as described under “The Offering — Excess Amount” below, the Company will not be entitled to receive any part of the Excess Amount (as defined below), if any.

Excess Amount: Upon the completion of the Global Offering, if the aggregate proceeds for the Rump Shares offered and sold in the Global Offering, after deduction of selling expenses (including any value added tax) exceed the aggregate Subscription Price for such Rump Shares (such amount,

the “**Excess Amount**”), this Excess Amount will be paid in the following manner:

Each holder of a Tradable Right that was not exercised at the end of the Rights Exercise Period will be entitled to receive a part of the Excess Amount in cash proportional to the number of unexercised Tradable Rights reflected in such holder’s securities account, but only if that amount exceeds €0.01 per unexercised Tradable Right. The Excess Amount, if any, will only be available if the Rump Shares are placed within two business days of the end of the Rights Exercise Periods.

If it has been announced that an Excess Amount is available for payment to holders of unexercised Tradable Rights and you have not received payment thereof within a reasonable time following the closing of the Global Offering, you should contact the financial intermediary through which you hold unexercised Rights.

We cannot guarantee that the Global Offering will be successfully completed. Should the Global Offering take place, neither we, the Underwriters, the Subscription Agent nor any person procuring subscriptions for Rump Shares will be responsible for any lack of Excess Amount arising from any placement of the Rump Shares in the Global Offering.

The Company will not be entitled to receive any part of the Excess Amount.

Joint Global Coordinators and Joint

Bookrunners: Goldman Sachs International, ING Bank N.V. and J.P. Morgan Securities Ltd.

Representatives: Goldman Sachs International and J.P. Morgan Securities Ltd.

Co-Bookrunners: Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc and Morgan Stanley & Co. International plc.

Joint Lead Managers: Citigroup Global Markets Limited, ABN AMRO Bank N.V. and UBS Limited.

Co-Lead Managers: Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco Santander S.A., Société Générale, and UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

Underwriters The Representatives, Co-Bookrunners, Joint Lead Managers and Co-Lead Managers are collectively referred to as the “**Underwriters**”.

Lock-Up: The Company has agreed with the Underwriters that, except for the issue of ING shares in the Offering, for a period ending 90 days after the Closing Date, it will not, subject to certain exceptions, directly or indirectly issue, sell, offer or otherwise dispose of any ING shares or other securities convertible or exchangeable into ING shares or representing rights to subscribe for ING shares or enter into a transaction with similar economic effect. See “The Offering — Lock-Up” for further information, including the exceptions to the lock-up.

Subscription, Listing and Paying

Agent ING Bank N.V.

Stock Exchange Admission: All of the Existing BDRs are listed on Euronext Amsterdam, Euronext Brussels and the NYSE.

Applications have been or will be made for listing the New BDRs on Euronext Amsterdam and Euronext Brussels, and for listing the New

ADSs on the NYSE. The Tradable Rights are expected to be traded on Euronext Amsterdam and Euronext Brussels (including the Tradable IDR Rights) from 30 November 2009 through 15 December 2009. The transfer of Tradable Rights will take place through the book-entry systems of Euroclear and Clearstream.

The listings of the New BDRs and the New ADSs are expected to become effective on or before 21 December 2009. The first trading day for the New BDRs and the New ADSs is scheduled to be on 21 December 2009.

Use of Proceeds: ING intends to use the proceeds of the Offering primarily to fund the repurchase of EUR 5 billion in issue amount of the Core Tier-1 Securities held by the Dutch State plus accrued interest and the repurchase premium. The repurchase premium payable in respect of the repurchased Core Tier-1 Securities will range from EUR 346 million to EUR 705 million, based on the market price of the ING shares at the time of the repurchase. Accrued interest at a rate of 8.5% on the repurchased Core Tier-1 Securities is estimated to be approximately EUR 260 million (assuming a repayment on the Closing Date). Accordingly, the amount necessary to repurchase the EUR 5 billion issue amount is expected to be between EUR 5,605 million and EUR 5,963 million. See “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”.

ING intends to use the remaining proceeds of the Offering to strengthen its capital position, including to offset the EUR 1.3 billion one-off pre-tax charge that will be taken in the fourth quarter of 2009 as a result of the additional payments to the Dutch State in the form of fee adjustments to the Illiquid Assets Back-Up Facility as described under “Business — Recent Developments — Transactions with the Dutch State”, and to allocate the remaining proceeds partially to coupon payments due in December 2009 on its outstanding hybrid securities, as required by the EC in order not to be required to defer coupons on hybrid securities.

Conditions to the Offering: The Offering is being underwritten by the Underwriters based on the Underwriting Agreement, from which the Underwriters can withdraw under certain circumstances. If any or all of the conditions of the Offering are not met or waived by the Representatives on behalf of the Underwriters prior to payment for and delivery of the Rump Shares, or if certain circumstances occur prior to payment for and delivery of the Rump Shares, the Representatives, on behalf of the Underwriters may, at their discretion, terminate the Global Offering and their obligation to subscribe for any Rump Shares, whereupon the Offering will be cancelled and the Company will not receive the proceeds expected to be generated by the Offering. See “The Offering — Withdrawal of the Offering”.

If the Offering is withdrawn, both the exercised and unexercised Rights will be forfeited without compensation to their holders and subscription for and allotments of New BDRs that have been made will be disregarded. Any subscription payments received by ING Groep N.V., the Subscription Agent, the Paying Agent or the Underwriters will be returned without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund of any Rights purchased in the market. All trades in Rights and New Shares are at sole risk of the parties concerned. The Underwriters, the Company, the Subscription Agent, the Listing Agent, the Paying Agent and Euronext Amsterdam

N.V. do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions in Rights or New Shares on Euronext Amsterdam or Euronext Brussels. See “Risk Factors — Risks Related to the Offering — If the Offering does not take place, our credit ratings and funding costs could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless”.

Allotment: Allotment of the New BDRs is expected to take place on 16 December 2009.

Delivery, Payment and Certification: Delivery of the New BDRs against payment of the Subscription Price or the Global Offering Price, as the case may be, is expected to take place on or about 21 December 2009 (the “**Closing Date**”), or on such other date as the Joint Global Coordinators and Joint Bookrunners may determine. Delivery against payment will take place through the clearing systems of Euroclear.

International Securities Identification

Numbers (ISIN):	Existing BDRs:	NL0000303600 (Euronext Amsterdam and Euronext Brussels)
	Existing IDRs:	BE0004523610 (Euronext Brussels)
	Existing ADSs:	US4568371037 (NYSE)
	Tradable Rights:	NL0009307941 (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights:	BE0970110137 (Euronext Brussels)
CUSIPs:	Existing BDRs:	N4578E413 (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs:	456837103 (NYSE)
SEDOL:	Existing BDRs:	7154182 (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs:	2452643 (NYSE)
	Existing IDRs:	7154171 (Euronext Brussels)
Common Code:	Existing BDRs:	013208344 (Euronext Amsterdam and Euronext Brussels)
	Existing IDRs:	08270805 (Euronext Brussels)
	Existing ADSs:	010377293 (NYSE)
	Tradable Rights:	047074070 (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights:	047103258 (Euronext Brussels)
Ticker Symbols:	Existing BDRs:	“INGA” (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs:	“ING” (NYSE)
	Existing IDRs:	“INGS” (Euronext Brussels)
	Tradable Rights:	“INGRI” (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights:	“ING24” (Euronext Brussels)

Selling and Transfer Restrictions: See “Selling and Transfer Restrictions” elsewhere in this Prospectus.
For further information concerning the Offering, see “The Offering” elsewhere in this Prospectus.

Certain Material Information Concerning the Issuer

Legal Name, Structure, Formation and Registered Offices

The legal and commercial name of the Company is ING Groep N.V. ING Groep N.V. was incorporated as a *Naamloze Vennootschap* (public limited liability company) under the laws of the Netherlands on 21 January 1991 to effect the merger between Nationale-Nederlanden, which was the largest insurer in the Netherlands, and NMB Postbank Group, which was one of the largest banks in the Netherlands, by way of a public offering for the shares of the latter companies. This public offering was successfully completed on 4 March 1991.

The official address of ING Group is: ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands, Telephone +31 20 541 5411.

For more information, see “General Information about the Company” elsewhere in this Prospectus.

Supervisory Board, Executive Board and Auditors

The Company’s Supervisory Board presently consists of fourteen members: Peter Elverding (chairman), Jeroen van der Veer (vice-chairman), Tineke Bahlmann, Henk Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet Klaver, Godfried van der Lugt, Harish Manwani, Aman Mehta, Joan Spero, Jackson P. Tai, Karel Vuursteen and Lodewijk de Waal.

The Company’s Executive Board presently consists of three members: Jan Hommen, Patrick G. Flynn and Koos Timmermans.

The members of the Supervisory Board and the Executive Board may be contacted at ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands.

The Company’s Management Board for Banking consists of Jan Hommen, Patrick G. Flynn, Koos Timmermans, Eli Leenaars, Dick Harryvan and Eric Boyer de la Giroday. ING announced certain changes to the Management Board for Banking on 26 October 2009. See “Business — Recent Developments — Changes to the Management Boards”.

The Company’s Management Board for Insurance consists of Jan Hommen, Patrick G. Flynn, Koos Timmermans, Hans van der Noordaa and Tom J. McInerney. ING announced certain changes to the Management Board for Insurance on 26 October 2009. See “Business — Recent Developments — Changes to the Management Boards”.

At the annual General Meeting on 22 April 2008, Ernst & Young was appointed to audit the financial statements of ING Group for the financial years 2008 to 2011 inclusive, to report on the outcome of these audits to the Executive Board and the Supervisory Board and to provide an audit opinion on the financial statements of ING Group.

For more information about ING’s management, see “Information on the Company’s Corporate Bodies” elsewhere in this Prospectus. For information about the Company’s Auditors, see “General Information about the Company — Independent Auditors”.

Share Capital

The authorized capital of ING Groep N.V. consists of ordinary shares and cumulative preference shares. Currently, only ordinary shares are issued, while a right to acquire up to 4.5 billion cumulative preference shares has been granted to the ING Continuity Foundation (*Stichting Continuïteit ING*) pursuant to a call option issued by ING Groep N.V. The acquisition of cumulative preference shares pursuant to the call option is subject to the restriction that, immediately after the issue of cumulative preference shares, the total amount of cumulative preference shares may not exceed one-third of the total issued share capital of ING Groep N.V. The purpose of the cumulative preference shares is to protect the independence, the continuity and the identity of the Company against influences which are contrary to the interests of ING Group, its enterprise and the enterprises of its subsidiaries and all stakeholders (including hostile takeovers), while the ordinary shares are used solely for funding purposes. These shares, which are all registered shares, are not in issue and not listed on a stock exchange.

Ordinary shares

All ordinary shares are in registered form. No share certificates have been issued. Ordinary shares may be transferred by means of a deed of transfer. A transfer of ordinary shares requires written acknowledgement by ING Groep N.V. The par value of ordinary shares is EUR 0.24. The authorized ordinary share capital of ING Group consists of 4,500 million shares (increased from 3,000 million as a result of an amendment made to the Articles of Association on 8 October 2008). As at 31 December 2008, approximately 2,063 million ordinary shares were issued and fully paid.

Bearer depositary receipts for ordinary shares

More than 99.9% of the ordinary shares issued by ING Groep N.V. are held by *Stichting ING Aandelen* (the “Trust”). In exchange for these shares, the Trust has issued depositary receipts in bearer form for ordinary shares. The Existing BDRs are listed on Euronext Amsterdam and Euronext Brussels, and the Existing ADSs are listed on the NYSE. Bearer depositary receipts can be exchanged for (non-listed) ordinary shares without any restriction, other than payment of an administrative fee of one euro cent (EUR 0.01) per bearer depositary receipt with a minimum of twenty-five euros (EUR 25.00) per exchange transaction.

The holder of a bearer depositary receipt is entitled to receive from the Trust payment of dividends and distributions corresponding to the dividends and distributions received by the Trust on an ordinary share.

In addition, the holder of a bearer depositary receipt is entitled to attend and to speak at the General Meeting of ING Groep N.V. either in person or by proxy. A holder of a bearer depositary receipt, who thus attends the General Meeting, is entitled to vote as a proxy of the Trust but entirely at his own discretion for a number of ordinary shares equal to the number of his bearer depositary receipts.

A holder of bearer depositary receipts who does not attend the General Meeting in person or by proxy is entitled to give a binding voting instruction to the Trust for a number of ordinary shares equal to the number of his bearer depositary receipts. The Trust has discretion to vote in respect of shares for which it has not issued proxy votes to holders of bearer depositary receipts and has not received any voting instructions. Under the Articles of Association (*Statuten*) of the Trust and the related Conditions of Administration (*Administratievoorwaarden*) (together the “Trust Agreement”), the Trust is required to promote the interests of all holders of bearer depositary receipts, irrespective of whether they attend the General Meeting, also taking into account the interests of ING Groep N.V., the businesses of ING Groep N.V. and its group companies and all other ING Groep N.V. stakeholders in voting such shares, so as to ensure that all these interests are given as much consideration and protection as possible.

For more information about ING’s capital structure and related matters, see “Information Relating to ING Shares and Applicable Legal Provisions” elsewhere in this Prospectus.

Summary of Risk Factors

ING is exposed to a number of risks that could individually or collectively have a material adverse effect on ING’s financial condition and results of operations. The following is a summary of these risks.

Risks Related to the Financial Services Industry:

- *Because we are an integrated financial services company conducting business on a global basis, our revenues and earnings are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which we conduct business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect, the profitability of our insurance, banking and asset management business.*
- *Adverse capital and credit market conditions may impact our ability to access liquidity and capital, as well as the cost of credit and capital.*
- *The default of a major market participant could disrupt the markets.*
- *Because our life and non-life insurance and reinsurance businesses are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, our actual claims amount may exceed our established reserves or we may experience an abrupt interruption of activities, each of which could result in lower net results and have an adverse effect on our results of operations.*
- *We operate in highly regulated industries. There could be an adverse change or increase in the financial services laws and/or regulations governing our business.*

Risks Related to the Group:

- *Ongoing turbulence and volatility in the financial markets have adversely affected us, and may continue to do so.*
- *The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of the Group and involve significant costs and uncertainties that could materially impact the Group.*

- *The limitations agreed with the EC on our ability to compete and to make acquisitions or call certain debt instruments could materially impact the Group.*
- *Upon the implementation of the Restructuring Plan, we will be less diversified and may experience competitive and other disadvantages.*
- *Our Back to Basics program and our Restructuring Plan may not yield intended reductions in costs, risk and leverage.*
- *Because we operate in highly competitive markets, including our home market, we may not be able to increase or maintain our market share, which may have an adverse effect on our results of operations.*
- *Our agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of our shares and the compensation of certain senior management positions.*
- *Because we do business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on our results of operations.*
- *Current market conditions have increased the risk of loans being impaired. We are exposed to declining property values on the collateral supporting residential and commercial real estate lending.*
- *Interest rate volatility may adversely affect our profitability.*
- *We may incur losses due to failures of banks falling under the scope of state compensation schemes.*
- *We may be unable to manage our risks successfully through derivatives.*
- *Because we use 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 our results of operations.*
- *Because we use assumptions to model client behavior for the purpose of our market risk calculations, the difference between the realization and the assumptions may have an adverse impact on the risk figures and future results.*
- *Our risk management policies and guidelines may prove inadequate for the risks we face.*
- *We may incur further liabilities in respect of our defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations.*
- *We are subject to a variety of regulatory risks as a result of our operations in less developed markets.*
- *Because we are a financial services company and we are continually developing new financial products, we might be faced with claims that could have an adverse effect on our operations and net result if clients’ expectations are not met.*
- *Ratings are important to our business for a number of reasons. Among these are the issuance of debt, the sale of certain products and the risk weighting of bank and insurance assets. Downgrades could have an adverse impact on our operations and net results.*
- *Our business may be negatively affected by a sustained increase in inflation.*
- *Operational risks are inherent in our business.*
- *Reinsurance may not be available, affordable or adequate to protect us against losses. We may also decide to reduce, eliminate or decline primary insurance or reinsurance coverage.*
- *Our business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to us, other well-known companies or the financial services industry in general.*
- *Because we are a Dutch company and because the Stichting ING Aandelen holds more than 99.9% of our ordinary shares, the rights of our shareholders may differ from the rights of shareholders in other jurisdictions or companies that do not use a similar trust structure, which could affect your rights as a shareholder.*
- *The share price of ING shares has been, and may continue to be, volatile which may impact the value of ING shares you hold.*

- *We did not pay a final dividend in 2008 or an interim dividend in 2009. There can be no assurance that we will pay dividends on our ordinary shares in the future.*
- *Our ability to use beneficial US tax attributes may become subject to limitations.*

Risks related to the Offering:

- *A shareholder's failure to validly exercise his or her Rights by the end of the applicable Rights Exercise Period will result in such Rights being no longer exercisable, and any shareholder failing to exercise all of his or her Rights, however held, will suffer dilution of his or her percentage ownership of ING shares.*
- *Holders of ING shares may experience immediate and substantial dilution in the value of the New Shares in the event of future capital raisings.*
- *The Core Tier-1 Securities issued to the Dutch State may be converted into ordinary shares or bearer depositary receipts and dilute existing shareholders.*
- *If the Offering does not take place, our credit ratings and funding costs could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless.*
- *There is no certainty that trading in the Tradable Rights will develop, and the Tradable Rights may be subject to more intense price fluctuations than ING shares.*
- *Certain holders of ING shares may not be able to participate in this or future equity offerings with subscription rights.*
- *It may be difficult for investors outside the Netherlands to serve process on or enforce foreign judgments against us in connection with the Offering.*

Translation Summaries of the Prospectus

The AFM has not approved the following translations of the summary of the Prospectus.

Dutch translation of the summary of the Prospectus

SAMENVATTING VAN HET PROSPECTUS

Deze samenvatting moet worden gelezen als een inleiding op dit Prospectus en elke beslissing om te investeren in enige van de Nieuwe Aandelen of te handelen in Verhandelbare Rechten moet gebaseerd worden op een bestudering van dit Prospectus in zijn geheel, inclusief de documenten die deel uitmaken van dit Prospectus door verwijzing en de risico's verbonden aan de investering in de Nieuwe Aandelen of aan het handelen in de Verhandelbare Rechten zoals hieronder uiteengezet in de "Risico Factoren". Deze samenvatting is niet volledig en bevat niet alle informatie die u in overweging zou moeten nemen bij enige beslissing met betrekking tot de Nieuwe Aandelen of de Rechten.

De civielrechtelijke aansprakelijkheid van de Vennootschap in enige lidstaat van de Europese Economische Ruimte (een "EER-lidstaat") voor deze samenvatting, inclusief enige vertaling hiervan, zal enkel kunnen ontstaan indien deze samenvatting, gelezen in samenhang met de andere delen van dit Prospectus, misleidend, inaccuraat of inconsistent is. Indien een vordering voor de rechtbank zou worden ingeleid die gebaseerd is op de informatie opgenomen in dit Prospectus, zal de investeerder die optreedt als eisende partij mogelijk de kosten moeten dragen die verbonden zijn aan de vertaling van dit Prospectus voordat de procedure begint, overeenkomstig de nationale wetgeving van de individuele EER-lidstaat.

In dit Prospectus, en tenzij anders bepaald of de context anders voorschrijft, verwijzen de termen "**ING Groep N.V.**", "**ING Groep**", de "**Vennootschap**" en "**ING Group**" naar ING Groep N.V. en verwijzen de termen "**ING**", de "**Groep**", "**wij**" en "**ons**" naar ING Groep N.V. en haar geconsolideerde dochtervennootschappen. De voornaamste verzekerings- en bankdochtervennootschappen van ING Groep N.V. zijn respectievelijk ING Verzekeringen N.V. (samen met haar geconsolideerde dochtervennootschappen aangeduid als "**ING Verzekeringen**") en ING Bank N.V. (samen met haar geconsolideerde dochtervennootschappen aangeduid als "**ING Bank**"). De termen "**Raad van Bestuur**", "**Raad van Commissarissen**" en "**Algemene Vergadering**" verwijzen respectievelijk naar de Raad van Bestuur, Raad van Commissarissen en een Algemene Vergadering van Aandeelhouders van ING Groep N.V.

Overzicht van ING

ING is een mondiale financiële instelling van Nederlandse oorsprong die bank-, beleggings-, levensverzekerings-, en pensioendiensten aanbiedt. Sinds 30 september 2009 bedienen wij meer dan 85 miljoen particuliere, zakelijke-, en institutionele cliënten in Europa, Noord- en Latijns-Amerika, Azië en Australië. Wij putten uit onze ervaring en expertise, onze betrokkenheid bij voortreffelijke dienstverlening en onze mondiale schaal, om tegemoet te komen aan de behoeften van een breed cliëntenbestand, bestaande uit particulieren, gezinnen, kleine ondernemingen, grote vennootschappen, instellingen en overheden. ING Groep N.V. werd opgericht als een *Naamloze Vennootschap* naar Nederlands recht op 21 januari 1991.

Op 26 oktober 2009 kondigde ING haar plan aan om al haar verzekeringsactiviteiten, inclusief haar beleggings-beheeractiviteiten, af te splitsen tegen eind 2013. Dit vormt de volgende stap in het Back-to-Basics programma dat werd aangekondigd in april 2009 en in het kader waarvan ING reeds was aangevangen met het herstructureringsproces van haar bank- en verzekeringsactiviteiten (samen met de beleggingsbeheeractiviteiten) waardoor deze activiteiten afzonderlijk beheerd worden onder de ING paraplu. De voorgenen afsplitsing maakt deel uit van het herstructureringsplan van ING ("**Herstructureringsplan**") waarvoor ING de onderhandelingen met de Europese Commissie ("**EC**") heeft afgerond in oktober 2009 en dat formeel werd goedgekeurd door de EC op 18 november 2009. In het kader van het Herstructureringsplan heeft ING eveneens toegestemd om ING Direct US, dat de rechtstreekse bankactiviteiten van de Groep in de V.S. uitvoert, af te splitsen tegen eind 2013 en om bepaalde afdelingen van haar Nederlandse retail bankactiviteiten af te splitsen. ING zal een groot aantal mogelijkheden overwegen om deze afsplitsingen te bewerkstelligen waaronder beursintroductions, verschillende verkopen, spin-offs of combinaties daarvan. Voor meer informatie over het Herstructureringsplan, zie "Activiteiten — Recente Ontwikkelingen — Verzekering en andere Afsplitsingen, EC Overeenkomst".

Na voltooiing van het Herstructureringsplan zal ING Bank een middelgrote Europese retail- en commerciële bank zijn, verankerd in de Benelux, met sterke ING Direct en Centraal-Europa franchises, en zal aantrekkelijke groeiperspectieven buiten Europa nastreven.

Voor meer informatie over de geschiedenis en de activiteiten van ING, zie "Activiteiten" elders in dit Prospectus; voor meer informatie over de financiële resultaten van ING, zie "Bepaalde Geconsolideerde Financiële Informatie"

en “Operationeel en Financieel Overzicht en Vooruitzichten”; en voor meer informatie over bepaalde wettelijke aspecten met betrekking tot ING, zie “Algemene Informatie over de Vennootschap”.

Achtergrond Van en Beweegredenen Voor De Aanbieding

In oktober 2008 heeft de Nederlandse Staat voor EUR 10 miljard Core Tier-1 Securities van ING (“**Core-Tier-1 Securities**”) gekocht als onderdeel van haar maatregelen om de Nederlandse financiële sector te beschermen tijdens de mondiale financiële crisis. Zie “Activiteiten — Transacties met de Nederlandse Staat”. De oorspronkelijke voorwaarden van de Core-Tier-1 Securities boden ING de mogelijkheid om een alle of een deel van de één miljard Core-Tier-1 Securities op elk moment terug te kopen tegen een prijs van EUR 15 per Core-Tier-1 Security, te vermeerderen met de opgebouwde rente tot de datum van de terugkoop. In het kader van het Herstructureringsplan zijn ING en de Nederlandse Staat overeengekomen dat tot EUR 5 miljard van de EUR 10 miljard Core-Tier-1 Securities op elk moment tot en met 31 januari 2010 kan worden teruggekocht voor de oorspronkelijke emissieprijs van EUR 10 per Core-Tier-1 Security, te vermeerderen met een terugkoop-premie tussen EUR 346 miljoen tot EUR 705 miljoen en opgebouwde rente. ING is van plan om de opbrengst van de Aanbieding in de eerste plaats aan te wenden om de terugkoop te financieren van de Core-Tier-1 Securities ten belope van EUR 5 miljard aan emissieprijs. Voor meer informatie over de voorgestelde terugkoop van de Core-Tier-1 Securities, zie “Activiteiten — Recente Ontwikkelingen — Terugkoop van een Deel van de Core-Tier-1 Securities Aangehouden door de Nederlandse Staat.

Op 31 maart 2009 voltooiden ING Groep en de Nederlandse Staat de Illiquid Asset Back-Up Facility ter dekking van de ALT-A Residential Mortgage-Backed securities portfolio van zowel ING Direct US als Insurance Americas, en met een nominale waarde van EUR 30 miljard. Onder deze Illiquid Asset Back-Up Facility (de “**Illiquid Asset Back-Up Facility**”) heeft ING 80% van de economische eigendom van haar ALT-A portfolio overgedragen aan de Nederlandse Staat. Om de goedkeuring te verkrijgen van de EC voor het Herstructureringsplan, heeft ING zich ertoe verbonden een reeks van additionele betalingen te doen aan de Nederlandse Staat die overeenkomen met aanpassingen van de netto fees verschuldigd onder de Illiquid Asset Back-Up Facility. Deze additionele betalingen zullen een huidige netto-waarde van EUR 1,3 miljard vertegenwoordigen, die zal worden uitgedrukt als eenmalige kostenpost (vóór belasting) in het vierde kwartaal van 2009. Voor meer informatie over deze bijkomende betalingen, zie “Activiteiten — Recente Ontwikkelingen — Overeenkomst en Bijkomende Betalingen aan de Nederlandse Staat, Overeenstemmend met Aanpassingen aan de Illiquid Assets Back-Up Facility”. Voor meer informatie over het Herstructureringsplan, zie “Activiteiten — Recente Ontwikkelingen — Verzekering en andere Desinvesteringen, EC Overeenkomst”. ING is van plan om met de overblijvende opbrengst van de Aanbieding, na terugbetaling van de Core Tier-1 Securities, haar kapitaalpositie te versterken, met inbegrip van het verrekenen van de kosten van EUR 1,3 miljard, en om de resterende opbrengsten gedeeltelijk te gebruiken voor de coupon betalingen die verschuldigd zijn in december 2009 voor de uitstaande hybride instrumenten, zoals vereist door de EC zodat het niet vereist zou zijn de coupons op de hybride instrumenten op te schorten.

Samenvatting Geconsolideerde Financiële Informatie

Behalve indien elders anders is bepaald, is de volgende samenvattende historische financiële informatie van de Groep gebaseerd op, en moet zij samen gelezen worden met, (1) de geconsolideerde financiële informatie van ING Groep N.V. zoals uiteengezet in de gecontroleerde geconsolideerde jaarrekeningen en de toelichtingen daarbij van ING Groep N.V., vanaf en voor de jaren eindigend op 31 december 2008 (de “**2008 Jaarrekening**”), 31 december 2007 en 31 december 2006 (samen aangeduid als de “**Jaarrekeningen**”) en (2) de niet-gecontroleerde financiële informatie en toelichtingen daarbij van ING Groep N.V. vanaf en voor de drie maanden en negen maanden eindigend op 30 september 2009 en vanaf en voor de drie maanden en zes maanden eindigend op 30 juni 2009 (de “**Interim Financiële Informatie**”), die elk hetzij door verwijzing hetzij door effectieve weergave zijn opgenomen in dit Prospectus.

Behalve indien elders anders is bepaald, worden de bedragen in de Jaarrekeningen die zijn opgenomen in dit Prospectus weergegeven in overeenstemming met de International Financial Reporting Standards (“**IFRS**”) zoals aangenomen door de Europese Unie (“**EU**”). In dit document wordt de term “IFRS-EU” gebruikt om te verwijzen naar de International Financial Reporting Standards zoals aangenomen door de EU inclusief de beslissingen die ING Groep heeft genomen over de keuzemogelijkheden die beschikbaar zijn onder die International Financial Reporting Standards zoals aangenomen door de EU. Zie “Basis van Presentatie” onder Toelichting 2.1.1 bij de 2008 Jaarrekening voor een verdere bespreking van de basis van de presentatie. IFRS-EU verschilt van de International Financial Reporting Standards zoals bepaald door de International Accounting Standards Board (“**IFRS-IASB**”) ten aanzien van bepaalde paragrafen in IAS 39 ‘Financial Instruments: Recognition and Measurement’. Zie “Bepaalde Geconsolideerde Financiële Informatie” elders in dit Prospectus voor meer informatie over de verschillen tussen IFRS-IASB en IFRS-EU zoals toegepast door ING.

De Jaarrekeningen zijn gecontroleerd door Ernst & Young (**“Ernst & Young”**) die in ieder geval zijn gepubliceerd samen met een ongekwalificeerde accountantsverklaring, opgenomen in dit Prospectus. Ernst & Young heeft eveneens de Interim Financiële Informatie nagekeken. De niet-gecontroleerde geconsolideerde financiële informatie vanaf en voor de drie maanden en negen maanden eindigend 30 september 2009 en vanaf en voor de drie maanden en zes maanden eindigend op 30 juni 2009 geeft getrouw beeld weer van de interim resultaten en de financiële positie van de Groep in overeenstemming met IAS 34, *Interim Financial Reporting*. Deze interim resultaten zijn niet noodzakelijk indicatief voor de te verwachten jaarresultaten van 2009.

De samengevatte geconsolideerde financiële informatie die hierna is weergegeven, is enkel bedoeld als een inleiding. Investerders dienen hun investeringsbeslissingen te baseren op een lezing van dit Prospectus in zijn geheel.

	Negen maanden eindigend op 30 september		Zes maanden eindigend op 30 juni		Jaar eindigend op 31 december		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(EUR miljoen, behalve de bedragen per aandeel en de ratio's)						
	Niet-gecontroleerd						
IFRS-EU Geconsolideerde Inkomsten							
Gegevens							
Inkomsten uit de verzekeringsactiviteiten:							
Bruto-premies geboekt:							
Leven	22,341	30,074	15,036	20,742	38,868	40,732	40,501
Niet-Leven	1,475	4,035	1,147	2,987	4,944	6,086	6,333
Totaal	23,816	34,109	16,183	23,729	43,812	46,818	46,834
Commissie-inkomsten	1,469	1,565	971	1,008	2,070	1,901	1,636
Beleggings- en andere inkomsten	2,153	7,280	1,261	5,121	8,970	13,488	11,172
Totale inkomsten uit de verzekeringsactiviteiten	27,438	42,954	18,415	29,858	54,851	62,208	59,642
Inkomsten uit de bankactiviteiten:							
Renteinkomsten	64,418	71,613	44,633	46,579	98,201	76,859	59,262
Rentekosten	55,030	63,744	38,410	41,354	87,115	67,823	49,927
Netto renteresultaat	9,388	7,869	6,223	5,225	11,085	9,036	9,335
Beleggingsinkomsten	(1,346)	(622)	(652)	(101)	(2,459)	947	483
Commissie-inkomsten	1,991	2,177	1,274	1,472	2,895	2,926	2,681
Andere inkomsten	20	886	40	1,088	209	1,693	1,696
Totale inkomsten uit de Bankactiviteiten	10,053	10,310	6,885	7,685	11,731	14,602	14,195
Totale inkomsten²⁾	37,237	53,067	25,129	37,428	66,291	76,586	73,621
Uitgaven voor de verzekeringsactiviteiten:							
Leven	26,686	37,533	18,324	24,948	51,622	49,526	49,106
Niet-leven	1,512	3,945	1,221	2,996	4,864	6,149	5,601
Totale uitgaven in de verzekeringsactiviteiten	28,198	41,478	19,545	27,944	56,486	55,675	54,707
Totale uitgaven in de bankactiviteiten	9,768	8,219	6,776	5,341	11,583	10,092	9,190
Totale uitgaven^{(2),(3)}	37,712	49,500	26,150	33,171	67,778	65,543	63,681
Resultaat voor belasting van de verzekeringsactiviteiten:							
Leven	(919)	957	(1,168)	1,583	(2,146)	5,314	3,436
Niet-leven	159	519	38	331	511	1,219	1,499
Totaal	(760)	1,476	(1,130)	1,914	(1,635)	6,533	4,935
Resultaat voor belasting van de bankactiviteiten							
	285	2,091	109	2,343	148	4,510	5,005
Resultaat voor belasting	(475)	3,567	(1,021)	4,257	(1,487)	11,043	9,940
Belastingen	(140)	577	(196)	796	(721)	1,535	1,907
Minderheidsdeelnemingen	(112)	8	(103)	1	(37)	267	341
Netto resultaat	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Dividend op de gewone aandelen		1,500		1,500	1,500	3,180	2,865
Toevoeging aan het aandelenkapitaal	(223)	1,482	(722)	1,960	(2,654)	6,061	4,827
Verschuldigd aan niet-stemgerechtigd aandelenkapitaal ⁽⁴⁾	—	—	—	—	(425)		
Netto resultaat toewijsbaar aan de houders van kapitaal van de Vennootschap							
	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Winst per aandeel ⁽⁵⁾	(0.11)	1.46	(0.36)	1.68	(0.36)	4.32	3.57
Verwaterde winst per aandeel ⁽⁵⁾	(0.11)	1.45	(0.36)	1.68	(0.36)	4.28	3.54
Dividend per gewoon aandeel ⁽⁵⁾	—	0.74	—	0.74	0.74	1.48	1.32
Interim Dividend	—	0.74	—	0.74	0.74	0.66	0.59
Finaal Dividend	—	—	—	—	—	0.82	0.73
Aantal uitstaande gewone aandelen (in miljoen)							
	2,063.1	2,081.3	2,063.1	2,081.3	2,063.1	2,226.4	2,205.1
Dividend uitkeringsratio ⁽⁶⁾		50.7%		44.0%	N/A	34.3%	37.0%

	Vanaf 30 september 2009	Vanaf 30 juni 2009	Vanaf 31 december		
			2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
(EUR miljard, behalve de bedragen per aandeel en de ratio's)					
Niet-gecontroleerd					
IFRS-EU Geconsolideerde Balans Gegevens					
Totale activa	1,187.9	1,187.9	1,331.7	1,312.5	1,226.3
Beleggingen:					
Verzekering	103.2	101.6	109.5	132.3	140.5
Bank	105.0	105.9	148.8	160.4	171.1
Totaal	208.2	207.5	258.3	292.6	311.6
Leningen en kredieten aan cliënten	577.9	589.4	619.8	553.0	474.4
Verzekerings- en beleggingscontracten:					
Leven	221.9	214.6	213.0	232.4	237.9
Niet-leven	3.7	3.9	6.8	9.6	10.1
Beleggingscontracten	11.2	19.5	21.1	23.7	20.7
Totaal	236.8	238.0	240.8	265.7	268.7
Cliëntendeposito's en andere depositofondsen:					
Spaarrekeningen van de bankactiviteiten	296.3	291.9	274.3	275.1	283.1
Andere deposito's en bankfondsen	162.9	169.9	248.5	250.1	213.6
Totaal	459.2	461.8	522.8	525.2	496.7
Bedragen verschuldigd aan banken	96.9	104.1	152.3	167.0	120.8
Aandelenkapitaal (in miljoen)	2,063.1	2,063.1	2,063.1	2,242.4	2,268.1
Eigen vermogen van de Aandeelhouders	26.5	22.3	17.3	37.2	38.3
Niet-stemgerechtigd aandelenkapitaal ⁽⁴⁾	10.0	10.0	10.0		
Eigen vermogen van aandeelhouders per gewoon aandeel ⁽⁵⁾	13.07	10.99	8.55	17.73	17.78

(1) Voor de impact van de desinvesteringen, zie "Operationeel en Financieel Overzicht en Vooruitzichten"

(2) Na eliminatie van bepaalde intragroepstransacties tussen de verzekeringsactiviteiten en de bankactiviteiten. Zie "Principes van Waardering en Vaststelling van de Resultaten - Consolidatie" onder Toelichting 2.1.1 bij de 2008 Jaarrekening.

(3) Inclusief alle niet-rente uitgaven, inclusief toevoegingen aan de voorziening voor leningsverliezen. Zie "Operationeel en Financieel Overzicht en Vooruitzichten — Liquiditeit en Kapitaal Middelen".

(4) Voor details van de overeenkomsten met de Nederlandse Staat, zie "Activiteiten - Transacties met de Nederlandse Staat" elders in dit Prospectus.

(5) Netto resultaat per aandeel is berekend op basis van het gewogen gemiddelde van het aantal gewone uitstaande aandelen en het eigen vermogen per aandeel is berekend op basis van het aantal uitstaande gewone aandelen op het einde van de respectieve periodes. Voor de doeleinden van deze berekening worden ING Groep N.V. aandelen die worden aangehouden door vennootschappen van de Groep afgetrokken van het totaal aantal gewone aandelen. Het eigen vermogen van de aandeelhouders per aandeel is gebaseerd op de aan het einde van de periode uitstaande gewone aandelen.

(6) De dividenduitkeringsratio is gebaseerd op het netto resultaat toekenbaar aan de houders van kapitaal van de Vennootschap.

	Vanaf 30 september 2009	Vanaf 30 juni 2009	Vanaf 31 december		
			2008	2007	2006
unaudited					
Belangrijke Prestatie Indicatoren					
Rendement op het eigen vermogen	(1.1%)	(5.2%)	(2.1%)	24.2%	23.5%
Kapitaal Ratios					
ING Groep schuld/eigen vermogen ratio	13.1%	13.5%	13.5%	9.5%	9.0%
Verzekeringen kapitaaldekkingratio	256%	257%	256%	244%	274%
Verzekering schuld/eigen vermogen ratio	11.5%	12.4%	8.8%	13.6%	14.2%
Bank Core Tier-1 ratio	7.6%	7.3%	7.3%		
Bank Tier-1 kapitaal ratio ⁽¹⁾	9.7%	9.4%	9.3%	7.39%	7.63%
Bank totaal kapitaal ratio ⁽¹⁾	12.9%	12.5%	12.8%	10.3%	11.0%

(1) Kapitaal ratio's voor 2006 en 2007 worden berekend op grond van Basel I regels. Kapitaalratio's vanaf 2008 worden berekend op grond van Basel II regels zonder toepassing van de Basel I floor.

Samenvatting van de Aanbieding

De voorwaarden van de Aanbieding van Rechten voor de houders van ADS'en verschillen van de voorwaarden die hierin worden omschreven. Indien u een houder van ADS'en bent of een ingezetene van de V.S., gelieve het V.S. prospectus supplement en het verbonden prospectus op grond waarvan de Aanbieding zal worden gedaan in de Verenigde Staten te consulteren, welke is ingediend bij de US Securities and Exchange Commission ("SEC") op 27 november 2009 en beschikbaar is op www.sec.gov.

Uitgever: ING Groep N.V., een naamloze vennootschap opgericht naar Nederlands recht met statutaire zetel in Amsterdam, Nederland.

Aanbieding: De Aanbieding heeft betrekking op een totaal van 1,768,412,544 Nieuwe BDR's met betrekking tot 1,768,412,544 Nieuwe Gewone Aandelen en bestaat uit de Aanbieding van Rechten en de Globale Aanbieding zoals hieronder beschreven. De Nieuwe Gewone Aandelen zullen volledig inwisselbaar zijn en zijn *pari passu* gerangschikt ten opzichte van elkaar en ten opzichte van de Bestaande Gewone Aandelen van de Vennootschap. De Nieuwe BDR's zullen volledig inwisselbaar zijn en zijn *pari passu* gerangschikt ten opzichte van elkaar en de Bestaande BDR's. Als zodanig zullen zij gerechtigd zijn op elke uitkering waarvoor de toepasselijke peildatum na de Sluitingsdatum (zoals hierna gedefinieerd) is gelegen.

Goldman Sachs International, ING Bank N.V. en J.P. Morgan Securities Ltd. zijn de Joint Global Coordinators en de Joint Bookrunners van de Aanbieding.

ING Bank N.V. treedt op als voornaamste inschrijvingsagent

Een syndicaat van underwriters geleid door Goldman Sachs International en J.P. Morgan Securities Ltd. (de "**Vertegenwoordigers**") en, samen met de andere leden van zulk syndicaat van underwriters, de "**Underwriters**"), op grond van een underwriting-overeenkomst d.d. 25 oktober 2009, zoals aangevuld met een prijsovereenkomst d.d. 26 november 2009 (de "**Underwriting-overeenkomst**"), zijn overeengekomen de Aanbieding te garanderen tegen de voldoening van de gebruikelijke voorwaarden.

Aantal Bestaande Gewone Aandelen, uitstaand op de datum van dit Prospectus:

2,063,147,969

Aantal gewone aandelen uitstaand na de uitgifte van de Nieuwe Gewone Aandelen:

3,831,560,513

Aanbieding van Rechten: Onder de voorwaarden uiteengezet in dit Prospectus zullen de houders van de Bestaande Aandelen (andere dan de Stichting) na de sluiting van de beurs op 27 november 2009 (de "**Referentie Datum**") één Recht per gehouden Bestaand Aandeel toegewezen krijgen. 7 Rechten zullen de houder daarvan recht geven om in te schrijven op 6 Nieuwe BDR's tegen de Inschrijvingsprijs. Voor houders van IDR's zullen de Verhandelbare Rechten vertegenwoordigd worden door coupon nummer 24 die aan de IDR's is gehecht.

Inschrijvingsprijs: De Inschrijvingsprijs zal EUR 4.24 bedragen per Nieuwe BDR, hetgeen overeenstemt met de slotkoers van EUR 8.92 per ING aandeel op Euronext Amsterdam en op Euronext Brussel op 26 november 2009 en USD 12.28 per ADS op NYSE op 25 november 2009.

Uitoefeningsperiode voor Rechten: . . .	Op grond van de voorwaarden uiteengezet in dit Prospectus, moeten de houders van Verhandelbare Rechten die wensen in te schrijven op de Nieuwe BDR's hun Rechten uitoefenen gedurende de periode van 30 november 2009 tot 15 december 2009 om 15:00 (Amsterdam tijd). De Rechten kunnen enkel worden uitgeoefend in volledige veelvoud van de inschrijvingsratio. Houders van Rechten wordt aangeraden om de instructies van hun bank of broker te vragen en op te volgen voor de correcte en tijdige uitoefening of verkoop van hun Rechten. Verhandelbare Rechten die niet geldig uitgeoefend zijn tijdens de toepasselijke Uitoefeningsperiode voor Rechten, met inbegrip van de Verhandelbare Rechten die het kleinste integrale veelvoud van de inschrijvingsratio overschrijden, zullen verder worden opgenomen in de effectenrekening van elke houder van niet-uitgeoefende Verhandelbare Rechten, doch enkel voor de doeleinden van de betaling van het Overschreden Bedrag (zoals hierna gedefinieerd), indien dit er is. De uitoefening van de Rechten is onherroepelijk en kan niet ingetrokken, geannuleerd of aangepast worden, behalve zoals anders bepaald in dit Prospectus onder het punt “De Aanbieding — Intrekking van de Aanbieding”.
Voorkeursrechten:	De wettelijke voorkeursrechten met betrekking tot de Aanbieding zijn uitgesloten voor de doeleinden van de Aanbieding. Zie: “De Aanbieding — Aangeboden Aandelen”.
Stemrechten:	De Nieuwe Gewone Aandelen zullen dezelfde stemrechten hebben als de Bestaande Gewone Aandelen, en de Nieuwe BDR's zullen eenzelfde recht op een stemvolmacht hebben als de Bestaande BDR's.
Verhandelen en Verkoop van Rechten:	<p>Naar verwachting zullen de Verhandelbare Rechten worden verhandeld op Euronext Amsterdam en Euronext Brussel van 30 november 2009 tot 15 december 2009. Er zijn geen afspraken gemaakt voor de verhandeling van de Verhandelbare Rechten op enige andere markt, met inbegrip van de NYSE. De ADS Rechten zijn niet overdraagbaar en zullen niet toegelaten worden tot de verhandeling op de NYSE of enige andere beurs.</p> <p>Vanaf 30 november 2009 worden de Bestaande BDR's verwacht te worden verhandeld op Euronext Amsterdam en Euronext Brussel (inclusief in IDR vorm) “ex inschrijvingsrecht”, zijnde het ogenblik waarop de verhandeling van de Verhandelbare Rechten op Euronext Amsterdam en Euronext Brussel zal aanvangen.</p>
Behandeling van de Nieuwe BDR's waarvoor de Rechten niet geldig zijn uitgeoefend.	Nieuwe BDR's waarvoor de Rechten niet geldig zijn uitgeoefend voor het einde van de toepasselijke Uitoefeningsperiode voor Rechten (de “ Resterende Aandelen ”) kunnen verkocht worden door de Joint Global Coordinators en Joint Bookrunners naar hun eigen goeddunken in de Globale Aanbieding en/of in open-markt transacties, rekening houdend met de toepasselijke verkoop- en overdrachtsbeperkingen.
Bestaande Aandelen ingekocht door de Vennootschap:	Sinds 31 oktober 2009 houdt de Vennootschap direct of indirect een totaal van 35.041.271 Bestaande Aandelen aan. Deze aandelen worden gehouden, onder andere, om zich in te dekken voor vergoedingen toegekend onder werknemers kapitaal vergoedingsplannen, inclusief opties voor werknemers. Daarnaast worden de ING aandelen gebruikt voor market-making en indekkingsdoeleinden. Aan Bestaande Aandelen ingekocht door de Vennootschap zullen Rechten toegekend worden in de Aanbieding

van Rechten. De Vennootschap zal de Rechten toegekend aan dergelijke aandelen verkopen.

Globale Aanbiedingsprijs: Bij een Globale Aanbieding, wordt verwacht dat de Globale Aanbiedingsprijs zal worden bepaald volgens een institutionele bookbuilding procedure die zal beginnen op of rond 16 december 2009 en er wordt verwacht dat deze zal worden gepubliceerd op of rond 16 december 2009. In elk geval, inclusief in geval van een Globale Aanbieding, zal de uitgifteprijs van de Nieuwe Aandelen de Inschrijvingsprijs zijn en, zoals hierna beschreven onder “De Aanbieding — Overschreden Bedrag”, zal de Vennootschap geen recht hebben om enig deel van het Overschreden Bedrag (zoals hierna gedefinieerd), als dat er al zou zijn, te ontvangen.

Overschreden Bedrag: Indien, bij de voltooiing van de Globale Aanbieding, de gezamenlijke opbrengsten voor de Resterende Aandelen, aangeboden en verkocht in de Globale Aanbieding, na aftrek van de kosten van de verkoop (inclusief enige B.T.W.) de totale Inschrijvingsprijs voor deze Resterende Aandelen overschrijdt, zal dit Overschreden Bedrag als volgt worden betaald:

Elke houder van een Verhandelbaar Recht dat niet was uitgeoefend voor het einde van de Uitoefeningsperiode voor Rechten zal recht hebben om een deel van het Overschreden Bedrag in cash te ontvangen, in verhouding tot het aantal niet-uitgeoefende Verhandelbaar Rechten weergegeven op de effectenrekening van dergelijke houder, doch enkel in geval dat bedrag meer bedraagt dan EUR 0.01 per niet-uitgeoefend Verhandelbaar Recht. Het Overschreden Bedrag, als dat er zou zijn, zal enkel beschikbaar zijn indien de Resterende Aandelen binnen de twee werkdagen na het einde van de Uitoefeningsperiode voor Rechten worden geplaatst.

Indien aangekondigd is dat een Overschreden Bedrag beschikbaar is geworden voor betaling aan de houders van dergelijke niet-uitgeoefende Verhandelbaar Rechten en u daar, binnen een redelijke termijn volgend op de sluiting van de Globale Aanbieding, geen betaling van heeft ontvangen, dient u contact op te nemen met de financiële tussenpersoon via wie u de niet-uitgeoefende Rechten aanhoudt.

Wij kunnen niet garanderen dat de Globale Aanbieding succesvol zal worden voltooid. Indien de Globale Aanbieding zou plaatsvinden, zullen noch wij, de Underwriters, de Inschrijvingsagent noch enige persoon die inschrijvingen op de Resterende Aandelen bewerkstelligt, aansprakelijk zijn voor enig tekort aan Overschreden Bedrag voortvloeiend uit enige plaatsing van de Resterende Aandelen in de Globale Aanbieding.

De Vennootschap zal geen recht hebben om enig deel van het Overschreden Bedrag te ontvangen.

Joint Global Coordinators en Joint

Bookrunners: Goldman Sachs International, ING Bank N.V. en J.P. Morgan Securities Ltd.

Vertegenwoordigers: Goldman Sachs International en J.P. Morgan Securities Ltd.

Co-Bookrunners: Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc en Morgan Stanley & Co. International plc.

Joint Lead Managers: Citigroup Global Markets Limited, ABN AMRO Bank N.V. en UBS Limited.

Co-Lead Managers: Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank

Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco Santander S.A., Société Générale, en UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

Underwriters De Vertegenwoordigers, Co-Bookrunners, Joint Lead Managers en de Co-Lead Managers worden gezamenlijk aangeduid als de “Underwriters”.

Lock-Up: De Vennootschap is overeengekomen met de Underwriters dat, behalve voor de emissie van ING aandelen in de Aanbieding, zij, voor een periode die eindigt 90 dagen na de Sluitingsdatum en behoudens enkele uitzonderingen, noch direct noch indirect ING aandelen of andere effecten converteerbaar of inwisselbaar in ING aandelen of effecten die rechten vertegenwoordigen om in te schrijven op ING aandelen of deel te nemen aan een transactie met een gelijkaardig economisch effect, zal uitgeven, verkopen, aanbieden of anderszins daarover zal beschikken. Zie: “De Aanbieding — Lock Up” voor verdere informatie, inclusief de uitzonderingen op de Lock-Up.

Inschrijvings-, Noterings- en Betalingsagent ING Bank N.V.

Notering aan de beurs: Alle Bestaande BDR's zijn genoteerd aan Euronext Amsterdam, Euronext Brussel en de NYSE.

Aanvragen zijn of zullen worden gedaan voor de notering van de nieuwe BDR's op Euronext Amsterdam en Euronext Brussel en voor de notering van de Nieuwe ADS'en op de NYSE. De Verhandelbare Rechten worden verwacht te zullen worden verhandeld op Euronext Amsterdam en Euronext Brussel (inclusief de Verhandelbare IDR Rechten) van 30 november 2009 tot 15 december 2009. De overdracht van de Verhandelbare Rechten zal plaatsvinden via de bookentry-systemen van Euroclear en Clearstream. Er wordt verwacht dat de notering van de Nieuwe BDR's en de Nieuwe ADS'en zal plaatsvinden op of rond 21 december 2009. De eerste verhandelingsdag voor de Nieuwe BDR's en de Nieuwe ADS'en is gepland op 21 december 2009.

Gebruik van de Opbrengsten: ING is van plan om de opbrengst van de Aanbieding in de eerste plaats aan te wenden om de terugkoop te financieren van de Core-Tier-1 Securities gehouden door de Nederlandse Staat ten belope van EUR 5 miljard aan emissieprijs, te vermeerderen met de opgebouwde rente en de terugkooppremie. De terugkooppremie betaalbaar met betrekking tot de teruggekochte Core-Tier-1 Securities zal variëren tussen EUR 346 miljoen en EUR 705 miljoen, gebaseerd op de marktprijs van de ING aandelen op het moment van de terugkoop. De opgebouwde rente op een rentepercentage van 8,5% op de teruggekochte Core-Tier-1 Securities wordt geschat op EUR 260 miljoen (uitgaande van een terugbetalingsdatum op de Sluitingsdatum). Derhalve wordt het bedrag dat nodig is voor de terugkoop ten belope van EUR 5 miljard aan emissieprijs geschat tussen EUR 5.605 miljoen en EUR 5.963 miljoen. Zie: “Activiteiten — Recente Ontwikkelingen — Terugkoop van een Deel van de Core-Tier-1 Securities aangehouden door de Nederlandse Staat”.

ING is voornemens om het resterende deel van de opbrengst van de Aanbieding aan te wenden om haar kapitaalpositie te versterken, inclusief de verrekening van de eenmalige kostenpost (vóór belasting) ten belope van EUR 1,3 miljard die ten laste zal genomen worden van het vierde kwartaal van 2009, als gevolg van de additionele betalingen aan de Nederlandse Staat in de vorm van feekaanpassingen onder de

Illiquid Assets Back-Up Facility zoals beschreven onder “Activiteiten — Recente Ontwikkelingen — Transacties met de Nederlandse Staat”, en om het overblijvende deel van de opbrengst gedeeltelijk aan te wenden voor de coupon betalingen die verschuldigd zijn in december 2009 voor de uitstaande hybride instrumenten, zoals vereist door de EC zodat niet vereist zou zijn coupons op hybride instrumenten op te schorten.

Voorwaarden van de Aanbieding: De Aanbieding wordt gegarandeerd door de Underwriters op grond van de Underwriting-overeenkomst waaraan de Underwriters zich onder bepaalde omstandigheden kunnen onttrekken. Indien enige of alle voorwaarden van de Aanbieding niet worden vervuld en er ook geen afstand van is gedaan door de Vertegenwoordigers namens de Underwriters voorafgaand aan de betaling en de levering van de Resterende Aandelen, of indien bepaalde omstandigheden zich voordoen voorafgaand aan de betaling en de levering van de Resterende Aandelen, kunnen de Vertegenwoordigers, namens de Underwriters naar hun eigen goeddunken de Globale Aanbieding en hun verplichting om de Resterende Aandelen te onderschrijven beëindigen, waarna de Aanbieding nietig zal zijn en de Vennootschap de opbrengsten die zij verwachtte te generen door de Aanbieding niet zal ontvangen. Zie: “De Aanbieding — Intrekking van de Aanbieding”.

Als de Aanbieding wordt ingetrokken, zullen zowel de uitgeoefende als de niet-uitgeoefende Rechten worden verbeurd zonder vergoeding voor de houders ervan en inschrijvingen op en toewijzingen van Nieuwe BDR's die hebben plaatsgevonden zullen worden genegeerd. Enige inschrijvingsbetalingen, ontvangen door ING Groep N.V., de Inschrijvingsagent, de Betalingsagent of de Underwriters zullen worden terugbetaald zonder rente. Iedere dergelijke verbeuring zal geen afbreuk doen aan de geldigheid van enige afgesloten verhandeling in de Rechten. Er zal geen terugbetaling plaatsvinden van enige Rechten die zijn gekocht op de markt. Elke verhandeling van Rechten en Nieuwe Aandelen wordt uitsluitend op risico van de betrokken partijen verricht. De Underwriters, de Vennootschap, de Inschrijvingsagent, de Noteringsagent, de Betalingsagent en Euronext Amsterdam N.V., nemen geen enkele verantwoordelijkheid of aansprakelijkheid op zich voor een ieder die ten gevolge van een intrekking van de Aanbieding of de (daarmee verbonden) nietigheid van enige transactie in Rechten of Nieuwe Aandelen op Euronext Amsterdam of Euronext Brussel. Zie: “Risico-factoren — Risico's verbonden aan de Aanbieding — Als de Aanbieding niet plaatsvindt zouden onze kredietwaardering en financieringskosten negatief kunnen worden beïnvloed en zou de prijs van de ING aandelen sterk kunnen dalen. In ieder geval zouden de Rechten waardeloos kunnen worden”.

Toewijzing: Er wordt verwacht dat de Toewijzing van de Nieuwe BDR's zal plaats vinden op 16 december 2009.

Levering, Betaling en Certificering: De Levering van de Nieuwe BDR's tegen betaling van de Inschrijvingsprijs of de Globale Aanbiedingsprijs, naargelang het geval, wordt verwacht plaats te vinden op of rond 21 december 2009 (de “**Sluitingsdatum**”), of op elke andere datum zoals bepaald door de Joint Global Coordinators en Bookrunners. De Levering tegen betaling zal plaatsvinden via de verrekeningssystemen van Euroclear.

International Securities Identification Numbers (ISIN): Bestaande BDRs: NL0000303600 (Euronext Amsterdam en Euronext Brussel)

	Bestaande IDR's: BE0004523610 (Euronext Brussel)
	Bestaande ADS'en: US4568371037 (NYSE)
	Verhandelbare Rechten: NL0009307941 (Euronext Amsterdam en Euronext Brussel)
	Verhandelbare IDR Rechten: BE0970110137 (Euronext Brussel)
CUSIPs:	Bestaande BDRs: N4578E413 (Euronext Amsterdam en Euronext Brussel)
	Bestaande ADS'n: 456837103 (NYSE)
SEDOL:	Bestaande BDR's: 7154182 (Euronext Amsterdam en Euronext Brussel)
	Bestaande ADS'en: 2452643 (NYSE)
	Bestaande IDR's: 7154171 (Euronext Brussel)
Common Code:	Bestaande BDR's: 013208344 (Euronext Amsterdam en Euronext Brussel)
	Bestaande IDR's: 08270805 (Euronext Brussel)
	Bestaande ADS'en: 010377293 (NYSE)
	Verhandelbare Rechten: 047074070 (Euronext Amsterdam en Euronext Brussel)
	Verhandelbare IDR Rechten: 047103258 (Euronext Brussel)
Ticker Symbolen:	Bestaande BDR's: "INGA" (Euronext Amsterdam en Euronext Brussel)
	Bestaande ADS'en: "ING" (NYSE)
	Bestaande IDR's: "INGS" (Euronext Brussel)
	Verhandelbare Rechten "INGRI" (Euronext Amsterdam en Euronext Brussel)
	Verhandelbare IDR Rechten: "ING24" (Euronext Brussel)

Verkoop- en

overdrachtsbeperkingen: Zie: "Verkoop- en Overdrachtsbeperkingen" elders in dit Prospectus.

Voor verdere informatie over de Aanbieding, zie "De Aanbieding" elders in dit Prospectus.

Bepaalde Belangrijke Informatie Betreffende de Uitgever

Wettelijke Naam, Structuur, Oprichting en Statutaire Zetel

De wettelijke- en handelsnaam van de Vennootschap is ING Groep N.V. ING Groep N.V. werd opgericht als een Naamloze Vennootschap naar Nederlands recht op 21 januari 1991 teneinde een fusie te bewerkstelligen tussen Nationale-Nederlanden, die de grootste verzekeraar in Nederland was, en NMB Postbank Group, die een van de grootste banken in Nederland was, door middel van een openbare aanbidding van de aandelen van voormelde vennootschappen. Deze openbare aanbidding werd succesvol afgerond op 4 maart 1991.

Het officiële adres van ING Groep is: ING Groep N.V., Amstelveenseweg 500 (ING Huis), P.O. Box 810, 1000 AV Amsterdam, Nederland, Telefoon +31 20 541 5411.

Voor meer informatie, zie "Algemene Informatie over de Vennootschap" elders in dit Prospectus.

Raad van Commissarissen, Raad van Bestuur en Accountants

De Raad van Commissarissen van de Vennootschap bestaat thans uit veertien leden: Peter Elverding (voorzitter), Jeroen van der Veer (vice-voorzitter), Tineke Bahlmann, Henk Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet Klaver, Godfried van der Lugt, Harish Manwani, Aman Mehta, Joan Spero, Jackson P. Tai, Karel Vuursteen en Lodewijk de Waal.

De Raad van Bestuur van de Vennootschap bestaat thans uit drie leden: Jan Hommen, Patrick G. Flynn en Koos Timmermans.

De leden van de Raad van Commissarissen en de Raad van Bestuur kunnen gecontacteerd worden op ING Groep N.V., Amstelveenseweg 500 (ING Huis), P.O. Box 810, 1000 AV Amsterdam, Nederland.

Het Bestuur Bank bestaat uit Jan Hommen, Patrick G. Flynn, Koos Timmermans, Eli Leenaars, Dick Harryvan en Eric Boyer de la Giroday. ING heeft op 26 oktober 2009 bepaalde wijzigingen van het Bestuur Bank aangekondigd. Zie “Activiteiten — Recente Ontwikkelingen — Wijzigingen van Besturen”.

Het Bestuur Verzekeringen bestaat uit Jan Hommen, Patrick G. Flynn, Koos Timmermans, Hans van der Noordaa en Tom J. McInerney. ING heeft op 26 oktober 2009 bepaalde wijzigingen van het Bestuur Verzekeringen aangekondigd. Zie “Activiteiten — Recente Ontwikkelingen — Wijzigingen van Besturen”.

Op de Algemene Vergadering van 22 april 2008 is Ernst & Young benoemd om de jaarrekeningen van ING Groep te controleren voor de boekjaren 2008 tot en met 2011, de uitkomst van deze controles te rapporteren aan de Raad van Bestuur en de Raad van Commissarissen en om een audit-opinie te verschaffen over de jaarrekeningen van ING Groep.

Voor meer informatie over het bestuur van ING, zie “Informatie over de Vennootschapsorganen van de Vennootschap” elders in dit Prospectus. Voor informatie over de Accountants van de Vennootschap, zie “Algemene Informatie over de Vennootschap — Onafhankelijke Accountants”.

Aandelenkapitaal

Het maatschappelijk kapitaal van ING Groep N.V. bestaat uit gewone aandelen en cumulatief preferente aandelen. Thans zijn enkel gewone aandelen uitgegeven terwijl een recht om tot 4.5 miljard cumulatief preferente aandelen te verwerven is toegekend aan de Stichting Continuïteit ING op grond van een call-optie uitgegeven door ING Groep N.V. De verwerving van de cumulatief preferente aandelen op grond van de call-optie is onderworpen aan de beperking dat, onmiddellijk na de uitgifte van de cumulatief preferente aandelen, het totaal bedrag van de cumulatief preferente aandelen niet meer mag bedragen dan een derde van het totaal uitgegeven aandelenkapitaal van ING Groep N.V. Het doel van de cumulatief preferente aandelen is om de onafhankelijkheid, de continuïteit en de identiteit van de Vennootschap te beschermen tegen invloeden die niet samenlopen met de belangen van ING Groep, haar onderneming en de ondernemingen van haar dochtervennootschappen en alle belanghebbenden (inclusief vijandige overnames), terwijl de gewone aandelen enkel gebruikt worden voor financieringsdoeleinden. Deze aandelen, die allen aandelen op naam zijn, zijn niet fysiek uitgegeven en zijn niet genoteerd aan een beurs.

Gewone aandelen

Alle gewone aandelen zijn op naam. Er zijn geen aandelencertificaten uitgegeven. Gewone aandelen kunnen worden overgedragen door middel van een akte van overdracht. Een levering van gewone aandelen vereist een schriftelijke erkenning door ING Groep N.V. De nominale waarde van de gewone aandelen bedraagt EUR 0.24. Het maatschappelijk kapitaal voor gewone aandelen van ING Groep bestaat uit 4.500 miljoen aandelen (in 2008 steeg dit van 3.000 miljoen aandelen tot 4.500 miljoen aandelen ten gevolge van een statutenwijziging op 8 oktober 2008). Per 31 december 2008 waren ongeveer 2.063 miljoen gewone aandelen uitgegeven en volgestort.

Certificaten van gewone aandelen

Meer dan 99.9% van de gewone aandelen uitgegeven door ING Groep N.V. worden gehouden door Stichting ING Aandelen (de “**Stichting**”). In ruil voor deze aandelen heeft de Stichting certificaten van de gewone aandelen uitgegeven. De Bestaande BDR's zijn genoteerd op Euronext Amsterdam en Euronext Brussel en de Bestaande ADS'en zijn genoteerd op NYSE. Certificaten kunnen ingeruild worden voor (niet-genoteerde) gewone aandelen zonder enige andere voorwaarde, dan de betaling van een administratieve vergoeding van één eurocent (EUR 0.01) per certificaat met een minimum van vijftientig euro (EUR 25) per inruiltransactie.

De houder van een certificaat is gerechtigd om van de Stichting de betaling van dividenden en uitkeringen te ontvangen die overeenkomen met de dividenden en de uitkeringen die de Stichting ontvangt op een gewoon aandeel.

Bovendien is de houder van een certificaat gerechtigd om de Algemene Vergadering van ING Groep N.V. bij te wonen en er het woord te nemen, hetzij in persoon, hetzij bij volmacht. Een houder van een certificaat die aldus de Algemene Vergadering bijwoont heeft het recht om te stemmen als een gevolmachtigde van de Stichting doch volledig naar zijn eigen goeddunken en dit voor het aantal gewone aandelen gelijk aan het aantal certificaten dat hij of zij bezit.

De houder van een certificaat die niet deelneemt aan de Algemene Vergadering, noch in persoon, noch bij volmacht heeft het recht om een bindende stemopdracht te geven aan de Stichting voor het aantal gewone aandelen gelijk aan

het aantal certificaten dat hij of zij bezit. De Stichting kan naar eigen goeddunken de stemrechten uitoefenen verbonden aan de aandelen waarvoor zij geen stemvolmachten heeft uitgegeven aan de houders van certificaten noch zelf een stemopdracht heeft ontvangen. Krachtens de statuten van de Stichting en de daaraan verbonden Administratievoorwaarden (samen de “**Stichting Overeenkomst**”), wordt van de Stichting vereist dat zij, bij het stemmen voor dergelijke aandelen, de belangen van alle houders van certificaten behartigt, ongeacht of zij al dan niet deelnemen aan de Algemene Vergadering, daarbij ook rekening houdend met de belangen van ING Groep N.V., de activiteiten van ING Groep N.V. en haar groepsvennootschappen en alle andere belanghebbenden van ING Groep N.V., ten einde te verzekeren dat met al deze belangen zoveel als mogelijk rekening wordt gehouden en dat zij zoveel als mogelijk worden beschermd.

Voor meer informatie over de kapitaalstructuur van ING en daarmee verbonden aspecten, zie “Informatie Betreffende de ING Aandelen en Toepasselijke Wettelijke Bepalingen” elders in dit Prospectus.

Samenvatting van de risicofactoren

ING is blootgesteld aan een aantal risico's die elk afzonderlijk of gezamenlijk een materiële negatieve invloed zouden kunnen hebben op de financiële toestand en de resultaten van de activiteiten van ING. Hetgeen volgt is een samenvatting van deze risico's.

Risico's verbonden aan de Bedrijfstak Financiële Dienstverlening:

- *Aangezien wij een geïntegreerde vennootschap voor financiële dienstverlening zijn die activiteiten verricht op mondiale basis zijn onze opbrengsten en inkomsten onderhevig aan de volatiliteit en de sterkte van het klimaat van de economische markt, de handelsmarkt en kapitaalmarkt die specifiek zijn voor de geografische gebieden waarin wij onze activiteiten verrichten. De aanhoudende turbulentie en volatiliteit van dergelijke factoren heeft de winstgevendheid van onze verzekerings-, bank-, en vermogens-beheeractiviteiten negatief beïnvloed en zal deze activiteiten mogelijk verder negatief blijven beïnvloeden.*
- *Een ongunstige staat van de kapitaal- en kredietmarkten zou een impact kunnen hebben op onze toegangsmogelijkheden tot liquiditeiten en kapitaal, evenals op de kosten van kredieten en kapitaal.*
- *De nalatigheid of verzuim (“Default”) van een belangrijke marktdeelnemer zou de markten kunnen verstoren.*
- *Aangezien onze levens-, niet-levens- en herverzekeringsactiviteiten onderhevig zijn aan verliezen tengevolge van onvoorzienbare en/of catastrofale gebeurtenissen, die naar hun aard onvoorspelbaar zijn, zou het bedrag van de werkelijke vorderingen onze aangelegde reserves kunnen overschrijden of zouden we een abrupte onderbreking van activiteiten kunnen ervaren, welke omstandigheden beide zouden kunnen resulteren in lagere netto resultaten en een negatieve invloed zouden kunnen hebben op onze operationele resultaten.*
- *Wij zijn werkzaam in sterk gereguleerde sectoren. Er zou zich een ongunstige wijziging of toename kunnen voordoen in de wetgeving betreffende financiële dienstverlening of in de regelgeving die onze sector beheerst.*

Risico's verbonden aan de Groep:

- *De aanhoudende turbulentie en volatiliteit op de financiële markten heeft een negatieve invloed gehad op ons en zouden een negatieve invloed kunnen blijven hebben op ons.*
- *De implementatie van het Herstructureringsplan en de voorgenomen splitsingen in verband met dat plan zal de omvang en de structuur van de Groep aanzienlijk doen veranderen en zal aanzienlijke kosten en onzekerheden met zich meebrengen hetgeen een belangrijke invloed zou kunnen hebben op de Groep.*
- *De met de EC overeengekomen beperkingen op onze mogelijkheden om te concurreren en om overnames te doen of om bepaalde schuldinstrumenten terug te kopen zouden een belangrijke impact kunnen hebben op de Groep.*
- *Bij implementatie van het Herstructureringsplan zullen we minder gediversifieerd zijn en zouden wij concurrentiële en andere nadelen kunnen ervaren.*
- *Ons Back-to-Basics programma en ons Herstructureringsplan zouden mogelijk niet de voorgenomen verlaging van de kosten, risico's en hefboomwerking kunnen opleveren.*

- *Aangezien wij opereren in zeer competitieve markten, inclusief onze thuismarkt, zullen we mogelijk niet in staat zijn ons marktaandeel te verhogen of te behouden, hetgeen een negatieve invloed zou kunnen hebben op onze operationele resultaten.*
- *Onze overeenkomsten met de Nederlandse Staat leggen bepaalde beperkingen op met betrekking tot de uitgifte of de terugkoop van onze aandelen en de vergoeding voor bepaalde hogere posities in het management.*
- *Aangezien wij zaken doen met vele tegenpartijen zou de onmogelijkheid van een van deze tegenpartijen om zijn financiële verplichtingen na te komen een belangrijke negatieve invloed kunnen hebben op onze operationele resultaten.*
- *De huidige marktcondities hebben het risico verhoogd dat leningen worden aangetast. Wij zijn blootgesteld aan dalende waarden van onroerend goed voor het onderpand waarop residentiële en commerciële vastgoedleningen steunen.*
- *De volatiliteit van de rentepercentages zou onze winstgevendheid negatief kunnen beïnvloeden.*
- *Wij zouden verliezen kunnen lijden door het faillissement van banken die onder toepassing vallen van een herstelbetalingsplan van de overheid.*
- *We zullen mogelijk niet in staat zijn om onze risico's succesvol te beheren via derivaten.*
- *Aangezien wij assumpties gebruiken voor factoren die de verzekeringsprovisies, uitgestelde overnamekosten (UOK) en value of business added bepalen, zou het gebruik van verschillende assumpties voor deze factoren een negatieve invloed kunnen hebben op onze operationele resultaten.*
- *Aangezien wij assumpties gebruiken om het cliëntengedrag te modelleren voor de doeleinden van de berekening van het marktrisico, zou het verschil tussen de verwezenlijking en de veronderstelling een negatieve invloed kunnen hebben op de risicoberekeningen en op toekomstige resultaten.*
- *Ons beleid en richtlijnen inzake risicomanagement zouden ontoereikend kunnen zijn voor de risico's waaraan we blootgesteld zijn.*
- *Wij zouden verdere aansprakelijkheden kunnen oplopen voor onze defined benefit pensioenplannen indien de waarde van de activa van het plan niet volstaan om de potentiële verplichtingen te voldoen.*
- *Wij zijn onderworpen aan een veelheid van regelgevende risico's door onze activiteiten in minder ontwikkelde markten.*
- *Aangezien wij een vennootschap voor financiële dienstverlening zijn en wij voortdurend nieuwe financiële producten ontwikkelen zouden wij geconfronteerd kunnen worden met vorderingen die een negatieve invloed zouden kunnen hebben op onze activiteiten en netto resultaten indien niet wordt voldaan aan de verwachtingen van de cliënten.*
- *Ratings zijn belangrijk in onze activiteiten om verschillende redenen. Onder meer voor de uitgifte van schuld, de verkoop van bepaalde producten en de risicoweging van bank- en verzekeringsactiva. Een neerwaartse ratingwijziging zou een negatieve invloed kunnen hebben op onze activiteiten en de netto resultaten.*
- *Onze activiteiten zouden negatief beïnvloed kunnen worden door een aanhoudende stijging van de inflatie.*
- *Operationele risico's zijn inherent aan onze activiteiten.*
- *Herverzekering zal mogelijk niet beschikbaar, betaalbaar of toereikend zijn om ons te beschermen tegen verliezen. We zullen mogelijk ook moeten beslissen om de eerste verzekerings- of herverzekeringsdekkingen te verminderen, te schrappen of te verlagen.*
- *Onze activiteiten zouden negatief kunnen worden beïnvloed door ongunstige publiciteit over, of bestuursrechtelijke maatregelen of gerechtelijke procedures tegen ons, of tegen andere bekende vennootschappen of de sector van de financiële dienstverlening in het algemeen.*
- *Aangezien wij een Nederlandse vennootschap zijn en aangezien Stichting ING Aandelen meer dan 99.9% van onze gewone aandelen aanhoudt kunnen de rechten van onze aandeelhouders verschillen van de rechten van aandeelhouders in andere jurisdicties of vennootschappen die geen vergelijkbare stichtingsstructuur hanteren, hetgeen een invloed zou kunnen hebben op uw rechten als aandeelhouder.*
- *De prijs van de ING aandelen is volatiel geweest en zal dat mogelijk blijven, hetgeen een invloed kan hebben op de waarde van de ING aandelen die u aanhoudt.*

- *Wij hebben geen einddividend betaald in 2008 en evenmin een interim dividend in 2009. Er kan niet gegarandeerd worden dat wij in de toekomst dividenden zullen betalen op gewone aandelen.*
- *Onze mogelijkheden om voordelige Amerikaanse fiscale regimes te gebruiken zou onderworpen kunnen worden aan beperkingen.*

Risico's met betrekking tot de Aanbieding:

- *Het in gebreke blijven van een aandeelhouder om geldig zijn of haar Rechten uit te oefenen voor het einde van de toepasselijke Uitoefeningsperiode voor Rechten zal tot gevolg hebben dat deze Rechten niet langer uitoefenbaar zijn en enige aandeelhouder die in gebreke blijft al zijn of haar Rechten uit te oefenen, hoewel hij of zij de Rechten aanhoudt, zal een verwatering ondergaan van zijn of haar percentage van eigendom van ING aandelen.*
- *Houders van ING aandelen zouden een onmiddellijke en substantiële verwatering kunnen ervaren van de Nieuwe Aandelen in geval van toekomstige kapitaalverhogingen.*
- *De Core Tier-1 Securities uitgegeven aan de Nederlandse Staat kunnen geconverteerd worden in gewone aandelen of certificaten en de bestaande aandeelhouders doen verwateren.*
- *Indien de Aanbieding niet plaatsvindt, zouden onze kredietwaardering en onze financieringskosten negatief kunnen worden beïnvloed en zou de prijs van de ING aandelen sterk kunnen dalen. In beide situaties zouden de Rechten waardeloos kunnen worden.*
- *Er is geen zekerheid dat de verhandeling van de Verhandelbare Rechten zich zal ontwikkelen, en de Verhandelbare Rechten zouden onderworpen kunnen zijn aan intensievere prijsfluctuaties dan de ING aandelen.*
- *Bepaalde houders van ING aandelen zouden niet in staat kunnen zijn om deel te nemen aan deze of toekomstige kapitaalsaanbiedingen met inschrijvingsrechten.*
- *Het zou moeilijk kunnen zijn voor investeerders buiten Nederland om een (gerechtelijke) procedure te starten of een buitenlandse rechterlijke beslissing tegen ons uit te voeren met betrekking tot de Aanbieding.*

RESUME DU PROSPECTUS

Ce résumé doit être lu comme une introduction à ce Prospectus et toute décision d'investissement dans une des Actions Nouvelles ou négociation des Droits Négociables doit être fondée sur un examen exhaustif de ce Prospectus, en ce compris les documents incorporés par référence et les risques d'investissement dans les Actions Nouvelles ou négociation des Droits Négociables tels que énoncés dans les « Facteurs de risque » ci-dessous. Ce résumé n'est pas complet et ne contient pas toutes les informations que vous devriez prendre en compte lors de toute décision relative aux Actions Nouvelles ou aux Droits.

La Société engage sa responsabilité civile dans tous les États qui font partie de l'Espace Economique Européen (un « Etat EEE ») en ce qui concerne ce résumé, en ce compris pour toute traduction de celui-ci, seulement si ce résumé est trompeur, inexact ou contradictoire lorsqu'il est lu conjointement avec les autres parties de ce Prospectus. Au cas où des actions concernant l'information contenue dans ce Prospectus sont intentées devant un tribunal, l'investisseur comparaissant comme plaignant peut devoir supporter les frais de traduction du Prospectus avant le début des procédures judiciaires, conformément aux législations nationales des Etats EEE individuels.

Dans ce Prospectus, et à moins qu'il n'y ait une déclaration contraire ou que le contexte ne l'impose, les références à « **ING Groep N.V.** », « **ING Groep** », la « **Société** » et « **ING Groupe** » renvoient à ING Groep N.V. et les références à « **ING** », le « **Groupe** » et « **nous** » renvoient à ING Groep N.V. et ses filiales consolidées. Les principales filiales d'assurance et filiales bancaires d'ING Groep N.V. sont respectivement ING Verzekeringen N.V. (avec ses filiales consolidées, « **ING Assurances** ») et ING Bank N.V. (avec ses filiales consolidées, « **ING Banque** »). Les références au « **Conseil d'Administration** », « **Conseil des Commissaires** » (« *Raad van Commissarissen* ») et à l'« **Assemblée Générale** » renvoient respectivement au Conseil d'Administration, Conseil des Commissaires et à l'Assemblée Générale des Actionnaires d'ING Groep N.V.

Aperçu d'ING

ING est une institution financière globale d'origine néerlandaise offrant des services bancaires, d'investissements, d'assurances vie et de pensions. Au 30 septembre 2009, nous avons fourni des services à plus de 85 millions de clients privés, de sociétés et de clients institutionnels en Europe, en Amérique du Nord et Amérique Latine, en Asie et en Australie. Nous puisons dans notre expérience et notre expertise, notre engagement pour un service excellent et dans notre taille globale pour répondre aux besoins d'une large base de clients, en ce compris des particuliers, des familles, des petites entreprises, des grandes sociétés, des institutions et des gouvernements. ING Groep N.V. a été constituée sous la forme d'une *Naamloze Vennootschap* (société anonyme) de droit néerlandais le 21 janvier 1991.

Le 26 octobre 2009, ING a annoncé qu'elle prévoyait de céder toutes ses activités d'assurances, en ce compris son activité de gestion d'investissement, avant fin 2013. Ceci représente la prochaine étape du programme Back to Basics annoncé en avril 2009 en application duquel ING avait déjà commencé la procédure de restructuration de ses activités bancaires et d'assurances (avec son activité de gestion d'investissement) de manière à ce qu'elles soient exercées séparément sous l'égide d'ING. La cession projetée fait partie du plan de restructuration d'ING (« **Plan de Restructuration** ») pour lequel ING a finalisé les négociations avec la Commission Européenne (« **CE** ») en octobre 2009 et qui a été formellement approuvé par la CE le 18 novembre 2009. En application du Plan de Restructuration, ING a également accepté de céder pour fin 2013, ING Direct US, qui exerce l'activité bancaire directe du Groupe aux Etats-Unis, et de céder certaines parties de ses activités bancaires de détail. ING considérera une série d'options pour mettre en œuvre ces cessions, en ce compris par des offres publiques initiales, des ventes, des « spin-offs » ou des combinaisons de cela. Pour plus d'informations sur le Plan de Restructuration, voyez « **Activités-Développements Récents-Assurances et Autres Cessions, Contrat CE** » (« *Business — Recent Developments — Insurance and other Divestments, EC Agreement* »).

Une fois le Plan de Restructuration achevé, ING Banque sera une banque commerciale et de détail européenne de taille moyenne, ancrée au Benelux, avec de solides franchises ING Direct et ING Central Europe, et poursuivra des perspectives attractives de croissance en-dehors de l'Europe.

Pour plus d'informations sur l'histoire d'ING et sur ses activités, voyez « **Activités** » (« *Business* ») ailleurs dans le Prospectus ; pour plus d'informations sur les résultats financiers d'ING, voyez « **Information Financière Consolidée Sélectionnée** » (« *Selected Consolidated Financial Information* ») et « **Analyse Opérationnelle et Financière et Perspectives** » (« *Operating and Financial Review and Prospects* ») ; et pour plus d'informations sur certaines questions juridiques relatives à ING, voyez « **Information Générale sur la Société** » (« *General Information about the Company* »).

Contexte et Raisons de l'Offre

En octobre 2008, l'Etat néerlandais a souscrit 10 milliards EUR de titres Core Tier-1 (les « **Core Tier-1 Securities** ») d'ING, au nom des mesures prises pour protéger le secteur financier néerlandais pendant la crise financière globale. Voyez « Activités-Transactions avec l'Etat néerlandais » (« *Business — Transactions with the Dutch State* »). Les termes originaux des Core Tier-1 Securities autorisaient ING à racheter une partie ou l'ensemble du milliard de Core Tier-1 Securities à tout moment au prix de 15 EUR par Core Tier-1 Security, augmenté des intérêts courus à la date du rachat. Dans le cadre du Plan de Restructuration, ING et l'Etat néerlandais ont convenu qu'un montant maximal de 5 milliards EUR sur les 10 milliards EUR de Core Tier-1 Securities pourront être rachetés à tout moment jusqu'au 31 janvier 2010 au prix d'émission initial de 10 EUR par Core Tier-1 Security, plus une prime de rachat se situant entre 346 millions EUR et 705 millions EUR et les intérêts courus. ING prévoit d'utiliser le produit de l'Offre essentiellement pour financer le rachat de ces 5 milliards EUR au montant d'émission des Core Tier-1 Securities. Pour plus d'informations à propos du rachat proposé des Core Tier-1 Securities, voyez « Activités- Développements Récents- Rachat d'une partie des Core Tier-1 Securities Détenues par l'Etat néerlandais » (« *Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State* »).

Le 31 mars 2009, ING Groupe et l'Etat néerlandais ont conclu le financement se rapportant aux titres adossés à des actifs illiquides (« **Illiquid Assets Back-Up Facility** ») couvrant les portefeuilles de titres adossés à des créances hypothécaires de particuliers Alt-A (« *Alt-A Residential Mortgage-Backed* ») de ING Direct US et Insurance Americas d'une valeur nominale d'environ 30 milliards EUR. En application de l'Illiquid Assets Back-Up Facility, ING a transféré 80 % de la propriété économique de son portefeuille Alt-A à l'Etat néerlandais. Afin d'obtenir l'approbation de la CE pour le Plan de Restructuration, ING s'est engagée à faire une série de paiements additionnels à l'Etat néerlandais, correspondant à des ajustements aux rémunérations nettes à payer en application de l'Illiquid Assets Back-Up Facility. Ces paiements additionnels s'élèveront à une valeur nette actuelle de 1,3 milliard EUR, ce qui sera reflété dans un prélèvement unique avant impôt au quatrième trimestre de 2009. Pour plus d'informations à propos de ces paiements additionnels, voyez « Activités-Développements Récents- Contrats sur les Paiements Additionnels à l'Etat néerlandais, Correspondant à des Ajustements à l'Illiquid Assets Back-Up Facility » (« *Business — Recent Developments — Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility* »). Pour plus d'informations sur le Plan de Restructuration, voyez « Activités — Développements Récents- Assurances et Autres Cessions, Contrat CE » (« *Business — Recent Developments — Insurance and other Divestments, EC Agreement* »). ING prévoit d'utiliser les recettes restantes de l'Offre, après paiement des Core Tier-1 Securities, pour renforcer sa position financière, en ce compris pour compenser le prix de 1,3 milliard EUR et pour allouer les recettes restantes partiellement aux paiements coupons dus en décembre 2009 sur les instruments hybrides dûs, tel que requis par la CE afin de ne pas être obligé de retarder les coupons sur les instruments hybrides.

Résumé de l'Information Financière Consolidée

A moins qu'il ne soit indiqué le contraire, le résumé suivant de l'information financière historique du Groupe est basé sur, et doit être lu conjointement avec, (1) l'information financière consolidée d'ING Groep N.V. telle que mentionnée dans les états financiers consolidés audités et dans les notes y relatives d'ING Groep N.V. depuis et pour les années terminées le 31 décembre 2008 (les « **États Financiers 2008** »), le 31 décembre 2007 et le 31 décembre 2006 (ensemble, les « **États Financiers** ») et (2) l'information financière consolidée non auditée et les notes y relatives d'ING Groep N.V. pour les trois mois et neuf mois clôturés le 30 septembre 2009 et pour les trois mois et six mois clôturés le 30 juin 2009 (l'« **Information Financière Intermédiaire** »). Tous sont incorporés par référence et reproduits par ailleurs dans ce Prospectus.

A moins qu'il ne soit indiqué le contraire, les montants des états financiers rapportés dans le Prospectus sont présentés conformément aux International Financial Reporting Standards (« **IFRS** ») tels qu'adoptés par l'Union Européenne (« **UE** »). Dans ce document, le terme « **IFRS-EU** » est utilisé pour faire référence aux International Financial Reporting Standards tels qu'adoptés par l'UE en ce compris les décisions d'ING Group prises en ce qui concerne les options disponibles sous les International Financial Reporting Standards tels qu'adoptés par l'UE. Voyez « Base de Présentation » (« *Basis of Presentation* ») sous la Note 2.1.1. des États Financiers de 2008 pour plus de développement sur la base de la présentation. IFRS-EU diffère des International Financial Reporting Standards tels qu'édictees par le Conseil des Normes Internationales de Comptabilité (« **IFRS-IASB** ») en ce qui concerne certains paragraphes dans IAS 39 « Financial instruments : Recognition and Measurement ». Voyez « Information Financière Consolidée Sélectionnée » (« *Selected Consolidated Financial Information* ») ailleurs dans ce Prospectus pour plus d'informations sur les différences entre IFRS-IASB et IFRS-EU tels qu'appliqués par ING.

Les États Financiers sont audités par Ernst & Young Accountants LLP (« **Ernst & Young** ») et publiés dans chaque cas avec le rapport d’audit sans réserve reproduit dans ce Prospectus. Ernst & Young a également revu l’Information Financière Intermédiaire. L’information financière consolidée non-auditée pour les trois mois et neuf mois clôturés le 30 septembre 2009 et pour les trois mois et six mois clôturés le 30 juin 2009, présente de manière fidèle les résultats intermédiaires du Groupe et sa position financière conformément aux IAS 34, *Interim Financial Reporting*. Ces résultats provisoires ne sont pas nécessairement indicatifs des résultats à attendre pour l’année 2009 complète.

Le résumé de l’information financière consolidée reproduit ci-dessous a uniquement pour but d’être une introduction. Les investisseurs doivent fonder leurs décisions d’investissement sur une analyse exhaustive du Prospectus.

	Neuf mois clôturés le 30 septembre		Six mois clôturés le 30 juin		Année clôturée le 31 décembre		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(millions d'EUR, excepté les montants par action et ratios)						
	Non audité						
IFRS-EU Données issues du Compte de							
Résultats Consolidés							
Revenus des activités d'assurances:							
Primes brutes enregistrées:							
Vie	22.341	30.074	15.036	20.742	38.868	40.732	40.501
Non-vie	1.475	4.035	1.147	2.987	4.944	6.086	6.333
Total	23.816	34.109	16.183	23.729	43.812	46.818	46.834
Revenus des commissions	1.469	1.565	971	1.008	2.070	1.901	1.636
Investissements et autres revenus	2.153	7.280	1.261	5.121	8.970	13.488	11.172
Revenu total des activités d'assurances	27.438	42.954	18.415	29.858	54.851	62.208	59.642
Revenus des activités bancaires:							
Intérêts perçus	64.418	71.613	44.633	46.579	98.201	76.859	59.262
Intérêts versés	55.030	63.744	38.410	41.354	87.115	67.823	49.927
Résultat net des intérêts	9.388	7.869	6.223	5.225	11.085	9.036	9.335
Revenus des investissements	(1.346)	(622)	(652)	(101)	(2.459)	947	483
Revenus des commissions	1.991	2.177	1.274	1.472	2.895	2.926	2.681
Autres revenus	20	886	40	1.088	209	1.693	1.696
Revenu total des activités bancaires	10.053	10.310	6.885	7.685	11.731	14.602	14.195
Revenu total ⁽²⁾	37.237	53.067	25.129	37.428	66.291	76.586	73.621
Dépenses liées aux activités d'assurances:							
Vie	26.686	37.533	18.324	24.948	51.622	49.526	49.106
Non-vie	1.512	3.945	1.221	2.996	4.864	6.149	5.601
Dépenses totales des activités d'assurances	28.198	41.478	19.545	27.944	56.486	55.675	54.707
Dépenses totales des activités bancaires	9.768	8.219	6.776	5.341	11.583	10.092	9.190
Total des dépenses ^{(2),(3)}	37.712	49.500	26.150	33.171	67.778	65.543	63.681
Résultat avant imposition des activités d'assurances:							
Vie	(919)	957	(1.168)	1.583	(2.146)	5.314	3.436
Non-vie	159	519	38	331	511	1.219	1.499
Total	(760)	1.476	(1.130)	1.914	(1.635)	6.533	4.935
Résultat avant imposition des activités bancaires							
	285	2.091	109	2.343	148	4.510	5.005
Résultat avant imposition	(475)	3.567	(1.021)	4.257	(1.487)	11.043	9.940
Impôts	(140)	577	(196)	796	(721)	1.535	1.907
Intérêts minoritaires	(112)	8	(103)	1	(37)	267	341
Résultat net	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Dividendes sur actions ordinaires		1.500		1.500	1.500	3.180	2.865
Ajout au capital des actionnaires	(223)	1.482	(722)	1.960	(2.654)	6.061	4.827
Montants payables sur les actions sans droit de vote ⁽⁴⁾	—	—	—	—	(425)		
Résultat net attribuable aux actionnaires de la Société							
	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Rémunération de base par action ⁽⁵⁾	(0,11)	1,46	(0,36)	1,68	(0,36)	4,32	3,57
Rémunérations moyennes par action ⁽⁵⁾	(0,11)	1,45	(0,36)	1,68	(0,36)	4,28	3,54
Dividendes par action ordinaire ⁽⁵⁾	—	0,74	—	0,74	0,74	1,48	1,32
Dividendes interimaies	—	0,74	—	0,74	0,74	0,66	0,59
Dividendes finaux	—	—	—	—	—	0,82	0,73
Nombre d'actions ordinaires en circulation (en millions)							
	2.063,1	2.081,3	2.063,1	2.081,3	2.063,1	2.226,4	2.205,1
Ratio de paiement de dividendes ⁽⁶⁾							
		50,7 %		44,0 %	N/A	34,3 %	37,0 %

	Au 30 septembre	Au 30 juin	Au 31 décembre		
	2009	2009	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(milliards EUR, excepté les montants par action et les ratios)				
	Non audité				
Données du Bilan Consolidé IFRS-EU					
Actifs totaux	1.187,9	1.187,9	1.331,7	1.312,5	1.226,3
Investissements:					
Assurance.	103,2	101,6	109,5	132,3	140,5
Banque.	105,0	105,9	148,8	160,4	171,1
Total	208,2	207,5	258,3	292,6	311,6
Prêts et avances aux clients.	577,9	589,4	619,8	553,0	474,4
Contrats d'assurance et d'investissements:					
Vie.	221,9	214,6	213,0	232,4	237,9
Non-vie	3,7	3,9	6,8	9,6	10,1
Contrats d'investissements	11,2	19,5	21,1	23,7	20,7
Total	236,8	238,0	240,8	265,7	268,7
Dépôts des clients et autres fonds en dépôts:					
Comptes épargne des activités bancaires	296,3	291,9	274,3	275,1	283,1
Autres dépôts et fonds bancaires	162,9	169,9	248,5	250,1	213,6
Total	459,2	461,8	522,8	525,2	496,7
Montants dus aux banques	96,9	104,1	152,3	167,0	120,8
Capital social (en millions).	2.063,1	2.063,1	2.063,1	2.242,4	2.268,1
Fonds propres attribuables aux actionnaires	26,5	22,3	17,3	37,2	38,3
Titres sans droit de vote ⁽⁴⁾	10,0	10,0	10,0		
Fonds propres attribuables aux actionnaires par action ordinaire ⁽⁵⁾	13,07	10,99	8,55	17,73	17,78

- (1) Pour l'impact des cessions voyez « Analyse Opérationnelle et Financière et Perspectives » (« *Operating and Financial Review and Prospects* »).
- (2) Après l'élimination de certaines opérations intra-groupe entre les activités d'assurances et les activités bancaires. Voyez « Principes d'Evaluation et Détermination des Résultats — Consolidation » (« *Principles of Valuation and Determination of Results — Consolidation* ») sous Note 2.1.1. des Etats Financiers de 2008.
- (3) Inclus toutes les dépenses sans intérêts, y compris les ajouts aux provisions pour les pertes relatives aux prêts. Voyez « Analyse Opérationnelle et Financière et Perspectives — Ressources en Capital et Liquidités » (« *Operating and Financial Review and Prospects — Liquidity and Capital Resources* »).
- (4) Pour des renseignements sur les contrats avec l'Etat néerlandais voyez « Activités — Transactions avec l'Etat néerlandais » (« *Business — Transactions with the Dutch State* ») ailleurs dans ce Prospectus.
- (5) Le résultat net des montants par action a été calculé sur la moyenne pondérée du nombre d'actions ordinaires en circulation et les montants du capital par action ont été calculés sur la base du nombre d'actions ordinaires en circulation à la fin des périodes respectives. Pour les besoins de ces calculs, les actions ING Groep N.V. détenues par des sociétés du Groupe sont déduites du nombre total des actions ordinaires en circulation. Le capital des actionnaires par action est basé sur les actions ordinaires en circulation à la fin de la période.
- (6) Le ratio du paiement des dividendes est basé sur le résultat net allouable aux détenteurs de capital de la Société.

	Au 30 septembre	Au 30 Juin	Au 31 décembre		
	2009	2009	2008	2007	2006
	Non audité				
Indicateurs clés de performance					
Taux de rendement des capitaux propres	(1,1 %)	(5,2 %)	(2,1 %)	24,2 %	23,5 %
Ratios de capital					
Ratio dette/capital d’ING Groupe	13,1 %	13,5 %	13,5 %	9,5 %	9,0 %
Ratio de couverture du capital d’assurance	256 %	257 %	256 %	244 %	274 %
Ratio dette/capital des assurances	11,5 %	12,4 %	8,8 %	13,6 %	14,2 %
Ratio bancaire Core Tier-1	7,6 %	7,3 %	7,3 %		
Ratio bancaire du capital Tier-1 ⁽¹⁾	9,7 %	9,4 %	9,3 %	7,39 %	7,63 %
Ratio bancaire du capital total ⁽¹⁾	12,9 %	12,5 %	12,8 %	10,3 %	11,0 %

- (1) Les ratios du capital de 2006 et 2007 sont calculés en application des règles de Bâle I. Les ratios du capital de 2008 sont calculés en application des règles de Bâle II sans l'application d'un plancher de Bâle I.

Résumé de l'Offre

Les termes de l'Offre des Droits pour les détenteurs d'ADSs sont différents des termes décrits dans le présent document. Si vous êtes un détenteur d'ADSs ou un résident des Etats-Unis, veuillez vous référer au supplément au prospectus US et au prospectus y afférent sur la base duquel l'Offre sera faite aux Etats-Unis, qui a été déposé auprès de l'*US Securities and Exchange Commission* («**SEC**») le 27 novembre 2009 et qui est disponible sur www.sec.gov.

Emetteur: ING Groep N.V., une société anonyme (*Naamloze Vennootschap*) de droit néerlandais et dont le siège social est sis à Amsterdam, Pays-Bas.

Offre: L'Offre porte sur un total de 1.768.412.544 Nouveaux BDRs relatifs à 1.768.412.544 Actions Ordinaires Nouvelles et se compose de l'Offre de Droits et de l'Offre Globale, telles que décrite ci-dessous. Les Actions Ordinaires Nouvelles seront entièrement fongibles et auront le même rang (*pari passu*) entre elles ainsi qu'avec les Actions Ordinaires Existantes de la Société. Les Nouveaux BDRs seront entièrement fongibles et auront le même rang (*pari passu*) entre eux ainsi qu'avec les BDRs Existants. A ce titre, ils donneront droit à toutes les distributions dont la date de référence applicable est postérieure à la Date de Clôture (telle que définie ci-dessous).

Goldman Sachs International, ING Bank N.V. et J.P. Morgan Securities Ltd. sont les Coordinateurs Globaux («**Joint Global Coordinators**») et Teneurs de Livres («**Joint Bookrunners**») de l'Offre.

ING Bank N.V. agit en qualité d'agent principal de souscription.

Un syndicat de garants dirigé par Goldman Sachs International et J.P. Morgan Securities Ltd. (les «**Représentants**» et, avec les autres membres de ce syndicat de garants, les «**Garants**»), aux termes d'une convention de garantie datée du 25 octobre 2009, telle que complétée par une convention de prix datée du 26 novembre 2009 (le «**Contrat de Garantie**»; «**Underwriting Agreement**»), a convenu de garantir l'Offre sous réserve de la réalisation des termes et conditions habituels.

Nombre d'Actions Ordinaires

Existantes en circulation à la date de ce

Prospectus : 2.063.147.969

Nombre d'actions ordinaires en

circulation après l'émission des Actions

Ordinaires Nouvelles : 3.831.560.513

Offre des Droits : Sous réserve des termes et conditions générales prévus dans le présent Prospectus, les détenteurs d'Actions Existantes (autres que la Fondation) après la fermeture des bureaux le 27 novembre 2009 (la «**Date de Référence**») se verront attribuer un Droit par Action Ordinaire Existante détenue. 7 Droits donneront à leur détenteur le droit de souscrire à 6 Nouveaux BDRs au Prix de Souscription. Pour les détenteurs de IDRs, les Droits Négociables seront représentés par un coupon numéro 24 attaché aux IDRs.

Prix de Souscription: Le Prix de Souscription sera de 4,24 EUR par Nouveau BDR, qui est comparable à un prix de clôture de 8,92 EUR par action ING sur Euronext Amsterdam et sur Euronext Brussels le 26 novembre 2009 et 12,28 USD par ADS sur le NYSE le 25 novembre 2009.

Périodes d'Exercice des Droits:

Sous réserve des conditions prévues dans le présent Prospectus, les titulaires de Droits Négociables qui souhaitent souscrire à de Nouveaux BDRs doivent exercer leurs Droits durant la période qui s'étend du 30 novembre 2009 jusqu'au 15 décembre 2009, 15h00 (heure d'Amsterdam). Les Droits ne peuvent être exercés que par

multiples entiers du ratio de souscription. Il est conseillé aux détenteurs de Droits de demander et de suivre les instructions de leur banque dépositaire ou de leur courtier pour exercer ou vendre leurs Droits de façon adéquate et en temps voulu. Les Droits Négociables qui n'ont pas été valablement exercés durant la Période d'Exercice des Droits applicable, en ce compris les Droits Négociables excédentaires par rapport au multiple entier le plus proche du ratio de souscription, continueront à apparaître au compte titres de chaque titulaire de Droits Négociables non exercés, et ce, uniquement pour les besoins, le cas échéant, du paiement du Montant Excédentaire (tel que défini ci-après). L'exercice des Droits est irrévocable et ne peut être retiré, annulé ou modifié, sans préjudice de ce qui figure dans le Prospectus au sein de la section « L'Offre — Retrait de l'Offre » (« *The Offering — Withdrawal of the Offering* »).

Droits de Préemption: Les droits de préemption légaux (*wettelijke voorkeursrechten*) en rapport avec l'Offre ont été exclus pour les besoins de l'Offre. Voyez « L'Offre — Actions Offertes » (« *The Offering — Offered Shares* »).

Droits de vote: Les Actions Ordinaires Nouvelles comporteront les mêmes droits de vote que les Actions Ordinaires Existantes, et les Nouveaux BDRs comporteront le même droit à une procuration de vote que les BDRs Existants.

Négociation et Vente de Droits: Il est prévu que les Droits Négociables soient négociés sur Euronext Amsterdam et sur Euronext Brussels du 30 novembre 2009 au 15 décembre 2009. Aucun arrangement n'a été pris pour que les Droits Négociables puissent être négociés sur un autre marché, en ce compris le NYSE. Les Droits au titre des ADS ne sont pas cessibles et ne seront pas admis à la négociation sur le NYSE ou toute autre bourse.

Il est prévu que les BDRs Existants soient négociés à partir du 30 novembre 2009 sur Euronext Amsterdam et sur Euronext Brussels, (en ce compris sous forme IDR) « hors droit de souscription », date à partir de laquelle les Droits Négociables commenceront à être négociés sur Euronext Amsterdam et Euronext Brussels.

Régime des Nouveaux BDRs pour lesquels des Droits n'ont pas été valablement exercés:

Les Nouveaux BDRs pour lesquels des Droits n'ont pas été valablement exercés avant la fin de la Période d'Exercice des Droits applicable (les « **Actions Restantes** » ou « **Rump Shares** ») peuvent être vendus de manière discrétionnaire par les Coordinateurs Globaux et Teneurs de Livres (« *Joint Global Coordinators and Joint Bookrunners* ») dans le cadre de l'Offre Globale et/ou dans le cadre de transactions sur le marché, sous réserve des restrictions de cession et de transfert applicables.

Actions Existantes Auto-Détenues: ... Au 31 octobre 2009, la Société détenait directement ou indirectement un total de 35.041.271 Actions Existantes. Ces actions sont notamment détenues pour couvrir les attributions effectuées dans le cadre des plans d'attribution d'actions aux employés, en ce compris les options pour employés. En outre, les actions ING sont utilisées à des fins de tenue de marché (« *market making* ») et de couverture. Des Droits seront alloués aux Actions Existantes Auto-Détenues lors de l'Offre de Droits. La Société vendra les Droits alloués à ces actions.

Prix d'Offre Globale: Si l'Offre Globale a lieu, il est prévu de déterminer le Prix de l'Offre Globale à la suite d'une procédure de construction de livre d'ordres (« *bookbuilding* ») institutionnel devant débiter le 16 décembre 2009

ou aux alentours de cette date, et de le publier le 16 décembre 2009 ou aux alentours de cette date.

Dans tous les cas, en ce compris dans l'hypothèse d'une Offre Globale, le prix d'émission pour les Actions Nouvelles sera le Prix de Souscription et, comme décrit sous « L'Offre — Montant Excédentaire » ci-dessous, la Société ne pourra, le cas échéant, recevoir une quelconque part du Montant Excédentaire (tel que défini ci-dessous).

Montant Excédentaire: A l'issue de l'Offre Globale, si les montants totaux reçus pour les Actions Restantes, offertes et vendues dans le cadre de l'Offre Globale, après déduction des dépenses liées à la vente (en ce compris toute taxe sur la valeur ajoutée) excèdent le Prix de Souscription total pour ces Actions Restantes (ce montant, le « **Montant Excédentaire** »), ce Montant Excédentaire sera payé de la manière suivante :

Chaque titulaire d'un Droit Négociable qui n'a pas été exercé à la fin de la Période d'Exercice des Droits aura le droit de recevoir une part du Montant Excédentaire en numéraire, en proportion du nombre de Droits Négociables inexercés tel qu'il apparaît au compte titre de ce titulaire, mais uniquement si ce montant excède 0.01EUR par Droit Négociable inexercé. Le Montant Excédentaire ne sera, le cas échéant, disponible que si les Actions Restantes sont cédées dans les deux jours ouvrables à compter de la fin des Périodes d'Exercice des Droits.

Si il a été annoncé qu'un Montant Excédentaire peut être payé aux titulaires de Droits Négociables inexercés et que vous n'en avez pas reçu paiement de celui-ci dans un délai raisonnable à compter de la clôture de l'Offre Globale, vous devrez contacter l'intermédiaire financier par le biais duquel vous détenez des Droits inexercés.

Nous ne pouvons garantir que l'Offre Globale s'achèvera avec succès. Si l'Offre Globale devait avoir lieu, ni nous, ni les Garants, ni l'Agent de Souscription ni aucune autre personne offrant des services de souscription pour les Actions Restantes ne seront responsables d'une carence de Montant Excédentaire découlant d'un quelconque placement d'Actions Restantes dans le cadre de l'Offre Globale.

La Société n'aura pas le droit de recevoir la moindre part du Montant Excédentaire.

Coordinateurs Globaux et Teneurs de Livres (« Joint Global Coordinators et Joint Bookrunners »):

Goldman Sachs International, ING Bank N.V. et J.P. Morgan Securities Ltd.

Représentants:

Goldman Sachs International et J.P. Morgan Securities Ltd.

Teneurs de Livres Associés

(« Co-Bookrunners »):

Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc et Morgan Stanley & Co. International plc.

Chefs de File Associés (« Joint Lead

Managers »):

Citigroup Global Markets Limited, ABN AMRO Bank N.V. et UBS Limited.

Co-Chefs de File (« Co-Lead

Managers »):

Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco Santander S.A., Société Générale, et UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

Garants (« <i>Underwriters</i> »):	Les Représentants, Teneurs de Livres Associés (« <i>Co-Bookrunners</i> »), Chefs de File Associés (« <i>Joint Lead Managers</i> ») et Co-Chefs de File (« <i>Co-Lead Managers</i> ») sont conjointement dénommés les « Garants ».
Incessibilité (« <i>Lock-Up</i> »):	La Société a convenu avec les Garants que, à l'exception de l'émission d'actions ING dans le cadre de l'Offre, elle ne pourrait, pour une période se terminant 90 jours après la Date de Clôture, sous réserve de certaines exceptions, directement ou indirectement, émettre, vendre, offrir ou disposer autrement d'actions ING ou autres titres convertibles ou échangeables en actions ING ou représentant des droits de souscrire à des actions ING ou conclure une transaction ayant un effet économique similaire. Pour de plus amples informations en ce compris les exceptions à l'incessibilité, voyez « L'Offre — Incessibilité » (« <i>The Offering — Lock-up</i> »).
Agent de Souscription, de Paiement et d'Admission à la Cote :	ING Bank N.V.
Admission en Bourse:	<p>Tous les BDRs Existants sont cotés sur Euronext Amsterdam, Euronext Brussels et sur le NYSE.</p> <p>Des demandes ont été ou seront déposées afin d'admettre les Nouveaux BDRs à la cote sur Euronext Amsterdam et Euronext Brussels, et afin d'admettre les Nouveaux ADSs sur le NYSE. Il est prévu de négocier les Droits Négociables sur Euronext Amsterdam et Euronext Brussels (en ce compris les Droits IDR Négociables) du 30 novembre 2009 au 15 décembre 2009. Le transfert des Droits Négociables aura lieu par l'entremise des systèmes d'entrée en compte d'Euroclear et Clearstream.</p> <p>Il est prévu que les cotations des Nouveaux BDRs et des Nouveaux ADSs deviennent effectives le ou aux alentours du 21 décembre 2009 ou avant. Le premier jour de négociation pour les Nouveaux BDRs et les Nouveaux ADSs est programmé pour le 21 décembre 2009.</p>
Usage des Fonds:	<p>ING a tout d'abord l'intention d'utiliser le produit de l'Offre essentiellement afin de financer le rachat de 5 milliards EUR dans le montant d'émission des Core Tier-1 Securities détenus par l'Etat néerlandais, plus les intérêts échus et la prime de rachat. La prime de rachat payable par rapport aux Core Tier-1 Securities rachetées se situera entre 346 millions EUR et 705 millions EUR, sur la base du prix de marché des actions ING au moment du rachat. L'intérêt dû à un taux de 8,5% sur les Core Tier-1 Securities rachetées est estimé approximativement à 260 millions EUR (en supposant un remboursement à la Date de Clôture; « <i>Closing Date</i> »). Par conséquent, il est prévu que le montant nécessaire afin de racheter le montant émis de 5 milliards EUR se situe entre 5,605 milliards EUR et 5,963 milliards EUR. Voyez « Activités — Développement Récents — Rachat d'une partie des Core Tier-1 Securities détenues par l'Etat néerlandais » (« <i>Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State</i> »).</p> <p>ING a l'intention d'utiliser le solde du produit de l'Offre afin de renforcer sa position en capital, en ce compris pour compenser les 1,3 milliard EUR de prélèvement unique avant impôt qui sera prélevé au quatrième trimestre de 2009 résultant des paiements additionnels à l'Etat néerlandais sous la forme d'ajustement de frais afférents au « Illiquid Assets Back-Up Facility » tel que décrit sous « Activités — Développement Récents — Transactions avec l'Etat néerlandais » (« <i>Business — Recent Developments — Transactions with the Dutch</i> »).</p>

State »), et de partiellement allouer le solde du produit au paiement de coupons dus en décembre 2009 sur les instruments hybrides dûs, tel qu'exigé par la Commission Européenne afin de ne pas devoir reporter les coupons sur les instruments hybrides.

Conditions de l'Offre: L'Offre est garantie par les Garants sur la base du Contrat de Garantie, aux termes duquel les Garants peuvent se retirer dans certaines circonstances. Si tout ou partie des conditions de l'Offre ne sont pas réalisées ou s'il n'y est pas renoncé par les Représentants pour le compte des Garants avant le paiement et la délivrance des Actions Restantes, ou si certaines circonstances se produisent avant le paiement et la délivrance des Actions Restantes, les Représentants peuvent, pour le compte des Garants, mettre de manière discrétionnaire fin à l'Offre Globale et à leur obligation de souscrire à une Action Restante, après quoi l'Offre sera annulée et la Société ne recevra pas les fonds prévus au titre de l'Offre. Voyez « L'Offre — Retrait de l'Offre » (« *The Offering—Withdrawal of the Offering* »).

Si l'Offre est retirée, tant les Droits exercés que ceux qui ne l'ont pas été seront perdus sans compensation pour leurs titulaires, et il ne sera pas tenu compte de la souscription qui auraient été réalisées et des distributions de Nouveaux BDRs qui devraient en découler. Tout paiement de souscription reçu par ING Groep N.V., l'Agent de Souscription, l'Agent de Paiement ou les Garants sera remboursé sans intérêt. Une telle perte de Droits se fera sans préjudice de la validité de toute négociation réglée de Droits. Il n'y aura pas de remboursement de Droits achetés sur le marché. Toute négociation de Droits ou de Actions Nouvelles se fait aux seuls risques des parties concernées. Les Garants, la Société, l'Agent de Souscription, l'Agent de Cotation, l'Agent de Paiement et Euronext Amsterdam N.V. n'assument aucune responsabilité par qui résulterait du retrait de l'Offre ou de l'annulation (y afférent) de toute transaction de Droits ou de Actions Nouvelles sur Euronext Amsterdam et Euronext Brussels. Voyez « Facteurs de Risques — Risques relatifs à l'Offre — Si l'Offre n'a pas lieu, nos notations de crédit et coûts de financement pourraient être affectés défavorablement, et le prix des actions ING pourrait baisser brusquement. Dans tous les cas, les Droits pourraient perdre leur valeur ».

Distribution: Il est prévu que la distribution des Nouveaux BDRs ait lieu le 16 décembre 2009.

Délivrance, Paiement et Certification: Il est prévu le cas échéant que la délivrance des Nouveaux BDRs en contrepartie du paiement du Prix de Souscription ou du Prix de l'Offre Globale ait lieu le 21 décembre 2009 ou aux alentours de cette date (la « **Date de Clôture** »), ou à une autre date que les Coordinateurs Globaux (« *Joint Global Coordinators* ») et Teneurs de Livres (« *Joint Bookrunners* ») peuvent déterminer. La délivrance contre paiement aura lieu par l'entremise des systèmes de liquidation d'Euroclear.

Numéro International d'Identification des Titres (ISIN): BDRs Existants: NL0000303600 (Euronext Amsterdam et Euronext Brussels)

IDRs Existants: BE0004523610 (Euronext Brussels)

ADSs Existants: US4568371037 (NYSE)

Droits Négociables: NL0009307941 (Euronext Amsterdam et Euronext Brussels)

	Droits Négociables IDR:	BE0970110137 (Euronext Brussels)
CUSIPs:	BDRs Existants:	N4578E413 (Euronext Amsterdam et Euronext Brussels)
	ADS Existants:	456837103 (NYSE)
SEDOL:	BDRs Existants:	7154182 (Euronext Amsterdam et Euronext Brussels)
	ADSs Existants:	2452643 (NYSE)
	IDRs Existants:	7154171 (Euronext Brussels)
Common Code:	BDRs Existants:	013208344 (Euronext Amsterdam et Euronext Brussels)
	IDRs Existants:	08270805 (Euronext Brussels)
	ADSs Existants:	010377293 (NYSE)
	Droits Négociables:	047074070 (Euronext Amsterdam et Euronext Brussels)
	Droits Négociables IDR:	047103258 (Euronext Brussels)
Symboles:	BDRs Existant:	« INGA » (Euronext Amsterdam et Euronext Brussels)
	ADSs Existant :	« ING » (NYSE)
	IDRs Existant:	« INGS » (Euronext Brussels)
	Droits Négociables:	« INGRI » (Euronext Amsterdam et Euronext Brussels)
	Droits Négociables IDR:	« ING24 » (Euronext Brussels)
Restriction à la Vente et au Transfert: . .	Voyez « Restrictions à la Vente et au Transfert » (« <i>Selling and Transfer Restrictions</i> ») ailleurs dans le Prospectus.	

Pour plus d'informations concernant l'Offre, voyez « L'Offre » (« *The Offer* ») ailleurs dans le Prospectus.

Certaines informations importantes concernant l'Emetteur

Dénomination juridique, Structure, Constitution et Sièges sociaux

La dénomination juridique et commerciale de la Société est ING Groep N.V. ING Groep N.V. a été constituée en tant que société anonyme (« *Naamloze Vennootschap* ») de droit néerlandais le 21 janvier 1991, afin d'opérer la fusion entre Nationale-Nederlanden, qui était la plus grande compagnie d'assurances aux Pays-Bas, et NMB Postbank Group, qui était l'une des banques les plus importantes des Pays-Bas, par la voie d'une offre publique sur les actions de cette dernière. Cette offre publique a été achevée avec succès le 4 mars 1991.

Le siège social d'ING Groep N.V. est : ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, Pays-Bas, Téléphone +31 20 541 5411.

Pour plus d'informations, voyez « Informations Générales à propos de la Société » (« *General Information about the Company* ») ailleurs dans le Prospectus.

Conseil des Commissaires, Conseil d'Administration et Commissaires

Le Conseil des Commissaires (« *Raad van Commissarissen* ») est actuellement composé de 14 membres : Peter Elverding (président), Jeroen van der Veer (vice-président), Tineke Bahlmann, Henk Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet Klaver, Godfried van der Lugt, Harish Manwani, Aman Mehta, Joan Spero, Jackson P. Tai, Karel Vuursteen et Lodewijk de Waal.

Le Conseil d'Administration de la Société est actuellement composé de 3 membres : Jan Hommen, Patrick G. Flynn et Koos Timmermans.

Les membres du Conseil des Commissaires et du Conseil d'Administration peuvent être contactés auprès de ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, Pays-Bas.

La direction de la Société pour les Activités Bancaires (*Banking*) est composée de Jan Hommen, Patrick G. Flynn, Koos Timmermans, Eli Leenaars, Dick Harryvan et Eric Boyer de la Giroday. ING a annoncé certains changements au sein du Comité de Gestion pour la Banque le 26 octobre 2009. Voyez « Activités—Développements récents — Changements au niveau des Comités de Gestion » (« *Business — Recent Developments — Changes to the Management Boards* »).

La direction de la Société pour les Activités d'Assurance est composée de Jan Hommen, Patrick G. Flynn, Koos Timmermans, Hans van der Noordaa et Tom J. McInerney. ING a annoncé certaines modifications au sein du Comité de Gestion pour l'Assurance le 26 octobre 2009. Voyez « Activités — Développements récents — Changements au niveau des Comités de Gestion » (« *Business — Recent Developments — Changes to the Management Boards* »).

Lors de l'Assemblée Générale du 22 avril 2008, Ernst & Young a été nommée afin d'auditer les comptes financiers d'ING Groupe pour les exercices sociaux 2008 à 2011 inclus, afin d'établir un rapport sur les résultats de ces audits au Conseil d'Administration et au Conseil des Commissaires ainsi qu'afin de formuler une opinion de contrôle sur les états financiers d'ING Groupe.

Pour plus d'informations au sujet du management d'ING, voyez « Information sur les Organes Sociaux de la Société » (« *Information on the Company's Corporate Bodies* ») ailleurs dans ce Prospectus. Pour des informations concernant les Commissaires aux comptes de la Société, voyez « Information Générale sur la Société — Commissaires Indépendants » (« *General Information about the Company — Independent Auditors* »).

Capital social

La capital social de ING Groep N.V. se compose d'actions ordinaires et d'actions préférentielles cumulatives. Actuellement, seules des actions ordinaires ont été émises, tandis qu'un droit d'acquérir jusqu'à 4,5 milliards d'actions préférentielles cumulatives a été conféré à ING Continuity Foundation (*Stichting Continuïteit ING*) en vertu d'une option d'achat émise par ING Groep N.V. L'acquisition d'actions préférentielles cumulatives en vertu de l'option d'achat est subordonnée à la restriction selon laquelle, immédiatement après l'émission d'actions préférentielles cumulatives, le nombre total d'actions préférentielles cumulatives ne peut pas excéder un tiers du capital social total d'ING Groep N.V. L'objectif des actions préférentielles cumulatives est de protéger l'indépendance, la continuité et l'identité de la Société contre les influences qui sont contraires aux intérêts d'ING Groupe, de son entreprise et des entreprises de ses filiales ainsi que de l'ensemble des parties prenantes (en ce compris les offres publiques hostiles), alors que les actions ordinaires sont uniquement utilisées à des fins de financement. Ces actions, qui sont toutes des actions nominatives, ne sont pas en circulation et ne sont pas inscrites à la cotation sur un marché boursier.

Actions ordinaires

Toutes les actions ordinaires sont de la forme nominative. Aucun certificat d'action n'a été émis. Les actions ordinaires peuvent être transférées au moyen d'un acte de transfert. Un transfert d'actions ordinaires requiert la reconnaissance écrite de ING Groep N.V. La valeur nominale (« *par value* ») des actions ordinaires s'élève à 0,24 EUR. Le capital social autorisé en actions ordinaires d'ING Groupe est composé de 4.500 millions d'actions (augmenté de 3.000 millions d'actions à la suite d'une modification apportée aux Statuts le 8 octobre 2008. Au 31 décembre 2008, approximativement 2.063 millions d'actions ordinaires ont été émises et entièrement libérées.

Certificats d'actions ordinaires

Plus de 99,9% des actions ordinaires émises par ING Groep N.V. sont détenues par *Stichting ING Aandelen* (la « **Fondation** »). En échange de ces actions, la Fondation a émis des certificats pour les actions ordinaires. Les BDRs Existants sont cotés sur Euronext Amsterdam et sur Euronext Brussels, et les ADSs Existants sont admis à la négociation sur le NYSE. Les certificats peuvent être échangés contre des actions ordinaires (non-cotées) sans aucune restriction, autre que le paiement de frais d'administration s'élevant à un centime d'Euro (0,01 EUR) par certificat avec un minimum de vingt-cinq Euros (25,00 EUR) par transaction d'échange.

Le détenteur d'un certificat est autorisé à recevoir de la Fondation un paiement de dividendes et des distributions correspondant aux dividendes et distributions reçus par la Fondation pour une action ordinaire.

En outre, le détenteur d'un certificat au porteur est autorisé à assister et à prendre la parole à l'Assemblée Générale de ING Groep N.V., en personne ou par procuration. Un détenteur d'un certificat qui assiste ainsi à une Assemblée Générale est autorisé à voter en tant que mandataire de la Fondation mais entièrement à sa seule discrétion pour un nombre d'actions ordinaires égal au nombre de certificats qu'il détient.

Un détenteur de certificats qui n'assiste pas à l'Assemblée Générale en personne ou par procuration est autorisé à donner une instruction de vote contraignante à la Fondation pour un nombre d'actions ordinaires égal au nombre de certificats qu'il détient. La Fondation peut, à sa discrétion, voter pour les actions pour lesquelles elle n'a pas émis de vote par procuration à des détenteurs de certificats et n'a reçu aucune instruction de vote. En vertu des Statuts de la Fondation et des Conditions d'Administration (« *Administratievoorwaarden* ») y étant liées (ensemble la « **Convention de Fondation** »), la Fondation doit, en votant pour ces actions, promouvoir les intérêts de tous les détenteurs de certificats, indépendamment du fait qu'ils assistent à l'Assemblée Générale ou non, en prenant également en compte les intérêts de ING Groep N.V., les activités d'ING Groep N.V. et des sociétés du groupe ainsi que de tous les autres parties prenantes d'ING Groep N.V., de manière à veiller à ce qu'il soit donné à tout ces intérêts autant de considération et de protection que possible.

Pour plus d'informations au sujet de la structure du capital d'ING et des sujets y étant liés, voyez « Informations Relatives aux Actions ING et Dispositions Légales Applicables » (« *Information Relating to ING Shares and Applicable Legal Provisions* ») ailleurs dans ce Prospectus.

Résumé des Facteurs de Risque

ING est exposée à un nombre de risques qui pourraient, individuellement ou collectivement, avoir un effet défavorable significatif sur la situation financière d'ING ou les résultats de ses activités. Ce qui suit constitue un résumé de ces risques.

Risques Liés à l'Industrie des Services Financiers:

- *Parce que nous sommes une société intégrée de services financiers opérant ses activités à une échelle globale, nos revenus et profits sont influencés par la volatilité et de la solidité des environnements économiques, financiers et des marchés de capitaux spécifiques aux régions dans lesquelles nous conduisons nos activités. La turbulence et la volatilité actuelles de ces facteurs ont affecté de manière défavorable, et pourraient continuer à affecter de manière défavorable, la rentabilité de nos activités d'assurance, de banque et de gestion d'actifs.*
- *Les conditions défavorables des marchés des capitaux et du crédit pourraient avoir un impact sur notre capacité à accéder aux liquidités et aux capitaux, ainsi que sur le coût du crédit et du capital.*
- *La cessation de paiement d'un acteur majeur du marché pourrait perturber les marchés.*
- *Parce que nos activités d'assurance vie, d'assurance non-vie et de réassurance sont soumises à des pertes résultant d'événements imprévisibles et/ou catastrophiques, qui sont par nature imprévisibles, les montants de nos demandes d'indemnisation effectives pourraient excéder nos réserves constituées ou nous pourrions être confrontés à une interruption soudaine d'activités, l'une ou l'autre de ces hypothèses étant susceptible de mener à des résultats nets inférieurs et d'avoir un effet négatif sur nos résultats des opérations.*
- *Nous opérons dans des industries hautement réglementées. Il pourrait y avoir une modification défavorable ou une augmentation des lois et réglementations relatives aux services financiers qui gouvernent nos activités.*

Risques Liés au Groupe:

- *La turbulence et la volatilité actuelles sur les marchés financiers nous ont affecté de manière négative, et pourraient continuer à le faire.*
- *La mise en place du Plan de Restructuration et les cessions prévues en relation avec ce plan altéreront significativement la taille et la structure du Groupe et entraîneront des coûts et des incertitudes importants qui pourraient impacter matériellement le Groupe.*
- *Les limitations convenues avec la CE quant à notre capacité de concurrencer et à procéder à des acquisitions ou de racheter certains instruments de crédit pourraient avoir un impact significatif sur le Groupe.*
- *A l'issue de la réalisation du Plan de Restructuration, nous serons moins diversifiés et pourrions connaître des désavantages de compétitivité et d'autres désavantages.*
- *Notre programme Back to Basics et notre Plan de Restructuration pourraient ne pas produire les réductions souhaitées en terme de coûts, de risque et d'effets de levier.*

- *Parce que nous opérons dans des marchés hautement compétitifs, en ce compris notre marché national, nous pourrions ne pas être en mesure d'augmenter ou de maintenir notre part de marché, ce qui pourrait avoir un effet défavorable sur nos résultats des opérations.*
- *Nos accords avec l'Etat néerlandais nous imposent certaines restrictions concernant l'émission et le rachat de nos actions ainsi que la rémunération de certains postes de management seniors.*
- *Parce que nous traitons avec de nombreux cocontractants, l'incapacité de ces cocontractants à satisfaire à leurs obligations financières pourrait avoir un effet défavorable significatif sur nos résultats d'activités.*
- *Les conditions de marché actuelles ont augmenté le risque de prêts douteux. Nous sommes exposés aux valorisations immobilières déclinantes sur les sûretés relatives aux prêts immobiliers résidentiels et commerciaux.*
- *La volatilité des taux d'intérêt pourrait affecter de manière défavorable notre rentabilité.*
- *Nous pourrions subir des pertes en raison de la faillite de banques tombant dans le champ de plans de garanties d'Etats.*
- *Nous pourrions ne pas réussir à gérer nos risques avec succès par des produits financiers dérivés.*
- *Parce que nous utilisons des hypothèses sur facteurs afin de déterminer les provisions d'assurances, les coûts d'acquisition différés (« DAC ») et la valeur ajoutée commerciale (« VOBA »), l'utilisation d'hypothèses différentes sur ces facteurs pourrait avoir un effet défavorable sur nos résultats d'activités.*
- *Parce que nous utilisons des hypothèses afin de modéliser le comportement du client dans le cadre de nos calculs des risques de marché, la différence entre la réalisation et les hypothèses pourrait avoir un effet défavorable sur les chiffres de risque et sur les futurs résultats.*
- *Nos politiques et directives en matière de gestion du risque pourraient s'avérer inadéquates par rapport aux risques auxquels nous sommes confrontés.*
- *Nous pourrions encourir des dettes supplémentaires au regard de nos plans de pension à prestations définies si la valeur des actifs de ces plans n'est pas suffisante pour couvrir les obligations éventuelles.*
- *Nous sommes soumis à une variété de risques réglementaires en raison de nos activités dans des marchés moins développés.*
- *Parce que nous sommes une société de services financiers et que nous développons continuellement de nouveaux produits financiers, nous pourrions être confrontés à des plaintes qui pourraient avoir un effet défavorable sur nos activités et notre résultat net si les attentes des clients ne sont pas satisfaites.*
- *Pour un certain nombre de raisons, les notations sont importantes pour nos activités. Parmi ces raisons figurent l'émission de dette, la vente de certains produits et la pondération du risque des actifs bancaires et d'assurances. Des rétrogradations pourraient avoir un effet négatif sur nos activités et sur les résultats nets.*
- *Nos activités pourraient être affectées de manière négative par une augmentation prolongée de l'inflation.*
- *Des risques opérationnels sont inhérents à nos activités.*
- *La réassurance pourrait ne pas être disponible, abordable ou appropriée afin de nous protéger contre les pertes. Nous pourrions également décider de réduire, d'éliminer ou de refuser la couverture d'assurance primaire ou de réassurance.*
- *Nos activités pourraient être affectées défavorablement par de la publicité négative, des décisions réglementaires ou des litiges nous concernant, concernant d'autres sociétés connues ou l'industrie des services financiers en général.*
- *Parce que nous sommes une société néerlandaise et parce que la Stichting ING Aandelen détient plus de 99,9% de nos actions ordinaires, les droits de nos actionnaires pourraient différer des droits des actionnaires dans d'autres juridictions ou des droits des actionnaires de sociétés qui n'utilisent pas une structure similaire de fondation, ce qui pourrait affecter vos droits en tant qu'actionnaires.*
- *Le prix par action des actions ING a été et pourrait continuer à être volatile, ce qui pourrait avoir un impact sur la valeur des actions ING que vous détenez.*
- *Nous n'avons pas payé un dividende final en 2008 ni un dividende intérimaire en 2009. Il n'y a aucune garantie que nous payerons des dividendes sur nos actions ordinaires dans le futur.*

- *Notre capacité à utiliser des régimes fiscaux américains favorables pourrait devenir sujette à des limitations.*

Risques liés à l'Offre:

- *Le fait pour un actionnaire de ne pas exercer valablement ses Droits avant la fin de la Période d'Exercice des Droits applicable aura pour conséquence que ses Droits ne seront plus exerçables, et tout actionnaire n'ayant pas exercé tous ses Droits, bien que détenus, subira une dilution de son pourcentage de détention d'actions ING.*
- *Les détenteurs d'actions ING pourraient connaître une dilution immédiate et substantielle de la valeur des Actions Nouvelles en cas de futures augmentations de capital.*
- *Les Core Tier-1 Securities émises au profit de l'Etat néerlandais pourraient être converties en actions ordinaires ou en certificats et diluer les actionnaires existants.*
- *Si l'Offre n'est pas réalisée, nos notations de crédit et nos coûts de financement pourraient être affectés et le prix des actions ING pourrait fortement chuter. Dans les deux cas, les Droits pourraient perdre leur valeur.*
- *Il n'y aucune certitude qu'il se développe un marché des Droits Négociables, et les Droits Négociables pourraient être soumis à des fluctuations de cours plus importantes que les actions ING.*
- *Certains détenteurs d'actions ING pourraient ne pas pouvoir participer à cette offre de capital ou à de futures offres de capital avec des droits de souscription.*
- *Il pourrait être difficile à des investisseurs situés en dehors des Pays-Bas de signifier un acte de procédure ou de faire exécuter des jugements étrangers relatifs à l'offre à l'encontre de ING.*

Zusammenfassung des Prospekts

Diese Zusammenfassung ist als Einführung zu diesem Prospekt zu verstehen und jede Entscheidung, in Neue Aktien (New Shares) zu investieren oder Bezugsrechte auszuüben oder zu handeln, sollte erst nach sorgfältiger Prüfung des gesamten Prospekts sowie der in Bezug genommenen Dokumente und der Risiken der Investition in die Neuen Aktien oder der Ausübung oder des Handels von Bezugsrechten, die in dem Prospektabschnitt „Risk Factors“ genannt sind, getroffen werden. Diese Zusammenfassung ist nicht vollständig und enthält nicht alle Informationen, die in Verbindung mit einer Entscheidung in Bezug auf die Neuen Aktien oder Bezugsrechten berücksichtigt werden sollten.

Eine zivilrechtliche Haftung der Gesellschaft in einem Mitgliedstaat des Europäischen Wirtschaftsraums („Mitgliedstaat des EWR“) hinsichtlich dieser Zusammenfassung einschließlich der Übersetzungen tritt nur ein, falls diese Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der jeweiligen Mitgliedstaaten des EWR die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben.

In diesem Prospekt und falls nicht anders bestimmt oder der Zusammenhang es nicht anders verlangt, verweisen „ING Groep N.V.“, „ING Groep“, die „Gesellschaft“ und der „ING Konzern“ auf die ING Groep N.V., und Verweise auf „ING“, der „Konzern“, „wir“ und „uns“ beziehen sich auf die ING Groep N.V. und ihre konsolidierten Tochtergesellschaften. Die wesentlichen Versicherungsgesellschaften und Bankgesellschaften der ING Groep N.V. sind die ING Verzekeringen N.V. (zusammen mit ihren konsolidierten Tochtergesellschaften „ING Versicherungen“) und die ING Bank N.V. (zusammen mit ihren konsolidierten Tochtergesellschaften „ING Bank“). Verweise auf „Vorstand“, „Aufsichtsrat“ und „Hauptversammlung“ beziehen sich jeweils auf den Vorstand, Aufsichtsrat und die Hauptversammlung der Aktionäre der ING Groep N.V.

Überblick über die ING

ING ist ein weltweit operierender niederländischer Finanzkonzern, der Dienstleistungen in den Bereichen Bankwesen, Vermögensanlagen, Lebensversicherungen und Altersvorsorge anbietet. Seit dem 30. September 2009 beraten wir mehr als 85 Millionen Privat-, Firmen- und institutionelle Kunden in Europa, Nordamerika, Lateinamerika, Asien und Australien. Wir setzen auf unsere Erfahrung und Kompetenz, unser Bekenntnis zu einem hervorragenden Kundenservice sowie unsere globale Präsenz, um den Bedürfnissen eines breiten Kundenstamms gerecht zu werden, der sich aus Einzelpersonen, Familien, kleinen Unternehmen, großen Konzernen, Institutionen und Regierungen zusammensetzt. Die ING Groep N.V. wurde am 21. Januar 1991 als eine *Naamloze Vennootschap* (Aktiengesellschaft) nach niederländischem Recht gegründet.

Am 26. Oktober 2009 gab die ING bekannt, dass sie die Ausgliederung des gesamten Versicherungsgeschäfts einschließlich des Bereichs Investment Management bis Ende 2013 plane. Dies stellt den nächsten Schritt des im April 2009 angekündigten „Back-to-Basics“ Programms dar, aufgrund dessen die ING bereits den Restrukturierungsprozess des Bank- und Versicherungsgeschäfts (einschließlich des Bereichs Investment Management) begonnen hatte, damit diese einzeln unter dem Dach der ING geführt werden. Die vorgesehene Ausgliederung ist Teil des Restrukturierungsplans der ING („Restrukturierungsplan“); die ING hatte die Verhandlungen mit der Europäischen Kommission („EU-Kommission“) im Oktober 2009 abgeschlossen und der Plan wurde von der EU-Kommission am 18. November 2009 formal gebilligt. Im Rahmen des Restrukturierungsplans hat die ING ebenfalls zugestimmt, die ING Direct US, welche das Direktbankgeschäft des Konzerns in den Vereinigten Staaten von Amerika („USA“) leitet, bis Ende 2013 auszugliedern sowie bestimmte Teile ihres niederländischen Privatkundengeschäfts auszugliedern. Die ING wird eine Reihe von Möglichkeiten in Erwägung ziehen, um diese Ausgliederungen durchzuführen, darunter Börsengänge, Verkäufe, Abspaltungen oder Kombinationen hiervon. Für weitere Informationen zu dem Restrukturierungsplan siehe den Prospektabschnitt „Business — Recent Developments — Insurance and other Divestments, EC Agreement“.

Nach Abschluss des Restrukturierungsplans wird die ING Bank eine mittelgroße europäische Privatkunden- und Geschäftsbank sein, die in den Benelux-Ländern verankert ist und starke ING Direct und mitteleuropäische Lizenznehmer hat, und attraktive Wachstumschancen außerhalb Europas verfolgen wird.

Für weitere Informationen zu der Geschichte und der Geschäftstätigkeit der ING siehe den Prospektabschnitt „Business“ an anderer Stelle in diesem Prospekt; für weitere Informationen zu dem Finanzergebnis der ING siehe die Prospektabschnitte „Selected Consolidated Financial Information“ und „Operating and Financial Review and

Prospects“ sowie für weitere Informationen zu bestimmten die ING betreffende Rechtsangelegenheiten den Prospektabschnitt „General Information about the Company“.

Hintergrund und Gründe für das Angebot

Als Teil der Maßnahmen, die den niederländischen Finanzmarkt während der weltweiten Finanzkrise schützen sollten, erwarb der niederländische Staat im Oktober 2008 eine Kernkapital-Anleihe („**Core Tier-1 Securities**“) der ING in Höhe von EUR 10 Milliarden. Siehe hierzu den Prospektabschnitt „Business — Transactions with the Dutch State“. Die ursprünglichen Bedingungen der Core Tier-1 Securities erlaubten es der ING, EUR 1 Milliarde Core Tier-1 Securities jederzeit teilweise oder ganz zu einem Preis von EUR 15 pro Core Tier-1 Security zuzüglich aufgelaufener Zinsen bis zum Rückkaufsdatum zurückzukaufen. Im Zusammenhang mit dem Restrukturierungsplan haben sich die ING und der niederländische Staat darauf geeinigt, dass bis zu EUR 5 Milliarden der EUR 10 Milliarden der Core Tier-1 Securities jederzeit bis zum 31. Januar 2010 zu dem ursprünglichem Ausgabebetrag in Höhe von EUR 10 pro Core Tier-1 Security zuzüglich einer Rückkaufprämie in Höhe von EUR 346 Millionen bis zu EUR 705 Millionen sowie aufgelaufener Zinsen zurückgekauft werden können. Die ING plant die Erlöse dieses Angebots hauptsächlich für die Finanzierung des Rückkaufs dieses EUR 5 Milliarden Volumens der Core Tier-1 Securities zu verwenden. Für weitere Informationen zu dem beabsichtigten Rückkauf der Core Tier-1 Securities siehe den Prospektabschnitt „Business — Recent Developments — Repurchase of a Portion of Core Tier-1 Securities Held by the Dutch State“.

Am 31. März 2009 schlossen der ING Konzern und der niederländische Staat die Ausfallkreditlinie in Höhe von rund EUR 30 Milliarden für unverkäufliche Wertpapiere („**Illiquid Assets Back-up Facility**“) ab, die Wertpapierportfolios für private Wohnimmobilien (*Alt-A Residential Mortgage-Backed securities portfolio*) der ING Direct US und der Insurance Americas mit einem Ausgabebetrag absichert. Im Rahmen der Illiquid Assets Back-up Facility übertrug die ING dem niederländischen Staat 80 % des wirtschaftlichen Eigentums ihres Alt-A Portfolios. Um die Billigung der EU-Kommission für den Restrukturierungsplan zu erhalten, hat sich die ING dazu verpflichtet, eine Reihe von zusätzlichen Zahlungen an den niederländischen Staat zu leisten, die der Netto-Gebührenerhöhung entsprechen, die hinsichtlich der Illiquid Assets Back-up Facility zu entrichten sind. Diese zusätzlichen Zahlungen werden einem Kapitalwert von EUR 1,3 Milliarden entsprechen, welcher im vierten Quartal 2009 als einmaliger Vorsteueraufwand ausgewiesen wird. Für weitere Informationen zu diesen zusätzlichen Zahlungen siehe den Prospektabschnitt „Business — Recent Developments — Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-up Facility“. Für weitere Informationen zu dem Restrukturierungsplan siehe den Prospektabschnitt „Business — Recent Developments — Insurance and other Divestments, EC Agreement“. Nach Rückzahlung der Core Tier-1 Securities, plant die ING die restlichen Erlöse aus diesem Angebot für die Stärkung ihrer Kapitalbasis zu nutzen, einschließlich der Verrechnung der EUR 1,3 Milliarden, und die übrigen Erlöse teilweise für Zinszahlungen auf ihre ausstehenden hybriden Wertpapiere zu nutzen, die im Dezember 2009 fällig werden, so wie dies von der EU-Kommission vorgeschrieben wurde, damit es nicht erforderlich ist, Zinszahlungen auf hybride Wertpapiere aufzuschieben.

Zusammenfassung der konsolidierten Finanzinformationen

Die nachfolgende Zusammenfassung der historischen Finanzinformationen des Konzerns, sofern nicht anders ausgewiesen, basiert auf und sollte im Zusammenhang gelesen werden mit (1) den konsolidierten Finanzinformationen der ING Groep N.V., wie in den geprüften konsolidierten Konzernabschlüssen und deren Erläuterungen der ING Groep N.V. für die jeweils zum 31. Dezember endenden Geschäftsjahre 2008 (der „**Konzernabschluss 2008**“), 2007 und 2006 (zusammen die „**Konzernabschlüsse**“) dargelegt, und (2) den ungeprüften konsolidierten Finanzinformationen und deren Erläuterungen der ING Groep N.V. für den zum 30. September 2009 endenden Drei- und Neunmonatszeitraum sowie den zum 30. Juni 2009 endenden Drei- und Neunmonatszeitraum (die „**Konzernzwischenabschlüsse**“), auf die allesamt verwiesen wird oder die an anderer Stelle in diesem Prospekt enthalten sind.

Soweit nicht anders ausgewiesen, sind die Angaben der Konzernabschlüsse in diesem Prospekt in Übereinstimmung mit den International Financial Reporting Standards („**IFRS**“), wie sie von der Europäischen Union („**EU**“) gebilligt wurden, dargestellt. In diesem Prospekt bezieht sich der Begriff „**IFRS-EU**“ auf die International Financial Reporting Standards, wie sie von der EU gebilligt wurden und die Entscheidungen des ING Konzerns in Bezug auf die möglichen Optionen unter den International Financial Reporting Standards. Für weitere Erläuterungen zu der Darstellung siehe den Prospektabschnitt „Basis of Presentation“ im Anhang des Konzernabschlusses 2008 unter 2.1.1. IFRS-EU unterscheidet sich von den International Financial Reporting Standards des International Accounting Standards Board („**IFRS-IASB**“) in Bezug auf bestimmte Paragraphen in IAS 39 „Finanzinstrumente: Ansatz und Bewertung“. Für weitere Informationen zu den Unterschieden zwischen

IFRS-IASB und IFRS-EU wie sie von der ING angewandt werden siehe den Prospektabschnitt „Selected Consolidated Financial Information“ an anderer Stelle in diesem Prospekt.

Die Konzernabschlüsse wurden von Ernst & Young Accountants LLP („**Ernst & Young**“) geprüft und jeweils mit einem uneingeschränkten Bestätigungsvermerk versehen, der in diesem Prospekt wiedergegeben ist. Der Konzernzwischenabschluss zum 30. Juni 2009 wurde ebenfalls von Ernst & Young geprüft. Die ungeprüften Konzernzwischenabschlüsse für den Drei- und Neunmonatszeitraum endend zum 30. September 2009 sowie für den Drei- und Sechsmonatszeitraum endend zum 30. Juni 2009 präsentieren die Konzernzwischenergebnisse und die finanzielle Situation gemäß IAS 34 ‚Zwischenberichterstattung‘. Diese Zwischenergebnisse sind nicht zwingend ausschlaggebend für das zum Jahresende 2009 zu erwartende Ergebnis.

Die nachstehend dargestellten zusammengefassten Finanzinformationen sind nur als eine Einleitung gedacht. Anleger sollten ihre Anlageentscheidung auf die Prüfung des gesamten Prospekts stützen.

	für den Neunmonats- zeitraum zum 30. September		für den Sechsmonats- zeitraum zum 30. Juni		für das Geschäftsjahr zum 31. Dezember		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(in EUR Millionen, außer im Fall von Angaben pro Aktie und Kennziffern)						
	ungeprüft						
IFRS-EU Konsolidierte Gewinn- und Verlustrechnung							
Einkommen aus Versicherungsgeschäften:							
Bruttoprämieneinnahmen:							
Leben	22.341	30.074	15.036	20.742	38.868	40.732	40.501
Nicht-Leben	1.475	4.035	1.147	2.987	4.944	6.086	6.333
Gesamt	23.816	34.109	16.183	23.729	43.812	46.818	46.834
Provisionserträge	1.469	1.565	971	1.008	2.070	1.901	1.636
Kapitalanlagen und sonstige Erträge	2.153	7.280	1.261	5.121	8.970	13.488	11.172
Gesamteinkommen aus Versicherungsgeschäften	27.438	42.954	18.415	29.858	54.851	62.208	59.642
Einkommen aus Bankgeschäften:							
Zinserträge	64.418	71.613	44.633	46.579	98.201	76.859	59.262
Zinsaufwendungen	55.030	63.744	38.410	41.354	87.115	67.823	49.927
Netto-Zinsergebnis	9.388	7.869	6.223	5.225	11.085	9.036	9.335
Kapitalerträge	(1.346)	(622)	(652)	(101)	(2.459)	947	483
Provisionserträge	1.991	2.177	1.274	1.472	2.895	2.926	2.681
Andere Erträge	20	886	40	1.088	209	1.693	1.696
Gesamteinkommen aus Bankgeschäften	10.053	10.310	6.885	7.685	11.731	14.602	14.195
Gesamteinkommen⁽²⁾	37.237	53.067	25.129	37.428	66.291	76.586	73.621
Aufwendungen aus Versicherungsgeschäften:							
Leben	26.686	37.533	18.324	24.948	51.622	49.526	49.106
Nicht-Leben	1.512	3.945	1.221	2.996	4.864	6.149	5.601
Gesamtaufwendungen aus Versicherungsgeschäften	28.198	41.478	19.545	27.944	56.486	55.675	54.707
Gesamtaufwendungen aus Bankgeschäften	9.768	8.219	6.776	5.341	11.583	10.092	9.190
Gesamtaufwendungen^(2,3)	37.712	49.500	26.150	33.171	67.778	65.543	63.681
Ergebnis vor Steuern aus Versicherungsgeschäften:							
Leben	(919)	957	(1.168)	1.583	(2.146)	5.314	3.436
Nicht-Leben	159	519	38	331	511	1.219	1.499
Gesamt	(760)	1.476	(1.130)	1.914	(1.635)	6.533	4.935
Ergebnis vor Steuern aus Bankgeschäften	285	2.091	109	2.343	148	4.510	5.005
Ergebnis vor Steuern	(475)	3.567	(1.021)	4.257	(1.487)	11.043	9.940
Steuern	(140)	577	(196)	796	(721)	1.535	1.907
Minderheitenanteile	(112)	8	(103)	1	(37)	267	341
Nettoergebnis	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Dividenden auf Aktien		1.500		1.500	1.500	3.180	2.865
Eigenkapitalzufuhr	(223)	1.482	(722)	1.960	(2.654)	6.061	4.827
Zahlungen auf stimmrechtslose Wertpapiere ⁽⁴⁾	—	—	—	—	(425)		
Den Aktieninhabern der Gesellschaft zurechenbares Ergebnis	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Bereinigtes Ergebnis je Aktie ⁽⁵⁾	(0,11)	1,46	(0,36)	1,68	(0,36)	4,32	3,57
Verwässerter Gewinn pro Aktie ⁽⁵⁾	(0,11)	1,45	(0,36)	1,68	(0,36)	4,28	3,54
Dividende pro Aktie ⁽⁵⁾	—	0,74	—	0,74	0,74	1,48	1,32
Zwischendividende	—	0,74	—	0,74	0,74	0,66	0,59
Schlussdividende	—	—	—	—	—	0,82	0,73
Anzahl der ausstehenden Aktien (in Millionen)	2.063,1	2.081,3	2.063,1	2.081,3	2.063,1	2.226,4	2.205,1
Ausschüttungssatz ⁽⁶⁾		50,7%		44,0%	N/A	34,3%	37,0%

	zum Neunmonats- zeitraum zum 30. September	zum Sechsmonatszeitraum zum 30. Juni	für das Geschäftsjahr zum 31. Dezember		
	2009	2009	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(in EUR Milliarden, außer im Fall von Angaben pro Aktie und Ratio) ungeprüft				
IFRS-EU Konsolidierte Bilanzdaten					
Summe der Aktiva	1.187,9	1.187,9	1.331,7	1.312,5	1.226,3
Kapitalanlagen:					
Versicherung	103,2	101,6	109,5	132,3	140,5
Bankgeschäft	105,0	105,9	148,8	160,4	171,1
Gesamt	208,2	207,5	258,3	292,6	311,6
Darlehen und Vorschüsse an Kunden	577,9	589,4	619,8	553,0	474,4
Lebensversicherungs- und Kapitalanlageverträge:					
Leben	221,9	214,6	213,0	232,4	237,9
Nicht-Leben	3,7	3,9	6,8	9,6	10,1
Kapitalanlageverträge	11,2	19,5	21,1	23,7	20,7
Gesamt	236,8	238,0	240,8	265,7	268,7
Kundeneinlagen und sonstige Einlagen:					
Sparkonten des Bankgeschäfts	296,3	291,9	274,3	275,1	283,1
Sonstige Einlagen und Bankenfonds	162,9	169,9	248,5	250,1	213,6
Gesamt	459,2	461,8	522,8	525,2	496,7
Verbindlichkeiten gegenüber Kreditinstituten . .	96,9	104,1	152,3	167,0	120,8
Stammkapital (in Millionen)	2.063,1	2.063,1	2.063,1	2.242,4	2.268,1
Eigenkapital	26,5	22,3	17,3	37,2	38,3
Stimmrechtlose Aktienwerte ⁽⁴⁾	10,0	10,0	10,0		
Eigenkapital pro Aktie ⁽⁵⁾	13,07	10,99	8,55	17,73	17,78

- (1) Zu den Auswirkungen von Ausgliederungen siehe den Prospektabschnitt „Operating and Financial Review and Prospects“.
- (2) Nach Abschaffung bestimmter konzerninterner Transaktionen zwischen dem Versicherungs- und dem Bankgeschäft. Siehe den Prospektabschnitt „Principles of Valuation and Determination of Results —Consolidation“ im Anhang des Konzernabschlusses 2008 unter 2.1.1.
- (3) Beinhaltet alle Aufwendungen außer Zinsen einschließlich Zuzahlungen auf die Rückstellungen für Kreditausfälle. Siehe den Prospektabschnitt „Operating and Financial Review and Prospects —Liquidity and Capital Resources“.
- (4) Zu Details der Vereinbarungen mit dem niederländischen Staat siehe an anderer Stelle in diesem Prospekt den Prospektabschnitt „Business —Transactions with the Dutch State“.
- (5) Die Beträge der Nettoerlöse pro Aktie wurden auf Grundlage der gewichten durchschnittlichen Anzahl von ausstehenden Aktien berechnet, und die Beträge des Eigenkapitals pro Aktie wurden auf Grundlage der Anzahl der ausstehenden Aktien am Ende der jeweiligen Zeiträume berechnet. Im Zusammenhang mit dieser Berechnung werden die ING Groep N.V. Aktien, die von Unternehmen gehalten werden, die zum Konzern gehören, von der Gesamtzahl der ausgegebenen Aktien abgezogen. Das Eigenkapital pro Aktie basiert auf der Anzahl ausstehender Aktien am Ende des Berechnungszeitraums.
- (6) Der Ausschüttungssatz basiert auf dem den Aktionären der Gesellschaft zurechenbaren Nettoergebnis.

	zum Neunmonats- zeitraum zum 30. September	zum Sechsmonats- zeitraum zum 30. Juni	für das Geschäftsjahr zum 31. Dezember		
	2009	2009	2008	2007	2006
	ungeprüft				
Wesentliche Kennzahlen (Key Performance Indicators)					
Eigenkapitalrendite	(1,1)%	(5,2)%	(2,1)%	24,2%	23,5%
Kapitalquoten					
ING Konzern Verschuldungsgrad	13,1%	13,5%	13,5%	9,5%	9,0%
Versicherungsgeschäft Kapitaldeckungsgrad	256%	257%	256%	244%	274%
Versicherungsgeschäft Verschuldungsgrad	11,5%	12,4%	8,8%	13,6%	14,2%
Kernkapitalquote Bank (Core Tier-1 ratio)	7,6%	7,3%	7,3%		
Eigenmittelquote Bank (Tier-1 capital ratio) ⁽¹⁾	9,7%	9,4%	9,3%	7,39%	7,63%
Gesamteigenkapitalquote Bank ⁽¹⁾	12,9%	12,5%	12,7%	10,3%	11,0%

- (1) Die Kapitalquoten für die Jahre 2006 und 2007 wurden nach den Basel I Bestimmungen berechnet. Die Kapitalquoten ab 2008 wurden nach Basel II Bestimmungen ohne die Anwendung der Basel I Untergrenze berechnet.

Zusammenfassung des Angebots

Die Bedingungen des Bezugsangebots für Inhaber von American depositary shares (von US-Depotbanken ausgegebene Zertifikate für hinterlegte Aktien ausländischer Unternehmen, „ADSs“) unterscheiden sich von den hier beschriebenen Bedingungen. Sollten Sie Inhaber von ADSs sein oder Ihren Wohnsitz in den USA haben, lesen Sie bitte den für das Angebot in den Vereinigten Staaten von Amerika erstellten U.S. Nachtrag zum Prospekt und den relevanten Prospekt, der am 27. November 2009 bei der amerikanischen Börsenaufsicht (United States Securities and Exchange Commission („SEC“)) eingereicht wurde und der unter www.sec.gov erhältlich ist.

Emittentin: ING Groep N.V., eine nach niederländischem Recht gegründete Aktiengesellschaft (*Naamloze Vennootschap*) mit Geschäftssitz in Amsterdam, Niederlande.

Angebot: Das Angebot bezieht sich auf ein Gesamtvolumen von 1.768.412.544 Neuen auf den Inhaber lautenden Hinterlegungsscheinen (*Bearer Depositary Receipts*, „**Neue BDRs**“) in Bezug auf 1.768.412.544 Neue Aktien und besteht aus einem Bezugsrechtsangebot und einem Globalen Angebot wie nachfolgend beschrieben. Die Neuen Aktien werden voll fungibel und gleichrangig untereinander und zu den Alten Aktien der Gesellschaft sein. Die Neuen BDRs werden voll fungibel und gleichrangig untereinander und zu den Alten BDRs sein. Als solche werden sie berechtigt sein, an allen Ausschüttungen teilzunehmen, für die der anwendbare Stichtag auf einen Tag nach dem Closing fällt (wie nachfolgend beschrieben).

Goldman Sachs International, ING Bank N.V. und J.P. Morgan Securities Ltd. sind die Globalen Koordinatoren und Joint Bookrunners dieses Angebots

ING Bank N.V. agiert als primäre Zeichnungsstelle.

Ein Emissionskonsortium, angeführt von Goldman Sachs International und J.P. Morgan Securities Ltd. (die „**Bevollmächtigten**“ und zusammen mit den anderen Teilnehmern des Emissionskonsortiums, die „**Underwriters**“), hat, basierend auf einem Übernahmevertrag vom 25. Oktober 2009 (der „**Übernahmevertrag**“), der durch einen Vertrag zur Bestimmung des Bezugspreises vom 26. November 2009 ergänzt wurde, zugestimmt, unter Voraussetzung der Erfüllung marktüblicher Bedingungen, das Angebot zu übernehmen.

Anzahl der ausstehenden Alten Aktien zum Zeitpunkt dieses Prospekts: 2.063.147.969

Anzahl der ausstehenden Aktien nach Ausgabe der Neuen Aktien: 3.831.560.513

Bezugsangebot: Vorbehaltlich der in diesem Prospekt dargestellten Bedingungen bekommen Inhaber Alter Aktien (abgesehen von dem Treuhandfonds) am 27. November 2009 nach Handelsschluss (der „**Stichtag**“) ein Bezugsrecht pro gehaltener Alter Aktie zugeteilt. 7 Bezugsrechte garantieren deren Inhaber das Recht, 6 Neue BDRs zu dem Bezugspreis zu zeichnen. Für Inhaber von internationalen Hinterlegungsscheinen (*International Depositary Receipts*, „**IDRs**“) werden die handelbaren Bezugsrechte durch den Zinsschein Nummer 24 vertreten, der den IDRs beigelegt ist.

Bezugspreis: Der Bezugspreis beträgt EUR 4,24 pro Neue BDR, im Vergleich zu dem Closing Preis von EUR 8,92 pro ING Aktie an der Euronext Amsterdam und Euronext Brüssel am 26. November 2009 und USD 12,28 pro ADS an der NYSE am 25. November 2009.

Ausübungszeitraum der Bezugsrechte:	Vorbehaltlich der in diesem Prospekt dargestellten Bedingungen müssen Inhaber von handelbaren Bezugsrechten, die Neue BDRs zeichnen wollen, ihre Rechte in dem Zeitraum vom 30. November 2009 bis 15:00 Uhr (Amsterdamer Zeit) am 15. Dezember 2009 ausüben. Rechte können nur als ganzzahliges Vielfaches des Bezugsverhältnisses ausgeübt werden. In Bezug auf die ordentliche und fristgerechte Ausübung oder den Verkauf von ihren Rechten sind Bezugsrechtsinhaber angehalten, Anweisungen ihrer Depotbank oder ihres Brokers zu erfragen und zu folgen. Handelbare Bezugsrechte, die nicht wirksam während der anwendbaren Bezugsrechtsperiode ausgeführt wurden, einschließlich der handelbaren Bezugsrechte die über das ganzzahlige Vielfache des Bezugsverhältnisses hinausgehen, werden weiterhin zum Zweck einer möglichen Auszahlung des Mehrerlöses (wie unten definiert) auf dem Aktienkonto des jeweiligen Inhabers von nicht ausgeübten handelbaren Bezugsrechten angezeigt. Die Ausübung der Bezugsrechte ist unwiderruflich und kann nicht storniert oder geändert werden, abgesehen von den in dem Prospektabschnitt „The Offering — Withdrawal of the Offering“ dieses Prospekts beschriebenen Bedingungen.
Vorzugsrechte:	Die gesetzlichen Vorzugsrechte (<i>wettelijke voorkeursrechten</i>) in Bezug auf das Angebot wurden zum Zweck des Angebots ausgeschlossen. Siehe den Prospektabschnitt „The Offering — Offered Shares“.
Stimmrechte:	Die Neuen Aktien werden über dieselben Stimmrechte verfügen wie die Alten Aktien und die Neuen BDRs werden über dieselben Depotstimmrechte verfügen wie die Alten BDRs.
Bezugsrechtshandel:	<p>Die Bezugsrechte werden voraussichtlich an der Euronext Amsterdam und der Euronext Brüssel in der Zeit vom 30. November 2009 bis einschließlich 15. Dezember 2009 gehandelt. Es wurden keine Maßnahmen getroffen, die Bezugsrechte an anderen Märkten, einschließlich der NYSE, zu handeln. Die ADS Rechte sind nicht übertragbar und werden nicht zum Handel an der NYSE oder anderen Börsen zugelassen.</p> <p>Vom 30. November 2009 an wird erwartet, dass die Alten BDRs an der Euronext Amsterdam und der Euronext Brüssel (einschließlich in IDR Form) als „ex-Bezugsrecht“ gehandelt werden; zu diesem Zeitpunkt wird der Handel mit Bezugsrechten an der Euronext Amsterdam und Euronext Brüssel beginnen.</p>
Behandlung von Neuen BDRs für die die Bezugsrechte nicht wirksam ausgeübt wurden:	Neue BDRs, für die die Rechte vor dem Ende der anwendbaren Bezugsrechtsperiode nicht gültig ausgeübt wurden (die „ Rump Shares “), können vorbehaltlich der anwendbaren Verkaufs- und Übertragungsbeschränkungen durch die Globalen Koordinatoren und die Joint Bookrunners in dem Globalen Angebot und/oder in Freiverkehrstransaktionen verkauft werden.
Gehaltene eigene Aktien:	Seit dem 31. Oktober 2009 hält die Gesellschaft direkt oder indirekt ein Gesamtvolumen von 35.041.271 Alten Aktien. Diese Aktien werden unter anderem gehalten, um die im Mitarbeiterbeteiligungsprogramm eingeräumten Rechte, einschließlich der Mitarbeiteroptionen, abzusichern. Zusätzlich werden die eigenen Aktien zum Market Making sowie für Absicherungszwecke genutzt. Den eigenen Alten Aktien werden auch Bezugsrechte zugeteilt. Die

Gesellschaft wird die den eigenen Aktien zugeteilten Rechte verkaufen.

Globaler Angebotspreis: Im Falle des Globalen Angebots wird erwartet, dass der Globale Angebotspreis anhand eines institutionellen Bookbuilding-Verfahrens ermittelt wird, das am oder um den 16. Dezember 2009 anfangen wird; es wird erwartet, dass der Globale Angebotspreis am oder um den 16. Dezember 2009 veröffentlicht wird.

In jedem Fall, auch im Fall eines Globalen Angebots, wird der Ausgabepreis der Neuen Aktien dem Bezugspreis entsprechen und wird die Gesellschaft wie in dem Prospektabschnitt „The Offering — Excess Amount“ beschrieben nicht berechtigt sein, einen Anteil des Mehrerlöses (wie unten definiert) zu erhalten, sofern ein Mehrerlös anfällt.

Mehrerlös: Wenn nach Ende des Globalen Angebots der Gesamterlös für die im Globalen Angebot angebotenen und verkauften Rump Shares nach Abzug der Verkaufskosten (einschließlich Mehrwertsteuer) den gesamten Bezugspreis für diese Rump Shares übersteigt (solch ein Betrag ist der „**Mehrerlös**“), wird dieser Mehrerlös auf die folgende Art und Weise ausbezahlt werden:

Jeder Inhaber eines handelbaren Bezugsrechts, das nicht bis zum Ende des Ausübungszeitraums für Bezugsrechte ausgeübt wurde, hat ein Recht auf einen Teil des Mehrerlöses in bar im Verhältnis zu den nicht ausgeübten handelbaren Bezugsrechten, die im Depot dieses Inhabers sind, aber nur falls der Erlös mehr als EUR 0,01 pro nicht ausgeübtem handelbarem Bezugsrecht beträgt. Der Mehrerlös, sofern vorhanden, ist nur verfügbar, wenn die Rump Shares innerhalb von zwei Werktagen nach Ende des Bezugsrechtszeitraums platziert werden. Wenn die Verfügbarkeit eines Mehrerlöses zur Auszahlung an die Inhaber von nicht ausgeübten handelbaren Bezugsrechten bekannt gegeben wurde und Sie nicht innerhalb eines angemessenen Zeitraums eine Zahlung nach dem Closing des Globalen Angebots erhalten haben, sollten Sie sich mit dem Finanzmittler, durch den Sie über nicht ausgeübte Bezugsrechte verfügen, in Verbindung setzen.

Wir können nicht garantieren, dass das Globale Angebot erfolgreich abgeschlossen wird. Sollte das Globale Angebot stattfinden, können weder wir, die Underwriters, die Zeichnungsstelle noch irgendeine andere Person, die Zeichnungen für die Rump Shares bereitstellt, für das Ausbleiben eines Mehrerlöses durch die Platzierung der Rump Shares im Globalen Angebot verantwortlich gemacht werden.

Die Gesellschaft hat keinen Anspruch auf eine Beteiligung an dem Mehrerlös.

Globale Koordinatoren und Joint

Bookrunners: Goldman Sachs International, ING Bank N.V. und J.P. Morgan Securities Ltd.

Bevollmächtigte: Goldman Sachs International und J.P. Morgan Securities Ltd.

Co-Bookrunners: Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc und Morgan Stanley & Co. International plc.

Joint Lead Managers: Citigroup Global Markets Limited, ABN AMRO Bank N.V. und UBS Limited.

Co-Lead Managers: Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco

Santander S.A., Société Générale, und UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

Die Underwriters: Die Bevollmächtigten, Co-Bookrunners, Joint Lead Managers und Co-Lead Managers sind zusammen die „Underwriters“.

Lock-Up: Die Gesellschaft hat mit den Underwriters vereinbart, dass sie mit Ausnahme der Ausgabe von ING Aktien in diesem Angebot für einen Zeitraum, der 90 Tage nach dem Tag des Closings endet, vorbehaltlich bestimmter Ausnahmen weder direkt noch indirekt ING Aktien oder andere Aktien, die in ING Aktien umgewandelt oder getauscht werden können oder die mit einem Recht auf Bezug von ING Aktien ausgestattet sind, auszugeben, zu verkaufen, anzubieten oder auf sonstige Weise zu veräußern oder eine Verpflichtung mit ähnlichen wirtschaftlichen Auswirkungen einzugehen. Für weitere Informationen, einschließlich der Ausnahmen des Lock-up siehe den Prospektabschnitt „The Offering — Lock-Up“.

Bezugsstelle, Zeichnungsstelle, und Zahlstelle: ING Bank N.V.

Börsenzulassung: Alle Alten BDRs sind an der Euronext Amsterdam, Euronext Brüssel und der NYSE gelistet.

Die Anträge auf Börsenzulassung der Neuen BDRs werden bei der Euronext Amsterdam und der Euronext Brüssel sowie für die Neuen ADSs bei der NYSE eingereicht. Die handelbaren Bezugsrechte werden voraussichtlich vom 30. November 2009 bis einschließlich 15. Dezember 2009 an der Euronext Amsterdam und Euronext Brüssel (einschließlich der handelbaren IDR Bezugsrechte) gehandelt. Die Übertragung der handelbaren Bezugsrechte wird durch das Buchungssystem der Euroclear und Clearstream stattfinden.

Die Zulassung der Neuen BDRs und der Neuen ADSs wird voraussichtlich am oder vor dem 21. Dezember 2009 wirksam werden. Der erste Handelstag für die Neuen BDRs und die Neuen ADSs ist für den 21. Dezember 2009 vorgesehen.

Verwendung des Emissionserlöses: ... ING beabsichtigt, den Emissionserlös des Angebots hauptsächlich für die Finanzierung des Rückkaufs von EUR 5 Milliarden der Core Tier-1 Securities, die von dem niederländischen Staat gehalten wird zuzüglich aufgelaufener Zinsen und der Rückkaufsprämie zu verwenden. Die Rückkaufsprämie in Bezug auf den Rückkauf der Core Tier-1 Securities wird zwischen EUR 346 Millionen und EUR 705 Millionen liegen, basierend auf dem Börsenkurs der ING Aktien zu dem Zeitpunkt des Rückkaufs. Die aufgelaufenen Zinsen bei einem Zinssatz von 8,5 % hinsichtlich der zurückgekauften Core Tier-1 Securities wird auf ungefähr EUR 260 Millionen geschätzt (dabei wird angenommen, dass die Rückzahlung am Tag des Closings stattfindet). Dementsprechend wird erwartet, dass der für den Rückkauf des EUR 5 Milliarden Ausgabevolumens notwendige Betrag zwischen EUR 5.605 Millionen und EUR 5.963 Millionen liegen wird. Siehe den Prospektabschnitt „Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State“.

ING beabsichtigt, den restlichen Emissionserlös zur Stärkung ihrer Kapitalbasis zu verwenden und um die Zahlung der EUR 1,3 Milliarden im vierten Quartal 2009 des einmaligen Vorsteuerausweises infolge der zusätzlichen Zahlungen an den niederländischen Staat in Form einer Gebührenanpassung hinsichtlich der Illiquid Assets Back-up Facility (in dem Prospektabschnitt „Business — Recent Developments — Transaction with the Dutch

State“ beschrieben) auszugleichen und, um die übrigen Erlöse teilweise für Zinszahlungen auf ihre ausstehenden hybriden Wertpapiere, die im Dezember 2009 fällig werden, zu nutzen, so wie dies von der EU-Kommission verlangt wird, um nicht gezwungen zu sein, Zinszahlungen auf hybride Wertpapiere aufzuschieben.

Angebotskonditionen: Das Angebot wird von den Underwriters auf Grundlage des Übernahmevertrags übernommen; die Underwriters können jederzeit und unter bestimmten Umständen davon zurücktreten. Sollten eine oder alle Bedingungen des Angebots vor der Bezahlung oder der Ausgabe der Rump Shares nicht erfüllt werden oder auf sie nicht von den Bevollmächtigten verzichtet worden sein, oder sollten bestimmte Umstände vor der Bezahlung oder der Ausgabe der Rump Shares eintreten, haben die Bevollmächtigten das Recht, im Namen der Underwriters nach ihrem eigenen Ermessen das Globale Angebot und die Verpflichtung zur Zeichnung von Rump Shares zu beenden, wodurch das Angebot aufgehoben wird und die Gesellschaft nicht die erwarteten Erlöse erhalten wird, die durch das Angebot generiert werden sollen. Siehe den Prospektabschnitt „The Offering — Withdrawal of the Offering“.

Sollte das Angebot zurückgezogen werden, verfallen sowohl die ausgeübten als auch die nicht ausgeübten Bezugsrechte der Inhaber ohne Anspruch auf Entschädigung und die bereits gemachten Zeichnungen und Zuteilungen Neuer BDRs werden nicht beachtet. Jegliche Zahlung des Bezugspreises, die von der ING Groep N.V., der Zeichnungsstelle, der Zahlstelle oder den Underwriters erhalten wurde, wird zinslos zurückerstattet. Das Verfallen von Bezugsrechten erfolgt ohne Beeinträchtigung der Gültigkeit der bereits erfolgten Käufe und Verkäufe der Bezugsrechte. Es erfolgt keine Rückerstattung der Bezugsrechte, die im Markt erworben wurden. Der Handel von Bezugsrechten und Neuen Aktien erfolgt auf das alleinige Risiko der betroffenen Parteien. Die Underwriters, die Gesellschaft, die Bezugsstelle, die Zeichnungsstelle, die Zahlstelle sowie Euronext Amsterdam N.V. übernehmen keine Verantwortung oder Haftung gegenüber irgendeiner Person in Bezug auf das Zurückziehen des Angebots oder die (hiermit im Zusammenhang stehende) Annullierung irgendeiner Transaktion in Bezugsrechten oder Neuen Aktien an der Euronext Amsterdam oder Euronext Brüssel. Siehe den Prospektabschnitt „Risk Factors — Risks Related to the Offering — If the Offering does not take place, our credit ratings and funding costs could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless“.

Zuteilung: Die Zuteilung der Neuen BDRs wird für den 16. Dezember 2009 erwartet.

Lieferung, Zahlung und Verbriefung: Lieferung der Neuen BDRs bei Zahlung des Bezugspreises oder des Globalen Angebotspreises wird, je nach Fall, für den oder um den 21. Dezember 2009 („**Tag des Closings**“) oder für ein anderes Datum, das von den Globalen Koordinatoren und Joint Bookrunners benannt wird, erwartet. Lieferung gegen Zahlung wird durch das Clearingsystem der Euroclear erfolgen.

International Securities Identification Number (ISIN): Alte BDRs: NL0000303600 (Euronext Amsterdam und Euronext Brüssel)
Alte IDR: BE0004523610 (Euronext Brüssel)
Alte ADSs: US4568371037 (NYSE)

	Handelbare Bezugsrechte: NL0009307941 (Euronext Amsterdam und Euronext Brüssel)
	Handelbare IDR Bezugsrechte: BE0970110137 (Euronext Brüssel)
CUSIPs (WKN):	Alte BDRs: N4578E413 (Euronext Amsterdam und Euronext Brüssel) Alte ADSs: 456837103 (NYSE)
SEDOL:	Alte BDRs: 7154182 (Euronext Amsterdam und Euronext Brüssel) Alte ADSs: 2452643 (NYSE) Alte IDSs: 7154171 (Euronext Brüssel)
Common Code:	Alte BDRs: 013208344 (Euronext Amsterdam und Euronext Brüssel) Alte IDRs: 08270805 (Euronext Brüssel) Alte ADSs: 010377293 (NYSE) Handelbare Bezugsrechte: 047074070 (Euronext Amsterdam und Euronext Brüssel) Handelbare IDR Bezugsrechte: 047103258 (Euronext Brüssel)
Ticker Symbole:	Alte BDRs: „INGA“ (Euronext Amsterdam und Euronext Brüssel) Alte ADSs: „ING“ (NYSE) Alte IDRs: „INGS“ (Euronext Brüssel) Handelbare Bezugsrechte: „INGRI“ (Euronext Amsterdam und Euronext Brüssel) Handelbare IDR Bezugsrechte: „ING24“ (Euronext Brüssel)
Verkaufs- und Übertragungsbeschränkungen:	Siehe den Prospektabschnitt „Selling and Transfer Restrictions“ an andere Stelle in diesem Prospekt.

Für weitere Informationen zu dem Angebot siehe den Prospektabschnitt „The Offering“ an anderer Stelle dieses Prospekts.

Wesentliche Angaben über die Emittentin

Firmenname, Konzernstruktur, Gründung und Konzernsitz

Die Firma und der gewerbliche Firmenname der Gesellschaft lautet auf ING Groep N.V. Die ING Groep N.V. wurde am 21. Januar 1991 als eine *Naamloze Vennootschap* (Aktiengesellschaft) nach niederländischem Recht gegründet, um im Rahmen einen öffentlichen Angebots dem Zusammenschluss der Nationale-Nederlanden, dem damals größten Versicherungsunternehmen in den Niederlanden, und der NMB Postbank Group, der damals größten Bank in den Niederlanden, zu bewirken. Das öffentliche Angebot wurde am 4. März 1991 erfolgreich abgeschlossen.

Die offizielle Adresse des ING Konzerns ist: ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, Niederlande, Telefon +31 20 541 5411.

Für weitere Informationen siehe den Prospektabschnitt „General Information about the Company“ an anderer Stelle in diesem Prospekt.

Aufsichtsrat, Vorstand und Abschlussprüfer

Der Aufsichtsrat der Gesellschaft besteht zurzeit aus vierzehn Mitgliedern: Peter Elverding (Vorsitzender), Jeroen van der Veer (stellvertretender Vorsitzender), Tineke Bahlmann, Henk Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet Klaver, Godfried van der Lugt, Harish Manwani, Aman Mehta, Joan Spero, Jackson P. Tai, Karel Vuursteen und Lodewijk de Waal.

Der Vorstand der Gesellschaft besteht zurzeit aus drei Mitgliedern: Jan Hommen, Patrick G. Flynn und Koos Timmermans.

Die Mitglieder des Aufsichtsrats und des Vorstands sind unter folgender Adresse erreichbar: ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, Niederlande.

Die Geschäftsleitung der Bankensparte der Gesellschaft besteht aus Jan Hommen, Patrick G. Flynn, Koos Timmermans, Eli Leenaars, Dick Harryvan und Eric Boyer de la Giroday. Am 26. Oktober 2009 kündigte die ING verschiedene Änderungen in der Geschäftsleitung der Bankensparte an. Siehe hierzu den Prospektabschnitt „Business — Recent Developments — Changes to the Management Boards“.

Die Geschäftsleitung der Versicherungssparte besteht aus Jan Hommen, Patrick G. Flynn, Koos Timmermans, Hans van der Noordaa und Tom J. McInerney. Am 26. Oktober 2009 kündigte die ING verschiedene Änderungen in der Geschäftsleitung der Versicherungssparte an. Siehe hierzu den Prospektabschnitt „Business — Recent Developments — Changes to the Management Boards“.

In der Hauptversammlung vom 22. April 2008 wurde Ernst & Young damit beauftragt, die Konzernabschlüsse der Geschäftsjahre 2008 bis einschließlich 2011 zu prüfen, dem Vorstand und dem Aufsichtsrat über das Ergebnis dieser Überprüfungen zu berichten sowie einen Bestätigungsvermerk für die Konzernabschlüsse des ING Konzerns zu geben.

Für weitere Informationen zu der Geschäftsleitung der ING siehe den Prospektabschnitt „Information on the Company’s Corporate Bodies“ an anderer Stelle in diesem Prospekt. Zu weiteren Informationen zu den Abschlussprüfern der Gesellschaft siehe den Prospektabschnitt „General Information about the Company — Independent Auditors“.

Grundkapital

Das Grundkapital der ING Groep N.V. besteht aus Aktien und kumulativen Vorzugsaktien. Gegenwärtig sind nur Stammaktien ausgegeben, obwohl die ING Groep N.V. der ING Continuity Foundation (*Stichting Continuïteit ING*) gemäß einer Kaufoption das Recht erteilt hat, bis zu 4,5 Milliarden kumulativer Vorzugsaktien zu erwerben. Der Erwerb der kumulativen Vorzugsaktien gemäß der Kaufoption ist dahingehend beschränkt, dass unverzüglich nach der Ausgabe der kumulativen Vorzugsaktien der Gesamtbetrag der kumulativen Vorzugsaktien nicht ein Drittel des Gesamtvolumens des ausgegebenen Grundkapitals der ING Groep N.V. überschreiten darf. Die kumulativen Vorzugsaktien dienen zum Schutz der Unabhängigkeit, des Fortbestands, und der Identität der Gesellschaft gegen Einflüsse, die den Interessen des ING Konzerns, ihrer Unternehmen und der Unternehmen ihrer Tochtergesellschaften und allen Anteilsinhabern zuwiderlaufen (einschließlich feindlicher Übernahmen), während die Aktien einzig und allein zum Zweck der Finanzierung dienen. Diese Aktien sind alle Namensaktien, nicht begeben und nicht an einer Börse notiert.

Aktien

Alle Aktien sind Namensaktien. Es wurden keine Anteilsscheine ausgegeben. Aktien können mittels einer Übertragungsurkunde übertragen werden. Die Übertragung von Aktien bedarf einer schriftlichen Bestätigung der ING Groep N.V. Der Nennwert der Aktien beläuft sich auf EUR 0,24. Das Grundkapital beläuft sich auf 4.500 Millionen Aktien (infolge einer Satzungsänderung vom 8. Oktober 2008 wurde es von 3.000 Millionen erhöht). Zum 31. Dezember 2008 waren rund 2.063 Millionen Aktien ausgegeben und voll eingezahlt.

Auf den Inhaber lautende Hinterlegungsscheine für Aktien (Bearer depositary receipts for ordinary shares)

Mehr als 99,9 % der von der ING Groep N.V. ausgegebenen Aktien werden durch die Stichting ING Aandalen (der „**Treuhandfonds**“) gehalten. Im Tausch für diese Aktien hat der Treuhandfonds auf den Inhaber lautende Hinterlegungsscheine für Aktien ausgegeben. Die Alten BDRs sind an der Euronext Amsterdam und Euronext Brüssel, und die bestehenden ADSs sind an der NYSE notiert. Auf den Inhaber lautende Hinterlegungsscheine können in (nicht notierte) Aktien ohne Beschränkungen umgewandelt werden, abgesehen von einer Bearbeitungsgebühr von einem Euro-Cent (EUR 0,01) pro auf den Inhaber lautenden Hinterlegungsschein mit einem Mindestwert von fünfundzwanzig Euro (EUR 25,00) pro Umwandlungsgeschäft.

Der Inhaber eines auf den Inhaber lautenden Hinterlegungsscheins ist berechtigt, von dem Treuhandfonds Dividendenzahlungen sowie Ausschüttungen zu erhalten, die den Dividendenzahlungen und Ausschüttungen entsprechen, die der Treuhandfonds für eine Aktie erhalten hat.

Zusätzlich ist der Inhaber eines auf den Inhaber lautenden Hinterlegungsscheins berechtigt, persönlich oder vertreten durch einen Bevollmächtigten, an der Hauptversammlung der ING Groep N.V. teilzunehmen und dort zu sprechen. Ein Inhaber eines auf den Inhaber lautenden Hinterlegungsscheins, der an der Hauptversammlung teilnimmt, ist berechtigt, als Bevollmächtigter des Treuhandfonds, aber nach eigenem Ermessen, für die Anzahl von Aktien, die der Anzahl seiner auf den Inhaber lautenden Hinterlegungsscheinen entspricht, seine Stimme abzugeben.

Ein Inhaber von auf den Inhaber lautenden Hinterlegungsscheinen, der nicht an der Hauptversammlung persönlich oder vertreten durch einen Bevollmächtigten teilnimmt ist berechtigt, dem Treuhandfonds verbindliche Instruktionen zur Stimmabgabe für die Anzahl von Aktien, die der Anzahl seiner auf den Inhaber lautenden Hinterlegungsscheinen entspricht, zu geben. Es liegt im Ermessen des Treuhandfonds für die Aktien, für die er keine Vollmachtsstimmen an Inhaber von auf den Inhaber lautenden Hinterlegungsscheinen ausgegeben hat und für die er keine Abstimmungsinstruktionen erhalten hat, abzustimmen. Nach der Satzung (*Statuten*) des Treuhandfonds und den entsprechenden Verwaltungsbedingungen (*Administratievoorwaarden*) (zusammen die „**Treuhandvereinbarung**“), ist der Treuhandfonds verpflichtet, die Interessen aller Inhaber von auf den Inhaber lautenden Hinterlegungsscheinen zu wahren, ungeachtet dessen, ob sie an der Hauptversammlung teilnehmen; dabei muss so abgestimmt werden, dass ebenfalls die Interessen der ING Groep N.V., der Unternehmen der ING Groep N.V. als auch der Konzerngesellschaften und aller anderen ING Groep N.V. Anteilsinhaber so weit wie möglich gewahrt und geschützt werden ist.

Für weitere Informationen über die Kapitalstruktur der ING und weitere Angelegenheiten siehe den Prospektabschnitt „Information Relating to ING Shares and Applicable Legal Provisions“ an anderer Stelle in diesem Prospekt.

Zusammenfassung der Risikofaktoren

Die ING ist zahlreichen Risiken ausgesetzt, die, jedes für sich alleine oder alle zusammen, erhebliche nachteilige Auswirkungen (*material adverse effects*) auf die finanzielle Situation und die Geschäftsergebnisse der ING haben könnten. Nachfolgend findet sich eine Zusammenfassung dieser Risiken.

Risiken in Bezug auf die Finanzdienstleistungsindustrie:

- *Da die ING ein integrierter Finanzdienstleistungskonzern ist, der weltweit operiert, hängen unsere Einnahmen und Gewinne in hohem Maße von der Volatilität und der Stärke der Wirtschafts-, Geschäfts- und Kapitalmärkte der jeweiligen geografischen Regionen ab, in denen wir geschäftlich tätig sind. Die anhaltenden Turbulenzen und die Volatilität dieser Faktoren haben die Profitabilität unseres Versicherungs-, Bank- und Vermögensmanagementgeschäfts nachteilig beeinflusst und können diese weiterhin nachteilig beeinflussen.*
- *Nachteilige Bedingungen auf dem Kapital- und Kreditmarkt als auch auf die Kosten für Kredite und Kapital könnten unsere Möglichkeiten, an liquide Mittel und Kapital zu gelangen, stark einschränken.*
- *Der Zahlungsverzug eines großen Marktteilnehmers könnte zu Verwerfungen an den Märkten führen.*
- *Da unsere Lebens-, Nicht-Lebens- und Rückversicherungsgeschäfte dem Einfluss von Verlusten durch unvorhersehbare Vorkommnisse und/oder Katastrophen unterliegen, die grundsätzlich unvorhersehbar sind, könnten unsere tatsächlichen Rücklagen für Schadensfälle überschritten werden oder unsere geschäftlichen Aktivitäten unerwartet unterbrochen werden, was beides zu geringeren Nettoerlösen führen könnte und somit nachteilige Auswirkungen auf unser Geschäftsergebnis hätte.*
- *Wir arbeiten in einer stark regulierten Branche. Es könnte eine nachteilige Änderung (*adverse change*) oder Zunahme der Finanzdienstleistungsgesetze und/oder der Regulierungen geben, die unser Geschäftsfeld bestimmen.*

Risiken in Bezug auf den Konzern:

- *Anhaltende Turbulenzen und Volatilität an den Finanzmärkten haben sich nachteilig auf unser Geschäft ausgewirkt; dies kann auch weiterhin anhalten.*
- *Die Umsetzung des Restrukturierungsplans und die Ausgliederungen, die im Zusammenhang mit dem Restrukturierungsplan erwartet werden, werden die Größe und die Struktur des Konzerns entscheidend verändern und beträchtliche Kosten und Unsicherheiten mit sich bringen, die erhebliche Auswirkungen auf den Konzern haben könnten.*
- *Die mit der EU-Kommission vereinbarten Beschränkungen unserer Konkurrenzfähigkeit und der Möglichkeit Zukäufe vorzunehmen oder bestimmte Schuldtitel zurückzukaufen könnten erhebliche Auswirkungen auf den Konzern haben.*
- *Nach Umsetzung des Restrukturierungsplans werden wir nicht mehr so breit aufgestellt sein und könnten dadurch wettbewerbliche und andere Nachteile erfahren.*

- *Die beabsichtigten Kosten-, Risiko- und Fremdkapitalreduzierungen durch unser Back-to-Basics Programm und unseren Restrukturierungsplan könnten ausbleiben.*
- *Da wir in hoch kompetitiven Märkten operieren, einschließlich in unserem Heimatmarkt, könnte es passieren, dass wir unseren Marktanteil nicht steigern oder halten können, was eine erhebliche Auswirkung auf unsere Geschäftsergebnisse haben könnte.*
- *Unsere Verträge mit dem niederländischen Staat legen uns einige Beschränkungen bezüglich der Ausgabe oder des Rückkaufs unserer Aktien und der Entlohnung bestimmter Positionen des oberen Managements auf.*
- *Da wir mit vielen Geschäftspartnern Geschäfte tätigen, könnte die Unfähigkeit dieser Geschäftspartner, ihren finanziellen Verpflichtungen nachzukommen, erhebliche nachteilige Auswirkungen auf unsere Geschäftsergebnisse haben.*
- *Aktuelle Marktbedingungen haben das Risiko erhöht, dass Kreditrückzahlungen ausfallen. Wir sind sinkenden Grundeigentumswerten bei der Besicherung von wohnwirtschaftlichen und gewerblichen Immobilienkrediten ausgesetzt.*
- *Zinssatzschwankungen könnten eine nachteilige Auswirkung auf unsere Profitabilität haben.*
- *Wir könnten Verluste erleiden wegen des Ausfalls von Banken, die unter staatliche Ausgleichspläne fallen.*
- *Wir könnten nicht in der Lage sein, unsere Risiken durch Derivate erfolgreich abzusichern.*
- *Da wir von Annahmen von Faktoren zur Berechnung der Versicherungsrückstellungen ausgehen, der zurückgestellten Abschlusskosten (deferred acquisition costs, „DAC“) und der Wertschöpfung (value of business added, „VOBA“), könnte der Gebrauch verschiedener Annahmen von diesen Faktoren nachteilige Auswirkungen auf unsere Geschäftsergebnisse haben.*
- *Da wir von Annahmen zum Kundenverhalten ausgehen, um unsere Marktrisiken zu berechnen, könnte der Unterschied zwischen dem wirklichen Kundenverhalten und dem angenommenen Kundenverhalten nachteilige Auswirkungen auf unsere Risikokennzahlen und unsere zukünftigen Ergebnisse haben.*
- *Unsere Bestimmungen und Richtlinien zum Risikomanagement könnten unzureichend für die Risiken sein, denen wir ausgesetzt sind.*
- *Es könnten sich weitere Verbindlichkeiten aus unseren leistungsorientierten Pensionsplänen ergeben, falls der Wert des Planvermögens nicht ausreicht, um potenzielle Verpflichtungen abzudecken.*
- *Wir sind einer Reihe von regulatorischen Risiken unterworfen, die sich aus unserem Geschäft in weniger entwickelten Märkten ergeben.*
- *Da wir ein Finanzdienstleistungsunternehmen sind und wir ständig neue Finanzprodukte entwickeln, könnten wir uns Forderungen ausgesetzt sehen, die eine nachteilige Auswirkung auf unser Geschäft und unsere Bilanz haben, wenn die Kundenerwartungen nicht erfüllt werden sollten.*
- *Ratings sind für unseren Konzern aus einer Reihe von Gründen wichtig. Dazu gehören das Gewähren von Krediten, der Verkauf verschiedener Produkte und die Risikobeurteilung von Bank- und Versicherungsvermögen. Abwertungen könnten einen negativen Einfluss auf unsere Geschäftsergebnisse und unser Nettoergebnis haben.*
- *Unser Geschäftsfeld könnte durch eine anhaltend steigende Inflation nachteilig beeinflusst werden.*
- *Allgemeine Betriebsrisiken beeinflussen unser Geschäft.*
- *Rückversicherungen, um uns vor Verlusten zu schützen, könnten sich als nicht verfügbar, nicht bezahlbar oder unzureichend erweisen. Wir könnten uns auch entscheiden, die Direktversicherungsdeckung oder die Rückversicherungsdeckung zu reduzieren, zu beseitigen oder zu verweigern.*
- *Unser Geschäft könnte durch nachteilige Aufmerksamkeit in der Öffentlichkeit, Maßnahmen des Gesetzgebers oder Rechtsstreitigkeiten nachteilig beeinflusst werden, die sich jeweils auf uns, auf andere bekannte Unternehmen oder die Finanzdienstleistungsindustrie im Allgemeinen beziehen können.*
- *Da wir ein niederländisches Unternehmen sind und da die Stichting ING Aandelen mehr als 99,9 % unserer Aktien hält, könnten sich die Rechte unserer Aktionäre von denen in anderen Jurisdiktionen oder Unternehmen unterscheiden, die nicht über eine ähnliche treuhänderische Struktur verfügen, was die Rechte unserer Aktionäre beeinflussen könnte.*

- *Der Börsenkurs der ING Aktien unterlag Schwankungen und dies kann auch in Zukunft der Fall sein, was den Wert der von Ihnen gehaltenen ING Aktien beeinflussen kann.*
- *Wir haben im Jahr 2008 keine Schlussdividende und im Jahr 2009 keine Zwischendividende ausgezahlt. Es gibt keine Garantie dafür, dass wir zukünftig Dividenden auf unsere Aktien zahlen werden.*
- *Unsere Fähigkeit, vorteilhafte U.S. Steuerermäßigungen (tax attributes) zu nutzen, könnte eingeschränkt werden.*

Auf das Angebot bezogene Risiken:

- *Das Unterlassen eines Aktionärs, seine Rechte bis zum Ende der anzuwendenden Ausübungsfrist für diese Rechte wirksam auszuüben, führt dazu, dass diese Rechte nicht länger ausgeübt werden können, und jeder Aktionär, der es unterlässt, seine wie auch immer gehaltenen Bezugsrechte auszuüben, wird eine Verwässerung seines Anteils an allen ING Aktien erleiden.*
- *Inhaber von ING Aktien könnten bei zukünftigen Kapitalaufnahmen eine unmittelbare und wesentliche Verwässerung des Wertes ihrer Neuen Aktien erleiden.*
- *Die Core Tier-1 Securities, die an den niederländischen Staat ausgegeben wurden, könnten in Aktien oder auf den Inhaber lautende Hinterlegungsscheine umgewandelt werden und die Anteile der bisherigen Aktionäre verwässern.*
- *Sollte das Angebot nicht durchgeführt werden, könnten unsere Bonität und Refinanzierungskosten nachteilig beeinflusst werden und der Börsenkurs der ING Aktien könnte stark fallen. In beiden Fällen könnten die Bezugsrechte wertlos werden.*
- *Es gibt keine Sicherheit dafür, dass sich ein Handel von handelbaren Rechte entwickeln wird; die handelbaren Rechten könnten größeren Preisschwankungen unterworfen sein als die ING Aktien.*
- *Es besteht die Möglichkeit, dass einige Inhaber von ING Aktien an diesem Bezugsrechtsangebot oder an zukünftigen Eigenkapitalemissionen mit Bezugsrechten nicht mehr teilnehmen können.*
- *Es könnte sich für Investoren außerhalb der Niederlande als schwierig erweisen, Klagen gegen uns einzureichen oder ausländische Urteile gegen uns zu vollstrecken, die in Zusammenhang mit diesem Angebot stehen.*

RESUMEN DEL FOLLETO

Este resumen debería leerse como introducción al presente Folleto y toda decisión de invertir en Nuevas Acciones o negociar con Derechos Negociables se debería basar en la consideración del presente Folleto en su conjunto, incluida la documentación incorporada por referencia y los riesgos de invertir en las Nuevas Acciones o negociar con los Derechos Negociables según se indica en el apartado «Factores de Riesgo» más adelante. Este resumen no es completo y no contiene toda la información que usted debería tomar en consideración a la hora de tomar una decisión en relación a las Nuevas Acciones o los Derechos.

La responsabilidad civil en relación a este resumen, incluida cualquier traducción del mismo, será de aplicación a la Sociedad en cualquier Estado miembro del Espacio Económico Europeo (un «Estado EEE»), exclusivamente si el presente resumen es equívoco, impreciso o contradictorio al leerse en su conjunto con el resto de partes del presente Folleto. En caso de que se presenten ante cualquier tribunal demandas basadas en la información contenida en el presente Folleto, el inversor demandante podría tener que abonar los gastos de traducción del Folleto antes de que comience el proceso judicial, en cumplimiento de la legislación propia de cada Estado EEE.

En el presente Folleto, y salvo que se especifiquen otros términos o el contexto así lo requiera, toda referencia a «ING Groep N.V.», «ING Groep», la «Sociedad» o «Grupo ING» se entenderá como una referencia a ING Groep N.V. y toda referencia a «ING», el «Grupo», «nosotros» y «nos» se entenderá como una referencia a ING Groep N.V. y a sus filiales consolidadas. Las filiales principales de banca y seguros de ING Groep N.V. son ING Verzekeringen N.V. (junto con sus filiales consolidadas, «ING Seguros») e ING Bank N.V. (junto con sus filiales consolidadas, «ING Bank»), respectivamente. Las referencias al «Consejo Ejecutivo», el «Consejo de Control» y la «Junta General» se entenderán como referencias al Consejo de Dirección, al Consejo de Control y a la Junta General de Accionistas de ING Groep N.V., respectivamente.

Información general sobre ING

ING es una institución financiera global de origen neerlandés que ofrece servicios de banca, inversión, seguros de vida y planes de pensiones. A 30 de septiembre de 2009, servíamos a más de 85 millones de clientes privados, corporativos e institucionales en Europa, América del Norte y Latinoamérica, Asia y Australia. Recurrimos a nuestra experiencia y especialización, nuestro compromiso con un servicio excelente y nuestra escala global para responder a las necesidades de una amplia base de clientes que incluye personas físicas, familiares, pequeñas empresas, grandes corporaciones, instituciones y gobiernos. ING Groep N.V. se constituyó como *Naamloze Vennootschap* (Sociedad Anónima) bajo las leyes de los Países Bajos el 21 de enero de 1991.

El 26 de octubre de 2009, ING anunció sus planes enajenar su rama de seguros, incluida la de gestión de inversiones, antes del final de 2013. Esto representa el paso siguiente en el programa *Back to Basics* anunciado en abril de 2009 en virtud del cual ING ya había empezado un proceso de reestructuración de sus ramas de banca y seguros (junto con la de gestión de inversiones), de forma que fueran gestionadas de forma separada dentro de ING. La desinversión prevista forma parte del plan de reestructuración de ING («Plan de Reestructuración») sobre el que ING ya había finalizado las negociaciones con la Comisión Europea («CE») en octubre de 2009, y que fue formalmente aprobado por la CE el 18 de noviembre de 2009. Dentro del Plan de Reestructuración, ING también acordó desinvertir antes de finales de 2013 ING Direct US, que lleva las operaciones de banca directa del Grupo en Estados Unidos, así como desinvertir algunas partes de su banca comercial en los Países Bajos. ING tomará en consideración una serie de opciones para llevar a cabo sus planes de desinversión, incluidas salidas a bolsa, ventas, escisiones o combinaciones de éstas. Para obtener más información sobre el Plan de Reestructuración, véase «Negocio — Desarrollo reciente — Seguros y otras desinversiones, Acuerdo CE».

Una vez finalice el Plan de Reestructuración, ING Bank será un banco comercial europeo de tamaño medio, con base en el Benelux, con franquicias fuertes de ING Direct y Europa Central, y buscará perspectivas atractivas de crecimiento fuera de Europa.

Para obtener más información sobre la historia y el negocio de ING, véase «Negocio» en el apartado correspondiente del presente Folleto; para obtener más información sobre los resultados financieros de ING, véase «Información Financiera Seleccionada Consolidada» y «Revisión y Perspectivas operativas y financieras»; y para más información sobre ciertos asuntos legales relacionados con ING, véase «Información General sobre la Sociedad».

Antecedentes y motivos de la Oferta

En octubre de 2008, el Estado neerlandés compró diez mil millones de euros en valores Core Tier-1 («**Valores Core Tier-1**») de ING como parte de sus medidas para proteger el sector financiero neerlandés durante la crisis financiera global. Véase «Negocio — Operaciones con el Estado neerlandés». Los términos originales de los Valores Core Tier-1 permitían a ING recomprar parte o la totalidad de los mil millones de Valores Core Tier-1 en cualquier momento al precio de 15 EUR por Valor Core Tier-1 más los intereses devengados a la fecha de recompra. En relación con el Plan de Reestructuración, ING y el Estado neerlandés han acordado que hasta un total de cinco mil millones de los diez mil millones de euros en Valores Core Tier-1 pueden ser recomprados en cualquier momento hasta el 31 de enero de 2010 al precio original de emisión de 10 EUR por Valor Core Tier-1, más una prima de recompra de entre 346 millones y 705 millones de euros, más intereses devengados. ING planea utilizar los importes de la Oferta principalmente en la financiación de la recompra de dichos cinco mil millones de euros en Valores Core Tier-1. Para obtener más información sobre la recompra propuesta de Valores Core Tier-1, véase «Negocio — Desarrollo reciente — Recompra de una parte de los Valores Core Tier-1 titularidad del Estado neerlandés».

El 31 de marzo de 2009, el Grupo ING y el Estado neerlandés completaron el Programa de Soporte de Activos No Líquidos (*Illiquid Assets Back-Up Facility*) que cubría la cartera de valores respaldados por hipotecas residenciales Alt-A de ING Direct US e ING Seguros América, con un valor nominal aproximado de 30 mil millones de euros. Con el Programa de Soporte de Activos No Líquidos (el «**Programa de Reserva Soporte de Activos No Realizables Líquidos**»), ING transfirió el 80% de la propiedad económica de su cartera Alt-A al Estado neerlandés. Para obtener la aprobación de la CE del Plan de Reestructuración, ING se comprometió a realizar una serie de pagos adicionales al Estado neerlandés, correspondientes a ajustes a las comisiones netas adeudadas en virtud del Programa de Soporte de Activos No Líquidos. Estos pagos adicionales equivaldrán a un valor neto actual de 1.3 miles de millones de euros, que se reflejarán en un único cargo a cuenta antes de impuestos en el cuarto trimestre de 2009. Para obtener más información sobre estos pagos adicionales, véase «Negocio — Desarrollo reciente — Acuerdo sobre pagos adicionales al Estado neerlandés correspondientes a los ajustes del Programa de Soporte de Activos No Líquidos ». Para obtener más información sobre el Plan de Reestructuración, véase «Negocio — Desarrollo reciente — Seguros y otras desinversiones, Acuerdo CE». ING planea utilizar el resto del importe de la Oferta, una vez pagados los Valores Core Tier-1, para fortalecer su posición de capital, incluyendo compensar el cargo de 1.3 miles de millones de euros, y destinar el importe restante parcialmente al pago de cupones con vencimiento en diciembre de 2009 respecto a sus valores híbridos en circulación, según exige la CE para no diferir el pago de cupones de valores híbridos.

Resumen de la información financiera consolidada

Salvo que se indique expresamente lo contrario, el siguiente resumen de la información financiera consolidada del Grupo se basa en, y debería ser leída junto con, (1) la información financiera consolidada de ING Groep N.V. según reflejan las cuentas anuales consolidadas auditadas y la memoria de ING Groep N.V. de fecha y para los años acabados el 31 de diciembre de 2008 (las «**Cuentas Anuales de 2008**»), 31 de diciembre de 2007 y 31 de diciembre de 2006 (en conjunto, las «**Cuentas Anuales**») y (2) la información financiera consolidada no auditada y la memoria de ING Groep N.V. a fecha y para los tres trimestres acabados el 30 de septiembre de 2009 y a fecha y para el semestre acabado el 30 de junio de 2009 (la «**Información Financiera Intermedia**»), todo lo cual queda incorporado por referencia o reproducido en cualquier otro punto del presente Folleto.

Salvo que se indique expresamente lo contrario, los estados financieros incluidos en el presente Folleto se presentan de acuerdo con las *International Financing Reporting Standards* («**IFRS**») en su versión adoptada por la Unión Europea («**UE**»). En este documento, el término «**IFRS-UE**» se utiliza para hacer referencia a las *International Financing Reporting Standards* adoptadas por la UE incluyendo las decisiones que tomó el Grupo ING en relación a las opciones disponibles bajo las *International Financing Reporting Standards* adoptadas por la UE. Véase «Base de la presentación» en la Nota 2.1.1. de las Cuentas Anuales de 2008 para obtener más datos sobre la base de presentación. Las NIIF-UE se diferencian de las *International Financing Reporting Standards* emitidas por el *International Accounting Standards Board* («**IFRS-IASB**») en determinados párrafos de la IAS 39 (*Instrumentos Financieros: Reconocimiento y Medición*). Véase «Información financiera seleccionada consolidada» en el apartado correspondiente del presente Folleto para obtener más información sobre las diferencias entre las IFRS-IASB y las IFRS-UE aplicadas por ING.

Las Cuentas Anuales fueron auditadas por Ernst & Young Accountants LLP («**Ernst & Young**») y emitidas en cada caso junto con el informe de auditoría sin reservas reproducido en el presente Folleto. Ernst & Young también ha revisado la Información Financiera Intermedia. La información financiera consolidada no auditada a fecha y para los tres trimestres acabados el 30 de septiembre de 2009, y a fecha y para el semestre acabado el 30 de junio de 2009 presentó de manera completa los resultados provisionales y posición financiera del Grupo de acuerdo con la IAS 34

(Información Financiera Provisional). Dichos resultados provisionales no son necesariamente indicativos de los resultados que se pueden esperar para el conjunto del año 2009.

El resumen de la información financiera consolidada presentado continuación pretende servir exclusivamente como introducción. Los inversores deberán basar su decisión de invertir en la revisión del Folleto en su conjunto.

	Tres trimestres finalizados el 30 de septiembre		Semestre finalizado el 30 de junio		Año finalizado el 31 de diciembre		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
(Millones de EUR, excepto cantidades por acción y ratios)							
No auditado							
Ingresos Consolidados IFRS-UE							
Ingresos por actividades de seguros:							
Primas cobradas:							
Vida	22.341	30.074	15.036	20.742	38.868	40.732	40.501
No vida	1.475	4.035	1.147	2.987	4.944	6.086	6.333
Total	23.816	34.109	16.183	23.729	43.812	46.818	46.834
Comisiones percibidas	1.469	1.565	971	1.008	2.070	1.901	1.636
Inversiones y otros ingresos	2.153	7.280	1.261	5.121	8.970	13.488	11.172
Total ingresos por actividades de seguros . . .	27.438	42.954	18.415	29.858	54.851	62.208	59.642
Ingresos por actividades de banca:							
Ingresos por intereses	64.418	71.613	44.633	46.579	98.201	76.859	59.262
Gastos de intereses	55.030	63.744	38.410	41.354	87.115	67.823	49.927
Margen de explotación	9.388	7.869	6.223	5.225	11.085	9.036	9.335
Inversiones	(1.346)	(622)	(652)	(101)	(2.459)	947	483
Comisiones percibidas	1.991	2.177	1.274	1.472	2.895	2.926	2.681
Otros	20	886	40	1.088	209	1.693	1.696
Total ingresos por actividades de banca . . .	10.053	10.310	6.885	7.685	11.731	14.602	14.195
Total ingresos⁽²⁾	37.237	53.067	25.129	37.428	66.291	76.586	73.621
Gastos por actividades de seguros:							
Vida	26.686	37.533	18.324	24.948	51.622	49.526	49.106
No vida	1.512	3.945	1.221	2.996	4.864	6.149	5.601
Total gastos por actividades de seguros	28.198	41.478	19.545	27.944	56.486	55.675	54.707
Total gastos por actividades de banca	9.768	8.219	6.776	5.341	11.583	10.092	9.190
Total gastos^{(2),(3)}	37.712	49.500	26.150	33.171	67.778	65.543	63.681
Resultado antes de impuestos por actividades de seguros:							
Vida	(919)	957	(1.168)	1.583	(2.146)	5.314	3.436
No vida	159	519	38	331	511	1.219	1.499
Total	(760)	1.476	(1.130)	1.914	(1.635)	6.533	4.935
Resultados antes de impuestos por actividades de banca							
	285	2.091	109	2.343	148	4.510	5.005
Resultado antes de impuestos	(475)	3.567	(1.021)	4.257	(1.487)	11.043	9.940
Impuestos	(140)	577	(196)	796	(721)	1.535	1.907
Resultado atribuido a la minoría	(112)	8	(103)	1	(37)	267	341
Resultado neto	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Dividendo a acciones ordinarias		1.500		1.500	1.500	3.180	2.865
Adición a fondos propios	(223)	1.482	(722)	1.960	(2.654)	6.061	4.827
Dividendo a valores sin voto ⁽⁴⁾	—	—	—	—	(425)		
Resultado neto atribuible a accionistas	(223)	2.982	(722)	3.460	(729)	9.241	7.692
Beneficio básico por acción ⁽⁵⁾	(0,11)	1,46	(0,36)	1,68	(0,36)	4,32	3,57
Beneficio diluido por acción ⁽⁵⁾	(0,11)	1,45	(0,36)	1,68	(0,36)	4,28	3,54
Dividendo por acción ordinaria ⁽⁵⁾	—	0,74	—	0,74	0,74	1,48	1,32
Dividendo a cuenta	—	0,74	—	0,74	0,74	0,66	0,59
Dividendo final	—	—	—	—	—	0,82	0,73
Número de acciones ordinarias en circulación (en millones)							
	2.063,1	2.081,3	2.063,1	2.081,3	2.063,1	2.226,4	2.205,1
Ratio de Pay-out ⁽⁶⁾							
		50,7%		44,0%	Sin datos	34,3%	37,0%

	A 30 de septiembre	A 30 de junio	A 31 de diciembre		
	2009	2009	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(Miles de millones de EUR, excepto cantidades de acciones e índices)				
	No auditado				
Balance consolidado IFRS-UE					
Total activo	1.187,9	1.187,9	1.331,7	1.312,5	1.226,3
Inversiones:					
Seguros	103,2	101,6	109,5	132,3	140,5
Banca	105,0	105,9	148,8	160,4	171,1
Total	208,2	207,5	258,3	292,6	311,6
Créditos y anticipos a la clientela	577,9	589,4	619,8	553,0	474,4
Contratos de seguros e inversión:					
Vida	221,9	214,6	213,0	232,4	237,9
No vida	3,7	3,9	6,8	9,6	10,1
Contratos de inversión	11,2	19,5	21,1	23,7	20,7
Total	236,8	238,0	240,8	265,7	268,7
Depósitos de la clientela y otros fondos en depósito:					
Cuentas de ahorro de la actividad de banca	296,3	291,9	274,3	275,1	283,1
Otros depósitos y fondos bancarios	162,9	169,9	248,5	250,1	213,6
Total	459,2	461,8	522,8	525,2	496,7
Deudas con entidades financieras	96,9	104,1	152,3	167,0	120,8
Capital social (en millones)	2.063,1	2.063,1	2.063,1	2.242,4	2.268,1
Fondos propios	26,5	22,3	17,3	37,2	38,3
Valores sin voto ⁽⁴⁾	10,0	10,0	10,0		
Fondos Propios por acción ordinaria ⁽⁵⁾	13,07	10,99	8,55	17,73	17,78

(1) Para consultar el impacto de la desinversión, véase «Revisión y perspectivas operativas y financieras».

(2) Tras la eliminación de ciertas operaciones intragrupo entre seguros y banca. Véase «Principios de Valoración y Determinación de Resultados —Consolidación» bajo la Nota 2.1.1. a las Cuentas Anuales de 2008.

(3) Incluye todos los gastos no relacionados con intereses, incluidos los importes adicionales a la provisión por pérdidas de préstamos. Véase «Revisión y perspectivas operativas y financieras —Liquidez y recursos de capital».

(4) Para obtener detalles de los acuerdos firmados con el Estado neerlandés, véase «Negocio —Transacciones con el Estado neerlandés» en otro apartado del presente Folleto.

(5) El resultado neto por acción se ha calculado basándose en la media ponderada de acciones ordinarias en circulación y los fondos propios por acción se han calculado basándose en el número de acciones ordinarias en circulación al final de los periodos respectivos. A efectos de este cálculo, las acciones de ING Groep N.V. titularidad de sociedades del Grupo se deducen del número total de acciones ordinarias en emisión. Fondos Propios por acción se basa en las acciones ordinarias en circulación al final de cada periodo.

(6) El ratio de pay-out destinado a dividendos se basa en el resultado neto atribuible a los accionistas de la Sociedad.

	A 30 de septiembre	A 30 de junio	A 31 de diciembre		
	2009	2009	2008	2007	2006
	No auditado				
Principales indicadores de resultados					
Rentabilidad sobre fondos propios (ROE)	(1,1%)	(5,2%)	(2,1%)	24,2%	23,5%
Ratios de capital					
Ratio de endeudamiento/fondos propios Grupo ING	13,1%	13,5%	13,5%	9,5%	9,0%
Actividad de seguros — Ratio de cobertura del capital	256%	257%	256%	244%	274%
Actividad de seguros — Ratio de endeudamiento/fondos propios . .	11,5%	12,4%	8,8%	13,6%	14,2%
Actividad de banca Ratio Core Tier-1	7,6%	7,3%	7,3%		
Actividad de banca Ratio de capital Tier-1 ⁽¹⁾	9,7%	9,4%	9,3%	7,39%	7,63%
Actividad de banca Ratio de capital total ⁽¹⁾	12,9%	12,5%	12,8%	10,3%	11,0%

(1) Los Ratios de capital de 2006 y 2007 se han calculado aplicando Basilea I. Los Ratios de capital desde 2008 están calculados aplicando Basilea II sin aplicación del mínimo de Basilea I.

Resumen de la Oferta

Los términos de la Oferta de Derechos para titulares de ADSs son diferentes de los términos aquí descritos. Los titulares de ADSs y los residentes en Estados Unidos deberán consultar el folleto estadounidense en virtud del cual se realizará la Oferta en Estados Unidos, que se registró con la Comisión de Valores y Mercado estadounidense («SEC») el 27 de noviembre de 2009 y que se encuentra disponible en www.sec.gov.

Emisor: ING Groep N.V., sociedad anónima (*Naamloze Vennootschap*) constituida bajo la legislación de los Países Bajos y con sede social en Ámsterdam (Países Bajos).

Oferta: La Oferta hace referencia a un total de 1.768.412.544 CDP Nuevos en relación a 1.768.412.544 Nuevas Acciones Ordinarias y está formada por la Oferta de Derechos y la Oferta Global, según se describe a continuación. Las Nuevas Acciones Ordinarias serán completamente fungibles y tendrán rango *pari passu*, entre sí y con las Acciones Ordinarias Existentes de la Sociedad. Los CDP Nuevos serán completamente fungibles y tendrán rango *pari passu* entre sí y con los CDP Existentes. Como tales, tendrán derecho a todas las distribuciones cuya fecha de registro aplicable sea después de la Fecha de Cierre (según se define a continuación).

Goldman Sachs International, ING Bank N.V. y J.P. Morgan Securities Ltd. son los Coordinadores Globales Conjuntos y *Joint Bookrunners* de la Oferta.

ING Bank N.V. actuó como agente de suscripción principal.

Un sindicato de aseguradores liderado por Goldman Sachs International y J.P. Morgan Securities Ltd. (los «**Representantes**» y, junto con el resto de miembros de dicho sindicato de aseguradores, los «**Aseguradores**»), en base a un contrato de aseguramiento de fecha 25 de octubre de 2009 y suplementado por un acuerdo de pricing de fecha 26 de noviembre de 2009 (conjuntamente el «**Contrato de Aseguramiento**»), se ha comprometido a asegurar la Oferta sujeto al cumplimiento de los términos y condiciones usuales.

Número de Acciones Ordinarias Existentes en circulación a la fecha del presente Folleto: 2.063.147.969

Número de acciones ordinarias en circulación tras la emisión de las Nuevas Acciones Ordinarias: 3.831.560.513

Oferta de Derechos: Con sujeción a los términos y condiciones descritos en el presente Folleto, tras el cierre del mercado el día 27 de noviembre de 2009 (la «**Fecha de Registro**») se asignará a los titulares de Acciones Existentes (excepto al Trust) un Derecho por cada Acción Existente que posean. 7 Derechos otorgarán a su titular el derecho a suscribir 6 CDP Nuevos al Precio de Suscripción. En el caso de los titulares de CDI, los Derechos Negociables estarán representados por el cupón número 24 junto a los CDI.

Precio de Suscripción: El Precio de Suscripción será de 4,24 EUR por CDP Nuevo, comparado con un precio de cierre de 8,92 EUR por acción de ING en Euronext Ámsterdam y en Euronext Bruselas el 26 de noviembre de 2009 y de 12,28 USD por ADSs en la NYSE el 25 de noviembre de 2009.

Periodos de Ejercicio de los Derechos: Con sujeción a los términos establecidos en el presente Folleto, los titulares de Derechos Negociables que deseen suscribir CDP Nuevos, deberán ejercitar sus Derechos dentro del período desde el 30 de noviembre de 2009 hasta las 3:00 p.m. (hora local de Ámsterdam) del

15 de diciembre de 2009. Los Derechos sólo se podrán ejercitar en cantidades que sean múltiplos enteros del ratio de suscripción. **Se aconseja a los titulares de Derechos que soliciten y sigan las instrucciones de su banco o custodio o bróker en relación al adecuado y puntual ejercicio o venta de sus Derechos. Los Derechos Negociables que no se hayan ejercitado válidamente durante el Período de Ejercicio de Derechos, incluidos los Derechos Negociables en exceso a partir del múltiplo entero más próximo al ratio de suscripción, continuarán apareciendo en la cuenta de valores de cada titular de Derechos Negociables no ejercitados exclusivamente con el objeto de pagar la Cantidad en Exceso (según se define continuación), en su caso. El ejercicio de Derechos es irrevocable y no puede ser revocado, cancelado o modificado, excepto si así se establece en el presente Folleto, en la sección «Oferta — Retirada de la Oferta».**

Derechos de Suscripción Preferente: . . Los derechos de suscripción preferente legales (*wettelijke voorkeursrechten*) en relación a la Oferta han sido excluidos a los efectos de la Oferta. Véase «Oferta — Acciones ofrecidas».

Derecho de Voto: Las Nuevas Acciones Ordinarias tendrán los mismos derechos de voto que las Acciones Ordinarias Existentes y los CDP Nuevos tendrán el mismo derecho de delegación de voto que los CDP Existentes.

Negociación y Venta de Derechos: . . . Se espera que los Derechos Negociables se negocien en Euronext Ámsterdam y Euronext Bruselas del 30 de noviembre de 2009 al 15 de diciembre de 2009. No existe ningún acuerdo para que los Derechos Negociables sean negociados en cualquier otro mercado, incluida la NYSE. Los derechos ADSs no son transmisibles y no serán admitidos a negociación en la NYSE ni en ninguna otra bolsa.

Se espera que a partir del 30 de noviembre de 2009 los CDP Existentes se negocien en Euronext Ámsterdam y Euronext Bruselas (incluyendo en forma CDI) “ex derecho de suscripción”, momento en el que los Derechos Negociables empezaran a negociarse en Euronext Ámsterdam y Euronext Bruselas.

Tratamiento de CDP Nuevos sobre los que no se han ejercitado válidamente Derechos: Los CDP Nuevos sobre los que no se han ejercitado válidamente los Derechos antes del final del Periodo de Ejercicio de los Derechos (las «**Acciones Restantes**») podrán ser vendidos por los Coordinadores Globales Conjuntos y *Joint Bookrunners* a su discreción en la Oferta Global y/o en operaciones de mercado abierto, con sujeción a las restricciones de venta y transmisión aplicables.

Acciones Existentes en Autocartera: . . A 31 de octubre de 2009, la Sociedad poseía directa o indirectamente un total de 35.041.271 Acciones Existentes. Dichas acciones se mantienen, *inter alia*, para cubrir los planes de retribución de los empleados, incluidas las opciones concedidas a los empleados. Adicionalmente, se utilizan las acciones de ING para creación de mercado y cobertura. A las Acciones Existentes en Autocartera se les asignarán Derechos en la Oferta de Derechos. La Sociedad venderá los Derechos asignados a dichas acciones.

Precio de la Oferta Global: En el caso de una Oferta Global, se espera que el Precio de la Oferta Global se determine siguiendo un proceso de bookbuilding institucional que comience alrededor del 16 de diciembre de 2009 y que se espera se publique alrededor del 16 de diciembre de 2009.

En cualquier caso, incluido el caso de una Oferta Global, el precio de emisión de las Nuevas Acciones será el Precio de Suscripción y, según se describe en el apartado «Oferta — Cantidad en Exceso», la

Sociedad no tendrá derecho recibir ninguna parte de la Cantidad en Exceso (según se define a continuación), en caso de que existiese.

Cantidad en Exceso: Tras la finalización de la Oferta Global, si el importe total recibido por las Acciones Restantes ofrecidas y vendidas en la Oferta Global — tras la deducción de los gastos de venta (incluido cualquier impuesto sobre el valor añadido) — es mayor que el Precio de Suscripción total de dichas Acciones Restantes (dicha cantidad será la «**Cantidad en Exceso**»), esta Cantidad en Exceso será abonada de la manera siguiente:

Cada titular de un Derecho Negociable no ejercitado al final del Periodo de Ejercicio de Derechos tendrá derecho a recibir en efectivo una parte de la Cantidad en Exceso proporcional al número de Derechos Negociables no ejercitados reflejado en la cuenta de valores de dicho titular, pero sólo si dicha cantidad es mayor a 0,01 € por Derecho Negociable no ejercitado. Sólo estará disponible la Cantidad en Exceso, en caso de que exista, si las Acciones Restantes son colocadas en el plazo de dos días hábiles desde el final de los Periodos de Ejercicio de Derechos.

Si se ha anunciado que existe una Cantidad en Exceso para el pago a los titulares de Derechos Negociables no ejercitados y usted no ha recibido el pago de la misma en un periodo de tiempo razonable después de la finalización de la Oferta Global, deberá contactar con el intermediario financiero a través del cual tiene los Derechos no ejercitados.

No podemos garantizar que la Oferta Global se complete con éxito. En caso de que se realice la Oferta Global, ni nosotros, los Aseguradores, ni el Agente de Suscripción, ni ninguna otra persona que coordine suscripciones de las Acciones Restantes seremos responsables por cualquier falta de Cantidad en Exceso derivada de cualquier colocación de las Acciones Restantes en la Oferta Global.

La Sociedad no tendrá derecho recibir ninguna parte de la Cantidad en Exceso.

Coordinadores Globales Conjuntos y

Joint Bookrunners: Goldman Sachs International, ING Bank N.V. y J.P. Morgan Securities Ltd.

Representantes: Goldman Sachs International y J.P. Morgan Securities Ltd.

Co-Bookrunners: Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc y Morgan Stanley & Co. International plc.

Entidades Directoras Conjuntas: Citigroup Global Markets Limited, ABN AMRO Bank N.V. y UBS Limited.

Co-Entidades Directoras: Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco Santander S.A., Société Générale y UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

Aseguradores Los Representantes, Co-Bookrunners, Entidades Directoras Conjuntas y los Co-Entidades Directoras serán llamados de forma conjunta «**Aseguradores**».

Lock-up: La Sociedad ha acordado con los Aseguradores, excepto en el caso de la emisión de acciones de ING en la Oferta, durante un período que finalizará 90 días después de la Fecha de Cierre y sujeto a ciertas excepciones, no podrá emitir directa o indirectamente, vender, ofrecer o de cualquier otra forma disponer de ninguna de las acciones de ING

o cualquier otro valor convertible canjeable por acciones de ING o representando derechos de suscripción de acciones de ING, o realizar una transacción con similar efecto económico. Véase «Oferta — Lock-up» para obtener más información, incluidas las excepciones del Lock-up.

Agente de Suscripción, Cotización y

Pago..... ING Bank N.V.

Admisión en Bolsa de Valores: Todos los CDP Existentes cotizan en Euronext Ámsterdam, Euronext Bruselas y en la NYSE.

Se han realizado o se realizarán solicitudes para la cotización de los CDP Nuevos en Euronext Ámsterdam y Euronext Bruselas, y para la cotización de las ADSs Nuevas en la NYSE. Se espera que los Derechos Negociables se negocien en Euronext Ámsterdam y Euronext Bruselas (incluyendo los Derechos Negociables CDI) del 30 de noviembre de 2009 hasta el 15 de diciembre de 2009. La transmisión de los Derechos Negociables se realizará a través del sistema de anotaciones en cuenta de Euroclear y Clearstream.

Se espera que la cotización de los CDP Nuevos y las ADSs Nuevas sea efectiva como muy tarde el 21 de diciembre de 2009. Está programado que el primer día de negociación de los CDP Nuevos y las ADSs Nuevas sea el 21 de diciembre de 2009.

Destino de los ingresos: ING tiene intención de utilizar los ingresos de la Oferta principalmente para financiar la recompra de los cinco mil millones de euros emitidos en Valores Core Tier-1 titularidad del Estado neerlandés, más intereses devengados y prima de recompra. La prima de recompra a pagar en relación a los Valores Core Tier-1 recomprados variará entre 346 millones y 705 millones de euros, en base al precio de mercado de las acciones de ING en el momento de la recompra. Los intereses devengados, a un tipo del 8,5%, sobre los Valores Core Tier-1 recomprados se estiman aproximadamente en 260 millones de euros (asumiendo un repago en la Fecha de Cierre). Asimismo, la cantidad necesaria para recomprar los cinco mil millones de euros emitidos se espera que se sitúe entre 5.605 millones de EUR y 5.963 millones de EUR. Véase «Negocio — Desarrollo reciente — Recompra de una parte de los Valores Core Tier-1 Securities titularidad del Estado neerlandés».

ING tiene la intención de utilizar los ingresos restantes procedentes de la Oferta en fortalecer su posición de capital, incluida la compensación del cargo de 1.3 miles de millones de EUR antes de impuestos (pre-tax) que se realizará en el cuarto trimestre de 2009 como resultado de los pagos adicionales al Estado neerlandés en concepto de ajustes de comisiones del Programa Soporte de Activos No Líquidos, según se describe en «Negocio — Desarrollo reciente — Transacciones con el Estado neerlandés», y destinar los importes restantes parcialmente a los pagos de cupones que vencerán en diciembre de 2009 respecto a sus valores híbridos en circulación, según exige la CE para no tener que diferir el pago de cupones de valores híbridos.

Condiciones de la Oferta: La Oferta está siendo asegurada por los Aseguradores en virtud del Contrato de Aseguramiento, del que los Aseguradores se pueden retirar en determinadas circunstancias. Si alguna o todas las circunstancias de la Oferta no se cumplen o son objeto de renuncia por los Representantes, en nombre de los Aseguradores, antes del pago y la entrega de las Acciones Restantes, o si se diesen ciertas circunstancias antes del pago y la entrega de las Acciones Restantes, los Representantes, en nombre de los Aseguradores, podrán a su

discreción finalizar la Oferta Global y su obligación de suscribir las Acciones Restantes, tras lo cual se cancelará la Oferta y la Sociedad no recibirá los ingresos que esperaba generase la Oferta. Véase «Oferta — Revocación de la Oferta».

En el caso de que la Oferta se revoque, se perderán los Derechos ejercitados y no ejercitados sin compensación a sus titulares y se desestimarán la suscripción y asignación de los CDP Nuevos que se hayan realizado. Se devolverá sin intereses todo pago de suscripción recibido por ING Groep N.V., el Agente de Suscripción, el Agente de Pagos o los Aseguradores. Dicha pérdida de Derechos tendrá lugar sin perjuicio de la validez de cualquier negociación de los Derechos ya realizada. No se reembolsarán los Derechos adquiridos en el mercado. Toda negociación de Derechos y Nuevas Acciones se realizará a riesgo exclusivo de las partes implicadas. Los Aseguradores, la Sociedad, el Agente de Suscripción, el Agente de Cotización, el Agente de Pagos y Euronext Ámsterdam N.V. no aceptan responsabilidad alguna frente a ninguna persona como resultado de la revocación de la Oferta o la (relacionada) anulación de cualquier transacción sobre los Derechos o las Nuevas Acciones en Euronext Ámsterdam o Euronext Bruselas. Véase «Factores de riesgo — Riesgos relacionados con la Oferta — Si la Oferta no se realiza, nuestras calificaciones de riesgo y nuestros costes de financiación podrían verse afectados negativamente y el precio de las acciones de ING podría descender de forma importante. En cualquier caso, los Derechos podrían quedarse sin valor».

Asignación: Se espera que la asignación de los CDP Nuevos se realice el 16 de diciembre de 2009.

Entrega, Pago y Certificación: Se espera que la entrega de los CDP Nuevos contra el pago del Precio de Suscripción o del Precio de Oferta Global — según sea el caso — tenga lugar aproximadamente el 21 de diciembre de 2009 (la «**Fecha de Cierre**»), un cualquier otra fecha que determinen los Coordinadores Globales Conjuntos y *Joint Bookrunners*. La entrega contra pago se realizará a través del sistema de liquidación de Euroclear.

Número Internacional de Identificación de Valores (ISIN): CDP Existentes: NL0000303600 (Euronext Ámsterdam y Euronext Bruselas)
 CDI Existentes: BE0004523610 (Euronext Bruselas)
 ADSs Existentes: US4568371037 (NYSE)
 Derechos Negociables: NL0009307941 (Euronext Ámsterdam y Euronext Bruselas)
 Derechos CDI
 Negociables: BE0970110137 (Euronext Bruselas)

CUSIP: CDP Existentes: N4578E413 (Euronext Ámsterdam y Euronext Bruselas)
 ADSs Existentes: 456837103 (NYSE)

SEDOL: CDP Existentes: 7154182 (Euronext Ámsterdam y Euronext Bruselas)
 ADSs Existentes: 2452643 (NYSE)
 CDI Existentes: 7154171 (Euronext Bruselas)

Código Common: CDP Existentes: 013208344 (Euronext Ámsterdam y Euronext Bruselas)
 CDI Existentes: 08270805 (Euronext Bruselas)
 ADSs Existentes: 010377293 (NYSE)
 Derechos Negociables: 047074070 (Euronext Ámsterdam y Euronext Bruselas)

Bruselas)

Derechos CDI Negociables: 047103258 (Euronext Bruselas)

Ticker: CDP Existentes: “INGA” (Euronext Ámsterdam y Euronext Bruselas)
ADSs Existentes: “ING” (NYSE)
CDI Existentes: “INGS” (Euronext Bruselas)
Derechos Negociables: “INGRI” (Euronext Ámsterdam y Euronext Bruselas)
Derechos CDI
Negociables: “ING24” (Euronext Bruselas)

Restricciones de Venta y

Transmisión: Véase «Restricciones de venta y transmisión» en el apartado correspondiente del presente Folleto.

Para obtener más información en relación a la Oferta, véase «Oferta» en el apartado correspondiente del presente Folleto.

Cierta información material relativa al Emisor

Denominación social, estructura, constitución y domicilio social

La denominación social y comercial de la Sociedad es ING Groep N.V. ING Groep N.V. se constituyó como *Naamloze Vennootschap* (sociedad anónima) bajo las leyes de los Países Bajos el 21 de enero de 1991 tras la fusión entre Nationale-Nederlanden, que era la mayor compañía de seguros de los Países Bajos, y NMB Postbank Group, que era uno de los mayores bancos de los Países Bajos, mediante una oferta pública sobre las acciones de estas sociedades. Esta oferta pública se completó con éxito el 4 de marzo de 1991.

La sede social del Grupo ING es: ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Ámsterdam (Países Bajos); Teléfono: (+31) 20 541 5411.

Para obtener más información, véase «Información General de la Sociedad» en el apartado correspondiente del presente Folleto.

Consejo de Control, Consejo Ejecutivo y Auditor

El Consejo de Control de la Sociedad está formado actualmente por 14 miembros: Peter Elverding (presidente), Jeroen van der Veer (vicepresidente), Tineke Bahlmann, Henk Breukink, Claus Dieter Hoffmann, Piet Hoogendoorn, Piet Klaver, Godfried van der Lugt, Harish Manwani, Aman Mehta, Joan Spero, Jackson P. Tai, Karel Vuursteen y Lodewijk de Waal.

El Consejo Ejecutivo de la Sociedad está formado actualmente por tres miembros: Jan Hommen, Patrick G. Flynn y Koos Timmermans.

Se puede contactar con los miembros del Consejo de Control y del Consejo Ejecutivo en la dirección: ING Groep N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Ámsterdam (Países Bajos).

El Consejo de Dirección para la Banca de la Sociedad está compuesto por Jan Hommen, Patrick G. Flynn, Koos Timmermans, Eli Leenaars, Dick Harryvan y Eric Boyer de la Giroday. ING anunció el 26 de octubre de 2009 algunos cambios en Banca. Véase «Negocio — Desarrollo reciente — Cambios en los consejos de dirección».

El Consejo de Dirección para la Seguros de la Sociedad está compuesto por Jan Hommen, Patrick G. Flynn, Koos Timmermans, Hans van der Noordaa y Tom J. McInerney. ING anunció el 26 de octubre de 2009 algunos cambios en Seguros. Véase «Negocio — Desarrollo reciente — Cambios en la dirección de gestión».

En la Junta General de Accionistas celebrada el 22 de abril de 2008, Ernst & Young fue nombrado auditor de las cuentas anuales de Grupo ING para los ejercicios 2008 a 2011 (ambos inclusive), para informar de los resultados de estas auditorías al Consejo Ejecutivo y al Consejo de Control, y para emitir un informe de auditoría sobre las cuentas anuales de Grupo ING.

Para obtener más información sobre la dirección de ING, véase «Información sobre los órganos corporativos» en el apartado correspondiente del presente Folleto. Para obtener más información sobre el Auditor de la Sociedad, véase «Información General de la Sociedad — Auditor independiente».

Capital Social

El capital social autorizado de ING Groep N.V. está compuesto por acciones ordinarias y acciones preferentes acumulativas. Actualmente sólo están emitidas acciones ordinarias, y se ha concedido un derecho de compra de hasta 4.500 millones de acciones preferentes acumulativas a la Fundación Continuidad de ING (*Stichting Continuïteit ING*) en virtud de una opción de compra concedida por ING Groep N.V. La adquisición de acciones preferentes acumulativas en virtud de la opción de compra está sujeta a la restricción de que, inmediatamente después de la emisión de acciones preferentes acumulativas, la cantidad total de acciones preferentes acumulativas no puede ser mayor que un tercio del capital social total emitido de ING Groep N.V. El objetivo de las acciones preferentes acumulativas es proteger la independencia, la continuidad y la identidad de la Sociedad frente a influencias contrarias a los intereses de Grupo ING, sus actividades y las actividades de sus filiales y sus accionistas (incluyendo OPAs hostiles), mientras que las acciones ordinarias se utilizan exclusivamente con propósitos de financiación. Estas acciones, que son nominativas en su totalidad, no están emitidas ni cotizan en un mercado de valores.

Acciones ordinarias

Todas las acciones ordinarias son nominativas. No se han emitido certificados de acciones. La transmisión de las acciones ordinarias puede hacerse mediante un documento de transmisión. La transmisión de acciones ordinarias requiere la confirmación por escrito de ING Groep N.V. El valor nominal de las acciones ordinarias es de 0,24 EUR. El capital social ordinario autorizado del Grupo ING está compuesto por 4.500 millones de acciones (aumentado desde 3.000 millones como resultado de una modificación realizada el 8 de octubre de 2008 a los Estatutos Sociales). A 31 de diciembre de 2008, aproximadamente 2.063 millones de acciones ordinarias estaban emitidas y desembolsadas íntegramente.

Certificados de depósito al portador para acciones ordinarias

Más del 99,9% de las acciones ordinarias emitidas por ING Groep N.V. son titularidad de la *Stichting ING Aandelen* (el «Trust»). En canje por estas acciones, el Trust ha emitido certificados de depósito al portador para acciones ordinarias. Los CDP Existentes cotizan en Euronext Ámsterdam y Euronext Bruselas, y las ADSs Existentes cotizan en la NYSE. Los certificados de depósito al portador pueden canjearse por acciones ordinarias (no cotizadas) sin restricción alguna, excepto por el pago de un fee administrativo de un céntimo de euro (0,01 EUR) por certificado de depósito al portador y un mínimo de veinticinco euros (25,00 EUR) por operación de canje.

El titular de un certificado de depósito al portador tiene derecho a recibir del Trust el pago de los dividendos y distribuciones correspondientes a los dividendos y distribuciones recibidos para una acción ordinaria por el Trust.

Adicionalmente, el titular de un certificado de depósito al portador tiene derecho a asistir e intervenir en la Junta General de Accionistas de ING Groep N.V. bien personalmente o por delegación. El titular de un certificado de depósito al portador que asista a la Junta General de Accionistas tendrá derecho a votar como representante del Trust, pero completamente a su discreción, por un número de acciones ordinarias equivalente al número de sus certificados de depósito al portador.

Un titular de certificados de depósito al portador que no asista a la Junta General de Accionistas en persona o mediante representación tiene derecho de dar instrucciones de voto vinculantes al Trust por número de acciones ordinarias equivalente al número de sus certificados de depósito al portador. El Trust podrá votar a su discreción en relación a las acciones para las que no se hayan emitido delegaciones de voto de certificados de depósito al portador y no haya recibido ninguna instrucción de voto. En virtud de los Estatutos Sociales (*Statuten*) del Trust y de sus Condiciones de Administración (*Administratievoorwaarden*) (conjuntamente el «Contrato de Trust»), se requiere al Trust promover los intereses de todos los titulares de certificados de depósito al portador, independientemente de si asisten o no a la Junta General de Accionistas, teniendo también en cuenta los intereses de ING Groep N.V., los negocios de ING Groep N.V. y las sociedades de su grupo y el interés del resto de accionistas de ING Groep N.V. al votar dichas acciones, para asegurar que a dichos intereses se les proporciona la máxima consideración y protección posibles.

Para obtener más información sobre la estructura de capital de ING y asuntos relacionados, véase «Información relativa a las acciones de ING y las disposiciones legales aplicables» en el apartado correspondiente del presente Folleto.

Resumen de los Factores de Riesgo

ING está expuesta a varios riesgos que de forma individual o conjunta podrían tener un efecto adverso material sobre la situación financiera y los resultados de operaciones de ING. A continuación se ofrece un resumen de dichos riesgos.

Riesgos relacionados con el sector de servicios financieros:

- *Al ser una sociedad de servicios financieros integrados que realiza operaciones a nivel global, nuestros ingresos y ganancias se ven afectadas por la volatilidad y fortaleza del entorno económico, comercial y de los mercados de capitales de las regiones geográficas en las que realizamos nuestras actividades. Las persistentes turbulencias y volatilidad de dichos factores han afectado de forma adversa y puede que continúen afectando de forma adversa a la rentabilidad de nuestras actividades de seguros, banca y gestión de activos.*
- *Las condiciones adversas en los mercados de capital y crédito podrían impactar nuestra capacidad para tener acceso a liquidez y capital, así como a los costes de crédito y capital.*
- *El incumplimiento de un participante principal del mercado podría desestabilizar los mercados.*
- *Debido a que nuestras área de negocio de seguros y reaseguro de vida y no vida están sujetas pérdidas por acontecimientos impredecibles y/o catástrofes (que son inherentemente impredecibles) nuestra cantidad de demandas podría ser mayor que nuestras reservas establecidas o podríamos experimentar una interrupción abrupta de actividades, derivando en ambos casos en unos resultados netos menores y en efectos adversos sobre nuestros resultados operativos.*
- *Operamos en industrias altamente reguladas. Podría existir un cambio o aumento adverso en las legislaciones y/o disposiciones de servicios financieros que regulan nuestra actividad.*

Riesgos relacionados con el Grupo:

- *Las persistentes turbulencias y volatilidad en los mercados financieros han afectado de modo adverso y puede que continúen afectando de modo adverso a la Sociedad.*
- *La ejecución del Plan de Reestructuración y las desinversiones anticipadas en conexión con dicho plan alterarán de forma significativa el tamaño y estructura del Grupo, e implicarán importantes gastos e incertidumbres que podrían afectar materialmente al Grupo.*
- *Las limitaciones acordadas con la CE sobre nuestra capacidad para competir y para realizar adquisiciones o utilizar ciertos instrumentos de deuda podrían afectar materialmente al Grupo.*
- *Tras la ejecución del Plan de Reestructuración estaremos menos diversificados y podríamos experimentar desventajas competitivas y de otro tipo.*
- *Nuestro programa Back to Basics y nuestro Plan de Reestructuración podrían no alcanzar las reducciones previstas en gastos, riesgos y endeudamiento.*
- *Al operar en mercados altamente competitivos, incluido nuestro mercado nacional, podríamos no ser capaces de aumentar o mantener nuestra cuota de mercado, lo que podría tener un efecto adverso en nuestros resultados operativos.*
- *Nuestros acuerdos con el Estado neerlandés imponen ciertas restricciones en cuanto a la emisión o recompra de nuestras acciones y a las retribuciones de algunos puestos de dirección senior.*
- *Al realizar negocios con un alto número de contrapartes, la incapacidad de dichas contrapartes para cumplir con sus obligaciones financieras podría tener un efecto material adverso sobre nuestros resultados operativos.*
- *Las condiciones actuales del mercado han incrementado el riesgo de deterioro de préstamos. Estamos expuestos al descenso en los precios de propiedades inmobiliarias en garantía de los préstamos inmobiliarios residenciales y comerciales.*
- *La volatilidad de los tipos de interés podría afectar de forma adversa a nuestra rentabilidad.*
- *Podríamos incurrir en pérdidas debido a los fallos de bancos que han de acogerse a los programas de ayuda estatales.*
- *Podríamos ser incapaces de gestionar de forma exitosa nuestros riesgos a través de instrumentos derivados.*
- *Al utilizar asunciones sobre factores a la hora de determinar las provisiones de seguros, los gastos diferidos de adquisición («GDA») y el valor de negocio añadido («VNA»), el uso de diferentes asunciones sobre dichos factores podría tener un efecto adverso en nuestros resultados operativos.*

- *Al utilizar asunciones sobre el comportamiento de los clientes para realizar nuestros cálculos de riesgo de mercado, la diferencia entre la realidad y las asunciones podrían tener un efecto negativo sobre las cifras de riesgo y los resultados futuros.*
- *Nuestras políticas y directrices de gestión de riesgo podrían resultar inadecuadas para los riesgos a los que nos enfrentamos.*
- *Podríamos incurrir en deudas adicionales en relación con nuestros planes de pensiones definidos si el valor de los activos del plan no es suficiente para cubrir las obligaciones potenciales.*
- *Estamos sujetos a una variedad de riesgos regulatorios como resultado de nuestras operaciones en mercados menos desarrollados.*
- *Al ser una Sociedad de servicios financieros y estar continuamente desarrollando nuevos productos financieros, podremos enfrentarnos a demandas que podrían tener un efecto adverso sobre nuestras operaciones y resultados netos si no se cumplen las expectativas de los clientes.*
- *Los ratings son importantes en nuestro negocio por una serie de razones. Entre ellas se encuentra la emisión de deuda, la venta de ciertos productos y la ponderación de riesgos de los activos de banca y seguros. Un descenso en el rating podría tener un efecto negativo en nuestras operaciones y resultados netos.*
- *Nuestra actividad se podría ver afectada negativamente por un aumento sostenido de la inflación.*
- *Los riesgos operativos son inherentes a nuestra actividad.*
- *El reaseguro podría no estar disponible para protegernos de pérdidas, o no poder permitirnoslo o no ser éste adecuado. También podríamos decidir reducir, eliminar o rechazar seguros primarios o cobertura de reaseguro.*
- *Nuestra actividad se podría ver afectada de forma negativa por publicidad adversa, acciones regulatorias o litigios adversos en relación con nosotros, otras sociedades reconocidas o el sector de servicios financieros en general.*
- *Debido a que somos una Sociedad neerlandesa y a que la Stichting ING Aandelen posee más del 99,9% de nuestras acciones ordinarias, los derechos de nuestros accionistas podrían ser diferentes de los derechos de los accionistas en otras jurisdicciones o sociedades que no utilizan una estructura similar al Trust, lo que podría afectar a sus derechos como accionista.*
- *El precio por acción de ING ha sido, y podría continuar siendo, volátil, lo que podría afectar al valor de las acciones de ING que usted posee.*
- *No hemos pagado un dividendo final en 2008 o un dividendo a cuenta en 2009. No podemos asegurar que vaya a existir un pago de dividendos a las acciones ordinarias en el futuro.*
- *Nuestra capacidad de utilizar condiciones fiscales estadounidenses beneficiosas podría quedar sujeta a limitaciones.*

Riesgos relacionados con la Oferta:

- *Si un accionista no ejerce válidamente sus Derechos antes de que termine el Periodo de Ejercicio de Derechos correspondiente, dichos Derechos ya no podrán ser ejercitados, y cualquier accionista que no ejerza todos sus Derechos, sea cual sea la forma en que los posee, sufrirá la dilución de su participación porcentual de acciones de ING.*
- *Los titulares de acciones de ING podrían experimentar una dilución inmediata y sustancial del valor de las Nuevas Acciones en caso de futuras ampliaciones de capital.*
- *Los Valores Core Tier-1 emitidos al Estado neerlandés pueden convertirse en acciones ordinarias o certificados de depósito al portador y diluir a los accionistas existentes.*
- *Si no se lleva a cabo la Oferta, nuestros ratings de crédito y gastos de financiación podrían verse afectados negativamente, y el precio de las acciones de ING podría descender de forma importante. En cualquiera de los supuestos, los Derechos podrían quedarse sin valor.*
- *No hay seguridad de que se desarrolle la negociación de los Derechos Negociables, y los Derechos Negociables podría quedar sujetos a unas fluctuaciones de precio más intensas que las acciones de ING.*

- *Algunos titulares de acciones de ING podrían no poder participar en esta o futuras ofertas con derechos de suscripción.*
- *Podría ser difícil para los inversores de fuera de los Países Bajos tramitar un procedimiento o ejecutar las sentencias extranjeras contra nosotros en relación con la Oferta.*

* * *

2. RISK FACTORS

Potential investors should carefully consider the specific risk factors outlined below in addition to the other information contained in this Prospectus before making a decision to acquire the Rights or the New Shares. Any of these risks could have a material adverse effect on the business activities, financial condition, results of operations and prospects of ING. The market price of ING shares and Rights could decline due to any of these risks, and investors could lose all or part of their investments. Additional risks of which the Company is not presently aware could also affect the business operations of ING and have a material adverse effect on ING's business activities, financial condition, results of operations and prospects. In addition, the business of a multinational, broad-based financial services firm such as ING is inherently exposed to risks that only become apparent with the benefit of hindsight. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

Risks Related to the Financial Services Industry

Because we are an integrated financial services company conducting business on a global basis, our revenues and earnings are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which we conduct business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect, the profitability of our 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 we conduct in a specific geographic region. For example, in an economic downturn, such as the one that has affected world economies since mid-2007, characterized 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 our 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 not meet or exceed the guarantee levels we may need to set up additional reserves to fund these future guaranteed benefits. In addition, we may experience an elevated incidence of claims and lapses or surrenders of policies. Our policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. Similarly, a downturn in the equity markets causes a reduction in commission income we earn from managing portfolios for third parties, income generated from our own proprietary portfolios, asset-based fee income on certain insurance products, and our capital base. We also offer a number of insurance and financial products that expose us 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. For more details on the impact of interest rates and exchange rate fluctuations on our operations, see "Operating and Financial Review and Prospects — Factors Affecting Results of Operations". See also "Risks Related to the Group — Interest rate volatility may adversely affect our profitability" below.

In case one or more of the factors mentioned above adversely affects the profitability of our 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.

Management 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. See "Intangible Assets" under Paragraph 9 of Note 2.1.3. to the 2008 Financial Statements and "Operating Financial Review and Prospects — Factors Affecting Results of Operations — Impact of Financial Crisis".

In 2008 and 2009, shareholders' equity and our net result were significantly impacted by the turmoil and the extreme volatility in the worldwide financial markets. Further negative developments in financial markets and/or economies may have a material adverse impact on shareholders' equity and net result in future periods, including as

a result of the potential consequences listed above. We are currently recalibrating our economic capital models to reflect the extreme market conditions experienced over recent quarters in order to align them more closely with regulatory measures. This may have a material impact on our economic capital for credit risk. See “Risks Related to the Group — Ongoing turbulence and volatility in the financial markets have adversely affected us, and may continue to do so”.

Adverse capital and credit market conditions may impact our 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 two years. 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.

We need liquidity in our day-to-day business activities to pay our operating expenses, interest on our debt and dividends on our capital stock; maintain our securities lending activities; and replace certain maturing liabilities. The principal sources of our liquidity are deposit funds, insurance premiums, annuity considerations, cash flow from our 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 stockholders’ equity.

In the event current resources do not satisfy our needs, we 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, our credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of our long- or short-term financial prospects. Similarly, our access to funds may be limited if regulatory authorities or rating agencies take negative actions against us. If our internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available, or available at unfavorable terms.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit our access to capital required to operate our business. Such market conditions may limit our 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 us to (1) delay raising capital, (2) reduce, cancel or postpone payment of dividends on our shares, (3) reduce, cancel or postpone interest payments on other securities, (4) issue capital of different types or under different terms than we would otherwise, or (5) incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both our profitability and our financial flexibility. Our 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 and 2009, governments around the world, including the Dutch government, implemented unprecedented measures to provide assistance to financial institutions, in certain cases requiring (indirect) influence on or changes to governance and remuneration practices. In certain cases governments nationalized companies or parts thereof. The measures adopted in the Netherlands include both liquidity provision and capital reinforcement, and a Dutch Credit Guarantee Scheme. The liquidity and capital reinforcement measures expired on 10 October 2009, while the Credit Guarantee Scheme of the Netherlands is scheduled to run through 31 December 2009 (see “Business — Transactions with the Dutch State”). To date, we have been able to benefit from these measures, but our participation in these measures has resulted in certain material restrictions on us, including those agreed to with the EC as part of our Restructuring Plan. See “Risks Related to the Group — Our agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of our shares and the compensation of certain senior management positions”, “Risks Related to the Group — The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of the Group and involve significant costs and uncertainties that could materially impact the Group” and “Business — Recent Developments — Insurance and other Divestments, EC Agreement”. The Restructuring Plan as well as any potential future transactions with the Dutch State or any other government, if any, or actions by such government regarding ING could adversely impact the position or rights of shareholders, bondholders, customers or creditors and our results, operations, solvency, liquidity and governance.

In addition, we have built our liquidity risk framework on the premise that our liquidity is most efficiently and effectively managed by a centralized Group function. However, we are subject to the jurisdiction of a variety of banking and insurance regulatory bodies, some of which have proposed regulatory changes that, if implemented, would hinder our ability to manage our liquidity in such a centralized manner. Furthermore, regulatory liquidity requirements in certain jurisdictions in which we operate are generally becoming more stringent, undermining our

efforts to maintain this centralized management of our liquidity. These developments may cause trapped pools of liquidity, resulting in inefficiencies in the cost of managing our liquidity, and hinder our efforts to integrate our balance sheet, which is an essential element of our Back to Basics program and our Restructuring Plan.

The default of a major market participant could disrupt the markets.

Within the financial services industry the default of any one institution could lead to defaults by other institutions. The failure of a sufficiently large and influential institution could disrupt securities markets or clearance and settlement systems in our markets. This could cause market declines or volatility. Such a failure could lead to a chain of defaults that could adversely affect us and our contract counterparties. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions, as was the case after the bankruptcy of Lehman Brothers, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by us or by other institutions. This risk is sometimes referred to as “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom we interact on a daily basis. Systemic risk could have a material adverse effect on our ability to raise new funding and on its business, financial condition, results of operations, liquidity and/ or prospects. In addition, such a failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

The way AIG suffered in the aftermath of the bankruptcy of Lehman Brothers in September 2008 is an example of this type of risk. Management believes that despite increased attention recently, systemic risk to the markets in which we operate continues to exist, and dislocations caused by the interdependency of financial market participants continues to be a potential source of material adverse changes to our business, results of operations and financial condition.

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

In our life and non-life insurance and reinsurance businesses, we are 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 cannot always be adequately reserved for. Furthermore, we are subject to actuarial and underwriting risks such as, for instance, mortality, longevity, morbidity, and adverse home claims development which result from the pricing and acceptance of insurance contracts. In accordance with industry practices, modeling 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 we continually review the adequacy of the established claim reserves, there can be no assurances that our actual claims experience will not exceed our estimated claim reserves. If actual claim amounts exceed the estimated claim reserves, our earnings may be reduced and our net results may be adversely affected. In addition, because unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, our 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 our business continuity plans are not able to be put into action or do not take such events into account, losses may further increase.

We operate in highly regulated industries. There could be an adverse change or increase in the financial services laws and/or regulations governing our business.

We are subject to detailed banking, insurance, asset management and other financial services laws and government regulation in each of the jurisdictions in which we conduct 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 us and our subsidiaries may also change at any time in ways which have an adverse effect on our 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 we operate, often requiring additional Company resources. These regulations can serve to limit our activities, including through our net capital, customer protection and market conduct requirements, and restrictions on businesses in which we can operate or invest. If we fail to address, or appear to fail to address, appropriately any of these matters, our reputation could be harmed and we could be subject to additional legal risk, which could, in turn, increase the size and number of claims and damages asserted against us or subject us 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 we conduct our 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. For example, the EC is conducting a full scale review of solvency margins and provisions for insurance companies known as “Solvency II”. Each member state of the EEA, including the Netherlands, is required to implement Solvency II by 31 October 2012. The EC is also considering increasing the capital requirements for banks. In addition, the International Accounting Standards Board (“IASB”) is considering changes to several IFRS standards, including significant changes to the standard on financial instruments (IAS 39) and to the standard on pensions (IAS 19). These changes could have a material impact on our reported results and financial condition.

Governments in the Netherlands and abroad have also intervened on an unprecedented scale, responding to stresses experienced in the global financial markets. Some of the measures adopted subject us and other institutions for which they were designed to additional restrictions, oversight or costs. For restrictions related to the Core Tier-1 Securities and the Illiquid Assets Back-Up Facility (together, the “**Dutch State Transactions**”), see “— Our agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of our shares and the compensation of certain senior management positions”. As a result of having received state aid through the Dutch State Transactions, we were required to submit our Restructuring Plan to the EC in connection with obtaining final approval for the Dutch State Transactions. See “Risks Related to the Group — The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of the Group and involve significant costs and uncertainties that could materially impact the Group”. We 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 our business, results of operations and financial condition.

Despite our 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 under development or may conflict with one another, where regulators revise their previous guidance or courts overturn previous rulings, or we fail to meet applicable standards. Regulators and other authorities have the power to bring administrative or judicial proceedings against us, which could result, amongst other things, in suspension or revocation of our licenses, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially harm our results of operations and financial condition.

Risks Related to the Group

Ongoing turbulence and volatility in the financial markets have adversely affected us, and may continue to do so.

Our 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, although market conditions have improved, volatility continued in 2009, particularly the early part of the year. 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 market upheavals, including extreme levels of volatility, have had and may continue to have an adverse effect on our revenues and results of operations, in part because we have a large investment portfolio and extensive real estate activities around the world. In addition, the confidence of customers in financial institutions is being tested. Consumer confidence in financial institutions may, for example, decrease due to our or our competitors' failure to communicate to customers the terms of, and the benefits to customers of, complex or high-fee financial products. Reduced confidence could have an adverse effect on our revenues and results of operations, including through an increase of lapses or surrenders of policies and withdrawal of deposits. Because a significant percentage of our customer deposit base is originated via Internet banking, a loss of customer confidence may result in a rapid withdrawal of deposits over the Internet.

As a result of the ongoing and unprecedented volatility in the global financial markets in 2007, 2008 and, to a lesser extent, the first nine months of 2009, we have incurred substantial negative revaluations on our investment portfolio, which have impacted our earnings and shareholders' equity. Furthermore, we have incurred impairments and other losses, which have impacted our profit and loss accounts. Although we believe that reserves for insurance liabilities are generally adequate at the Group and business line level, inadequacies in certain product areas have developed. See "Risk Management — ING Insurance — Reserve Adequacy" under Section 2.2. of the 2008 Financial Statements.

Such impacts have arisen primarily as a result of valuation issues arising in connection with our investments in real estate (both in and outside the US) and private equity, exposures to US mortgage-related structured investment products, including sub-prime and Alt-A Residential and Commercial Mortgage-Backed Securities ("**RMBS**" and "**CMBS**", respectively), 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 been and remain 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 we continue to monitor our exposures in this area, in light of the ongoing market environment and the resulting uncertainties concerning valuations, there can be no assurances that we will not experience further negative impacts to our shareholders' equity or profit and loss accounts from such assets in future periods.

The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of the Group and involve significant costs and uncertainties that could materially impact the Group.

As described under "Business — Transactions with the Dutch State", in November 2008 the Dutch State purchased the Core Tier-1 Securities, and in the first quarter of 2009 we and the Dutch State entered into the Illiquid Assets Back-Up Facility (the "**Illiquid Assets Back-Up Facility**") pursuant to which we transferred to the Dutch State the economic risks and rewards of 80% of the approximately EUR 30 billion par value Alt-A residential mortgage-backed securities portfolios of ING Direct US and Insurance Americas.

As a result of having received state aid through the Dutch State Transactions, we were required to submit a restructuring plan (the "**Restructuring Plan**") to the EC in connection with obtaining final approval for the Dutch State Transactions under the EC state aid rules. On 26 October 2009, we announced our Restructuring Plan, pursuant to which we are required to divest by the end of 2013 all of our insurance business, including the investment management business, as well as ING Direct US, which operates our direct banking business in the United States, and certain portions of our retail banking business in the Netherlands. The EC's approval of the Restructuring Plan was issued on 18 November 2009. In addition, in order to obtain approval of the Restructuring Plan, we committed to make a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. These payments will significantly increase the cost of the Illiquid Assets Back-Up Facility to us and will result in a one-time, pre-tax charge of EUR 1.3 billion to be recorded in the fourth quarter of 2009 which will in turn adversely affect our results of operations and financial condition. For more information about our Restructuring Plan and the additional payments, see "Business — Recent Developments — Insurance and other Divestments, EC Agreement".

In connection with the Restructuring Plan, we have also agreed to not be a price leader in certain EU markets with respect to certain retail, private and direct banking products and to refrain from acquisitions of financial institutions and of businesses that would delay our repurchase of the Core Tier-1 Securities not purchased with the proceeds of the Offering. Those limitations may last until 18 November 2012 and could adversely affect our ability to maintain or grow market share in key markets as well as our results of operations. See “Risks Related to the Group — The limitations agreed with the EC on our ability to compete and to make acquisitions or call certain debt instruments could materially impact the Group”.

We have announced that we will consider making our required divestments by means of initial public offerings, sales, spin-offs, combinations of the foregoing or other means. There can be no assurance that we will be able to implement the Restructuring Plan successfully or complete the announced divestments on favorable terms or at all, particularly in light of both the plan’s 2013 deadline and expected challenging market conditions in which other financial institutions may place similar assets for sale during the same time period and may seek to dispose of assets in the same manner. Any failure to successfully implement the Restructuring Plan may result in EC enforcement actions and may have a material adverse impact on the assets, profitability, capital adequacy and business operations of the Group. Moreover, in connection with the implementation of the Restructuring Plan, including any proposed divestments, we or potential buyers may need to obtain various approvals, including of shareholders, works councils and regulatory and competition authorities, and we and potential buyers may face difficulties in obtaining these approvals in a timely manner or at all. In addition, the implementation of the Restructuring Plan may strain relations with our employees, and specific proposals in connection with the implementation may be opposed by labor unions or works councils. Furthermore, following the announcement of the Restructuring Plan, several of our subsidiaries have been downgraded or put on credit watch by rating agencies. See “Risks Related to the Group — Ratings are important to our business for a number of reasons. Among these are the issuance of debt, the sale of certain products and the risk weighting of bank and insurance assets. Downgrades could have an adverse impact on our operations and net results”.

Other factors that may impede our ability to implement the Restructuring Plan successfully include an inability of prospective purchasers to obtain funding due to the deterioration of the credit markets, insufficient access to equity capital markets, a general unwillingness of prospective purchasers to commit capital in the current market environment, antitrust concerns, any adverse changes in market interest rates or other borrowing costs and any declines in the value of the assets to be divested. Although equity capital markets have improved over the past few months, it may also be difficult to divest all or part of our insurance or investment management business through one or more initial public offerings. There can also be no assurance that we could obtain favorable pricing for a sale of all or part of our insurance or investment management business in the public markets or succeed in turning the relevant subsidiaries into viable standalone businesses. A divestment may also release less regulatory capital than we would otherwise expect. Any failure to complete the divestments on favorable terms, whether by sale, through an initial public offering, a spin-off or otherwise, could have a material adverse impact on our assets, profitability, capital adequacy and business operations. If we are unable to complete the announced divestments in a timely manner, we would be required to find alternative ways to reduce our leverage, and we could be subject to enforcement actions or proceedings by the EC. In particular, if we do not succeed in completing divestitures contemplated by the Restructuring Plan within the timelines set out therein, the EC may request the Dutch State to appoint a divestiture trustee with a mandate to complete the relevant divestiture with no minimum price.

In addition, it is possible that a third party will challenge the EC decision to approve the Restructuring Plan in the European Courts. ING does not believe that any such challenge would be likely to succeed, but if it were to succeed the EC would need to reconsider its decision which may have an adverse impact on our results of operations and financial condition.

The implementation of the divestments announced in connection with the Restructuring Plan, including the separation of the insurance and investment management operations from the banking operations, will also give rise to additional costs related to the legal and financial assessment of potential transactions. The implementation may also result in increased operating and administrative costs. The process of completing the steps contemplated by the Restructuring Plan may be disruptive to our business and the businesses we are trying to sell and may cause an interruption or reduction of our business and the businesses to be sold as a result of, among other factors, the loss of key employees or customers and the diversion of management’s attention from our day-to-day business as a result of the need to manage the divestment process as well as any disruptions or difficulties that arise during the course of the divestment process. We may face other difficulties in implementing the Restructuring Plan and completing the planned divestments. For instance, the divestments, individually or in the aggregate, may trigger provisions in various contractual obligations, including debt instruments, which could require us to modify, restructure or refinance the related obligations. We may not be able to effect any such restructuring or refinancing on similar terms as the current contractual obligations or at all. In addition, the announced divestments could be the subject of

challenges or litigation, and a court could delay any of the divestment transactions or prohibit them from occurring on their proposed terms, or from occurring at all, which could adversely affect our ability to use the funds of the divestments to repurchase the Core Tier-1 Securities, reduce or eliminate our double leverage and strengthen our capital ratios as anticipated and eliminate the constraints on competition imposed by the EC.

The limitations agreed with the EC on our ability to compete and to make acquisitions or call certain debt instruments could materially impact the Group.

As part of our Restructuring Plan, we have undertaken with the EC to accept certain limitations on our ability to compete in certain retail, private and direct banking markets in the European Union and on our ability to acquire financial institutions and businesses that would delay our repurchase of the Core Tier-1 Securities held by the Dutch State. These restrictions apply until the earlier of: (1) 18 November 2012, and (2) the date upon which we repurchase all remaining Core Tier-1 Securities held by the Dutch State. We have also agreed to limitations on our ability to call Tier-2 capital and Tier-1 hybrid debt instruments. See “Business — Recent Developments — Insurance and other Divestments, EC Agreement”. If the EC does not approve the calling of Tier-2 capital and Tier-1 hybrid debt instruments in the future, this may have adverse consequences for us, result in additional payments on these instruments and limit our ability to seek refinancing on more favorable terms. The limitations described above will impose significant restrictions on our banking business operations and on our ability to take advantage of market conditions and growth opportunities. Such restrictions could adversely affect our ability to maintain or grow market share in key markets, as well as our results of operations.

Upon the implementation of the Restructuring Plan, we will be less diversified and may experience competitive and other disadvantages.

Following completion of the planned divestments under the Restructuring Plan, we expect to become a significantly smaller, regional financial institution focused on retail, direct and commercial banking in the Benelux region and certain other parts of Europe, as well as selected markets outside Europe. See “Business — Group Strategy”. Although we will remain focused on banking operations, we may become a smaller bank than that represented by our current banking operations. In the highly competitive Benelux market and the other markets in which we operate, our competitors may be larger, more diversified and better capitalized and have greater geographical reach than us, which could have a material adverse effect on our ability to compete, as well as on our profitability. The divested businesses may also compete with the retained businesses, on their own or as part of the purchasers’ enlarged businesses. In addition, the restrictions on our ability to be a price leader and make acquisitions and on our compensation policies could further hinder our capacity to compete with competitors not burdened with such restrictions, which could have a material adverse effect on our results of operations. There can be no assurance that the implementation of the Restructuring Plan will not have a material adverse effect on the market share, business and growth opportunities and results of operations for our remaining core banking businesses.

Our Back to Basics program and our Restructuring Plan may not yield intended reductions in costs, risk and leverage.

In April 2009, we announced our Back to Basics program to reduce our costs, risk and leverage. In addition to restructuring our banking and insurance businesses so that they are operated separately under the ING umbrella, the Back to Basics program includes cost-reduction measures, as well as plans for divestments. On 26 October 2009, we announced that we had reached an agreement with the EC on our Restructuring Plan, pursuant to which we announced further divestments. See “Business — Recent Developments — Insurance and Other Divestments, EC Agreement.” Projected cost savings and impact on our risk profile and capital associated with these initiatives are subject to a variety of risks, including:

- contemplated costs to effect these initiatives may exceed estimates;
- divestments planned in connection with the Restructuring Plan may not yield the level of net proceeds expected, as described under “Risks Related to the Group — The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of the Group and involve significant costs and uncertainties that could materially impact the Group”;
- initiatives we are contemplating may require consultation with various regulators as well as employees and labor representatives, and such consultations may influence the timing, costs and extent of expected savings;
- the loss of skilled employees in connection with the initiatives; and
- projected savings contemplated under the Back to Basics program may fall short of targets.

While we have begun and expect to continue to implement these strategies, there can be no assurance that we will be able to do so successfully or that we will realize the projected benefits of these and other restructuring and cost saving initiatives. If we are unable to realize these anticipated cost reductions, our business may be adversely affected. Moreover, our continued implementation of restructuring and cost saving initiatives may have a material adverse effect on our business, financial condition, results of operations and cash flows.

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

There is substantial competition in the Netherlands and the other countries in which we do business for the types of insurance, commercial banking, investment banking, asset management and other products and services we provide. 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 we are not able to match or compete with the products and services offered by our competitors, it could adversely impact our ability to maintain or further increase our market share, which would adversely affect our results of operations. Such competition is most pronounced in our more mature markets of the Netherlands, Belgium, the Rest of Western 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 our competitors. The Netherlands and the United States are our largest markets for both our banking and insurance operations. Our main competitors in the banking sector in the Netherlands are ABN AMRO Bank/Fortis and Rabobank. Our main competitors in the insurance sector in the Netherlands are Achmea, ASR and Aegon. Our 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 our other markets may significantly impact our results if we are unable to match the products and services offered by our 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 and 2009, this trend accelerated considerably, as several major financial institutions consolidated, were forced to merge or received substantial government assistance, and this trend may continue in light of the EC's scrutiny of state aid transactions. These developments could result in our competitors gaining greater access to capital and liquidity, expanding their ranges of products and services, or gaining geographic diversity. We may experience pricing pressures as a result of these factors in the event that some of our competitors seek to increase market share by reducing prices. In addition, under the Restructuring Plan we have agreed to certain restrictions imposed by the EC, including with respect to our price leadership in EU banking markets and our ability to make acquisitions of financial institutions and other businesses. See "Business — Recent Developments — Insurance and other Divestments, EC Agreement" and "— The limitations agreed with the EC on our ability to compete and to make acquisitions or call certain debt instruments could materially impact the Group".

Our agreements with the Dutch State impose certain restrictions regarding the issuance or repurchase of our shares and the compensation of certain senior management positions.

For so long as the Dutch State holds at least 25% of the Core Tier-1 Securities, issued by us on 12 November 2008, for so long as the Illiquid Assets Back-Up Facility is in place, or for so long as any of the government guaranteed senior unsecured bonds issued by ING Bank N.V. on 30 January 2009, 20 February 2009 and 12 March 2009 under the Credit Guarantee Scheme of the Netherlands (the "**Government Guaranteed Bonds**") are outstanding, we are prohibited from issuing or repurchasing any of our 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 Supervisory Board (see below). In addition, under the terms of the Core Tier-1 Securities and Illiquid Assets Back-Up Facility, we have agreed to institute certain restrictions on the compensation of the members of the Executive Board and senior management, including incentives or performance-based compensation. These restrictions could hinder or prevent us from attracting or retaining the most qualified management with the talent and experience to manage our business effectively. In connection with these transactions, the Dutch State was granted the right to nominate two candidates for appointment to the Supervisory Board. The Dutch State's nominees have veto rights over certain material transactions, as discussed under "Information on the Company's Corporate Bodies — Supervisory Board of ING Groep N.V.". For more information on our transactions with the Dutch State, see "Business — Transactions with the Dutch State" below. Our agreements with the Dutch State have also led to certain restrictions imposed by the EC as part of the Restructuring Plan, including with respect to our price leadership in EU banking markets and our ability to make acquisitions of financial institutions and other businesses.

See “Risks Related to the Group — The limitations agreed with the EC on our ability to compete and to make acquisitions or call certain debt instruments could materially impact the Group”.

Because we do business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on our results of operations.

General

Third-parties that owe us money, securities or other assets may not pay or perform under their obligations. These parties include the issuers whose securities we hold, 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 us due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumors about potential defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for us, and defaults by other institutions. In light of the significant constraints on liquidity and high cost of funds in the interbank lending market, which arose in 2008 and early 2009, particularly following the collapse of Lehman Brothers in September 2008, and given the high level of interdependence between financial institutions, we are and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial services institutions. This is particularly relevant to our franchise as an important and large counterparty in equity, fixed-income and foreign exchange markets, including related derivatives, which exposes it to concentration risk.

We routinely execute a high volume of transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, insurance companies and other institutional clients, resulting in large daily settlement amounts and significant credit exposure. As a result, we face concentration risk with respect to specific counterparties and customers. We are exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. A default by, or even concerns about the creditworthiness of, one or more financial services institutions could therefore lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions.

With respect to secured transactions, our credit risk may be exacerbated when the collateral held by us cannot be realized, or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due us. We also have exposure to a number of financial institutions in the form of unsecured debt instruments, derivative transactions and equity investments. For example, we hold certain hybrid regulatory capital instruments issued by financial institutions which permit the issuer to defer coupon payments on the occurrence of certain events or at their option. The EC has indicated that, in certain circumstances, it may require these financial institutions to defer payment. If this were to happen, we expect that such instruments may experience ratings downgrades and/or a drop in value and we may have to treat them as impaired, which could result in significant losses. There is no assurance that losses on, or impairments to the carrying value of, these assets would not materially and adversely affect our business or results of operations.

In addition, we are subject to the risk that our rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations we hold could result in losses and/or adversely affect our ability to rehypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of our counterparties could also have a negative impact on our income and risk weighting, leading to increased capital requirements. While in many cases we are permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral we are entitled to receive and the value of pledged assets.

Our credit risk may also be exacerbated when the collateral we hold cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure that is due to us, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those currently experienced. The termination of contracts and the foreclosure on collateral may subject us to claims for the improper exercise of its rights. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity.

Any of these developments or losses could materially and adversely affect our business, financial condition, results of operations, liquidity and/ or prospects.

Reinsurers

Our insurance operations have bought protection for risks that exceed certain risk tolerance levels set for both our life and non-life businesses. This protection is bought through reinsurance arrangements in order to reduce possible losses. Because in most cases we must pay the policyholders first, and then collect from the reinsurer, we are subject to credit risk with respect to each reinsurer for all such amounts. As a percentage of our (potential) reinsurance receivables as of 30 June 2009, the greatest exposure after collateral to an individual reinsurer was approximately 33%, approximately 37% 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 us, or the insolvency of our reinsurers, could have a material adverse effect on our net results and our financial results.

Current market conditions have increased the risk of loans being impaired. We are exposed to declining property values on the collateral supporting residential and commercial real estate lending.

We are exposed to the risk that our borrowers may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. We may continue to see adverse changes in the credit quality of our borrowers and counterparties, for example as a result of their inability to refinance their indebtedness, with increasing delinquencies, defaults and insolvencies across a range of sectors. This trend has led and may lead to further impairment charges on loans and other assets, higher costs and additions to loan loss provisions. The volume of impaired loans may continue if unfavorable economic conditions persist.

Furthermore, a significant increase in the size of our provision for loan losses could have a material adverse effect on our financial position and results of operations. Due to worsening economic conditions in the past two years, we have experienced an increase of impaired loans.

The fall of commercial and residential real estate prices and lack of market liquidity during the past two years has had an adverse effect on the value of the collateral we hold. Economic and other factors could lead to further contraction in the residential mortgage and commercial lending market and to further decreases in residential and commercial property prices which could generate substantial increases in impairment losses.

Interest rate volatility may adversely affect our profitability.

Changes in prevailing interest rates may negatively affect our business including the level of net interest revenue we earn, and for our banking business the levels of deposits and the demand for loans. In a period of changing interest rates, interest expense may increase at different rates than the interest earned on assets. Accordingly, changes in interest rates could decrease net interest revenue. Changes in the interest rates may negatively affect the value of our assets and our ability to realize gains or avoid losses from the sale of those assets, all of which also ultimately affect earnings. In addition, an increase in interest rates may decrease the demand for loans.

In addition, during periods of declining interest rates, life insurance and annuity products may be relatively more attractive to consumers, resulting in increased premium payments on products with flexible premium features, and a higher percentage of insurance policies remaining in force from year-to-year, creating asset liability duration mismatches. A decrease in interest rates may also require an addition to provisions for guarantees included in life policies, as the guarantees become more valuable to policy holders. During a low interest rate period, our investment earnings may be lower because the interest earnings on our fixed income investments will likely have declined in parallel with market interest rates, which would also cause unrealized losses on our assets recorded at fair value under IFRS-EU. Declining interest rates may also affect the results of our reserve adequacy testing which may in turn result in reserve strengthening. Reserves for variable annuity guarantees have been inadequate since 31 December 2008. Lower interest rates would result in further inadequacies at the US level, though reserves remain adequate at Group level. In addition, mortgages and fixed maturity securities in our investment portfolios will be more likely to be prepaid or redeemed as borrowers seek to borrow at lower interest rates. Consequently, we may be required to reinvest the proceeds in securities bearing lower interest rates. Accordingly, during periods of declining interest rates, our profitability may suffer as the result of a decrease in the spread between interest rates charged to policyholders and returns on our investment portfolios.

Conversely, in periods of rapidly increasing interest rates, policy loans, and withdrawals and surrenders of life insurance policies and fixed annuity contracts may increase as policyholders choose to forego insurance protection and seek higher investment returns. Obtaining cash to satisfy these obligations may require us to liquidate fixed maturity investments at a time when market prices for those assets are depressed because of increases in interest rates. This may result in realized investment losses. Regardless of whether we realize an investment loss, these cash payments would result in a decrease in total invested assets, and may decrease our net income. Premature

withdrawals may also cause us to accelerate amortization of deferred policy acquisition costs, which would also reduce our net income.

We may incur losses due to failures of banks falling under the scope of state compensation schemes.

In the Netherlands and other jurisdictions deposit guarantee schemes and similar funds (“**Compensation Schemes**”) have been implemented from which compensation may become payable to customers of financial services firms in the event the financial service firm is unable to pay, or unlikely to pay, claims against it. In many jurisdictions in which we operate, these Compensation Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. As a result of the increased number of bank failures, in particular since the fall of 2008, we expect that levies in the industry will continue to rise as a result of the Compensation Schemes. In particular, we are a participant in the Dutch Deposit Guarantee Scheme, which guarantees an amount of EUR 100,000 per person per bank (regardless of the number of accounts held). The costs involved with making compensation payments under the Dutch Deposit Guarantee Scheme are allocated among the participating banks by the Dutch Central Bank, *De Nederlandsche Bank N.V.* (the “**DNB**”), based on an allocation key related to their market shares with respect to the deposits protected by the Dutch Deposit Guarantee Schemes. Given our size we may incur significant compensation payments to be made under the Dutch Deposit Guarantee Scheme, which we may be unable to recover from the bankrupt estate. The ultimate costs to the industry of payments which may become due under the Compensation Schemes, remains uncertain although they may be significant and these and the associated costs to us may have a material adverse effect on our results of operations and financial condition. As a result of the recent failure of DSB Bank N.V. in the Netherlands, we expect to take a provision which may be significant, as a result of liabilities under the Dutch Deposit Guarantee Scheme in the fourth quarter of 2009.

We may be unable to manage our risks successfully through derivatives.

We employ various economic hedging strategies with the objective of mitigating the market risks that are inherent in our business and operations. These risks include currency fluctuations, changes in the fair value of our investments, the impact of interest rate, equity markets and credit spread changes and changes in mortality and longevity. We seek to control these risks by, among other things, entering into a number of derivative instruments, such as swaps, options, futures and forward contracts including from time to time macro hedges for parts of our business.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate us from risks associated with those fluctuations. Our hedging strategies also rely on assumptions and projections regarding our assets, general market factors and the credit worthiness of our counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, our hedging activities may not have the desired beneficial impact on our results of operations or financial condition. Poorly designed strategies or improperly executed transactions could actually increase our risks and losses. If we terminate a hedging arrangement, we may also be required to pay additional costs, such as transaction fees or breakage costs. There have been periods in the past, and it is likely that there will be periods in the future, during which we have incurred or may incur losses on transactions, perhaps significant, after taking into account our hedging strategies. Further, the nature and timing of our hedging transactions could actually increase our risk and losses. In addition, hedging strategies involve transaction costs and other costs. Our hedging strategies and the derivatives that we use and may use may not adequately mitigate or offset the risk of interest rate volatility, and our hedging transactions may result in losses.

Because we use 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 our 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 behavior (e.g., lapses, persistency, etc.) and other factors, and, in the life insurance business, assumptions concerning mortality, longevity 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 we use assumptions to model client behavior for the purpose of our market risk calculations, the difference between the realization and the assumptions may have an adverse impact on the risk figures and future results.

We use assumptions in order to model client behavior for the risk calculations in our 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 realization or use of different assumptions to determine the client behavior could have material adverse effect on the calculated risk figures and ultimately future results.

Our risk management policies and guidelines may prove inadequate for the risks we face.

The methods we use to manage, estimate and measure risk are partly based on historic market behavior. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods did not predict the losses seen in the stressed conditions in recent periods, and may also not adequately allow prediction of circumstances arising due to the government interventions and stimulus packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, customers or other information that is publicly known or otherwise available to us. Such information may not always be correct, updated or correctly evaluated.

We may incur further liabilities in respect of our defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations.

ING Group companies operate various defined benefit retirement plans covering a significant number of our employees. The liability recognized in our consolidated balance sheet in respect of our defined benefit plans is the present value of the defined benefit obligations at the balance sheet date, less the fair value of each plan's assets, together with adjustments for unrecognized actuarial gains and losses and unrecognized past service costs. We determine our defined benefit plan obligations based on internal and external actuarial models and calculations using the projected unit credit method. Inherent in these actuarial models are assumptions including discount rates, rates of increase in future salary and benefit levels, mortality rates, trend rates in health care costs, consumer price index, and the expected return on plan assets. These assumptions are based on available market data and the historical performance of plan assets, and are updated annually. Nevertheless, the actuarial assumptions may differ significantly from actual results due to changes in market conditions, economic and mortality trends and other assumptions. Any changes in these assumptions could have a significant impact on our present and future liabilities to and costs associated with our defined benefit retirement plans.

We are subject to a variety of regulatory risks as a result of our operations in less developed markets.

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

In addition, as a result of our operations in less developed markets, we are subject to risks of possible nationalization, expropriation, price controls, exchange controls and other restrictive government actions, as well as the outbreak of hostilities, in these markets. In addition, the current economic environment in certain of the less developed countries in which we operate may increase the likelihood for regulatory initiatives to protect homeowners from foreclosures. Any such regulatory initiative could have an adverse impact on our ability to protect our economic interest in the event of defaults on residential mortgages.

Because we are a financial services company and we are continually developing new financial products, we might be faced with claims that could have an adverse effect on our 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 we engage in a due diligence process when we develop 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 us. Such claims could have an adverse effect on our operations and net result.

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

We have credit ratings from Standard & Poor's Ratings Service ("**Standard & Poor's**"), a division of the McGraw Hill Companies, Moody's Investor Service ("**Moody's**") and Fitch Ratings. Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and 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. Certain institutional investors may also be obliged to withdraw their deposits from ING following a downgrade, which could have an adverse effect on our liquidity. In addition, in the event of certain downgrades the Underwriters may be able to withdraw from the Underwriting Agreement (as defined below) entered into in connection with the Offering. See "Plan of Distribution" and "Risks Related to the Offering — If the Offering does not take place, our credit ratings and funding costs could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless." Following the announcement of the Restructuring Plan, several of our subsidiaries have been downgraded or put on credit watch by rating agencies.

Claims paying ability, at the 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 us 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 our products and services and customers, which may affect new sales and our competitive position.

Furthermore, ING Bank's assets are risk weighted. Downgrades of these assets could result in a higher risk weighting which may result in higher capital requirements. This may impact net earnings and the return on capital, and may have an adverse impact on our competitive position.

Capital requirements for ING's insurance businesses in a number of jurisdictions, such as the US and the EU, are based on a risk-based capital model. A downgrade of assets in these markets could result in a higher risk weighting which may lead to higher capital requirements.

Our business may be negatively affected by a sustained increase in inflation.

A sustained increase in the inflation rate in our principal markets would have multiple impacts on us and may negatively affect our 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 (1) decrease the value of certain fixed income securities we hold in our investment portfolios resulting in reduced levels of unrealized capital gains available to us which could negatively impact our solvency position and net income, (2) result in increased surrenders of certain life & savings products, particularly, those with fixed rates below market rates, and (3) require us, as an issuer of securities, to pay higher interest rates on debt securities we issue in the financial markets from time to time to finance our operations which would increase our interest expenses and reduce our 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 (1) result in impairment charges to equity securities that we hold in our investment portfolios and reduced levels of unrealized capital gains available to us which would reduce our net income and negatively impact our solvency position, (2) negatively impact performance, future sales and surrenders of our unit-linked products where underlying investments are often allocated to equity funds, and (3) negatively impact the ability of our 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 our insurance subsidiaries (particularly "long-tail" risks), a sustained increase in inflation with a resulting increase in market interest rates may result in (1) 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 (2) 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, (3) actual claims payments significantly exceeding associated insurance reserves which would negatively impact our results of operations. In addition, a failure to accurately anticipate higher inflation and factor it into our product pricing assumptions may result in a systemic mispricing of our products resulting in underwriting losses which would negatively impact our results of operations.

Operational risks are inherent in our business.

Our businesses depend on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequate personnel, IT failures, inadequate or failed internal control processes and systems, regulatory breaches, human errors, employee misconduct including fraud, or from external events that interrupt normal business operations. We depend on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. The equipment and software used in our computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. Certain of our computer systems and networks may also have insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, such systems and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other external attacks or internal breaches that could have a security impact and jeopardize our confidential information or that of our clients or our counterparts. These events can potentially result in financial loss, harm to our reputation and hinder our operational effectiveness. We also face the risk that the design of our controls and procedures prove to be inadequate or are circumvented. We have suffered losses from operational risk in the past and there can be no assurance that we will not suffer material losses from operational risk in the future. Furthermore, while recent widespread outbreaks of communicable diseases, such as the outbreak of the H1N1 influenza virus, also known as “swine flu,” experienced world-wide in 2009, have not adversely affected us thus far, a worsening of this outbreak, or the occurrence of another outbreak of a different communicable disease, may impact the health of our employees, increasing absenteeism, or may cause a significant increase in the utilization of health benefits offered to our employees, either or both of which could adversely impact our business.

Reinsurance may not be available, affordable or adequate to protect us against losses. We may also decide to reduce, eliminate or decline primary insurance or reinsurance coverage.

As part of our overall risk and capacity management strategy we purchase reinsurance for certain risks underwritten by our various insurance business segments. Market conditions beyond our control determine the availability and cost of the reinsurance protection we purchase. Accordingly, we may be forced to incur additional expenses for reinsurance or may not be able to obtain sufficient reinsurance on acceptable terms, which could adversely affect our ability to write future business.

In addition, we determine the appropriate level of primary insurance and reinsurance coverage based on a number of factors and from time to time decide to reduce, eliminate or decline coverage based on our assessment of the costs and benefits involved. In such cases, the uninsured risk remains with us.

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

Adverse publicity and damage to our reputation arising from our 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 us to comply with legal, regulatory and compliance requirements, could result in adverse publicity and reputation harm, lead to increased regulatory supervision, affect our 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 us in ways that are not predictable.

Because we are a Dutch company and because the Stichting ING Aandelen holds more than 99.9% of our ordinary shares, the rights of our shareholders may differ from the rights of shareholders in other jurisdictions or companies that do not use a similar trust structure, which could affect your rights as a shareholder.

While holders of our bearer depositary receipts are entitled to attend and speak at our General Meeting of Shareholders (“**General Meeting**”), voting rights are not attached to the bearer depositary receipts. The Trust holds more than 99.9% of our ordinary shares, and exercises the voting rights attached to the ordinary shares (for which bearer depositary receipts have been issued). Holders of bearer depositary receipts who attend — in person or by proxy — the General Meeting must obtain voting rights by proxy from the Trust. Holders of bearer depositary receipts and holders of the ADSs (American depositary shares) representing the bearer depositary receipts who do not attend the General Meeting may give binding voting instructions to the Trust. See “Information Relating to ING

Shares and Applicable Legal Provisions — The Trust — Voting instructions of holders of bearer depositary receipts of ordinary shares to the Trust”. The Trust is entitled to vote on any ordinary shares underlying the bearer depositary receipts for which the Trust has not granted voting proxies, or voting instructions have not been given to the Trust. In exercising its voting discretion, the Trust is required to make use of the voting rights attached to the ordinary shares in the interest of the holders of bearer depositary receipts, while taking into account:

- our interests,
- the interests of our affiliates, and
- the interests of our other stakeholders

so as to ensure that all the interests are given as much consideration and protection as possible. The Trust may, but has no obligation to, consult with the holders of bearer depositary receipts in exercising its voting rights in respect of any ordinary shares for which it is entitled to vote. These arrangements differ from practices in other jurisdictions, and accordingly may affect the rights of the holders of bearer depositary receipts and their power to affect ING’s business and operations.

The share price of ING shares has been, and may continue to be, volatile which may impact the value of ING shares you hold.

The share price of our bearer depositary receipts has been volatile in the past, in particular over the past year. During and after the Offering, the share price and trading volume of our bearer depositary receipts may continue to be subject to significant fluctuations due, in part, to changes in our actual or forecast operating results and the inability to fulfill the profit expectations of securities analysts, as well as to the high volatility in the securities markets generally and more particular in shares of financial institutions. Other factors, besides our financial results, that may impact our share price include, but are not limited to:

- market expectations of the performance and capital adequacy of financial institutions in general;
- investor perception of the success and impact of our strategies;
- a downgrade or review of our credit ratings;
- the implementation and outcome of our Restructuring Plan;
- potential litigation or regulatory action involving ING or sectors we have exposure to through our insurance and banking activities;
- announcements concerning financial problems or any investigations into the accounting practices of other financial institutions; and
- general market circumstances.

We did not pay a final dividend in 2008 or an interim dividend in 2009. There can be no assurance that we will pay dividends on our ordinary shares in the future.

Although we had declared and paid dividends each year since our formation in 1991, we did not pay a final dividend for 2008 or an interim dividend for 2009. This year, we decided not to pay an interim dividend on ordinary shares and have announced that it is difficult to foresee whether we will be in a position to pay a final dividend for 2009. The declaration of interim dividends is subject to the discretion of the Executive Board, whose decision to that effect is subject to the approval of the Supervisory Board of the Company. Moreover, the declaration and payment of dividends and the amount thereof is dependent upon our results of operations, financial condition, cash requirements, future prospects and other factors deemed relevant by the Executive Board, which makes a recommendation to the General Meeting regarding payment of dividends after allocation of our result to reserves and payment of dividends on cumulative preference shares. If we pay a dividend on our ordinary shares we will be required to pay a coupon on our Core Tier-1 Securities, including, in respect of any dividend over 2009, any Core Tier-1 Securities that we may repurchase with the proceeds of the Offering, at a multiple of the dividend paid per share. See “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities”. There can be no assurance that we will declare and pay any dividends in the future. For more information on dividends see “Distributions to Shareholders — Dividend Policy” below.

Our ability to use beneficial US tax attributes may become subject to limitations.

Our US subsidiaries currently have net operating losses, net capital losses, and built-in losses that may on a carryforward-basis be used to offset future US taxable income. The use of these tax attributes could be limited,

however, if our US subsidiaries were to undergo an “ownership change” and Sections 382 and 383 of the US Internal Revenue Code were to apply. In general, Sections 382 and 383 limit the use of loss carryforwards of a corporation that undergoes an “ownership change” and there would be an ownership change of our US subsidiaries if there were an increase in the aggregate ownership of certain shareholders by more than 50 percentage points over a three-year period (for which purpose the Core Tier-1 Securities may be treated as stock).

We believe that the issuance of the Core Tier-1 Securities to the Dutch State on 12 November 2008 did not result in an ownership change and that it is more likely than not that an ownership change will not result from the Rights Offering, the Global Offering, and the concurrent repurchase of Core Tier-1 Securities held by the Dutch State. However, the determination of whether an ownership change occurs is complex and subject to uncertainties, and we could in the future take additional actions that could result in an ownership change. An ownership change could have an adverse effect on our US subsidiaries’ future US tax liabilities and could have a material adverse effect on our financial condition and results of operations. The exact impact on our financial condition and results of operations would not be ascertainable until an ownership change actually occurs. Using the best, currently available estimates and interpretations, the estimated range of the potential adverse impact on equity is between EUR 0.66 billion to EUR 1.44 billion.

Risks Related to the Offering

A shareholder’s failure to validly exercise his or her Rights by the end of the applicable Rights Exercise Period will result in such Rights being no longer exercisable, and any shareholder failing to exercise all of his or her Rights, however held, will suffer dilution of his or her percentage ownership of ING shares.

If a shareholder does not validly exercise his or her Rights by the end of the applicable Rights Exercise Period, such Rights, including rights in excess of the nearest integral multiple of the subscription ratio, will no longer be exercisable.

To the extent that any holder of ING shares does not validly exercise his or her Rights, however held, to subscribe for the New BDRs, his or her proportionate ownership in the Company will be reduced, and the percentage of the Company’s share capital represented by the shares such holder of ING shares held prior to the Offering will, after the Offering, also be reduced accordingly.

If none of the existing holders of ING shares who were granted Rights exercise those Rights, the existing shareholders’ ownership will nevertheless be diluted by approximately 46.2% as a result of Rump Shares sold in the context of the Global Offering. Even if you elect to sell your Rights, or if you decide to hold your Rights through the end of the Subscription Period entitling you to receive any Excess Amount, the consideration you receive, if any, may not be sufficient to fully compensate you for the dilution of your percentage ownership of ING shares that may be caused as a result of the Offering.

Holders of ING shares may experience immediate and substantial dilution in the value of the New Shares in the event of future capital raisings.

We are raising capital through the Offering and may raise capital in the future through public or private debt or equity financings by issuing additional ordinary shares or other classes of shares, debt or equity securities convertible into ordinary shares, or rights to acquire these securities. If we raise a significant amount of capital by these or other means, it could dilute the percentage ownership of shareholders. Moreover, the issuance and sale of the New Shares could have a material adverse effect on the trading price of the ING shares and could increase the volatility in the market price of the ING shares.

The Core Tier-1 Securities issued to the Dutch State may be converted into ordinary shares or bearer depositary receipts and dilute existing shareholders.

In November 2008, we issued EUR 10 billion Core Tier-1 Securities to the Dutch State. See “Business — Transactions with the Dutch State”. We intend to fund the repurchase of EUR 5 billion of these securities with a portion of the proceeds of the Offering. See “Reasons for the Offering and Use of Proceeds — Use of Proceeds”. The terms of the Core Tier-1 Securities permit us, on or after 12 November 2011, to convert any or all of the Core Tier-1 Securities into ordinary shares or bearer depositary receipts on a one-for-one basis. Any such conversion would dilute existing shareholders. If we exercise our conversion right, the Dutch State may opt to require us to redeem the Core Tier-1 Securities on the conversion date. See “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities”.

If the Offering does not take place, our credit ratings and funding costs could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless.

The Offering is underwritten by the Underwriters based on an Underwriting Agreement from which the Underwriters can withdraw under certain circumstances. See “The Offering — Withdrawal of the Offering” and “Plan of Distribution”. If the Underwriting Agreement is terminated, the Offering will be cancelled. We will not receive the net proceeds expected to be generated by the Offering and we would expect to be unable to take advantage of the opportunity to repurchase the EUR 5 billion issue amount of Core Tier-1 Securities on the terms recently agreed with the Dutch State. Even if the Offering does not take place, we would still need to comply with the terms of the Restructuring Plan and we would incur the EUR 1.3 billion pre tax charge in the fourth quarter of 2009 described under “Reasons for the Offering and Use of Proceeds”. We may also be required by the EC to defer coupon payments on hybrid Tier-1 securities, which would limit our access to this type of capital. The impact on our credit rating and on our funding costs of any failure to receive the net proceeds of this Offering is uncertain, but would most likely be negative. Any of these developments would likely have an adverse effect on our results of operations and financial condition and on the price of the ING shares.

In addition, if the Offering is cancelled, the Rights will expire without compensation and become worthless. Any subscription payments received by us will be returned without interest. Investors who have acquired any Rights on the secondary market will then bear a corresponding loss, because trading in Rights cannot be reversed if the Offering is terminated.

None of the Company, the Subscription Agent, the Listing Agent, the Paying Agent, the Joint Global Coordinators and Joint Bookrunners or the Underwriters accept any responsibility or liability to any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions in Rights. Neither Euronext Amsterdam nor Euronext Brussels accepts any responsibility or liability to any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions in Rights on Euronext Amsterdam or Euronext Brussels.

Moreover, the value of the Rights materially depends on the price of ING shares. A considerable drop in the price of ING shares can therefore adversely affect the value of the Rights and render them worthless. In such an event, investors who have acquired any Rights in the secondary market will bear a corresponding loss.

There is no certainty that trading in the Tradable Rights will develop, and the Tradable Rights may be subject to more intense price fluctuations than ING shares.

We intend the Tradable Rights to be traded on Euronext Amsterdam and Euronext Brussels (including the IDR Rights) during the period from 30 November 2009 (inclusive) until 1:15 p.m. (Amsterdam time) on 15 December 2009 (inclusive). There is no plan to apply for admission of the Tradable Rights to trading on any other stock exchange, including the NYSE. In addition, there is no plan to apply for admission of the ADS Rights to trading on the NYSE or any other stock exchange. It cannot be guaranteed that active trading in the Tradable Rights will develop on either Euronext Amsterdam or Euronext Brussels during this period or that significant liquidity will be available during the period of trading in Tradable Rights. The stock exchange price of the Tradable Rights depends on a variety of factors, including the performance of our share price, but may also be subject to more intense price fluctuations than ING shares. The ADS Rights will not be transferable and will not be admitted to trading on the NYSE or any other exchange.

Certain holders of ING shares may not be able to participate in this or future equity offerings with subscription rights.

We may undertake future equity offerings with subscription rights. Holders of ING shares in certain jurisdictions, however, may not be entitled to exercise such rights unless the rights and the related shares are registered or qualified for sale under the relevant legislation or regulatory framework. Holders of ING shares in these jurisdictions may suffer dilution of their shareholding should they not be permitted to participate in future equity offerings with subscription rights.

It may be difficult for investors outside the Netherlands to serve process on or enforce foreign judgments against us in connection with the Offering.

We are incorporated in the Netherlands. As a result it may be difficult for investors outside the Netherlands to serve process on or enforce foreign judgments against us in connection with the Offering.

3. IMPORTANT INFORMATION

Responsibility for the Content of the Prospectus

This Prospectus is being made available by ING Groep N.V. You should rely only on the information contained in, or incorporated by reference into, this Prospectus and any supplement to this Prospectus within the meaning of Section 5:23 of the Dutch Financial Supervision Act. No person is authorized to give any information or to make any representation not contained in this Prospectus in connection with the Offering. You must not rely upon any information or representation as having been authorized by ING Groep N.V. or on our behalf or on behalf of the Joint Global Coordinators and Joint Bookrunners, the Underwriters or their affiliates, if such information or representation is not contained in this Prospectus in connection with the Offering.

ING Groep N.V. accepts responsibility for the content of this Prospectus and hereby states that, to the best of its knowledge and belief, the information contained in the Prospectus is accurate and there are no material omissions and that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import. Notwithstanding Section 5:23 of the Dutch Financial Supervision Act, none of ING, the Joint Global Coordinators and Joint Bookrunners or the Underwriters or any of their respective affiliates is under any obligation to update the Prospectus and potential investors should therefore not assume that the information in this Prospectus is accurate as of any other later date than the date hereof.

Subject Matter of the Prospectus

The subject matter of this Prospectus is the creation, offering and sale of the New Ordinary Shares and the New BDRs, and the admission to listing of the New BDRs, from the capital increase against cash contributions resolved by the Executive Board and approved by the Supervisory Board prior to the date hereof, such New Ordinary Shares carrying full dividend rights from their date of issue. The power to issue the New Ordinary Shares is vested in the Executive Board pursuant to a resolution of the extraordinary General Meeting of 25 November 2009.

Statistical Data, Market Information and Estimates

This Prospectus cites historical share price information, historical exchange rate information and market share information published by third parties, including from the following sources: Bloomberg L.P., Reuters, Asset International Inc. (publisher of PLANSPONSOR Magazine), Superintendence of Banks, Insurance & Pension Fund Administrators — Peru, BCU (Central Bank of Uruguay), Asofondos (Colombia), CONSAR (Superintendence of Pension Funds — Mexico), DNB, AM Jaarboek and Non-MASS 2008 Q4.

The Company has accurately reproduced such third-party information in the Prospectus and, as far as the Company is aware and to the extent that it could derive information from information published by these third parties, no facts were omitted which could cause the information reproduced herein to be incorrect or misleading. Nevertheless, investors should take into consideration that the Company has not verified the information published by third parties. Therefore, the Company does not guarantee or assume any responsibility for the accuracy of the data, estimates or other information taken from sources in the public domain. This Prospectus also contains assessments of market data and information derived therefrom which could not be obtained from any independent sources. Such information is based on the Company's own internal assessments and may therefore deviate from the assessments of competitors of ING or future statistics by independent sources.

Documents Available for Inspection and Incorporated by Reference

The following documents are incorporated by reference into, and form part of, this Prospectus and shall be available for inspection in printed format, for free distribution, at the offices of ING Groep N.V. (Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands, Telephone +31 20 541 5411):

- (a) Form 6-K of ING Groep N.V. filed with the SEC, on 13 November 2009 (unaudited IFRS-EU results with a reconciliation to IFRS-IASB for the third quarter 2009);
- (b) Form 6-K of ING Groep N.V. filed with the SEC on 10 September 2009 (unaudited IFRS-IASB results for the six month period ended 30 June 2009);
- (c) Press release of ING Groep N.V. dated 11 November 2009 providing selected interim financial results for the nine month and three month periods ended 30 September 2009 (unaudited IFRS-EU results);

- (d) The unaudited condensed consolidated interim financial information of ING Groep N.V. for the nine month and three month periods ended 30 September 2009, including the auditor's review report with respect thereto (IFRS-EU results);
- (e) The unaudited condensed consolidated interim financial information of ING Groep N.V. for the three month and six month periods ended 30 June 2009, including the auditor's review report with respect thereto (IFRS-EU results);
- (f) The audited consolidated financial statements of ING Groep N.V. as of and for the year ended 31 December 2008, including related accounting policies, notes and auditor's report with respect thereto (pages 84 — 245 of the Annual Report of ING Groep N.V. as of 31 December 2008) (the “**2008 Financial Statements**”);
- (g) The audited consolidated financial statements of ING Groep N.V. as of and for the year ended 31 December 2007, including related accounting policies, notes and auditor's report with respect thereto (pages 88 — 240 of the Annual Report of ING Groep N.V. as of 31 December 2007) (the “**2007 Financial Statements**”);
- (h) The audited consolidated financial statements of ING Groep N.V. as of and for the year ended 31 December 2006, including related accounting policies, notes and auditor's report with respect thereto (pages 88 — 218 of the Annual Report of ING Groep N.V. as of 31 December 2006) (the “**2006 Financial Statements**”); and
- (i) The Articles of Association of the Company.

Prospective investors should rely only on the information that is incorporated by reference or provided in this Prospectus. No other documents or information, including the contents of the Company's website or of websites accessible from hyperlinks on the Company's website, form part of, or are incorporated by reference into this Prospectus.

Filings with the US Securities and Exchange Commission are available on the SEC's EDGAR system at www.sec.gov.

Presentation of Financial and Other Information

The figures contained in this Prospectus denominated in “EUR”, “€” or “euros” refer to the official currency of the member states of the European Economic and Monetary Union, including The Kingdom of the Netherlands since 1 January 1999. References to “USD” are to US currency.

This Prospectus reproduces or incorporates by reference the 2008 Financial Statements, the 2007 Financial Statements and the 2006 Financial Statements (collectively, the “**Financial Statements**”) and the Interim Financial Information.

Except where clearly identified, the financial information presented in the forepart of this Prospectus is presented on a consolidated basis and is taken from the Financial Statements and the Interim Financial Information. Where financial information provided in this Prospectus is designated as “unaudited”, this means that it has not been subject to an audit within the meaning of Item 20.6 of Appendix I to Commission Regulation (EC) No. 809/2004.

Except as otherwise noted, financial statement amounts set forth in this Prospectus are presented in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the European Union (“**EU**”). In this document the term “**IFRS-EU**” is used to refer to International Financial Reporting Standards as adopted by the EU including the decisions ING Group made with regard to the options available under International Financial Reporting Standards as adopted by the EU. See “Basis of Presentation” under Section 2.1. of the 2008 Financial Statements for further discussion of the basis of presentation.

The Financial Statements were audited by Ernst & Young Accountants LLP (“**Ernst & Young**”) and issued in each case with the unqualified auditor's report incorporated by reference in this Prospectus. Ernst & Young has also reviewed the Interim Financial Information. The unaudited consolidated financial information as of and for the three months and nine months ended 30 September 2009 and as of and for the three months and six months ended 30 June 2009 fairly presents the Group's interim results and financial position in accordance with IAS 34, *Interim Financial Reporting*. These interim results are not necessarily indicative of results to be expected for the full year 2009.

IFRS-EU differs from International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS-IASB**”) in respect of certain paragraphs in IAS 39 ‘Financial Instruments: Recognition and Measurement’.

ING Group applies fair value hedge accounting for portfolio hedges of interest rate risk (fair value macro hedges) in accordance with the EU ‘carve out’ version of IAS 39. Under the EU ‘IAS 39 carve-out’, hedge accounting may be

applied, in respect of fair value macro hedges, to core deposits, and hedge ineffectiveness is only recognized when the revised estimate of the amount of cash flows in scheduled time buckets falls below the original designated amount of that bucket and is not recognized when the revised amount of cash flows in scheduled time buckets is more than the original designated amount. Under IFRS-IASB, hedge accounting for fair value macro hedges cannot be applied to core deposits, and ineffectiveness arises whenever the revised estimate of the amount of cash flows in scheduled time buckets is either more or less than the original designated amount of that bucket.

Cautionary Statement with Respect to Forward-looking Statements

Certain of the statements contained in this Prospectus that are not historical facts, including, without limitation, certain statements made in the sections hereof entitled “Business,” “Distributions to Shareholders,” “Operating and Financial Review and Prospects,” “Risk, Treasury and Capital Management” and “Selected Statistical Information about Banking Operations” are statements of future expectations and other forward-looking statements that are based on management’s current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation,

- changes in general economic conditions, in particular economic conditions in ING’s core markets,
- changes in performance of financial markets, including developing markets,
- the implementation of ING’s Restructuring Plan to separate banking and insurance operations.
- changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness,
- the frequency and severity of insured loss events,
- changes affecting mortality and morbidity levels and trends,
- changes affecting persistency levels,
- changes affecting interest rate levels,
- changes affecting currency exchange rates,
- changes in general competitive factors,
- changes in laws and regulations,
- changes in the policies of governments and/or regulatory authorities,
- conclusions with regard to purchase accounting assumptions and methodologies,
- changes in ownership that could affect the future availability to us of net operating loss, net capital loss and built-in loss carryforwards, and
- ING’s ability to achieve projected operational synergies.

ING is under no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. See “Risk Factors” and “Operating and Financial Review and Prospects — Factors Affecting Results of Operations”.

Potential Conflicts of Interest

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 are no potential conflicts of interest.

4. REASONS FOR THE OFFERING AND USE OF PROCEEDS

Background to and Reasons for the Offering

In October 2008, the Dutch State purchased EUR 10 billion Core Tier-1 Securities of ING as part of its measures to protect the Dutch financial sector during the global financial crisis. See “Business — Transactions with the Dutch State”. The original terms of the one billion Core Tier-1 Securities allowed ING to repurchase some or all of the Core Tier-1 Securities at any time at a price of EUR 15 per Core Tier-1 Security plus accrued interest to the date of repurchase. In connection with the Restructuring Plan, ING and the Dutch State have agreed that up to EUR 5 billion of the EUR 10 billion Core Tier-1 Securities may be repurchased at any time until 31 January 2010 at the original issue price of EUR 10 per Core Tier-1 Security, plus a repurchase premium ranging from EUR 346 million to EUR 705 million and accrued interest. ING plans to use the proceeds from the Offering primarily to fund the repurchase of the EUR 5 billion in issue amount of the Core Tier-1 Securities. For more information about the proposed repurchase of the Core Tier-1 Securities, see “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”.

On 31 March 2009, ING Groep N.V. and the Dutch State completed the Illiquid Assets Back-Up Facility covering the Alt-A Residential Mortgage-Backed securities portfolios of both ING Direct US and Insurance Americas with a par value of approximately EUR 30 billion. Under the Illiquid Assets Back-Up Facility, ING transferred 80% of the economic ownership of its Alt-A portfolio to the Dutch State. In order to obtain the approval of the EC for the Restructuring Plan, ING committed to make a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. These additional payments will amount to a net present value of EUR 1.3 billion, which will be reflected in a one-off pre-tax charge in the fourth quarter of 2009. For more information about these additional payments, see “Business — Recent Developments — Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility”. For more information about the Restructuring Plan, see “Business — Recent Developments — Insurance and other Divestments, EC Agreement”. ING plans to use the remaining proceeds from the Offering to strengthen its capital position, including by offsetting the EUR 1.3 billion charge.

Use of Proceeds

ING intends to use the proceeds of the Offering primarily to fund the repurchase of EUR 5 billion in issue amount of the Core Tier-1 Securities held by the Dutch State plus accrued interest and the repurchase premium. The repurchase premium payable in respect of the repurchased Core Tier-1 Securities will range from EUR 346 million to EUR 705 million, based on the market price of the ING shares at the time of the repurchase. Accrued interest at a rate of 8.5% on the repurchased Core Tier-1 Securities is estimated to be approximately EUR 260 million (assuming a repayment on the Closing Date). Accordingly, the amount necessary to repurchase the EUR 5 billion issue amount is expected to be between EUR 5,605 million and EUR 5,963 million. See “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”.

ING intends to use the remaining proceeds of the Offering to strengthen its capital position, including to offset the EUR 1.3 billion one-off pre-tax charge that will be taken in the fourth quarter of 2009 as a result of the additional payments to the Dutch State in the form of fee adjustments to the Illiquid Assets Back-Up Facility as described under “Business — Recent Developments — Transactions with the Dutch State”, and to allocate the remaining proceeds partially to coupon payments due in December 2009 on its outstanding hybrid securities, as required by the EC in order not to be required to defer coupons on hybrid securities.

Expenses of the Offering

The following are the expenses, other than fees payable to the Underwriters, expected to be incurred by ING in connection with the issuance and distribution of the Rights and the New Shares.

Euronext Amsterdam and Euronext Brussels Exchange listing fees	EUR 770,500
AFM fee	EUR 10,500
SEC registration fee	EUR 200,000
Printing expenses	EUR 400,000
Legal fees and expenses	EUR 3,100,000
Accounting fees and expenses	EUR 325,000
Transfer agents fees	EUR 2,100,000
Miscellaneous	EUR 3,300,000
Total	EUR 10,206,000

All amounts other than the SEC registration fee and the NYSE, Euronext Amsterdam and Euronext Brussels listing fees are estimates.

5. BUSINESS

History and Overview

ING Groep N.V. was incorporated as a *Naamloze Vennootschap* (public limited liability company) under the laws of the Netherlands on 21 January 1991 to effect the merger between Nationale-Nederlanden, which was the largest insurer in the Netherlands, and NMB Postbank Group, which was one of the largest banks in the Netherlands, by way of a public offering for the shares of the latter companies. This public offering was successfully completed on 4 March 1991. ING operates under several commercial names, including “ING Groep N.V.”, “ING Groep”, “ING Group” and “ING”. ING has its statutory and its head office in Amsterdam, the Netherlands. ING Groep N.V. is registered as number 33231073 in the Company Registry and our Articles of Association are available there. ING operates under Dutch law.

Our profile

ING is a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services. As of 30 September 2009, we served more than 85 million private, corporate and institutional customers in Europe, North and Latin America, Asia and Australia. We draw on our experience and expertise, our commitment to excellent service and our global scale to meet the needs of a broad customer base, comprising individuals, families, small businesses, large corporations, institutions and governments. On 26 October 2009, ING announced the Restructuring Plan. For more information about the Restructuring Plan see “— Recent Developments — Insurance and other Divestments, EC Agreement”.

Following the completion of the Restructuring Plan, ING Bank will be a mid-sized European retail and commercial bank, anchored in the Benelux with strong ING Direct and Central Europe franchises, and will pursue attractive growth prospects outside Europe.

Our stakeholders

ING conducts business on the basis of clearly defined business principles. In all our activities, we carefully weigh the interests of our various stakeholders: customers, employees, communities and shareholders. ING strives to be a good corporate citizen.

Our corporate responsibility

ING wants to pursue profit on the basis of sound business ethics and respect for its stakeholders. Corporate responsibility is therefore a fundamental part of ING’s strategy: ethical, social and environmental factors play an integral role in our business decisions.

Recent Developments

Insurance and other Divestments, EC Agreement

On 26 October 2009, ING announced that it plans to divest all of its insurance operations, including its investment management business by the end of 2013. This represents the next step in the Back to Basics program announced in April 2009, under which ING had already begun the process of restructuring its banking and insurance businesses (together with the investment management business) so that they are operated separately under the ING umbrella. The envisaged divestment forms part of ING’s Restructuring Plan which was approved by the EC on 18 November 2009. Negotiations with the EC on the Restructuring Plan acted as a catalyst to accelerate the strategic decision to completely separate ING’s banking and insurance operations. Under the Restructuring Plan, ING has also agreed to divest ING Direct US, which operates the Group’s direct banking business in the United States, by the end of 2013, and to divest certain portions of its Dutch retail banking business. ING will consider a range of options to carry out these divestments including through initial public offerings, sales, spin-offs or combinations thereof.

ING prepared the proposed Restructuring Plan in connection with the EC’s review under its state aid rules of the Dutch State’s purchase of the Core Tier-1 Securities in November 2008 and creation of the Illiquid Assets Back-Up Facility in the first quarter of 2009. As a result of these transactions, ING was required to submit a restructuring plan to the EC. For more information about ING’s transactions with the Dutch State, see “— Transactions with the Dutch State”. The Restructuring Plan was developed in close cooperation with the EC as one of the conditions for the EC granting definitive authorization for the Dutch State’s purchase of the Core Tier-1 Securities and creation of the Illiquid Assets Back-Up Facility.

Until the completion of the divestments, ING intends to continue to manage its insurance and investment management businesses as though it will be the long-term owner, investing in growth opportunities when they are attractive and can be supported by the capital and management of the business. Similarly, ING intends to continue its efforts to grow the US direct banking business until its divestment. The divestment is expected to take several years and is not anticipated before the end of 2013. ING also remains committed to the ING Direct franchise, which ING expects to be an important contributor to ING's growth going forward.

The divestment of certain of ING's Dutch retail banking business will be achieved through the formation of a new company to include the existing consumer lending portfolio of the Dutch retail banking business and ING's Interadvies banking division, including the Westland Utrecht banking business and the mortgage operations of Nationale-Nederlanden. The newly formed company is expected to have total assets of EUR 37 billion, including approximately 200,000 mortgage contracts, 320,000 consumer lending accounts, 500,000 savings accounts and 76,000 securities contracts. ING expects the new business to have a mortgage portfolio of approximately EUR 33 billion, which would amount to an approximately 6% share of the Dutch retail mortgage market and approximately 25% of ING's Dutch retail mortgage business. This newly formed company is expected to either be sold to a buyer that is acceptable to the EC and ING or floated on the stock market.

In order to obtain the approval of the EC for the Restructuring Plan, ING also committed to making a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. These additional payments will amount to a net present value of EUR 1.3 billion, which will be reflected in a one-off pre-tax charge in the fourth quarter of 2009. For more information about these additional payments, see “— Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility”.

In addition, under the Restructuring Plan, ING has agreed to certain limitations on price leadership and to refrain from acquisitions of financial institutions and of businesses that would delay its repurchase of the Core Tier-1 Securities held by the Dutch State. These restrictions apply until the earlier of: (1) 18 November 2012 and (2) the date upon which ING has fully repaid the Core Tier-1 Securities held by the Dutch State (including the relevant accrued interest and exit premium fees). The price leadership limitation requires ING to refrain from offering more favorable prices on standardized ING products than its three best-priced direct competitors with respect to EU-markets in which ING has a market share of more than 5%. This condition is limited to ING's standardized products on the following product markets: (1) retail savings market, (2) retail mortgage market, (3) private banking insofar as it involves mortgage products or savings products, and (4) deposits for SMEs. Moreover, ING Direct is required to refrain from price-leadership with respect to standardized ING products on the retail mortgage and retail savings markets within the EU. The EC has agreed not to require ING to defer coupon payments on its outstanding hybrid securities as a condition to its approval of the Dutch State Transactions if ING completes a rights offering with proceeds sufficient to repurchase EUR 5 billion issue amount of Core Tier-1 Securities (including the relevant accrued interest and exit premium fee). Furthermore, in connection with the Restructuring Plan, ING agreed to propose the calling of Tier-2 capital and Tier-1 hybrid debt instruments in the future on a case by case basis subject in each case to a request for EC authorization, for the period the restrictions described above apply.

In order to implement the Restructuring Plan, ING expects to negotiate agreements between the retained banking businesses and the banking and insurance businesses scheduled for divestment to allocate costs for core Group corporate functions and other services and infrastructure, as well as agreements to separate the retained and divested businesses' components of collective bargaining agreements, pension plans and other employee benefit plans.

The implementation of the Restructuring Plan will require various approvals from insurance and bank regulators and ING's works councils in the coming months and years. The strategic decision to split and divest all insurance and investment management operations was approved by the extraordinary General Meeting on 25 November 2009. Further approval of shareholders will be sought if so required under Dutch law or our Articles of Association. See “Information Relating to ING Shares and Applicable Legal Provisions — Certain Dutch Legal Considerations — Resolutions of the Executive Board Requiring Approval by the General Meeting”.

Composition of ING upon Completion of the Restructuring Plan

On completion of the Restructuring Plan, the banking businesses remaining following the divestments described above will result in ING becoming a mid-sized European bank, based in the Netherlands and Belgium, predominantly focused on the European retail market, particularly the Netherlands, Belgium, Luxembourg, Germany and Central and Eastern Europe, as well as selected other areas, in particular in Asia where ING believes strong growth opportunities are available. ING currently expects the business to consist of: (1) Benelux Retail & Commercial Banking, (2) Central and Eastern Europe Retail & Commercial Banking, (2) Direct Banking

(outside the US), (3) Financial Markets, (4) European Specialized Finance and (5) selected positions in Asian markets.

ING is considering merging the Group and the top-level bank into a bank holding company, pending approval from the DNB, with any remaining insurance operations becoming subsidiaries of the bank holding company. Following the creation of a bank holding company, ING would no longer be able to benefit from double leverage in the calculation of its capital ratios, and the shareholders' equity of the Group would form the capital base for the new bank. In addition, upon a merger into a bank holding company, ING expects to become subject to capital regulations requiring it to deduct the capital of any remaining insurance subsidiaries in full from the new bank's regulatory capital. Subject to modifications to remain in line with similarly placed companies in the banking industry, ING aims to maintain a Core Tier-1 capital ratio of approximately 7.5%. Measures to implement the Restructuring Plan, including steps that ING has taken as part of the Back to Basics program, are expected to result — without taking any other effects into account — in a reduction by 2013 of approximately EUR 600 billion in total assets from the 1,376 billion in total assets at 30 September 2008, or approximately 45% of the Group's total assets at 30 September 2008. ING expects to achieve this reduction in the balance sheet primarily through the divestments described above. Including estimated organic growth of the retained businesses, ING estimates that its total assets at the end of 2013 will be approximately 30% smaller than at 30 September 2008. ING expects to use any proceeds from the divestment of the insurance operations to reduce or eliminate the net debt issued at the Group level that is injected as capital and thereby creates equity in ING Verzekeringen N.V. and ING Bank N.V. ("**Core Debt**"), and to the extent of any remaining proceeds repurchase from the Dutch State the Core Tier-1 Securities that remain after the partial repurchase described below under "— Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State" and following the repurchase, to use any remaining proceeds to finance growth or to return funds to shareholders. As of 30 September 2009, the new strategic direction under the Back to Basics program has resulted in the completed divestment of ING Canada, which released EUR 1.2 billion in capital, a 16% decrease in assets of ING Bank compared with 30 September 2008, a reduction of ING Bank asset leverages ratio from 43.9 as of 30 September 2008 to 28.7 as of 30 September 2009, a EUR 1.0 billion reduction of costs as of and for the first nine months of 2009 (calculated on a consistent basis with the first nine months of 2008) and the elimination of 10,239 full-time equivalent positions during the first nine months of 2009.

Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State

ING announced on 26 October 2009 that it reached an agreement with the Dutch State to alter the repayment terms of the Core Tier-1 Securities issued in November 2008, in order to facilitate early repayment. This early repayment option is valid until the end of January 2010. ING intends to fund the repurchase of the EUR 5 billion in issue amount of the Core Tier-1 Securities in December 2009 with the proceeds of the Offering. For a description of the terms of the Core Tier-1 Securities, see "— Transactions with the Dutch State".

The original terms of the Core Tier-1 Securities allowed ING to repurchase some or all of the one billion Core Tier-1 Securities at any time at a price of EUR 15 per Core Tier-1 Security plus accrued interest to the date of repurchase or convert the Core Tier-1 Securities into ING shares on a one-to-one basis in 2011. ING and the Dutch State have agreed, however, that up to EUR 5 billion of the EUR 10 billion Core Tier-1 Securities may be repurchased at any time until 31 January 2010 at the original issue price of EUR 10 per Core Tier-1 Security, plus a repurchase premium and accrued interest. The repurchase premium will be at least EUR 346 million and will increase if the average of the daily volume-weighted average price of ING's ordinary shares on the Bloomberg page INGA NA Equity VWAP over the five trading days preceding the repurchase date is more than EUR 11.20 per ordinary share. A maximum amount of EUR 705 million, corresponding to a share price of EUR 12.45 or higher, will be payable as a repurchase premium. The repurchase premium for one-half of the Core Tier-1 Securities will therefore range from approximately 6.5% to approximately 13% of the original issue price on an annualized basis, compared to the 50% premium built into the original repurchase price. Accrued interest at a rate of 8.5% to the December 2009 repurchase date is estimated to be approximately EUR 260 million. Under these terms, the Dutch State is expected to receive a 15% to 21.5% annualized return on its investment in the repurchased Core Tier-1 Securities. In addition, if ING pays in 2010 a dividend on its ordinary shares in respect of the 2009 financial year, then ING will be required to pay to the Dutch State any difference between the 8.5% interest paid upon repurchase and 110% of the dividend paid on 500 million ordinary shares. The Dutch State has indicated that, if ING repurchases the first EUR 5 billion in issue amount of the Core Tier-1 Securities before 31 January 2009, it is open to discussing modification of the repayment terms for the remaining EUR 5 billion in issue amount of the Core Tier-1 Securities. Any modification to the repayment terms would need to comply with EC State aid rules.

ING intends to use the proceeds from the Offering primarily to fund the repurchase of the EUR 5 billion in issue amount of the Core Tier-1 Securities in December 2009, plus accrued interest and any premium due at time of payment. ING anticipates that it will finance the repurchase of the remaining Core Tier-1 Securities from internal

resources, including retained earnings and supplemented by potential proceeds from the divestment of the insurance operations described above. The other terms of the Core Tier-1 Securities, including restrictions on remuneration and corporate governance, will remain unchanged. See “Transactions with the Dutch State”.

Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility

The Illiquid Assets Back-Up Facility transferred to the Dutch State the economic risks and rewards of 80% of the approximately EUR 30 billion par value Alt-A RMBS portfolios of ING Direct US and Insurance Americas. Under the Illiquid Assets Back-Up Facility, the Dutch State agreed to pay to ING a funding fee and a management fee, while ING agreed to pay to the Dutch State a guarantee fee. For more information about the Illiquid Assets Back-Up Facility, see “Transactions with the Dutch State”.

In order to obtain approval of the EC for the Restructuring Plan, ING committed to make a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. ING will make additional annual payments to the Dutch State reflecting an increase of 82.6 basis points of the annual guarantee fee paid by ING to the Dutch State. ING will also make additional monthly payments to the Dutch State reflecting a reduction of 50 basis points in the monthly funding fee paid by the Dutch State to ING. These additional payments will amount to a net present value of EUR 1.3 billion, which will be reflected in a one-time pre-tax charge in the fourth quarter of 2009. The additional payments will be borne by ING entities other than the Group’s US subsidiaries. The other terms of the Illiquid Assets Back-Up Facility, including restrictions on remuneration and corporate governance, will remain unchanged. See “Transactions with the Dutch State”.

Changes to the Management Boards

In connection with ING’s announcement that it plans to separate its banking and insurance operations while integrating its banking operations into one bank, on 26 October 2009 ING announced a number of changes to its Management Boards. These changes are subject to approval by the DNB and, if approved, will take effect on 1 January 2010.

The changes within the Management Board for Banking are as follows: Eric Boyer de la Giroday, who is currently the Chief Executive Officer of Commercial Banking, will also serve as Vice-Chairman of the Management Board for Banking, with responsibility for the day-to-day management of the banking business. As part of ING’s strategy to combine its retail and direct banking operations, Eli Leenaars, who is currently a member of the Management Board for Banking in his capacity as Chief Executive Officer of Retail and Private Banking, will continue to serve on the Management Board for Banking in the newly created position of Chief Executive Officer of Retail Banking Direct and International. Hans van der Noordaa, who is currently Chief Executive Officer of Insurance Europe and Asia/Pacific and a member of the Management Board for Insurance, will step down from the Management Board for Insurance and join the Management Board for Banking in the newly created position of Chief Executive Officer of Retail Banking Benelux. Dick Harryvan will retire as Chief Executive Officer of ING Direct and as a member of the Management Board for Banking.

The changes within the Management Board for Insurance are as follows: Tom McNerney, who is currently the Chairman and Chief Executive Officer of Insurance Americas and a member of the Management Board for Insurance, will serve as Chief Operating Officer of Insurance, with responsibility for the day-to-day operation of the insurance and investment management businesses. Matt Rider, who is currently Chief Financial Officer for ING’s global insurance operations, will join the Management Board for Insurance as Chief Administrative Officer. Jacques de Vaucleeroy retired as Chief Executive Officer of Investment Management and as a member of the Management Board for Insurance with effect from 26 October 2009; however he will remain as an advisor to the Management Board for Insurance until 1 January 2010.

Transactions with the Dutch State

In October 2008, the Dutch State announced measures to protect the financial sector. ING benefited from such measures as described below.

On 12 November 2008, ING Group issued one billion Core Tier-1 Securities to the Dutch State against payment of EUR 10 per Core Tier-1 Security, resulting in an increase of ING Group’s core tier-1 capital of EUR 10 billion. The Core Tier-1 Securities do not form part of ING Group’s share capital; accordingly they do not carry voting rights in the General Meeting. A coupon on the Core Tier-1 Securities is payable at the higher of: (1) EUR 0.85 per security, payable annually in arrears (a first coupon of EUR 0.425 per security paid on 12 May 2009); and (2) 110% of the dividend paid on each ordinary share over 2009 (payable in 2010); 120% of the dividend paid on each ordinary share

over 2010 (payable in 2011); and (3) 125% of the dividend paid on each ordinary share over 2011 onwards (payable from 2012 onwards). Since ING had already paid an interim dividend of EUR 0.74 in August 2008, ING recognized a dividend payable of EUR 425 million to the Dutch State as of 31 December 2008. This dividend was paid out on 12 May 2009. ING Group has the right to repurchase all or some of the Core Tier-1 Securities at EUR 15 per security at any time together with the pro-rata coupon, if due, accrued to such date. ING and the Dutch State have agreed, however, that up to EUR 5 billion of the EUR 10 billion Core Tier-1 Securities may be repurchased at any time until 31 January 2010 at the original issue price of EUR 10 per Core Tier-1 Security, plus a repurchase premium and accrued interest. See “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”. The Dutch State also has the right to convert all or some of the Core Tier-1 Securities into ordinary shares on a one-for-one basis from three years after the issue date onwards, subject to certain conditions. The financial entitlements of the Core Tier-1 Securities are described in more detail under “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities” below. In addition, in connection with the issue of the Core Tier-1 Securities, it was agreed between ING Group and the Dutch State that the Dutch State could recommend candidates for appointment to the Supervisory Board in such a way that upon appointment of all recommended candidates by the General Meeting, the Supervisory Board would have two State nominees among its members. The State nominees have approval rights in respect of certain matters. For more information, see “Information on the Company’s Corporate Bodies — Supervisory Board of ING Groep N.V.” elsewhere in this Prospectus.

In addition, ING Group and the Dutch State reached an agreement on the Illiquid Assets Back-Up Facility on 26 January 2009. The transaction closed on 31 March 2009. The Illiquid Assets Back-Up Facility covers the Alt-A RMBS portfolios of both ING Direct US and Insurance Americas, with a par value of approximately EUR 30 billion. Under the Illiquid Assets Back-Up Facility, ING transferred 80% of the economic ownership of its Alt-A portfolio to the Dutch State. As a result, an undivided 80% interest in the risk and rewards on the portfolio was transferred to the Dutch State. ING retained 100% of the legal ownership of its Alt-A portfolio. The transaction price was 90% of the par value with respect to the 80% proportion of the portfolio of which the Dutch State has become the economic owner. The transaction price remains payable by the Dutch State to ING and will be redeemed over the remaining life. Furthermore, under the Illiquid Assets Back-Up Facility, ING pays a guarantee fee to the State and receives a funding fee and a management fee. As a result of the transaction, ING derecognized 80% of the Alt-A portfolio from its balance sheet and recognized a receivable from the Dutch State. In connection with entering into the Illiquid Assets Back-Up Facility, ING committed, among other things, to support the growth of the Dutch lending business for an amount of EUR 25 billion on market conforming conditions. The Dutch State also acquired certain consent rights with respect to the sale or transfer of the 20% proportion of the Alt-A RMBS portfolio that is retained by ING.

The overall sales proceeds from the Illiquid Assets Back-Up Facility amounted to EUR 22.4 billion. The amortized cost (after prior impairments) at the date of the transaction was also approximately EUR 22.4 billion. The transaction (the difference between the sales proceeds and amortized cost) resulted in a loss of EUR 109 million after tax. The fair value under IFRS-EU at the date of the transaction was EUR 15.2 billion. The difference between the sales proceeds and the fair value under IFRS-EU is an integral part of the transaction and therefore accounted for as part of the result on the transaction. The transaction resulted in a reduction of the negative revaluation — and therefore an increase of equity — by approximately EUR 5 billion (after tax).

The valuation method of the 20% Alt-A securities in the balance sheet is not impacted by the Illiquid Asset Back-Up Facility. The methodology used to determine the fair value for these assets in the balance sheet under IFRS-EU is disclosed in the Financial Statements.

In order to obtain the approval of the EC for the Restructuring Plan, ING committed to make a series of additional payments to the Dutch State, corresponding to adjustments to the net fees payable under the Illiquid Assets Back-Up Facility. For a description of these additional payments, see “— Recent Developments — Agreement on Additional Payments to the Dutch State, Corresponding to Adjustments to the Illiquid Assets Back-Up Facility”.

As part of the measures adopted to protect the financial sector, the Dutch State implemented a EUR 200 billion guarantee scheme for the issuance of medium term bank debt (the “**Credit Guarantee Scheme**”). The program is scheduled to run through 31 December 2009. The Credit Guarantee Scheme targets (1) certificates of deposit or commercial paper which carry (i) no interest (zero coupon), or (ii) interest at a fixed interest rate; and (2) medium term notes which by their terms are expressed to be redeemed in one single payment (bullet) and which carry (i) no interest (zero coupon), or (ii) interest at a fixed interest rate or a floating interest rate, with maturities ranging from three to 60 months. Fees depend on creditworthiness of the banks involved and are based on historical credit default swap spreads (or an approximation if necessary), with an addition of 50 basis points. Maturities of less than a year will have a fixed fee of 50 basis points. The Credit Guarantee Scheme includes loans denominated in euros, US Dollars and British Pounds, covers both principal and interest and is executed by the Dutch State Treasury Agency.

On 30 January 2009, ING Bank N.V. announced that it had issued under the Credit Guarantee Scheme three-year USD 6 billion government guaranteed senior unsecured bonds. In February 2009, it issued a 5 year EUR 4 billion fixed rate government-guaranteed senior unsecured bond, and in March 2009 it issued a 5 year USD 2 billion government guaranteed senior unsecured bond (the **“Government Guaranteed Bonds”** or the **“Bonds”**).

Recent Acquisitions, Disposals and Combinations

In October 2008, ING announced that it had reached agreement to sell its entire Taiwanese life insurance business, ING Life Taiwan, to Fubon Financial Holding Co. Ltd. for approximately EUR 447 million. At 31 December 2008 ING Life Taiwan qualified as a disposal group held for sale. The sale was completed on 13 February 2009. Consequently ING Life Taiwan was deconsolidated in the first quarter 2009. ING was paid in a fixed number of shares with the difference between the fair value of those shares at the closing date and sale prices being paid in subordinated debt securities of the acquirer. The shares have a lock-up period of one year. ING Life Taiwan is included in the segment Insurance Asia/Pacific. This transaction resulted in a loss of EUR 292 million. The loss was recognized in 2008 in “Net gains/losses on disposal of group companies” in the profit and loss account.

On 19 February 2009, ING Group announced that it completed the sale of its 70% stake in ING Canada, the largest provider of property and casualty insurance products and services in Canada, via a private placement and a concurrent “bought deal” public offering for net proceeds of approximately EUR 1,265 million (CAD 2,163 million). ING no longer owns an interest in ING Canada. This transaction resulted in a decrease in total assets of EUR 5,471 million and a decrease of total liabilities of EUR 3,983 million.

On 1 July 2009, ING announced that the separate organizations of Nationale-Nederlanden, RVS and ING Verzekeren Retail (formerly Postbank Verzekeren) will be combined into one customer-oriented organization under the Nationale-Nederlanden brand, which will be reinforced. The decision is in line with the “Back to Basics” strategy to simplify the organization, reduce costs and improve customer focus. The new insurance organization will have dedicated business units for retail customers, small and medium-sized enterprises (**“SMEs”**) and corporate clients. ING expects the program to lead to a reduction of the workforce by approximately 800 positions over the coming three years. ING expects this reduction to be mainly realized through natural attrition, internal reallocation and by discontinuing temporary contracts. The workforce measures will be made in accordance with applicable regulations and will be discussed with the unions and respective works councils. See “— Group Strategy” below.

ING announced on 25 September 2009 that it had reached an agreement to sell its life insurance and wealth management venture in Australia and New Zealand to ANZ, its joint venture partner. Under the terms of the agreement, ING has agreed to sell its 51% equity stakes in ING Australia and ING New Zealand to ANZ, who now will become the sole owner of these businesses. ING will receive EUR 1.1 billion in cash from ANZ. The transaction is expected to generate a net profit for ING of EUR 300 million. The cash proceeds and the estimated net profit are expected to improve the debt/equity ratio of ING Insurance by 345 basis points. The transaction is expected to free up EUR 900 million of capital. ING remains active in Australia with ING Direct, ING Investment Management, Commercial Banking and ING Real Estate, which are not impacted by this transaction. The deal is subject to regulatory approvals and is expected to be booked and closed in the fourth quarter of 2009.

ING announced on 7 October 2009 that it had reached an agreement to sell its Swiss Private Banking business to Julius Baer Group Ltd. for a consideration of CHF 520 million (EUR 344 million) in cash. The transaction is expected to generate an estimated net profit for ING of EUR 150 million and is expected to free up EUR 200 million of capital. The agreement of ING and Julius Baer is subject to regulatory approval and is expected to close in the first quarter of 2010.

On 15 October 2009, ING announced that it had reached an agreement to sell its Asian Private Banking business to Overseas-Chinese Banking Corporation Limited (**“OCBC Bank”**) for a consideration of USD 1,463 million (approximately EUR 1 billion) in cash. The transaction is expected to generate an estimated net profit for ING of approximately EUR 300 million and is expected to free up approximately EUR 370 million of capital. Completion of the transaction between ING and OCBC Bank is subject to a number of regulatory approvals and is expected to occur around year end 2009.

ING announced on 16 October 2009 that it had reached an agreement to transfer its US group reinsurance business, ING Reinsurance U.S., to Reinsurance Group of America, Inc. (**“RGA”**). The transaction is structured as a reinsurance agreement between RGA and ING. The transaction is expected to release nearly EUR 100 million in capital and improve the debt/equity ratio of ING Insurance by around 60 basis points. After the agreement, ING will continue to retain a reinsurance portfolio in the US that has been in run-off since 2002. The transaction is subject to regulatory approvals and is expected to close in the first quarter of 2010.

On 3 November 2009, ING announced that it had reached an agreement to sell three of its US independent retail broker-dealer units, which comprise three-quarters of ING Advisors Network, to Lightyear Capital LLC. Under this agreement, ING will divest Financial Network Investment Corporation, based in El Segundo, California, Multi-Financial Securities Corporation, based in Denver, Colorado, PrimeVest Financial Services, Inc., based in St. Cloud, Minnesota, and ING Brokers Network LLC, the holding company and back-office shared services supporting those broker dealers, which collectively do business as ING Advisors Network. The transaction is subject to regulatory approvals and is expected to close in the first quarter of 2010.

On 10 November 2009, ING announced that it had closed the sale of its non-core Annuity and Mortgage businesses in Chile to Corp Group Vida Chile, S.A. In 2008, the Annuity and Mortgage businesses in Chile had generated combined pre-tax earnings of approximately EUR 35 million.

Group Strategy

Our long term goal is to be a leading European bank with strong financial performance, superior customer satisfaction, leading operating efficiency and a strong capital position. We will seek to achieve these ambitions over time, as we pursue implementation of the Restructuring Plan, including the separation of our banking and insurance operations (including investment management) and the divestment of the insurance operations by way of initial public offerings, sales or other means (e.g., spin-off). See “— Recent Developments — Insurance and other Divestments, EC Agreement” for a description of our Restructuring Plan and related matters arising out of the EC’s decisions of 18 November 2009 with respect thereto. Over the next several years, we intend to operate our insurance businesses in a way to enhance their financial performance to create an optimal base for either independent futures or divestitures. Following the divestiture of the insurance operations and completion of the other elements of the Restructuring Plan, we have targeted a return on equity of 13-15% and a long-term credit rating target of AA (or equivalent), in each case assuming a core Tier 1 target ratio of approximately 7.5%, as discussed below.

There are four major components of our strategy to reach our long-term goals:

- Grow earnings of the bank while delivering a superior customer experience;
- Enhance earnings for the insurance businesses prior to their divestiture;
- Execute the split from the Group of our insurance businesses (including our investment management activities); and
- Eliminate the Group’s double leverage and repay the remaining Core Tier-1 Securities held by the Dutch State.

We refer to this strategy as “**Ambition 2013**”. This strategy represents a further development of our Back to Basics transformation program announced in April 2009, in light of the EU state aid and restructuring issues discussed above under “— Recent Developments — Insurance and other Divestments, EC Agreement”. The core elements of our Back to Basics program are:

- Strengthen our financial position and navigate through the crisis. We announced a plan to reduce costs, manage and reduce risk and capital exposures and to reduce assets and preserve equity through a de-leveraging of our balance sheet.
- Focus on fewer, more coherent and strong businesses. We initiated a review of our portfolio of businesses with a view to reducing the number of markets in which we operate and to simplify the Group.
- Invest to reinforce franchises in the markets on which we focus. We announced a drive for operational and commercial excellence and to continue to adapt to customers’ needs.
- Build a stronger organization. We indicated our commitment to enhancing operational and commercial performance with clear accountability and with an outward-looking and responsive approach to customer needs, together with simplifying governance, further strengthening our finance and risk functions, and reducing the complexity of the Group.

We believe that we have made good progress towards achieving the targets set in the first phase of our Back to Basics program:

- ING Bank’s balance sheet has been reduced by 16% between 30 September 2008 and 30 September 2009, and has already surpassed the 2009 year-end target of a 10% reduction.
- ING Bank’s leverage has been reduced from 43.9 as at 30 September 2008 to 28.7 as at 30 September 2009.
- As at 30 September 2009, EUR 1,049 million of the total 2009 target cost reduction of EUR 1.3 billion had already been achieved (excluding impairments on real estate development projects).

- Headcount reduction is on track. Full-time employees (“FTEs”) are down by 10,239, surpassing the 2009 target of 7,000.
- Divestments already announced in 2009 are expected to yield capital relief of approximately EUR 3 billion against our overall target of approximately EUR 4 billion.

The following describes the major components of our Ambition 2013 strategy:

Standalone Bank Strategy

Following the restructuring, ING Bank will be a European retail and commercial bank, anchored in the Benelux with strong ING Direct and Central Europe franchises, and, management believes, attractive growth prospects outside Europe. We will seek to deliver superior performance through operational and commercial excellence, building on our market positions.

Our Ambition 2013 includes a financial goal for ING Bank to achieve annualized revenue growth through 2013 of approximately 5% and to realize a target return on equity of 13-15% by 2013, assuming markets have normalized over such period, and that required capital ratios applicable to ING Bank remain consistent with current requirements. We believe this goal is achievable taking into account related income from an estimated annual balance sheet growth of 5% and improved margins expected on savings and current accounts and increased cross selling. We assume risk cost levels will return to an annualized over-the-cycle level of 40 to 45 basis points of our credit risk-weighted assets. We believe additional cost-saving potentials beyond those identified in connection with our Back to Basics program should allow us to reduce our cost/income ratio to a 50% level, after taking into account the costs of additional investments and organic cost increases to support business growth.

The implementation of our Ambition 2013 program will vary by region and product line, and includes the following broad elements:

- **Retail Banking:** In the Netherlands and Belgium, we intend to continue with our transformation programs to further streamline and reduce costs in our branch networks, expand our direct distribution capacities, and pursue further cross-selling of different product lines to retail customers. In the rest of Europe and Asia we plan to continue simplifying our product lines and continue to be innovative in respect of distribution based on our experience in direct banking.
- **ING Direct:** We intend to continue leveraging our competitive advantage as one of the largest direct banking franchises through superior service, convenience and cutting edge distribution at competitive prices. We will seek to deepen client relationships and offer a full basic product offering to deliver superior returns and growth.
- **Commercial Banking:** In our commercial banking business, we will seek to create cost advantages by leveraging local scale and structurally reducing costs through IT and process improvement, increasing cross-selling of different products to key clients, and repricing or terminating relationships with unprofitable clients. Our financial markets business will aim to build on its track record and expertise in emerging markets fixed income business, and we will seek to further decrease costs by leveraging local scale in the Benelux.

Divestitures from ING Bank

We have announced that we will divest certain banking activities as part of our Restructuring Plan agreed with the EC:

- **Sale of ING Direct US:** We regard ING Direct as a strong franchise and believe that the US market offers potential for growth. The divestment is expected to take several years to complete and is not anticipated before the end of 2013. Until ING Direct US is divested, our goal is to continue to grow the value of the business and to offer a superior customer experience. This agreement has no impact on the other countries in which ING Direct operates. We remain committed to the ING Direct franchise, as a strong contributor to our growth going forward. The unique customer proposition, simple transparent products and market-leading efficiency are at the heart of our banking strategy.
- **Carve-out from Dutch Retail banking of Interadvies and ING Bank Consumer Credit Business:** ING has agreed to create a new company in the Dutch retail market out of part of its current operations, by combining the Interadvies banking division (including Westland Utrecht and the mortgage activities of Nationale-Nederlanden) and the existing consumer lending portfolio of ING Retail. This business, once separated, will be divested. See “— Recent Developments — Composition of ING upon Completion of the Restructuring Plan”.

Earnings Enhancement Plan for Insurance

We are committed to improving the financial performance of our various insurance businesses, in order to support the divestiture strategy. These improvements take into account our presence in a favorable combination of mature and growth markets, customer and market trends, and our belief that we have significant capacity to capture synergies and best practices across our businesses. In each of our geographic markets and product lines, we are examining further cost-savings and product rationalization measures, including the integration of brands and a new focus on specific clients and markets; emphasising the core businesses and exiting unprofitable markets or product lines; and optimizing the various distribution channels available to us. Our cost measures will include the streamlining and standardization of processes and systems, procurement savings and increasing the effectiveness and efficiency of our IT systems.

Strategy by Region

Our strategy for improving the financial performance of our insurance businesses will be implemented on a regional basis, taking into account the particular strengths and opportunities we see in each of our markets.

- *The Netherlands:* We plan to migrate to a single brand strategy by combining our existing insurance brands under a revitalized Nationale-Nederlanden (NN) brand. This reorganisation will put an increased focus on clients and is expected to streamline distribution and reduce expenses.
- *United States:* Operations are being refocused on three core businesses: retirement services, rollover annuity and individual life. In retirement services we have a top three position based on assets and we expect to benefit from the market's excellent demographics.
- *Latin America:* We plan to continue growth by leveraging our strong presence in the life insurance and pensions markets (mandatory and voluntary). We will focus on operating efficiency, product diversification, and innovation to maintain margins at above the industry average.
- *Asia:* In Asia we will focus on fewer, coherent and strong businesses. To streamline our operations, we have put on run-off the SPVA business in Japan and already sold our insurance business in Australia and New Zealand during 2009.
- *Central & Eastern Europe:* We plan on investing in our franchises to improve efficiency. The Vision for Growth program started in the second quarter of 2008 aims at establishing one integrated regional platform and reducing the administrative cost per policy.
- *Global Investment Management:* We plan to capitalize on the strong investment performance realized to date in 2009 to build our asset base and attract new customers. Further, we aim to realize synergies by running Investment Management as a single, global business, rather than as three separate regional operations.

Cost Leadership in Insurance

Our core processes and systems will be streamlined and standardized across business units where possible. Lean process redesign and implementation will be executed in full and our procurement capabilities will be strengthened to capture cost savings. Moreover, we plan to increase the effectiveness and efficiency of our IT systems and we intend to build management skills and capabilities to manage closed-book business.

Separation Plan for the Insurance Assets of the Group

The Group has a number of attractive insurance franchises. We are the leading insurance group in the Benelux region, have a top three position in retirement services in the US based on assets under management and a strong investment management arm. We also have highly attractive businesses in the growth markets of Central Europe, Latin America and Asia. In Central Europe, ING is the market leader in the combined life and pensions market and we are the second largest provider of retirement services in Latin America. In Asia, we are the third largest international life insurer.

We plan to divest our insurance operations by 2013. Given our strong market positions, management feels confident in its ability to sell these businesses at attractive valuations. We have not determined final plans regarding the structure of these divestitures, and will consider a range of options, including initial public offerings of the business in whole or in part, divestitures of the business in whole or in part, spin-offs or combinations of these strategies. Considerations which we will take into account include: valuation levels attainable, timing, clarity of execution, and tax impacts. In light of our 2013 target for divestiture, we will also review changes in market conditions in both public and private markets over the implementation period. We remain highly focused on ensuring high quality

operational and financial performance in our insurance businesses over the remaining period of our ownership, and will accordingly focus strongly on employee retention and customer satisfaction going forward.

Financial Plan to Eliminate Double Leverage and Repay Outstanding Core Tier-1 Securities

We plan to operate our banking business with a strong capital base. Accordingly, we plan to use the proceeds from the divestitures of our insurance businesses to repay various borrowings and the remaining outstanding Core Tier-1 Securities held by the Dutch State. We would plan to reduce the double leverage at the holding company. We also intend to repay the Core Tier-1 Securities held by the Dutch State which will remain outstanding at EUR 5 billion after the initial repayment contemplated through the use of proceeds, if any, from the Offering. See “Background to and Reasons for the Offering — Use of Proceeds”. ING management believes that the combination of the proceeds of the various insurance divestitures and retained earnings over the coming years will more than cover amounts to be repaid between now and 2013. We would also anticipate returning to shareholders any excess capital generated during such period and going forward, subject to our capital needs including for growth of the business and dividend policies at the time.

Corporate Organization

ING Groep N.V. has a Supervisory Board and an Executive Board. The Executive Board is responsible for the day-to-day management of the Group and its business lines (Insurance Europe, Insurance Americas, Insurance Asia/Pacific, Commercial Banking, Retail Banking and ING Direct), each of which is discussed further below.

Further to ING’s “Back to Basics” strategy announced in April 2009, pursuant to which ING announced its intention to operate its banking and insurance operations separately under one Group umbrella, ING Bank and ING Insurance now each have their own Management Boards consisting of the Group CEO, CFO and CRO and positions for three and two other members, respectively. For more information about the Supervisory, Executive and Management Boards, see “Information on the Company’s Corporate Bodies”. ING announced on 26 October 2009 certain changes to its Management Boards. See “— Recent Developments — Changes to the Management Boards”.

On 26 October 2009, ING announced the Restructuring Plan pursuant to which it intends to divest significant portions of its business. See “— Recent Developments — Insurance and other Divestments, EC Agreement”.

Business Lines

Each business line formulates the strategic, commercial and financial policies in conformity with the group strategy and performance targets set by the Executive Board and its respective Management Board. Each business line is also responsible for the preparation of its annual budget, which is then approved and monitored by the Executive Board and its respective Management Board. In addition, each business line approves the strategy, commercial policy and the annual budgets of the business units in its business line and monitors the realization of the policies and budgets of that business line and its business units.

Insurance Europe

Insurance Europe operates in the Netherlands, Belgium, Luxembourg, Italy, Spain, Greece, Poland, Hungary, the Czech Republic, Slovakia, Romania, Bulgaria and Russia. The operating companies in these countries have tailored their insurance products, investment and pension fund services for certain target markets and distribution channels. In the wake of the credit crisis, Insurance Europe will focus on retaining its customers, managing capital efficiently and reducing its cost base.

Insurance Europe has three key strategic priorities. First, in the mature markets of the Benelux, ING focuses on improving efficiency and optimizing the balance sheet. Second, in the growing markets of Central Europe, the focus is on accelerating growth in key geographies. Third, across all regions, ING leverages on the opportunities created by the ageing of the European population by reinforcing its position as a specialist provider of banking, life insurance, investments and retirement services for retail customers.

In the Netherlands, ING offers basic retail insurance products via direct marketing (Postbank, which was rebranded ING in early 2009), while independent intermediaries (Nationale-Nederlanden) and tied agents (RVS) are more suitable for selling complex products requiring personal service and specialized advice. In Central Europe, tied agents are the main distribution channel. In this region too, ING continues to strive towards a multi-distribution approach with banks, brokers and direct marketing as additional channels. ING considers the client’s need for personal service and specialized advice as an important factor in determining how to distribute its products and services within Europe.

ING Investment Management Europe (“**ING IM Europe**”) is the principal proprietary asset manager for Insurance Europe. ING IM Europe also manages equity, fixed income and structured investments for institutional investors and the private label investment funds sold by various ING companies, including ING Bank Netherlands, ING Bank Belgium, Nationale-Nederlanden and third party distributors. In addition, ING IM Europe is responsible for managing the treasury activities of ING Insurance.

ING’s life insurance products in Europe consist of a broad range of traditional, unit-linked and variable annuity policies written for both individual and group customers. In some countries, Group policies are designed to fund private pension benefits offered by a wide range of businesses and institutions as a supplement to government provided benefits. ING is also a prominent provider of mandatory and voluntary pension funds in several countries in Central Europe. ING also has a dedicated team to develop and grow its variable annuity business across Europe. Thus far the variable annuity product has been rolled out in Spain, Poland, Hungary, the Netherlands and Belgium.

ING’s non-life products, offered mainly in the Netherlands, include coverage for both individual and commercial/group clients for fire, automobile, disability, transport and aviation insurance, third party liability insurance and indirect premiums (incoming reinsurance premiums). Nationale-Nederlanden has also developed a central product manufacturing service for property & casualty insurance, which has developed products for ING Bank in Belgium and ING in the Netherlands. ING offers a broad range of disability insurance products and complementary services for employers and self-employed professionals (such as dentists, general practitioners and lawyers).

Insurance Americas

Insurance Americas (“**ING Americas**”) operates in two main geographic areas: the United States, and Latin America. ING sold its 70% stake in ING Canada in February 2009. ING Americas offers retirement services (primarily defined contribution plans), life insurance and, to a much lesser extent, non-life insurance, annuities, mutual funds, broker-dealer services and institutional products, including institutional asset management and group reinsurance.

In 2008, ING Americas in the United States operated through three divisions: Wealth Management (retirement services, annuities and retail broker-dealer services), Insurance (individual life, group life and reinsurance) and Asset Management. Through these divisions, ING provides a wide variety of financial products and services to individual and institutional customers. Distribution channels for Wealth Management and Insurance include independent producers, brokers-dealers and financial institutions as well as career agents, financial planners and affiliated distribution channels. Affiliated and independent broker-dealers and an institutional sales force support the Asset Management division’s product distribution. In 2009, a new structure was introduced that has simplified the US Wealth Management business model by separating the management of the annuities product line from that of retirement services, and has provided more focus on ING’s diverse collection of customers and distribution partners.

ING provides retirement services, mainly defined contribution plans, to all segments of the retirement market including small, medium and large-sized corporations, educational institutions, hospitals and governments. The acquisition of the CitiStreet business in July 2008 complemented ING’s traditional focus on small corporate and education markets with its technology and service-based focus on large corporations and governments. The CitiStreet business has been integrated into the retirement services business on schedule, and substantial synergies, particularly in technology, have been and are expected to continue to be realized.

ING continued to invest in expanding its product and distribution capacity in variable annuities in 2008, targeting pre-and post retirees in sales strategies as part of the “EASIER” brand campaign. Sales began to slow in the third quarter of 2008 as equity markets became more volatile and dipped further in the fourth quarter of 2008. Several product changes were made over the course of 2008 and additional changes have been made in 2009 in response to deteriorating market conditions.

The US insurance businesses focus on both individual and institutional clients and provide a wide range of insurance products, including variable universal life, universal life, and term insurance. Individual retail markets include affluent and mass affluent customers. Institutional customers are served by the Employee Benefits unit (which provides both group and voluntary insurance products), the Individual Life unit (which sells bank-owned and corporate-owned life insurance), and by ING Reinsurance (which provides group reinsurance coverage).

The Asset Management organization includes ING Investment Management Americas (“**ING IM Americas**”), (including Mutual Funds) and Financial Products. ING IM Americas manages proprietary assets for Insurance Americas’ insurance entities, investing in a diverse mix of public fixed income, private placements, government securities, securitized instruments and commercial mortgages. ING IM Americas third party business units (mainly in the US) include mutual fund sub-advisory, institutional assets and managed accounts; their products are distributed through internal, affiliated and outside distribution channels. Third party assets are managed in a wide

range of investment styles and portfolios including: domestic and international equity portfolios of various value, blend and growth styles and of small, mid- and large capitalization, domestic and international fixed income portfolios across the major bond and loan market sectors, balanced portfolios, and private equity. The financial products unit of Asset Management was placed in run-off in 2009, having previously provided principal protection products such as guaranteed investment contracts and funding agreements to institutional customers. In April 2009, ING Group announced the consolidation of the global investment units into a single organization, thus removing the Investment Management operations from Insurance Americas.

In Latin America, ING is the second largest pension provider based on assets under management. In Peru, ING is the largest pension provider by market share; in Mexico and Chile, the third largest; and in Uruguay and Colombia, ING ranks among the top-five providers. The sale of the Mexican insurance business in July 2008 allowed ING in Mexico to concentrate on its growing Afore pension, annuities and investment management businesses. In Peru, ING increased its stake in AFP Integra, the number one pension fund company in Peru, to 80%, and also increased its shareholding in ING Fondos, a Peruvian mutual fund provider. In November, the Argentine government nationalized the country's private pension system, which included ING's pension fund business. The nationalization impacted the pension assets only, thus leaving ING responsible for the ongoing operating costs and liabilities including severance obligations. The Latin America region continues to serve as a critical component in ING's global growth strategy for its insurance business.

Insurance Asia/Pacific

Insurance Asia/Pacific (“IAP”) is a leading provider of life insurance and wealth management products and services. It is the number two international life insurer in Asia/Pacific based on new sales, with 12 life operations in ten markets. In 2008 IAP announced the sale of its life insurance business in Taiwan; the transaction was closed on 11 February 2009. Following the completion of this transaction, IAP's life insurance footprint in Asia/Pacific is reduced to 11 operations in nine countries. IAP is also the region's fourth largest investment manager, based on assets under management, with asset management operations in thirteen markets. ING has flagship operations in the mature and larger markets of Japan, South Korea and Taiwan (asset management only, upon completion of the Taiwan life insurance sale), and is well positioned to secure an increasing share of future growth in the large and emerging markets of Malaysia, China, India and Thailand, which are also among the fastest growing in Asia. In September 2009, ING announced the sale of its life insurance and wealth management venture in Australia and New Zealand, which is expected to close in the fourth quarter of 2009.

An IAP regional office in Hong Kong leads, controls and supports all IAP business units in the region, ensures implementation of strategy and standards and facilitates regional and global synergies.

The business units in Asia/Pacific offer select types of life insurance, wealth management, and retail and institutional asset management products and services. These include annuities, endowment, disability/morbidity insurance, unit linked/ universal life, whole life, participating life, group life, accident and health, term life and employee benefits. In Hong Kong non-life insurance products (including medical, motor, fire, marine, personal accident and general liability) are also offered.

The core Asia/Pacific traditional distribution network of tied agents, career agents and financial advisors is increasingly complemented by alternative distribution channels including bancassurance, brokers, worksite and direct marketing as well as online distribution.

IAP estimates that its combined insurance operations rank second among regional foreign life insurers by annualized premium equivalent (annualized premium equivalent represents the aggregate of new regular premium sales and 10% of new single premium sales of life insurance products) and its combined investment management operations in Asia, excluding Australia and Japan, rank second in terms of total assets under management. IAP's market ranking is based on an analysis of public disclosures by regulators and competitors as well as data provided by independent publications.

Commercial Banking

Commercial Banking's primary focus is on the Netherlands, Belgium, Poland and Romania, where it offers a full range of products, from cash management to corporate finance. Elsewhere, it takes a more selective approach to clients and products. Commercial Banking has six business units: General Lending & Payments and Cash Management (“PCM”), Structured Finance, Leasing & Factoring, Financial Markets, Other Commercial Products, and ING Real Estate.

For information on developments in Commercial Banking in 2009, see “— Recent Developments”.

Retail Banking

The retail banking business focuses on retail banking services to individuals, and to small- and medium-sized businesses and on private banking. These businesses are supported by a multi-product, multi-channel distribution approach. We serve two types of retail markets, each reflecting our different market positions and therefore each requiring a slightly different approach with regard to the retail strategy. In the mature markets of the Netherlands and Belgium, our strategy is to assist our clients in areas such as wealth accumulation, savings and mortgages. We seek to distribute these different products through an efficient mix of channels appropriate to the client segments and products.

The Netherlands

ING combined ING Bank and Postbank under the ING brand in the first quarter of 2009. As of October 2009, it has over 8.8 million retail clients and 600,000 SME clients. The new bank has improved customer service by combining the direct banking model of Postbank with the professional advice capabilities of ING Bank.

Retail banking reaches its individual customers through home banking, telephone, call centers, internet banking, mailings and post offices. Using direct marketing methods, it leverages its position as a leading provider of current account services and payments systems to provide other financial services such as savings accounts, mortgage loans, consumer loans, credit card services, investment and insurance products. Mortgages are offered through a tied agents sale force and direct and intermediary channels.

ING Bank Netherlands operates through a branch network of over 250 branches. It offers a full range of commercial banking activities and also life and non-life insurance products. It also sells mortgages through the intermediary channel.

Belgium

ING Belgium provides banking, insurance (life, non-life) and asset management products and services to meet the needs of individuals, families, companies and institutions through a network of local head offices, 800 branches and direct banking channels (fully automated branches, home banking services and call centers). ING Belgium also operates a second network, Record Bank, which provides a full range of banking products through independent banking agents and credit products through a multitude of channels (agents, brokers, vendors).

Central Europe

In Poland, ING Bank Slaski provides a full range of banking services to business and individual customers through a network of 430 branches, supported by ATMs and telephone, internet and electronic banking. Since 2004 we have opened 200 fully automated outlets in Romania that provide selected banking products to individual clients. On 24 December 2007 the acquisition of Oyak Bank was completed and in July 2008 Oyak Bank was successfully rebranded into ING Bank. ING Bank is a leading bank in the Turkish market with approximately 5,900 employees as of 31 December 2008, offering a full range of banking services with a focus on retail banking. In June 2008 the rollout of retail banking operations in Ukraine started capitalizing on the successful self-banking model that had previously been introduced in Romania.

Asia

In India, ING Vysya Bank has a network of 460 branches supported by a sales force of tied agents, who provide a full range of banking services to business and individual clients. In China, ING acquired a 19.9% participation in Bank of Beijing in 2005, reduced by the IPO of the Bank of Beijing to 16.1%. In Thailand ING has a 30% stake (on a fully diluted basis) in TMB Bank.

Private Banking

Private Banking provides wealth management services to high net worth individuals throughout the world. We have continued to raise the visibility of the Private Banking activities in the Benelux to penetrate ING's existing client base in these markets. As discussed under “— Recent Acquisitions, Disposals and Combinations”, ING has recently sold its Swiss Private Banking business and reached an agreement for the sale of its Asian Private Banking business to OCBC Bank.

For more information on developments in retail banking in 2009, including the planned divestment of certain portions of the Dutch retail banking business, see “— Recent Developments — Insurance and other Divestments, EC Agreement”.

ING Direct

ING Direct is a direct banking business, which is an important part of ING's international retail strategy. The strategy of ING Direct is to be a low-cost provider of financial services in large, mature markets by offering clients simple and transparent products and excellent service via call-centers, direct mail and the internet. The main products offered by ING Direct are saving accounts and mortgages. ING Direct also sells a focused range of financial products such as mutual funds, e-brokerage, payment accounts and pensions.

ING Direct's direct banking business is active in nine countries: Canada, Spain, Australia, France, the United States, Italy, Germany, Austria and the United Kingdom. Each country forms a separate business unit.

On 26 October 2009, ING announced its Restructuring Plan pursuant to which it intends to divest ING Direct US by the end of 2013. See "— Recent Developments — Insurance and Other Divestments, EC Agreement".

Principal Group Companies

See "General Information about the Company — Significant Subsidiaries" elsewhere in this Prospectus.

Competition

ING is involved in insurance, retail and commercial banking, and other products and services across 50 countries. The mature markets of the Netherlands, Belgium, the Rest of Europe, North America and Australia are characterized by a high degree of competition. As financial institutions from mature markets have increasingly established themselves in developing markets, competition in these markets has increased too. In some cases ING and its competitors have sought to form alliances, mergers or strategic relationships with local institutions, which are rapidly becoming more sophisticated and competitive.

With the financial markets in crisis, governments around the globe undertook, and in certain instances continue to implement, exceptional measures to reinvigorate financial institutions. ING's management feels that these measures are important and necessary steps to restore confidence and bring stability and certainty to the financial system. The exact impact of the interventions remains to be seen. However, most governments have been very clear that the measures are of a temporary nature and only aimed at servicing financial services companies' urgent needs in weathering the crisis. ING is entirely committed to preventing unfair competition or the appearance thereof. In order to achieve this, the following principles have been formulated for the banking, insurance, pension and investment activities that ING Groep N.V. and its subsidiaries are engaged in:

- In the media and in contacts with third parties, ING Groep N.V. and its subsidiaries will not promote the financial involvement of the Dutch State as provider of Tier-1 core capital, neither implicitly nor explicitly.
- The policy of ING Groep N.V. and its subsidiaries will not be aimed at using the involvement of the Dutch State as provider of Tier-1 core capital to increase their market share in financial products in any way.
- ING Groep N.V. and its subsidiaries will continue to try and distinguish themselves from competitors through the quality of services and financial products offered to their customers.

In the long run, competition in the financial services industry in both mature and developing markets will continue to be based on factors like brand recognition, scope of distribution systems, customer service, products offered, financial strength, price and, in the case of investment-linked insurance products and asset management services, investment performance. Management believes its major competitors are the leading global European, American and Asian commercial banks, insurance companies, asset management and other financial-services companies.

ING announced on 26 October 2009 its Restructuring Plan pursuant to which it intends to divest significant portions of its business and has agreed to certain limitations including on both its ability to be a price leader in certain European Union banking markets and on its ability to acquire financial institutions and other businesses. See "— Recent Developments — Insurance and other Divestments, EC Agreement". ING's competitive position is likely to change substantially as a result of the implementation of the Restructuring Plan.

Ratings

ING's long-term senior debt is rated "A" (with a stable outlook) by Standard & Poor's. ING's long-term senior debt is rated "A1" (rating under review) by Moody's. ING's long term senior debt is rated "A" (with a stable outlook) by Fitch Ratings ("**Fitch**").

ING Verzekeringen N.V.'s long-term senior debt is rated "A-" (with a negative outlook) by Standard & Poor's and "Baa1" (with a developing outlook) by Moody's. Fitch rated ING Verzekeringen N.V.'s long-term senior debt "BBB+" (Rating Watch Negative).

ING Bank N.V.'s long-term senior debt held a "A+" (with a stable outlook) rating by Standard & Poor's. Moody's rated ING Bank N.V.'s long-term senior debt at "Aa3" (rating under review). Finally, ING Bank N.V.'s long-term senior debt was rated "A+" (with a stable outlook) by Fitch Ratings, Ltd.

ING Verzekeringen N.V.'s short-term senior debt is rated "A-2" by Standard & Poor's and Prime-2 (P-2) by Moody's. ING Verzekeringen held a "F2" rating (Rating Watch Negative) by Fitch.

ING Bank N.V.'s short-term senior debt held a rating of "A-1" by Standard & Poor's and Prime-1 (P-1) by Moody's. Fitch rated ING Bank N.V.'s short-term senior debt "F1+".

Following the announcement of the Restructuring Plan, several of our subsidiaries have been downgraded or put on credit watch by rating agencies. Further downgrades could have an adverse impact on our operations and net results and our ability to implement the Restructuring Plan successfully. See "Risk Factors — Risks Related to the Group — Ratings are important to our business for a number of reasons. Among these are the issuance of debt, the sale of certain products and the risk weighting of bank and insurance assets. Downgrades could have an adverse impact on our operations and net results".

All ratings are provided as of the date of this Prospectus.

Investments in Tangible Assets

In the Netherlands, ING sold, during the years, a significant part of the land and buildings used in the normal course of its business. Outside the Netherlands, ING predominantly leases all of the land and buildings used in the normal course of its business. In addition, ING has part of its investment portfolio invested in land and buildings. Management believes that ING's facilities are adequate for its present needs in all material respects.

Employees

The number of staff employed on a full-time equivalent basis within ING Group averaged 125,285 in 2008, of which 29,626, or 24%, were employed in the Netherlands. The geographical distribution of average full-time equivalent employees in the Group's insurance operations and banking operations was, in the nine months ended 30 September 2009 and for each of the years 2008, 2007 and 2006 as follows:

	Insurance operations				Banking operations				Total			
	30 September 2009	2008	2007	2006	30 September 2009	2008	2007	2006	30 September 2009	2008	2007	2006
The Netherlands	9,446	9,300	9,462	9,688	19,729	20,326	21,585	22,884	29,175	29,626	31,047	32,572
Belgium	449	301	228	1,215	10,471	10,647	10,983	11,277	10,920	10,948	11,211	12,492
Rest of Europe	4,057	3,972	3,899	3,767	27,102	26,298	18,581	18,026	31,159	30,270	22,480	21,793
North America	12,132	16,368	15,194	15,016	4,150	4,239	3,625	3,032	16,281	20,607	18,819	18,048
Latin America	7,224	10,806	16,074	13,614	285	352	373	386	7,509	11,158	16,447	14,000
Asia	6,932	9,494	8,451	8,206	10,144	10,498	9,115	8,748	17,075	19,992	17,566	16,954
Australia	1,482	1,574	1,703	1,507	1,066	1,056	929	815	2,548	2,630	2,632	2,322
Other	58	53	76	57	0		4	5	58	53	80	62
Total	41,779	51,868	55,087	53,070	72,946	73,417	65,195	65,173	114,725	125,285	120,282	118,243

In addition, the number of staff employed by joint ventures included in the Group's consolidated accounts averaged 1,601 over the nine months ended 30 September 2009, 3,703 in 2008, 1,942 in 2007 and 1,709 in 2006. The Group does not employ significant numbers of temporary workers. The percentage of the Group's employees allocated to the six business lines was as follows for the nine months ended 30 September 2009 and for each of the years 2008, 2007 and 2006:

	30 September 2009	2008	2007	2006
Insurance Europe	12%	12%	12%	13%
Insurance Americas	17%	21%	27%	24%
Insurance Asia/Pacific	7%	7%	9%	9%
Commercial Banking	13%	12%	16%	17%
Retail Banking	42%	40%	30%	31%
ING Direct	9%	8%	6%	6%
Total	100%	100%	100%	100%

Substantially all of the Group's Dutch employees are subject to collective labor agreements covering the banking and insurance industries. The Group believes that its employee relations are generally good.

Material Contracts

There have been no material contracts (outside the ordinary course of business, such as intercompany financing) to which ING Groep N.V. is a party in the last two years, except for the Core Tier-1 Securities transaction and the Illiquid Assets Back-Up Facility which ING Groep N.V. concluded with the Dutch State, as further described under “— Transactions with the Dutch State”.

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 Company'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 Company 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 Company.

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 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 judgment creditors of the Republic of Argentina who seek to levy on assets that were managed by that subsidiary before the Republic nationalized the private pension business in Argentina. Appropriate steps are being taken to address this matter.

In November 2006, the issue of amongst others the transparency 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 organizations. In mid-November 2008 ING reached an outline agreement with consumer organizations 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 that ING's Dutch insurance subsidiaries would offer compensation to policyholders 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. ING's Dutch insurance subsidiaries have started negotiations with the relevant consumer organizations in order to work out the agreement more in detail. Although the agreement is not binding for policyholders, ING believes a significant step was made 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 recognized.

6. SELECTED CONSOLIDATED FINANCIAL INFORMATION

Except as otherwise indicated, the following summary historical financial information for the Group is based on, and should be read together with the Financial Statements and the Interim Financial Information, all of which are reproduced elsewhere in this Prospectus.

Except as otherwise noted, financial statement amounts set forth in this Prospectus are presented in accordance with International Financial Reporting Standards as adopted by the European Union (“EU”). In this document the term “IFRS-EU” is used to refer to International Financial Reporting Standards as adopted by the EU including the decisions ING Group made with regard to the options available under International Financial Reporting Standards as adopted by the EU. See “Basis of Presentation” under Section 2.1. of the 2008 Financial Statements for further discussion of the basis of presentation.

IFRS-EU differs from International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS-IASB”) in respect of certain paragraphs in IAS 39 ‘Financial Instruments: Recognition and Measurement’.

ING Group applies fair value hedge accounting for portfolio hedges of interest rate risk (fair value macro hedges) in accordance with the EU ‘carve out’ version of IAS 39. Under the EU ‘IAS 39 carve-out’, hedge accounting may be applied, in respect of fair value macro hedges, to core deposits and hedge ineffectiveness is only recognized when the revised estimate of the amount of cash flows in scheduled time buckets falls below the original designated amount of that bucket and is not recognized when the revised amount of cash flows in scheduled time buckets is more than the original designated amount. Under IFRS-IASB, hedge accounting for fair value macro hedges cannot be applied to core deposits and ineffectiveness arises whenever the revised estimate of the amount of cash flows in scheduled time buckets is either more or less than the original designated amount of that bucket.

The Financial Statements were audited by Ernst & Young and issued in each case with the unqualified auditor’s report incorporated by reference in this Prospectus. Ernst & Young has also reviewed the Interim Financial Information. The unaudited consolidated financial information as of and for the three months and nine months ended 30 September 2009 and for the three months and six months ended 30 June 2009 fairly presents the Group’s interim results and financial position in accordance with IAS 34, *Interim Financial Reporting*. These interim results are not necessarily indicative of results to be expected for the full year 2009.

The selected consolidated financial information reproduced below is intended only as an introduction. Investors should base their investment decisions on a review of the Prospectus as a whole.

	Nine months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
(EUR millions, except amounts per share and ratios)							
unaudited							
IFRS-EU Consolidated Income Statement Data							
Income from insurance operations:							
Gross premiums written:							
Life	22,341	30,074	15,036	20,742	38,868	40,732	40,501
Non-life	1,475	4,035	1,147	2,987	4,944	6,086	6,333
Total	23,816	34,109	16,183	23,729	43,812	46,818	46,834
Commission income	1,469	1,565	971	1,008	2,070	1,901	1,636
Investment and other income	2,153	7,280	1,261	5,121	8,970	13,488	11,172
Total income from insurance operations	27,438	42,954	18,415	29,858	54,851	62,208	59,642
Income from banking operations:							
Interest income	64,418	71,613	44,633	46,579	98,201	76,859	59,262
Interest expense	55,030	63,744	38,410	41,354	87,115	67,823	49,927
Net interest result	9,388	7,869	6,223	5,225	11,085	9,036	9,335
Investment income	(1,346)	(622)	(652)	(101)	(2,459)	947	483

	Nine months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(EUR millions, except amounts per share and ratios) unaudited						
Commission income	1,991	2,177	1,274	1,472	2,895	2,926	2,681
Other income	20	886	40	1,088	209	1,693	1,696
Total income from banking operations	10,053	10,310	6,885	7,685	11,731	14,602	14,195
Total income⁽²⁾	37,237	53,067	25,129	37,428	66,291	76,586	73,621
Expenditure from insurance operations:							
Life	26,686	37,533	18,324	24,948	51,622	49,526	49,106
Non-life	1,512	3,945	1,221	2,996	4,864	6,149	5,601
Total expenditure from insurance operations	28,198	41,478	19,545	27,944	56,486	55,675	54,707
Total expenditure from banking operations	9,768	8,219	6,776	5,341	11,583	10,092	9,190
Total expenditure^{(2),(3)}	37,712	49,500	26,150	33,171	67,778	65,543	63,681
Result before tax from insurance operations:							
Life	(919)	957	(1,168)	1,583	(2,146)	5,314	3,436
Non-life	159	519	38	331	511	1,219	1,499
Total	(760)	1,476	(1,130)	1,914	(1,635)	6,533	4,935
Result before tax from banking operations	285	2,091	109	2,343	148	4,510	5,005
Result before tax	(475)	3,567	(1,021)	4,257	(1,487)	11,043	9,940
Taxation	(140)	577	(196)	796	(721)	1,535	1,907
Minority interests	(112)	8	(103)	1	(37)	267	341
Net result	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Dividend on ordinary shares		1,500		1,500	1,500	3,180	2,865
Addition to shareholders' equity . .	(223)	1,482	(722)	1,960	(2,654)	6,061	4,827
Payable on non-voting equity securities ⁽⁴⁾	—	—	—	—	(425)		
Net result attributable to equity holders of the Company	(223)	2,982	(722)	3,460	(729)	9,241	7,692
Basic earnings per share ⁽⁵⁾	(0.11)	1.46	(0.36)	1.68	(0.36)	4.32	3.57
Diluted earnings per share ⁽⁵⁾	(0.11)	1.45	(0.36)	1.68	(0.36)	4.28	3.54
Dividend per ordinary share ⁽⁵⁾	—	0.74	—	0.74	0.74	1.48	1.32
Interim Dividend	—	0.74	—	0.74	0.74	0.66	0.59
Final Dividend	—	—	—	—	—	0.82	0.73
Number of ordinary shares outstanding (in millions)	2,063.1	2,081.3	2,063.1	2,081.3	2,063.1	2,226.4	2,205.1
Dividend pay-out ratio ⁽⁶⁾		50.7%		44.0%	N/A	34.3%	37.0%

	As of 30 September	As of 30 June	As of 31 December		
	2009	2009	2008 ⁽¹⁾	2007 ⁽¹⁾	2006 ⁽¹⁾
	(EUR billions, except amounts per share and ratios) unaudited				
IFRS-EU Consolidated Balance Sheet Data					
Total assets	1,187.9	1,187.9	1,331.7	1,312.5	1,226.3
Investments:					
Insurance	103.2	101.6	109.5	132.3	140.5
Banking	105.0	105.9	148.8	160.4	171.1
Total	208.2	207.5	258.3	292.6	311.6
Loans and advances to customers	577.9	589.4	619.8	553.0	474.4
Insurance and investment contracts:					
Life	221.9	214.6	213.0	232.4	237.9
Non-life	3.7	3.9	6.8	9.6	10.1
Investment contracts	11.2	19.5	21.1	23.7	20.7
Total	236.8	238.0	240.8	265.7	268.7
Customer deposits and other funds on deposit:					
Savings accounts of the banking operations . .	296.3	291.9	274.3	275.1	283.1
Other deposits and bank funds	162.9	169.9	248.5	250.1	213.6
Total	459.2	461.8	522.8	525.2	496.7
Amounts due to banks	96.9	104.1	152.3	167.0	120.8
Share capital (in millions)	2,063.1	2,063.1	2,063.1	2,242.4	2,268.1
Shareholders' equity	26.5	22.3	17.3	37.2	38.3
Non-voting equity securities ⁽⁴⁾	10.0	10.0	10.0		
Shareholders' equity per ordinary share ⁽⁵⁾	13.07	10.99	8.55	17.73	17.78

(1) For the impact of divestments see "Operating and Financial Review and Prospects".

(2) After elimination of certain intercompany transactions between the insurance operations and the banking operations. See "Principles of Valuation and Determination of Results — Consolidation" under Section 2.1. of the 2008 Financial Statements.

(3) Includes all non-interest expenses, including additions to the provision for loan losses. See "Operating and Financial Review and Prospects — Liquidity and Capital Resources".

(4) For details of the agreements with the Dutch State see "Business — Transactions with the Dutch State" elsewhere in this Prospectus.

(5) Net result per share amounts have been calculated based on the weighted average number of ordinary shares outstanding and equity per share amounts have been calculated based on the number of ordinary shares outstanding at the end of the respective periods. For purposes of this calculation ING Groep N.V. shares held by Group companies are deducted from the total number of ordinary shares in issue. Shareholders' equity per share is based on ordinary shares outstanding at end of period.

(6) The dividend pay-out ratio is based on net result attributable to equity holders of the Company.

	As of 30 September	As of 30 June	As of 31 December		
	2009	2009	2008	2007	2006
	unaudited				
Key Performance Indicators					
Return on equity	(1.1%)	(5.2%)	(2.1%)	24.2%	23.5%
Capital Ratios					
ING Group debt/equity ratio	13.1%	13.5%	13.5%	9.5%	9.0%
Insurance capital coverage ratio	256%	257%	256%	244%	274%
Insurance debt/equity ratio	11.5%	12.4%	8.8%	13.6%	14.2%
Bank Core Tier-1 ratio	7.6%	7.3%	7.3%		
Bank Tier-1 capital ratio ⁽¹⁾	9.7%	9.4%	9.3%	7.39%	7.63%
Bank total capital ratio ⁽¹⁾	12.9%	12.5%	12.8%	10.3%	11.0%

(1) Capital ratios for 2006 and 2007 are calculated under Basel I rules. Capital ratios from 2008 are calculated under Basel II rules without the application of a Basel I floor.

7. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following operating and financial review and prospects should be read in conjunction with the Financial Statements and the Interim Financial Information. The Financial Statements and the Interim Financial Information have been prepared in accordance with IFRS-EU. IFRS-EU differs in certain respects from IFRS-IASB. See “Shareholders’ Equity and Net Result on the Basis of IFRS-IASB” under Note 2.4 to the 2008 Financial Statements for a description of the differences between IFRS-EU and IFRS-IASB and “Selected Consolidated Financial Information” elsewhere in this Prospectus. Unless otherwise indicated, financial information for ING Group included herein is presented on a consolidated basis under IFRS-EU.

Factors Affecting Results of Operations

ING Group’s results of operations are affected by demographics (particularly with respect to life insurance) and by a variety of market conditions, including economic cycles, insurance industry cycles (particularly with respect to non-life insurance), banking industry cycles and fluctuations in stock markets, interest and foreign exchange rates. See “Risk Factors — Risks Related to the Financial Services Industry” and “Risk Factors — Risks Related to the Group” for more factors that can impact ING Group’s results of operations.

General market conditions

Demographic studies suggest that over the next decade there will be growth in the number of individuals who enter the age group that management believes is most likely to purchase retirement-oriented life insurance products in ING’s principal life insurance markets in the Netherlands, the Rest of Europe, the United States, Asia and Australia. In addition, in a number of its European markets, including the Netherlands, retirement, medical and other social benefits previously provided by the government have been, or in the coming years are expected to be, curtailed. Management believes this will increase opportunities for private sector providers of life insurance, health, pension and other social benefits-related insurance products. Management believes that ING Insurance’s distribution networks, the quality and diversity of its products and its investment management expertise in each of these markets, positions ING Insurance to benefit from these developments. In addition, the emerging markets in Central and Eastern Europe, Asia and Latin America, in which ING Insurance has insurance operations, generally have lower gross domestic products per capita and gross insurance premiums per capita than the countries in Western Europe and North America in which ING Insurance has insurance operations. Management believes that insurance operations in these emerging markets provide ING Insurance with the market presence which will allow it to take advantage of anticipated growth in these regions. In addition, conditions in the non-life insurance markets in which ING Insurance operates are cyclical, and characterized by periods of price competition, fluctuations in underwriting results, and the occurrence of unpredictable weather-related and other losses.

Fluctuations in equity markets

Our insurance and asset management operations are exposed to fluctuations in equity markets. Our overall investment return and fee income from equity-linked products are influenced by equity markets. The fees we charge for managing portfolios are often based on performance and value of the portfolio. In addition, fluctuations in equity markets may affect sales of life and pension products, unit-linked products, including variable business and may increase the amount of withdrawals which will reduce related management fees. In addition, our direct shareholdings that are classified as investments are exposed to fluctuations in equity markets. The securities we hold may become impaired in the case of a significant or prolonged decline in the fair value of the security below its cost. Our banking operations are also exposed to fluctuations in equity markets. ING Bank maintains an internationally diversified and mainly client-related trading portfolio. Accordingly, market downturns are likely to lead to declines in securities trading and brokerage activities which we execute for customers and therefore to a decline in related commissions and trading results. In addition to this, ING Bank also maintains equity investments in its own non-trading books. Fluctuations in equity markets may affect the value of these investments.

Fluctuations in interest rates

Our insurance operations are exposed to fluctuations in interest rates through impacts on sales and surrenders of life insurance and annuity products. Declining interest rates may increase sales, but may impact profitability as a result of a reduced spread between the guaranteed interest rates to policyholders and the investment returns on fixed interest investments. Declining interest rates may also affect the results of our reserve adequacy testing which may in turn result in reserve strengthening. Rising interest rates may increase the surrender of policies which may require liquidation of fixed interest investments at unfavorable market prices. This could result in realized investment losses. Our banking operations are exposed to fluctuations in interest rates. Our management of interest rate

sensitivity affects the results of our banking operations. Interest rate sensitivity refers to the relationship between changes in market interest rates on the one hand and on the other hand to changes in both net interest income and the results of our trading activities for our own account. Both the composition of our banking assets and liabilities and the fact that interest rate changes may affect client behavior in a different way than assumed in our internal models result in a mismatch which causes the banking operations' net interest income and trading results to be affected by changes in interest rates.

Fluctuations in exchange rates

ING Group is exposed to fluctuations in exchange rates. Our management of exchange rate sensitivity affects the results of our operations both through the trading activities for our own account and because of the fact that we publish our financial statements in euros. Because a substantial portion of our income and expenses are denominated in currencies other than euros, fluctuations in the exchange rates used to translate foreign currencies, particularly the US dollar, the Australian dollar, the Canadian dollar, the Turkish lira, the Japanese yen, the Korean won, the Pound sterling and the Polish zloty into euros will impact our reported results of operations and cash flows from year to year. This exposure is mitigated by the fact that realized results in non-Euro currencies are translated into euro by monthly hedging. See "Derivatives and Hedge Accounting" under Note 23 of Note 2.1.4. to the 2008 Financial Statements for a description of our hedging activities with respect to foreign currencies. Fluctuations in exchange rates will also impact the value (denominated in euro) of our investments in our non-Euro reporting subsidiaries. The impact of these fluctuations in exchange rates is mitigated to some extent by the fact that income and related expenses, as well as assets and liabilities, of each of our non-euro reporting subsidiaries are generally denominated in the same currencies. For the main foreign currencies, in which ING's income and expenses are denominated namely the US dollar, Pound sterling, Canadian dollar, Australian dollar, Turkish lira and Polish zloty, the translation risk is managed taking into account the effect of translation results on the Tier-1 ratio. For all other currencies the translation risk is managed within a Value-at-Risk limit.

The weakening of most currencies against the euro during 2008 had a negative impact of EUR 163 million on (underlying) net result. In 2007 and 2006 exchange rates influenced net result, respectively, by EUR 159 million negatively and EUR 20 million positively.

For the first three quarters of 2009, the four quarters of 2008 and the years 2007 and 2006, the average quarterly or yearly exchange rates, as applicable (which are the rates ING uses in the preparation of the financial statements for income statement items and cash flows not denominated in euros) were as follows for the currencies specified below:

	30 September 2009	30 June 2009	31 March 2009	Average ⁽¹⁾ 31 December 2008	30 September 2008	30 June 2008	31 March 2008	2007	2006
US dollar	1.431	1.371	1.319	1.345	1.511	1.566	1.514	1.375	1.257
Australian dollar	1.702	1.810	1.985	1.922	1.694	1.664	1.674	1.639	1.664
Canadian dollar	1.575	1.608	1.641	1.590	1.559	1.579	1.509	1.470	1.422
Pound sterling	0.874	0.888	0.919	0.844	0.795	0.792	0.761	0.686	0.682
Japanese yen	133.816	133.099	124.067	130.787	161.518	162.530	159.662	161.685	146.188
South Korean won	1,761.229	1,775.507	1,829.427	1,748.390	1,640.584	1,589.005	1,438.376	1,275.553	1,199.330
Turkish lira	2.144	2.169	2.160	1.995	1.825	1.973	1.838	1.786	1.798
Polish zloty	4.235	4.506	4.509	3.741	3.327	3.425	3.566	3.781	3.897

(1) Average exchange rates are calculated on a quarterly basis as from 2008 and on an annual basis before 2008.

Source: Reuters.

For the first three quarters of 2009 and for the years 2008, 2007 and 2006, the quarterly-end or year-end exchange rates, as applicable (which are the rates ING uses in the preparation of the financial statements for balance sheet items not denominated in euros) were as follows for the currencies specified below:

	Three months ended 30 September 2009	Three months ended 30 June 2009	Three months ended 31 March 2009	2008	2007	2006
US dollar	1.466	1.413	1.332	1.396	1.472	1.318
Australian dollar	1.661	1.736	1.922	2.026	1.676	1.669
Canadian dollar	1.573	1.628	1.670	1.710	1.444	1.528
Pound sterling	0.911	0.851	0.930	0.956	0.734	0.671
Japanese yen	133.192	135.410	131.153	126.354	164.818	156.768
South Korean won	1,726.099	1,799.645	1,837.080	1,758.269	1,378.100	1,225.973
Turkish lira	2.173	2.163	2.226	2.143	1.718	1.865
Polish zloty	4.227	4.459	4.686	4.175	3.586	3.832

Source: Reuters.

Impact of financial crisis

Like other financial institutions, ING was materially adversely impacted by the financial crisis, which started in the US subprime mortgage market in early 2007 and intensified over 2008 and 2009 as prices fell across most major asset classes throughout the world. Equity markets lost significant ground and real estate prices were, and remain, generally under pressure. Credit spreads widened significantly, both in the US and Europe. As liquidity became tight, central banks around the world were quick to provide funding to prevent the interbank market from drying up. There were also a number of significant financial institutions that failed in 2008 and 2009. As the financial crisis spread beyond the financial sector it also affected consumer confidence, other sectors and economic growth. For details regarding the impact of the credit and liquidity crisis on ING's assets and results, see "Risk Management" under Section 2.2. of the 2008 Financial Statements.

As a result of the deteriorating market conditions throughout 2008 and 2009 ING Group incurred negative revaluations on its investment portfolio, which impacted shareholders' equity. Furthermore, ING Group incurred impairments, fair value changes and trading losses, which impacted its profit and loss account ("P&L").

Impact in the three months ended 30 September 2009

The following table shows the accounting classifications of our asset-backed securities portfolio as of 30 September 2009:

Total ABS exposure as of 30 September 2009⁽¹⁾

	Loans and advances		Investments held to maturity	Investments available for sale		Fair Value through profit and loss	Total	
	Balance sheet value	Revaluation after tax	Balance sheet value	Balance sheet value	Revaluation after tax	Balance sheet value	Balance sheet value	Revaluation after tax
	(EUR billions)							
US agency RMBS				11.8	0.1	0.3	12.1	0.1
US prime RMBS				3.0	(0.4)		3.0	(0.4)
US Alt-A RMBS				2.9	(0.4)	0.1	3.0	(0.4)
US Subprime RMBS				1.3	(0.7)		1.3	(0.7)
Non-US RMBS	19.7	(0.8)	0.1	1.7	(0.1)		21.5	(0.9)
CMBS	1.7	(0.2)	0.7	5.1	(1.3)	0.1	7.6	(1.5)
CDO/CLO	1.1			0.4	(0.1)	2.8	4.3	(0.1)
Other ABS	6.2	(0.2)	0.4	1.5	(0.1)	0.2	8.3	(0.3)
Total	28.7	(1.2)	1.2	27.7	(3.0)	3.5	61.1	(4.2)

(1) Total ABS contains Banking book and Insurance general account but excludes the trading book and Insurance separate account.

The following table shows the pre-tax impact on the income statement of impairments, fair value changes, and other market impacts of ING Group for the periods indicated:

	Three months ended 30 September 2009	Three months ended 30 September 2008	Three months ended 30 June 2009
	(EUR millions)		
Subprime RMBS	(151)	(30)	(49)
Alt-A RMBS	(580)	(198)	(323)
Prime RMBS	(26)	0	(21)
Other ABS	(18)	0	(19)
CDO/CLO	73	(181)	85
Other debt securities and monoliners	(5)	(499)	(80)
Impairments / fair value changes debt securities	(707)	(908)	(407)
Equity securities impairments	(29)	(535)	(64)
Capital gains on equity securities	182	192	72
Hedges on direct equity exposure	(232)	199	(417)
Hedges on indirect equity exposure	(134)	0	(346)
DAC unlocking	104	(233)	176
Equity related impact	(109)	(377)	(579)
Real Estate revaluations / impairments	(524)	(213)	(694)
Private equity revaluations	82	(125)	8
Real Estate / Private equity	(442)	(338)	(686)
Capital gains on debt securities	165	(18)	36
Other market impact	211	(387)	223
Other	376	(405)	259
Total market impacts	(882)	(2,028)	(1,413)
Loan loss provisions Bank	(662)	(373)	(852)
Total market volatility and risk costs	(1,544)	(2,401)	(2,265)

As a result of entering into the Illiquid Assets Back-Up Facility, our total exposure to ABS was reduced. See “Business — Recent Developments — Transactions with the Dutch State”.

Market-related impacts remained substantial in the third quarter of 2009. The deteriorating US housing market, with rising delinquencies and foreclosures, triggered further impairments on US RMBS. The remaining negative revaluation reserve on ING’s total Alt-A RMBS portfolio that has not passed through the income statement amounted to EUR (609) million before tax, or EUR (394) million after tax as of September 2009.

ING’s de-risking actions shielded the balance sheet from a more profound impact, while hedges on direct and indirect equity exposure with a notional value of EUR 4.6 billion had a negative pre-tax impact on the consolidated income statement of EUR 366 million for the three months ended 30 September 2009.

Impact on ABS and CDOs

ING’s exposure to ABS declined to EUR 61.1 billion as at 30 September 2009 from EUR 64.4 billion at 30 June 2009. 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 29.0 billion as of 30 June 2009 to EUR 27.7 billion as of 30 September 2009.

ING’s Alt-A RMBS portfolio declined slightly from EUR 3.1 billion as of 30 June 2009 to EUR 3.0 billion as at 30 September 2009, driven by pre-payments and redemptions of underlying Alt-A mortgages, partly offset by positive revaluations. The market value increased to 58.9% of the purchase price, up from 57.4% at 30 June 2009.

The subprime RMBS portfolio amounted to EUR 1.3 billion as at 30 September 2009. The market value of ING’s subprime RMBS increased to 48.6% of the purchase price from 44.8% at 30 June 2009.

ING’s CDO/CLO portfolio was EUR 4.3 billion at 30 September 2009. The CDOs in ING’s portfolio generally reference investment-grade corporate credit.

The CMBS portfolio had a market value of EUR 7.6 billion. ING’s CMBS portfolio was fair valued at 79%, up from 74% as of 30 June 2009.

Impact on Equity Securities

ING's listed equity portfolio increased to EUR 6.1 billion at 30 September 2009, up from 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 September. However, the effectiveness of the hedge has declined given positive equity markets. In the US, ING holds a hedge to protect Insurance regulatory capital. This hedge is a put spread collar and had a notional of USD 1 billion (or EUR 0.7 billion) as of 30 September 2009.

Impact on other Asset Classes

ING Insurance had EUR 1.7 billion in private equity and alternative investments as of 30 September 2009.

ING's direct real estate exposure as of 30 September 2009 was EUR 14.4 billion, of which EUR 8.6 billion is subject to revaluation through the income statement.

Impact on Loan Losses

Additions to provisions for loan losses remained elevated in the three months ended 30 September 2009. Underlying net additions to loan losses were EUR 665 million (inclusive of EUR 34 million for loan modification in ING Direct's US mortgage book), or an annualized 92 basis points of average credit-risk weighted assets ("CRWA") (or 87 basis points, if calculated exclusive of loan modifications in ING Direct's US mortgage book). ING expects risk costs in the coming quarters to be around the levels of the first three quarters of 2009.

As of 30 September 2009, ING Bank's non-performing residential mortgage loans totaled 1.3% of total outstanding mortgage loans. A non-performing mortgage loan is a mortgage loan that shows a delinquency of more than 90 days. In the case of 90 days delinquency, the whole loan is considered to be non-performing. The table below shows the breakdown by geographic region of outstanding and non-performing residential mortgage loans held by the banking business as of 30 September 2009.

	Mortgage Loans as of 30 September 2009		Mortgage Loans as of 30 June 2009
	Outstanding (in EUR billions)	Non-performing (as a percentage of outstanding as of 30 September 2009)	Non-performing (as a percentage of outstanding as of 30 June 2009)
Netherlands	136.9	1.0%	1.0%
Germany	45.7	0.9%	0.9%
United States	24.6	4.3%	4.1%
Belgium and Luxembourg	21.9	2.2%	2.2%
Australia	21.6	0.6%	0.8%
Canada	15.9	0.4%	0.4%
Spain	7.4	0.4%	0.4%
Italy	5.6	0.4%	0.3%
Poland	1.3	0.2%	0.2%
United Kingdom	1.3	0.0%	0.0%
Turkey	0.8	1.4%	1.4%
Romania	0.5	0.4%	0.4%
India	0.5	1.3%	1.1%
Total / Average	<u>284.1</u>	<u>1.3%</u>	<u>1.3%</u>

As of 30 September 2009, ING Bank's non-performing commercial loans totaled 3.5% of total outstanding commercial loans. A non-performing commercial loan is a commercial loan that is classified as defaulted according to Basel II default triggers/definitions. The table below shows the breakdown by business line of ING Bank's outstanding and non-performing commercial loans as of 30 September 2009.

	Commercial Loans as of 30 September 2009		Commercial Loans as of 30 June 2009
	Outstanding (in EUR billions)	Non-performing (as a percentage of outstanding as of 30 September 2009)	Non-performing (as a percentage of outstanding as of 30 June 2009)
Business Lending ⁽¹⁾	42	2.7%	2.0%
Retail Lending ⁽²⁾	59	3.2%	2.9%
Structured Finance	45	4.1%	4.1%
Real Estate Finance	34	4.4%	4.3%
Leasing	20	3.5%	3.5%
Other	6	2.9%	2.2%
Total / Average	206	3.5%	3.2%

(1) Business Lending is comprised of loans to Commercial Banking clients.

(2) Retail Lending is comprised of loans to mid-corporates and SMEs.

ING Bank's coverage ratio of loan loss provisions over provisioned loans was 35% at 30 September 2009, as the proportion of collateralized lending in ING Bank's loan book is relatively high. The table below shows the breakdown by business line of ING Bank's coverage ratio of loan loss provisions over provisioned loans as of 30 September 2009 and 30 June 2009:

	As of September 30 2009	As of 30 June 2009
Benelux Mortgages	7%	7%
Benelux Other Retail Lending	47%	42%
ING Direct	45%	39%
Structured Finance	37%	28%
Real Estate Finance	19%	15%
Leasing	26%	24%
Business Lending ⁽¹⁾	60%	52%
Total ING Bank:	35%	33%

(1) Business Lending is comprised of loans to Commercial Banking clients.

The total provisions at 30 September 2009 for the commercial loan book were EUR 2.7 billion, compared with EUR 1.6 billion for the remainder of the loan book.

Impact on Risk-Weighted Assets

Risk-weighted assets ("RWA") decreased by EUR 8 billion to EUR 337 billion as of 30 September 2009. Credit rating migration added around EUR 5 billion of RWA, on balance, entirely due to rating downgrades of ABSs held by the Bank. Management actions offset the increase in RWA. The reduction of the balance sheet released EUR 7 billion of RWA. Other factors, including the shift to the Basel II advanced rating-based approach in a business unit that was formerly under the standardized approach, reduced RWA by EUR 3 billion for the three months ended 30 September 2009. Currency effects contributed EUR 3 billion to the reduction of RWA.

Impact in 2008

The table below shows the exposures and negative revaluations and losses taken on US sub-prime and US Alt-A RMBS, CDOs and CLOs during 2008 and 2007.

US Subprime RMBS, US Alt-A RMBS and CDOs/CLOs exposures, revaluations and losses

	31 December 2008	Change in 2008			31 December 2007	
	Market value	Revaluations through Equity (pre-tax)	Write-downs through P&L (pre-tax)	Other changes	Market value	Revaluations through Equity (pre-tax)
		(EUR millions)				
US Subprime RMBS	1,778	(839)	(120)	(52)	2,789	(307)
US Alt-A RMBS	18,847	(6,538)	(2,064)	(33)	27,482	(936)
CDOs/CLOs	3,469	(218)	(394)	2,186	1,895	(134)
Total	24,094	(7,595)	(2,578)	2,101	32,166	(1,377)

ING's total EUR 1.8 billion exposure to US sub-prime assets relates to non originated loans acquired as investments in RMBS and represents 0.1% of total assets. At 31 December 2008 approximately 77% of ING's US sub-prime portfolio was rated AA or higher. ING Group does not originate sub-prime mortgages. The vast majority of the total mortgage backed securitizations ("MBS") are residential mortgages that are not classified as sub-prime.

ING's total US Alt-A RMBS exposure at 31 December 2008 was EUR 18.8 billion. About 65% of this portfolio was AAA rated. The majority of the exposure (EUR 16.3 billion) was held by ING Direct. ING's Available-for-Sale Alt-A investments are measured at fair value in the balance sheet. The substantial amount of negative pre-tax revaluation and impairments on this portfolio are mainly caused by the illiquid market.

Net investments in CDOs/CLOs at 31 December 2008 were 0.3% of total assets. The vast majority of the CDOs/CLOs has investment grade corporate credit as underlying assets, only EUR 1 million has US subprime mortgages underlying.

EUR 23.7 billion of the EUR 24.1 billion exposure as at 31 December 2008 on US Subprime RMBS, US Alt-A RMBS and CDOs/CLOs is booked at fair value. An analysis of the method applied in determining the fair values of financial assets and liabilities is provided in "Fair Value of Financial Assets and Liabilities" under Note 33 of Note 2.1.4. to the 2008 Financial Statements.

At 31 December 2008 and 2007 the fair value of US Subprime RMBS, US Alt-A RMBS and CDOs/CLOs was as follows:

	Reference to published price quotations in active markets	Valuation technique supported by market inputs	Valuation technique not supported by market inputs	Total
	(EUR millions)			
2008				
US Subprime RMBS	20	26	1,732	1,778
US Alt-A RMBS		244	18,244	18,488
CDOs/CLOs	3,273	162	34	3,469
Total	3,293	432	20,010	23,735
2007				
US Subprime RMBS	2,636	153		2,789
US Alt-A RMBS	23,312	4,170		27,482
CDOs/CLOs	281	1,597	17	1,895
Total	26,229	5,920	17	32,166

Assets classified in "Valuation technique not supported by market inputs" consist mainly (approximately 87%) of investments in asset backed securities in the United States. These assets are valued using external price sources that are obtained from third party pricing services and brokers. As at 31 December 2007, these assets were classified in reference to published price quotations in active markets as valuation is based on independent quotes and trading in the relevant markets was active at that time. During 2008, the trading volumes in the relevant markets reduced significantly and these have now become inactive. The dispersion between prices for the same security from different price sources increased significantly. As a result, an amount of EUR 25 billion of mortgage backed

securities in the United States was reclassified from reference to published price quotations in active markets to valuation technique not supported by market inputs in the third quarter of 2008.

Impact on real estate

By the end of 2008 ING's total exposure to real estate was EUR 15.5 billion of which EUR 9.8 billion was subject to revaluation through the profit and loss account. In 2008, ING recorded EUR 1,184 million pre-tax negative revaluations and impairments. ING's real estate portfolio has high occupancy rates and is diversified over sectors and regions, but is clearly affected by the negative real estate markets throughout the world.

Impact on equity securities — available-for-sale

Direct equity exposure at 31 December 2008 in this caption was EUR 5.8 billion (public) and EUR 0.4 billion (private). During 2008 ING booked EUR 1,707 million of pre-tax impairments on this direct public equity exposure. ING generally decides to impair a listed equity security based on two broad guidelines: when the fair value of the security is below 75% of the cost price or when the market price of the security is below the cost price for longer than six months.

Impact on other asset classes

Negative impact on results 2008 (pre-tax) from private equity and alternative assets amounted to EUR 399 million. Negative impact on results 2008 (pre-tax) from debt securities other than mentioned above amounted to EUR 292 million.

Impact on counterparty risk

In the third quarter of 2008 a number of financial institutions were no longer expected to fulfill their obligations. ING incurred EUR 483 million pre-tax losses (excluding loan losses) on Lehman Brothers, Washington Mutual and the Icelandic banks. The loss included impairments of debt securities, trading losses and derivative positions, including the costs to replace derivatives on which the banks were counterparty.

Impact on liquidity profile

Due to the financial crisis liquidity became scarce and central banks around the world provided funding to prevent the interbank market drying up. ING's liquidity position remained sound. ING Bank has a favorable funding profile as the majority of the funding stems from client deposits.

Critical Accounting Policies

ING Group has identified the accounting policies that are most critical to its business operations and to the understanding of its results. These critical accounting policies are those which involve the most complex or subjective decisions or assessments, and relate to insurance provisions and deferred acquisition costs, the loan loss provision, the determination of the fair values of real estate, financial assets and liabilities, impairments and employee benefits. In each case, the determination of these items is fundamental to the financial condition and results of operations, and requires management to make complex judgments based on information and financial data that may change in future periods. As a result, determinations regarding these items necessarily involve the use of assumptions and subjective judgments as to future events and are subject to change, as the use of different assumptions or data could produce materially different results. For a further discussion of the application of these accounting policies, see "Principles of Valuation and Determination of Results" under Section 2.1. of the 2008 Financial Statements.

Insurance provisions, Deferred acquisition costs (DAC) and Value of business acquired (VOBA)

The establishment of insurance provisions, DAC and VOBA is an inherently uncertain process, involving assumptions about factors such as court decisions, changes in laws, social, economic and demographic trends, inflation, investment returns, policyholder behavior and other factors, and, in the life insurance business, assumptions concerning mortality and morbidity trends. Specifically, significant assumptions related to these items that could have a material impact on financial results include interest rates, mortality, morbidity, property and casualty claims, investment yields on equity and real estate, foreign currency exchange rates and reserve adequacy assumptions.

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.

In addition, the adequacy of insurance provisions, net of DAC and VOBA, is evaluated regularly. The test involves comparing the established insurance provision with current best estimate assumptions about factors such as court decisions, changes in laws, social, economic and demographic trends, inflation, investment returns, policyholder behavior and other factors, and mortality and morbidity trends. The use of different assumptions in this test could lead to a different outcome.

Insurance provisions also include the impact of minimum guarantees which are contained within certain variable annuity products. This impact is dependent upon the difference between the potential minimum benefits payable and the total account balance, expected mortality and surrender rates. The determination of the potential minimum benefits payable also involves the use of assumptions about factors such as inflation, investment returns, policyholder behavior, and mortality and morbidity trends. The use of different assumptions about these factors could have a material effect on insurance provisions and underwriting expense.

The process of defining methodologies and assumptions for insurance provisions, DAC and VOBA is governed by ING Insurance risk management governance. See “Risk Management” under Section 2.2. of the 2008 Financial Statements.

The above-referenced “Risk Management” section also includes a sensitivity analysis of net result and shareholders’ equity to insurance, interest rate, equity, foreign currency and real estate risks. These sensitivities are based on changes in assumptions that management considers reasonably likely at the balance sheet date.

Loan loss provisions

Loan loss provisions are recognized based on an incurred loss model. Considerable judgment is exercised in determining the extent of the loan loss provision (impairment) and is based on the management’s evaluation of the risk in the portfolio, current economic conditions, loss experience in recent years and credit, industry and geographical concentration trends. Changes in such judgments and analyses may lead to changes in the loan loss provisions over time.

The identification of impairment and the determination of the recoverable amount are an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices.

Future cash flows in a portfolio of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the portfolio and historical loss experience for assets with credit risk characteristics similar to those in the portfolio. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. Current observable data may include changes in unemployment rates, property prices and commodity prices. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Fair values of real estate

Real estate investments are reported at fair value; all changes in fair value are recognized directly in the profit and loss account. The fair value of real estate investments is based on regular appraisals by independent qualified valuers. The fair values represent the estimated amount for which the property could be exchanged on the date of valuation between a willing buyer and willing seller in an at-arm’s-length transaction after proper marketing wherein the parties each acted knowledgeably, prudently and without compulsion. The valuations are based on the assumption that the properties are let and sold to third parties based on the actual letting status. The valuations are based on discounted cash flow analysis of each property. The discounted cash flow analyses are based on calculations of the future rental income in accordance with the terms in existing leases and estimations of the rental values when leases expire.

For each reporting period every property is valued either by an independent valuer or internally. Indexation is used when a property is valued internally. The index is based on the results of the independent valuations carried out in that period. Market transactions and disposals are monitored as part of the procedures to back test the indexation methodology. Valuations performed earlier in the year are updated if necessary to reflect the situation at year end.

The valuation of real estate involves various assumptions and techniques. The use of different assumptions and techniques could produce significantly different revaluations.

Fair values of financial assets and liabilities

Fair values of financial assets and liabilities are determined using quoted market prices where available. Market prices are obtained from independent market vendors, brokers, or market makers. In general, positions are valued taking the bid price for a long position and the offer price for a short position. In some cases where positions are marked at mid-market prices, a fair value adjustment is calculated.

In certain markets that have become significantly less liquid or illiquid, the range of prices for the same security from different price sources can be significant. Selecting the most appropriate price within this range requires judgment. The choice of different prices could produce materially different estimates of fair value.

For certain financial assets and liabilities quoted market prices are not available. For these financial assets and liabilities, fair value is determined using valuation techniques. These valuation techniques range from discounting of cash flows to valuation models, where relevant pricing factors including the market price of underlying reference instruments, market parameters (volatilities, correlations, credit ratings) and customer behavior are taken into account. All valuation techniques used are subject to internal review and approval. Most data used in these valuation techniques are validated on a daily basis.

Valuation techniques are subjective in nature and significant judgment is involved in establishing fair values for certain financial assets and liabilities. Valuation techniques involve various assumptions regarding pricing factors. The use of different valuation techniques and assumptions could produce materially different estimates of fair value.

Price testing is performed to assess whether the process of valuation has led to an appropriate fair value of the position and to an appropriate reflection of these valuations in the profit and loss account. Price testing is performed to minimize the potential risks for economic losses due to materially incorrect or misused models.

Certain asset backed securities in the United States are valued using external price sources that are obtained from third party pricing services and brokers. During 2008 the markets for these assets have become inactive and as a result, the dispersion between different prices for the same security is significant. In such cases, management applies additional processes to select the most appropriate external price, including an internally developed price validation matrix and a process to challenge the price source. The valuation of these portfolios would have been significantly different had different prices been selected.

See “Fair Value of Financial Assets and “Liabilities” under Note 33 of Note 2.1.4. to the 2008 Financial Statements for the basis of the determination of the fair value of financial instruments and related sensitivities.

Impairments

Impairment evaluation is a complex process that inherently involves significant judgments and uncertainties that may have a material impact on the ING Group’s financial statements. Impairments are especially relevant in two areas: Available-for-sale debt and equity securities and Goodwill/Intangible assets.

All debt and equity securities (other than those carried at fair value through profit or loss) are subject to impairment testing every reporting period. The carrying value is reviewed in order to determine whether an impairment loss has been incurred. Evaluation for impairment includes both quantitative and qualitative considerations. For debt securities, such considerations include actual and estimated incurred credit losses indicated by payment default, market data on (estimated) incurred losses and other current evidence that the issuer may be unlikely to pay amounts when due. Equity securities are impaired when management believes that, based on (the combination of) a significant or prolonged decline of fair value below the acquisition price, there is sufficient reason to believe that the acquisition cost may not be recovered. ‘Significant’ and ‘prolonged’ are interpreted on a case-by-case basis for specific equity securities; generally 25% and 6 months are used as triggers.

Upon impairment, the full difference between amortized cost and fair value is removed from equity and recognized in net profit or loss. Impairments on debt securities may be reversed if there is a decrease in the amount of the impairment which can be objectively related to an observable event. Impairments on equity securities may not be reversed.

Impairments on other debt instruments (loans and held-to-maturity investments) are part of the loan loss provision as described above.

Impairment reviews with respect to goodwill and intangible assets are performed at least annually, and more frequently if events indicate that an impairment may have occurred. Goodwill is tested for impairment by comparing the book value (including goodwill) to the best estimate of the fair value of the reporting unit to which the goodwill has been allocated. A reporting unit is the lowest level at which goodwill is monitored. Intangible assets are tested for impairment by comparing its book value with the best estimate of its recoverable amount.

The identification of impairment is an inherently uncertain process involving various assumptions and factors, including financial condition of the counterparty, expected future cash flows, statistical loss data, discount rates, observable market prices, etc. Estimates and assumptions are based on management's judgment and other information available prior to the issuance of the financial statements. Materially different results can occur as circumstances change and additional information becomes known.

Employee benefits

Group companies operate various defined benefit retirement plans covering a significant number of ING's employees.

The liability recognized in the balance sheet in respect of the defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets, together with adjustments for unrecognized actuarial gains and losses, and unrecognized past service costs.

The determination of the defined benefit plan liability is based on internal and external actuarial models and calculations. The defined benefit obligation is calculated using the projected unit credit method. Inherent in these actuarial models are assumptions including discount rates, rates of increase in future salary and benefit levels, mortality rates, trend rates in health care costs, consumer price index, and the expected return on plan assets. The assumptions are based on available market data and the historical performance of plan assets, and are updated annually.

The actuarial assumptions may differ significantly from the actual results due to changes in market conditions, economic and mortality trends, and other assumptions. Any changes in these assumptions could have a significant impact on the defined benefit plan liabilities and future pension costs. The effects of changes in actuarial assumptions and experience adjustments are not recognized in the profit and loss account unless the accumulated changes exceed 10% of the greater of the defined benefit obligation and the fair value of the plan assets and the excess is then amortized over the employees' expected average remaining working lives. See "Other liabilities" under Note 21 of Note 2.1.3 to the 2008 Financial Statements for the weighted averages of basic actuarial assumptions in connection with pension and other post-employment benefits.

Consolidated Results of Operations

The following information should be read in conjunction with, and is qualified by reference to the Financial Statements and the Interim Financial Information and other financial information included elsewhere herein. ING Group evaluates the results of its insurance operations and banking operations, including Insurance Europe, Insurance Americas, Insurance Asia/Pacific, Commercial Banking, Retail Banking and ING Direct, using the financial performance measure of underlying result before tax. Underlying result before tax is defined as result before tax and, excluding, as applicable for each respective segment, either all or some of the following items: gains/losses from divested units, realized gains/losses on divestitures and special items such as certain restructuring charges and other non-operating income/expense.

While these excluded items are significant components in understanding and assessing the Group's consolidated financial performance, ING Group believes that the presentation of underlying result before tax enhances the understanding and comparability of its segment performance by highlighting result before tax attributable to ongoing operations and the underlying profitability of the segment businesses. For example, we believe that trends in the underlying profitability of our segments can be more clearly identified without the effects of the realized gains/losses on divestitures as the timing is largely subject to the Company's discretion, influenced by market opportunities and ING Group does not believe that they are indicative of future results. Underlying result before tax is not a substitute for result before tax as determined in accordance with IFRS-EU. ING Group's definition of underlying result before tax may differ from those used by other companies and may change over time. For further information on underlying result before tax as well as the reconciliation of our segment underlying result before tax to our result before taxation see "Operating and Financial Review and Prospects — Consolidated Assets and Liabilities — Segment Reporting" elsewhere in this Prospectus and "Primary Reporting Format — Business Segment" under Note 49 of Note 2.1.6. to the 2008 Financial Statements.

The following table sets forth the consolidated results of operations of ING Group and its insurance and banking operations for the nine month periods ended 30 September 2009 and 2008:

	Insurance ⁽¹⁾		Banking ⁽¹⁾		Eliminations		Total	
	Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September	
	2009	2008	2009	2008	2009	2008	2009	2008
	unaudited (EUR millions)							
Gross premium income	23,816	34,109					23,816	34,109
Interest result banking operations . .			9,387	7,869	109	57	9,278	7,812
Commission income	1,469	1,565	1,991	2,176			3,460	3,741
Investment and other income	2,153	7,281	(1,326)	265	144	139	684	7,406
Total income	27,438	42,954	10,053	10,310	253	196	37,237	53,067
Underwriting expenditure	24,016	36,475					24,016	36,475
Other interest expenses	786	907			253	196	533	711
Operating expenses	3,340	4,027	7,478	7,514			10,818	11,541
Impairments/additions to the provision for loan losses	54	68	2,290	704			2,344	772
Total expenditure	28,198	41,478	9,768	8,218	253	196	37,712	49,500
Result before tax	(760)	1,477	285	2,091			(476)	3,568
Taxation	(130)	94	(11)	483			(141)	577
Result before minority interests . .	(630)	1,382	296	1609			(335)	2,991
Minority interests	14	38	(125)	(29)			(112)	9
Net result	(644)	1,344	421	1,638			(223)	2,982
Result before tax	(760)	1,477	285	2,091			(476)	3,568
Gains/losses on divestments ⁽²⁾	226	(225)	0	0			226	(225)
Result divested units	4	(88)	0	0			4	(88)
Special items ^{(3),(4)}	416	72	483	199			899	271
Underlying result before tax	(114)	1,236	768	2,290	=	=	654	3,526

(1) Excluding intercompany eliminations.

(2) Divestments Insurance: sale Canada (EUR 46 million, 2009), sale Industry Pension Funds (EUR 160 million, 2009), sale Chile (EUR 12 million, 2009), sale Argentina (EUR 8 million, 2009), sale NRG (EUR 15 million, 2008), sale Chile Health business (EUR (62) million, 2008), sale Mexico Insurance (EUR (182) million, 2008).

(3) Special items Banking: restructuring provision, as part of the initiative to reduce operating expenses ING Group by EUR 1 billion for the year 2009, (EUR 352 million, 2009), Illiquid Assets Back-Up Facility (EUR (69) million, 2009) provision for Retail Netherlands Strategy (EUR 160 million, 2009, EUR 199 million, 2008), not launching ING Direct Japan (EUR 39 million, 2009).

(4) Special items Insurance: restructuring provision (EUR 245 million, 2009), Illiquid Assets Back-Up Facility (EUR 118 million, 2009), One Insurance NL (EUR 53 million, 2009), restructuring costs (mainly CitiStreet EUR 73 million, 2008) .

Three months ended 30 September 2009 compared to three months ended 30 September 2008

The following table sets forth the consolidated results of operations of ING Group and its insurance and banking operations for the three-month periods ended 30 September 2009 and 2008:

	Insurance ⁽¹⁾		Banking ⁽¹⁾		Eliminations		Total	
	Three months ended 30 September		Three months ended 30 September		Three months ended 30 September		Three months ended 30 September	
	2009	2008	2009	2008	2009	2008	2009	2008
	unaudited (EUR millions)							
Premium income	7,632	10,380					7,632	10,380
Interest result banking operations			3,165	2,643	66	33	3,099	2,610
Commission income	498	557	717	704			1,215	1,261
Investment and other income	892	2,159	(714)	(722)	16	49	161	1,388
Total income	9,022	13,096	3,168	2,625	82	82	12,108	15,639
Underwriting expenditure	7,352	11,831					7,352	11,831
Other interest expenses	245	309			82	82	163	227
Operating expenses	1,037	1,362	2,327	2,504			3,364	3,866
Impairments/additions to the provision for loan losses	18	31	665	373	—	—	683	404
Total expenditure	8,652	13,533	2,992	2,877	82	82	11,562	16,328
Result before tax	370	(437)	176	(252)			545	(689)
Taxation	51	(92)	4	(127)	—	—	55	(219)
Result before minority interests	319	(346)	172	(124)			490	(470)
Minority interests	8	4	(16)	4	—	—	(9)	8
Net result	311	(350)	188	(128)			499	(478)
Result before tax	370	(437)	176	(252)			545	(689)
Gains/losses on divestments ⁽²⁾	173	(178)					173	(178)
Result divested units	4	47					4	47
Special items ^{(3),(4)}	40	73	98	36	—	—	138	109
Underlying result before tax	587	(496)	274	(216)	—	—	861	(712)

(1) Excluding intercompany eliminations.

(2) Divestments Insurance, sale Industry Pension Funds (EUR 160 million, 2009), sale Chile (EUR 12 million, 2009), sale Mexico Insurance (EUR (182) million, 2008).

(3) Special items Banking: restructuring provision, as part of the initiative to reduce operating expenses ING Group by EUR 1 billion for the year 2009, (EUR 36 million, 2009), provision for Retail Netherlands Strategy (EUR 62 million, 2009, EUR 35 million, 2008).

(4) Special items Insurance: restructuring provision (EUR (12) million, 2009), One Insurance NL (EUR 53 million, 2009), restructuring costs (mainly CitiStreet EUR 73 million, 2008)

GROUP OVERVIEW

The Group's net result rose EUR 977 million to EUR 499 million for the three months ended 30 September 2009 from a loss of EUR 478 million in the three months ended 30 September 2008, reflecting gradually improved market conditions as financial markets continued to stabilize and the successful implementation of cost-containment initiatives. An improvement in equity markets led to realized gains that helped to temper losses from other equity-related impacts. Global real estate markets remained depressed, however, leading to fair value losses on that asset class, and the weak US housing market and rising delinquencies again resulted in impairments on mortgage-backed securities.

The net result of the banking operations increased to EUR 188 million for the three months ended 30 September 2009 compared to a loss of EUR 128 million in the same period of 2008 and a loss of EUR 118 million in the second quarter of 2009. The Bank's performance in the three months ended 30 September 2009 was driven by higher interest margins, an improvement in other income, and lower expenses due to cost-containment initiatives and one-time events. The interest margin for the three months ended 30 September 2009 rose 40 basis points from the same period in 2008 to 1.40%, supported by the reduction of the balance sheet. Market-related impacts on the banking operations were EUR (1,121) million and consisted primarily of impairments on debt securities of

EUR (664) million, mainly related to the retained portion of ING Direct's Alt-A RMBS portfolio, and real estate revaluations and impairments of EUR (423) million. Risk costs improved for the three months ended 30 September 2009 compared with the previous quarter, but remained elevated, reflecting the persistently challenging credit environment. Risk costs for the three months ended 30 September 2009 totaled EUR 665 million (inclusive of EUR 34 million for loan modification in ING Direct's US mortgage book), or an annualized 92 points of CRWA (or 87 points, if calculated exclusive of loan modifications in ING Direct's US mortgage book), compared to 118 basis points in the second quarter. ING expects risk costs in the coming quarters to be around the levels of the first three months of 2009.

The net result of the insurance operations increased to EUR 311 million for the three months ended 30 September compared to a loss of EUR 350 million in the same period of the previous year and EUR 189 million in the second quarter of 2009. These results reflect the continuing impact of lower sales and margin pressure, which resulted in part from efforts to de-risk portfolios, and expenses that were on par with the previous quarter. On balance, market-related impacts had a positive contribution of EUR 240 million at Insurance in the three months ended 30 September 2009. Favorable market-related impacts included realized gains on equity and debt securities of EUR 235 million (net of impairments), DAC unlocking of EUR 104 million, private equity revaluations of EUR 82 million and other positive impacts totaling EUR 286 million. These items more than offset the negative impacts of EUR (366) million of hedge results and EUR (101) million of real estate revaluations.

The Group's result before tax was EUR 545 million for the three months ended 30 September 2009. Taxation for the three months ended 30 September 2009 was EUR 55 million and minority interests totaled EUR (9) million. The Group's quarterly net result for the three months ended 30 September 2009 was EUR 499 million.

The net result per share was EUR 0.25. Total shares outstanding in the market were 2,063 million at the end of September 2009, compared with 2,063 million at the end of June. The average number of shares used to calculate earnings per share over the three months ended 30 September 2009 is 2,025 million.

INSURANCE OPERATIONS

Income

Total premium income fell 26.5% for the three months ended 30 September 2009 compared to the same period of 2008, mainly due to lower sales, most notably in the US and Asia/Pacific, where we acted to reduce our variable annuity sales. In Europe, premiums increased 16.2% excluding the currency impact, with EUR 436 million related to a change in the recognition of premiums in the Netherlands.

Commission income for the three months ended 30 September 2009 decreased 8.5% on a constant currency basis, particularly in the Americas and Asia/Pacific, due to lower average assets under management.

"Investment and other income" dropped 58.7% for the three months ended 30 September 2009 compared to the same period in 2008, mainly as a result of negative fair value changes on derivatives that hedge equity exposures and guaranteed benefits in the US and Japan's variable annuity businesses. This decrease was largely offset by lower provisioning on variable annuities in the US and Japan, and lower DAC amortisation in the US, which is reflected in underwriting expenditure.

New sales (APE) declined 19.9% following lower sales in the US, Central Europe and Asia/Pacific. This was mainly caused by lower demand for investment-oriented products. In the Benelux, sales rose 66.1%, largely due to the change in the recognition of life premiums in the Netherlands.

Expenses

Operating expenses fell 23.9% in the three months ended 30 September 2009 compared to the three months ended 30 September 2008 as a result of cost containment measures implemented across all of the business lines and lower sales-related expenses due to lower production. Compared with the second quarter of 2009, operating expenses in the third quarter of 2009 were flat.

Result before tax and net result

The result before tax from the Group's insurance activities for the three months ended 30 September 2009 increased by EUR 807 million, or 184.7%, to EUR 370 million, from a loss of EUR 437 million in the same period of 2008. Net result for the Group's insurance operations for the three months ended 30 September 2009 increased by EUR 661 million, or 188.9%, to EUR 311 million, from a loss of EUR 350 million in the same period of 2008.

Underlying result before tax

Insurance recorded an underlying result before tax of EUR 587 million for the three months ended 30 September 2009 compared to a loss of EUR 496 million in the same period of 2008, principally due to the positive market impact of EUR 240 million for the three months ended 30 September 2009 and the negative market impacts of EUR 942 million in the same period in 2008. The positive market related items consisted of EUR 235 million of realized gains on equity and debt securities net of impairments, EUR 104 million of positive DAC unlocking, EUR 82 million of private equity revaluations, and other positive impacts totaling EUR 286 million. These factors were partially offset by the negative impact of EUR (366) million of hedge results and EUR (101) million of negative real estate revaluations.

BANKING OPERATIONS

Income

Total income for the three months ended 30 September 2009 rose to EUR 3,168 million, or 20.7%, compared with the three months ended 30 September 2008, driven by higher interest income. Compared with the second quarter of 2009, income in the third quarter of 2009 was up 6.3%. Third quarter 2009 interest income increased by 19.8% to EUR 3,165 million, primarily due to improvement of the interest margin and more favorable yield curves in Commercial Banking and ING Direct. Total interest margin increased to 1.40% for the three months ended 30 September 2009, up 40 basis points compared with the third quarter of 2008, supported by balance sheet de-leveraging. Compared with the second quarter of 2009, total interest income for the three months ended 30 September 2009 decreased by 0.6%, while the interest margin was up 9 basis points due to further reduction of the balance sheet.

Commission income increased by 1.8% to EUR 717 million in the three months ended 30 September 2009 compared to the third quarter of 2008, as a decline in Retail Banking was more than offset by higher fees in Commercial Banking and ING Direct. Compared with the second quarter of 2009, commission income in the three months ended 30 September 2009 rose 8.0% due to higher fees on asset management activities and brokerage and advisory services.

In the three months ended 30 September 2009, investment income declined from EUR (517) million in the third quarter of 2008 to EUR (674) million, including EUR (673) million of impairments (compared to EUR (545) million in the third quarter of 2008), primarily on ING Direct's retained Alt-A portfolio, and EUR (133) million of negative fair value changes on direct real estate investments.

"Other income" improved from EUR (205) million for the three months ended 30 September 2008 to EUR (40) million for the three months ended 30 September 2009, due mainly to increased net trading income, which more than offset negative valuation results on non-trading derivatives and higher losses from associates (mainly at ING Real Estate). For the three months ended 30 September 2009, 'other income' included a EUR (75) million negative impact of fair value changes on the Bank's own Tier 2 debt as well as EUR (61) million of impairments on assets held for sale by ING Real Estate.

Expenses

Operating expenses fell 7.1%, or EUR 177 million for the three months ended 30 September 2009, compared to the three months ended 30 September 2008 despite impairments on real estate development projects in Commercial Banking and higher deposit insurance premiums at ING Direct. These impacts were more than offset by cost-containment initiatives, the one-time settlement of a vendor contract and the release of an employee benefits provision in Belgium. Compared with the second quarter of 2009, expenses were 5.4% lower. As of 30 September 2009, headcount had been reduced by 4,105 FTEs as part of the Back to Basics program, exceeding the expected reduction of 2,800 positions for 2009.

Impairments/Additions to the provision for loan losses

ING Bank added EUR 665 million to the loan loss provisions for the three months ended 30 September 2009 compared with EUR 852 million in the second quarter of 2009 and EUR 373 million for the three months ended 30 September 2008. For the three months ended 30 September 2009, gross additions to the loan loss provisions were EUR 849 million, while releases increased to EUR 184 million.

Result before tax and net result

The result before tax for the three months ended 30 September 2009 increased by EUR 428 million to a result of EUR 176 million, from a loss of EUR 252 million for the three months ended 30 September 2008. Net result increased by EUR 316 million to a profit of EUR 188 million for the three months ended 30 September 2009 from a loss of EUR 128 million for the three months ended 30 September 2008.

Underlying result before tax

Banking's underlying result before tax was EUR 274 million compared to a loss of EUR 216 million in the same quarter last year. The improvement was driven by higher interest results and the positive impact of cost-containment initiatives, partly offset by higher additions to the loan loss provisions. The underlying result before market-related impacts and risk costs rose to more than EUR 2.0 billion for the three months ended 30 September 2009, compared with EUR 1.2 billion in the same period last year and EUR 1.8 billion in the second quarter of 2009.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

The following table sets forth the consolidated results of operations of ING Group and its insurance and banking operations for the six month periods ended 30 June 2009 and 2008:

	Insurance⁽¹⁾		Banking⁽¹⁾		Eliminations		Total	
	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2009	2008	2009	2008	2009	2008	2009	2008
	(EUR millions) unaudited							
Gross premium income	16,183	23,729					16,183	23,729
Interest result banking operations . . .			6,223	5,225	43	24	6,180	5,201
Commission income	971	1,008	1,274	1,472			2,243	2,480
Investment and Other income	1,261	5,122	(612)	987	128	91	523	6,018
Total income	18,415	29,858	6,885	7,685	171	115	25,129	37,428
Underwriting expenditure	16,664	24,644					16,664	24,644
Other interest expenses	542	598			171	115	371	483
Operating expenses	2,303	2,665	5,151	5,010			7,454	7,675
Impairments/additions to the provision for loan losses	36	37	1,625	331			1,661	368
Total expenditure	19,545	27,944	6,776	5,341	171	115	26,150	33,170
Result before tax	(1,130)	1,914	109	2,343			(1,021)	4,257
Taxation	(181)	186	(15)	610			(196)	796
Result before minority interests . . .	(949)	1,728	124	1,733			(825)	3,461
Minority interests	6	34	(109)	(33)			(103)	1
Net result	(955)	1,694	233	1,766			(722)	3,460
Result before tax	(1,130)	1,914	109	2,343			(1,021)	4,257
Gains/losses on divestments ⁽²⁾	54	(47)					54	(47)
Result divested units		(135)						(135)
Special items ⁽³⁾	375		385	164			760	164
Underlying result before tax	(701)	1,732	494	2,507			(207)	4,239

(1) Excluding intercompany eliminations.

(2) Divestments Insurance: sale Canada (EUR 46 million, other EUR 8 million, 2009), sale NRG (EUR 15 million, 2008), sale Chile Health business (EUR (62) million, 2008).

(3) Special items Banking: restructuring provision, as part of the initiative to reduce operating expenses ING Group by EUR 1 billion for the year 2009, (EUR 317 million, 2009), Illiquid Assets Back-Up Facility (EUR (70) million, 2009) provision for Retail Netherlands Strategy

(EUR 98 million, 2009, EUR 164 million, 2008), not launching ING Direct Japan (EUR 39 million, 2009). Special items Insurance: restructuring provision (EUR 257 million, 2009), Illiquid Assets Back-Up Facility (EUR 118 million, 2009).

GROUP OVERVIEW

The result before tax for the Group for the six months ended 30 June 2009 decreased by EUR 5,278 million, or 124.0%, to EUR (1,021) million, from EUR 4,257 million for the six months ended 30 June 2008. This reflects a decrease of 95.3% and 159.0%, for the Group's banking and insurance operations, respectively. Excluding special items of EUR 760 million and EUR 164 million in the first six months of 2009 and 2008, respectively, related to the Retail Netherlands Strategy (under which Postbank and ING Bank will join forces under a single ING brand), restructuring provisions (as part of the initiative to reduce operating expenses for the Group by EUR 1 billion in 2009) and the result on the Alt A-portfolio (full risk transfer to the Dutch State on 80% of the Alt-A portfolio) and divestments which influenced result before tax by EUR 54 million in the first six months of 2009 (mainly Taiwan and Canada), and by EUR (182) million (including result divested units) in the first six months of 2008 (mainly NRG and Chile Health), the underlying result before tax decreased by EUR 4,446 million, or 104.9%, from EUR 4,239 million to EUR (207) million. The underlying results of ING's banking operations decreased in all banking business lines as they were affected by higher risk costs stemming from deteriorating credit conditions, slightly offset by an increase in the interest margin due to a favorable interest rate environment. Underlying result before tax of ING Direct decreased by 139.3% due to impairments on the investment portfolio and a rise in loan loss provisions. Also, the underlying result before tax in all three insurance business lines, Europe, Americas and Asia/Pacific, decreased significantly due to weak economic and market conditions, although Insurance Europe and Asia/Pacific still booked positive results. Especially, Insurance Americas showed negative results due to weak product sales and the de-risking of variable annuity products. Result from life insurance and non-life insurance decreased by 151.4% and 71.7%, respectively.

The Group's tax charge for the six months ended 30 June 2009 decreased to EUR (196) million from EUR 796 million for the six months ended 30 June 2008. This represents an overall effective tax rate of 19.2% for the six months ended 30 June 2009, from 18.7% for the six months ended 30 June 2008. The effective tax rate in the insurance operations was 16.0% in the first six months of 2009 compared with 9.7% in the corresponding period in 2008. In the banking operations the tax rate was 13.8% compared with 26.0% for the six months ended 30 June 2008.

Net result for the six months ended 30 June 2009 decreased by EUR 4,182 million, or 120.9%, to EUR (722) million from EUR 3,460 million for the six months ended 30 June 2008. Net result from the banking operations decreased 86.8% to EUR 233 million, as higher interest results and a lower effective tax rate were offset by a decline in investment income and higher risk costs due to the economic downturn. Net result from insurance operations decreased 156.4% to EUR (955) million mainly due to lower premium and investment income partly offset by decreased underwriting expenditure and taxation.

The capital coverage ratio for ING's insurance operations increased to 257% of regulatory requirements at the end of June 2009, compared with 256% at 31 December 2008. The Core Tier-1 ratio of ING Bank N.V. stood at 7.3% on 30 June 2009 and 7.3% as at 31 December 2008, well above the regulatory required minimum level of 4%.

INSURANCE OPERATIONS

Income

Total income from insurance operations for the six months ended 30 June 2009 decreased by EUR 11,443 million, or 38.3% to EUR 18,415 million from EUR 29,858 million for the six months ended 30 June 2008. Total premium income decreased by 31.8%, or EUR 7,546 million, most notably in the United States and Asia/Pacific being caused by lower sales of single premium investment-oriented products and the divestment of ING Canada and Taiwan.

Commission income decreased by EUR 37 million, or 3.7%, to EUR 971 million in the first six months of 2009 as compared to EUR 1,008 million in the first six months of 2008 mainly due to lower asset balances in Asia/Pacific and Europe.

Investment and Other income decreased by EUR 3,861 million or 75.4% to EUR 1,261 million in the first six months of 2009 as compared to EUR 5,122 million in the first six months of 2008 due to negative revaluations of real estate and capital losses on equity and debt securities as well as negative fair value changes on hedge positions in all insurance business lines. Losses on the hedges related to variable annuity guarantees were largely offset by favorable developments in the variable annuity guaranteed benefit reserves, DAC amortization and DAC unlocking, which are reflected in underwriting expenditure.

Expenses

The operating expenses of insurance operations over the first six months of 2009 decreased by EUR 362 million, or 13.6%, to EUR 2,303 million, from EUR 2,665 million for the first six months of 2008. All business lines contributed to this result through cost-containment measures. Sales-related expenses were also down on lower production.

Result before tax and net result

The result before tax from the Group's insurance activities for the six months ended 30 June 2009 decreased by EUR 3,044 million, or 159.0%, to EUR (1,130) million, from EUR 1,914 million for the six months ended 30 June 2008. Net result for the Group's insurance operations for the six months ended 30 June 2009 decreased by EUR 2,649 million, or 156.4%, to EUR (955) million, from EUR 1,694 million for the six months ended 30 June 2008.

Underlying result before tax

The underlying result before tax from the insurance operations decreased by 140.5% or EUR 2,433 million to EUR (701) million from EUR 1,732 million in the first six months of 2008. The underlying result of Insurance Europe decreased by EUR 678 million, or 91.1%, to EUR 58 million due to lower direct investment income, negative revaluations on equity options to hedge equity investments, higher non-life claims and an addition to the provision for guaranteed pension contracts, partly offset by lower operating expenses. The underlying result before tax in Insurance Americas decreased by 153.9% from EUR 471 million in the first six months of 2008 to EUR (254) million in the first six months of 2009 due to investment losses, DAC unlocking, lower fee income and higher guaranteed benefit costs. The underlying result from Insurance Asia decreased by 83.3% to EUR 52 million mainly due to a negative swing on single premium variable annuities ("SPVAs") in Japan due to intense market volatility, a provision on a buyback guarantee in New Zealand and an impairment on debt holdings in India. The corporate line decreased by 353.9% from EUR 219 million to EUR (556) million mainly due to lower gains and higher impairments on public equity and lower fair value changes equity derivatives.

BANKING OPERATIONS

Income

Total income from banking decreased by 10.4%, or EUR 800 million, to EUR 6,885 million from EUR 7,685 million for the six months ended 30 June 2008, mainly due to a strong decrease in investment and other income (especially the valuation results from non-trading derivatives), partly offset by a strong growth in interest result.

The net interest result for the six months ended 30 June 2009 increased by EUR 998 million, or 19.1%, to EUR 6,223 million, from EUR 5,225 million for the six months ended 30 June 2008, attributable to Commercial Banking (EUR 646 million), ING Direct (EUR 343 million), Retail Banking (EUR 35 million) and Corporate Line (EUR (27) million). The total interest margin in the six months ended 30 June 2009 was 1.24%, an increase of 21 basis points compared with the six months ended 30 June 2008, mainly due to the de-leveraging of the balance sheet (estimated effect 10 basis points), higher interest margins at ING Direct (effect 4 basis points) and higher margins in Commercial Banking.

Commission income for the six months ended 30 June 2009 decreased by EUR 198 million, or 13.5%, to EUR 1,274 million, from EUR 1,472 million for the six months ended 30 June 2008. The decrease is primarily due to EUR 167 million lower management fees (as a result of lower asset values, especially in Retail Banking and ING Real Estate), EUR 15 million lower funds transfer commission and EUR 34 million lower other commission income, only partly compensated by EUR 25 million higher securities business commission.

Investment and Other income decreased by EUR 1,599 million to EUR (612) million for the six months ended 30 June 2009, from EUR 987 million for the six months ended 30 June 2008. The decrease reflects EUR 583 million of impairments, primarily on debt securities, and EUR 370 million of negative fair value changes on direct real estate investments in the first six months of 2009. In the first six months of 2008 impairments were EUR 136 million and fair value changes on direct real estate investments amounted to negative EUR 221 million. EUR 79 million lower realized gains on sale of equity securities and EUR 38 million lower dividend income were more than compensated by EUR 183 million higher realized gains on sale of bonds. The decline in "Other" income is mainly caused by EUR 257 million higher losses from associates (mainly at ING Real Estate due to the downward valuation of listed funds).

Expenses

Operating expenses for the six months ended 30 June 2009 increased by EUR 141 million, or 2.8%, to EUR 5,151 million, from EUR 5,010 million for the six months ended 30 June 2008. The increase is fully caused by the special items (in the first six months of 2009 EUR 488 million and in the first six months of 2008 EUR 163 million), mainly provisions and costs related to the Retail Netherlands Strategy and the restructuring as part of the ING Bank initiative to reduce operating expenses by EUR 650 million in 2009. Excluding the special items, operating expenses declined by EUR 184 million, or 3.8%. The positive impact of the cost-containment initiatives was partly offset by EUR 76 million of impairments on real estate development projects and a EUR 84 million increase of deposit insurance premiums paid by ING Direct. The cost/income ratio deteriorated to 74.8% in the first six months of 2009 from 65.2% in the first six months of 2008 driven by the sharp decline in investment and other income.

The addition to the provision for loan losses

An amount of EUR 1,625 million was added to the provision for loan losses for the six months ended 30 June 2009, compared with an addition of EUR 331 million for the first half of 2008, representing an increase of EUR 1,294 million, of which EUR 612 million is attributable to Commercial Banking, EUR 438 million to Retail Banking and EUR 244 million to ING Direct. These additions reflect deteriorating market conditions.

Result before tax and net result

The result before tax for the six months ended 30 June 2009 decreased by EUR 2,234 million, or 95.3%, to a result of EUR 109 million, from EUR 2,343 million for the six months ended 30 June 2008. Net result decreased by EUR 1,533 million, or 86.8%, to a profit of EUR 233 million.

Underlying result before tax

The underlying result before tax, which excludes the effects of divestments and special items, decreased by EUR 2,013 million, or 80.3%, from EUR 2,507 million in the first six months of 2008 to a profit of EUR 494 million in the first six months of 2009.

Consolidated results of operations for the years ended 31 December 2008, 2007 and 2006

The following table sets forth the consolidated results of the operations of ING Group and its insurance and banking operations for the years ended 31 December 2008, 2007 and 2006:

	Insurance			Banking			Eliminations			Total		
	2008	2007	2006	2008	2007	2006	2008	2007	2006	2008	2007	2006
	(EUR millions)											
Premium income	43,812	46,818	46,834							43,812	46,818	46,834
Interest result banking operations				11,085	9,036	9,335	43	60	143	11,042	8,976	9,192
Commission income . .	2,070	1,901	1,636	2,895	2,926	2,681				4,965	4,827	4,317
Investment and Other income	8,970	13,488	11,172	(2,250)	2,640	2,179	248	163	73	6,472	15,965	13,278
Total income	54,851	62,208	59,642	11,731	14,602	14,195	291	223	216	66,291	76,586	73,621
Underwriting expenditure	49,485	48,833	48,188							49,485	48,833	48,188
Other interest expenses	1,269	1,326	1,233				291	223	216	978	1,103	1,017
Operating expenses . .	5,422	5,515	5,275	10,303	9,967	9,087				15,725	15,481	14,362
Impairments/additions to the provision for loan losses	310	1	11	1,280	125	103				1,590	126	114
Total expenditure . . .	56,486	55,675	54,707	11,583	10,092	9,190	291	223	216	67,778	65,544	63,681
Result before tax . . .	(1,635)	6,533	4,935	148	4,510	5,005				(1,487)	11,043	9,940
Taxation	(483)	775	702	(238)	759	1,205				(721)	1,534	1,907
Result before minority interests	(1,152)	5,758	4,233	386	3,751	3,800				(766)	9,509	8,033
Minority interests	31	155	281	(69)	112	60				(38)	267	341
Net result	(1,183)	5,603	3,952	454	3,638	3,740				(729)	9,241	7,692
Result before tax . . .	(1,635)	6,533	4,935	148	4,510	5,005				(1,487)	11,043	9,940
Gains/losses on divestments ⁽¹⁾	(8)	(382)	(49)		(32)	112				(8)	(414)	63
Result divested units . .	88	(39)	(79)			(65)				88	(39)	(144)
Special items ⁽²⁾	321			301	489					622	489	
Underlying result before tax	(1,235)	6,113	4,807	449	4,967	5,052				(786)	11,080	9,859

(1) Divestments Insurance: sale of Chile Health (EUR 55 million, 2008), sale of Mexico (EUR 182 million, 2008), sale NRG (EUR (15) million, 2008), sale Taiwan (EUR (214) million, 2008), sale of NRG (EUR (129) million, 2007), IPO SulAmerica in Brazil (EUR 93 million, 2007), sale of Belgian broker business (EUR 418 million, 2007), unwinding Piraeus (EUR 34 million, 2006), sale of Australia non-life (EUR 15 million, 2006). Divestments Banking: sale of RegioBank (EUR 32 million, 2007), sale of Williams de Broë (EUR (9) million, 2006), sale of Deutsche Hypothekenbank (EUR (80) million, 2006), sale of Degussa Bank (EUR (23) million, 2006).

(2) Special items Insurance: integration costs CitiStreet (EUR (93) million, 2008), Nationalization/Annuity business Argentina (EUR (228) million, 2008); Special items Banking: impairment costs for not launching ING Direct Japan (EUR (30) million, 2008), provision for combining ING Bank and Postbank (EUR (271) million, 2008 and EUR (299) million, 2007) and restructuring provisions and hedge on purchase price Oyak Bank acquisition (EUR 190 million, 2007).

Year ended 31 December 2008 compared to year ended 31 December 2007

GROUP OVERVIEW

Total result before tax decreased by EUR 12,530 million, or 113.5%, from EUR 11,043 million in 2007 to EUR (1,487) million in 2008 and total underlying result before tax decreased by EUR 11,866 million or 107.1% from EUR 11,080 million in 2007 to EUR (786) million in 2008. The worldwide financial crisis led to extreme market volatility and sharp declines in asset prices, especially in the third and fourth quarters of 2008 which led to losses in the insurance operations and a decline in result of the banking operations in 2008. The decrease in total result before tax is also impacted by divestments which resulted in a gain of EUR 8 million and EUR 414 million for 2008 and 2007, respectively, and special items in 2008 and 2007 influenced result before tax negatively by EUR 622 million and EUR 489 million, respectively.

Net result decreased by EUR 9,970 million, or 107.9%, from EUR 9,241 million in 2007 to EUR (729) million in 2008. This lower loss compared with the decrease in result before tax was due to a conversion from a large profit into a loss, which resulted in a change in taxation from EUR 1,534 million in 2007 to EUR (721) million in 2008. Underlying net result decreased from EUR 9,208 million in 2007 to EUR (171) million in 2008.

Basic earnings per share decreased to EUR (0.36) in 2008 from EUR 4.32 in 2007.

Currency Impact

Exchange rate differences had a negative impact of EUR 163 million on net result and EUR 229 million on result before tax, mainly due to the weakening of the US dollar, the Australian dollar and the South Korea won, partly offset by a strengthening of the Polish zloty and Pound sterling. In 2007 currency rate differences had a negative impact of EUR 159 million on net result and EUR 211 million on result before tax.

Capital Ratios

ING calculates certain capital ratios on the basis of adjusted capital (see the discussion under “Operating and Financial Review and Prospects — Liquidity and Capital Resources — ING Group Consolidated Cash Flows”), which differs from total equity attributable to equity holders of the Company in that it excludes unrealized gains and losses on debt securities, the cash flow hedge reserve and goodwill and includes hybrid capital. On this basis, the debt/equity ratio of ING Group increased to 13.5% in 2008 compared with 9.5% in 2007, partly due to the buyback of ING’s own shares, dividend payments and the recorded loss, partly offset by the issuance of Core Tier-1 Securities. See “Business — Transactions with the Dutch State” elsewhere in this Prospectus. The capital coverage ratio of ING Verzekeringen N.V. increased to 256% of EU regulatory requirements at the end of December 2008, compared with 244% at the end of December 2007, as the decrease in available capital was more than offset by the decline in required capital. The tier-1 ratio of ING Bank N.V. stood at 9.32% (based on Basel II risk weighted assets) at the end of 2008, up from 7.39% (based on Basel I risk weighted assets) at the end of 2007. Tier-1 capital increased from EUR 29.8 billion to EUR 32.0 billion, mainly thanks to net capital injections of EUR 3.0 billion by ING Group. Following the introduction of Basel II in 2008, risk weighted assets dropped from EUR 402.7 billion on 31 December 2007 to EUR 293.0 billion on 1 January 2008. During the year risk weighted assets increased to EUR 343.4 billion at year-end 2008.

INSURANCE OPERATIONS

Income

Total premium income decreased 6.4%, or EUR 3,006 million from EUR 46,818 million in 2007 to EUR 43,812 million in 2008. Underlying life premiums decreased 3.7%, or EUR 1,506 million from EUR 40,254 million in 2007 to EUR 38,748 million in 2008. Excluding Taiwan and currency impacts, underlying life premiums increased 3.3%, mainly driven by the US, Australia, and most countries in Asia. Underlying non-life premiums decreased 8.1%, or EUR 388 million from EUR 4,790 million in 2007 to EUR 4,402 million in 2008.

Investment and Other income decreased 33.5%, or EUR 4,518 million from EUR 13,488 million in 2007 to EUR 8,970 million in 2008, reflecting the market turmoil in the second half of 2008. Moreover, in 2007 capital gains on ABN AMRO and Numico shares of EUR 2,087 million were recorded. Commission income increased 8.9%, or EUR 169 million from EUR 1,901 million in 2007 to EUR 2,070 million in 2008, driven by the US and Latin America.

Underwriting Expenditure

Underwriting expenditure increased by EUR 652 million, or 1.3% from EUR 48,833 million in 2007 to EUR 49,485 million in 2008. The underwriting expenditure of the life insurance operations increased by EUR 1,657 million, or 3.8%. The underwriting expenditure of the non-life insurance operations decreased by EUR 1,005 million, or 21.2%.

Expenses

Operating expenses from the insurance operations decreased 1.7%, or EUR 93 million to EUR 5,422 million in 2008, from EUR 5,515 million in 2007, as ongoing cost reduction helped to offset most of the costs to support growth of the business in Asia/Pacific and Central and Rest of Europe. The expense ratios for the life insurance operations reflected the change in product mix as clients preferred traditional business over investment-linked business in the course of the year. Expenses as a percentage of assets under management for investment products deteriorated to 0.86% in 2008 compared with 0.76% in 2007. Expenses as a percentage of premiums for life

products decreased to 14.0% in 2008 from 14.3% in 2007. The cost ratio for the non-life operations went up slightly to 32.2% in 2008 from 31.8% in 2007.

Result before tax and net result

Total result before tax from Insurance decreased 125.0%, or EUR 8,168 million, to a loss of EUR 1,635 million in 2008 from a profit of EUR 6,533 million in 2007, mainly due to the deterioration of the financial markets in the second half of 2008, as well as EUR 2,087 million gains on the sale of ING's stakes in ABN AMRO and Numico in 2007. The impact of divestments amounted to EUR 8 million in 2008 and EUR 382 million in 2007. Divested units contributed a loss of EUR 88 million before tax in 2008 and a profit of EUR 40 million to result before tax in 2007. Special items had a negative impact of EUR 321 million in 2008 compared to no impact in 2007. The net result from insurance deteriorated by 121.1%, or EUR 6,786 million to a loss of EUR 1,183 million in 2008 from a profit of EUR 5,603 million in 2007.

Underlying result before tax

The underlying result before tax (excluding the impact of divestments and special items) 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 deterioration of the financial markets in the second half of 2008, as well as EUR 2,087 million gains on the sale of ING's stakes in ABN AMRO and Numico in 2007. The underlying result from life insurance decreased by EUR 6,575 million to a loss of EUR 1,744 million from a profit of EUR 4,831 million in 2007. Investment income was negatively impacted by capital losses and impairments on equity and debt securities, as well as negative fair value changes on real estate and private equity investments. Further, the result was negatively impacted by deferred acquisition cost (DAC) unlocking in the US as well as losses on the SPVA business in Japan due to hedge losses. Underlying profit before tax from non-life insurance declined 60.3% to EUR 509 million from EUR 1,282 million in 2007, due primarily to capital losses and impairments on equities, as well as unfavorable underwriting results in Canada.

BANKING OPERATIONS

Income

Total income from banking decreased 19.7%, or EUR 2,871 million, to EUR 11,731 million in 2008 from EUR 14,602 million in 2007. This decrease was experienced despite an increase in the interest result, which was primarily attributable to a sharp increase in margins. The sharp increase in margins was more than offset, however, by decreases in investment income and other income.

The net interest result increased by EUR 2,049 million, or 22.7%, to EUR 11,085 million in 2008 from EUR 9,036 million in 2007, driven by higher interest results in all business lines, but especially in Commercial Banking. The interest margin in 2008 was 1.07%, an increase from 0.94% in 2007, due to higher margins in Commercial Banking (especially Financial Markets and General Lending) and in ING Direct (particularly influenced by the more favorable interest rate environment in the US).

Commission income decreased 1.1%, or EUR 31 million to EUR 2,895 million in 2008 from EUR 2,926 million in 2007. The decrease in commission income was primarily due to the strong decline of management fees by EUR 145 million (especially ING Belgium, ING Real Estate and Retail Netherlands). Fees from securities business decreased by EUR 56 million (especially ING Belgium and Retail Netherlands), but funds transfer fees increased by EUR 102 million (mainly Commercial Banking and Retail Central Europe) and brokerage and advisory fees increased by EUR 23 million.

Investment income decreased by EUR 3,405 million to a loss of EUR 2,459 million in 2008 from a profit of EUR 946 million in 2007. The decrease was almost entirely due to results on securities (including impairments) and fair value changes on real estate investments, changing from a profit of EUR 487 million in 2007 to a loss of EUR 2,739 million in 2008. Of this loss, EUR 2,087 million relates to debt securities (mainly impairments on the Alt-A portfolio at ING Direct), EUR 302 million relates to equity securities and EUR 350 million is attributable to real estate investments. Furthermore, rental income decreased by EUR 46 million and other investment income decreased by EUR 78 million.

Other income decreased by EUR 1,484 million, or 87.7%, to EUR 209 million in 2008 from EUR 1,693 million in 2007. Net trading income declined EUR 1,154 million from a profit of EUR 749 million in 2007 to a loss of EUR 405 million in 2008. The share of profit from associates decreased by EUR 448 million from EUR 238 million in 2007 to a loss of EUR 210 million in 2008, mainly due to the downward valuation of listed funds at ING Real Estate. Other revenues, including income from operating lease, were EUR 88 million lower. These developments were

partly offset by an increase of EUR 206 million in valuation results from non-trading derivatives, for which hedge accounting is not applied.

Expenses

Total operating expenses increased by EUR 336 million, or 3.4%, to EUR 10,303 million in 2008 from EUR 9,967 million in 2007. In 2008, special items were EUR 271 million in provisions and costs related to the Retail Netherlands strategy (combining ING Bank and Postbank) and EUR 30 million impairment costs of not launching ING Direct Japan. In 2007, special items were EUR 295 million in provisions and costs related to the Retail Netherlands Strategy, EUR 94 million in restructuring provision for Commercial Banking and EUR 56 million in restructuring provision for Retail Banking. Excluding these special items, total operating expenses increased by EUR 480 million, or 5.0%, mainly at Retail Banking, due to the inclusion of ING Bank Turkey and investments to support activities in developing markets, and at ING Direct to support the growth of the business.

The addition to the provision for loan losses

The total addition to the provision for loan losses in 2008 was EUR 1,280 million compared to EUR 125 million in 2007, an increase of EUR 1,155 million reflecting the worsening of economic conditions. Retail Banking showed an increase by EUR 203 million, from EUR 198 million in 2007 to EUR 401 million in 2008 and ING Direct showed an increase by EUR 215 million, from EUR 68 million in 2007 to EUR 283 million in 2008. The net release in Commercial Banking of EUR 142 million in 2007 turned into an addition to the loan loss provision of EUR 596 million in 2008. As a percentage of average credit-risk weighted assets (based on Basel II), the addition to the provision for loan losses in 2008 was 48 basis points.

Result before tax and net result

Total result before tax decreased 96.7%, or EUR 4,362 million, to EUR 148 million in 2008 from EUR 4,510 million in 2007. Special items (mostly provision for the merger of Postbank and ING Bank Netherlands) had a negative impact of EUR 301 million on result before tax in 2008. In 2007, divestments and special items had a negative impact of EUR 458 million on result before tax, including EUR 489 million in special items, partly offset by EUR 32 million realized gains on divestments.

Net result from banking declined 87.5%, or EUR 3,184 million, from EUR 3,638 million in 2007 to EUR 454 million in 2008. The decrease in net result is smaller than the decrease in result before tax due to the tax rebate of EUR 238 million for 2008, which was supported by the revision of tax returns from previous years, compared with the taxation of EUR 759 million for 2007 (effective tax rate 16.8%).

Underlying result before tax

Excluding the effects of divestments and excluding special items, ING's banking operations showed a decrease in underlying result before tax of EUR 4,518 million, or 91.0%, from EUR 4,967 million in 2007 to EUR 449 million in 2008. Underlying net result decreased by EUR 3,260 million, or 81.9%, from EUR 3,982 million in 2007 to EUR 722 million in 2008, due to the tax rebate.

Year ended 31 December 2007 compared to year ended 31 December 2006

GROUP OVERVIEW

Total result before tax increased by EUR 1,103 million, or 11.1% from EUR 9,940 million in 2006 to EUR 11,043 million in 2007 and total underlying result before tax increased by EUR 1,221 million or 12.4% from EUR 9,859 million in 2006 to EUR 11,080 million in 2007. The increase in result before tax was supported by EUR 2,087 million in gains on the sale of stakes in ABN AMRO and Numico. However, the result before tax of ING Direct decreased by 23.3% due to losses related to repositioning the UK business as well as an impairment on asset-backed commercial paper in Canada in the fourth quarter 2007. The increase in total result before tax is also impacted by divestments which resulted in a gain of EUR 414 million and a loss of EUR 63 million for 2007 and 2006, respectively. Special items in 2007 influenced result before tax negatively by EUR 489 million, in 2006 there were no special items.

Net result rose by EUR 1,549 million, or 20.1% from EUR 7,692 million in 2006 to EUR 9,241 million in 2007. This higher growth compared with the increase in result before tax was due to a lower effective tax rate in 2007. The effective tax rate decreased to 13.9% in 2007 from 19.2% in 2006 mainly due to high tax-exempt gains on equity investments (ABN AMRO and Numico) in 2007 compared to 2006. Underlying net result increased from EUR 7,681 million in 2006 to EUR 9,208 million in 2007.

Earnings per share attributable to equity holders of the Company increased to EUR 4.32 in 2007 from EUR 3.57 in 2006.

Currency impact

Currency rate differences had a negative impact of EUR 159 million on net result and EUR 211 million on result before tax, mainly due to the weakening of the US dollar, the Canadian dollar and the South Korea won. In 2006 currency rate differences had a positive impact of EUR 20 million on net result and EUR 48 million on result before tax.

Capital Ratios

ING calculates certain capital ratios on the basis of adjusted capital (see the discussion under “Operating and Financial Review and Prospects — Liquidity and Capital Resources — ING Group Consolidated Cash Flows”), which differs from total equity attributable to equity holders of the Company in that it excludes unrealized gains and losses on debt securities, the cash flow hedge reserve and goodwill and includes hybrid capital. On this basis, the debt/equity ratio of ING Group increased to 9.5% in 2007 compared with 9.0% in 2006, partly due to the buyback of own shares. The capital coverage ratio of ING Verzekeringen N.V. decreased to 244% of EU regulatory requirements at the end of December 2007, compared with 274% at the end of December 2006, due to the decrease in available capital. The tier-1 ratio of ING Bank N.V. stood at 7.39% at the end of 2007, down from 7.63% at the end of 2006. This decrease was caused by strong growth in risk-weighted assets and the deduction of EUR 1.2 billion in goodwill and other intangibles related to the purchase of Oyak Bank, partly compensated by a capital injection of EUR 2.2 billion from ING Group to ING Bank in the fourth quarter. Total risk-weighted assets of the banking operations increased by EUR 64.8 billion, or 19.2%, to EUR 402.7 billion as of 31 December 2007 from EUR 337.9 billion as of 31 December 2006, driven by growth in Commercial Banking and Retail Banking.

INSURANCE OPERATIONS

Income

Total premium income decreased EUR 16 million from EUR 46,834 million in 2006 to EUR 46,818 million in 2007. Life premiums increased 0.6%, or EUR 231 million to EUR 40,732 million in 2007 from EUR 40,501 million in 2006, primarily due to growth in the United States, Asia, all countries with the exception of Japan, and Central Europe and the Rest of Europe partly offset by a decline in premium income in the Netherlands. Non-life premiums decreased 3.9%, or EUR 247 million, from EUR 6,333 million in 2006 to EUR 6,086 million in 2007, as lower premiums in Europe and Latin America were only partly offset by higher premiums in Canada.

Investment and Other income increased 20.7%, or EUR 2,316 million to EUR 13,488 million in 2007 from EUR 11,172 million in 2006, reflecting higher dividend income and capital gains on equities (ABN AMRO and Numico). Commission income increased 16.2%, or EUR 265 million to EUR 1,901 million in 2007 from EUR 1,636 million in 2006 supported by robust net inflows and growth in assets under management across all lines of business.

Underwriting Expenditure

Underwriting expenditure increased by EUR 645 million, or 1.3% from EUR 48,188 million in 2006 to EUR 48,833 million in 2007. The underwriting expenditure of the life insurance operations increased by EUR 440 million, or 1.0%. The underwriting expenditure of the non-life insurance operations increased by EUR 205 million, or 4.5%, resulting in an overall higher non-life claims ratio of 65.2% in 2007 compared with 58.7% in 2006, primarily attributable to a higher claims ratio in the Netherlands and Canada.

Expenses

Operating expenses from the insurance operations increased 4.5%, or EUR 240 million to EUR 5,515 million in 2007, from EUR 5,275 million in 2006, mainly due to ongoing cost reduction initiatives offset by higher start-up costs in 2007 to support our growth in Central Europe and the Rest of Europe and Asia. The efficiency ratios for the life insurance operations deteriorated mainly reflecting the investments in growth areas. Expenses as a percentage of assets under management for investment products deteriorated slightly to 0.76% in 2007 compared with 0.75% in 2006. Expenses as a percentage of premiums for life products decreased to 14.3% in 2007 from 13.3% in 2006. The cost ratio for the non-life operations was flat at 31.8%.

Result before tax and net result

Total result before tax from insurance increased 32.4%, or EUR 1,598 million, to EUR 6,533 million in 2007 from EUR 4,935 million in 2006, mainly due to the gains on equities. This increase was also impacted by divestments which resulted in a profit of EUR 382 million in 2007 and a gain of EUR 49 million in 2006. Divested units contributed EUR 79 million result before tax in 2006 and EUR 42 million to result before tax in 2007. Net result from insurance increased by 41.8%, or EUR 1,651 million to EUR 5,603 million in 2007 from EUR 3,952 million in 2006 due to a decrease in minority interests to EUR 155 million in 2007 from EUR 281 million in 2006, but especially the high tax exempt gains on equity investments caused a reduction of the effective tax rate from 14.2% in 2006 to 11.9% in 2007.

Underlying result before tax

Underlying result before tax from the insurance operations increased by 27.2%, or EUR 1,306 million to EUR 6,113 million in 2007 from EUR 4,807 million in 2006, primarily due to the gains on the sale of ING's stakes in ABN AMRO and Numico. Underlying result before tax from life insurance increased 43.4%, or EUR 1,461 million from EUR 3,370 million in 2006 to EUR 4,831 million in 2007. The life insurance activities in the US, Central Europe, the Rest of Europe and Latin America showed strong profit growth, supported by increased sales, growth in assets under management and investment gains. The non-life operations decreased by 10.8%, or EUR 155 million from EUR 1,437 million in 2006 to EUR 1,282 million in 2007. In the Netherlands, the deterioration was mainly caused by rate pressure as well as high one-off claims provisions related to last year. Canada results declined due to lower underwriting results and a decrease in investment gains.

BANKING OPERATIONS

Income

Total income from banking increased 2.9%, or EUR 407 million, to EUR 14,602 million in 2007 from EUR 14,195 million in 2006. This increase was experienced despite a decrease in the interest result, which was primarily attributable to a sharp decline in margins, but which was more than offset by increases in commission income and investment income.

The net interest result decreased by EUR 299 million, or 3.2%, to EUR 9,036 million in 2007 from EUR 9,335 million in 2006, driven by lower interest results in Commercial Banking and ING Direct, which were only partially offset by higher interest results in Retail Banking. The interest margin in 2007 was 0.94%, a decrease from 1.06% in 2006, due to the flattening or even inverse yield curves, pressure on client margins and intensified competition for savings and deposits.

Commission income increased 9.1%, or EUR 245 million to EUR 2,926 million in 2007 from EUR 2,681 million in 2006. The increase in commission income was primarily due to the strong growth of management fees (mainly from ING Real Estate) by EUR 169 million. Fees from funds transfer and brokerage and advisory fees also increased, but fees from securities business decreased slightly by EUR 38 million.

Investment income increased by EUR 463 million, or 95.9%, to EUR 946 million in 2007 from EUR 483 million in 2006. The increase was partly due to EUR 56 million in gains recognized on divestments in 2007 and losses of EUR 78 million on divestments in 2006. Furthermore, rental income increased EUR 113 million and realized gains on equities grew EUR 181 million compared to 2006, mainly due to the substantial capital gains following the sale of shares in the stock exchange and the derivatives market in Sao Paulo and a sizeable gain from the sale of an equity stake at Commercial Banking.

Other income decreased by EUR 3 million, or 0.2%, to EUR 1,693 million in 2007 from EUR 1,696 million in 2006. Net trading income declined EUR 151 million and valuation results from non-trading derivatives, for which hedge accounting is not applied, were EUR 11 million lower. This was largely offset by an increase of EUR 104 million in other revenues, including higher income from operating lease. The share of profit from associates increased by EUR 55 million from EUR 183 million in 2006 to EUR 238 million in 2007, mainly due to associates at ING Real Estate.

Expenses

Total operating expenses increased by EUR 880 million, or 9.7%, to EUR 9,967 million in 2007 from EUR 9,087 million in 2006. The increase is for EUR 445 million attributable to special items in 2007, comprising EUR 295 million in provisions and costs related to the Retail Netherlands Strategy (combining ING Bank and Postbank), EUR 94 million in restructuring provision for Commercial Banking and EUR 56 million in restructuring provision for Retail Banking. Divestments in 2006 had a mitigating impact of EUR 111 million on expense growth, but an

additional increase of EUR 546 million or 6.1%, was experienced in 2007 due, in part, to investments to support the growth of the business, notably at ING Direct, ING Real Estate and the Retail Banking activities in developing markets.

The addition to the provision for loan losses

The total addition to the provision for loan losses in 2007 was EUR 125 million compared to EUR 103 million in 2006, an increase of 21.4% or EUR 22 million. Retail Banking showed an increase by EUR 22 million, from EUR 176 million in 2006 to EUR 198 million in 2007 and ING Direct showed an increase by EUR 8 million, from EUR 60 million in 2006 to EUR 68 million in 2007. The net release in Commercial Banking increased by EUR 10 million to EUR 142 million in 2007. As a percentage of average credit-risk weighted assets, the addition to the provision for loan losses in 2007 was 4 basis points, up slightly from 3 basis points in 2006.

Result before tax and net result

Total result before tax decreased 9.9%, or EUR 495 million, to EUR 4,510 million in 2007 from EUR 5,005 million in 2006. Divestments and special items had a negative impact of EUR 458 million on result before tax in 2007, including EUR 489 million in special items, partly offset by EUR 32 million realized gains on divestments. In 2006, divestments resulted in a realized loss of EUR 112 million. The divested units contributed EUR 65 million to result before tax in 2006.

Net result from banking declined 2.7%, or EUR 102 million from EUR 3,740 million in 2006 to EUR 3,638 million in 2007. This decrease is moderated due to the effective tax rate for ING's banking operations which decreased from 24.1% (EUR 1,205 million) for 2006 to 16.8% (EUR 759 million) for 2007, caused by high tax-exempted gains, the release of some tax liabilities, a lower corporate tax rate in the Netherlands and the impact of a tax asset in Germany.

Underlying result before tax

Excluding the effects of divestments and excluding special items, ING's banking operations showed a decrease in underlying result before tax of EUR 85 million, or 1.7%, from EUR 5,052 million in 2006 to EUR 4,967 million in 2007. Underlying net result increased by EUR 166 million, or 4.4%, from EUR 3,816 million in 2006 to EUR 3,982 million in 2007, due to the low effective tax rate.

Consolidated Assets and Liabilities

The following table sets forth ING Group's consolidated assets and liabilities as of 30 September 2009, as of 30 June 2009 and as of 31 December 2008, 2007 and 2006:

	As of 30 September	As of 30 June	As of 31 December		
	2009	2009	2008	2007	2006
	(EUR billions, except amounts per share)				
	unaudited				
Investments	208.2	207.5	258.3	292.7	311.6
Financial assets at fair value through the profit and loss account	243.1	238.8	280.5	327.1	317.5
Loans and advances to customers	577.9	589.4	619.8	553.0	474.4
Other assets	158.7	152.2	173.1	139.7	122.8
Total assets	1,187.9	1,187.9	1,331.7	1,312.5	1,226.3
Insurance and investment contracts:					
Life	221.9	214.6	213.0	232.4	237.9
Non-life	3.7	3.9	6.7	9.6	10.1
Investment contracts	11.2	19.5	21.1	23.7	20.7
Total insurance and investment contracts	236.8	238.0	240.8	265.7	268.7
Customer deposits and other funds on deposit ⁽¹⁾	459.2	461.8	522.8	525.2	496.7
Debt securities in issue/other borrowed funds	142.6	149.3	127.7	94.1	107.8
Total liabilities (including minority interests)	1,151.4	1,155.6	1,304.3	1,275.3	1,188.0
Non-voting equity securities	10.0	10.0	10.0		
Shareholders' equity	26.5	22.3	17.3	37.2	38.3
Shareholders' equity per ordinary share (in EUR) . . .	13.07	10.99	8.55	17.73	17.78

(1) Customer deposits and other funds on deposit consist of savings accounts, other deposits, bank funds and debt securities privately issued by the banking operations of ING.

As of 30 September 2009 compared to 30 June 2009

ING Group's balance sheet remained stable compared with the second quarter of 2009, with total assets of EUR 1,188 billion. An increase in assets on ING Verzekeringen N.V.'s balance sheet of EUR 11 billion offset a decline in assets on ING Bank N.V.'s balance of EUR 12 billion.

Shareholders' equity increased by EUR 4.2 billion, or 19%, to EUR 26.5 billion as of 30 September 2009. This was mainly due to an increase of EUR 5.9 billion in the unrealized revaluations of debt and equity securities, partly offset by a decrease of EUR 1.8 billion in the revaluation reserve crediting to life policyholders.

The revaluation reserve of debt securities improved by EUR 5.2 billion to EUR 2.8 billion as of 30 September 2009, and the revaluation reserve of equity securities rose by EUR 0.7 billion to EUR 3.2 billion as of 30 September 2009.

ING Bank's loan-to-deposit ratio, excluding securities reclassified from AFS to loans and receivables, was 1.10 at 30 September versus 1.11 at 30 June 2009.

Compared with 30 September 2008, ING Bank's balance sheet has been reduced to EUR 900 billion in total assets, a reduction of EUR 176 billion, or 16.3%, including the third-quarter 2009 reduction.

As of 30 June 2009 compared to 31 December 2008

Total assets decreased by EUR 143.8 billion, or 10.8%, in the first six months of 2009 to EUR 1,187.9 billion from EUR 1,331.7 billion at 31 December 2008, primarily reflecting a decrease of Loans and advances to customers of EUR 30 billion, a decrease of Financial assets at fair value through P&L of EUR 42 billion and a decrease of Investments of EUR 51 billion.

Loans and advances to customers decreased by EUR 30 billion, or 4.9%, to EUR 589 billion at 30 June 2009. Of this amount EUR 31 billion refers to Loans and advances to customers within insurance operations and EUR 558 billion relates to Loans and advances to customers within banking operations. The decrease in the banking operations of EUR 37 billion took place in the Netherlands mainly due to netting of current account balances, which is mirrored on the liability side in customer deposits.

Shareholders' equity increased by EUR 5.0 billion, or 28.9%, to EUR 22.3 billion at 30 June 2009 compared to EUR 17.3 billion at 31 December 2008. This increase was mainly due to unrealized revaluations of debt and equity securities of EUR 6.0 billion, partly offset by the change in cash flow hedge reserve of EUR (1.1) billion and retained net result of EUR (0.7) billion.

Total liabilities decreased by EUR 148.1 billion, or 11.4%, in the first six months of 2009 to EUR 1,154.6 billion from EUR 1,302.7 billion at 31 December 2008, primarily reflecting decreased financial liabilities at fair value through P&L by EUR 39 billion, amounts due to banks by EUR 48 billion and customer deposits and other funds on deposit by EUR 61 billion.

Amounts due to banks decreased by EUR 48 billion, or 31.6%, to EUR 104 billion in the first six months of 2009 from EUR 152 billion at 31 December 2008 to a decrease in bank deposits and short-term deposits which are taken as collateral for securities lending and repos.

The decrease of financial liabilities at fair value through P&L by EUR 39 billion mainly stems from short term deposits which are held as collateral for securities lending at the banking operations (EUR 10 billion) and was due to the mark-to-market value of the (non) trading derivatives (EUR 27 billion).

Year ended 31 December 2008 compared to year ended 31 December 2007

Total assets increased by 1.5% in 2008 to EUR 1,331.7 billion, mainly due to increased loans and advances to customers, partly offset by decreased investments and financial assets at fair value through the profit and loss account. Investments decreased by EUR 34.4 billion, or 11.7%, to EUR 258.3 billion in 2008 from EUR 292.7 billion in 2007, representing a decrease of EUR 22.8 billion in insurance investments and a decrease of EUR 11.6 billion in banking investments.

Loans and advances to customers increased by EUR 66.8 billion, or 12.1%, rising to EUR 619.8 billion at the end of December 2008 from EUR 553.0 billion at the end of December 2007. Loans and advances to customers of the insurance operations decreased EUR 1.9 billion. Loans and advances of the banking operations increased by EUR 73.1 billion. The Netherlands operations increased by EUR 37.9 billion and the international operations by EUR 33.3 billion.

Shareholders' equity decreased by 43.5% or EUR 19,874 million to EUR 17,334 million at 31 December 2008 compared to EUR 37,208 million at 31 December 2007. The decrease is mainly due to the negative net result from

the year 2008 (EUR (729) million), unrealized revaluation equity and debt securities (EUR (18,971) million), changes in treasury shares (EUR (2,030) million) and the cash dividend to shareholders/coupon on the Core Tier-1 Securities (EUR (3,600) million), partially offset by realized gains equity securities released to profit and loss (EUR 2,596 million) and the change in cashflow hedge reserve (EUR 746 million).

Year ended 31 December 2007 compared to year ended 31 December 2006

Total assets increased by 7.0% in 2007 to EUR 1,312.5 billion, mainly due to increased loans and advances to customers and financial assets at fair value through the profit and loss account. Investments decreased by EUR 18.9 billion, or 6.1%, to EUR 292.7 billion in 2007 from EUR 311.6 billion in 2006, representing a decrease of EUR 8.2 billion in insurance investments and a decrease of EUR 10.7 billion in banking investments.

Loans and advances to customers increased by EUR 78.5 billion, or 16.6%, rising to EUR 553.0 billion at the end of December 2007 from EUR 474.4 billion at the end of December 2006. Loans and advances to customers of the insurance operations decreased EUR 10.0 billion. Loans and advances of the banking operations increased by EUR 88.5 billion. The Netherlands operations increased by EUR 30.7 billion and the international operations by EUR 57.8 billion. The impact of the inclusion of Oyak Bank was EUR 4.8 billion. ING Direct contributed EUR 25.1 billion to the increase, of which EUR 28.0 billion was due to personal lending.

Shareholders' equity decreased by 2.8% or EUR 1,058 million to EUR 37,208 million at 31 December 2007 compared to EUR 38,266 million at 31 December 2006. Net result from the year 2007 added EUR 9,241 million to equity and unrealized revaluation shares added EUR 2,997 million, partially offset by unrealized revaluations debt securities of EUR 4,725 billion, realized gains equity securities released to profit and loss of EUR 3,044 million, change due to treasury shares of EUR 2,304 million and a cash dividend of EUR 2,999 million.

ING does not have any significant non-consolidated SPEs or other off-balance sheet arrangements for which it is reasonably likely that these may have to be consolidated in future periods, and/or could have a significant impact on our income from operations, liquidity and capital resources. Reference is made to "Special Purpose Entities and Securitization" under Note 27 of Note 2.1.4. to the 2007 Financial Statements.

Segment Reporting

ING Group's segments are based on the management structure of the Group, which is different from its legal structure.

The following table sets forth the contribution of our six business lines to our underlying result before tax for the three months ended 30 September 2009, the six months ended 30 June 2009 and the years ended 2008, 2007 and 2006.

	Three months ended 30 September 2009							
	<u>Insurance Europe</u>	<u>Insurance Americas</u>	<u>Insurance Asia/Pacific</u>	<u>Commercial Banking</u>	<u>Retail Banking</u>	<u>ING Direct</u>	<u>Other⁽¹⁾</u>	<u>Total Group</u>
	(EUR millions) unaudited							
Total income	3,264	3,934	2,121	1,213	1,822	282	(528)	12,108
Total expenditure	3,106	3,643	1,898	964	1,350	642	(41)	11,562
Result before tax	158	291	223	249	472	(360)	(487)	545
Gains/losses on divestments	160	16						176
Special items	40			18	76	2	3	139
Underlying result before tax . . .	358	307	223	267	548	(358)	(484)	861
	Six months ended 30 June 2009							
	<u>Insurance Europe</u>	<u>Insurance Americas</u>	<u>Insurance Asia/Pacific</u>	<u>Commercial Banking</u>	<u>Retail Banking</u>	<u>ING Direct</u>	<u>Other⁽¹⁾</u>	<u>Total Group</u>
	(EUR millions) unaudited							
Total income	6,460	8,553	4,103	2,431	3,567	1,124	(1,108)	25,129
Total expenditure	6,543	9,051	4,091	2,283	3,203	1,227	(248)	26,150
Result before tax	(82)	(498)	11	148	365	(103)	(862)	(1,021)
Gains/losses on divestments	(3)	55					3	54
Special items	144	189	41	210	200	(28)	4	760
Underlying result before tax . . .	58	(254)	52	358	565	(131)	(855)	(207)

Year ended 31 December 2008								
	Insurance Europe	Insurance Americas	Insurance Asia/Pacific	Commercial Banking ⁽²⁾	Retail Banking ⁽²⁾	ING Direct	Other ⁽¹⁾	Total Group
	(EUR millions)							
Total income	14,489	27,738	14,159	4,107	7,399	878	(2,479)	66,291
Total expenditure	13,838	28,327	14,372	3,498	5,979	2,033	(269)	67,778
Result before tax	651	(589)	(213)	609	1,420	(1,155)	(2,210)	(1,487)
Gains/losses on divestments		(237)	214				15	(8)
Result from divested units		(28)	115					88
Special items		321			271	30		622
Underlying result before tax	651	(534)	116	609	1,691	(1,125)	(2,194)	(786)
Year ended 31 December 2007								
	Insurance Europe	Insurance Americas	Insurance Asia/Pacific	Commercial Banking ⁽²⁾	Retail Banking ⁽²⁾	ING Direct	Other ⁽¹⁾	Total Group
	(EUR millions)							
Total income	16,262	29,681	14,383	4,801	7,483	2,196	1,781	76,586
Total expenditure	13,962	27,529	13,807	2,836	5,405	1,667	338	65,544
Result before tax	2,300	2,152	576	1,965	2,079	530	1,443	11,043
Gains/losses on divestments	(418)	(93)			(32)		129	(414)
Result from divested units	(42)	3						(39)
Special items				94	355		40	489
Underlying result before tax	1,840	2,062	576	2,059	2,402	530	1,611	11,080
Year ended 31 December 2006								
	Insurance Europe	Insurance Americas	Insurance Asia/Pacific	Commercial Banking ⁽²⁾	Retail Banking ⁽²⁾	ING Direct	Other ⁽¹⁾	Total Group
	(EUR millions)							
Total income	16,170	29,779	13,378	4,738	7,166	2,289	101	73,621
Total expenditure	13,808	27,787	12,742	2,686	4,803	1,598	258	63,681
Result before tax	2,362	1,992	636	2,052	2,363	691	(157)	9,940
Gains/losses on divestments	(34)		(15)	89		23		63
Result from divested units	(79)			(45)		(20)		(144)
Underlying result before tax	2,249	1,992	621	2,096	2,363	694	(157)	9,859

(1) Other mainly includes items not directly attributable to the business lines and intercompany relations. See Note "Primary Reporting Format-Business Segment under Note 49 of Note 2.1.6. to the 2008 Financial Statements for further disclosure of ING's segment reporting.

(2) Mid-corporate clients in the home markets Netherlands, Belgium, Poland and Romania have been transferred retroactively from Commercial Banking to Retail Banking. Figures for 2007 and 2006 have been restated accordingly.

The business lines are analyzed on a total basis for Income, Expenses and Result before tax, the geographical analyses are based on underlying figures.

INSURANCE EUROPE

	Three months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008	2007	2006
	(EUR millions) unaudited						
Premium income	2,428	2,089	5,117	5,635	10,194	10,616	10,552
Commission income	117	119	228	250	491	477	348
Investment and Other income	719	857	1,115	2,053	3,804	5,169	5,270
Total income	3,264	3,065	6,460	7,938	14,489	16,262	16,170
Underwriting expenditure	2,664	2,401	5,443	6,115	11,559	11,595	11,458
Other interest expenses	57	148	197	217	513	591	544
Operating expenses	385	417	903	867	1,764	1,774	1,805
Other impairments	—	(3)	—	3	2	1	1
Total expenditure	3,106	2,963	6,543	7,202	13,838	13,962	13,808
Result before tax	158	101	(82)	736	651	2,300	2,362
Gains/losses on divestments	160	—	(3)	—	—	(460)	(113)
Special items	40	—	144	—	—	—	—
Underlying result before tax	358	101	58	736	651	1,840	2,249

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income of Insurance Europe for the three months ended 30 September 2009 increased by EUR 199 million, or 6.5%, to EUR 3,264 million from EUR 3,065 million for the three months ended 30 September 2008. Premium income was up 16.2% entirely due to the change in the recognition of life premiums in the Netherlands, which offset pressure on premium income due to rising unemployment and increased competition. Investment and other income declined 16.1% in the three months ended 30 September 2009 compared to the same period of 2008 on lower direct investment income which was partly offset by lower negative revaluations. New sales (APE) were up 6.0% year-on-year mostly due to a change in the recognition of life premiums in the Netherlands. Excluding this impact, sales declined 7.3%, primarily due to lower sales in Central and Rest of Europe.

The value of new business (“VNB”) fell 61.5% in the three months ended 30 September 2009 compared to the same period of 2008 as sales were lower in all countries except in the Netherlands. Lower exchange rates for Central European currencies and the impact of the Romanian second-pillar pension fund in the third quarter of 2008 also contributed to the decline.

Expenses

Operating expenses decreased 7.7% in the three months ended 30 September 2009 compared to the same period of 2008 due to strict cost control, depreciation of Central European currencies against the euro, and a change in the allocation of Group overhead.

Result before tax and underlying result before tax

Insurance Europe’s underlying result before tax was EUR 358 million for the three months ended 30 September 2009, up from EUR 101 million in the same period of 2008.

Results in the three months ended 30 September 2009 compared to the same period of 2008 were driven by favorable market impacts including higher gains on debt securities, positive private equity revaluations and a positive swing in the provision for guarantees on separate account pension contracts (net of hedging), as well as lower expenses.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income of Insurance Europe for the six months ended 30 June 2009 decreased by EUR 1,478 million, or 18.6%, to EUR 6,460 million from EUR 7,938 million for the six months ended 30 June 2008, reflecting decreases in life premium income across the region and lower investment and other income due to negative revaluations of real estate and non-trading derivatives, and negative results on private equity.

Premium income in the life operations decreased by 12.3% reflecting lower life premiums across the region. In the Benelux, life premiums fell 9.6% due to lower sales of investment products with profit participation in Belgium and lower premiums in the individual and corporate pension business adversely affected by lower indexation and lower profit-sharing in the Netherlands. Life premiums in Central and Rest of Europe decreased due to economic conditions which weighted heavily on single premium sales in the Czech Republic, Hungary and Greece. Premium income in non-life operations in the Benelux increased by 4.1%; the increase was fuelled by the recently initiated distribution of group disability products through mandated brokers in the Netherlands.

Investment and other income decreased by EUR 938 million, or 45.7%, to EUR 1,115 million. The decline was primarily due to a decrease of dividend income of EUR 271 million in direct investment income and EUR 210 million higher negative real estate revaluations both compared with the same period of last year. Recovering equity markets and steepening yield curves resulted in negative revaluations of non-trading derivatives. Further, income from fixed income investments declined mainly due to lower new money rates on government bond investments.

Expenses

Operating expenses of Insurance Europe for the six months ended 30 June 2009 increased only by EUR 36 million, or 4.2%, to EUR 903 million from EUR 867 million for the six months ended 30 June 2008, mainly due to cost-containment measures.

Result before tax and underlying result before tax

The result before tax of Insurance Europe for the six months ended 30 June 2009 decreased by EUR 818 million, or 111.1%, to EUR (82) million, from EUR 736 million for the six months ended 30 June 2008. Excluding special items, mainly restructuring provisions relating to the Group's expense reduction program, underlying result before tax decreased by EUR 678 million, or 91.1%, to EUR 58 million in the first six months of 2009. Results in the Benelux life operations fell sharply by EUR 639 million, or 156.6%, to EUR (231) million from EUR 408 million in the first six months of 2008, primarily due to the weak investment climate which caused a drop in dividend income, showed an increase of negative real estate revaluations and increased the provision for guarantees on separate account pension contracts compared to the first six months 2008. Non-life operations fell by EUR 142 million, or 95.3%, to EUR 7 million compared to the first six months 2008, mainly due to lower investment and other income, being primarily attributable to lower dividends and negative revaluations on real estate and non-trading derivatives, as well as increased claims due to the disability business and a few large fire claims, partly offset by lower operating expenses.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Total premium income decreased by EUR 422 million to EUR 10,194 million in 2008 from EUR 10,616 million in 2007, primarily due to the impact from the divestment of the Belgian broker and employee benefits business in September 2007 (EUR 363 million). Excluding this impact, premium income decreased EUR 59 million as sales from investment products suffered across Europe due to volatile equity markets and increased competition from bank deposits. Non-life premium income was flat despite fierce competition as market share was maintained. In Central and Rest of Europe, premium income increased to EUR 2,486 million from EUR 2,436 million, mainly due to growth in Poland as a result of higher sales of traditional products.

Expenses

Operating expenses decreased by EUR 10 million to EUR 1,764 million in 2008 from EUR 1,774 million in 2007. Excluding the divestment of the Belgian broker and employee benefits business, operating expenses increased by EUR 38 million, of which EUR 23 million came from Belgium and Luxembourg and EUR 29 million came from Central and Rest of Europe, offset by the Netherlands where operating expenses decreased by EUR 15 million due

to lower reorganization expenses. In Belgium and Luxembourg, the expense increase was partly related to the legal transfer of ING's investment management operations in Brussels from ING Bank to ING Insurance. The increase in operating expenses in Central and Rest of Europe reflected business growth as well as investments for a multi-year operational efficiency program that started in 2008.

Result before tax

Result before tax decreased by EUR 1,649 million to EUR 651 million in 2008 from EUR 2,300 million in 2007, primarily due to lower investment income across most asset classes. There were no material divestments in 2008. However, the sale of the Belgian broker and employee benefits business led to a gain of EUR 418 million in 2007.

Underlying result before tax

Underlying result before tax for Insurance Europe declined by EUR 1,189 million to EUR 651 million in 2008 from EUR 1,840 million in 2007 due to lower investment income across most asset classes. Income from real estate of EUR (278) million decreased from EUR 371 million a year ago due to negative revaluations of properties in the United Kingdom and continental Europe. Income from private equity of EUR (296) million compares to EUR 160 million in 2007. Financial market distress also led to EUR 80 million impairment on fixed income funds. In Central and Rest of Europe, underlying profit declined marginally to EUR 329 million in 2008 from EUR 332 million in 2007. Despite market turmoil, Poland, which accounts for about half the region's result, was able to increase its profit by EUR 23 million. However, this was offset by lower profit contributions by Spain (EUR (10) million) and Hungary (EUR (11) million).

The Netherlands

Underlying result before tax in the Netherlands decreased to EUR 242 million in 2008 from EUR 1,444 million in 2007 due to investment losses across most asset classes. Income from real estate dropped to EUR (278) million from EUR 371 million in 2007 due to negative revaluations of properties in the United Kingdom and continental Europe. Negative revaluations and impairments on private equity investments resulted in income of EUR (296) million in 2008, down from EUR 160 million in 2007. Furthermore, the capital upstream of EUR 5.0 billion to the Corporate Line Insurance in 2007 contributed to lower investment income in 2008.

The underlying result before tax for life insurance decreased to EUR (49) million in 2008 from EUR 1,029 million in 2007. Income from real estate dropped to EUR (258) million from EUR 345 million in 2007 due to negative revaluations of properties in the United Kingdom and continental Europe. In November, ING's Dutch insurance subsidiaries reached an agreement in principle with consumer organizations regarding individual unit-linked life policies that were sold in the Netherlands. This agreement is non-binding for individual policyholders. There was no material P&L impact as adequate provisions had already been established. Capital gains on debt securities and fixed income funds decreased to EUR (79) million in 2008 compared to EUR 20 million in 2007. Life premium income life stayed flat at EUR 8,505 million in 2008 versus EUR 8,562 million in 2007 despite the weak investment climate. Termination of low-return group contracts and cessation of the sale of traditional unit-linked products were offset by higher sales of group life products through indexation, as well as higher sales due to single premium fixed annuities in the Netherlands.

Underlying result before tax for non-life insurance decreased to EUR 292 million in 2008 from EUR 415 million in 2007 primarily due to negative revaluations of real estate and private equity investments. The combined investment income from real estate and private equity declined EUR 111 million year over year. Furthermore, higher releases of technical provisions in 2007 than in 2008 contributed to lower results in 2008. Non-life premium income was flat at EUR 1,590 million in 2008 versus EUR 2,054 million in 2007 as market share was maintained despite fierce competition due to new entrants and an increasing number of insurers offering their services through the internet.

Belgium

Underlying result before tax in Belgium increased to EUR 77 million in 2008 from EUR 54 million in 2007 due to lower profit-sharing for the Optima product which added EUR 10 million to the underlying result, as well as a higher release of EUR 10 million in technical provisions in 2008. Premium income from life insurance decreased to EUR 1,064 million in 2008 from EUR 1,160 million in 2007 due to the weak investment climate and competition from banks for retail savings.

Central and Rest of Europe

Underlying result before tax declined marginally to EUR 329 million in 2008 from EUR 332 million in 2007. Underlying pre-tax profit was down in Spain to EUR 35 million from EUR 44 million in 2007, and in Hungary to EUR 68 million from EUR 79 million in 2007, which was offset by Poland where pre-tax profit increased to EUR 158 million in 2008 from EUR 135 million in 2007. Results in Hungary and Spain were impacted by impairments on fixed income securities and equity hedge losses. Life premium income increased to EUR 2,446 million from EUR 2,394 million as higher premiums in Poland were partially offset by lower premiums in Hungary and Spain. Premium income in Spain and Hungary was impacted by lower sales of unit linked products and variable annuities amidst unfavorable market conditions. The successful introduction of a single premium investment product in Poland generated EUR 542 million in sales, which were not reflected in gross premiums.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Total premium income increased by 0.6%, or EUR 64 million to EUR 10,616 million in 2007 from EUR 10,552 million in 2006, as continued strong life premium growth in Central and Rest of Europe was largely offset by lower life premiums in the Netherlands and Belgium, including the impact of the divestment of the Belgian broker and employee benefits business in September 2007. Life production slowed down in the second half of 2007 due to faltering stock markets and less intensive marketing for investment products in Belgium. Unit-linked volumes in the Netherlands were impacted by negative media attention concerning cost loads. Non-life premium income declined by 6.8%, or EUR 135 million to EUR 1,839 million from EUR 1,974 million in 2006, due to lower premiums in all regions after rate reductions in the Benelux as well as the disposition of bond insurer Nationale Borg in the Netherlands and the broker and employee benefits business in Belgium.

Commission income advanced by 37.1%, or EUR 129 million to EUR 477 million in 2007 from EUR 348 million in 2006 fuelled by higher management fees in all regions. Investment and Other income declined by 1.9%, or EUR 101 million from EUR 5,270 million in 2006 to EUR 5,169 million in 2007, driven by lower capital gains and fair value changes on real estate and private equity investments. In the Netherlands direct investment income decreased EUR 136 million, after the deconsolidation of a real estate mutual fund at year-end 2006 and the distribution of EUR 5.0 billion in extraordinary dividends to the Corporate Line Insurance during 2007. Direct investment income in Belgium included the EUR 418 million gain on the divestment of the broker and employee benefits business.

Expenses

Operating expenses declined by 1.7%, or EUR 31 million to EUR 1,774 million in 2007 from EUR 1,805 million in 2006, with the decline concentrated in the Benelux. In the Netherlands, expenses decreased 1.5%, or EUR 21 million to EUR 1,350 million in 2007 from EUR 1,371 million in 2006, as regular cost increases related to inflation and merit salary increases were offset by staff reductions following the completion and implementation of a new insurance administration platform at Nationale-Nederlanden and EUR 33 million software impairments in 2006. The 2007 release of provisions for employee benefits in the Netherlands almost matched similar releases in 2006. Operating expenses in Belgium declined from EUR 150 million in 2006 to EUR 96 million in 2007, following the disposition of the broker and employee benefits business. Expenses in Central and Rest of Europe were EUR 44 million higher at EUR 324 million, after EUR 30 million higher investments in greenfields (business in new country) in Romania and Russia and organic business growth across the region.

Result before tax

Result before tax in 2007 included a gain of EUR 418 million from the sale of Belgian broker and employee benefits business, whereas the 2006 pre-tax result reflected a EUR 34 million gain on the unwinding of a cross-shareholding with Bank Piraeus in Greece. Notwithstanding those gains, total profit before tax of Insurance Europe declined by 2.6%, or EUR 62 million to EUR 2,300 million in 2007 from EUR 2,362 million in 2006.

Underlying result before tax

Underlying result before tax from Insurance Europe declined by 18.2%, or EUR 409 million from EUR 2,249 million in 2006 to EUR 1,840 million in 2007, driven by lower insurance results in the Netherlands following lower capital gains and fair value changes on real estate and private equity investments and significant disability provision releases in 2006. Central Europe continued to show strong growth of life underwriting results, partly compensated by EUR 26 million higher greenfield strain in Romania and Russia. Underlying pre-tax profit from life insurance declined by 15.7%, or EUR 263 million to EUR 1,412 million in 2007 from EUR 1,675 million

in 2006, mostly resulting from a EUR 327 million decrease in life results from the Netherlands partly offset by a EUR 51 million increase in Central and Rest Europe, primarily in Hungary and Poland as well as the Czech and Slovakia republics. Underlying result from non-life insurance declined by 25.4%, or EUR 146 million from EUR 574 million in 2006 to EUR 428 million in 2007, including 2006 releases of actuarial provisions caused by the introduction of a new long-term disability act in the Netherlands.

Netherlands

In the Netherlands, underlying result before tax decreased by 24.4%, or EUR 466 million to EUR 1,445 million in 2007 from EUR 1,911 million in 2006, as lower investment income and actuarial provision releases more than offset the slight decline in operating expenses. Results included EUR 217 million lower gains and revaluations from real estate investment declining from EUR 443 million in 2006 to EUR 226 million in 2007 and EUR 42 million lower gains and revaluations from private equity investments from EUR 166 million in 2006 to EUR 124 million in 2007, as well as a EUR 98 million release of disability provisions triggered by the introduction of a new long-term disability act in 2006. In 2007, the increase in the shortfall in investment guarantees on certain group pension contracts deteriorated EUR 74 million compared to 2006.

Underlying result before tax from the life insurance businesses declined by 24.1%, or EUR 327 million from EUR 1,357 million in 2006 to EUR 1,030 million in 2007 driven by lower investment income, especially lower gains and revaluations on real estate and private equity investments. Life premium income declined by 4.2%, or EUR 374 million from EUR 5,230 million in 2006 to EUR 5,008 million in 2007, mainly due to lower single-premium sales due to enhanced pricing discipline to improve profitability and negative media attention around unit-linked products.

Underlying result before tax from the non-life insurance businesses decreased by 25.1%, or EUR 139 million from EUR 554 million in 2006 to EUR 415 million in 2007, driven by EUR 98 million disability provision releases in 2006 as well as lower results from real estate and private equity investments. Non-life premiums declined by 1.2% to EUR 1,587 million, a decrease of EUR 19 million compared to EUR 1,606 million in 2006 largely attributable to the disposition of guarantee insurer Nationale Borg in the second quarter of 2006. Increased distribution through the proprietary bank channel more than compensated for the impact of rate pressure in automobile and group income insurance.

Belgium

In Belgium, underlying result before tax from insurance rose by 8.8%, or EUR 3 million from EUR 57 million in 2006 to EUR 62 million in 2007, due to higher results from life insurance. Underlying result from life insurance, including Luxembourg, rose by EUR 12 million, or 25.5% to EUR 59 million in 2007 from EUR 47 million in 2006, driven by higher sales and investment income. Underlying result before tax from non-life insurance, declined sharply to EUR 3 million in 2007 from EUR 10 million in 2006, partly caused by a strengthening of the claims provisions for disability based on recent claims experience. Following the divestment of the broker and employee benefits business in 2007, the insurance activities in Belgium are focused exclusively on the sale of insurance products through ING's proprietary bank channels (ING Bank and Record Bank). Life premium income increased by 15.0%, to EUR 1,160 million in 2007 from EUR 1,009 million in 2006, due to strong sales of investment products with a capital guarantee and high profit participation potential. Non-life premiums were up 12.5%, mainly due to the compulsory natural disaster cover introduced in 2007.

Central and Rest of Europe

In Central and Rest of Europe, underlying result before tax increased by 17.7%, or EUR 50 million to EUR 332 million in 2007 from EUR 282 million in 2006, driven by a 18.8% increase in life results to EUR 323 million. The new life operation in Russia and second-pillar pension fund in Romania caused a EUR 26 million higher greenfield strain on underlying pre-tax result. The Czech Republic, Hungary, Poland and Slovakia all showed strong growth in life and pensions, driven by higher premiums and pension fund inflows. Life premium income rose by 25.6%, or EUR 488 million from EUR 1,906 million in 2006 to EUR 2,394 million in 2007, propelled by high sales of unit-linked products in Greece and the Czech Republic, group life in Spain as well as the launch of the variable annuities in Hungary and Spain.

INSURANCE AMERICAS

	Three months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008	2007	2006
	(EUR millions)						
	unaudited						
Premium income	3,531	5,411	7,403	11,815	22,549	23,537	24,118
Commission income	305	354	604	576	1,254	1,036	984
Investment and other income	98	905	546	2,045	3,935	5,108	4,677
Total income	3,934	6,670	8,553	14,436	27,738	29,681	29,779
Underwriting expenditure	3,201	6,024	7,990	12,344	25,319	24,682	24,981
Other interest expenses	30	66	133	106	222	328	316
Operating expenses	412	683	927	1,231	2,574	2,519	2,490
Other impairments	—	1	—	3	212	0	0
Total expenditure	3,643	6,774	9,051	13,683	28,327	27,529	27,787
Result before tax	291	(105)	(498)	753	(589)	2,152	1,992
Gains/losses on divestments	12	(178)	55	(62)	(265)	(91)	—
Result from divested units	4	(106)	—	(220)	—	—	—
Special items	—	73	189	—	321	—	—
Underlying result before tax	307	(316)	(254)	471	(534)	2,061	1,992

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income was down 41.0% for the three months ended 30 September 2009 compared to the same period of 2008 as gross premium income declined 34.7%. Investment and other income fell 89.2% in the three months ended 30 September 2009. This reflects lower fee income and investment margins, and a loss on equity hedges in place to protect regulatory capital. Sales (APE) fell 23.0% for the three months ended 30 September 2009 compared to the same period of 2008. Individual life sales declined due to price increases and variable annuity sales decreased as ING sought to limit sales of its existing variable annuities until its new rollover product is introduced.

Expenses

Lower staff and benefit costs throughout the region led to a 39.7% decline in operating expenses for the three months ended 30 September 2009 compared to the same period of 2008.

Result before tax and underlying result before tax

The ongoing market recovery helped Insurance Americas deliver an underlying profit before tax of EUR 307 million for the three months ended 30 September 2009 compared to EUR (316) million in the same period of 2008.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income of Insurance Americas for the six months ended 30 June 2009 decreased by EUR 5,883 million, or 40.8%, to EUR 8,553 million from EUR 14,436 million for the six months ended 30 June 2008 as weak economic and market conditions persisted.

Premium income in the life operations decreased by 25.5%, reflecting substantially lower variable annuity sales in the United States. Variable annuities dropped in response to management actions taken to de-risk the variable annuity products as well as consumers' continued delay to move back into equity products due to overall market conditions. In Latin America gross premiums declined due to lower annuity sales in Chile. At the end of 2008, the non-life operations in Canada were sold.

Investment and other income decreased by EUR 1,499 million, or 73.3%, to EUR 546 million from EUR 2,045 million in the first six months of 2008, mainly as a result of negative realized gains and fair value changes, losses on short and long term equity hedges related to variable annuity guarantees and DAC unlocking.

Expenses

Operating expenses of Insurance Americas over the first six months of 2009 decreased by EUR 304 million, or 24.7%, to EUR 927 million, from EUR 1,231 million for the first six months 2008. Lower staff costs due to a reduction of FTEs, a decline in incentive compensation and lower integration costs related to the pension business in Latin America were the main reasons.

Result before tax and underlying result before tax

Result before tax of Insurance Americas for the six months ended 30 June 2009 decreased by EUR 1,251 million, or 166.1%, to EUR (498) million, from EUR 753 million for the six months ended 30 June 2008, reflecting a decrease in results of the life operations of more than 200% and a decrease in results of the non-life operations of 89.2%. Excluding the sale of ING's 70% stake in ING Canada in 2009 and the sale of the insurance business in Chile and Mexico in 2008 and special items, relating to restructuring provisions to align the Group's cost base, underlying result before tax decreased by 153.9% from EUR 471 million in the first six months of 2008 to a loss of EUR 254 million in the first half of 2009. DAC unlocking, investment losses, lower fee income and higher guaranteed benefit costs in variable annuity were the main reason for the loss in the US life operations. The life operations in Latin America showed a small increase due to better equity market returns, improved pension fee income and lower integration costs. The result non-life of EUR 26 million is the run-off of the sale of the Canadian operations.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Total premium income decreased by 4.2%, or EUR 988 million, from EUR 23,537 million in 2007 to EUR 22,549 million in 2008. Underlying life premiums increased by 0.8%, or 8.8% excluding currency impacts to EUR 19,216 million, primarily attributable to the US (increase of 8.4% in local currency) driven by variable annuities, retirement services and fixed annuities. Underlying non-life premium income decreased by 12.6%, mainly due to the sale of the health business in Chile in the first quarter of 2008. Premium income in Canada decreased by 4.2%, but increased by 1.7% excluding currency impacts due to an increase in average premiums, while the number of new risks insured decreased.

Commission income increased by 21.0%, or EUR 218 million to EUR 1,254 million in 2008 from EUR 1,036 million in 2007, primarily due to the acquisitions of the annuity and pension business from Santander in Latin America at the end of 2007. Investment and Other income decreased 23.0% or EUR 1,173 million from EUR 5,108 million in 2007 to EUR 3,935 million in 2008 due to credit related losses and impairments, unfavorable results on non-trading derivatives and losses from limited partnerships.

Expenses

Operating expenses increased by 2.2%, or EUR 55 million from EUR 2,519 million in 2007 to EUR 2,574 million in 2008. Underlying expenses increased 10.5% excluding currency impacts, mainly due to integration and operating expenses triggered by the acquisition of CitiStreet in the US and the acquisition of pension business from Santander in Latin America. Expenses as a percentage of assets under management for investment products deteriorated from 0.74% to 0.87%, while expenses as a percentage of premiums for life products improved to 14.6% in 2008.

Result before tax

Result before tax in 2008 included a gain of EUR 55 million, which resulted from the divestment of Chile health business in the first quarter of 2008 and a gain of EUR 182 million which resulted from the divestment of Mexico insurance business in the third quarter of 2008. In addition, the result before tax in 2008 includes EUR 28 million profit generated by the Mexico divested insurance businesses. The special items in 2008 related to integration expenses for CitiStreet in the US (EUR 90 million before tax), losses from annuity and pension businesses in Argentina following the nationalization of the private pension business in the fourth quarter of 2008 (EUR 228 million before tax), and restructuring charges in several countries in Latin America (EUR 3 million before tax).

Underlying result before tax

Underlying result before tax from Insurance Americas decreased to a loss of EUR 534 million in 2008 from a profit of EUR 2,062 million in 2007. Underlying result before tax in the US decreased by EUR 2,473 million from a profit of EUR 1,356 million in 2007 to a loss of EUR 1,117 million in 2008, primarily due to net investment losses and negative impact from deferred acquisition costs unlocking. The Canadian business had a 22.6%, or EUR 106 million decrease in underlying result before tax from EUR 470 million in 2007 to EUR 364 million in 2008 due to lower underwriting income, including higher catastrophe claims. In Latin America underlying profit before tax decreased by 6.8%, or EUR 16 million to EUR 220 million in 2008 from EUR 236 million in 2007. The underlying profit before tax in the life businesses decreased by EUR 44 million due to lower investment gains in 2008 (especially in Mexico), and lower investment results on the legally-required capital in the pension businesses (especially in Chile and Peru). The underlying profit before tax in the non-life businesses increased EUR 28 million, due to higher non-life results in Brazil.

United States

Premium income increased by 0.3%, or 8.4% excluding currency impact to EUR 18,736 million in 2008 from EUR 18,677 million in 2007. This increase was mainly due to higher sales of retirement services, variable annuities and fixed annuities. Operating expenses increased 2.3%, or 10.1% excluding currency impact to EUR 1,531 million due to the acquisition of CitiStreet in the second quarter of 2008, partly offset by lower personnel-related expenses. Underlying result before tax decreased to a loss of EUR 1,117 million from a profit of EUR 1,356 million in 2007. The negative result before tax in 2008 included investment losses (pre-DAC) of EUR 965 million. In addition, deferred acquisition costs unlocking had a negative impact of EUR 1,180 million in 2008, compared with a positive impact of EUR 14 million in 2007. The further decrease of underlying result was due to lower fee income in 2008 from lower assets under management in retirement services, higher cost of guaranteed benefits in 2008 in variable annuities, negative limited partnerships result in 2008, and lower result from private equity investments.

Canada

Premium income decreased by 4.2%, from EUR 2,788 million in 2007 to EUR 2,671 million in 2008, but increased 1.7% excluding currency impact. The increase was primarily attributable to rate increases and average premium increases in personal lines which compensated for a lower the number of insured risks. Operating expenses of EUR 544 million in 2008 decreased by 1.6% compared to 2007, but increased 4.3% excluding currency impact.

Underlying profit before tax decreased by 22.6%, or EUR 106 million from EUR 470 million in 2007 to EUR 364 million in 2008, due to lower underwriting results, partially offset by higher investment income, including lower impairments of fixed income securities. Underwriting results decreased in 2008 following higher claims (including higher catastrophe claims). The claims ratio deteriorated to 69.5% in 2008 from 65.7% in 2007, and the expense ratio deteriorated from 28.5% to 29.1%. The combined ratio deteriorated to 98.6% in 2008 from 94.2% in 2007.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Premium income decreased by 2.4%, or EUR 581 million, from EUR 24,118 million in 2006 to EUR 23,537 million in 2007. Excluding unfavorable currency effects of EUR 1,905 million, premium income rose by 6.0%, due to an increase in Life premium of 6.6%, primarily attributable to the US (increase of 6.7%) driven by variable annuities and retirement services, partly offset by lower fixed annuities; Latin America (increase of 3.8%) driven by annuities in Chile and Argentina and group life premiums in Mexico, and an increase in Non-life premium of 3.0%, attributable to Canada (increase of 2.7%) due to an increase in the number of insured risks and Latin America (increase of 3.4%) through higher premiums from health business.

Commission income increased by 5.3%, or EUR 52 million to EUR 1,036 million in 2007 from EUR 984 million in 2006, primarily as a result of higher assets under management, which were due to sales, persistency and positive fund performance. Investment and Other income increased 9.2% or EUR 431 million from EUR 4,677 million in 2006 to EUR 5,108 million in 2007, mainly due to net investment gains, including the gain on the initial public offering of shares by the Brazilian composite insurer SulAmérica, in which ING is a major shareholder as well as the disposition of a minority equity investment in the US, and higher private equity gains, partly offset by credit related losses and impairments.

Expenses

Operating expenses increased by 1.2%, or EUR 29 million from EUR 2,490 million in 2006 to EUR 2,519 million in 2007. Excluding unfavorable currency impact of EUR 183 million, operating expenses increased 9.2%, due to the acquisitions of the annuity and pension business from Santander in Latin America, marketing and organic business growth, mainly in the US. Expenses as a percentage of assets under management for investment products deteriorated from 0.72% to 0.74%, while expenses as a percentage of premiums for life products deteriorated from 14.3% in 2006 to 14.7% in 2007.

Result before tax

Result before tax in 2007 included a gain of EUR 93 million, which resulted from the dilution of ING's share in Brazil's SulAmérica, following an initial public offering.

Underlying result before tax

Underlying result before tax from Insurance Americas increased by 3.4%, or EUR 67 million from EUR 1,992 million in 2006 to EUR 2,059 million in 2007. Underlying result before tax in the US grew by 12.7%, or EUR 153 million from EUR 1,203 million in 2006 to EUR 1,356 million in 2007, due to net investment gains and commission income, partially offset by increased operating expenses. The Canadian business had a 22.3%, or EUR 135 million decrease in underlying result before tax from EUR 605 million in 2006 to EUR 470 million in 2007, due to less favorable developments in current and prior-year reserves and impairments and investment losses. In Latin America underlying result before tax increased 27.3%, or EUR 50 million to EUR 233 million in 2007 from EUR 183 million in 2006, due to life operations increase, partly offset by non-life operations. Life operations rose 84.6% or EUR 99 million with higher results across the region, including investment gains in Mexico. Non-life operations decreased 74.2% or EUR 49 million, due to higher fire and weather-related claims and provision strengthening in automobile insurance in Mexico, partly offset by the results from the health business in Brazil.

United States

Underlying premium income decreased 2.4%, or EUR 453 million to EUR 18,677 million in 2007 from EUR 19,130 million in 2006. The decrease is attributable to the depreciation of the US dollar against the EUR. Excluding this impact, premium income increased 6.7%, mainly due to higher sales of variable annuity and retirement services, but was partially offset by lower premiums from fixed annuities. Operating expenses were almost flat as they increased only by 0.9%, or EUR 14 million. Excluding unfavorable currency impact of EUR 127 million, operating expenses increased 10.4%, due to marketing, continued business growth and personnel-related expenses. Underlying result before tax rose by 12.7%, or EUR 153 million from EUR 1,203 million in 2006 to EUR 1,356 million in 2007. Net investment gains, including the EUR 21 million gain on the disposition of a minority equity investment, contributed EUR 83 million to the underlying result growth in the US. Excluding investment gains, underlying result before tax increased 5.5% to EUR 1,316 million, due to higher fee income from higher assets under management, higher result from private equity investments and positive impact from equity related deferred acquisition costs and reserves unlocking.

Canada

Underlying premium income of EUR 2,788 million EUR in 2007 was almost flat compared with 2006. Excluding the impact of the depreciation of Canadian dollar against the EUR, premium income increased 2.7% primarily attributable to the increase in the number of insured risks. Operating expenses of EUR 553 million in 2007 was almost flat compared with 2006. Excluding unfavorable currency impact of EUR 18 million, operating expenses rose by 4.3%. Underlying result before tax decreased 22.3%, or EUR 135 million from EUR 605 million in 2006 to EUR 470 million in 2007, due to lower underwriting results and investment losses. Underwriting results decreased in 2007 after a deterioration of the automobile insurance results and higher property insurance losses. The claims ratio deteriorated to 65.7% in 2007 from 59.2% in 2006, but the expense ratio improved to 28.5% from 29.9%. The combined ratio deteriorated to 94.2% in 2007 from 89.1% in 2006.

INSURANCE ASIA/PACIFIC

	Three months ended 30 September		Six months ended 30 June		Year ended 31 December		
	2009	2008	2009	2008	2008	2007	2006
	(EUR millions)						
	unaudited						
Premium income	1,665	2,873	3,648	6,266	11,040	12,632	12,136
Commission income	75	82	136	180	319	382	298
Investment and other income	381	935	319	857	2,800	1,369	944
Total income	2,121	3,890	4,103	7,303	14,159	14,383	13,378
Underwriting expenditure	1,484	3,408	3,210	6,190	12,611	12,517	11,745
Other interest expenses	212	197	470	266	720	175	22
Operating expenses	202	266	411	540	1,040	1,115	965
Other impairments					0	0	10
Total expenditure	1,898	3,871	4,091	6,997	14,372	13,807	12,742
Result before tax	223	19	11	306	(213)	576	636
Gains/losses on divestments					329		(15)
Special items			41				
Underlying result before tax	223	19	52	306	116	576	621

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income was 45.5% lower at EUR 2,121 million for the three months ended 30 September 2009, compared to the same period of 2008. This was mainly the result of lower gross premium income, which declined 27.9% largely from lower single premium business in Japan SPVA and South Korea. Investment and other income fell 59.3% for the three months ended 30 September 2009 compared to the same period of 2008 due to fair value changes on the derivatives used to hedge Japan's SPVA guaranteed benefits, with an offset in underwriting expenditure. New sales (APE) fell 27.1% for the three months ended 30 September 2009 compared to the same period of 2008. Excluding Japan SPVA, APE declined 17.0%, predominantly on lower investment-linked product sales in South Korea and Australia. The VNB for the three months ended 30 September 2009 fell 17.2% compared to the same period of 2008, less than the fall in APE, mainly due to the cessation of Japan SPVA sales and improved value generation in Korea.

Expenses

Operating expenses for the three months ended 30 September 2009 declined 24.1% compared to the same period in 2008. All countries contributed to the decline in expenses with the exception of Malaysia where new business growth was robust, and Australia where a one-off administrative provision was booked.

Result before tax and underlying result before tax

Underlying result before tax and results before tax were EUR 223 million for the three months ended 30 September 2009 compared with EUR 19 million in the same period of 2008. Results improved as market-related impacts turned positive, mainly due to Japan SPVA.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income from Insurance Asia/Pacific for the six months ended 30 June 2009 fell by EUR 3,200 million, or 43.8%, to EUR 4,103 million from EUR 7,303 million for the six months ended 30 June 2008, caused by a fall in premium income in the region due to the economic downturn and the sale of the Taiwanese insurance business at the beginning of 2009.

Premium income in the life operations decreased by 41.9%, partly due to the sale of the Taiwanese insurance business in the first quarter of 2009. Furthermore, Japan life premiums were substantially lower due to lower SPVA sales for redesigned products and in South Korea premiums fell due to overall industry weakness. The increase in

life premium income in Australia and New Zealand due to robust insurance sales and in-force business retention partly compensated the overall decrease in Asia/Pacific.

Investment and other income decreased by EUR 538 million, or 62.8%, to EUR 319 million, primarily due to fair value changes on derivatives, the majority of which related to hedge policy guarantees in Japan. These fair value changes on derivative instruments are largely offset in underwriting expenditure.

Expenses

Operating expenses of Insurance Asia/Pacific over the first six months of 2009 decreased by EUR 129 million, or 23.9%, to EUR 411 million, from EUR 540 million for the first six months of 2008. The decline is largely the result of continued cost containment efforts in the region and the sale of Taiwan.

Result before tax and underlying result before tax

The result before tax of Insurance Asia/Pacific for the six months ended 30 June 2009 decreased by EUR 295 million, or 96.4%, to EUR 11 million, from EUR 306 million for the six months ended 30 June 2008. Excluding special items, which relate to a restructuring provision for the SPVA run-off in Japan, the underlying result before tax decreased by 83.3%, or EUR 254 million, to EUR 52 million in the first six months of 2009. The adverse financial environment negatively affected Asia/Pacific's life results. In Japan, SPVAs sales were much lower due to intense market volatility and the SPVA business was put into run-off on 31 July 2009. In South Korea, life results were higher due to improved investment results and lower costs. In Australia and New Zealand, results decreased due to unfavorable movements in reserves caused by increasing interest rates and lower investment results, partly offset by lower operating expenses. Losses in Rest of Asia were mainly driven by impairments on debt holdings in India.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Premium income decreased by 12.6%, or EUR 1,592 million to EUR 11,040 million in 2008 from EUR 12,632 million in 2007. Excluding Taiwan, premiums fell 7.7%. Double digit growth was recorded in local terms in Australia, Korea and Rest of Asia. However, this was more than offset by a sharp decline in single premium variable annuity premiums in Japan. Commission income decreased by 16.5%, or EUR 63 million to EUR 319 million in 2008 from EUR 382 million in 2007, mainly due to negative market performance and currency impact in Australia.

Expenses

Operating expenses decreased by 6.7%, or EUR 75 million to EUR 1,040 million in 2008 from EUR 1,115 million in 2007. Excluding Taiwan and currency effects, operating expenses increased 7.0%, as cost containment helped to offset most of the increased expenses from a higher in-force base in some countries and continued investment in greenfield operations, to support the growth in premium income in these markets.

Result before tax

On 20 October 2008, ING reached an agreement with Fubon Financial Holding Co. Ltd. to sell ING Life Taiwan for a consideration of USD 600 million (EUR 447 million). The transaction closed on 11 February 2009, and the total loss before tax of the transaction, comprising of the loss on divestment (EUR 214 million) and negative results from the divested unit related to impairments (EUR 115 million), was EUR 329 million (EUR 292 million after tax). As a consequence of the sale, Taiwan was separately reported from Insurance Asia/Pacific's results beginning with the fourth quarter of 2008. Including the loss on the divestment and the result from the divested unit, result before tax decreased by 137.0%, or EUR 789 million to a loss of EUR 213 million in 2008 from a profit of EUR 576 million in 2007.

Underlying result before tax

Underlying result before tax decreased by 79.9%, or EUR 460 million to EUR 116 million in 2008 from EUR 576 million in 2007. Japan recorded a loss of EUR 167 million in 2008 compared to a profit of EUR 24 million in 2007, driven by losses on the variable annuity business as a consequence of extreme market volatility. Turmoil in the global financial markets led to negative revaluations on credit and equity linked securities, and impairments on fixed income investments, which further contributed to the decrease in the underlying result. Excluding Japan and currency impacts, underlying profit before tax declined by 15.5%.

Australia and New Zealand

Underlying result before tax decreased by 41.4%, or EUR 89 million, to EUR 126 million in 2008 from EUR 215 million in 2007. This was driven by reduced fee income due to a decline in assets under management and lower investment earnings. New sales in life risk products and favorable in-force retention drove life premium income up 6.2%, or EUR 17 million, to EUR 292 million in 2008 from EUR 275 million in 2007. Operating expenses decreased by 5.0%, but were up 1.6% excluding currency effects, to EUR 211 million in 2008 from EUR 222 million in 2007. The increase was driven by a higher in-force base, investments in select business transformation projects and restructuring costs.

South Korea

In South Korea, underlying result before tax decreased by 45.7%, or 33.3% excluding currency effects, to EUR 163 million in 2008 from EUR 300 million in 2007. The decline was mainly due to market related impacts, comprising negative revaluations on an equity derivative fund and credit linked securities and impairments on fixed income securities. Results in 2007 had also been supported by the one-off recognition of EUR 10 million in dividend income from the consolidation of equity funds. Premium income decreased by 8.8%, but was up 13.8% excluding currency effects, to EUR 3,291 million in 2008 from EUR 3,607 million in 2007 due to favorable retention and stable new sales. Operating expenses decreased by 9.5%, but were up 13.6% excluding currency effects, to EUR 229 million in 2008 from EUR 253 million in 2007 to support business growth.

Taiwan

ING Life Taiwan was sold to Fubon Financial Holding Co. Ltd in February 2009. ING recorded zero underlying result before tax for Taiwan in 2008, as in 2007, due to strengthening of reserves in a low interest rate environment.

Japan

In Japan, underlying result before tax decreased by EUR 191 million to a loss of EUR 167 million in 2008 from a profit of EUR 24 million in 2007. The swing was primarily driven by adverse hedge results on the variable annuities business due to extraordinary market volatility, especially in the month of October. This was partially offset by an increase in profits on the Corporate Owned Life Insurance (“COLI”) business on an increased premium base and improved investment results. The turbulent financial market environment severely impacted SPVA sales. As a result, premium income declined 14.2% to EUR 4,026 million from EUR 4,693 million in 2007. Despite this decrease, ING is a top 3 player in the COLI segment and a top 4 player in the SPVA segment.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Premium income increased by 4.1%, or EUR 496 million to EUR 12,632 million in 2007 from EUR 12,136 million in 2006, due primarily to sales of unit-linked products and high persistency in South Korea, new sales in life risk and personal investment products, along with favorable in-force business in Australia and sales of investment-linked products in Taiwan, in part offset by lower premiums in Japan caused by regulatory changes and economic volatility. Double-digit growth rates in premium income were recorded in local currency terms in most of Asia/Pacific's other markets.

Commission income increased by 28.2%, or EUR 84 million to EUR 382 million in 2007 from EUR 298 million in 2006, due to higher funds under management arising from strong investment markets and higher net inflows in Australia and New Zealand as well as the full year consolidation of asset management business in Taiwan, which was acquired in the fourth quarter of 2006.

Expenses

Operating expenses increased by 15.5%, or EUR 150 million to EUR 1,115 million in 2007 from EUR 965 million in 2006, reflecting the increase of business volumes and the focus in building organizational capabilities and investing in greenfield operations. Expenses as a percentage of assets under management for investment products improved from 0.83% in 2006 to 0.81% in 2007, but expenses as a percentage of premiums for life products deteriorated from 8.2% in 2006 to 9.4% in 2007.

Result before tax

Following the sale of Australia's non-life business in 2004, provisions were made for claims experience of several lines of business. As claims experience was favorable, the hold-back provision was released in 2006 resulting in a result before tax of EUR 15 million. Including the result from the divested unit, result before tax decreased by 9.4%, or EUR 60 million to EUR 576 million in 2007 from EUR 636 million in 2006.

Underlying result before tax

Underlying result before tax decreased by 7.2%, or EUR 45 million to EUR 576 million in 2007 from EUR 621 million in 2006. This decrease was primarily due to Japan, which recorded a profit before tax of EUR 24 million in 2007 from EUR 156 million in 2006 largely due to the impact of market volatility on its Single Premium Variable Annuity or SPVA business, and a EUR 24 million CDO markdown in the COLI business. Excluding Japan, the underlying result was up 19%, driven by business in South Korea experiencing growth in investment-linked product sales and in-force premium as well as a one-off recognition of EUR 10 million from the consolidation of Best Equity Fund and business in Australia/New Zealand experiencing funds under management growth, investment earnings and release of provisions.

Australia and New Zealand

Underlying result before tax increased 33.5%, or EUR 54 million to EUR 215 million in 2007 from EUR 161 million in 2006 driven by funds under management growth, investment earnings and release of provisions. Life premium income rose by 19.6%, or EUR 45 million to EUR 275 million in 2007 from EUR 230 million in 2006, driven by new sales in life risk and personal investment products, along with favorable in-force business. Operating expenses increased 14.4% due to higher volume-driven expenses such as investment management, direct campaign and stamp duty costs.

South Korea

In South Korea, underlying result before tax rose by 14.1%, or EUR 37 million to EUR 300 million in 2007 from EUR 263 million 2007, driven primarily by growth of investment-linked product sales and in-force premium as well as a one-off recognition of EUR 10 million from the consolidation of Best Equity Fund. Premium income rose by 11.9%, or EUR 383 million to EUR 3,607 million in 2007 from EUR 3,224 million in 2006, driven primarily by sales of unit-linked products as well as continued high persistency on existing contracts. Operating expenses rose by 29.1%, or EUR 57 million, from EUR 196 million in 2006 to EUR 253 million in 2007 due to the support provided for the growing and future business.

Taiwan

As in 2006, ING recorded zero profit for Taiwan in 2007 due to measures taken to strengthen reserves. A total charge of EUR 110 million was taken in 2007 to strengthen reserves, compared with EUR 182 million in 2006. For the reserve adequacy position please see the discussion under "Risk Management — ING Insurance — Reserve Adequacy" under Section 2.2. of the 2008 Financial Statements.

Japan

In Japan, underlying result before tax decreased by 84.6%, or EUR 132 million to EUR 24 million in 2007 from EUR 156 million in 2006 largely due to the impact of market volatility on its SPVA business, and a EUR 24 million CDO markdown in the COLI business. Sales momentum slowed down triggered by regulatory changes and economic volatility. Consequently, premium income declined by 5.0%. Operating expenses increased by 6.6%, mainly due to higher promotional and branding activities.

COMMERCIAL BANKING

	Three months ended 30 September		Six months ended 30 June	
	2009	2008	2009	2008
	(EUR millions) unaudited			
Interest result	942	738	2,003	1,357
Commission income	324	293	544	623
Investment and other income	(53)	(82)	(116)	506
Total income	1,213	950	2,431	2,486
Operating expenses	730	715	1,525	1,403
Additions to the provision for loan losses	234	195	759	147
Total expenditure	964	910	2,283	1,550
Result before tax	249	40	148	935
Special items	18	—	210	—
Underlying result before tax	267	40	358	935
	Year ended 31 December			
	2008	2007	2006	
	(EUR millions)			
Interest result	3,240	1,748	1,953	
Commission income	1,213	1,235	1,170	
Investment income	(314)	780	320	
Other income	(32)	1,038	1,294	
Total income	4,107	4,801	4,738	
Operating expenses	2,902	2,978	2,818	
Additions to the provision for loan losses	596	(142)	(132)	
Total expenditure	3,498	2,836	2,686	
Result before tax	609	1,965	2,052	
Gains/losses on divestments			89	
Result from divested units			(45)	
Special items		94		
Underlying result before tax	609	2,059	2,096	

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income rose 27.7% to EUR 1,213 million for the three months ended 30 September 2009 compared to the same period of 2008, despite EUR 52 million higher negative revaluations, impairments and other market impacts. The interest result for the three months ended 30 September 2009 increased by 27.6% compared to the same period of 2008 driven by Financial Markets and lending activities, where higher margins more than compensated for a decline in volumes. Commission income increased 10.6% for the three months ended 30 September 2009 compared to the same period in 2008 due to higher fees in General Lending and Real Estate Investment Management. Investment income was negative, mainly due to market impacts which continued to put pressure on results.

Expenses

Operating expenses were heavily impacted by EUR 121 million of impairments on real estate development projects during the three months ended 30 September 2009. Excluding these impairments in both periods, expenses for the three months ended 30 September 2009 fell 13.6% compared to the three months ended 30 September 2008, reflecting savings from cost-containment initiatives and headcount reductions. Commercial Banking's underlying

cost/income ratio improved to 58.6% for the three months ended 30 September 2009 from 75.3% in the same period of 2008.

Additions to the provision for loan losses

Risk costs for the three months ended 30 September 2009 were EUR 234 million, which is 20% higher than the same quarter of last year, but less than half of the amount posted in the second quarter of 2009. The decline from the previous quarter was due to lower new additions coupled with one-time releases on some prior provisions in General Lending and Structured Finance.

Underlying result before tax

Commercial Banking reported an underlying result before tax of EUR 267 million for the three months ended 30 September 2009. Excluding the quarterly loss of EUR 309 million at ING Real Estate for the three months ended 30 September 2009, Commercial Banking generated a profit before tax of EUR 577 million for the three months ended 30 September 2009.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income decreased slightly by EUR 55 million, or 2.2%, to EUR 2,431 million, as the increase in interest result (EUR 646 million) was offset by a decrease in investment and other income (EUR (622) million). This decrease is largely attributable to EUR 377 million lower other fair value changes at ING Real Estate, of which EUR (152) million in investment income and EUR (225) million in other income. The increase of the interest result by 47.6% is attributable to higher lending margins and strong Financial Markets results in interest rate related products. Commission income decreased by EUR 79 million, or 12.7%, driven by EUR 64 million lower management fees at ING Real Estate.

Expenses

Operating expenses increased by EUR 122 million, or 8.6%, to EUR 1,525 million. The increase is fully due to the provisions and costs related to the restructuring as part of the Bank initiative to reduce operating expenses by EUR 650 million in 2009. Excluding these special items and EUR 76 million impairments on real estate development projects, operating expenses declined by EUR 165 million, or 11.8%. The underlying cost/income ratio for Commercial Banking improved to 54.1% in the first half of 2009 from 56.5% in the first six months of 2008.

Result before tax and underlying result before tax

Result before tax decreased by EUR 787 million, or 84.2%, partly due to the aforementioned provisions and costs related to the restructuring as part of the Bank initiative to reduce operating expenses by EUR 650 million in 2009. Excluding these special items, underlying result before tax declined by EUR 577 million, or 61.7%, of which EUR 734 million is attributable to ING Real Estate following more negative revaluations on real estate assets and the associated value of listed real estate funds, higher addition to the provision for loan losses, lower valuation results from non-trading derivatives and lower asset management fees. Excluding ING Real Estate, underlying result before tax of Commercial Banking increased by EUR 157 million. Underlying result before tax of Financial Markets rose EUR 390 million, driven by EUR 307 million higher interest result and EUR 271 million higher trading income that was in part offset by EUR 205 million lower valuation results from non-trading derivatives. Structured Finance recorded a EUR 84 million lower underlying result before tax (EUR 173 million higher interest result more than offset by EUR 236 million higher addition to the provision for loan losses and EUR 16 million lower commission income). The underlying result before tax of General Lending & PCM was EUR 68 million lower (EUR 96 million higher interest result and EUR 44 million higher commission income more than offset by EUR 205 million higher addition to the provision for loan losses). Leasing & Factoring recorded a EUR 53 million lower underlying result before tax, mainly driven by a EUR 51 million higher addition to the provision for loan losses.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Total income decreased by 14.5%, or EUR 694 million, to EUR 4,107 million in 2008 from EUR 4,801 million in 2007. The total interest result increased by 85.4%, or EUR 1,492 million, to EUR 3,240 million in 2008 from EUR 1,748 million in 2007, due to both higher margins and increased volumes. Commission income declined 1.8%, or EUR 22 million, to EUR 1,213 million in 2008 from EUR 1,235 million in 2007. Investment and other income

declined by EUR 2,164 million, to a loss of EUR 346 million in 2008 from a profit of EUR 1,818 million in 2007. ING Real Estate contributed EUR 947 million to this decrease, of which EUR 450 million lower fair value changes in the investment portfolio and EUR 415 million lower result from associates. Investment and other income at Financial Markets was EUR 797 million lower, of which EUR 298 million investment income and EUR 499 million Other income, but this was more than compensated for by the EUR 901 million increase in interest result.

Expenses

Operating expenses decreased by EUR 76 million, or 2.6%, to EUR 2,902 million in 2008 from EUR 2,978 million in 2007. Excluding EUR 94 million in special items in 2007, operating expenses rose by EUR 18 million or 0.6% from EUR 2,884 million in 2007. This increase can be attributed to ING Real Estate whose expenses increased by EUR 72 million, or 12.6%, driven by impairments on development projects. The EUR 94 million in special items related to provisions for initiatives started in 2007 to stimulate growth and reduce operating expenses, including EUR 45 million for the reduction of 300 full-time functions across Commercial Banking and EUR 49 million to reinforce its Financial Markets business in selected developing markets. The cost/income ratio deteriorated to 70.7% in 2008 compared with 62.0% in 2007. Excluding the impact of special items, the underlying cost/income ratio in 2008 was 60.1%.

The net addition to the provision for loan losses was EUR 596 million in 2008 compared with a net release of EUR 142 million in 2007, reflecting the worsening of the economic conditions. The net addition in 2008 equaled 41 basis points of average credit-risk-weighted assets.

Result before tax

Result before tax decreased by EUR 1,356 million, or 69.0%, to EUR 609 million in 2008 from EUR 1,965 million in 2007. Special items in 2007 (provisions for initiatives to stimulate growth and reduce operating expenses) had a negative impact of EUR 94 million.

Underlying result before tax

Underlying result before tax from Commercial Banking declined by 70.4%, or EUR 1,450 million, to EUR 609 million in 2008 from EUR 2,059 million in 2007. Lower underlying results before tax were recorded in all product lines except for Financial Markets. The results of General Lending & PCM and Structured Finance declined despite strong income growth due to higher additions to the provision for loan losses. Leasing & Factoring was down due to lower results in car leasing and higher risk costs in general leasing. ING Real Estate turned into a loss driven by negative revaluations on real estate investments and impairments on development projects.

General Lending & PCM

In General Lending & Payments and Cash Management (“PCM”), underlying result before tax declined 39.9%, or EUR 201 million, to EUR 303 million in 2008 from EUR 504 million in 2007, fully due to higher additions to the provision for loan losses. Total income increased by 24.5%, or EUR 214 million, to EUR 1,083 million in 2008 from EUR 870 million in 2007, driven by an increase in interest margins and growth in volumes. Operating expenses increased by 7.5%, or EUR 41 million, to EUR 590 million in 2008 from EUR 549 million in 2007. The addition to the provision for loan losses rose to EUR 190 million in 2008 from a net release of EUR 183 million in 2007.

Structured Finance

In Structured Finance, underlying result before tax declined by 18.2%, or EUR 72 million, to EUR 323 million in 2008 from EUR 395 million in 2007. Income increased by 30.2%, or EUR 222 million, to EUR 957 million in 2008 from EUR 735 million in 2007, mainly in the product lines Natural Resources and International Trade & Export Finance. Operating expenses increased by 5.6%, or EUR 19 million, to EUR 357 million in 2008 from EUR 338 million in 2007. The addition to the loan loss provision rose from EUR 2 million in 2007 to EUR 277 million in 2008, largely attributable to Leveraged Finance and Trade & Commodity Finance.

Leasing & Factoring

In Leasing & Factoring, underlying result before tax decreased by 22.2%, or EUR 34 million, to EUR 119 million in 2008 from EUR 153 million in 2007. Total income rose by 2.0%, or EUR 8 million, to EUR 406 million in 2008 from EUR 398 million in 2007, driven by growth in general leasing and factoring, partly offset by lower income in car leasing due to deterioration in the used vehicle market. Operating expenses increased by 8.6%, or EUR 19 million, to EUR 239 million in 2008 from EUR 220 million in 2007, due to investments to grow the business,

including the impact of the acquisition of Citileasing in Hungary. The addition to the loan loss provisions increased from EUR 25 million in 2007 to EUR 48 million in 2008, mainly related to general leasing.

Financial Markets

Underlying result before tax from Financial Markets increased by 18.3%, or EUR 55 million, to EUR 355 million in 2008 from EUR 300 million in 2007, in spite of increased impairments and credit-related markdowns due to the financial crisis. Total income increased by 8.2%, or EUR 81 million, to EUR 1,064 million in 2008 from EUR 983 million in 2007, as higher results from Asset & Liability Management and the client-related business within Financial Markets. This was partially offset by EUR 400 million of impairments and credit-related markdowns in 2008 compared with EUR 118 million in 2007. Operating expenses increased by 4.1%, or EUR 28 million, to EUR 707 million in 2008 from EUR 679 million in 2007. The addition to the loan loss provisions in 2008 was only EUR 2 million.

Other Commercial products

Underlying result before tax from the Other Commercial products turned into a loss of EUR 195 million in 2008 from a profit of EUR 43 million in 2007. The decrease is mainly caused by lower results from the Asset Management and Equity Markets business as well as lower capital gains not allocated to the product groups.

ING Real Estate

Underlying result before tax of ING Real Estate decreased by EUR 961 million, to a loss of EUR 297 million in 2008 from a profit of EUR 664 million in 2007. Total income declined by 65.6%, or EUR 810 million, to EUR 425 million in 2008 from EUR 1,235 million in 2007, mainly due to negative revaluations caused by declining property values. Operating expenses increased by 12.6%, or EUR 72 million, to EUR 642 million from EUR 570 million in 2007, driven by impairments on development projects and EUR 18 million one-off restructuring costs. Result before tax of the Investment Management activities decreased by 48.7%, or EUR 76 million to EUR 80 million in 2008, due to lower fee income and restructuring costs. The result of the Investment Portfolio turned into a loss of EUR 695 million in 2008 reflecting negative revaluations on investments. Result at the Finance activities increased by 12.1% to EUR 240 million in 2008, driven by growth in the lending portfolio. Result from Development increased to EUR 78 million in 2008 from EUR 33 million in 2007, supported by EUR 60 million of positive fair value changes from a reclassification of some land positions in Spain from projects under construction to “available for sale” and higher gains on the sale of completed projects, which more than offset the impairments on development projects.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Total income increased 1.3%, or EUR 63 million, to EUR 4,801 million in 2007 from EUR 4,738 million in 2006. Excluding the impact of the divestment of Williams de Broë and Deutsche Hypothekenbank in 2006, income increased 1.6% or EUR 77 million. The total interest result declined 10.5%, or EUR 205 million, to EUR 1,748 million in 2007 from EUR 1,953 million in 2006, due to divestments and pressure on margins. Commission, investment and other income rose by 9.6%, or EUR 268 million, to EUR 3,053 million in 2007 from EUR 2,785 million in 2006. ING Real Estate contributed EUR 169 million to this rise, driven by growth in the investment management activities and by higher realized gains and fair value changes in the investment portfolio. The remaining increase mainly includes higher capital gains on equities partly offset by the direct impact of the market and credit crisis in the second half of 2007.

Expenses

Operating expenses increased by EUR 160 million, or 5.7%, to EUR 2,978 million in 2007 from EUR 2,818 million in 2006. Excluding the impact of divestments in 2006, and excluding EUR 94 million in special items in 2007, operating expenses rose by EUR 121 million or 4.4% to EUR 2,884 million. Of this increase 3.4%-point can be attributed to fast growing ING Real Estate. The EUR 94 million in special items related to provisions for initiatives started in 2007 to stimulate growth and reduce operating expenses, including EUR 45 million for the reduction of 300 full-time functions across Commercial Banking and EUR 49 million to reinforce its Financial Markets business in selected developing markets. The cost/income ratio deteriorated to 62.0% in 2007 compared with 59.5% in 2006. Excluding the impact of divestments and special items, the underlying cost/income ratio deteriorated to 60.1% from 58.5% in 2006.

The addition to the provision for loan losses was a net release of EUR 142 million in 2007 compared with a net release of EUR 132 million in 2006. Gross additions remained low, reflecting the strong quality of the credit portfolio. The net release equaled 10 basis points of average credit-risk-weighted assets in 2007.

Result before tax

Result before tax decreased EUR 87 million, or 4.2%, to EUR 1,965 million in 2007 from EUR 2,052 million in 2006. Special items in 2007 (provisions for initiatives to stimulate growth and reduce operating expenses) had a negative impact of EUR 94 million. The divestment in 2006 of Williams de Broë and Deutsche Hypothekenbank resulted in a loss of EUR 89 million, while these divested units contributed EUR 45 million to result before tax in 2006.

Underlying result before tax

Underlying result before tax from Commercial Banking declined 1.8%, or EUR 37 million, to EUR 2,059 million in 2007 from EUR 2,096 million in 2006. Higher underlying results before tax were recorded in General Lending & Payments and Cash Management, ING Real Estate and the Other Commercial Products. Underlying result from Structured Finance decreased 22.5% to EUR 395 million, including a markdown of EUR 29 million on the Leveraged Finance book in the third quarter of 2007. Financial Markets result declined 37.7% to EUR 300 million, mainly due to the sub-prime crisis and related issues.

General Lending & PCM

In General Lending & PCM, underlying result before tax rose 47.2%, or EUR 162 million, to EUR 504 million in 2007 from EUR 343 million in 2006, supported by a lower cost level and higher releases from the provision for loan losses. Total income increased by 0.7%, or EUR 6 million, to EUR 870 million in 2007 from EUR 864 million in 2006 and operating expenses decreased by 14.5%, or EUR 93 million, to EUR 549 million in 2007 from EUR 642 million in 2006. The decrease of operating expenses is partly due to the reclassification of Trade Finance Services from General Lending to Structured Finance. The net release from the loan losses provisions increased to EUR 183 million in 2007 from a net release of EUR 121 million in 2006, supported by the recovery of a single provision of EUR 115 million in the fourth quarter of 2007.

Structured Finance

In Structured Finance, underlying result before tax declined 22.5%, or EUR 115 million, to EUR 395 million in 2007 from EUR 510 million in 2006. Income decreased 4.0%, or EUR 31 million, to EUR 735 million in 2007 from EUR 767 million in 2006, mainly caused by the disruption in the Leveraged Finance market, including a EUR 29 million markdown on Leveraged Finance deals in the third quarter of 2007. Operating expenses increased by 16.2%, or EUR 47 million, to EUR 338 million in 2007 from EUR 290 million in 2006, caused by the reclassification of Trade Finance Services from General Lending to Structured Finance and higher personnel and deal-related costs to support growth initiatives. The addition to the loan loss provisions changed from a net release of EUR 34 million in 2006 to a net addition of EUR 2 million in 2007.

Leasing & Factoring

In Leasing & Factoring, underlying result before tax slightly increased to EUR 153 million from EUR 152 million in 2006. Total income rose by 3.1%, or EUR 12 million, to EUR 398 million in 2007 from EUR 386 million in 2006, driven by volume growth in general leasing, car leasing and factoring, partly offset by lower margins. Operating expenses increased by 6.8%, or EUR 14 million, to EUR 220 million in 2007 from EUR 206 million in 2006, mainly due to investments to grow the business. The addition to the loan loss provisions decreased to EUR 25 million from EUR 28 million in 2006.

Financial Markets

Underlying result before tax from Financial Markets decreased 37.5%, or EUR 180 million, to EUR 300 million from EUR 480 million in 2006, mainly due to the EUR 106 million in losses related to sub-prime (residential mortgage-backed securities) and monoline insurers in the proprietary trading and credit markets business in the fourth quarter of 2007. Total income decreased 15.4%, or EUR 179 million, to EUR 983 million in 2007 from EUR 1,162 million in 2006, mainly in the proprietary trading and credit markets business, partly offset by higher income from the client-related business within Financial Markets. Operating expenses decreased 0.4%, or EUR 3 million, to EUR 679 million in 2007 from EUR 682 million in 2006. The addition to the loan loss provisions in 2007 was only EUR 4 million or 2 basis points of average credit-risk weighted assets compared with nil in 2006.

Other Commercial products

Underlying result before tax from the Other Commercial products turned to a profit of EUR 43 million in 2007 from a loss of EUR 21 million in 2006, supported by higher results from Corporate Finance & Equity Markets as well as higher capital gains not allocated to the product groups, including the gain on the sale of stakes in the stock and derivatives exchanges in Sao Paulo.

ING Real Estate

Underlying result before tax of ING Real Estate increased 5.2%, or EUR 33 million, to EUR 664 million in 2007 from EUR 631 million in 2006. Total income rose 11.7%, or EUR 129 million, to EUR 1,235 million in 2007 from EUR 1,106 million in 2006, while operating expenses increased by 19.7%, or EUR 94 million, to EUR 570 million from EUR 476 million in 2006. Result before tax of the Investment Management activities increased 13.9% to EUR 156 million supported by continued growth of the assets under management. The result of the Investment Portfolio rose 31.2% to EUR 261 million reflecting higher realized gains and fair value changes on investments. Result at the Finance activities increased 16.9% to EUR 214 million, driven by strong growth in the lending portfolio. Result from Development declined to EUR 33 million from EUR 112 million in 2006 when results included exceptionally high gains on the sale of completed projects.

RETAIL BANKING

	Three months ended 30 September		Six months ended 30 June	
	2009	2008	2009	2008
	(EUR millions) unaudited			
Interest result	1,439	1,349	2,815	2,780
Commission income	341	391	656	825
Investment and other income	43	84	96	280
Total income	1,823	1,825	3,567	3,884
Operating expenses	1,158	1,347	2,664	2,750
Additions to the provision for loan losses	192	93	539	101
Total expenditure	1,350	1,440	3,203	2,851
Result before tax	472	384	365	1,033
Special items	76	36	200	163
Underlying result before tax	548	420	565	1,196
	Year ended 31 December			
	2008	2007	2006	
	(EUR millions)			
Interest result	5,556	5,354	5,320	
Commission income	1,535	1,591	1,429	
Investment income	66	122	150	
Other income	242	417	267	
Total income	7,399	7,483	7,166	
Operating expenses	5,578	5,206	4,627	
Additions to the provision for loan losses	401	198	176	
Total expenditure	5,979	5,405	4,083	
Result before tax	1,420	2,079	2,363	
Gains/losses on divestments		(32)		
Special items	271	355		
Underlying result before tax	1,691	2,402	2,363	

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income was relatively flat for the three months ended 30 September 2009 compared with the same period in 2008. The interest result rose 6.7% for the three months ended 30 September 2009 compared to the same period of 2008, driven by an improvement in margins and higher volumes in Belgium and Central Europe. Commission income decreased 12.8% for the three months ended 30 September 2009 compared to the same period of 2008 as a result of lower fees on asset management and financial markets related products. Investment income and other income fell by EUR 41 million for the three months ended 30 September 2009 compared to the same period of 2008 mainly due to lower income on financial markets related products in the SME and mid-corporates segment.

Expenses

Operating expenses declined 14.0%, or EUR 189 million for the three months ended 30 September 2009 compared to the same period of 2008 mainly due to cost efficiencies, plus the one-time settlement of a vendor contract and the release of an employee benefits provision.

Additions to the provision for loan losses

The addition to the provision for loan losses increased by EUR 99 million for the three months ended 30 September 2009 compared to the same period last year to EUR 192 million, reflecting the economic downturn. This was especially visible in the SME and mid-corporates segment in the Benelux, while risk costs for mortgages remained low.

Underlying result before tax

Retail Banking's underlying result before tax rose 30.5% for the three months ended 30 September 2009 compared to the same period of 2008 and 28.6% from three month period ended 30 June 2009.

The retail banking market continued to normalize during the third quarter of 2009. Competition for savings remained strong; however, a general downward movement in rates relieved some pressure on margins. Demand for lending was subdued in most markets illustrating the difficult economic environment. Nonetheless, margins on lending rose, reflecting higher risk premiums.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income decreased by EUR 317 million, or 8.2%, to EUR 3,567 million, as the EUR 35 million higher interest result was more than offset by EUR 169 million lower commissions and EUR 183 million lower investment income and other income. The slight increase of the interest result is due to EUR 233 million higher interest income in Belgium (improvement of margins and volumes), EUR 33 million higher interest income in Central Europe and EUR 11 million higher interest income in Asia, which compensated the EUR 242 million lower interest income in the Netherlands (margins pressure on savings and deposits). The decrease in commission income was the result of lower fees on asset management related products, lower fees from funds transfer, lower securities business commission and lower other commission. Investment income decreased by EUR 31 million (especially Netherlands and Asia) and Other income decreased by EUR 153 million, partly driven by lower fair value changes on derivatives not eligible for hedge accounting at ING Bank Turkey, as well as lower financial markets products related income in the mid-corporate segment.

Expenses

Operating expenses decreased by EUR 86 million, or 3.1%, from EUR 2,750 million to EUR 2,664 million, despite the special items (EUR 163 million in the first half of 2008 and EUR 219 million in the first half of 2009, being mainly provisions and costs related to the Retail Netherlands Strategy and the restructuring as part of the Bank initiative to reduce operating expenses by EUR 650 million in 2009). Excluding these special items, operating expenses decreased by EUR 143 million, or 5.5%. In the Benelux, operating expenses were 3.5% lower, driven by cost-containment measures, especially in IT, and helped by a one-off release in the employee benefits provision. Outside the Benelux, operating expenses fell 13.9%, attributable to cost-cutting measures and favorable currency impacts. The cost/income ratio deteriorated to 74.7% in the first half of 2009 from 70.8% in the first six months of 2008. Excluding special items, the underlying cost/income ratio deteriorated to 68.9% from 66.6%.

Result before tax and underlying result before tax

Result before tax decreased by EUR 668 million, or 64.7%, mainly due to EUR 317 million lower income and a strong increase of the addition to the provision for loan losses by EUR 438 million, reflecting the economic downturn especially in the SME and mid-corporate segments in the Benelux, which were only partly compensated for by lower expenses. Excluding special items, being mainly provisions and costs related to the Retail Netherlands Strategy and the restructuring as part of the Bank initiative to reduce operating expenses by EUR 650 million in 2009, the underlying result before tax decreased by EUR 631 million, or 52.8%. The underlying result before tax in the Netherlands fell by EUR 464 million, due to EUR 242 million lower interest result (lower margins on savings and deposits due to strong competition), EUR 89 million lower commission income and EUR 127 million higher addition to the provision for loan losses. The underlying result before tax in Belgium increased by EUR 104 million, as a EUR 107 million higher addition to the provision for loan losses was more than offset by EUR 182 million higher income (driven by higher volumes and margins) and EUR 29 million lower operating expenses. Central Europe decreased by EUR 104 million, as EUR 66 million lower operating expenses could not compensate for EUR 102 million lower income and EUR 68 million higher addition to the provision for loan losses. In Asia, the underlying result before tax declined by EUR 168 million, mainly due to the EUR 135 million higher addition to the provision for loan losses. Lower commission income and investment income were partly offset by higher interest result and lower expenses.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Total income decreased by 1.1%, or EUR 84 million, to EUR 7,399 million in 2008 from EUR 7,483 million in 2007 as lower interest margins driven by the intensified competition for savings and a decline in asset management fees due to deterioration of equity markets offset the impact of the inclusion of ING Bank Turkey. Excluding the EUR 32 million gain on the divestment of RegioBank in 2007, underlying income declined 0.8%.

Expenses

Operating expenses increased by 7.1%, or EUR 372 million, to EUR 5,578 million in 2008 from EUR 5,206 million in 2007. In 2008, EUR 271 million of special items is included related to the Retail Netherlands Strategy (combining ING Bank and Postbank). In 2007, special items amounted to EUR 351 million, of which EUR 295 million results from a provision and costs related to the Retail Netherlands Strategy and EUR 45 million to streamline the lending process in General Lending. Excluding these special items, operating expenses rose EUR 452 million or 9.3%, of which 6.3 percentage points can be attributed to the inclusion of ING Bank Turkey. The cost/income ratio increased to 75.4% in 2008 from 69.6% in 2007. Excluding divestments and special items, the underlying cost/income ratio rose to 71.7% from 65.1%.

The addition to the provision for loan losses increased by EUR 203 million, to EUR 401 million in 2008 from EUR 198 million in 2007, mainly caused by higher risk costs in the mid-corporate segment and at Private Banking (as underlying collateral for loans decreased significantly), and by the inclusion of ING Bank Turkey. The total addition equalled 53 basis points of average credit-risk-weighted assets in 2008.

Result before tax and underlying result before tax

Result before tax decreased by 31.7%, or EUR 659 million, to EUR 1,420 million in 2008 from EUR 2,079 million in 2007. Excluding divestments and special items, underlying result before tax decreased by EUR 711 million, or 29.6% to EUR 1,691 million.

Netherlands

In the Netherlands, underlying result before tax declined by 25.4%, or EUR 431 million, to EUR 1,269 million in 2008 from EUR 1,700 million in 2007. Income declined by 7.6% to EUR 4,346 million in 2008 from EUR 4,705 million in 2007 as margins declined due to the continued competition for savings combined with lower fee income. Average retail balances were up 5%. Underlying operating expenses increased by 0.2% to EUR 2,826 million. The addition to the loan loss provisions increased by EUR 66 million to EUR 251 million in 2008 due to higher risk costs in the mid-corporate segment, small business lending and the residential mortgage portfolio.

Belgium

In Belgium, underlying result before tax declined by 24.8%, or EUR 117 million, to EUR 355 million in 2008 from EUR 472 million in 2007. Income decreased by 3.6% to EUR 1,842 million. The 7% growth in average retail balances could not compensate for lower management and securities fees and the margin pressure on savings products. Operating expenses increased by 3.3% to EUR 1,455 million due to the inflation effect on salaries and investments in the branch network. The net addition to the loan loss provisions remained flat at EUR 32 million.

Central Europe

In Central Europe, underlying result before tax decreased by 86.3% to EUR 17 million in 2008 from EUR 124 million in 2007. Total income rose by 77.4% to EUR 878 million, largely due to the inclusion of ING Bank Turkey. Excluding ING Bank Turkey, income was up 9.5% to EUR 542 million. Operating expenses doubled to EUR 795 million in 2008, but excluding ING Bank Turkey they were 23.8% higher due to investments in distribution channels and advertisement campaigns. The addition to the loan loss provisions in 2008 was EUR 65 million compared with a net release of EUR 24 million in 2007. In Poland, result before tax declined to EUR 75 million from EUR 146 million in 2007, driven by higher expenses and risk costs as a net release of EUR 27 million in 2007 turned into a EUR 5 million net addition in 2008. ING Bank Turkey reported a loss before tax of EUR 17 million.

Asia

In Asia, underlying result before tax decreased by 53.3% to EUR 50 million in 2008 from EUR 107 million in 2007 driven by a higher addition to the provision for loan losses and lower fee income. Income declined by 3.2% to EUR 333 million in 2008 as the financial crisis affected asset management and securities fees at Private Banking Asia. The addition to the provision for loan losses rose to EUR 52 million from EUR 5 million in 2007. The increase was mainly due to Private Banking Asia as prices of assets that served as underlying collateral for loans decreased significantly in the last quarter of 2008.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Total income increased by 4.4%, or EUR 317 million, to EUR 7,483 million in 2007 from EUR 7,166 million in 2006 as strong growth in most products helped offset the impact of challenging market conditions as inverse yield curves persisted and competition intensified for retail savings. Excluding the EUR 32 million gain on the divestment of RegioBank in 2007 and the EUR (4) million in special items related to the Retail Netherlands Strategy, underlying income rose 4.0%. The impact of composition changes in Retail Banking, like the transfer of mortgage portfolios from ING Insurance, the sale of RegioBank as well as the transfer from a SME portfolio in Poland from Commercial to Retail Banking resulted in EUR 117 million additional income, against EUR 45 million in 2006. Excluding these composition changes and the EUR 44 million gain on the sale of Banksys shares in Belgium in 2006, income increased 3.7%.

Expenses

Operating expenses increased by 12.5%, or EUR 579 million, to EUR 5,206 million in 2007 from EUR 4,627 million in 2006. The increase is for EUR 351 million attributable to special items in 2007, of which EUR 295 million results from a provision and costs related to the Retail Netherlands Strategy (combining ING Bank and Postbank) and EUR 45 million to streamline the lending process in General Lending. Excluding these special items, operating expenses rose EUR 229 million or 4.9%, driven by investments to grow the business in Poland, India, Romania and the Private Banking activities in Asia. The cost/income ratio increased to 69.6% in 2007 from 64.6% in 2006. Excluding divestments and special items, the underlying cost/income ratio slightly deteriorated to 65.1% from 64.6%.

The addition to the provision for loan losses increased by 12.5%, or EUR 22 million, to EUR 198 million in 2007 from EUR 176 million in 2006. In the Netherlands the addition rose EUR 36 million to EUR 185 million, mainly due to provisions for an isolated SME lending portfolio. This was partly offset by decreases in Poland, Asia and Belgium. The total addition equalled 14 basis points of average credit-risk-weighted assets in 2007, the same as in 2006.

Result before tax and underlying result before tax

Result before tax decreased by 12.0%, or EUR 284 million, to EUR 2,079 million in 2007 from EUR 2,363 million in 2006. Divestments in 2007 contributed EUR 32 million to result before tax, representing the capital gain from the sale of RegioBank. Special items, mainly the aforementioned provision and costs related to the Retail Netherlands Strategy, had a negative effect of EUR 355 million on result before tax. Excluding divestments and special items, underlying result before tax increased by EUR 39 million or 1.7%.

Netherlands

In the Netherlands, underlying result before tax rose by 5.9%, or EUR 95 million, to EUR 1,700 million in 2007 from EUR 1,605 million in 2006, as volume growth in almost all products offset the impact of a flattening and in the second half of 2007 even inverse yield curve combined with the increasing competition for retail savings. The residential mortgage portfolio in the Netherlands grew by 16.8% to EUR 116.1 billion, supported by the EUR 11.5 billion transfer of portfolios from ING Insurance, partly offset by the sale of RegioBank. Also excluding the impact of these portfolio changes, underlying result before tax rose by 4.5%, with income up 2.6%, while operating expenses were flat due to efficiency improvements and lower compliance costs. Risk costs increased to 19 basis points of average credit-risk-weighted assets from 17 basis points in 2006, due to a catch-up in provisions in an isolated SME lending portfolio.

Belgium

In Belgium, underlying result before tax declined 27.8%, or EUR 182 million, to EUR 472 million in 2007 from EUR 654 million in 2006, due to 6.0% lower income and 4.6% higher expenses. The decline in income was next to a EUR 44 million gain on the sale of Banksys shares in 2006, mainly caused by margin pressure. Margins came under pressure as competition intensified, while customers shifted from variable savings to lower margin term deposits. Average retail balances grew by 10%. Operating expenses increased 4.6% partly caused by the impact of allocation refinements and some one-offs. Risk costs decreased from a net addition of 12 basis points of average credit-risk-weighted assets in 2006 to a net addition of 10 basis points in 2007.

Central Europe

In Central Europe, underlying result before tax increased 74.6%, or EUR 53 million, driven by strong volume growth and partly due to the shift at ING Bank Slaski of SME companies from Commercial Banking to Retail Banking. Excluding this shift result before tax rose 54.9%, as income increased strongly, partly offset by higher expenses due to strong business growth and investments in the franchise distribution network. Net releases from the loan loss provisions increased to EUR 24 million compared with a net release of EUR 16 million in 2006, reflecting the significant strengthening of credit risk management, especially in Poland.

Asia

Retail Banking Asia posted an underlying result before tax of EUR 107 million, an increase of EUR 73 million compared with 2006, mainly due to higher results in India and from the Private Banking activities in Asia as well as the high dividend received from Kookmin Bank.

ING DIRECT

	Three months ended 30 September		Six months ended 30 June	
	2009	2008	2009	2008
	(EUR millions) unaudited			
Interest result	820	647	1,518	1,175
Commission income	54	21	75	25
Investment and other income	(591)	(210)	(470)	59
Total income	282	458	1,124	1,259
Operating expenses	404	420	899	842
Additions to the provision for loan losses	238	85	327	83
Total expenditure	642	505	1,227	925
Result before tax	(360)	(47)	(103)	333
Special items	2	—	(28)	—
Underlying result before tax	(358)	(47)	(131)	333
	Year ended 31 December			
	2008	2007	2006	
(EUR millions)				
Interest result	2,517	1,932	2,148	
Commission income	150	98	86	
Investment income	(1,853)	53	20	
Other income	63	113	35	
Total income	878	2,196	2,289	
Operating expenses	1,750	1,598	1,538	
Additions to the provision for loan losses	283	68	60	
Total expenditure	2,033	1,667	1,598	
Result before tax	(1,155)	530	691	
Gains/losses on divestments	—	—	23	
Result from divested units	—	—	(20)	
Special items	30	—	—	
Underlying result before tax	(1,125)	530	694	

Three months ended 30 September 2009 compared to three months ended 30 September 2008

Income

Total income fell 38.4% to EUR 282 million for the three months ended 30 September 2009 from EUR 458 million for the three months ended 30 September 2008. Total income for the three months ended 30 September 2009 includes EUR 642 million of impairments on the investment portfolio, of which EUR 575 million related to the Alt-A RMBS portfolio retained by ING following the transfer to the Dutch State under the Illiquid Assets Back-Up Facility.

The interest result rose 26.7% for the three months ended 30 September 2009 compared to the same period of 2008, driven by higher volumes and improved margins. The interest margin improved to 1.16% for the three months ended 30 September 2009 from 0.96% for the same period in 2008. Commission income more than doubled, while other income was relatively stable.

Expenses

Expenses were down 3.8% for the three months ended 30 September 2009 compared to the same period of 2008, due to strict cost control and despite EUR 29 million higher deposit insurance premiums in the US and Germany during the 2009 period. Compared with the second quarter of 2009, expenses were 7.6% lower.

Risk costs were EUR 238 million for the three months ended 30 September 2009, EUR 153 million higher than in the same period last year and EUR 68 million higher than in the second quarter of 2009. The increase compared with

both quarters was mainly due to a higher rate of delinquencies and loss severities in the US mortgage market as well as the impact of loan modifications in the US mortgage portfolio.

Result before tax and underlying result before tax

ING Direct posted an underlying loss before tax of EUR 358 million for the three months ended 30 September 2009. Interest and commission income were up strongly compared with the same period last year, but could not compensate for significant impairments on the US investment portfolio and a further increase in loan loss provisions.

Six months ended 30 June 2009 compared to six months ended 30 June 2008

Income

Total income decreased by EUR 135 million, or 10.7%, to EUR 1,124 million, as the EUR 343 million higher interest result and EUR 50 million higher commission income could not offset the EUR 321 million lower investment income (EUR 491 million impairments on debt securities, only partly compensated by EUR 164 million realized gains on sale of bonds, including the results on the Illiquid Assets Back-Up Facility transaction with the Dutch State) and EUR 207 million lower Other income (due to movements in valuation results from non-trading derivatives, hedge accounting results, incurred losses on prepayments of mortgages, a provision for interest expenses related to the UK deposit guarantee scheme and realized losses on the sale of financial investments to de-risk the balance sheet). The interest margin increased from 0.90% to 1.06%, being mainly the result of tracking client savings rates to decreases in central bank rates, as well as a steeper yield curve.

Expenses

Operating expenses increased by EUR 57 million, or 6.8%, to EUR 899 million, mainly attributable to the strong increase of deposit insurance premiums by EUR 84 million. Excluding deposit insurance premiums, operating expenses decreased by EUR 26 million, or 3.2%, reflecting strong cost control in all business units as a result of reducing staff and marketing expenses. The cost/income ratio of ING Direct in the first half year of 2009 was 80.0% from 66.9% in the first half year of 2008, but excluding the deposit insurance premiums the cost/income ratio would have moved from 64.9% to 70.4%.

Result before tax and underlying result before tax

Result before tax decreased by EUR 436 million to a loss of EUR 103 million from a profit of EUR 333 million in the first half of 2008, except for lower income and higher expenses especially attributable to the EUR 244 million higher addition to the provision for loan losses. This increase mainly reflects a higher rate of delinquencies and loss severities in the US residential mortgage market. Excluding special items, underlying result before tax decreased by EUR 464 million to a loss of EUR 131 million from a profit of EUR 333 million in the first half of 2008. Excluding the aforementioned impairments on debt securities, underlying result before tax of ING Direct would have increased by EUR 23 million, from EUR 337 million in six months 2008 to EUR 360 million in six months 2009. Australia recorded an underlying result before tax of EUR 106 million, up from EUR 29 million in the first half of 2008, mainly driven by higher mortgage income. Germany's result (including Austria) fell from EUR 135 million to EUR 69 million. Results in Germany were negatively impacted by a lower interest margin in what continues to be a highly competitive market for savings. Higher deposit insurance premiums for the entire German banking industry also dampened results. In Canada, an improved interest result contributed to an underlying result before tax of EUR 47 million (excluding impairments) compared with EUR 20 million in the first half of 2008. In the UK, underlying result before tax improved from a loss of EUR 53 million to a profit of EUR 56 million, on the background of lower client savings rates. In Spain, underlying result before tax was up EUR 17 million to EUR 33 million, as a result of higher income combined with lower expenses. In Italy, underlying result before tax decreased from a profit of EUR 17 million in the first half of 2008 to a loss of EUR 1 million in the first half of 2009, as lower marketing expenses were more than offset by a lower interest result. In the US, underlying result before tax (excluding impairments) decreased from EUR 170 million in the first half of 2008 to EUR 29 million in the first six months of 2009. This decrease is mainly due to a higher addition to the provision for loan losses, an increase in deposit insurance premiums and lower interest income as a result of the Illiquid Assets Back-Up Facility.

Year ended 31 December 2008 compared to year ended 31 December 2007

Income

Total income decreased by 60.0%, or EUR 1,318 million, to EUR 878 million in 2008 from EUR 2,196 million in 2007. The decline was mainly due to EUR 1,906 million lower investment income related to large impairments on the asset-backed portfolio which could only be partly offset by a EUR 585 million higher interest result. The increase in the interest result is mainly driven by the widening of the interest margin to 0.94% from 0.75% in 2007 as a result of significant rate cuts by central banks worldwide and despite the intensified competition for retail funds as a result of the global liquidity crisis. The total client retail balances in 2008 grew EUR 12.6 billion or 4.1%, to EUR 322.7 billion at year-end, including the acquired deposits from Kaupthing Edge and Heritable Bank in October 2008. At comparable exchange rates, total client balances were up EUR 24.4 billion. Commission income increased supported by the acquisition of Sharebuilder Corporation in the US in the fourth quarter of 2007 and Interhyp in Germany in the third quarter of 2008. Investment income was down EUR 1,906 million, due to lower realized gains on the sale of bonds and a sharp increase in impairments on the investment portfolio mainly driven by a strong deterioration in the US housing market. Total impairments rose from EUR 29 million in 2007 to EUR 1,891 million in 2008. The impairments in 2008 consist of EUR 1,776 million for the Alt-A RMBS portfolio, EUR 30 million on subprime RMBS, EUR 81 million on Washington Mutual and EUR 4 million on asset-backed commercial paper in Canada.

Expenses

Operating expenses rose by 9.5%, or EUR 152 million, to EUR 1,750 million in 2008 from EUR 1,598 million in 2007. Excluding EUR 30 million in special items in 2008, related to impairment costs following the Group's decision not to launch ING Direct in Japan, operating expenses rose by EUR 122 million, or 7.6%, to EUR 1,720 million. This increase is driven by higher expenses related in part to retention and win-back campaigns and the acquisitions of Sharebuilder and Interhyp. Excluding impairments, the underlying cost/income ratio improved to 62.1% in 2008 from 71.8% in 2007. The operational cost to client retail balance ratio, which excludes marketing expenses, rose to 0.40% compared with 0.37% in 2007. The number of full-time staff increased to 9,980 at the end of 2008 from 8,883 a year earlier, of which 479 came from Interhyp.

The addition to the provision for loan losses increased to EUR 283 million in 2008 from EUR 68 million in 2007, driven by an increase in the US reflecting higher rate of delinquencies in the mortgages market and lower recovery.

Result before tax

Result before tax from ING Direct declined by EUR 1,685 million to a loss of EUR 1,155 million in 2008 from a profit of EUR 530 million in 2007. The decrease is fully caused by high impairments on the asset-backed portfolio, mainly driven by the deterioration of the US housing market.

Underlying result before tax

The loss before tax from ING Direct in 2008 included EUR 30 million in special items related to the decision not to launch ING Direct Japan. Excluding special items, the underlying loss before tax was EUR 1,125 million compared with a profit of EUR 530 million in 2007.

Country developments

Excluding impairments, ING Direct's underlying result before tax rose by EUR 207 million, or 37.0%, to EUR 766 million in 2008 from EUR 559 million in 2007. In the US, result before tax (excluding impairments) increased to EUR 343 million from EUR 78 million in 2007, driven by the improved interest environment. In Canada (also excluding impairments), result before tax almost doubled to EUR 59 million from EUR 30 million in 2007. The UK showed good progress by reducing its loss (excluding impairments) to EUR 72 million in 2008 from a loss of EUR 120 million in 2007. All other countries reported lower results due to the intensified competition for retail funds and an increase in risk costs.

Year ended 31 December 2007 compared to year ended 31 December 2006

Income

Total income decreased by 4.0%, or EUR 93 million, to EUR 2,196 million in 2007 from EUR 2,289 million in 2006, as the increases in commission income, investment income (including realized gains on bonds) and other income (including realized gains on loans) could only partly offset the EUR 216 million lower interest result. The

decrease in the interest result was mainly driven by the narrowing of the interest margin to 0.75% from 0.89% in 2006 as a result of higher central bank rates in the Euro, British pound and Australian currency zones and the intensified competition for retail funds. The total client retail balance in 2007 grew EUR 27.7 billion or 9.8%, to EUR 310.1 billion at year-end, including EUR 5.3 billion from add-on acquisitions in the fourth quarter. The EUR 5.3 billion consists of a EUR 3.9 billion mortgage portfolio acquired by ING-DiBa in Germany and EUR 1.4 billion in off-balance sheet funds following the acquisition of Sharebuilder Corporation in the United States. Commission income increased due to further growth in off-balance sheet funds. Investment and other income was up EUR 111 million, supported by higher gains on the sale of bonds and loans and increased net trading income. This was in part offset by an EUR 29 million impairment on asset-backed commercial paper in Canada in the fourth quarter of 2007. The divestment of Degussa Bank at the end of 2006 had a negative effect on income of EUR 56 million, including the loss of EUR 23 million on the sale. Excluding the divestment, underlying income decreased EUR 37 million, or 1.7%.

Expenses

Operating expenses rose by 3.9%, or EUR 60 million, to EUR 1,598 million in 2007 from EUR 1,538 million in 2006. Excluding the EUR 56 million expenses of the divested Degussa Bank in 2006, underlying operating expenses increased by 7.8%, or EUR 116 million, to EUR 1,598 million, reflecting higher staff numbers to drive the growth in mortgages and payments accounts, preparations for the launch of ING Direct in Japan, the consolidation of Sharebuilder in the US, as well as costs for repositioning the UK business. The underlying cost/income ratio increased to 72.8% in 2007 from 66.4% in 2006. The operational cost to client retail balance ratio, which excludes marketing expenses, rose to 0.37% compared with 0.36% in 2006. The number of full-time staff increased to 8,883 at the end of 2007 from 7,565 a year earlier.

The addition to the provision for loan losses increased by 13.3%, or EUR 8 million, to EUR 68 million in 2007 from EUR 60 million in 2006. The addition equalled 9 basis points of average credit-risk-weighted assets, up from 7 basis points in 2006.

Result before tax

Result before tax from ING Direct declined by 23.3%, or EUR 161 million, to EUR 530 million in 2007 from EUR 691 million in 2006, primarily driven by a narrowing of the interest margin, the outflow of funds entrusted in the UK and an impairment in Canada.

Underlying result before tax

Result before tax from ING Direct in 2006 included a loss of EUR 23 million on the sale of Degussa Bank, while the operating profit from Degussa Bank was EUR 20 million. Excluding both the loss and the profit, ING Direct's underlying result before tax declined by 23.6%, or EUR 164 million, to EUR 530 million from EUR 694 million in 2006.

Country developments

ING Direct's overall result was driven by the business units in Germany/Austria, Australia, US, Spain, Italy and France. In the UK, ING Direct posted a pre-tax loss of EUR 120 million compared with a profit of EUR 19 million in 2006. The decrease is mainly caused by a 39% net outflow of funds entrusted from rate-sensitive customers as it lagged rate increases by the Bank of England. Measures have been taken to reposition the business. Savings rates were increased and marketing has been stepped up to attract less rate-sensitive customers. Result before tax in ING Direct Canada declined to EUR 30 million (excluding an impairment of EUR 29 million on asset-backed commercial paper investments) from EUR 60 million in 2006. This was caused by lower interest results.

Liquidity and Capital Resources

ING Groep N.V. is a holding company whose principal assets are its investments in the capital stock of its primary insurance and banking subsidiaries. The liquidity and capital resource considerations for ING Groep N.V., ING Insurance and ING Bank vary in light of the business conducted by each, as well as the insurance and bank regulatory requirements applicable to the Group in the Netherlands and the other countries in which it does business. ING Groep N.V. has no employees and substantially all of ING Groep N.V.'s operating expenses are allocated to and paid by its operating companies.

As a holding company, ING Groep N.V.'s principal sources of funds are funds that may be raised from time to time from the issuance of debt or equity securities and bank or other borrowings, as well as cash dividends received from

its subsidiaries. ING Groep N.V.'s total debt and capital securities outstanding to third parties at 30 September 2009 was EUR 17,599 million, at 31 December 2008, EUR 18,841 million, at 31 December 2007 EUR 14,709 million and at 31 December 2006 EUR 12,376 million. The EUR 17,599 million of debt outstanding at 30 September 2009 consisted of:

- EUR 10 million principal amount of 9.000% perpetual debt securities issued in September 2008,
- EUR 1,331 million principal amount of 8.500% perpetual debt securities issued in June 2008,
- EUR 1,477 million principal amount of 8.000% perpetual debt securities issued in April 2008,
- EUR 1,002 million principal amount of 7.375% perpetual debt securities issued in October 2007,
- EUR 700 million principal amount of 6.375% perpetual debt securities issued in June 2007,
- EUR 1,021 million principal amount of 8.439% perpetual debt securities issued in December 2000,
- EUR 484 million principal amount of 7.05% perpetual debt securities issued in July 2002,
- EUR 679 million principal amount of 7.20% perpetual debt securities issued in December 2002,
- EUR 724 million principal amount perpetual debt securities with a variable interest rate issued in June 2003,
- EUR 331 million principal amount of 6.20% perpetual debt securities issued in October 2003,
- EUR 987 million principal amount perpetual debt securities with a variable interest rate issued in 2004,
- EUR 498 million principal amount of 4.176% perpetual debt securities issued in 2005,
- EUR 464 million principal amount of 6.125% perpetual debt securities issued in 2005,
- EUR 677 million principal amount of 5.775% perpetual debt securities issued in 2005,
- EUR 654 million principal amount of 5.14% perpetual debt securities issued in 2006, and
- EUR 6,560 million debentures.

The details with respect to the debentures are as follows:

<u>Interest rate (%)</u>	<u>Year of issue</u>	<u>Due date</u>	<u>Balance sheet value</u> (EUR millions)
5.625	2008	3 September 2013	1,080
4.699	2007	1 June 2035	117
4.75	2007	31 May 2017	1,872
variable	2006	28 June 2011	749
variable	2006	11 April 2016	997
4.125	2006	11 April 2016	745
6.125	2000	4 January 2011	<u>1,000</u>
			6,560

At 30 September 2009 and 31 December 2008, 2007 and 2006, ING Groep N.V. also owed EUR 1,863 million, EUR 1,254 million, EUR 174 million and EUR 35 million, respectively, to ING Group companies pursuant to intercompany lending arrangements. Of the EUR 1,863 million owed by ING Groep N.V. to ING Group companies at 30 September 2009, EUR 1,000 million was owed to ING Insurance companies, and EUR 1,863 million was owed to ING Bank companies, as a result of normal intercompany transactions.

In October 2008 ING issued Core Tier-1 Securities to the Dutch State for a total consideration of EUR 10,000 million. This capital injection qualifies as Core Tier-1 capital for regulatory purposes. Such securities were not issued in the years before. See “Business — Transactions with the Dutch State” and “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities”.

At 30 September 2009, 31 December 2008, 2007 and 2006, ING Groep N.V. had EUR 220 million, EUR 33 million, EUR 162 million and EUR 103 million of cash, respectively. Dividends paid to the Company by its subsidiaries amounted to EUR 350 million, EUR 7,050 million, EUR 5,900 million and EUR 3,450 million in 2009, 2008, 2007 and 2006, respectively, in each case representing dividends declared and paid with respect to the reporting calendar year and the prior calendar year. Of the amounts paid to the Company, EUR 350 million, EUR 2,800 million, EUR 4,600 million and EUR 1,650 million were received from ING Insurance in 2009, 2008, 2007 and 2006, respectively; EUR 4,250 million, EUR 1,300 million and EUR 1,800 million were received from ING Bank in 2008, 2007 and 2006, respectively. On the other hand, the Company injected EUR 150 million, EUR 12,650 million

and EUR 2,200 million into its direct subsidiaries during the period or year 2009, 2008, 2007, and 2006, respectively. Of the amounts injected by the Company, EUR 0 million, EUR 5,450 million, EUR 0 million and EUR 0 million were injected into ING Insurance in 2009, 2008, 2007 and 2006, respectively; EUR 150 million, EUR 7,200 million, EUR 2,200 million and EUR 0 million were injected into ING Bank in 2009, 2008, 2007 and 2006, respectively. Repayments to ING by its subsidiaries amounted to EUR 0 million, EUR 0 million and EUR 563 million in 2008, 2007 and 2006, respectively, of the amounts paid to the Company, EUR 0 million and EUR 563 million were received from ING Bank in 2007 and 2006, respectively. ING and its Dutch subsidiaries are subject to legal restrictions on the amount of dividends they can pay to their shareholders. The Dutch Civil Code provides that dividends can only be paid by Dutch companies up to an amount equal to the excess of a company's shareholders' equity over the sum of (1) paid-up capital and (2) shareholders' reserves required by law. Further, certain of the Group companies are subject to restrictions on the amount of funds they may transfer in the form of cash dividends or otherwise to ING Groep N.V.

In addition to the restrictions in respect of minimum capital and capital base requirements that are imposed by insurance, banking and other regulators in the countries in which the Group's subsidiaries operate, other limitations exist in certain countries. For example, the operations of the Group's insurance company subsidiaries located in the United States are subject to limitations on the payment of dividends to their parent company under applicable state insurance laws. Dividends paid in excess of these limitations generally require prior approval of the Insurance Commissioner of the state of domicile.

ING Group Consolidated Cash Flows

ING's Risk Management, including liquidity, is discussed in "Risk Management" under Section 2.2. of the 2008 Financial Statements.

Year ended 31 December 2008 compared to year ended 31 December 2007

Net cash provided by operating activities amounted to EUR 12,823 million for the year ended 31 December 2008, an increase of 9.5% compared to EUR 11,708 million for the year ended 31 December 2007. This increase was mainly due to trading assets/trading liabilities and offset by a lower cash flow from customer deposits and other funds on deposit. The cash flow generated through the customer deposits and other funds on deposit of the banking operations was EUR 6,831 million, offset by other financial liabilities/assets at fair value through profit and loss. The cash outflow employed in lending increased from a cash flow of EUR 75,501 million in 2007 to a cash outflow of EUR 76,215 million in 2008.

Net cash used in investment activities in 2008 was EUR 10,003 million, compared to EUR 13,933 million in 2007. The increase was mainly caused by higher disposals and redemptions of available-for-sale investments.

Net cash flow from financing activities was EUR 45,726 million in 2008, compared to EUR (12,831) million in 2007. The increase of EUR 58,557 million in net cash flow from financing activities is mainly due to a higher repayments/proceeds of borrowed funds and debt securities.

The operating, investing and financing activities described above resulted in net cash and cash equivalents at year-end 2008 of EUR 31,271 million, compared to EUR (16,811) million at year-end 2007, an increase of EUR 48,082 million from 2007 levels.

	<u>2008</u>	<u>2007</u>
	<u>(EUR millions)</u>	
Treasury bills and other eligible bills	7,009	4,130
Amounts due from/to banks	2,217	(33,347)
Cash and balances with central banks	22,045	12,406
Cash and cash equivalents at end of year	<u>31,271</u>	<u>(16,811)</u>

Year ended 31 December 2007 compared to year ended 31 December 2006

Net cash provided by operating activities amounted to EUR 11,708 million for the year ended 31 December 2007, an increase of 22.3% compared to EUR 9,570 million for the year ended 31 December 2006. This increase was mainly due to trading assets/trading liabilities, a lower cash flow from customer deposits and other funds on deposit due to less funds by large customers as well as, on balance, from amounts due to/from banks not available on demand. The cash flow generated through the provisions for insurance and investment contracts of EUR 26,494 million and through the customer deposits and other funds on deposit of the banking operations of

EUR 28,640 million. The cash outflow employed in lending increased from a cash flow of EUR 59,800 million in 2006 to a cash outflow of EUR 75,501 million in 2007.

Net cash used in investment activities in 2007 was EUR 13,933 million, compared to EUR 31,320 million in 2006. The increase was mainly caused by higher disposals and redemptions of available-for-sale investments.

Net cash flow from financing activities was EUR (12,831) million in 2007, compared to EUR 17,005 million in 2006. The decrease of EUR 29,836 million in net cash flow from financing activities is mainly due to a higher repayments of borrowed funds and debt securities.

The operating, investing and financing activities described above resulted in net cash and cash equivalents at year-end 2007 of EUR (16,811) million, compared to EUR (1,795) million at year-end 2006, a decrease of EUR 15,016 million from 2006 levels, mainly reflected in a decrease in amounts due from/to banks, as well as higher balances of borrowed funds and debt securities.

	<u>2007</u>	<u>2006</u>
	<u>(EUR millions)</u>	
Treasury bills and other eligible bills	4,130	4,333
Amounts due from/to banks	(33,859)	(20,454)
Cash and balances with central banks	<u>12,918</u>	<u>14,326</u>
Cash and cash equivalents at end of year	<u>(16,811)</u>	<u>(1,795)</u>

ING Insurance Cash Flows

The principal sources of funds for ING Insurance are premiums, net investment income and proceeds from sales or maturity of investments, while the major uses of these funds are to provide life policy benefits, pay surrenders and profit sharing for life policyholders, pay non-life claims and related claims expenses, and pay other operating costs. ING Insurance generates a substantial cash flow from operations as a result of most premiums being received in advance of the time when claim payments or policy benefits are required. These positive operating cash flows, along with that portion of the investment portfolio that is held in cash and highly liquid securities, have historically met the liquidity requirements of ING Insurance's operations, as evidenced by the growth in investments. See "Risk Management" under Section 2.2. of the 2008 Financial Statements.

Year ended 31 December 2008 compared to year ended 31 December 2007

Premium income and Investment and Other income totaled EUR 43,812 million and EUR 8,970 million in 2008, and EUR 46,818 million and EUR 13,488 million in 2007. Uses of funds by ING Insurance includes underwriting expenditures (reinsurance premiums, benefits, surrenders, claims and profit sharing by life policyholders) and employee and other operating expenses, as well as interest expense on outstanding borrowings. Underwriting expenditures, employee and other operating expenses and interest expense for ING Insurance totaled EUR 49,485 million, EUR 5,422 million and EUR 1,269 million in 2008 and EUR 48,833 million, EUR 5,515 million and EUR 1,326 million in 2007.

ING Insurance's liquidity requirements are met on both a short- and long-term basis by funds provided from insurance premiums collected, investment income and collected reinsurance receivables, and from the sale and maturity of investments. ING Insurance also has access to commercial paper, medium-term note and other credit facilities. ING Insurance's balance of cash and cash equivalents was EUR 14,440 million at 31 December 2008 and EUR 3,115 million at 31 December 2007.

	<u>2008</u>	<u>2007</u>
	<u>(EUR millions)</u>	
Cash and bank balances	4,389	2,648
Short term deposits	<u>10,051</u>	<u>467</u>
Total	<u>14,440</u>	<u>3,115</u>

Net cash provided by operating activities was EUR 13,129 million in 2008 and EUR 23,118 million in 2007.

Net cash used by ING Insurance in investment activities was EUR 8,034 million in 2008 and EUR 15,072 million in 2007.

Cash provided by ING Insurance's financing activities amounted to EUR 6,275 million and EUR (7,941) million in 2008 and 2007, respectively.

Year ended 31 December 2007 compared to year ended 31 December 2006

Premium income and Investment and Other income totaled EUR 46,818 million and EUR 13,488 million in 2007, and EUR 46,834 million and EUR 11,172 million in 2006. Underwriting expenditures, employee and other operating expenses and interest expense for ING Insurance totaled EUR 48,833 million, EUR 5,515 million and EUR 1,326 million in 2007 and EUR 48,188 million, EUR 5,275 million and EUR 1,233 million in 2006.

ING Insurance's liquidity requirements are met on both a short- and long-term basis by funds provided from insurance premiums collected, investment income and collected reinsurance receivables, and from the sale and maturity of investments. ING Insurance also has access to commercial paper, medium-term note and other credit facilities. ING Insurance's balance of cash and cash equivalents was EUR 3,115 million at 31 December 2007 and EUR 3,017 million at 31 December 2006.

	<u>2007</u>	<u>2006</u>
	<u>(EUR millions)</u>	
Cash and bank balances	2,648	4,333
Short term deposits	467	334
Total	<u>3,115</u>	<u>3,017</u>

Net cash provided by operating activities was EUR 23,118 million in 2007 and EUR 13,769 million in 2006.

Net cash used by ING Insurance in investment activities was EUR 15,072 million in 2007 and EUR 12,798 million in 2006.

Cash provided by ING Insurance's financing activities amounted to EUR (7,941) million and EUR (485) million in 2007 and 2006, respectively.

Capital Base Margins and Capital Requirements

In the United States, since 1993, insurers, including the companies comprising ING Insurance US operations, have been subject to risk-based capital ("RBC") guidelines. See "Regulation and Supervision — Insurance — Americas".

ING Bank Cash Flows

The principal sources of funds for ING Bank's operations are growth of the retail funding, which mainly consists of current accounts, savings and retail deposits, repayments of loans, disposals and redemptions of investment securities (mainly bonds), sales of trading portfolio securities, interest income and commission income. The major uses of funds are advances of loans and other credits, investments, purchases of investment securities, funding of trading portfolios, interest expense and administrative expenses (see "Risk, Treasury and Capital Management").

Year ended 31 December 2008 compared to year ended 31 December 2007

At 31 December 2008 and 2007, ING Bank had EUR 27,395 million and EUR (19,389) million, respectively, of cash and cash equivalents. The increase in Cash and Cash Equivalents is mainly attributable to the overnight deposit and current account position with Central and Commercial Banks.

The EUR 21,462 million increase in ING Bank's operating activities, consist of EUR 12,255 million cash inflow for the year ended 31 December 2008, compared to EUR 9,207 million cash outflow for the year ended 31 December 2007. The improved cash flow from operating activities was largely due to improved cash flow from Trading (cash inflow in 2008 of EUR 36,836 million compared to cash inflow in 2007 of EUR 22,673 million), from Amounts due to and from Banks (cash inflow in 2008 of EUR 20,372 million compared to cash inflow in 2007 of EUR 6,724 million) and offset by a decrease in cash inflow from Customer deposits (cash inflow in 2008 of EUR 18,750 million compared to cash inflow in 2007 of EUR 32,748 million).

Specification of cash position:

	<u>2008</u>	<u>2007</u>
	<u>(EUR millions)</u>	
Cash	18,169	9,829
Short dated government paper	7,009	4,130
Banks on demand	<u>38,639</u>	<u>19,655</u>
Cash balance and cash equivalents	63,817	33,614
Overnight deposits	1,908	(25,871)
Repo's/reverse repo's	<u>(38,330)</u>	<u>(27,132)</u>
Cash balance and cash equivalents	<u>27,395</u>	<u>(19,389)</u>

Net cash flow for investment activities was EUR 4,101 million cash outflow and EUR 1,526 million cash inflow in 2008 and 2007, respectively. Investment in interest-earning securities was EUR 95,036 million and EUR 95,546 million in 2008 and 2007, respectively. Dispositions and redemptions of interest-earning securities were EUR 96,616 million and EUR 101,119 million in 2008 and 2007, respectively.

Net cash inflow from financing activities in 2008 amounted to EUR 39,048 million compared to a cash outflow of EUR 7,403 million in 2007, as ING started the Commercial Paper Funding Facility program in October 2008. The cash outflow of 2007 was related to the "buy back program" of the own issued debt securities of Mane, Mont Blanc and Simba Funding Corporation, which was due to the financial crisis and the implementation of Basel 2 in 2007.

The operating, investment and financing activities described above resulted in a positive net cash flow of EUR 47,202 million in 2008 and a negative net cash flow of EUR 15,084 million in 2007.

Year ended 31 December 2007 compared to year ended 31 December 2006

At 31 December 2007 and 2006, ING Bank had EUR (19,389) million and EUR (4,352) million, respectively, of cash and cash equivalents. The decrease in Cash and Cash Equivalents is mainly attributable to a large change in overnight funding (contracts with a maturity of one day) from non bank financial institutions to banks.

The EUR 6,753 million decrease in ING Bank's operating activities, consisting of EUR 9,207 million cash outflow for the year ended 31 December 2007, compared with a EUR 2,454 million cash outflow for the year ended 31 December 2006, was largely attributable to the liquidity crisis. Non-bank financial institutions demanded higher rates for the short term funding. Consequently ING decided to switch to the cheaper inter-bancaire market to maintain or improve interest margins. This change has major impact on the Cash position in the Cash Flow Statement because short-term inter-bancaire funding is deducted from the Cash position while short term funding from non-banks is not deducted. The negative impact on the Cash position amounts to EUR 10.6 billion. In addition to the overnight contracts, the repurchase agreements or Repos and Reverse Repos had a negative impact on cash at the end of the period of respectively EUR 5.8 billion.

Specification of cash position:

	<u>2007</u>	<u>2006</u>
	<u>(EUR millions)</u>	
Cash	9,829	11,769
Short dated government paper	4,130	4,333
Banks on demand	<u>19,655</u>	<u>16,164</u>
Cash balance and cash equivalents	33,614	32,266
Overnight deposits	(25,871)	(15,240)
Repo's/reverse repo's	<u>(27,132)</u>	<u>(21,378)</u>
Cash balance and cash equivalents	<u>(19,389)</u>	<u>(4,352)</u>

Net cash generated from investment activities was EUR 1,526 million cash inflow and EUR 19,132 million cash outflow in 2007 and 2006, respectively. Investment in interest-earning securities was EUR 95,546 million and EUR 106,902 million in 2007 and 2006, respectively. Dispositions and redemptions of interest-earning securities were EUR 101,119 million and EUR 91,247 million in 2007 and 2006, respectively. In 2007 ING acquired the Oyak Bank which led to a cash outflow of EUR 1,830 million.

Net cash outflow from financing activities in 2007 amounted to EUR 7,403 million compared to a cash inflow of EUR 16,372 million in 2006, as ING ended the securitization programs of SIMBA and Mane.

The operating, investment and financing activities described above resulted in a negative net cash flow of EUR 15,084 million in 2007 and a negative net cash flow of EUR 5,214 million in 2006.

Capital Adequacy

Capital adequacy and the use of capital are monitored by ING Bank and its subsidiaries, employing techniques based on the guidelines developed by the Basel Committee on Banking Supervision and implemented by the EU and the DNB for supervisory purposes. See “General Information about the Company”.

The following table sets forth the risk-weighted capital ratios of ING Bank N.V. as of 30 September 2009, and 31 December 2008, 2007 and 2006:

	Nine months ended 30 September 2009	Year ended 31 December		
		2008	2007	2006
	(EUR millions, other than percentages)			
Risk-Weighted Assets	337,338	343,388	402,727	337,926
Consolidated group equity:				
Tier 1 Capital	32,722	32,019	29,772	25,784
Tier 2 Capital	12,101	11,870	14,199	12,367
Tier 3 Capital				330
Supervisory deductions	(1,145)	(2,407)	(1,250)	
Total qualifying capital	43,678	43,889	41,564	37,230
Tier 1 Capital Ratio	9.70%	9.32%	7.39%	7.63%
Total Capital Ratio (Tier 1, 2 and 3)	12.95%	12.78%	10.32%	11.02%

ING Group’s management believes that working capital is sufficient to meet the current and reasonably foreseeable needs of the Company.

Adjusted Equity

ING calculates certain capital ratios on the basis of “adjusted equity”. Adjusted equity differs from Shareholders’ equity in the consolidated balance sheet. The main differences are that adjusted equity excludes unrealized gains and losses on debt securities net of policyholder crediting, goodwill and the cash flow hedge reserve and includes hybrid capital and the Core Tier-1 Securities. Adjusted equity for 2008 and 2007 is reconciled to shareholders’ equity as follows:

	2008	2007
	(EUR millions)	
Shareholders’ equity	17,334	37,208
Core Tier-1 Securities	10,000	
Group hybrid capital	11,655	8,620
Revaluation reserves debt securities and other	6,769	(963)
Adjusted equity	45,758	44,865

“Group hybrid capital” comprises subordinated loans and preference shares issued by ING Group, which qualify as (Tier-1) capital for regulatory purposes, but are classified as liabilities in the consolidated balance sheet.

“Revaluation reserves debt securities and other” includes unrealized gains and losses on available-for-sale debt securities and revaluation reserve crediting to policyholders of EUR 11,221 million in 2008 and EUR 1,895 million in 2007, the cash flow hedge reserve of EUR (1,177) million in 2008 and EUR (431) million in 2007 and capitalized goodwill of EUR (3,275) million in 2008 and EUR (2,420) million in 2007.

ING uses adjusted equity in calculating its debt/equity ratio, which is a key measure in ING’s capital management process. The debt/equity ratio based on adjusted equity is used to measure the leverage of ING Group. ING also measures a debt/equity ratio for ING Insurance. The target and actual debt/equity ratios based on adjusted equity are communicated internally to key management and externally to investors, analysts and rating agencies on a quarterly basis. ING uses adjusted equity for these purposes instead of Shareholders’ equity presented in the balance sheet principally for the following reasons:

- adjusted equity is calculated in line with the criteria and capital models used by rating agencies to measure, compare and analyze capital adequacy and leverage for insurance holding companies and groups, and the level

of our adjusted equity may thus have an impact on the ratings for the Company, its Insurance sub-holding and its operating insurance subsidiaries;

- ING believes its financial strength and other ratings are one of the most significant factors looked at by our clients and brokers, and accordingly are important to the operations and prospects of our operating subsidiaries, and a major distinguishing factor vis-à-vis our competitors and peers.

To the extent our debt/equity ratio (based on adjusted equity) increases or the components thereof change significantly period over period, we believe that rating agencies and regulators would all view this as material information relevant to our financial health and solvency. On the basis of adjusted equity, the debt/equity ratio of ING increased to 13.5% in 2008 from 9.5% in 2007. The debt/equity ratio of ING Group between 31 March 2007 and 30 September 2009 has been in the range of 8.5% and 19.9%. Although rating agencies take many factors into account in the ratings process and any of those factors alone or together with other factors may affect our rating, we believe that an increase of our debt/equity ratio in a significant way, and for an extended period of time, could result in actions from rating agencies including a possible downgrade of the financial strength ratings of our operating subsidiaries. Similarly, although regulatory authorities do not currently set any explicit leverage requirements for ING Group, such an increase of our debt/equity ratio could also likely result in greater scrutiny by regulatory authorities. Over the last year, ING has targeted a 15% debt/equity ratio for ING Group currently, but management aims to reduce the Group debt/equity ratio to 10% in the near term. In addition ING stated in its Restructuring Plan as presented on 26 October 2009 that in the coming years, as insurance units are divested, ING wants to reduce its Core Debt to zero, thereby eliminating the double leverage. These targets are reviewed at least once a year and approved by the Executive Board. During the yearly review many factors are taken into account to establish this target, such as rating agency guidance, regulatory guidance, peer review, risk profile and strategic objectives. During the year, the ratio is managed by regular reporting, forecasting and capital management actions. Management has full discretion to change the target ratio if circumstances change.

Off-Balance Sheet Arrangements

See “Contingent Liabilities and Commitments” under Note 26 of Note 2.1.4. to the 2008 Financial Statements.

	<u>Total 2008</u>	<u>Less than one year</u>	<u>More Than one year</u>	<u>Total 2007</u>	<u>Less than one year</u>	<u>More than one year</u>
	(EUR millions)					
Insurance operations						
Commitments concerning investments						
in land and buildings	10	10		181	171	10
Commitments concerning fixed-						
interest securities	2,724	2,673	51	2,436	2,189	247
Guarantees	2,460		2,460	173		173
Other	1,486	945	541	1,860	1,189	671
Banking operations						
Contingent liabilities in respect of:						
- discounted bills	1	1		1	1	
- guarantees	22,391	13,344	9,047	19,018	10,862	8,156
- irrevocable letters of credit	10,458	8,019	2,439	11,551	10,160	1,391
- other	453	406	47	350	263	87
Irrevocable facilities	<u>89,081</u>	<u>38,568</u>	<u>50,513</u>	<u>100,707</u>	<u>50,337</u>	<u>50,370</u>
Total	<u>129,064</u>	<u>63,966</u>	<u>65,098</u>	<u>136,277</u>	<u>75,172</u>	<u>61,105</u>

Contractual obligations

The table below shows the cash payment requirements from specified contractual obligations outstanding as of 31 December 2008:

<u>2008</u>	<u>Total</u>	<u>Less than 1 year</u>	<u>1-3 years</u>	<u>3-5 years</u>	<u>More than 5 years</u>
			(EUR millions)		
Operating lease obligations	1,004	209	348	281	166
Subordinated loans of Group companies	15,869	553	2,560	2,358	10,398
Preference shares of Group companies	1,071				1,071
Debenture loans	96,488	62,852	15,372	8,212	10,052
Loans contracted	8,472	5,590	1,126		1,756
Loans from credit institutions	5,786	4,580	459	1	746
Insurance provisions ⁽¹⁾	159,163	12,352	17,719	18,336	110,756
Total	<u>287,853</u>	<u>86,136</u>	<u>37,584</u>	<u>29,188</u>	<u>134,945</u>

(1) Amounts included in the table reflect best estimates of cash payments to be made to policyholders. Such best estimate cash outflows reflect mortality, retirement, and other appropriate factors, but are undiscounted with respect to interest. As a result, the sum of the cash outflows shown for all years in the table differs from the corresponding liability included in our Financial Statements. Furthermore, the table does not include insurance or investment contracts for risk of policyholders, as these are products where the policyholder bears the investment risk.

8. SELECTED STATISTICAL INFORMATION ABOUT BANKING OPERATIONS

The information in this section sets forth selected statistical information regarding the Group's banking operations. Information for 2008, 2007 and 2006 is set forth under IFRS-EU. Unless otherwise indicated, average balances, when used, are calculated from monthly data and the distinction between domestic and foreign is based on the location of the office where the assets and liabilities are booked, as opposed to the domicile of the customer. However, the Company believes that the presentation of these amounts based upon the domicile of the customer would not result in material differences in the amounts presented below.

	Year Ended 31 December		
	2008	2007	2006
Return on equity of the banking operations	1.8%	16.7%	19.4%
Return on equity of ING Group	(2.1)%	24.2%	23.5%
Dividend pay-out ratio of ING Group	N/A	34.3%	37.0%
Return on assets of ING Group	(0.1)%	0.7%	0.6%
Equity to assets of ING Group	1.3%	2.8%	3.1%
Net interest margin of the banking operations	1.1%	0.9%	1.1%

Average Balances and Interest Rates

The following tables show the banking operations, average interest-earning assets and average interest-bearing liabilities, together with average rates, for the periods indicated. The interest income, interest expense and average yield figures do not reflect interest income and expense on derivatives and other interest income and expense not considered to be directly related to interest-bearing assets and liabilities. These items are reflected in the corresponding interest income, interest expense and net interest result figures in the Financial Statements. A reconciliation of the interest income, interest expense and net interest result figures to the corresponding line items in the Financial Statements is provided hereunder.

ASSETS

	Interest-earning assets								
	2008			2007			2006		
	Average balance	Interest income	Average yield	Average balance	Interest income	Average yield	Average balance	Interest income	Average yield
	(EUR millions)		%	(EUR millions)		%	(EUR millions)		%
Time deposits with banks									
domestic	22,685	895	3.9	25,730	960	3.7	13,138	522	4.0
foreign	40,557	1,764	4.3	61,531	2,381	3.9	51,553	1,799	3.5
Loans and advances									
domestic	309,956	12,926	4.2	270,149	11,290	4.2	243,306	9,566	3.9
foreign	339,812	17,577	5.2	296,055	17,044	5.8	273,383	13,520	4.9
Interest-earning securities ⁽¹⁾									
domestic	30,398	1,234	4.1	34,993	1,295	3.7	38,310	1,248	3.3
foreign	158,844	8,747	5.5	173,248	8,660	5.0	185,411	8,003	4.3
Other interest-earning assets									
domestic	13,713	547	4.0	8,208	514	6.3	5,910	165	2.8
foreign	14,844	540	3.6	11,520	517	4.5	9,743	333	3.4
Total	930,809	44,230	4.8	881,434	42,661	4.8	820,754	35,156	4.3
Non-interest earning assets . . .	73,994			57,980			51,317		
Derivatives assets	49,042			33,025			27,212		
Total assets⁽¹⁾	1,053,845			972,439			899,283		
Percentage of assets applicable									
to foreign operations	59.7%			61.1%			63.6%		
Interest income on derivatives . .		53,037			33,622			23,521	
other		933			576			585	
Total interest income		98,200			76,858			59,262	

(1) Substantially all interest-earning securities held by the banking operations of the Company are taxable securities.

LIABILITIES

	Interest-bearing liabilities								
	2008			2007			2006		
	Average balance (EUR millions)	Interest expense	Average yield %	Average balance (EUR millions)	Interest expense	Average yield %	Average balance (EUR millions)	Interest expense	Average yield %
Time deposits from banks									
domestic	49,198	2,020	4.1	40,487	1,801	4.4	46,930	1,979	4.2
foreign	43,046	2,176	5.1	37,583	1,991	5.3	34,368	1,255	3.7
Demand deposits ⁽⁵⁾									
domestic	115,827	1,574	1.4	106,597	1,682	1.6	92,488	1,293	1.4
foreign	46,832	766	1.6	40,173	1,060	2.6	32,533	692	2.1
Time deposits ⁽⁵⁾									
domestic	35,048	1,449	4.1	28,535	1,388	4.9	27,983	1,168	4.2
foreign	33,303	1,671	5.0	35,281	1,338	3.8	31,160	1,205	3.9
Savings deposits ⁽⁵⁾									
domestic	57,537	1,630	2.8	63,109	1,475	2.3	66,845	1,562	2.3
foreign	229,149	9,070	3.9	228,030	8,603	3.8	228,656	7,682	3.4
Short term debt									
domestic	11,511	558	4.8	5,557	285	5.1	4,133	165	4.0
foreign	40,760	1,927	4.7	46,548	2,685	5.8	35,605	1,768	5.0
Long term debt									
domestic	20,379	1,110	5.4	12,903	813	6.3	14,050	798	5.7
foreign	23,325	1,277	5.5	21,155	1,063	5.0	40,291	1,532	3.8
Subordinated liabilities									
domestic	20,238	1,124	5.6	18,938	1,079	5.7	18,713	1,023	5.5
foreign	1,293	61	4.7	1,574	82	5.2	2,229	119	5.3
Other interest-bearing liabilities									
domestic	92,042	3,174	3.4	77,426	3,220	4.2	46,096	1,260	2.7
foreign	100,179	3,527	3.5	90,157	5,131	5.7	72,665	2,471	3.4
Total	919,667	33,114	3.6	854,053	33,696	3.9	794,745	25,972	3.3
Non-interest bearing liabilities	63,236			64,649			57,099		
Derivatives liabilities	48,243			30,591			25,706		
Total Liabilities	1,031,146			949,293			877,550		
Group Capital	22,699			23,146			21,733		
Total liabilities and capital . .	1,053,845			972,439			899,283		
Percentage of liabilities applicable to foreign operations	57.0%			59.2%			61.4%		
Other interest expense:									
Interest expenses on derivatives	52,790			33,298			23,243		
Other	1,211			828			712		
Total interest expense	87,115			67,822			49,927		
Total net interest result	11,085			9,037			9,335		

(5) These captions do not include deposits from banks.

Analysis of Changes in Net Interest Income

The following table allocates changes in the Group's interest income and expense and net interest result between changes in average balances and rates for the periods indicated. Changes due to a combination of volume and rate have been allocated to changes in average volume. The net changes in interest income, interest expense and net interest result, as calculated in this table, have been reconciled to the changes in interest income, interest expense and net interest result in the Financial Statements. See introduction to "— Average Balances and Interest Rates" for a discussion of the differences between interest income, interest expense and net interest result as calculated in the following table and as set forth in the Financial Statements.

	2008 over 2007 increase (decrease) due to changes in			2007 over 2006 increase (decrease) due to changes in		
	Average volume	Average rate	Net change	Average volume	Average rate	Net change
	(EUR millions)			(EUR millions)		
Interest-earning assets						
Time deposits to banks						
domestic	(114)	49	(65)	500	(62)	438
foreign	(812)	195	(617)	348	234	582
Loans and advances						
domestic	1,664	(28)	1,636	1,055	669	1,724
foreign	2,519	(1,986)	533	1,121	2,403	3,524
Interest-earning securities						
domestic	(170)	109	(61)	(108)	155	47
foreign	(720)	807	87	(525)	1,182	657
Other interest-earning assets						
domestic	345	(312)	33	64	285	349
foreign	149	(126)	23	61	123	184
Interest income						
domestic	1,725	(182)	1,543	1,511	1,047	2,558
foreign	<u>1,136</u>	<u>(1,110)</u>	<u>26</u>	<u>1,005</u>	<u>3,942</u>	<u>4,947</u>
Total	<u>2,861</u>	<u>(1,292)</u>	<u>1,569</u>	<u>2,516</u>	<u>4,989</u>	<u>7,505</u>
Other interest income			<u>19,773</u>			<u>10,092</u>
Total interest income			<u>21,342</u>			<u>17,597</u>
Interest-bearing liabilities						
Time deposits from banks						
domestic	388	(169)	219	(272)	94	(178)
foreign	289	(104)	185	117	619	736
Demand deposits						
domestic	146	(254)	(108)	197	192	389
foreign	176	(470)	(294)	163	205	368
Time deposits						
domestic	317	(256)	61	23	197	220
foreign	(75)	408	333	159	(26)	133
Savings deposits						
domestic	(130)	285	155	(87)		(87)
foreign	42	425	467	(21)	942	921
Short term debt						
domestic	305	(32)	273	57	63	120
foreign	(334)	(424)	(758)	543	374	917
Long term debt						
domestic	471	(174)	297	(65)	80	15
foreign	109	105	214	(728)	259	(469)
Subordinated liabilities						
domestic	74	(29)	45	12	44	56
foreign	(15)	(6)	(21)	(35)	(2)	(37)
Other interest-bearing liabilities						
domestic	608	(654)	(46)	856	1,103	1,959
foreign	570	(2,174)	(1,604)	595	2,065	2,660

	2008 over 2007 increase (decrease) due to changes in			2007 over 2006 increase (decrease) due to changes in		
	Average volume	Average rate	Net change	Average volume	Average rate	Net change
	(EUR millions)			(EUR millions)		
Interest expense						
domestic	2,179	(1,283)	896	721	1,773	2,494
foreign	762	(2,240)	(1,478)	793	4,436	5,229
Total	2,941	(3,523)	(582)	1,514	6,209	7,723
Other interest expense			19,875			10,171
Total interest expense			19,293			17,894
Net interest						
domestic	(454)	1,101	647	790	(727)	63
foreign	374	1,130	1,504	211	(494)	(282)
Net interest	(80)	2,231	2,151	1001	(1,221)	(219)
Other net interest result			102			(79)
Net interest result			2,049			(298)

Investments of the Group's Banking Operations

The following table shows the balance sheet value under IFRS-EU of the investments of the Group's banking operations.

	Year ended 31 December		
	2008	2007	2006
	(EUR millions)		
Debt securities available for sale			
Dutch government	6,726	4,741	6,106
German government	5,789	5,960	8,076
Central banks	219	331	213
Belgian government	8,198	11,017	14,225
Other governments	29,435	26,090	27,959
Corporate debt securities			
Banks and financial institutions	37,486	36,860	26,791
Other corporate debt securities	1,417	2,145	9,900
US Treasury and other US Government agencies	56	163	322
Other debt securities	42,176	52,699	57,941
Total debt securities available for sale	131,502	140,006	151,533
Debt securities held to maturity			
Dutch government			
German government	787	789	790
Other governments	819	969	564
Banks and financial institutions	12,929	14,249	13,970
Other corporate debt securities	39	39	40
US Treasury and other US Government agencies	36	102	233
Other debt securities	830	605	2,063
Total debt securities held to maturity	15,440	16,753	17,660
Shares and convertible debentures	1,863	3,626	1,898
Land and buildings ⁽¹⁾	4,331	4,997	5,005
Total	153,136	165,382	176,096

(1) Including commuted ground rents.

Banking investment strategy

ING's investment strategy for its investment portfolio related to the banking activities is formulated by the Asset and Liability Committee ("ALCO"). The exposures of the investments to market rate movements are managed by

modifying the asset and liability mix, either directly or through the use of derivative financial products including interest rate swaps, futures, forwards and purchased option positions such as interest rate caps, floors and collars. See “Risk, Treasury and Capital Management”.

The investment portfolio related to the banking activities primarily consists of fixed-interest securities. Approximately 33% of the land and buildings owned by ING Bank are wholly or partially in use by Group companies.

Portfolio maturity description

	1 year or less	Yield⁽¹⁾	Between 1 and 5 years	Yield⁽¹⁾	Between 5 and 10 years	Yield⁽¹⁾
	Book value		Book value		Book value	
	(EUR millions)	%	(EUR millions)	%	(EUR millions)	%
Debt securities available for sale						
Dutch government	3,022		2,975		729	
German government	1,013		3,052		1,724	
Belgian government	674		5,208		2,238	
Central banks	219					
Other governments	3,115		14,280		9,320	
Banks and financial institutions . .	9,236		18,509		8,137	
Corporate debt securities	607		566		219	
US Treasury and other US						
Government agencies	1		55			
Other debt securities	<u>1,419</u>		<u>11,870</u>		<u>6,726</u>	
Total debt securities available for sale	<u>19,306</u>	3.7	<u>56,515</u>	4.6	<u>29,093</u>	4.2
			Over 10 years		Yield⁽¹⁾	Total
			Book value		%	Book value
			(EUR millions)			(EUR millions)
Debt securities available for sale						
Dutch government						6,726
German government						5,789
Belgian government			78			8,198
Central banks						219
Other governments			2,720			29,435
Banks and financial institutions			1,604			37,486
Corporate debt securities			25			1,417
US Treasury and other US Government agencies						56
Other debt securities			<u>22,161</u>			<u>42,176</u>
Total debt securities available for sale			<u>26,588</u>	4.0		<u>131,502</u>

(1) Since substantially all investment securities held by the banking operations of the Company are taxable securities, the yields are on a tax-equivalent basis.

	<u>1 year or less Book value</u>	<u>Yield⁽¹⁾</u>	<u>Between 1 and 5 years Book value</u>	<u>Yield⁽¹⁾</u>	<u>Between 5 and 10 years Book value</u>	<u>Yield⁽¹⁾</u>
	(EUR millions)	%	(EUR millions)	%	(EUR millions)	%
Debt securities held to maturity						
Dutch government						
German government	200		587			
Belgian government						
Central banks						
Other governments	116		653		50	
Banks and financial institutions . .	963		9,256		2,610	
Corporate debt securities			39			
US Treasury and other US						
Government agencies	36					
Other debt securities	<u>7</u>		<u>223</u>		<u>234</u>	
Total debt securities held to maturity	<u>1,322</u>	3.9	<u>10,758</u>	3.9	<u>2,894</u>	3.9

	<u>Over 10 years Book value</u>	<u>Yield⁽¹⁾</u>	<u>Total Book value</u>
	(EUR millions)	%	(EUR millions)
Debt securities held to maturity			
Dutch government			
German government			787
Belgian government			
Central banks			
Other governments			819
Banks and financial institutions	100		12,929
Corporate debt securities			39
US Treasury and other US Government agencies			36
Other debt securities	<u>366</u>		<u>830</u>
Total debt securities held to maturity	<u>466</u>	3.0	<u>15,440</u>

(1) Since substantially all investment securities held by the banking operations of the Company are taxable securities, the yields are on a tax-equivalent basis.

On 31 December 2008, ING Group also held the following securities for the banking operations that exceeded 10% of shareholders' equity:

	<u>2008</u>	
	<u>Book value</u>	<u>Market value</u>
	(EUR millions)	
Dutch government	6,726	6,726
Belgian government	8,198	8,198
German government	6,576	6,693

Loan Portfolio

Loans and advances to banks and customers

Loans and advances to banks include all receivables from credit institutions, except for cash, current accounts and deposits with other banks (including central banks). Lending facilities to corporate and private customers encompass among others, loans, overdrafts and finance lease receivables. The following table sets forth the gross loans and advances to banks and customers as of 31 December 2008, 2007, 2006, 2005 and 2004 under IFRS-EU.

IFRS-EU

	Year ended 31 December				
	2008	2007	2006	2005	2004
	(EUR millions)				
By domestic offices:					
Loans guaranteed by public authorities	16,288	14,679	16,450	13,907	7,296
Loans secured by mortgages	158,861	141,314	120,753	111,257	103,594
Loans to or guaranteed by credit institutions	15,528	16,347	6,747	4,573	7,323
Other private lending	7,158	6,975	6,484	9,943	6,420
Other corporate lending	126,773	105,114	89,999	80,540	35,897
Total domestic offices	324,608	284,429	240,433	220,220	160,530
By foreign offices:					
Loans guaranteed by public authorities	10,099	8,961	9,503	17,535	17,118
Loans secured by mortgages	145,090	132,614	87,457	69,855	53,156
Loans to or guaranteed by credit institutions	25,810	31,929	32,072	23,721	26,471
Other private lending	20,389	17,784	16,422	15,200	8,474
Other corporate lending	118,958	100,601	89,547	84,355	88,639
Total foreign offices	320,346	291,889	235,001	210,666	193,858
Total gross loans and advances to banks and customers	644,954	576,318	475,434	430,886	354,388

Maturities and sensitivity of loans to changes in interest rates

The following table analyzes loans and advances to banks and customers by time remaining until maturity as of 31 December 2008.

	1 year or less	1 year to 5 years	After 5 years	Total
	(EUR millions)			
By domestic offices:				
Loans guaranteed by public authorities	4,478	1,312	10,498	16,288
Loans secured by mortgages	10,492	16,410	131,959	158,861
Loans guaranteed by credit institutions	13,984	1,405	139	15,528
Other private lending	5,157	533	1,468	7,158
Other corporate lending	102,795	15,398	8,578	126,771
Total domestic offices	136,906	35,058	152,642	324,606
By foreign offices:				
Loans guaranteed by public authorities	3,805	2,835	3,459	10,099
Loans secured by mortgages	13,217	24,969	106,904	145,090
Loans guaranteed by credit institutions	19,820	4,548	1,442	25,810
Other private lending	12,244	3,602	4,543	20,389
Other corporate lending	42,527	44,183	32,250	118,960
Total foreign offices	91,613	80,137	148,598	320,348
Total gross loans and advances to banks and customers	228,519	115,195	301,240	644,954

The following table analyzes loans and advances to banks and customers by interest rate sensitivity by maturity as of 31 December 2008.

	<u>1 year or less</u>	<u>Over 1 year</u>	<u>Total</u>
	(EUR millions)		
Non-interest earning	4,343	408	4,751
Fixed interest rate	74,449	125,089	199,538
Semi-fixed interest rate ⁽¹⁾	5,392	173,348	178,740
Variable interest rate	<u>144,335</u>	<u>117,590</u>	<u>261,925</u>
Total	<u>228,519</u>	<u>416,435</u>	<u>644,954</u>

(1) Loans that have an interest rate that remains fixed for more than one year and which can then be changed are classified as “semi-fixed”

Loan concentration

The following industry concentrations were in excess of 10% of total loans as of 31 December 2008:

	<u>Total outstanding</u>
Financial institutions	30.9%
Private individuals	34.4%

Risk elements

Loans Past Due 90 days and Still Accruing Interest

Loans past due 90 days and still accruing interest are loans that are contractually past due 90 days or more as to principal or interest on which we continue to recognize interest income on an accrual basis in accordance with IFRS-EU.

Under IFRS-EU prior to the implementation of IAS 32 and IAS 39 and under Dutch GAAP, loans were placed on non-accrual status when a loan was in default as to payment of principal and interest for 90 days or more, or when, in the judgment of management, the accrual of interest should cease before 90 days. Any accrued, but unpaid, interest was reversed against the same period’s interest revenue. Interest payments received on a cash basis during the period were recorded as interest income. In 2005 with the implementation of IAS 32 and IAS 39, once a loan has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. As all loans continue to accrue interest under IFRS-EU, the non-accrual loan status is no longer used to identify ING Group’s risk elements. Therefore, as from 2005, no loans are reported as non-accrual and there is an increase in the amount of loans reported as Loans past due 90 days and still accruing interest, compared to the prior years reported, due to the interest accrual on impaired loans. The following table sets forth the outstanding balance of the loans past due 90 days and still accruing interest and non-accrual loans for the years ended 31 December 2008, 2007, 2006, 2005 and 2004 under IFRS-EU.

	Year ended 31 December				
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
	(EUR millions)				
IFRS-EU					
Loans past due 90 days and still accruing interest					
Domestic	2,799	1,159	1,317	1,664	577
Foreign	<u>2,634</u>	<u>1,892</u>	<u>2,426</u>	<u>2,112</u>	<u>510</u>
Total loans past due 90 days and still accruing interest	<u>5,433</u>	<u>3,051</u>	<u>3,743</u>	<u>3,776</u>	<u>1,087</u>
Non-accrual					
Domestic					1,143
Foreign					<u>2,284</u>
Total non-accruals					<u>3,427</u>
Total loans past due 90 days and still accruing interest and non-accrual loans					
	5,433	3,051	3,743	3,776	4,514

As of 31 December 2008, EUR 5,433 million of the loans past due 90 days and still accruing interest have a loan loss provision. Total loans with a loan loss provision, including those loans classified as past due 90 days and still

accruing interest with a provision and troubled debt restructurings with a provision, amounts to EUR 7,489 million as of 31 December 2008.

Troubled Debt Restructurings

Troubled debt restructurings are loans that we have restructured due to deterioration in the borrower's financial position and in relation to which, for economic or legal reasons related to the borrower's deteriorated financial position, we have granted a concession to the borrower that we would not have otherwise granted.

The following table sets forth the outstanding balances of the troubled debt restructurings as of 31 December 2008, 2007, 2006, 2005 and 2004 under IFRS-EU.

	Year ended 31 December				
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
	(EUR millions)				
IFRS-EU					
Troubled debt restructurings:					
Domestic	51	45	163	495	197
Foreign	<u>354</u>	<u>47</u>	<u>199</u>	<u>582</u>	<u>651</u>
Total troubled debt restructurings	<u>405</u>	<u>92</u>	<u>362</u>	<u>1,077</u>	<u>848</u>

Interest Income on Troubled Debt Restructurings

The following table sets forth the gross interest income that would have been recorded during the year ended 31 December 2008 on troubled debt restructurings had such loans been current in accordance with their original contractual terms and interest income on such loans that was actually included in interest income during the year ended 31 December 2008.

	Year ended 31 December 2008		
	<u>Domestic Offices</u>	<u>Foreign Offices</u>	<u>Total</u>
	(EUR millions)		
Interest income that would have been recognized under the original contractual terms	4		4
Interest income recognized in the profit and loss account	2		2

Potential Problem Loans

Potential problem loans are loans that are not classified as loans past due 90 days and still accruing interest or troubled debt restructurings and amounted to EUR 4,439 million as of 31 December 2008. Of this total, EUR 3,132 million relates to domestic loans and EUR 1,307 million relates to foreign loans. These loans are considered potential problem loans as there is known information about possible credit problems causing us to have serious doubts as to the ability of the borrower to comply with the present loan repayment terms and which may result in classifying the loans as loans past due 90 days and still accruing interest or as troubled debt restructurings. Appropriate provisions, following ING Group's credit risk rating system, have been established for these loans.

Cross-border outstandings

Cross-border outstandings are defined as loans (including accrued interest), acceptances, interest-earning deposits with other banks, other interest-earning investments and any other monetary assets that are denominated in euro or other non-local currency. To the extent that material local currency outstandings are not hedged or are not funded by local currency borrowings, such amounts are included in cross-border outstandings.

Commitments such as irrevocable letters of credit are not considered as cross border outstanding. Total outstandings are in line with DNB requirements. On 31 December 2008, there were no outstandings exceeding 1% of total assets in any country where current conditions give rise to liquidity problems which are expected to have a material impact on the timely repayment of interest or principal.

The following tables analyze cross-border outstandings as of the end of 31 December 2008, 2007 and 2006 stating the name of the country and the aggregate amount of cross-border outstandings to borrowers in each foreign country where such outstandings exceed 1% of total assets, by the following categories.

Year ended 31 December 2008						
	<u>Government & official institutions</u>	<u>Banks & other financial Institutions</u>	<u>Commercial & industrial</u>	<u>Other</u>	<u>Total</u>	<u>Cross-border Commitments</u>
	(EUR millions)					
United Kingdom.....	143	12,228	29,094	1,159	42,624	4,698
United States	83	3,065	12,170	15,427	30,745	10,787
France	7,636	10,396	6,137	2,449	26,617	1,964
Germany	5,671	6,338	4,298	3,327	19,634	7,882
Italy	8,974	5,082	3,625	1,019	18,701	1,534
Spain	2,573	7,940	5,967	96	16,576	3,134
Belgium.....	1,987	7,163	7,851	2,277	19,278	17,161
Year ended 31 December 2007						
	<u>Government & official institutions</u>	<u>Banks & other financial Institutions</u>	<u>Commercial & industrial</u>	<u>Other</u>	<u>Total</u>	<u>Cross-border Commitments</u>
	(EUR millions)					
United Kingdom.....	144	27,501	44,621	1,403	73,669	6,018
United States	33	4,035	26,821	14,852	45,741	13,050
France	5,777	17,811	6,864	4,474	34,926	2,295
Germany	4,839	10,361	4,499	4,428	24,127	9,500
Italy	10,381	4,642	4,378	1,117	20,518	1,318
Spain	2,375	7,749	6,183	685	16,992	2,139
Belgium.....	2,638	5,782	3,607	1,683	13,710	14,999
Year ended 31 December 2006						
	<u>Government & official institutions</u>	<u>Banks & other financial Institutions</u>	<u>Commercial & industrial</u>	<u>Other</u>	<u>Total</u>	<u>Cross-border Commitments</u>
	(EUR millions)					
United Kingdom	60	29,787	51,344	2,437	83,628	9,840
United States	114	7,241	33,388	4,102	44,845	11,353
France	4,831	12,012	5,658	3,491	25,992	2,776
Germany	6,855	10,233	4,244	1,906	23,238	7,898
Italy	11,819	4,011	5,704	1,118	22,652	1,445
Spain.....	2,494	7,766	8,194	923	19,377	2,071

There were no cross-border outstandings between 0.75% and 1% of total assets, at year-end 2008 and 2007. On 31 December 2006, Ireland and Belgium had EUR 10,049 million and EUR 9,523 million, respectively, of cross-border outstandings between 0.75% and 1% of total assets.

Summary of Loan Loss Experience

For further explanation on loan loss provisions see “Critical Accounting Policies — Loan Loss Provisions” under Section 2.1. of the 2008 Financial Statements.

The application of the IFRS-EU methodology has reduced the amount of the unallocated provision for loan losses that ING Group provided in prior years to adequately capture various subjective and judgmental aspects of the credit risk assessment which were not considered on an individual basis.

The following table presents the movements in allocation of the provision for loan losses on loans accounted for as loans and advances to banks and customers for 2008, 2007, 2006, 2005 and 2004 under IFRS-EU.

	Calendar period				
	2008	2007	2006	2005	2004
	(EUR millions)				
IFRS-EU					
Balance on 1 January	2,001	2,642	3,313	4,262	4,671
Implementation IAS 32 and IAS 39 ⁽¹⁾				(398)	
Change in the composition of the Group	1	98	(101)	(4)	(38)
Charge-offs:					
Domestic:					
Loans guaranteed by public authorities					(1)
Loans secured by mortgages	(34)	(22)	(32)	(8)	(3)
Loans to or guaranteed by credit institutions	(36)	(11)	(11)	(12)	(22)
Other private lending	(126)	(115)	(108)	(107)	(57)
Other corporate lending	(133)	(189)	(136)	(164)	(156)
Foreign:					
Loans guaranteed by public authorities	(16)	(25)		(9)	(13)
Loans secured by mortgages	(6)	(11)	(26)	(23)	(31)
Loans to or guaranteed by credit institutions		(2)	(5)	(4)	20
Other private lending	(114)	(104)	(70)	(78)	(57)
Other corporate lending	(263)	(473)	(303)	(437)	(589)
Total charge-offs	(728)	(952)	(691)	(842)	(909)
Recoveries:					
Domestic:					
Loans guaranteed by public authorities					6
Loans secured by mortgages					3
Loans to or guaranteed by credit institutions		2	4		
Other private lending	36	3	11	6	
Other corporate lending			1		
Foreign:					
Loans guaranteed by public authorities					(1)
Loans secured by mortgages		1			23
Loans to or guaranteed by credit institutions					11
Other private lending	27	30	49	39	42
Other corporate lending	27	23	21	16	84
Total recoveries	90	59	86	61	84
Net charge-offs	(638)	(893)	(605)	(781)	(825)
Additions and other adjustments (included in value Adjustments to receivables of the Banking operations)	1,247	154	35	234	454
Balance on 31 December	2,611	2,001	2,642	3,313	4,262
Ratio of net charge-offs to average loans and advances to banks and customers	0.10%	0.16%	0.12%	0.17%	0.24%

(1) Consists of release of unallocated provision for loan losses of EUR (592) million and reclassification from other assets for provision for interest on impaired loans of EUR 194 million.

Additions to the provision for loan losses presented in the table above were influenced by developments in general economic conditions as well as certain individual exposures.

The following table shows the allocation of the provision for loan losses on loans accounted for as loans and advances to banks and customers for 2008, 2007, 2006, 2005 and 2004 under IFRS-EU.

	Year ended 31 December									
	2008		2007		2006		2005		2004	
	EUR	% ⁽¹⁾	EUR	% ⁽¹⁾	EUR	% ⁽¹⁾	EUR	% ⁽¹⁾	EUR	% ⁽¹⁾
	(EUR millions)									
IFRS-EU										
Domestic:										
Loans guaranteed by public										
authorities		2.54		2.56		3.46	1	3.23	1	2.06
Loans secured by mortgages	167	24.76	96	24.62	96	25.40	93	25.82	198	29.23
Loans to or guaranteed by credit										
institutions	68	2.42	11	2.85		1.42		1.06		2.07
Other private lending	120	1.12	181	1.21	357	1.36	230	2.31	181	1.81
Other corporate lending	474	19.24	377	17.91	280	18.93	594	18.69	692	10.13
Total domestic	829	50.08	665	49.15	733	50.57	918	51.11	1,072	45.30
Foreign:										
Loans guaranteed by public										
authorities	2	1.57	1	1.56	2	2.00	2	4.07	36	4.83
Loans secured by mortgages	425	22.61	203	23.10	177	18.40	273	16.20	213	15.00
Loans to or guaranteed by credit										
institutions	17	4.02	3	5.56	6	6.75	13	5.51	23	7.47
Other private lending	533	3.18	374	3.10	408	3.45	408	3.53	344	2.39
Other corporate lending	805	18.54	755	17.53	1,316	18.83	1,699	19.58	2,574	25.01
Total foreign	1,782	49.92	1,336	50.85	1,909	49.43	2,395	48.89	3,190	54.70
Total	2,611	100.00	2,001	100.00	2,642	100.00	3,313	100.00	4,262	100.00

⁽¹⁾ The percentages represent the loans in each category as a percentage of the total loan portfolio for loans and advances to banks and customers.

Deposits

The aggregate average balance of all the Group's interest-bearing deposits (from banks and customer accounts) increased by 2.3% to EUR 681,766 million for 2008, compared to 2007. Interest rates paid reflect market conditions. The effect on net interest income depends upon competitive pricing and the level of interest income that can be generated through the use of funds.

Deposits by banks are primarily time deposits, the majority of which are raised by the Group's Amsterdam based money market operations in the world's major financial markets.

Certificates of deposit represent 44% of the category "Debt securities" (31% at the end of 2007). These instruments are issued as part of liquidity management with maturities generally of less than three months.

The following table includes the average deposit balance by category of deposit and the related average rate.

	2008		2007		2006	
	Average deposit	Average rate	Average deposit	Average rate	Average deposit	Average rate
	(EUR millions)	%	(EUR millions)	%	(EUR millions)	%
Deposits by banks						
In domestic offices:						
Demand — non-interest bearing	9,797		4,278		2,404	
— interest bearing	11,821	3.8	20,909	5.3	16,118	4.5
Time	49,147	3.7	58,601	3.1	31,896	4.3
Other	12,213	3.6	1,900	4.1	1,474	4.0
Total domestic offices	82,978		85,688		51,892	

	2008		2007		2006	
	Average deposit	Average rate	Average deposit	Average rate	Average deposit	Average rate
	(EUR millions)	%	(EUR millions)	%	(EUR millions)	%
In foreign offices:						
Demand — non-interest bearing	3,374		2,149		1,556	
— interest bearing	12,175	3.9	7,295	5.8	4,184	3.2
Time	40,425	5.1	35,679	5.3	33,802	3.4
Other	<u>31,121</u>	4.8	<u>31,975</u>	4.7	<u>31,520</u>	4.5
Total foreign offices	<u>87,095</u>		<u>77,098</u>		<u>71,062</u>	
Total deposits by banks	<u>170,073</u>		<u>162,786</u>		<u>122,954</u>	
Customer accounts						
In domestic offices:						
Demand — non-interest bearing	15,041		16,702		15,804	
— interest bearing	108,589	1.7	100,618	2.1	86,748	1.8
Savings	57,475	2.8	63,001	2.3	66,765	2.3
Time	34,856	4.1	35,767	3.9	20,062	4.6
Other	<u>7,202</u>	3.6	<u>1,578</u>	4.8	<u>1,809</u>	4.5
Total domestic offices	223,163		217,666		191,188	
In foreign offices:						
Demand — non-interest bearing	4,581		4,887		4,401	
— interest bearing	52,089	2.8	41,519	3.5	33,403	2.3
Savings	229,149	3.9	228,030	3.8	228,636	3.4
Time	33,018	5.0	34,987	3.8	28,149	3.9
Other	<u>2,486</u>	4.9	<u>4,672</u>	3.6	<u>9,673</u>	1.4
Total foreign offices	<u>321,323</u>		<u>314,095</u>		<u>304,262</u>	
Total customers accounts	<u>544,486</u>		<u>531,761</u>		<u>495,450</u>	
Debt securities						
In domestic offices:						
Debentures	13,379	4.8	5,054	5.0	5,481	4.4
Certificates of deposit	8,887	4.6	3,441	4.7	2,531	3.8
Other	<u>2,691</u>	5.4	<u>2,216</u>	5.7	<u>1,722</u>	4.2
Total domestic offices	24,957		10,711		9,734	
In foreign offices:						
Debentures	8,552	6.0	8,609	5.8	23,197	3.8
Certificates of deposit	25,665	5.4	17,815	5.9	11,027	5.0
Other	<u>18,611</u>	3.5	<u>32,008</u>	5.3	<u>28,150</u>	4.7
Total foreign offices	<u>52,828</u>		<u>58,432</u>		<u>62,374</u>	
Total debt securities	<u>77,785</u>		<u>69,143</u>		<u>72,108</u>	

For the year ended 31 December 2008, 2007 and 2006, the aggregate amount of deposits by foreign depositors in domestic offices was EUR 77,958 million, EUR 78,227 million and EUR 69,838 million, respectively.

On 31 December 2008, the maturity of domestic time certificates of deposit and other time deposits, exceeding EUR 20,000, was:

	Time certificates of deposit		Other time deposits	
	(EUR millions)	%	(EUR millions)	%
3 months or less	5,374	82.8	82,307	81.4
6 months or less but over 3 months	733	11.3	8,952	8.8
12 months or less but over 6 months	235	3.6	7,678	7.6
Over 12 months	149	2.3	2,196	2.2
Total	6,491	100	101,133	100

The following table shows the aggregate amount outstanding for time certificates of deposit and other time deposits exceeding EUR 20,000 issued by foreign offices on 31 December 2008.

	(EUR millions)
Time certificates of deposit	20,400
Other time deposits	100,784
Total	121,184

Short-term Borrowings

Short-term borrowings are borrowings with an original maturity of one year or less. Commercial paper and securities sold under repurchase agreements are the only significant categories of short-term borrowings within our banking operations.

The following table sets forth certain information relating to the categories of our short-term borrowings.

	Year ended 31 December		
	2008	2007	2006
	(EUR millions, except percentage data)		
IFRS-EU			
Commercial paper:			
Balance at the end of the year	18,444	14,393	35,682
Monthly average balance outstanding during the year	17,949	30,403	26,416
Maximum balance outstanding at any period end during the year	19,319	37,304	35,682
Weighted average interest rate during the year	3.80%	5.80%	4.87%
Weighted average interest rate on balance at the end of the year	3.70%	6.02%	3.60%
Securities sold under repurchase agreements:			
Balance at the end of the year	110,202	127,111	101,239
Monthly average balance outstanding during the year	148,613	124,723	103,951
Maximum balance outstanding at any period end during the year	178,185	142,753	122,619
Weighted average interest rate during the year	3.17%	4.66%	3.03%
Weighted average interest rate on balance at the end of the year	4.27%	4.57%	3.11%

9. RISK, TREASURY AND CAPITAL MANAGEMENT

For information about Risk Management and Capital Management, see Sections 2.1. and 2.2. of the 2008 Financial Statements.

10. CAPITALIZATION AND FINANCIAL INDEBTEDNESS

The following table shows the actual capitalization of the ING Group as at 30 September 2009 and its capitalization as of 30 September 2009 as adjusted for the receipt and use of the net proceeds of the Offering, as described under “Reasons for the Offering and Use of Proceeds — Use of Proceeds”.

The information in the following table is derived from the unaudited consolidated financial statements of ING Groep N.V. as of 30 September 2009 prepared in accordance with IFRS-EU and included in this Prospectus. This table should be read together with such unaudited consolidated interim financial information and the notes thereto. The adjusted figures in the table below have been prepared for illustrative purposes only assuming that the Rights Offering is fully subscribed at the Subscription Price, and do not necessarily give a true picture of the Group’s financial condition following the Offering.

	<u>As of 30 September 2009</u>	<u>As adjusted for the Offering</u>
	<u>unaudited</u>	
	<u>(EUR millions)</u>	
Capitalization		
<i>Liabilities</i>	1,150,333	1,150,333
Short-term debt ⁽¹⁾	<u>644,447</u>	<u>644,447</u>
Subordinated	—	—
Guaranteed	—	—
Secured	—	—
Long-term debt ⁽¹⁾		
Subordinated	10,018	10,018
Guaranteed	14,346	14,346
Secured	8,504	8,504
Other long term debt	72,848	72,848
Minority interests	1,067	1,067
<i>Shareholders’ equity</i>		
Ordinary shares (nominal value EUR 0.24; authorized 4,500,000,000; issued 2,063,147,969) ⁽²⁾	495	920 ⁽³⁾
Other surplus reserves	<u>26,020</u>	<u>32,502</u>
Total shareholders’ equity	26,515	33,422
<i>Non-voting equity securities</i>	10,000	5,000
Total capitalization	<u>143,298</u>	<u>145,205</u>

(1) Short-term debt and long-term debt include savings accounts, time deposits and other customer credit balances, certificates of deposit, debentures and other non-subordinated debt securities, securities sold subject to repurchase agreements, non-subordinated interbank debt and other borrowings.

(2) We have also authorized 4,500,000,000 cumulative preference shares (nominal value EUR 0.24), of which there were none outstanding as of 30 September 2009.

(3) Reflects 3,831,560,513 ordinary shares outstanding as a result of the Offering.

11. DISTRIBUTIONS TO SHAREHOLDERS

Dividend Policy

ING Groep N.V. has declared and paid dividends each year since its formation in 1991, with the exception of the final dividend for 2008 discussed below under “— Total distributions in 2008” and the interim dividend for the current year. In 2009, ING decided not to pay an interim dividend on ordinary shares. This decision was taken in view of ING’s operational results, the current capital ratios, and the ongoing discussion about required capital and leverage ratios in the financial services industry. ING has announced that it is difficult to foresee whether it will be in a position to pay a final dividend over 2009. ING calculates dividends primarily on the basis of underlying cash earnings. If ING pays a dividend on its ordinary shares it will be required to pay a coupon on its Core Tier-1 Securities as a multiple of the dividend per share. See “Risk Factors — Risks Related to the Group — We did not pay a final dividend in 2008 or an interim dividend in 2009. There can be no assurance that we will pay dividends on our ordinary shares in the future”.

Each year, a final dividend, if any, in respect of the prior year is generally declared at and paid after the annual General Meeting generally held in April of each year. An interim dividend, if any, is generally declared and paid in September, based upon the results for the first six months. The declaration of interim dividends is subject to the discretion of the Executive Board of ING Groep N.V., whose decision to that effect is subject to the approval of the Supervisory Board of the Company. The Executive Board decides, subject to the approval of the Supervisory Board of ING Groep N.V., which part of the annual results (after payment of dividends on cumulative preference shares) will be added to the reserves of ING Groep N.V. The part of the annual results that remains after this addition to the reserves and after payment of dividends on cumulative preference shares is at the disposal of the General Meeting, which may declare dividends therefrom and/or add additional amounts to the reserves of ING Groep N.V. A proposal of the Executive Board with respect thereto is submitted to the General Meeting. The declaration and payment of dividends and the amount thereof is dependent upon the Company’s results of operations, financial condition, cash requirements, future prospects and other factors deemed relevant by the Executive Board in determining the appropriate amount of reserves and there can be no assurance that the Company will declare and pay any dividends in the future.

Since the beginning of 2005 ING has a dividend policy of full cash dividends starting with the final dividend 2004. Following the introduction of IFRS-EU — which has generally increased volatility in net result — ING has been paying its dividends in relation to the longer-term underlying development of result.

Cash distributions on ING Groep N.V.’s ordinary shares and bearer depositary receipts are generally paid in euros. However, the Executive Board may decide, with the approval of the Supervisory Board, to declare dividends in the currency of a country other than the Netherlands in which the bearer depositary receipts are trading unless ING is prevented from doing so by government measures or other circumstances beyond its control. The right to cash dividends and distributions in respect of the ordinary shares will lapse if such dividends or distributions are not claimed within five years following the day after the date on which they were made available.

If a distribution by ING Groep N.V. consists of a dividend in ordinary shares, such ordinary shares will be held by the Trust, and the Trust will distribute to the holders of the outstanding bearer depositary receipts, in proportion to their holdings, additional bearer depositary receipts issued for the ordinary shares received by the Trust as such dividend. In the event the Trust receives any distribution with respect to ordinary shares held by the Trust other than in the form of cash or additional shares, the Trust will adopt such method as it may deem legal, equitable and practicable to effect such distribution.

If ING Groep N.V. offers or causes to be offered to the holders of ordinary shares the right to subscribe for additional shares, the Trust, subject to applicable law, will offer to each holder of bearer depositary receipts the right to subscribe for additional bearer depositary receipts of such shares on the same basis.

If the Trust has the option to receive such distribution either in cash or shares, the Trust will give notice of such option by advertisement and give holders of bearer depositary receipts the opportunity, to the extent possible, to choose between cash and bearer depositary receipts for ordinary shares until the fourth day before the day on which the Trust must have made such choice. If no such choice by the holders of bearer depositary receipts has been timely communicated to the Trust, the Trust shall make the choice as it sees fit in the interests of the holders of the bearer depositary receipts concerned. Distributions to the shareholders in the form of bonus shares, writing-up shares, stock dividends and the like shall as far as possible be made available by the Trust to the holders of bearer depositary receipts in the form of bearer depositary receipts or by writing up the bearer depositary receipts.

If ING pays a dividend on its ordinary shares it will be required to pay a coupon on its Core Tier-1 Securities as a multiple of the dividend per share.

There are no legislative or other legal provisions currently in force in the Netherlands or arising under ING Groep N.V.'s Articles of Association restricting the remittance of dividends to holders of ordinary shares or bearer depositary receipts not resident in the Netherlands. Insofar as the laws of the Netherlands are concerned, cash dividends paid in Euro may be transferred from the Netherlands and converted into any other currency, except that for statistical purposes such payments and transactions must be reported by ING Groep N.V. to the DNB and, further, no payments, including dividend payments, may be made to jurisdictions or persons, that are subject to certain sanctions, adopted by the Government of the Netherlands, implementing resolutions of the Security Council of the United Nations, or adopted by the European Union. Dividends are subject to withholding taxes in the Netherlands as described under "Taxation — Taxation in the Netherlands".

For information on dividends declared by ING for 2006, 2007 and 2008, see "Selected Consolidated Financial Information".

Total Distributions in 2008

ING Groep N.V. made dividend payments of EUR 1 million, EUR 7 million and EUR 10 million on its preference shares and declared dividends of EUR 3,600 million, EUR 2,999 million and EUR 2,681 million on its ordinary shares, in 2008, 2007 and 2006, respectively. Both the final dividend 2007 and the interim dividend 2008 were fully paid in cash. ING announced in October 2008 that it would not pay a final dividend in May 2009 over the year 2008. Since ING already paid an interim dividend of EUR 0.74 in August 2008, ING was required under its agreement with the Dutch State to pay in May 2009 the first short coupon on the Core Tier-1 Securities issued to the Dutch State in November 2008, subject to approval from the DNB. As a result, ING recognized a coupon payable of EUR 425 million to the Dutch State as per 31 December 2008. On 12 May 2009 this coupon was paid out. See "Business — Transactions with the Dutch State" and "Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities".

Distributions in 2009

In 2009, ING decided not to pay an interim dividend on ordinary shares and has announced that it is difficult to foresee whether it will be in a position to pay a final dividend over 2009.

12. INFORMATION ON THE COMPANY'S CORPORATE BODIES

Overview

ING has a two-tier board structure consisting of the Executive Board and the Supervisory Board. In addition, as a result of ING's April 2009 "Back to Business" strategy announcement and with a view to simplifying governance, Banking and Insurance have their own Management Board consisting of the Group CEO, CFO and CRO and positions for three and two other members, respectively.

On 27 April 2009, ING announced that the annual General Meeting had approved the previously announced appointment of Jan Hommen and Patrick Flynn as new members of the Executive Board, in their respective roles as chairman and chief financial officer. Jan Hommen replaced Michel Tilmant who had stepped down from the Executive Board on 26 January 2009. The annual General Meeting also appointed Tineke Bahlmann, Jeroen van der Veer and Lodewijk de Waal to the Supervisory Board. The appointment of Tineke Bahlmann and Lodewijk de Waal became effective as of 27 April 2009 and the appointment of Jeroen van der Veer became effective as of 1 July 2009. Jeroen van der Veer was appointed vice-chairman of the Supervisory Board as of 1 October 2009. For more information regarding such changes in the composition of the Supervisory Board, see "— Supervisory Board of ING Groep N.V." below.

ING announced changes to its Management Boards on 26 October 2009. See "Business — Recent Developments — Changes to the Management Boards".

Supervisory Board of ING Groep N.V.

Appointment and dismissal

Members of the Supervisory Board are appointed by the General Meeting from a binding list to be drawn up by the Supervisory Board. This list shall mention at least two candidates for each vacancy, failing which the list will be non-binding. The list will also be non-binding pursuant to a resolution to that effect of the General Meeting adopted by an absolute majority of the votes cast which majority represents more than one-third of the issued share capital. Candidates for appointment to the Supervisory Board must comply with the reliability requirements set out in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Members of the Supervisory Board may be suspended or dismissed at any time by the General Meeting. A resolution to suspend or dismiss members of the Supervisory Board which has not been brought forward by the Supervisory Board may only be adopted by the General Meeting by an absolute majority of the votes cast which majority represents at least one-third of the issued share capital.

In connection with the issue of Core Tier-1 Securities to the Dutch State, it was agreed between ING Group and the Dutch State that the Dutch State could recommend candidates for appointment to the Supervisory Board (the "State Nominees") in such a way that upon appointment of all recommended candidates by the General Meeting, the Supervisory Board will have two State Nominees among its members. The Dutch State can recommend a Supervisory Board member already in office. The recommendation right of the Dutch State is subject to applicable law and to corporate governance practices generally accepted under stock listing regimes applicable to ING Group, and continues as long as the Dutch State holds at least 250 million Core Tier-1 Securities, as long as the Illiquid Assets Back-Up Facility is in place or any of the Government Guaranteed Bonds are outstanding. In April 2009, the annual General Meeting appointed Tineke Bahlmann, Jeroen van der Veer and Lodewijk de Waal to the Supervisory Board. Tineke Bahlmann and Lodewijk de Waal were recommended as State Nominees. Their appointments became effective as of 27 April 2009. The appointment of Jeroen van der Veer became effective as of 1 July 2009. As a State Nominee, Tineke Bahlmann replaced Peter Elverding who succeeded Jan Hommen as Chairman of the Supervisory Board. The required approvals were obtained from DNB at an earlier stage. Should the holding of the Dutch State decrease below 250 million Core Tier-1 Securities, and if both the Illiquid Assets Back-Up Facility has expired and no Government Guaranteed Bonds remain outstanding, the State Nominees will remain in office and complete their term of appointment. In addition, Godfried van der Lugt was reappointed to the Supervisory Board at the 2009 annual General Meeting, and Eric Bourdais de Charbonnière and Wim Kok retired from the Supervisory Board, reaching or having reached the age of 70. Wim Kok would have retired from the Supervisory Board in 2008 having reached the age of 70 during that year. However, having been appointed chairman of the Audit Committee, he remained in office one extra year.

Function of the Supervisory Board and its committees

The function of the Supervisory Board is to supervise the policy of the Executive Board and the general course of events in the Company and its business, as well as to provide advice to the Executive Board. In line with Dutch

company law, the Dutch Corporate Governance Code (“**Tabaksblat Code**” or “**Code**”) and the Articles of Association, the Supervisory Board Charter requires all Supervisory Board members, including the State Nominees, to act in accordance with the interests of ING and the business connected with it, taking into account the relevant interests of all the stakeholders of ING, to perform their duties without mandate and independent of any interest in the business of ING, and to refrain from supporting one interest without regard to the other interests involved.

As part of its supervisory role, certain resolutions of the Executive Board specified in the Articles of Association and in the Supervisory Board Charter are subject to Supervisory Board approval.

Pursuant to the transactions with the Dutch State mentioned above, certain Supervisory Board resolutions are subject to the condition that no State Nominee vote against the proposal. These approval rights have become effective as from the 2009 annual General Meeting. These resolutions relate to the following matters:

- (1) the issue or acquisition of its own shares by ING Group (other than related to or in connection with the Core Tier-1 Securities issue — including, for the avoidance of doubt, for the purpose of conversion or financing of a repurchase of Core Tier-1 Securities — and other than as part of regular hedging operations and the issuing of shares according to employment schemes);
- (2) the cooperation by ING Group in the issue of bearer depositary receipts for shares;
- (3) the application for listing in or removal from the price list of any stock exchange of the securities referred to in (1) and (2);
- (4) the entry into or termination of lasting cooperation between ING Group or a dependent company and another legal entity or partnership or as general partner in a limited partnership or general partnership where such cooperation or termination thereof has material significance for ING Group, i.e. amounting to one-quarter or more of ING’s issued capital and reserves as disclosed in its balance sheet and notes thereto;
- (5) the acquisition by ING Group or a dependent company of a participating interest in the capital of another company amounting to one-quarter or more of ING Group’s issued capital and reserves as disclosed in its balance sheet and notes thereto or a material increase or decrease in the magnitude of such a participating interest;
- (6) investments involving an amount equal to one-quarter or more of ING Group’s issued capital and reserves as disclosed in its balance sheet and notes thereto;
- (7) a proposal to wind up ING Group;
- (8) filing of a petition for bankruptcy or moratorium of ING Group;
- (9) a proposal to reduce the issued capital of ING Group (other than related to the Core Tier-1 Securities issue);
- (10) a proposal for merger/split-off, dissolution of ING Group;
- (11) a proposal to the General Meeting to change ING Group’s remuneration policy; and
- (12) appointment of the chief executive officer of ING Group’s Executive Board.

Committees of the Supervisory Board

The Supervisory Board has five standing committees: the Audit Committee, the Risk Committee (as of 1 June 2009), the Corporate Governance Committee, the Remuneration Committee and the Nomination Committee (created from the split of the Remuneration and Nomination Committee on 1 January 2009).

The organization, 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 Corporate Governance Committee, the Remuneration Committee and the Nomination Committee. These charters are available on the ING Group website (www.ing.com). A short description of the duties for the five Committees follows below.

The Audit Committee assists the Supervisory Board in monitoring the integrity of the financial statements of ING Group, ING Bank N.V. and ING Verzekeringen 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 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 and advises 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 members of the Risk Committee are: Peter Elverding (chairman), Tineke Bahlmann, Claus Dieter Hoffmann, Piet Klaver, Jackson Tai and Godfried van der Lugt.

The Corporate Governance Committee assists the Supervisory Board in monitoring and evaluating the corporate governance of ING as a whole and the reporting thereon in the Annual Report and to the General Meeting, and advises the Supervisory Board on improvements. The members of the Corporate Governance Committee are: Peter Elverding (chairman), Henk Breukink, Claus Dieter Hoffmann, Harish Manwani, Aman Mehta and Lodewijk de Waal.

The Remuneration Committee advises the Supervisory Board, among other things, on the terms and conditions of employment (including remuneration) of Executive Board members and the policies and general principles on which the terms and conditions of employment of the Executive Board members and of senior managers of ING and its subsidiaries are based. The members of the Remuneration Committee are: Jeroen van der Veer (chairman), Peter Elverding, Piet Klaver, Joan Spero, Karel Vuursteen and Lodewijk de Waal.

The Nomination Committee advises the Supervisory Board, among other things, on the composition of the Supervisory Board and Executive Board. The members of the Nomination Committee are: Peter Elverding (chairman), Piet Klaver, Joan Spero, Jeroen van der Veer, Karel Vuursteen and Lodewijk de Waal.

Profile of members of the Supervisory Board

The Supervisory Board has drawn up a profile to be used as a basis for its composition. The profile was submitted for discussion to the annual General Meeting in 2005. It is available at the ING Group head office and on the ING Group website (www.ing.com).

In view of their experience and the valuable contribution that former members of the Executive Board can make to the Supervisory Board, it has been decided, taking into account the size of the Supervisory Board and ING's wide range of activities, that such individuals may become members of the Supervisory Board of ING Groep N.V. There is, however, a restriction in that only one in every five other members of the Supervisory Board may be a former member of the Executive Board. In addition, this member must wait at least one year after resigning from the Executive Board before becoming eligible for appointment to the Supervisory Board. Former members of the Executive Board are not eligible for appointment to the position of chairman of the Supervisory Board.

After being appointed to the Supervisory Board, a former member of the Executive Board may also be appointed to one of the Supervisory Board's committees. However, appointment to the position of chairman of a committee is only possible if the individual in question resigned from the Executive Board at least four years prior to such appointment.

Reappointment of Supervisory Board members

Members of the Supervisory Board will resign from the Supervisory Board at the annual General Meeting held in the calendar year in which they will complete the fourth year after their appointment or their most recent reappointment. As a general rule, they shall also resign at the annual General Meeting in the year in which they attain the age of 70 and shall not be reappointed. The schedule for resignation by rotation is available on the ING Group website (www.ing.com). Members of the Supervisory Board may as a general rule be reappointed for two four-year terms, based on a proposal from the Supervisory Board to the General Meeting.

Ancillary positions/Conflicting interests

Members of the Supervisory Board are asked to provide details of any other directorships, paid positions and ancillary positions they may hold. Such positions are not permitted to conflict with the interests of ING Group. It is the responsibility of the individual member of the Supervisory Board and the Supervisory Board's Corporate Governance Committee to ensure that the directorship duties are performed properly and not affected by any other positions that the individual may hold outside the Group.

Details of transactions involving actual or potential conflicts of interest

Details of any relationships that members of the Supervisory Board may have with ING Group subsidiaries as ordinary, private individuals are not reported, with the exception of any loans that may have been granted to them.

Independence

Annually, the Supervisory Board members are requested to assess whether they comply with the criteria of independence set out in the Tabaksblat Code and to confirm this in writing. On the basis of these criteria, all members of the Supervisory Board, except Piet Hoogendoorn, are to be regarded as independent as of the date hereof. Piet Hoogendoorn is considered to be not independent because of his position with Deloitte Touche Tohmatsu until 1 June 2007, taking into account the important relationship between Deloitte Touche Thomatsu and ING. Members of the Supervisory Board to whom the independence criteria of the Tabaksblat Code do not apply, and members of the Supervisory Board to whom the criteria do apply but who can explain why this does not undermine their independence, are deemed to be independent.

Remuneration and share ownership

The remuneration of the members of the Supervisory Board is set by the General Meeting and is not dependent on the results of the Company. Members of the Supervisory Board are permitted to hold shares and bearer depositary receipts for shares in the Company for long-term investment purposes. Transactions by Supervisory Board members in ING Group shares and bearer depositary receipts for shares are subject to the ING regulations for insiders. These regulations are available on the ING Group website (www.ing.com).

Members of the Supervisory Board of ING Groep N.V.

Peter A.F.W. Elverding, chairman

(Born 1948, Dutch nationality, male; appointed in 2007, term expires in 2011)

Former chairman of the Managing Board of Directors of Royal DSM N.V. and former vice-chairman of the Supervisory Board of the DNB.

Other business activities: chairman of the Supervisory Board of Océ N.V. (listed company). Member of the Supervisory Board of SHV Holdings N.V. Vice-chairman of the Supervisory Board of Q-Park N.V. Member of the Supervisory Board of Koninklijke FrieslandCampina NV. Chairman of the Supervisory Board of Maastricht University (until 1 January 2010) and member of the Supervisory Board of the cross-border University of Limburg (until 1 January 2010).

Jeroen van der Veer, vice-chairman

(Born 1947, Dutch nationality, male; appointed in 2009, term expires in 2013)

Former chief executive officer of Royal Dutch Shell plc. Vice-chairman and senior independent director of Unilever N.V. Non-executive director of Royal Dutch Shell plc. Non-executive director of Royal Philips Electronics. 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. Supervisory Board Member of Concertgebouw N.V.

Tineke J.P. Bahlmann

(Born 1950, Dutch nationality, female; appointed in 2009, term expires in 2013)

Chairman of the Dutch Media Authority and professor in Business Economics at the University of Utrecht.

Other business activities: Vice-chairman of the Supervisory Board of N.V. Nederlandsche Apparatenfabriek "Nedap" (non-listed). Member of the Board of Maatschappelijk Verantwoord Ondernemen Nederland. Chairman of Stichting Max Havelaar. Member of the Board of Maatschappelijk Verantwoord Ondernemen Nederland. Chairman of Stichting Max Havelaar. Member of the Board of De Baak Management Centre VNO-NCW. Member of the Board of Trustees of Canisius-Wilhelmina Ziekenhuis. Member of the Board of Toneelgroep Amsterdam.

Henk W. Breukink

(Born 1950, Dutch nationality, male; appointed in 2007, term expires in 2011)

Former managing director of F&C and country head for F&C Netherlands (asset management firm).

Other business activities: non-executive/vice-chairman of VastNed Offices/Industrial (real estate fund) and non-executive director of F&C hedge funds, Ireland (listed companies). Non-executive director of Heembouw Holding B.V. and chairman of the Supervisory Board of Modulus VastGoed Ontwikkelingen. Member of the Supervisory Board of Omring (health care institution) and HaagWonen (housing corporation).

Claus Dieter Hoffmann

(Born 1942, German nationality, male; appointed in 2003, term expires in 2011)

Former chief financial officer of Robert Bosch GmbH. Managing partner of H+H Senior Advisors, Stuttgart.

Other business activities: chairman of the Supervisory Board of EnBW AG (listed company). Member of the Supervisory Board of de Boer Structures Holding B.V. Chairman of the Charlottenklinik Foundation (hospital). Chairman of the Board of Trustees (*Vereinigung der Freunde*) of Stuttgart University.

Piet Hoogendoorn

(Born 1945, Dutch nationality, male; appointed in 2007, term expires in 2011)

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).

Other business activities: Member of the Supervisory Board of Conquaestor Holding B.V. Member of the Supervisory Board of Bodegraven B.V. Chairman of the Supervisory Board of De Zevenster (nursing and care).

Piet C. Klaver

(Born 1945, Dutch nationality, male; appointed in 2006, term expires in 2010)

Former chairman of the Executive Board of SHV Holdings N.V.

Other business activities: Chairman of the Supervisory Board of TNT N.V. (listed company). Chairman of the Supervisory Board of each of Dekker Hout Groep B.V., Credit Yard Group BV and Jaarbeurs Holding B.V. Member of the Supervisory Board of SHV Holdings N.V. and Dura Vermeer Groep N.V. Member of the African Parks Foundation. Chairman of the Supervisory Board of Utrecht School of the Arts.

Godfried J.A. van der Lugt

(Born 1940, Dutch nationality, male; appointed in 2001, term scheduled to expire in 2010 but is subject to a one-year period of extension)

Former chairman of the Executive Board of ING Groep N.V. (retired in May 2000).

Other business activities: Chairman of the Supervisory Board of Stadsherstel Amsterdam NV. Chairman of the Advisory Board of Kasteel De Haar and of R.C. Oude Armenkantoor. Member of Investment Advisory Committee of Stichting Instituut GAK.

Harish Manwani

(Born 1953, Indian nationality, male; appointed in 2008, term expires in 2012)

President Unilever Asia, Africa, Central & Eastern Europe.

Other business activities: non-executive chairman of Hindustan Unilever Ltd. Member of the Executive Board of Indian School of Business.

Aman Mehta

(Born 1946, Indian nationality, male; appointed in 2008, term expires in 2012)

Former CEO of Hong Kong & Shanghai Banking Corporation in Hong Kong.

Other business activities: non-executive director of each of Tata Consultancy Services Ltd., Jet Airways Ltd., PCCW Ltd., Vedanta Resources Plc, Wockhardt Ltd., Godrej Consumer Products Ltd., Cairn India Ltd., Max India Ltd. and Emaar MGF Land Ltd. Governing board member of Indian School of Business. Member of the International Advisory Council of INSEAD.

Joan E. Spero

(Born 1944, American nationality, female; appointed in 2008, term expires in 2012)

Former Executive Vice-President, Corporate Affairs and Communications of American Express Company. Former Under Secretary Economic Business & Agricultural Affairs, US State Department. Former President, Doris Duke Charitable Foundation.

Other business activities: Non-executive director of IBM Corporation. Trustee of Columbia University, Council on Foreign Relations and Trustee of Wisconsin Alumni Research Foundation.

Jackson P. Tai

(Born 1950, American nationality, male; appointed in 2008, term expires in 2012)

Former vice-chairman and chief executive officer of DBS Group Holdings. Former managing director in the Investment Banking Division of JPMorgan.

Other business activities: non-executive director of each of MasterCard Incorporated and CapitaLand. Non-executive chairman of the Board Directors of Brookstone, Inc. Member of the Bloomberg Asia Pacific Advisory Board. Trustee of Rensselaer Polytechnic Institute.

Karel Vuursteen

(Born 1941, Dutch nationality, male; appointed in 2002, term expires in 2010)

Former chairman of the Executive Board of Heineken N.V.

Other business activities: chairman of the Supervisory Board of Akzo Nobel N.V., chairman of the Supervisory Board of TomTom N.V. and member of the Supervisory Board of Henkel KGaA (listed companies). Member of the Board of Directors of Heineken Holding N.V. Chairman of World Wild Life Fund Netherlands and of the Concertgebouw Fund Foundation. Member of the Supervisory Board of Nyenrode Foundation.

Lodewijk J. de Waal

(Born 1950, Dutch nationality, male; appointed in 2009, term expires in 2013)

Lodewijk de Waal was appointed a member of the Supervisory Board at the General Meeting of 27 April 2009. He was recommended for appointment by the Dutch State as a consequence of the issuance of the Core Tier-1 Securities on 12 November 2008. Mr. de Waal holds the position of general manager of Humanitas, the Dutch association for social services and community structure.

He is Member of the Supervisory Board of PGGM N.V. (non-listed), Member of the Advisory Board of Zorgverzekeraars Nederland, Chairman of the Supervisory Council of SNV, Member of the Advisory Board of Stichting Nationaal Fonds Kunstbezit and President of the Hay Group Vision Society, the Netherlands.

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

Executive Board of ING Groep N.V.

The Executive Board is responsible for day-to-day management of the business and long-term strategy.

Appointment and dismissal

Members of the Executive Board are appointed by the General Meeting from a binding list to be drawn up by the Supervisory Board. This list shall mention at least two candidates for each vacancy and if not, the list will be non-binding. The General Meeting may declare the list non-binding by a majority resolution supported by at least one-third of the issued share capital.

Candidates for appointment to the Executive Board must comply with the expertise and reliability requirements set out in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*). Members of the Executive Board may be suspended or dismissed at any time by a majority resolution at the General Meeting. A resolution to suspend or dismiss members of the Executive Board that has not been introduced by the Supervisory Board needs the support of at least one-third of the issued capital.

Function of the Executive Board

The Executive Board is charged with the management of the Company, which means, among other things, that it is responsible for the setting and achieving of the Company's objectives, strategy and policies, as well as the ensuing delivery of results. The Executive Board is accountable for the performance of these duties to the Supervisory Board and the General Meeting. The responsibility for the management of the Company is vested collectively in the Executive Board. The organization, powers and modus operandi of the Executive Board are detailed in the Executive Board Charter, which was approved by the Supervisory Board. The Executive Board Charter is available on the ING Group website (www.ing.com).

Profile of members of the Executive Board

The Supervisory Board has drawn up a profile to be used as a basis for selecting members of the Executive Board. This Executive Board profile was submitted for discussion to the annual General Meeting in 2005. It is available at the ING Group head office and on the ING Group website (www.ing.com).

Remuneration and share ownership

Members of the Executive Board are permitted to hold shares and bearer depositary receipts for shares in the Company for long-term investment purposes. Transactions in these shares are subject to the ING regulations for insiders. These regulations are available on the ING Group website (www.ing.com).

Ancillary positions/Conflicting interests

To avoid potential conflicts of interest, ING Group has a policy that members of its Executive Board do not accept corporate directorships with listed companies outside ING.

Transactions involving actual or potential conflicts of interest

Details of relationships that members of the Executive Board 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 Tabaksblat Code.

Members of the Executive Board of ING Groep N.V.

Jan H.M. Hommen

(Born 1943, Dutch nationality, male; appointment in 2009, term expires in 2013)

Jan Hommen was appointed to the Supervisory Board of ING Groep N.V. as of 1 June 2005 and became chairman of the Supervisory Board in January 2008. Until 1 May 2005, he was vice-chairman and CFO of Royal Philips Electronics. From 1975 to 1997, he worked for Alcoa Inc. From 1978, he worked at Alcoa's head office in the United States, becoming CFO in 1991.

On January 2009, Jan Hommen was nominated for appointment to the Executive Board by the Supervisory Board, after Michel Tilmant stepped down from the Executive Board. Jan Hommen was appointed as Executive Board member at the 2009 annual General Meeting.

Jan Hommen is also chairman of the Management Boards Banking and Insurance.

Five Group staff departments report directly to Mr. Hommen: Corporate Legal Department, Corporate Human Resources, Corporate Development, Corporate Communications & Affairs and Corporate Audit Services.

Jan Hommen is also Chairman of the Supervisory Board of Maastricht Universitair Medisch Centrum (Hospital).

Jan Hommen graduated with a master's degree in Business Economics from the Catholic University Brabant (the Netherlands).

Patrick G. Flynn

(Born 1960, Irish nationality, male; appointed in 2009, term expires in 2013)

Patrick Flynn is a Chartered Accountant and a member of the Association of Corporate Treasurers in the UK. He also holds a bachelor's degree in Business Studies from Trinity College (University of Dublin). He was appointed a member of the Executive Board of ING Groep N.V. on 27 April 2009. From 2002 to 2007, he was the Chief Financial Officer of HSBC South America and from 2007 to 2009, he was the Chief Financial Officer Insurance for HSBC Insurance Holding Ltd.

Koos J.V. Timmermans, CRO

(Born 1960, Dutch nationality, male; appointed in 2007, term expires in 2011)

Koos Timmermans graduated from Erasmus University in Rotterdam with a master's degree in economics. Until 1991 he worked at ABN AMRO in the field of derivatives and for IBM's European treasury he was stationed in Ireland. Koos Timmermans joined ING in 1996. He performed various roles: head of Treasury ING Insurance, head of Corporate Market Risk Management and from 2006-2007 he was deputy CRO of ING Group, until his appointment to the Executive Board. Koos Timmermans is responsible for ING's risk departments including compliance.

The business address of the members of the Executive Board is ING, Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands.

At the date of this Prospectus, no member of the Supervisory Board, the Executive Board or the Management Boards for Banking and Insurance has, in the previous five years (i) been convicted of any offences relating to fraud, (ii) held an executive function at any company at the time of or immediately preceding any bankruptcy, receivership or liquidation, (iii) been subject to any official public sanction by any statutory or regulatory authority (including any designated professional body) and (iv) been the subject of any official public incrimination or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company. There are no arrangements or understandings in place with major shareholders, customers, suppliers or others, pursuant to which any member of senior management, the Supervisory Board or the Executive Board was selected as such a member.

There are no potential conflicts of interest between any duties owed by the members of the Executive Board, the Supervisory Board or the Management Boards for Banking and Insurance to the Company and any private interests or duties which such persons may have. There is no family relationship between any member of the Executive Board, the Supervisory Board or the Management Boards for Banking and Insurance.

Management Boards

Management Board Banking

The Management Board for Banking consists of the three members of the Executive Board of the Group and three other members whose biographies appear below. ING announced changes to its Management Board for Banking on 26 October 2009. See “Business — Recent Developments — Changes to the Management Boards”.

Eli P. Leenaars

(Born 1961, Dutch nationality, male; appointed in 2009)

Eli Leenaars was appointed to the Management Board Banking in 2009. He is chief executive officer of the business line Retail Banking. He is also responsible for private banking and Operations & IT Banking. Before his appointment to Management Board Banking, Mr. Leenaars was a member of the Executive Board of ING Groep N.V. from April 2004. Eli Leenaars studied Civil Law at the Catholic University of Nijmegen and received an LLM from the European University Institute in Florence, Italy and attended the Harvard Graduate School of Business in Boston. After a traineeship at ABN AMRO, he joined ING in 1991, where he held various management positions, including chairman of ING Poland and of ING Latin America. He is also Vice-chairman Netherlands Banker's Association and Member VNO-NCW (Confederation of Netherlands Industry and Employers).

Dick H. Harryvan

(Born 1953, Dutch nationality, male; appointed in 2009)

Dick Harryvan was appointed to the Management Board Banking in 2009. He is chief executive officer of the business line ING Direct. Before his appointment to Management Board Banking, Mr. Harryvan was a member of the Executive Board of ING Groep N.V. from April 2006. Dick Harryvan graduated from the Erasmus University Rotterdam with a master's degree in Business Economics, majoring in finance. He joined ING as a management trainee at Nationale-Nederlanden in 1979. Before his appointment to the Executive Board in 2006, he held various management positions in the United States, Canada and the Netherlands, where he was chief financial officer/chief risk officer and member of the Global Management Team of ING Direct until his appointment to the Executive Board. He is also a board member of the Netherlands-Canadian Chamber of Commerce. Dick Harryvan has decided to take early retirement as CEO of ING Direct and member of the Management Board Banking as of 1 January 2010.

Eric F. Boyer de la Giroday

(Born 1952, Belgian nationality, male; appointed in 2009)

Eric Boyer de la Giroday was appointed to the Management Board Banking in 2009. He is chief executive officer of the business line Commercial Banking. Before his appointment to Management Board Banking, Mr. Boyer de la Giroday was a member of the Executive Board of ING Groep N.V. from April 2004. After completing his degree in commercial engineering at the Free University of Brussels and a master in Business Administration at the Wharton School, University of Pennsylvania, Eric Boyer de la Giroday started his career with Citibank in 1978. In 1984 he joined Bank Brussels Lambert, which was acquired by ING Group in 1998, where he held various management positions in the fields of capital markets, treasury and corporate and investment banking. He is also member of the Advisory Board of Euronext.

Management Board Insurance

The Management Board for Insurance consists of the three members of the Executive Board of the Group and two other members whose biographies appear below. ING announced changes to its Management Board for Insurance on 26 October 2009. See “Business — Recent Developments — Changes to the Management Boards”.

Hans van der Noordaa

(Born 1961, Dutch nationality, male; appointed in 2009)

Hans van der Noordaa was appointed to the Management Board Insurance in 2009. He is chief executive officer of the business lines Insurance Europe and Insurance Asia/Pacific. Before his appointment to the Management Board Insurance, Mr. van der Noordaa was a member of the Executive Board of ING Groep N.V. from April 2006. Hans van der Noordaa graduated in Public Administration at the University of Twente, the Netherlands. After a career in retail banking at ABN AMRO, he joined ING in 1991, where he held various management positions. He was CEO of the Retail Division of ING Netherlands, responsible for Postbank, ING Bank and RVS, before his appointment to the Executive Board in 2006.

Tom J. McInerney

(Born 1956, American nationality, male; appointed in 2009)

Tom McInerney was appointed to the Management Board Insurance in 2009. He is chairman and chief executive officer of the business line Insurance Americas. Before his appointment to the Management Board Insurance, Mr. McInerney was a member of the Executive Board of ING Groep N.V. from April 2006. Tom McInerney has a bachelor's degree from Colgate University (Hamilton, New York) and received an MBA from the Tuck School of Business, Dartmouth College (Hanover, New Hampshire). He started his career in 1978 with Aetna Financial Services, which was acquired by ING in 2000. He had been CEO of ING's insurance activities in the United States, which position included the responsibility for ING Mexico until his appointment to the Executive Board. Tom McInerney is responsible for Insurance Americas.

Compensation, Shareholdings and Loans

Remuneration Report

This section sets out the remuneration for the Executive Board and the Supervisory Board up to and including 2008. The current remuneration policy was adopted by the General Meeting on 27 April 2004. In 2006, the Executive Board pension scheme was revised in alignment with the approved amendment to the remuneration policy. There were no changes to this policy in 2008 and therefore, the approval of the 2006 annual General Meeting still applies for 2008. Information is included on loans and advances to the Executive Board and Supervisory Board members as well as ING bearer depositary receipts for shares held by members of both boards.

General Policy Senior Management Remuneration

Background

The prime objective of the remuneration policy is to enable the Company to recruit and retain qualified and expert leaders. The remuneration package supports a performance-driven culture that aligns ING's objectives with those of its stakeholders. ING rewards performance on the basis of previously determined, challenging, measurable and influenceable short-term and long-term targets.

ING's remuneration policy is based on five key principles that apply throughout ING. These principles are:

- Total compensation levels are benchmarked against relevant markets in which ING competes for talent.
- ING aims for total compensation at the median level in the relevant market, allowing only for above-median compensation in the event of outstanding performance.
- The remuneration package includes variable-pay components (short-term and long-term incentives) to ensure that executive remuneration is linked to ING's short-term and long-term business performance.
- To enhance the effectiveness of the short-term incentive plan, clear, measurable and challenging targets are set at the beginning of each year.
- Long-term incentives ensure a focus on longer-term strategic targets and create alignment of management with the interests of shareholders. A broad selection of ING's senior leaders participates in the plan to ensure a common focus on ING's overall performance.

Remuneration structure

Total compensation throughout ING consists of three basic components:

- Fixed or base salary which represents the total guaranteed annual income.
- Short-term incentive (“**STP**”) in cash, which compensates for past performance measured over one year.
- Long-term incentive (“**LTP**”) in stock options and/or performance shares, which compensates for performance measured over multiple years and is forward-looking.

In addition to the base salary and incentive plan participation, senior management and Executive Board members enjoy benefits similar to most other comparable employees of ING Group. These include benefits such as the use of company cars, contributions to company savings plans and, if applicable, expatriate allowances.

Base salary

The base salaries of the Executive Board should be sufficient to attract and retain high caliber management needed to achieve our business objectives. The Supervisory Board assesses the experience, background, responsibilities, performance and leadership competencies of the CEO and the members of the Executive Board when making decisions on base-salary levels. To ensure that base-salary levels are in line with the relevant market for talent, the Supervisory Board reviews the base-salary levels of the Executive Board on an annual basis.

Short-term incentive plan

The short-term incentive plan (“**STIP**”) is a key component of ING’s performance-driven culture. The short-term incentive is paid in cash. The ‘at target’ bonus opportunity is expressed as a percentage of base salary. The target levels are based on benchmarks reflecting external market competitiveness as well as internal objectives. Three financial parameters were used in the 2008 STIP for the members of the Executive Board and top senior management across the organization (the top-200 executives) to measure performance at Group level. These financial parameters are: underlying net result per share, underlying operating expenses and economic profit/embedded value profit (excluding financial variances). The quantitative elements of the targets are considered stock price sensitive and competition sensitive; accordingly these are not disclosed.

We believe that by combining a profit, a cost and a return parameter, the overall performance of ING is properly reflected. Each element is weighted equally to determine the final award. The three performance targets are set by the Supervisory Board at the beginning of the performance period. Under the short-term incentive plan, the actual payout in any year may vary between 0% and 200% of the target level.

In addition to the financial targets, part of the short-term incentive award is based on individual performance, assessed over pre-defined measurable targets set for each senior executive. These targets depend on the specific responsibilities of the individual Executive Board members and are determined and assessed by the Supervisory Board. The Executive Board sets the targets for senior management. For this layer directly reporting to the Executive Board, the emphasis is on individual performance in their primary business-related responsibility.

Short-term incentive: relative weight of Group and individual performance

	<u>Group performance</u>	<u>Individual performance</u>
Executive Board	70% of total bonus	30% of total bonus
Top senior management business	15% of total bonus	85% of total bonus
Top senior management in Group staff	30% of total bonus	70% of total bonus

Long-term incentive plan

The long-term incentive plan (“**LTIP**”) at ING includes both stock options and performance shares. LTIP awards are granted to ensure alignment of senior management with the interests of shareholders, and to retain top management over a longer period of time. The LTIP awards will be granted with a total ‘fair value’ split between stock options and performance shares. The LTI plan was tabled and approved during the General Meeting on 27 April 2004.

The ING stock options have a total term of ten years and a vesting period of three years after which they can be exercised for the remaining seven years. After three years, the options will vest only if the option holder is still employed by ING. The exercise price of the stock options is equal to the Euronext Amsterdam by NYSE Euronext market price of the ING bearer depositary receipts on the grant date. For members of the Executive Board the grant date is a specific date during the first “open period” after the General Meeting.

Performance shares are conditionally granted. The number of ING bearer depositary receipts that is ultimately granted at the end of a three-year performance period depends on ING's Total Shareholder Return ("TSR") performance over three years (return in the form of capital gains and reinvested dividends that shareholders receive in that period) relative to the TSR performance of a pre-defined peer group. The criteria used to determine the performance peer group are: (1) considered comparable and relevant by the Supervisory Board, (2) representing ING's current portfolio of businesses (e.g. banking, insurance and asset management) and ING's geographical spread, (3) global players, (4) listed and with a substantial free float.

On the basis of these criteria the performance peer group established in 2004 and adjusted in 2007 is composed as follows:

- Citigroup, Fortis, Lloyds TSB (bank/insurance companies);
- Unicredito Italiano, Bank of America, BNP PARIBAS, Banco Santander, Credit Suisse, Deutsche Bank, HSBC (banks);
- Aegon, AIG, Allianz, Aviva, AXA, Prudential UK, Hartford Financial Services, Munich Re (insurance companies);
- Invesco (asset manager).

ING's TSR ranking within this group of companies determines the final number of performance shares that vest at the end of the three-year performance period. The initial number of performance shares granted is based on a mid-position ranking of ING. This initial grant will increase or decrease (on a linear basis) on the basis of ING's TSR position after the three-year performance period as specified in the table below.

Number of shares awarded after each three-year performance period related to peer group

<u>ING Ranking</u>	<u>Number of shares</u>
1 — 3	200%
4 — 8	Between 200% and 100%
9 — 11	100%
12 — 17	Between 100% and 0%
18 — 20	0%

The Supervisory Board reviews the peer group before each new three-year performance period. The Supervisory Board has determined that for the 2009 — 2011 performance period, Fortis and AIG will be replaced by KBC N.V. and Manulife Financial Corporation respectively. Considering the market turmoil, the Supervisory Board will also continue to monitor the composition of the peer group for existing performance cycles. Any replacement of a company in the peer group will be based upon a thorough replacement process using the above objective criteria to determine the performance peer group. The performance test itself will be carried out at the end of every three-year performance period by an independent third party. The Executive Board members are not allowed to sell bearer depositary receipts obtained either through the stock-option or the performance-shares plan within a period of five years from the grant date. They are only allowed to sell part of their bearer depositary receipts at the date of vesting to pay tax over the vested performance-share award. Bearer depositary receipts obtained from exercised stock options may only be sold within a period of five years from the grant date of the options to pay tax over the exercised award.

Remuneration levels

Every year a compensation benchmark analysis is performed based upon a peer group of companies. This peer group, established in 2008, is a group of European financial services companies. The peer group reflects ING's business structure and environment. ING competes with these companies for executive talent. The following companies are part of this compensation peer group: Aegon, Allianz, AXA, Banco Santander, Barclays, BNP Paribas, Credit Suisse, Deutsche Bank, Fortis, HSBC, Royal Bank of Scotland, Société Générale, Unicredito Italiano, Zurich Financial Services. In line with ING's overall remuneration policy, the Supervisory Board has focused on increasing variable (performance-driven) pay components which has resulted in a gradual convergence of the Executive Board total compensation to the median benchmark. The mix of total target compensation (in case of at-target performance) is divided equally between each component (i.e. 1/3rd base salary, 1/3rd short-term incentives, and 1/3rd long-term incentives).

Pensions Executive Board members

At the General Meeting on 25 April 2006, it was agreed to amend the Executive Board remuneration policy with respect to pensions. This revised pension plan applies to all members of the Executive Board regardless of the time of appointment to the Executive Board except for John Hele and Tom McInerney. The revised pension plan does not apply to John Hele and Tom McInerney as they participate in the US pension plans. The pensions of the Executive Board are now based on a defined-contribution plan, which are insured through a contract with Nationale-Nederlanden Levensverzekering Maatschappij N.V. Starting in 2006, members of the Executive Board have been required to pay a portion of their pension premium. The Employment Contract will terminate by operation of law in case of retirement ("Standard Retirement"), which will take place on the first day of the month that the individual reaches the age of 65. The retirement age has been changed from previous years (age 60) as a result of the Dutch tax reform.

Term and termination of employment

The contract of employment provides for an appointment for a period of four years (the appointment period) and allows for re-appointment by the General Meeting. In the case of an involuntary exit, Executive Board members would be entitled to an amount which has been set at a multiple of their Executive Board member base salary, preserving their existing rights. These rights in some cases could exceed the exit-arrangement provision in the Dutch Corporate Governance Code, i.e. no more than two times base salary (first appointment period) or one time base salary (all other situations). Under the terms of the agreement reached with the Dutch State to strengthen ING's capital position, the exit-arrangements have been limited to one year base salary. The term of notice for Executive Board members is three months for the employee and six months for the employer.

Remuneration Executive Board 2008

Executive Board base salary 2008

The base salary of all Executive Board members with the exception of Tom McInerney (who is employed on a US-based compensation structure) was increased by 5% in 2008. Base salaries had been frozen in 2004, 2005, 2006 and 2007.

The employment contracts with the members of the Executive Board provide for severance payments, which are to become due in case of termination of the contract in connection with a public bid as defined in Section 5:70 of the Dutch Financial Supervision Act. With respect to the amounts due, there is no difference as to whether termination of the contract would be in connection with a public bid or not. In accordance with the terms of the issuance of the Core Tier-1 Securities, severance payments to Executive Board members have been limited to a maximum of one year's fixed salary, in line with the Tabaksblat Code.

Executive Board short-term incentive plan 2008

The target STI payout over 2008 was set at 100% of the individual Executive Board member's base salary. The final award is based on the achievement of a set of common Group financial targets and specific individual qualitative and quantitative objectives for each Executive Board member. Specifically, 70% of the total award is based on the Group's underlying net result per share, underlying operating expenses and economic profit/embedded value profit (excluding financial variances), while the remaining 30% is based on individual objectives set at the beginning of the year by the chairman of the Executive Board and approved by the Remuneration and Nomination Committee of the Supervisory Board.

Under the terms of the agreement reached with the Dutch State to strengthen ING's capital position, the individual Executive Board members did not receive their 2008 STI payout.

Executive Board long-term incentive plan 2008

Under the LTIP for the Executive Board, two instruments are used: stock options and performance shares. As mentioned earlier, an identical plan has been adopted by the Executive Board for the top senior managers across ING. As a result, approximately 7,000 senior leaders participate in a similar plan.

The target level for the 2008 LTIP was set at 100% of base salary for each Executive Board member. The final grant level depends on the Group STIP performance and will vary between 50% of the target level (if Group STI would be 0%) and 150% (if Group STI would be 200%).

Under the terms of the Core Tier-1 Securities, the individual Executive Board members did not receive their 2008 LTI grant.

Tom McInerney is entitled to receive a conditional share award on the same grant date as the other long-term incentive awards. The conditional share award would be 100% vested four years after the grant date with the condition being an active employment contract at the date of vesting. This award is part of Tom McInerney's employment contract to align his total remuneration with the market practice of senior executives in the United States. Tom McInerney will not receive his conditional share award to be awarded in 2009 for the 2008 performance year.

The performance shares granted in 2006 had a three-year performance period of 2006 — 2008 and have vested in 2009. The actual results of 43% are based upon ING's TSR ranking of 15 within the designated peer group. The results were determined by an independent third party. ING's external auditor has reviewed the calculations performed. For members of the Executive Board who received an award as an Executive Board member in 2006, such award will vest in the final number of performance shares in May 2009. For the other senior leaders who participated in the 2006 — 2008 performance share award, such award vested in March 2009.

Compensation in cash of the individual members of the Executive Board⁽¹⁾

	<u>2008</u>	<u>2007</u>	<u>2006</u>
	(EUR thousands)		
Michel Tilmant			
Base salary	1,353	1,289	1,289
Short-term performance-related bonus	<u>0</u>	<u>2,001</u>	<u>2,299</u>
Total cash compensation	1,353	3,290	3,588
Eric Boyer de la Giroday			
Base salary	892	850	850
Short-term performance-related bonus	<u>0</u>	<u>1,319</u>	<u>1,477</u>
Total cash compensation	892	2,169	2,327
Dick Harryvan⁽²⁾			
Base salary	665	634	423
Short-term performance -related bonus	<u>0</u>	<u>842</u>	<u>710</u>
Total cash compensation	665	1,476	1,133
John Hele^{(3), (4)}			
Base salary	603	412	
Short-term performance-related bonus	<u>0</u>	<u>621</u>	
Total cash compensation	603	1,033	
Eli Leenaars			
Base salary	665	634	634
Short-term performance-related bonus	<u>0</u>	<u>956</u>	<u>1,102</u>
Total cash compensation	665	1,590	1,736
Tom McInerney^{(2), (4)}			
Base salary	879	946	690
Short-term performance-related bonus	<u>0</u>	<u>1,425</u>	<u>1,157</u>
Total cash compensation	879	2,371	1,847
Hans van der Noordaa⁽²⁾			
Base salary	665	634	423
Short-term performance-related bonus	<u>0</u>	<u>956</u>	<u>710</u>
Total cash compensation	665	1,590	1,133
Koos Timmermans⁽³⁾			
Base salary	665	423	
Short-term performance-related bonus	<u>0</u>	<u>637</u>	
Total cash compensation	665	1,060	

	<u>2008</u>	<u>2007</u>	<u>2006</u>
	(EUR thousands)		
Jacques de Vaucleroy⁽²⁾			
Base salary	665	634	423
Short-term performance-related bonus	<u>0</u>	<u>956</u>	<u>710</u>
Total cash compensation	665	1,590	1,133

(1) Reflects composition of Executive Board as of 31 December 2008.

(2) Dick Harryvan, Tom McInerney, Hans van der Noordaa and Jacques de Vaucleroy were appointed to the Executive Board on 25 April 2006. The figures for these members reflect compensation earned in their capacity as Executive Board members. Thus, the figures for 2006 reflect the partial year as Executive Board members.

(3) John Hele and Koos Timmermans were appointed to the Executive Board on 24 April 2007. The figures for these members reflect compensation earned in their capacity as Executive Board members. Thus, the figures for 2007 reflect the partial year as Executive Board members.

(4) John Hele and Tom McInerney get their compensation in US dollars. For each year the compensation in US dollars was converted to euros at the average exchange rate for that year.

Compensation in cash of former members of the Executive Board who are not included in the above table amounted to nil in 2008, to EUR 729 thousand in 2007 and to EUR 5,353 thousand in 2006.

Long-term incentives of the individual members of the Executive Board^{(1),(2)}

Fair market value at grant

	<u>2008</u>	<u>2007</u>	<u>2006</u>
	(EUR thousands)		
Michel Tilmant			
Number of options	0	132,054	132,163
Number of performance shares	0	31,293	27,650
Fair market value of long term incentive ⁽³⁾	0	1,521	1,734
Eric Boyer de la Giroday			
Number of options	0	87,066	87,138
Number of performance shares	0	20,632	18,230
Fair market value of long term incentive ⁽³⁾	0	1,003	1,143
Dick Harryvan⁽⁴⁾			
Number of options	0	64,967	43,347
Number of performance shares	0	15,396	9,069
Fair market value of long term incentive ⁽³⁾	0	748	569
John Hele⁽⁵⁾			
Number of options	0	42,228	
Number of performance shares	0	10,007	
Fair market value of long term incentive ⁽³⁾	0	486	
Eli Leenaars			
Number of options	0	64,967	65,021
Number of performance shares	0	15,396	13,603
Fair market value of long term incentive ⁽³⁾	0	748	853
Tom McInerney^{(4), (6)}			
Number of options	0	96,875	70,695
Number of performance shares	0	22,957	14,790
Number of conditional shares	0	54,312	37,633
Fair market value of long term incentive ⁽³⁾	0	2,571	2,201
Hans van der Noordaa⁽⁴⁾			
Number of options	0	64,967	43,347
Number of performance shares	0	15,396	9,069
Fair market value of long term incentive ⁽³⁾	0	748	569

	<u>2008</u>	<u>2007</u>	<u>2006</u>
	(EUR thousands)		
Koos Timmermans⁽⁵⁾			
Number of options	0	43,312	
Number of performance shares	0	10,264	
Fair market value of long term incentive ⁽³⁾	0	499	
Jacques de Vaucleroy⁽⁴⁾			
Number of options	0	64,967	43,347
Number of performance shares	0	15,396	9,069
Fair market value of long term incentive ⁽³⁾	0	748	569

(1) Long-term incentives are granted in the year following the reporting year. The long-term incentive plan provides for a combination of share options and provisional performance shares based on a 50/50 split in value. The ratio of options to performance shares varies each year as a result of the fair value calculation and the 50/50 split in value. The fair value calculation for the performance year 2008 resulted in a ratio of options to performance shares of 2.36:1 (2007: 4.22:1, 2006: 4.78:1).

(2) Reflects composition of Executive Board as of 31 December 2008.

(3) The fair market value of a long-term incentive award reflects the estimated fair market value of the long-term incentive award based on a fair value calculation. The valuation is calculated on the last trading day of the year for grants made to the Executive Board members for performance over the specified year and is not updated for current market values.

(4) Dick Harryvan, Tom McInerney, Hans van der Noordaa and Jacques de Vaucleroy were appointed to the Executive Board on 25 April 2006. The figures for these members reflect compensation earned in their capacity as Executive Board members.

(5) John Hele and Koos Timmermans were appointed to the Executive Board on 24 April 2007. The figures for these members reflect compensation earned in their capacity as Executive Board members.

(6) Tom McInerney is entitled to receive conditional shares on the same grant date as the other long-term incentive awards. The conditional shares will be 100% vested four years after the grant date with the condition being an active employment contract. The conditional shares are provided to align Tom McInerney's total remuneration with US market practice. Tom McInerney will not receive his conditional share award for the 2008 performance year.

The fair market value of long-term incentive awards of former members of the Executive Board who are not included in the above table amounted to nil in 2008 and 2007 and to EUR 938 thousand in 2006.

Pension costs of the individual members of the Executive Board^{(1), (2)}

	<u>2008</u>	<u>2007</u>	<u>2006</u>
	(EUR thousands)		
Michel Tilmant	971	874	689
Eric Boyer de la Giroday	639	566	439
Dick Harryvan ⁽³⁾	374	324	206
John Hele ^{(4), (5)}	125	72	
Eli Leenaars	313	348	270
Tom McInerney ^{(3), (5)}	285	286	297
Hans van der Noordaa ⁽³⁾	313	267	170
Koos Timmermans ⁽⁴⁾	247	166	
Jacques de Vaucleroy ⁽³⁾	313	267	170

(1) For reasons of comparison, the Company pension expenses are recalculated under IAS 19 with general assumption setting for 2006 to 2008.

(2) Reflects composition of Executive Board as of 31 December 2008.

(3) Dick Harryvan, Tom McInerney, Hans van der Noordaa and Jacques de Vaucleroy were appointed to the Executive Board on 25 April 2006. The figures for these members reflect pension costs in their capacity as Executive Board members.

(4) John Hele and Koos Timmermans were appointed to the Executive Board on 24 April 2007. The figures for these members reflect pension costs in their capacity as Executive Board members.

(5) John Hele's and Tom McInerney's pension costs have been translated from US dollars to euros at the average exchange rate for that year.

Pension costs of former members of the Executive Board who are not included in the above table amounted to nil in 2008, to EUR 1,386 thousand and in 2007 and to EUR 4,954 thousand in 2006.

Loans and advances to Executive Board members

The table below presents the loans and advances provided to Executive Board members and outstanding on 31 December 2008, 2007 and 2006. These loans were concluded in the normal course of business and on terms generally applicable to Company personnel as a whole and were approved by the Supervisory Board.

Loans and advances to the individual members of the Executive Board⁽¹⁾

	31 December 2008			31 December 2007			31 December 2006		
	Amount outstanding	Average Interest rate	Repayments	Amount outstanding	Average Interest rate	Repayments	Amount outstanding	Average Interest rate	Repayments
	(EUR thousands)								
Eric Boyer de la Giroday	21	4.3%	3	24	4.3%	4	28	4.3%	3
Dick Harryvan	227	3.5%		227	3.5%	200	427	3.9%	
John Hele ⁽²⁾	619	4.9%	16	635	5.6%				
Hans van der Noordaa	930	4.4%		930	4.4%		930	4.4%	
Koos Timmermans	380	4.6%		380	4.6%				
Jacques de Vaucleroy	164	5.5%	16	180	5.5%	12	192	5.5%	17

(1) Reflects composition of Executive Board as of 31 December 2008.

(2) John Hele's loans and advances have been translated from US dollars to euros.

Bearer depositary receipts representing ING shares held by Executive Board members⁽¹⁾

Executive Board members are permitted to hold bearer depositary receipts representing ordinary shares as a long-term investment. The table below shows the holdings by members of the Executive Board.

	Number of (bearer depositary receipts for) shares		
	2008	2007	2006
Michel Tilmant	31,663	24,764	7,764
Eric Boyer de la Giroday	11,588	7,126	
Dick Harryvan	2,546	2,000	
John Hele	5,247	2,300	
Eli Leenaars	8,288	5,628	
Tom McNerney ⁽²⁾	146,453	127,694	64,527
Hans van der Noordaa	2,930	2,000	
Koos Timmermans	2,546	2,000	
Jacques de Vaucleroy	37,326	27,740	

(1) Reflects composition of Executive Board as of 31 December 2008.

(2) The ING shares held by Tom McNerney are in the form of ADRs. He also holds units in a Leveraged Stock Fund.

Information on the options outstanding and the movements during the financial year of options held by the members of the Executive Board as at 31 December 2008⁽¹⁾

Number of options	Outstanding as at 31 December 2007	Granted in 2008	Exercised in 2008	Waived or expired in 2008 ⁽²⁾	Outstanding as at 31 December 2008	Exercise price in euros	Exercise price in US dollars	Expiry date
Michel Tilmant	21,000				21,000	29.39		11 Mar 2012
	14,000				14,000	29.50		11 Mar 2012
	21,000				21,000	12.65		3 Mar 2013
	14,000				14,000	12.55		3 Mar 2013
	41,250				41,250	17.69		14 May 2014
	82,600				82,600	21.67		13 May 2015
	108,200				108,200	32.75		12 May 2016
	132,163				132,163	33.10		17 May 2017
		132,054			132,054	25.44		15 May 2018
Eric Boyer de la Giroday	2,000				2,000	26.10		28 May 2009
	10,000				10,000	28.30		3 Apr 2010
	4,000				4,000	35.80		15 Mar 2011
	3,000				3,000	28.60		27 May 2012
	4,000				4,000	12.55		3 Mar 2013
	17,800				17,800	17.69		14 May 2014
	53,400				53,400	21.67		13 May 2015
	71,400				71,400	32.75		12 May 2016
	87,138				87,138	33.10		17 May 2017
		87,066			87,066	25.44		15 May 2018

Number of options	Outstanding as at 31 December 2007	Granted in 2008	Exercised in 2008	Waived or expired in 2008 ⁽²⁾	Outstanding as at 31 December 2008	Exercise price in euros	Exercise price in US dollars	Expiry date
Dick Harryvan	13,125 12,250 6,000 8,800 13,060 46,802				13,125 12,250 6,000 8,800 13,060 46,802 64,967	29.39 12.65 18.71 23.28 32.77 33.10 25.44		11 Mar 2012 3 Mar 2013 15 Mar 2014 30 Mar 2015 23 Mar 2016 17 May 2017 15 May 2018
John Hele	24,200 5,700 39,173 31,896 46,592	64,967			24,200 5,700 39,173 31,896 46,592 42,228 14,417		21.64	17 Nov 2013 15 Mar 2014 30 Mar 2015 23 Mar 2016 22 Mar 2017 15 May 2018 17 Sept., 2018
Eli Leenaars	3,300 10,000 22,400 31,000 7,850 9,654 6,436 41,700 53,200 65,021				3,300 10,000 22,400 31,000 7,850 9,654 6,436 41,700 53,200 65,021 64,967	25.25		1 Apr 2009 3 Apr 2010 15 Mar 2011 11 Mar 2012 3 Mar 2013 15 Mar 2014 15 Mar 2014 13 May 2015 12 May 2016 17 May 2017 15 May 2018
Tom McInerney	40,000 91,400 125,200 153,550 260,425 213,325 125,879	64,967			40,000 91,400 125,200 153,550 260,425 213,325 125,879 96,875		31.96 25.72 13.70	15 Mar 2011 11 Mar 2012 3 Mar 2013 15 Mar 2014 30 Mar 2015 23 Mar 2016 17 May 2017 15 May 2018
Hans van der Noordaa	13,125 8,900 6,000 15,000 11,195 46,802				13,125 8,900 6,000 15,000 11,195 46,802 64,967	29.39 12.65 18.71 23.28 32.77 33.10 25.44		11 Mar 2012 3 Mar 2013 15 Mar 2014 30 Mar 2015 23 Mar 2016 17 May 2017 15 May 2018
Koos Timmermans . . .	10,500 6,000 8,800 6,530 35,443				10,500 6,000 8,800 6,530 35,443 43,312 15,876	29.39 18.71 23.28 32.77 32.19 25.44 18.70		11 Mar 2012 15 Mar 2014 30 Mar 2015 23 Mar 2016 22 Mar 2017 15 May 2018 17 Sept, 2018
Jacques de Vacleroy . .	7,000 20,000 7,634 61,110 114,950 100,352 70,657				7,000 20,000 7,634 61,110 114,950 100,352 70,657 64,967	26.10 28.30	13.70	28 May 2009 3 Apr 2010 3 Mar 2013 15 Mar 2014 30 Mar 2015 23 Mar 2016 17 May 2017 15 May 2018

(1) Reflects composition of Executive Board as of 31 December 2008.

(2) Waived at vesting date or expired at expiry date.

Remuneration Supervisory Board 2008

Remuneration

The annual remuneration of the Supervisory Board members amounts to: chairman EUR 75,000, vice-chairman EUR 65,000, other members EUR 45,000. In addition to the remuneration each member receives an expense allowance. For the chairman and vice-chairman the annual amount is EUR 6,810. For the other members the amount is EUR 2,270.

The remuneration for the membership of committees is as follows: chairman of the Audit Committee EUR 8,000, members of the Audit Committee EUR 6,000, chairmen of other Supervisory Board committees EUR 7,500 and members of other Supervisory Board committees EUR 5,000. In addition to the fixed remuneration, committee members receive a fee for each meeting they attend. For the Audit Committee chairman this fee is EUR 2,000 per meeting and for its members EUR 1,500. For the chairman and members of other committees the attendance fee

amounts to EUR 450 per meeting. The remuneration and the attendance fee for the membership of a committee are not applicable to the chairman and vice-chairman of the Supervisory Board if they are on one of the committees.

Supervisory Board members receive an additional fee of EUR 2,000 per attended Supervisory Board or Committee meeting in the event the meeting is held outside the country of residence of the Supervisory Board member, or an additional amount of EUR 7,500 per attended Supervisory Board or Committee meeting if intercontinental travel is required for attending the meeting. The table below shows the remuneration, expense allowances and attendance fees per Supervisory Board member for 2008 and previous years.

Compensation of the members of the Supervisory Board⁽¹⁾

	2008	2007	2006
	(EUR thousands)		
Jan Hommen ⁽²⁾	89	67	57
Eric Bourdais de Charbonnière ⁽³⁾	89	72	70
Henk Breukink ⁽⁴⁾	61	35	
Peter Elverding ⁽⁵⁾	68	20	
Claus Dieter Hoffmann	67	62	56
Piet Hoogendoorn ⁽⁶⁾	70	28	
Piet Klaver ⁽⁷⁾	62	47	33
Wim Kok	75	62	51
Godfried van der Lugt	70	62	56
Harish Manwani ⁽⁸⁾	51		
Aman Mehta ⁽⁸⁾	62		
Joan Spero ⁽⁸⁾	55		
Jackson Tai ⁽⁸⁾	89		
Karel Vuursteen	62	56	43
Luella Gross Goldberg ⁽⁹⁾	16	60	52

(1) Reflects composition of Supervisory Board as of 31 December 2008.

(2) On 31 December 2008, Jan Hommen had been a member of the Supervisory Board since June 2005 and chairman since January 2008.

(3) On 31 December 2008, Eric Bourdais de Charbonnière had been a member of the Supervisory Board since April 2004 and vice-chairman since February 2005.

(4) On 31 December 2008, Henk Breukink had been a member of the Supervisory Board since April 2007. The compensation figure for 2007 reflects the partial year as member of the Supervisory Board.

(5) On 31 December 2008, Peter Elverding had been a member of the Supervisory Board since August 2007. The compensation figure for 2007 reflects the partial year as member of the Supervisory Board.

(6) On 31 December 2008, Piet Hoogendoorn had been a member of the Supervisory Board since June 2007. The compensation figure for 2007 reflects the partial year as member of the Supervisory Board.

(7) On 31 December 2008, Piet Klaver had been a member of the Supervisory Board since April 2006. The compensation figure for 2006 reflects the partial year as member of the Supervisory Board.

(8) Harish Manwani, Aman Mehta, Joan Spero and Jackson Tai are members of the Supervisory Board since April 2008. The compensation figure for 2008 reflects the partial year as member of the Supervisory Board.

(9) Luella Gross Goldberg retired in April 2008. The compensation figure for 2008 reflects the partial year as member of the Supervisory Board.

Lodewijk de Waal was appointed as a member of the Supervisory Board at the 2009 annual General Meeting. Under the terms of the agreement reached with respect to the Core Tier-1 Securities, he acted as an observer in the Supervisory Board as from November 2008. Lodewijk de Waal has received remuneration, expense allowances and attendance fees in line with the remuneration policy of the Supervisory Board. Compensation of former members of the Supervisory Board who are not included in the above table amounted to nil in 2008, to EUR 102 thousand in 2007 and to EUR 160 thousand in 2006.

Loans and advances to Supervisory Board members

As at 31 December 2008, 2007 and 2006, there were no loans and advances outstanding to members of the Supervisory Board.

ING shares and options held by Supervisory Board members

Supervisory Board members are permitted to hold ING shares as a long-term investment. The table below shows the holdings by members of the Supervisory Board. Supervisory Board members did not hold ING options at year-end 2008.

	Number of ING shares		
	2008	2007	2006
Piet Klaver	7,430	7,430	5,430
Karel Vuursteen	1,510	1,510	1,510
Luella Gross Goldberg ⁽¹⁾		6,814	6,814

(1) Luella Gross Goldberg retired in April 2008. The shares held by her are American depositary receipts.

Remuneration Structure 2009

Under the terms of Core Tier-1 Securities, the ING Supervisory Board will review the remuneration policy for the Executive Board and senior management to align it with new international standards. This will include linking incentive schemes to long-term value creation and risk. ING is in the process of reviewing its remuneration policy and will amend it as appropriate. Any changes to the remuneration policy will require approval by the General Meeting. The reviewed remuneration policy is expected to be proposed to the General Meeting in 2010 and to be effective compensation as of year 2010.

In December 2008, the Monitoring Committee Dutch Corporate Governance Code (the “**Frijns Committee**”) published an updated and revised version of the Tabaksblat Code in its definitive form; a proposal thereto was disclosed for consultation purposes in June 2008. The revised Tabaksblat Code became effective as of 1 January 2009. ING Group is now considering the implications of the revised Tabaksblat Code on the remuneration policy and to what extent these can be implemented. As recommended by the Frijns Committee, the implementation of the revised Tabaksblat Code will be discussed in the 2010 General Meeting as a separate agenda item.

Policy for 2009

With regard to the remuneration policy for 2009, the Supervisory Board continues to build upon the remuneration policy initiated in 2003. Under the terms of the Illiquid Assets Back-Up Facility, the Executive Board will not receive any bonus until a reviewed remuneration policy will be completed.

Executive Board base salary 2009

For 2009 base-salary levels were frozen.

Executive Board short-term incentive plan 2009

Under the Illiquid Assets Back-Up Facility, the individual Executive Board members will not receive a 2009 short term incentive.

Executive Board long-term incentive plan 2009

Under the Illiquid Assets Back-Up Facility, the individual Executive Board members will not receive a 2009 long-term incentive award.

Remuneration of Management Board members in 2009

As a consequence of the “Back to Basics” program, certain Management Board members no longer serve on the Executive Board of ING Groep N.V. as of 1 June 2009. See “Business — Group Strategy” elsewhere in this Prospectus. The current employment contracts with ING Groep N.V. will remain effective through 2009.

Remuneration of Executive Board members appointed in 2009

Jan H.M. Hommen

Mr. Hommen was appointed as chairman of the Executive Board by the General Meeting of 27 April 2009. The Company is currently reviewing its remuneration policy for members of the Executive Board and senior management. Mr. Hommen shall be remunerated in accordance with the ‘new’ remuneration policy to be adopted by the General Meeting in 2010. Mr. Hommen shall not receive remuneration relating to 2009 until the adoption of

the 'new' remuneration policy. The annual fixed salary will be determined in accordance with this policy. Mr. Hommen will not receive a short-term cash bonus or long-term incentive for 2009. Mr. Hommen will not participate in the Executive Board Pension scheme described under "—General Policy Senior Management Remuneration".

Patrick G. Flynn

Mr. Flynn was appointed as a member of the Executive Board in the annual General Meeting of 27 April 2009. Mr. Flynn is entitled to an annual fixed salary of EUR 665,500 (gross). Mr. Flynn will not receive a short-term cash bonus or a long-term incentive for 2009. Mr. Flynn will receive a "buyout" for the loss of compensation which he would have received at his previous employer should he not have resigned. This buyout consists of a conditional grant of restricted stock to a maximum of 100,000 shares. A number of 30,000 shares will vest at the annual General Meeting in 2010, another 30,000 shares will vest at the annual General Meeting in 2011 and the remaining 40,000 shares will vest at the annual General Meeting in 2012, subject to satisfactory performance. The cumulative value of the restricted stock award is capped at EUR 1.3 million. Mr. Flynn will hold the shares for at least five years from the date the award was made or until the end of Mr. Flynn's employment (Mr. Flynn is only allowed to sell part of the shares at the date of vesting to settle the wage tax liability). In case of termination of the employment contract by ING, Mr. Flynn will be entitled to a gross severance payment of 1 times his fixed annual salary at that time. However, he will not be entitled to such severance payment if, among other things, the contract is terminated for gross negligence or willful misconduct or for an urgent cause as mentioned in Article 7:678 of the Dutch Civil Code. Mr. Flynn participates in the Executive Board Pension scheme described in the remuneration policy of the 2008 annual report.

ING shares held by Executive Board and Management Board members⁽¹⁾

Executive Board and Management Board members are permitted to hold bearer depositary receipts for ordinary shares as a long-term investment. The table below shows the holdings by members of the Executive Board and Management Boards as at 30 September 2009.

	Number of (bearer depositary receipts for) shares 30 September 2009
Jan Hommen ⁽²⁾	25,000
Patrick Flynn ⁽²⁾	
Koos Timmermans	7,785
Eric Boyer de la Giroday	19,096
Dick Harryvan	3,023
Eli Leenaars	27,302
Tom McInerney ⁽³⁾	156,521
Hans van der Noordaa	3,339
Jacques de Vacleroy ⁽⁴⁾	42,184

(1) Reflects composition of Executive Board and Management Boards as of 30 September 2009.

(2) Jan Hommen and Patrick Flynn were appointed to the Executive Board in 2009.

(3) The ING shares held by Tom McInerney are in the form of ADSs. He also holds units in a Leveraged Stock Fund.

(4) Jacques de Vacleroy retired as a member of the Management Board for Insurance with effect from 26 October 2009; however he will remain as an advisor to the Management Board for Insurance until 1 January 2010.

ING shares and options held by Supervisory Board members

Supervisory Board members are permitted to hold ING shares as a long-term investment. The table below shows the holdings by members of the Supervisory Board. None of the Supervisory Board members held ING options as at 30 September 2009.

	Number of (bearer depositary receipts for) shares 30 September 2009
Piet Klaver	7,430
Karel Vuursteen	1,510
Jeroen van der Veer ⁽¹⁾	60,736

(1) Jeroen van der Veer was appointed to the Supervisory Board in 2009.

The members of the Supervisory Board, the Executive Board and the Management Boards who hold ING shares have expressed their intention to participate in the Rights Offering, subject to available funds.

ING intends to amend the strike price of options and/or the number of options or shares or to otherwise adjust the parameters of the various outstanding employee compensation and benefit plans, in each case as allowed under such plans or instruments, to adjust for the effects of the Offering.

13. REGULATION AND SUPERVISION

The insurance, banking, asset management and broker-dealer businesses of ING are subject to detailed comprehensive supervision in all the jurisdictions in which ING conducts business. This supervision is based in large part on European Union (“EU”) directives, discussed more fully below.

The Dutch regulatory system for financial supervision consists of prudential supervision — monitoring the soundness of financial institutions and the financial sector, and conduct-of-business supervision — regulating institutions’ conduct in the markets. Prudential supervision is exercised by the DNB, while conduct-of-business supervision is performed by the AFM.

The events in the financial markets have resulted in a large number of national, regional and global bodies presenting in 2008 and 2009 views of possible legislative and regulatory changes for the banking, insurance and investment industry. Important reports on the future of financial markets, supervision and regulation were presented amongst others by the Financial Stability Forum (now the Financial Stability Board), the International Institute of Finance, Basel Committee, the US Treasury, European Commission and European Parliament. In February of 2009 the High-Level Group on Financial Supervision in the EU chaired by Mr. Jacques de Larosière submitted, in line with its October 2008 mandate, a report with recommendations to the European Commission on the need for stronger coordinated supervision and effective crisis management procedures in the EU. Many of these proposals are still in the process of being developed in actual policy action. In the course of 2008 and 2009 we have however also seen immediate action to steer the financial sector through the crisis. Governments have for example provided capital, taken over illiquid assets, guaranteed certain obligations or provided other types of assistance to financial institutions, in certain cases requiring (indirect) influence on or changes to governance and remuneration practices. ING Groep N.V. entered into such transactions in 2008 and 2009 with the Dutch State, as further set out in “Business — Transactions with the Dutch State” and “Corporate Governance — Transactions with the Dutch State”. The EC instituted a review of the transactions between ING and the Dutch State under its state aid rules. As part of that review process, ING was required to submit a restructuring plan to the EC as one of the conditions subject to which the EC granted definitive authorization of the transactions between ING and the Dutch State. For more information about the Restructuring Plan as well as the restrictions imposed on ING as a result of being a recipient of state aid, see “Business — Recent Developments — Insurance and other Divestments, EC Agreement”. Another development consisted in raising the level of deposit protection in many jurisdictions. In order to ease depositor anxiety and avoid possible bank runs many European countries decided in the course of 2008 to raise the coverage level for depositor protection to a minimum of EUR 50,000. The Netherlands have increased the level of protection to EUR 100,000. To further increase the effectiveness of depositor protection the European Union has proposed to require earlier payouts and eliminate co-insurance. Another action taken was the introduction by several countries of restrictions in short selling, in particular regarding shares in financial companies. In some countries restrictions only applied to ‘naked short selling’ while other countries introduced stringent requirements or further reporting obligations to supervisory authorities on short selling. The restrictions on short selling were also applicable to the (bearer depositary receipts for) ordinary shares of ING Group.

As a result of our frequent evaluation of all businesses from economic, strategic and risk perspectives ING continues to believe that for business reasons doing business involving certain specified countries should be discontinued, which includes that ING has a policy not to enter into new relationships with clients from these countries and processes remain in place to discontinue existing relationships involving these countries. At present these countries include Myanmar, North Korea, Sudan, Syria, Iran and Cuba. ING Bank N.V. is now in the final stages of liquidating the Netherlands Caribbean Bank, which has been a 100% owned subsidiary since 2007.

ING Bank N.V. has continued discussions with DNB related to transactions involving persons in countries subject to sanctions by the EU, the US and other authorities and its earlier review of transactions involving sanctioned parties. In connection with that review and related discussions ING Bank has undertaken to complete the global implementation of enhanced compliance and risk management procedures, and to monitor the implementation of such procedures on an ongoing basis, as instructed by DNB. ING Bank also remains in discussions with authorities in the US and in other jurisdictions concerning these matters, including with respect to ongoing information requests and it is not possible to predict at this time the outcome thereof. Financial institutions continue to experience close scrutiny by regulatory authorities, governmental bodies, shareholders, rating agencies, customers and others to ensure they comply with the relevant laws, regulations, standards and expectations. Bank and insurance regulators and other supervisory authorities in Europe, the US and elsewhere continue to oversee the activities of financial institutions to ensure that they operate with integrity and conduct business in an efficient, orderly and transparent manner. ING seeks to meet the standards and expectations of regulatory authorities and other interested parties through a number of initiatives and activities, including scrutinizing account holder information, payment processing and other transactions to support compliance with regulations governing money-

laundering, economic and trade sanctions, bribery and other corrupt practices. The failure or perceived failure by ING to meet applicable standards in these areas could result in, among other things, suspension or revocation of ING's licenses, cease and desist orders, fines, civil or criminal penalties and other disciplinary action which could materially damage ING's reputation and financial condition, and accordingly ING's primary focus is to support good business practice through its Business Principles and group policies.

As discussed under "Risk Factors", as a large multinational financial institution we are subject to reputational and other risks in connection with regulatory and compliance matters involving such countries.

Insurance

Europe

Insurance companies in the EU are subject to supervision by insurance supervisory authorities in their home country. This principle of "home country control" was established in a series of directives adopted by the EU, which we refer to as the "1992 Insurance Directives". In the Netherlands, DNB monitors compliance with applicable regulations, the capital base of the insurer and its actuarial reserves, as well as the assets of the insurer, which support such reserves. The AFM supervises the conduct of businesses. Pursuant to the 1992 EU Directives, ING may upon prior notification also conduct business directly, or through foreign branches, in all the other jurisdictions of the EU, without being subject to licensing requirements under the laws of the other EU member-states, though it has to deal with local legislation and regulation in all the European countries where it is active.

ING Insurance's life and non-life subsidiaries in the EU are required to file detailed audited annual reports with their home country insurance supervisory authority. These reports are audited by ING Insurance's independent auditors and include balance sheets, profit and loss statements, actuarial statements and other financial information. The authorizations granted by the insurance supervisory authorities stipulate the classes of business that an insurer may write an insurance policy for, and is required for every proposed new class of business. In addition, the home country insurance supervisory authority may require an insurer to submit any other information it requests and may conduct an audit at any time.

On the basis of the EU directives, European life insurance companies are required to maintain at least a shareholders' equity level of generally 4% of insurance reserves (1% of separate account reserves), plus 0.3% of the amount at risk under insurance policies. The required shareholders' equity level for Dutch non-life insurers is the greater of two calculations: one based on premiums and the other on claims.

The European Commission, jointly with Member States, has carried out a fundamental review of the regulatory capital regime of the insurance industry (the Solvency II project). Its objective is to establish a solvency system that is better matched to the true risks of insurers enabling supervisors to protect policyholders' interests as effectively as possible and in accordance with common principles across the EU. After intensive negotiations between the Commission, the European Parliament and the European Council, the three institutions agreed on a compromise text for the 'Solvency II Framework Directive' that was adopted by the European Parliament's plenary session on 22 April 2009. Solvency II is intended to be implemented in Member States by October 2012. ING is actively working on the implementation of Solvency II.

Americas

United States

ING Group's United States insurance subsidiaries are subject to comprehensive and detailed regulation of their activities under US state and federal laws. Supervisory agencies in various states have broad powers to grant or revoke licenses to conduct business, regulate trade practices, license agents, approve policy forms and certain premium rates, set standards for capital and reserve requirements, determine the form and content of required financial reports, examine insurance companies, require investment portfolio diversification and prescribe the type and amount of permitted investments. Insurance companies are subject to a mandatory annual audit of their statutory basis financial statements by an independent certified public accountant, and in addition, are subject to an insurance department financial condition examination by their state of domicile approximately every three to five years.

ING Insurance's US operations are subject to Risk Based Capital ("RBC") guidelines which provide a method to measure the adjusted capital (statutory capital and surplus plus other adjustments) that insurance companies should maintain, taking into account the risk characteristics of the company's investments and products. The RBC guidelines are used by state insurance regulators as an early warning regulatory tool to identify possibly inadequately capitalized insurers which may need additional regulatory oversight. Each of the companies

comprising ING Insurance's US operations were above its target and statutory minimum RBC ratios at year-end 2008.

Insurance holding company statutes and regulations of each insurer's state of domicile require periodic disclosure concerning the ultimate controlling person (i.e. the corporation or individual that controls the insurer). Such statutes also impose various limitations on investments in, or transactions with, affiliates and may require prior approval of the payment of certain dividends by the domestic insurer to its immediate parent company. ING is subject, by virtue of its ownership of US insurance companies, to certain of these statutes and regulations.

Although the US federal government generally does not directly regulate the insurance business, many federal laws affect the insurance business in a variety of ways, including federal privacy legislation which requires safeguarding and confidentiality of customer information, federal tax laws relating to insurance and annuity product taxation, and the USA PATRIOT Act of 2001 requiring, among other things, the establishment of anti-money laundering monitoring programs. In addition, a number of the products issued by ING Group's US insurance companies are regulated as securities under state and federal law. Finally, a variety of US retirement savings products and services may be subject to Department of Labor regulation under the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**").

Canada

In February 2009, ING sold its 70% stake in ING Canada through a private placement and concurrent public offering and thus no longer owns any interest in ING Canada, provider of property and casualty insurance products and services in Canada. Our US insurance businesses that are licensed in Canada are subject to regulation by the Office of the Superintendent of Financial Institutions ("**OSFI**").

Mexico

The insurance annuities and pension businesses in Mexico are subject to general rules and detailed regulation of their operations under federal law. ING's annuities and pension subsidiaries in Mexico are supervised by the Ministry of Finance, in the case of annuities through the Ministry's National Insurance and Bonding Commission ("**CNSF**"), and in the case of pensions through the Ministry's National Retirement Savings System Commission ("**CONSAR**"). The main legal framework applicable to insurance companies in Mexico includes the Insurance Companies Law, the Insurance Contract Law, and regulations issued by the CNSF. In the case of pension companies, the main legal framework includes the Retirement Savings Systems Law and regulations issued by the CONSAR. The Commerce Code, the Mercantile Companies Law, the Foreign Investment Law, Income Tax Laws and regulations issued by the Ministry of Finance are also applicable to both insurance and pension companies.

The Ministry of Finance has authority to grant or revoke licenses to conduct insurance and pension businesses in Mexico, and to prescribe rules on anti-money laundering. The CNSF and the CONSAR, respectively regulate insurance and pension companies' activities through inspection and ongoing supervision, and have issued regulations that provide specific rules for its operations, including capital requirements and reserves, financial information standards and reporting, corporate governance guidelines, investment rules, risk management and related party transactions. In addition, the CNSF has issued rules concerning issuance of new insurance products and reinsurance. Insurance and pension companies are also subject to a mandatory annual audit of their financial statements and tax reports by independent auditors.

Argentina

ING's insurance companies in Argentina are subject to supervision at the federal level by the Superintendent of Retirement, the rules and directives of the Superintendent and the Insurance Law (No. 17.418) and Law 20.091 which regulates insurance activity. The Superintendent has issued directives regarding the conduct of insurance operations, approval of policy forms, premium rates, insurance claims, risk management and investment rules. The Superintendent also has the power to examine insurance companies and require financial and operational information. In 2007, the Superintendent issued a new directive (No. 32.275) regarding annuities that establishes surplus requirements and fixed expense rates for annuities in order to provide annuity policyholders with greater transparency with respect to product pricing.

ING Group's pension business is subject to regulation by the Superintendent of Pension Fund Managers, which as of 9 December 2008, pursuant to law No. 26.425, ordered all Private Pension Fund Managers ("**AFJP**") to transfer the pension funds they then held to the *Administración Nacional de la Seguridad Social* ("**ANSES**"), the Argentine State social security system. As a result of the nationalization of the Argentine pension fund system, ANSES has

taken over control of the private pension funds and ING's Argentine AFJP will ultimately be liquidated. In a related matter, ING has entered into a contract to sell its Argentine annuities company, subject to the satisfaction of customary closing conditions.

Peru

ING's pension business in Peru is subject to supervision at the federal level by the Superintendent of Banking, Insurance and Private Pension Fund Administrators and various laws and regulations including those related to capital maintenance, disclosure to clients with respect to client funds under administration, minimum investment yield, marketing activities and investment trading, safeguarding of confidential information, proper complaint handling, risk management, supervision of sales force activities, and anti-money laundering standards and procedures.

Chile

ING's insurance business in Chile is subject to supervision by the Chilean Securities and Insurance Commission ("SVS"), the rules and directives issued by the SVS and the Insurance Law ("**Decree Law No. 251**"). The SVS is the authority that licenses and regulates insurers in Chile. Only Chilean corporations may operate an insurance business in Chile. The Insurance Law establishes requirements and regulations regarding the conduct of operations by insurance businesses, including rules regarding technical reserves, permitted investments and legal solvency requirements such as minimum solvency margins and limits on indebtedness.

ING's pension business in Chile is subject to supervision by the Chilean Superintendent of Pension ("SP"), regulations issued by the SP, Decree Law No. 3.500 of 1980 ("**DL 3.500**") and by its regulation. The SP is the authority that licenses and regulates pension funds in Chile. According to DL 3.500, pension funds must be managed by corporations that are pension funds administrators ("**AFPs**"). The DL 3.500 regulates the structure of funds, investment limits, transactions with related parties, the transfer of pension members' participations between AFPs, and other pension fund administrator rights and obligations. AFPs are incorporated as stock corporations and are also subject to supervision by the SVS.

Colombia

ING's pension business in Colombia is subject to Law 100 of 1993, Decree 656 of 1994, Law 797 of 2003, Law 860 of 2003 and Decree 3995 of 2008 which regulate the general regime of social security, including corporate requirements for incorporating a Pension and Severance Funds Administrator ("**PFA**"); Financial System Statute Decree 663 of 1993, which regulates the authorized activities, liabilities, obligations and minimum profitability of funds administered by PFAs; and External Circular No. 007 of 1996 of the Finance Superintendency. The Finance Superintendency is the authority that licenses and regulates PFAs. The Superintendency has the power to examine PFAs and request financial and operational information and to apply sanctions for failure to comply with applicable regulations.

PFAs are required to have specialized personnel and technical capacity to properly manage pension funds. The requirements vary based on the nature and size of the pension funds managed. PFAs are also required to invest pension funds in accordance with rules established by the Finance Superintendency. PFAs must guarantee pension fund minimum returns, based on a methodology adopted by the Finance Superintendency. All institutions under Finance Superintendency supervision must also adopt anti-money laundering mechanisms.

Uruguay

ING's pension business in Uruguay is subject to the regulation of the Uruguay Central Bank (*Banco Central del Uruguay*) pursuant to Law 16.713, a Federal law which sets forth the creation of the private pension system (*sistema previsional*), requirements for incorporation of *Administradora de Fondos de Ahorro Provisional*, capital, investment and tax requirements. Specific regulations such as decrees and official letters pursuant to Law 16.713, deal with bank secrecy, anti-money laundering, sales and marketing training and supervision.

Asia/Pacific

Japan

ING's life insurance subsidiary in Japan is subject to the supervision of the Financial Services Agency ("**FSA**"), the chief regulator in Japan, the rules and regulations as stipulated by the Commercial Code, Insurance Business Law and ordinances of the Cabinet Office. The affairs handled by the FSA include, among others, planning and policymaking concerning financial systems and the inspection and supervision of private sector financial

institutions including banks, securities companies, insurance companies and market participants including securities exchanges.

New products, revision of existing products, etc. require approval by the FSA. The Cabinet Office ordinances stipulate the types and proportions of assets in which an insurance company can invest. The Insurance Business Law further requires that an insurance company sets aside a liability reserve to provide for the fulfillment of the level of expected mortality and other assumptions that are applied in calculating liability reserves for long-term contracts. In addition to the required audit by external auditors, insurance companies are required to appoint a corporate actuary and have such corporate actuary be involved in the method of calculating premiums and other actuarial, accounting and compliance matters.

South Korea

ING Group's South Korean insurance subsidiaries are subject to supervision by the Financial Supervisory Commission ("FSC") and its executive arm, the Financial Supervisory Service ("FSS"). A second body, the Korean Insurance Development Institute ("KIDI") advises the FSC, FSS and the Ministry of Finance and Economy on policies and systems related to life insurance and may calculate net insurance premium rates that insurance companies can apply and report such premium rates to the FSC. The KIDI must approve all new products and revisions of existing products. Since 2006 the FSS has sharpened its supervisory policies based on the Risk Assessment and Application System ("RAAS") from 2006 onwards.

Australia

The financial services activities of life insurance, investments, superannuation, general insurance and banking are currently governed by separate legislation under Australian law. The two main financial services regulators are the Australian Prudential Regulation Authority ("APRA") and the Australian Securities and Investments Commission ("ASIC"). APRA is responsible for the prudential regulation of banks and other deposit taking institutions, life and general insurance companies, superannuation funds and Retirement Savings Account Providers. APRA's responsibilities include regulating capital and liquidity requirements and monitoring the management functions of product providers. APRA also requires superannuation trustees to be licensed under the Registrable Superannuation Entity Licensing regime. All relevant entities obtained their licenses in January 2006. ASIC is responsible for consumer protection and market integrity across the financial systems, including the areas of insurance, banking and superannuation.

Taiwan

The Financial Supervisory Commission ("FSC") was established on 1 July 2004 and supervises insurance companies, banks and securities houses in Taiwan. New solvency requirements were issued, stipulating that the paid-in capital held by Taiwanese life insurance companies must be at least 200% of their risk based capital ("RBC"). This applies to both local and foreign insurance companies in Taiwan; should the paid-in capital to risk capital ratio fall below 200%, the life insurance company is required to raise new funds to achieve the target. In accordance with the Regulations Governing Pre-sale Procedures for Insurance Products, last amended on 30 August 2006 of the FSC, all insurance products must be filed with the Insurance Bureau of the FSC before they are marketed. On 20 October 2008, ING reached an agreement with Fubon Financial Holding Co. Ltd. to sell ING Life Taiwan for a consideration of USD 600 million (EUR 447 million). The transaction closed on 11 February 2009, and thus ING no longer owns any interest in ING Life Taiwan.

Banking

Commercial Banking, Retail Banking and ING Direct

Basel II and European Union Standards as currently applied by ING Bank

DNB, the Dutch Central Bank and consolidating supervisor, has given ING permission to use the most sophisticated approaches for solvency reporting under the Financial Supervision Act and the rules promulgated thereunder, the Dutch legislation reflecting the Basel II Accord. DNB has shared information with host regulators of relevant jurisdictions to come to a joint decision. In all jurisdictions where the bank operates, ING must meet local Basel requirements as well.

ING uses the Advanced IRB Approach for credit risk and the Advanced Measurement Approach for operational risk. During 2008 and 2009 a Basel I regulatory floor of 90% and 80%, respectively, still applies. A small number of portfolios are still reported under the Standardised Approach. These portfolios will migrate to a large extent to the Advanced IRB approach in the coming years. ING Bank files consolidated quarterly and annual reports of its

financial position and results with DNB in the Netherlands. ING Bank's independent auditors audit these reports on an annual basis.

Payment Services Directive

In 2008, European Banks started implementing the requirements of the Payment Services Directive (“PSD”). The PSD is a harmonized legal framework for the market for payment services in the European Union, and a direct result of the so-called Lisbon Agenda to make the EU the most dynamic and competitive knowledge-based economy in the world by 2010. The Directive has been published in the Official Journal of the European Union on 5 December 2007 and must be implemented in the national laws of all EU Member States at the latest by 1 November 2009, which has been achieved by the Netherlands. The PSD pursues a threefold objective, being the enhancement of competition by removing payment market entry barriers, which has been achieved by the Netherlands, the enlargement of market transparency for all payment service users and the standardization of rights and obligations of both providers and users of payment services in the European Union.

The PSD affects current as well as future payment products, including SEPA products. As a consequence, Retail Banking, Commercial Banking and ING Direct business lines offering payment services in no less than 17 Member States of the European Union are impacted. To make sure all business lines were PSD-compliant as from 1 November 2009 an extensive Program covering all these countries was set up. Not only client agreements including general and product-specific terms and conditions have been adapted to meet the PSD requirements, but also payment processing facilities, channels and systems, resulting in impact on sales, products, legal, operations and IT. Timely execution has enabled ING to face the challenges of the new post-PSD market for payment services and strengthen its position as a major European player in the payments arena.

Americas

United States

ING Bank has a limited direct presence in the United States through the facility of the ING Bank Representative Office in New York. Although the office's activities are strictly limited to essentially that of a marketing agent of bank products and services and a facilitator (i.e. the office may not take deposits or execute any transactions), the office is subject to the regulation of the State of New York Banking Department and the Federal Reserve. ING Bank also has a subsidiary in the United States, ING Financial Holdings Corp, which through several operating subsidiaries offers various financial products, including lending, and financial markets products. These entities do not accept deposits in the United States on their own behalf or on behalf of ING Bank NV.

A major part of our banking activities in the United States, ING Direct US, is regulated by the Office of Thrift Supervision (“OTS”), a division of the United States Department of the Treasury and, to a lesser extent, by the Federal Deposit Insurance Corporation, an independent agency of the Federal government that operates under the auspices of the Federal Deposit Insurance Act, a US federal law. Because ING Direct US is a federally chartered savings bank, ING Group is a savings and loan holding company and consequently its US activities are subject to the consolidated supervision of the OTS under the Home Owners' Loan Act.

Anti-Money Laundering Initiatives and countries subject to sanctions

A major focus of governmental policy on financial institutions in recent years has been aimed at combating money laundering and terrorist financing. The USA PATRIOT Act of 2001 (the “USA PATRIOT Act”) substantially broadened the scope of US anti-money laundering laws and regulations by imposing significant new compliance and due diligence obligations, creating new crimes and penalties and expanding the extra-territorial jurisdiction of the United States. The US Treasury Department has issued a number of implementing regulations which apply various requirements of the USA PATRIOT Act to financial institutions such as our bank, insurance, broker-dealer and investment adviser subsidiaries and mutual funds advised or sponsored by our subsidiaries. Those regulations impose obligations on financial institutions to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing and to verify the identity of their customers. In addition, the bank regulatory agencies are imposing heightened standards, and law enforcement authorities have been taking a more active role. Failure of a financial institution to maintain and implement adequate programs to combat money laundering and terrorist financing could have serious legal and reputation consequences for the institution.

As a result of our frequent evaluation of all businesses from economic, strategic and risk perspectives ING continues to believe that for business reasons doing business involving certain specified countries should be discontinued, which includes that ING has a policy not to enter into new relationships with clients from these countries and processes remain in place to discontinue existing relationships involving these countries. At present these countries

include Myanmar, North Korea, Sudan, Syria, Iran and Cuba. ING Bank N.V. is now in the final stages of liquidating the Netherlands Caribbean Bank, which has been a 100% owned subsidiary since 2007.

ING Bank has continued discussions with the DNB related to transactions involving persons in countries subject to sanctions by the EU, the US and other authorities and its earlier review of transactions involving sanctioned parties. In connection with that review and related discussions ING Bank has undertaken to complete the global implementation of enhanced compliance and risk management procedures, and to monitor the implementation of such procedures on an ongoing basis, as instructed by DNB. ING Bank also remains in discussions with authorities in the US and in other jurisdictions concerning these matters, including with respect to ongoing information requests, and it is not possible to predict at this time the outcome thereof. Financial institutions continue to experience close scrutiny by regulatory authorities, governmental bodies, shareholders, rating agencies, customers and others to ensure they comply with the relevant laws, regulations, standards and expectations. Bank and insurance regulators and other supervisory authorities in Europe, the US and elsewhere continue to oversee the activities of financial institutions to ensure that they operate with integrity and conduct business in an efficient, orderly and transparent manner. ING seeks to meet the standards and expectations of regulatory authorities and other interested parties through a number of initiatives and activities, including scrutinizing account holder information, payment processing and other transactions to support compliance with regulations governing money-laundering, economic and trade sanctions, bribery and other corrupt practices. The failure or perceived failure by ING to meet applicable standards in these areas could result in, among other things, suspension or revocation of ING's licenses, cease and desist orders, fines, civil or criminal penalties and other disciplinary action which could materially damage ING's reputation and financial condition, and accordingly ING's primary focus is to support good business practice through its Business Principles and group policies.

Canada

ING Bank of Canada ("**ING Direct Canada**") is a federally regulated financial institution that is subject to the supervision of the Office of the Superintendent of Financial Institutions ("**OSFI**"), which is the primary supervisor of federally chartered financial institutions (including banks and insurance companies) and federally administered pension plans.

ING Direct Canada operates a wholly-owned mutual fund dealer subsidiary, ING Direct Mutual Funds Limited that is subject to provincial regulation in the provinces in which it operates. ING Direct Mutual Funds Limited's home province supervisor is the Ontario Securities Commission, which regulates the sale of mutual funds and equities in Ontario. ING Direct Mutual Funds Limited is also a member of the Mutual Funds Dealer's Association, a mandatory self-regulatory body, which governs and oversees the conduct of mutual fund dealers in Canada.

Asia/Pacific

Australia

The Australian Prudential Regulation Authority is responsible for the prudential regulation of banks and other deposit taking institutions, life and general insurance companies, superannuation funds and Retirement Savings Account Providers.

Broker-Dealer and Investment Management Activities

Americas

United States

ING's broker-dealer entities in the United States are regulated by the Securities and Exchange Commission, the states in which they operate, and the Financial Industry Regulatory Authority ("**FINRA**"), the self-regulatory organization which succeeded to the regulatory functions of the National Association of Securities Dealers and the NYSE. The primary governing statutes for such entities are the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and state statutes and regulations, as applicable. These and other laws, and the regulations promulgated there under, impose requirements (among others) regarding minimum net capital, safeguarding of customer assets, protection and use of material, non-public (inside) information, record-keeping requirements, supervision of employee activities, credit to customers, suitability determinations in the context of recommending transactions to customers, clearance and settlement procedures and anti-money laundering standards and procedures. The rules of FINRA, the self-regulatory organization, in some respects duplicate the above-mentioned legal requirements, but also impose requirements specific to the marketplaces that FINRA oversees. For example, FINRA imposes requirements relating to activities by market-makers in the over-the-counter market in equity securities and requirements regarding transactions effected in its listed securities market.

Certain ING entities in the United States (including certain of its broker-dealers) also act in the capacity of a federally registered investment advisor (i.e., providing transactional advice to customers for a fee), and are governed in such activities by the Investment Advisers Act of 1940, as amended. Moreover, certain ING entities manage registered investment funds (such as mutual funds) and the Investment Company Act of 1940, as amended, regulates the governance and activities of those funds. These laws impose record-keeping and disclosure requirements on ING in the context of such activities. Moreover, the laws impose restrictions on transactions or require disclosure of transactions involving advisory clients and the advisor or the advisors' affiliates, as well as transactions between advisory clients. In addition, ERISA imposes certain obligations on investment advisors managing employee plan assets as defined in this act.

The failure of ING to comply with these various requirements could result in civil and criminal sanctions and administrative penalties imposed by the Securities and Exchange Commission, the states, or FINRA on those entities of ING which have committed the violations. Moreover, employees who are found to have participated in the violations, and the managers of these employees, also may be subject to penalties by governmental and self-regulatory agencies.

Canada

ING Investment Management, Inc. ("**ING IM**"), a federally incorporated, wholly-owned subsidiary of ING Canada Inc., is registered in the provinces of Ontario and Quebec as an adviser with specific investment authorities. While substantially all of ING IM's current business consists of providing investment management services to ING Canada Inc. and its insurance subsidiaries, ING IM is seeking to expand its business by providing asset management services to third party institutional investors across Canada.

ING IM is subject to regulation by securities regulatory authorities of the provinces in which it is registered and conducts business. Regulation issued by provincial securities regulatory authorities imposes requirements (among others) regarding registration of investment management entities and their employees, governance, ongoing disclosure to clients and regulatory authorities, marketing activities, transactions with affiliates and derivatives transactions. Additionally, ING IM is subject to applicable federal laws, including those related to privacy and anti-money laundering.

14. SHAREHOLDERS

Significant Shareholders

As of 31 December 2008, the Trust held 2,062,180,263 ordinary shares of ING Groep N.V., which represents 99.9% of the ordinary shares outstanding. These holdings give the Trust voting control of ING Groep N.V. subject to the right of holders of bearer depositary receipts to vote according to their own discretion on the basis of a proxy as set out under “Information Relating to ING Shares and Applicable Legal Provisions — Voting of ordinary shares by holders of bearer depositary receipts as a proxy of the Trust”.

The voting rights of the majority of ordinary shares are held by the Trust. As of 31 December 2008, shareholders in the Netherlands held approximately 330 million bearer depositary receipts, or 16% of the total number of bearer depositary receipts then outstanding. As of 31 December 2008, shareholders in the United States held approximately 409 million bearer depositary receipts, or 20% of the total number of bearer depositary receipts then outstanding.

As of 31 December 2008, other than the Trust, no other person is known to ING Groep N.V. to be the owner of more than 10% of the ordinary shares or bearer depositary receipts. As of 31 December 2008, members of the Supervisory Board held 8,940 bearer depositary receipts. If Supervisory Board members hold ING options that were granted in their former capacity as Executive Board member, these options are part of the ING Stock option plan described in Note 2.1.5. to the 2008 Financial Statements.

As of 31 December 2008, to the best of its knowledge, there are no agreements or arrangements in place that could lead to a change in control of ING Groep N.V. Please note, however that ING Groep N.V. has entered into an agreement with the Dutch State to strengthen its Core Tier-1 capital pursuant to which, on 12 November 2008, ING issued one billion Core Tier-1 Securities to the Dutch State. The Core Tier-1 Securities held by the Dutch State are non-voting, but do give the Dutch State the right to nominate two members of the Supervisory Board who have specific corporate governance rights (see “Information on the Company’s Corporate Bodies”). Pursuant to the terms of the Core Tier-1 Securities, ING Groep N.V. may choose to convert them into bearer depositary receipts. In that case the Dutch State would become a major shareholder. See “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Core Tier-1 Securities”. Please also refer to “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares” where more information can be found regarding the call option of the Stichting Continuïteit ING to acquire 4.5 billion cumulative preference shares.

For more information regarding the bearer depositary receipts and the ordinary shares, see “Information Relating to ING Shares and Applicable Legal Provisions — Capital Structure, Shares — Bearer Depositary receipts for ordinary shares” and “Information Relating to ING Shares and Applicable Legal Provisions — The Trust” elsewhere in this Prospectus.

Holders of bearer depositary receipts with a stake of 5% or more

To the best of our knowledge, as of 31 December 2008, no shareholder other than the Trust held more than 5% of all bearer depositary receipts outstanding.

As of 31 December 2008, ING Groep N.V. held 36,457,118 bearer depositary receipts, representing 1.77% of the bearer depositary receipts and underlying ordinary shares outstanding. These bearer depositary receipts were acquired pursuant to Company’s delta hedging activities in respect of its employee option plans. ING Groep N.V. does not have voting rights in respect of bearer depositary receipts it owns. As of 31 December 2008 no (bearer depositary receipts of) preference A shares were outstanding; in 2008 all preference A shares were cancelled.

Section 5.3 of the Dutch Financial Supervision Act (the “**Major Holdings Rules**”) applies to any person who, directly or indirectly, acquires or disposes of an interest in the voting rights and/or the capital of (in short) a public limited company incorporated under the laws of the Netherlands with an official listing on a stock exchange within the European Economic Area, as a result of which acquisition or disposal the percentage of voting rights or capital interest acquired or disposed of reaches, exceeds or falls below 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% or 95%. With respect to ING Groep N.V., the Major Holdings Rules would require any person whose interest in the voting rights and/or capital of ING Groep N.V. reached, exceeded or fell below those percentage interests, whether through ownership of bearer depositary receipts, ordinary shares, options or warrants, to notify in writing the AFM immediately after the acquisition or disposal of the triggering interest in ING Groep N.V.’s share capital.

The notification will be recorded in the register which is held by the AFM for that purpose, which register is available for public inspection.

As a result, other than information that may be ascertained from public filings available under the applicable laws of any other jurisdiction, we are not, nor would we be likely to be, aware of any changes in the ownership of bearer depositary receipts between the threshold levels described above.

Under the terms of the Dutch Financial Supervision Act, declarations of no objection from the Dutch Minister of Finance are to be obtained by anyone wishing to obtain or hold a participating interest of at least 10% respectively in ING Groep N.V. or to exercise control to this extent via a participating interest in ING Groep N.V. Similarly, on the basis of indirect change of control statutes in the various jurisdictions where subsidiaries of ING Groep N.V. are operating, permission from or notification to local regulatory authorities may be required for the acquisition of a substantial interest in ING Groep N.V. ING Groep N.V. is not aware of investors with an interest of 10% or more in ING Groep N.V.

15. TRANSACTIONS AND LEGAL RELATIONSHIPS WITH RELATED PARTIES

As of 31 December 2008, the amount outstanding in respect of loans and advances made to members of the Supervisory Board was zero. The amount outstanding in respect of loans and advances, mostly mortgages, to members of the Executive Board was EUR 2.3 million, at an average interest rate of 4.6%. The largest aggregate amount of loans and advances outstanding to the members of the Supervisory Board and the Executive Board during 2008 was EUR 2.3 million.

The loans and advances mentioned in the preceding paragraph (1) were made in the ordinary course of business, (2) were granted on conditions that are comparable to those of loans and advances granted to people in peer groups and (3) did not involve more than the normal risk of collectability or present other unfavorable features. For members of the Executive Board this means that the conditions have been set according to the prevailing conditions for ING personnel.

As described under “Information on the Company’s Corporate Bodies,” some members of the Supervisory Board are current or former senior executives of leading multi-national corporations based primarily in the Netherlands. ING Group may at any time have lending, investment banking or other financial relationships with one or more of these corporations in the ordinary course of business on terms which we believe are no less favorable to ING than those reached with unaffiliated parties of comparable creditworthiness.

16. CORPORATE GOVERNANCE

Legislative and Regulatory Developments

In December 2008, the Monitoring Committee of the Dutch Corporate Governance Code (the “**Frijns Committee**”) published an updated version of the Tabaksblat Code, the draft of which was distributed for consultation in June 2008. The revised Code applies to financial years starting on or after 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. For the financial year 2008, ING Group uses the Tabaksblat Code of 2003 as reference. For a more detailed description, see “— Corporate Governance Code” below.

In 2008, several changes of EU origin relating to listed company disclosure and transparency were proposed to be implemented in Dutch law. These especially affect annual and interim financial reporting, a mandatory corporate governance statement in the annual report and — for public interest entities — the introduction of a mandatory audit committee. Subsidiaries of a public interest entity which complies with the mandatory audit committee requirement are exempt. ING Group, ING Bank N.V., and ING Verzekeringen N.V. have an audit committee, whereas the other ING Group subsidiaries in the Netherlands make use of this exemption.

Furthermore, also as a result of EU legislation, the rules on the maintenance and alteration of capital of public limited liability companies were amended. The amended rules, among others things, facilitate the issue of shares against contribution in kind, the repurchase of shares, and the provision of financial support for the acquisition of a company’s own stock by third parties.

A legislative proposal to implement the EU Shareholder Rights Directive was submitted to the Dutch Parliament in October 2008. It primarily addresses matters of logistics in the build-up to a general meeting, such as the disclosure and distribution of the meeting materials, the record date, shareholders’ proposals and the asking of questions.

Following a consultation procedure, a legislative proposal was submitted to Dutch Parliament in November 2008 to facilitate the introduction of the one-tier board into Dutch company law. The proposal will clarify the rules on the division of tasks in a board of directors. This proposal also includes a revised version of the conflict of interest rules and will abolish the required second candidate within the context of a binding nomination, recommended by the Tabaksblat Committee in 2003.

As a result of a change in Dutch law, the term ‘general meeting of shareholders’ in the Dutch Civil Code was changed to ‘general meeting’. For the time being, ING Group is not planning to change its Articles of Association to incorporate the new term, though the term is used in ING’s Annual Report.

Finally, on 9 September 2009 the Netherlands Bankers’ Association (*Nederlandse Vereniging van Banken*, “**NVB**”) established the Banking Code (*Code Banken*). The Banking Code shall apply to all banks having a banking license granted pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*). The Banking Code shall be provided with a statutory basis and shall come into effect on 1 January 2010. The Banking Code is a form of self-regulation based upon the same principle as the Tabaksblat Code: ‘comply or explain’. The objective of the Banking Code is to contribute to retrieving the confidence in the banking sector. Banks to which the Banking Code applies are expected to explain on their website, at the moment they issue their annual report for the financial year 2009, what preparatory steps have been taken by such banks during the course of 2009 in order to ensure the application of the Banking Code as of 1 January 2010 onwards.

Shareholder participation and position of the Trust

See “Information Relating to ING Shares and Applicable Legal Provisions — The Trust — Intention to consider the position of the Trust” elsewhere in this Prospectus.

Elimination of preference A shares and preference B shares

In 2008 all remaining preference A shares were eliminated. Such shares were cancelled either following the repurchase of the bearer depositary receipts of the A shares, or through redemption. Subsequently, the preference A shares and the preference B shares were removed from ING Group’s Articles of Association. As a result, all outstanding ING Group shares have voting rights proportional to their economic value as recommended under section IV.1.2 of the Dutch Corporate Governance Code.

Separate Remuneration Committee and Nomination Committee

On 1 January 2009, the Remuneration and Nomination Committee of the Supervisory Board was split into a separate Remuneration Committee and a Nomination Committee. As recommended under section III.5.11. of the Tabaksblat Code, the Remuneration Committee will not be chaired by the chairman of the Supervisory Board.

Transactions with the Dutch State

In the framework of its transactions with the Dutch State discussed above under “Business — Transactions with the Dutch State”, certain arrangements with respect to corporate governance and executive remuneration were agreed with the Dutch State which will remain in place as long as the Dutch State owns at least 250 million Core Tier-1 Securities, as long as the Illiquid Assets Back-Up Facility is in place or any of the Government Guaranteed Bonds is outstanding (whichever expires last). These arrangements entail that:

- the Dutch State may recommend State Nominees for appointment to the Supervisory Board. Certain decisions of the Supervisory Board require approval of the State Nominees (see “Information on the Company’s Corporate Bodies”);
- ING Group agreed to develop a sustainable remuneration policy for the Executive Board and Senior Management that is aligned to new international standards and submit this to its General Meeting for adoption. This remuneration policy shall include incentive schemes which are linked to long-term value creation, thereby taking account of risk and restricting the potential for ‘rewards for failure’. The new remuneration policy will, amongst others, include objectives relating to corporate and social responsibility;
- members of the Executive Board will not receive any performance-related payment — either in cash, options, shares or bearer depositary receipts — for 2008, 2009 and subsequent years until the adoption of the new remuneration policy mentioned above;
- severance payments to Executive Board member will be limited to a maximum of one year’s fixed salary, in line with the Tabaksblat Code;
- ING has undertaken to support the growth of the Dutch lending to corporates and consumers (including mortgages) for an amount of EUR 25 billion, on market conforming terms;
- ING agreed to pro-actively use EUR 10 billion of the Dutch Guarantee Scheme over 2009 (see “Business — Transactions with the Dutch State”);
- ING has committed itself to maintaining the Dutch payment system PIN on its payment debit cards as long as other market participants, representing a substantial market share, are still making use of this payment system; and
- appointment of the Chief Executive Officer of the Executive Board requires approval of the State Nominees.

For more information on the State Nominees and for more information on the other arrangements, reference is made to “Information on the Company’s Corporate Bodies”. For more information on ING’s transactions with the Dutch State, see “Business — Transactions with the Dutch State” elsewhere in this Prospectus.

Corporate Governance Code

In compliance with the Dutch Corporate Governance Code

In its corporate governance structure and practices, ING Group uses the Tabaksblat Code of 2003 as reference. The Code can be downloaded on the website of the Frijns Committee. The ING Group corporate governance structure described in the document “The Dutch Corporate Governance Code — ING’s implementation of the Tabaksblat Code for good corporate governance” was approved by the General Meeting on 26 April 2005. As a result, ING Group is considered to be in full compliance with the Tabaksblat Code, although it does not apply all best-practice provisions of the Code in full. The document is available on the website of ING Group (www.ing.com).

For the financial year 2008, the following deviations from the Tabaksblat Code 2003 are to be reported:

- best-practice provision II.1.1.: Michel Tilmant, being appointed as an Executive Board member before 1 January 2004, was appointed for an indefinite period of time. He stepped down from the Executive Board effective 26 January 2009;
- best-practice provision II.2.3: Executive Board members may sell shares awarded to them without financial consideration within the five-year retention period in order to cover the wage tax which is to be withheld over

the vested award, so as to avoid the total wage tax being withheld in the month of vesting exceeding the gross salary payment of that month;

- best-practice provisions II.2.3, II.2.10 and II.2.11: although ING Group's policy is to disclose the performance criteria for variable remuneration only to the extent that this information is not share price sensitive or competition-sensitive, this is not relevant for 2008 as no variable remuneration will be paid to Executive Board members with respect to performance in 2008;
- best-practice provisions II.2.8, II.3.2. and II.3.3: Executive Board members may obtain banking and insurance services from ING Group subsidiaries in the ordinary course of their business and on terms that apply to all employees. These may include services in which the granting of credit is of a subordinate nature, e.g. credit cards and overdrafts in current accounts. These exceptions are based on a lack of materiality;
- best-practice provision III.2.2: if a Supervisory Board member does not meet the independence criteria of the Code, the Supervisory Board may still decide to consider such member to be independent in order to take into account specific circumstances, such as family and employment relations, so as to allow for situations of non-independence that are not material;
- best-practice provisions III.2.2. and II.3.1: the legally required second candidate on a binding nomination for appointment to the Supervisory Board does not need to meet the independence criteria of the Tabaksblat Code nor the requirements of the Supervisory Board profile, in view of the contemplated abolition of this legal requirement;
- best-practice provision III.3.4: Jan Hommen, who was appointed in the 2005 annual General Meeting as a Supervisory Board member, has more than five positions as a supervisory board member with other Dutch-listed companies. This was approved by the Supervisory Board in view of Jan Hommen's intention to give up his chairmanship of the Supervisory Board of TNT N.V. In connection with his appointment to the Executive Board at the 2009 General Meeting, Jan Hommen stepped down from his positions as a Supervisory Board member of Reed Elsevier N.V. and TNT N.V. in April 2009. He also stepped down from his position as a Supervisory Board member of Koninklijke FrieslandCampina N.V. (non-listed);
- best-practice provision III.3.5: under special circumstances the Supervisory Board may deviate from the general rule that a member of the Supervisory Board may not be reappointed for more than two subsequent four-year terms;
- best-practice provision III.5.1: instead of a separate remuneration committee and a nomination committee, ING Group established a combined Remuneration and Nomination Committee; this committee however, was separated into a Nomination Committee and a Remuneration Committee on 1 January 2009;
- best-practice provision III.5.11: the Remuneration and Nomination Committee was chaired by the chairman of the Supervisory Board (best-practice provision III.5.11); as of 1 January 2009, the new separate Remuneration Committee will no longer be chaired by the chairman of the Supervisory Board;
- best-practice provision III.6.1: in the case of a transaction with a family member that entails a conflict of interests according to the Code, the Supervisory Board may decide that no conflict of interests exists if the relationship is based on a marriage that is now over, to allow for situations where the family relationship no longer exists;
- best-practice provision III.6.3 and III.6.4: transactions with Supervisory Board members or persons holding at least 10% of the shares of ING Group in which there are significant conflicting interests will be published in the Annual Report, unless (i) this conflicts with the law, (ii) the confidential, share-price sensitive or competition-sensitive character of the transaction prevents this and/or (iii) the information is so competition-sensitive that the publication could damage the competitive position of ING Group;
- best-practice provisions III.7.4: Supervisory Board members may obtain banking and insurance services from ING Group subsidiaries in the ordinary course of their business and on terms that are customary in the sector. These may include services in which the granting of credit is of a subordinate nature, e.g. credit cards and overdrafts in current accounts. These exceptions are based on a lack of materiality; and
- best-practice provision IV.3.8: if a notarial report is drawn up of the General Meeting, shareholders will not have the opportunity to react to the minutes of the meeting, as this would be in conflict with the laws applicable to such notarial report.

17. INFORMATION RELATING TO ING SHARES AND APPLICABLE LEGAL PROVISIONS

The following description is a summary of certain information on the Company's capital and certain provisions of the Articles of Association and of the applicable Dutch law. This summary does not purport to be exhaustive. The status of this summary with respect to the Articles of Association and the statutory provisions is that as of the date of this Prospectus.

Capital Structure, Shares

Overview

The authorized capital of ING Groep N.V. consists of ordinary shares and cumulative preference shares. Currently, only ordinary shares are issued, while a right to acquire up to 4.5 billion cumulative preference shares has been granted to the ING Continuity Foundation (*Stichting Continuïteit ING*) pursuant to a call option issued by ING Groep N.V. The acquisition of cumulative preference shares pursuant to the call option is subject to the restriction that, immediately after the issue of cumulative preference shares, the total amount of cumulative preference shares may not exceed one-third of the total issued share capital of ING Groep N.V. The purpose of the cumulative preference shares is to protect the independence, the continuity and the identity of the company against influences which are contrary to the interests of ING Group, its enterprise and the enterprises of its subsidiaries and all stakeholders (including hostile takeovers), while the ordinary shares are used solely for funding purposes. These shares, which are all registered shares, are not listed on a stock exchange.

Ordinary shares

All ordinary shares are in registered form. No share certificates have been issued. Ordinary shares may be transferred by means of a deed of transfer. A transfer of ordinary shares requires written acknowledgement by ING Groep N.V. The par value of ordinary shares is EUR 0.24. The authorized ordinary share capital of ING Group consists of 4,500 million shares (increased from 3,000 million as a result of an amendment made to the Articles of Association on 8 October 2008). As at 31 December 2008, approximately 2,063 million of ordinary shares were issued and fully paid.

Bearer depositary receipts for ordinary shares

As discussed under “Shareholders — Significant Shareholders”, more than 99.9% of the ordinary shares issued by ING Groep N.V. are held by Stichting ING Aandelen. In exchange for these shares, the Trust has issued depositary receipts in bearer form for ordinary shares. The bearer depositary receipts are listed on various stock exchanges. Bearer depositary receipts can be exchanged for (non-listed) ordinary shares without any restriction, other than payment of an administrative fee of one euro cent (EUR 0.01) per bearer depositary receipt with a minimum of twenty-five euros (EUR 25.00) per exchange transaction.

The holder of a bearer depositary receipt is entitled to receive from the Trust payment of dividends and distributions corresponding to the dividends and distributions received by the Trust on an ordinary share.

In addition, the holder of a bearer depositary receipt is entitled to attend and to speak at the General Meeting either in person or by proxy. A holder of a bearer depositary receipt, who thus attends the General Meeting, is entitled to vote as a proxy of the Trust but entirely at his own discretion for a number of ordinary shares equal to the number of his bearer depositary receipts.

A holder of bearer depositary receipts who does not attend the General Meeting in person or by proxy is entitled to give a binding voting instruction to the Trust for a number of ordinary shares equal to the number of his bearer depositary receipts.

Pursuant to Section 3:259 of the Dutch Civil Code the holders of bearer depositary receipts have a joint right of pledge over the ordinary shares held by the Trust which right of pledge can only be enforced under certain circumstances.

The holder of bearer depositary receipts is entitled to receive from the Trust payment of dividends and distributions corresponding to the dividends and distributions received by the Trust on an ordinary share.

Depositary receipts for ordinary shares held by ING Group (Treasury shares)

As at 31 December 2008, 36.5 million (2007: 126.8 million; 2006: 53.8 million) depositary receipts for ordinary shares ING Groep N.V. with a par value of EUR 0.24 were held by ING Groep N.V. or its subsidiaries. These

depository receipts for ordinary shares were purchased to hedge option rights granted to the Executive Board members (former and current) and other employees.

Restrictions with respect to dividend and repayment of capital

ING Groep N.V. is subject to legal restrictions regarding the amount of dividends it can pay to the holders of its ordinary shares. Pursuant to the Dutch Civil Code, dividends can only be paid up to an amount equal to the excess of the company's own funds over the sum of the paid-up capital and reserves required by law.

Moreover, ING Groep N.V.'s ability to pay dividends is dependent on the dividend payment ability of its subsidiaries. ING Groep N.V. is legally required to create a non-distributable reserve insofar profits of its subsidiaries are subject to dividend payment restrictions which apply to those subsidiaries themselves. Such restrictions may, among others, be of a similar nature as the restrictions which apply to ING Groep N.V. Furthermore there can be restrictions as a result of minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries operate, or other limitations which may exist in certain countries.

Without prejudice to the authority of the Executive Board to allocate profits to reserves and to the fact that the ordinary shares are the most junior securities issued by ING Groep N.V., no specific dividend payment restrictions with respect to ordinary shares exist.

Furthermore, ING Groep N.V. is subject to legal restrictions with respect to repayment of capital to holders of ordinary shares. Capital may be repaid to the holders of ordinary shares pursuant to an amendment of ING Groep N.V.'s Articles of Association whereby the ordinary shares are written down.

Pursuant to the Dutch Civil Code, capital may only be repaid if none of ING Groep N.V.'s creditors opposes such a repayment within two months following the announcement of a resolution to that effect.

On a distribution of a dividend ING Groep N.V. is in principle required to withhold an income tax on dividends at a rate of 15%.

Core Tier-1 Securities

On 12 November 2008, ING Groep N.V. issued EUR 10 billion Core Tier-1 Securities to the Dutch State. 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 Core Tier-1 Securities, the Dutch State 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. At the General Meeting held on 27 April 2009 the two candidates nominated by the Dutch State were appointed to the Supervisory Board.

The Core Tier-1 Securities are deeply subordinated and rank pari-passu with ordinary shares in a winding up of ING Group.

On these Core Tier-1 Securities a coupon is payable of the higher of:

- EUR 0.85 per security, payable annually in arrears, with a first coupon of EUR 0.425 per security paid on 12 May 2009; and
- 110% of the dividend paid on each ordinary share over 2009 (payable in 2010);
- 120% of the dividend paid on each ordinary share over 2010 (payable in 2011); and
- 125% of the dividend paid on each ordinary share over 2011 onwards (payable in 2012 onwards).

This coupon is to be paid on 12 May of each year (the coupon date) in cash if the dividend on ordinary shares is paid in cash or to be paid in scrip securities in the event of a scrip dividend on ordinary shares. Coupons are only due and payable on a non-cumulative basis if a dividend is paid on ordinary shares over the financial year preceding the coupon date, either on an interim or a final dividend basis, provided that ING Group's capital adequacy position is and remains satisfactory both before and after payment, in the opinion of the DNB. Since ING already paid an interim dividend of EUR 0.74 in August 2008, ING recognized a coupon payable of EUR 425 million to the Dutch State as per 31 December 2008. This coupon was paid out on 12 May 2009.

ING Group has the right to repurchase all or some of the Core Tier-1 Securities at EUR 15 per security at any time together with the pro-rate coupon, if due, accrued to such date. It also has the right to convert all or some of the Core

Tier-1 Securities into ordinary shares on a one-for-one basis from three years after the issue date onwards. The Dutch State in that case has the right to demand a redemption payment of EUR 10 per Core Tier-1 Security together with the pro-rate coupon, if due, accrued to such date. Both repurchase and conversion of the securities must be approved by the DNB. In connection with the Restructuring Plan, ING and the Dutch State have agreed that up to EUR 5 billion of the EUR 10 billion Core Tier-1 Securities may be repurchased at any time until 31 January 2010 at the original issue price of EUR 10 per Core Tier-1 Security, plus a repurchase premium and accrued interest. See “Business — Recent Developments — Repurchase of a Portion of the Core Tier-1 Securities Held by the Dutch State”.

ING may, after having given not less than 15 nor more than 30 days notice to the Dutch State, convert all or some of the Core Tier-1 Securities into bearer depositary receipts on a one for one basis (subject to customary adjustments as may be necessary to preserve economic equivalence), three years after 12 November 2008 or at any time thereafter, with approval from DNB and subject to the following: within five business days after having received such notice, the Dutch State may opt, by giving notice to ING, for repayment of the Core Tier-1 Securities concerned, on the date that had been identified by ING for the conversion, at EUR 10 per Core Tier-1 Security plus accrued interest. Such repayment will be subject to the approval of DNB. In addition, it shall be a condition to any conversion that all required non-Dutch insurance, banking or other regulatory approvals shall have been obtained.

Cumulative preference shares

Pursuant to the Articles of Association of ING Groep N.V. as amended on 8 October 2008, the authorized cumulative preference share capital consists of 4.5 billion cumulative preference shares, of which none have been issued. The par value of these cumulative preference shares is EUR 0.24.

The cumulative preference shares rank before the ordinary shares in entitlement to dividend and to distributions upon liquidation of ING Groep N.V.

The dividend on the cumulative preference shares will be equal to a percentage, calculated on the amount compulsorily paid up or yet to be paid up. This percentage shall be equal to the average of the Euro OverNight Index Average (“EONIA”) as calculated by the European Central Bank. During the financial year for which the distribution is made, this percentage is weighted on the basis of the number of days for which it applies, increased by 2.5 percentage points.

If and to the extent that the profit available for distribution is not sufficient to pay the dividend referred to above in full, the shortfall will be made up from the reserves insofar as possible. If, and to the extent that, the dividend distribution cannot be made from the reserves, the profits earned in subsequent years shall first be used to make up the shortfall before any distribution may be made on shares of any other category.

ING Groep N.V.’s Articles of Association make provision for the cancellation of cumulative preference shares. Upon cancellation of cumulative preference shares and upon liquidation of ING Groep N.V., the amount paid up on the cumulative preference shares will be repaid together with the dividend shortfall in preceding years, insofar as this shortfall has not yet been made up.

ING Groep N.V. is subject to legal restrictions regarding the amount of dividends it can pay to the holders of its cumulative preference shares, when issued. Pursuant to the Dutch Civil Code, dividends can only be paid up to an amount equal to the excess of the company’s own funds over the sum of the paid-up capital, and reserves required by law.

Moreover, ING Groep N.V.’s ability to pay dividends is dependent on the dividend payment ability of its subsidiaries. ING Groep N.V. is legally required to create a non-distributable reserve insofar profits of its subsidiaries are subject to dividend payment restrictions which apply to those subsidiaries themselves. Such restrictions may among others be of a similar nature as the restrictions which apply to ING Groep N.V. or may be the result of minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries operate, or other limitations which may exist in certain countries.

Without prejudice to the fact that the cumulative preference shares, when issued, will be junior securities of ING Groep N.V., no specific dividend payment restrictions with respect to the cumulative preference shares exist.

Furthermore, ING Groep N.V. is subject to legal restrictions with respect to repayment of capital to holders of cumulative preference shares. Capital may be repaid to the holders of cumulative preference shares pursuant to (i) an amendment of ING Groep N.V.’s articles of association whereby the cumulative preference shares are written down or (ii) a resolution to redeem and cancel the cumulative preference shares.

Pursuant to the Dutch Civil Code, capital may only be repaid if none of ING Groep N.V.'s creditors opposes such a repayment within two months following the announcement of a resolution to that effect.

The Trust

The following is a description of the material provisions of the Articles of Association (*Statuten*) of the Trust and the related Conditions of Administration (*Administratievoorwaarden*) (together the “**Trust Agreement**”), which governs the Trust, and the applicable provisions of Netherlands law. This description does not purport to be complete and is qualified in its entirety by reference to the Trust Agreement and the applicable provisions of Netherlands law referred to in such description.

The Trust was established on 22 January 1991 under the laws of the Netherlands as a foundation (*stichting*). The Trust has its corporate seat in Amsterdam, the Netherlands with its head office at Amstelveenseweg 500, 1081 KL Amsterdam, the Netherlands and is registered with the Trade Register of the Chamber of Commerce under number 41156637.

Pursuant to article 3 of the articles of association of the Trust, its objects and purposes include the promotion of the interests of all holders of bearer depositary receipts, also taking into account the interests of ING Groep N.V., the businesses of ING Groep N.V. and its group companies and all other ING Groep N.V. stakeholders, so as to ensure that all these interests are given as much consideration and protection as possible, the administration of the ordinary shares for which bearer depositary receipts have been issued, the exercise of the voting and other rights attached to such ordinary shares and the promotion of exchange of information between ING Groep N.V. on the one hand and the holders of bearer depositary receipts and its shareholders on the other.

The board of the Trust consists of:

- (a) Mr. Jan J.M. Veraart, Chairman
- (b) Mr. Huib J. Blaisse
- (c) Mr. Paul M.L. Frentrop
- (d) Mr. Carel J. van den Driest
- (e) Mr. Herman J. Hazewinkel

Bearer depositary receipts, which are negotiable instruments under Netherlands law, are issuable by the Trust pursuant to the terms of the Trust Agreement. Each bearer depositary receipt represents financial interests in one ordinary share held by the Trust, as described herein. Holders of bearer depositary receipts (including those bearer depositary receipts for which ADSs have been issued) do not have any voting rights with respect to the ordinary shares underlying the bearer depositary receipts owned by the Trust. Such rights belong only to the Trust and will be exercised by the Trust pursuant to the terms of the Trust Agreement as described in more detail below.

All bearer depositary receipts are embodied in one or more global depositary receipts which are held in custody by Euroclear Nederland (the Central securities Depository (CSD), Herengracht 459 - 469, 1017 BS Amsterdam, the Netherlands, formerly known as “NECIGEF”) in exchange for which every bearer depositary receipt holder is credited in the books of the participants of Euroclear Nederland pursuant to the Netherlands Act on Book-Entry Transactions (*Wet giraal effectenverkeer*). Each bearer depositary receipt holder shall nominate a Euroclear Nederland participant, through which the global depositary receipts are to be held in custody on his behalf. Return of the global depositary receipts to a party other than the Trust shall not be permitted without the Trust's consent. Administration of the global depositary receipts is assigned to Euroclear Nederland which is authorized to perform any necessary act on behalf of the bearer depositary receipt holder(s) in respect of the relevant depositary receipts, including acceptance and transfer, and to cooperate in making additions to and deletions from the relevant global depositary receipt in accordance with the provisions of the Act on Book Entry Transactions.

Transfer of title in the bearer depositary receipts is effected by book-entry through the facilities of Euroclear Nederland and its participants pursuant to the Netherlands Act on Book-Entry Transactions. Owners of bearer depositary receipts participate in the Euroclear Nederland system by maintaining accounts with Euroclear Nederland participants. There is no limitation under Netherlands law on the ability of non-Dutch citizens or residents to maintain such accounts that are obtainable through Dutch banks.

Holders of bearer depositary receipts may surrender the bearer depositary receipts in exchange for ordinary shares. The Trust charges a fee for exchanging bearer depositary receipts for ordinary shares. Such fee, in each case, is a minimum of EUR 25.00, but varies based on the number of bearer depositary receipts so exchanged.

Voting of the ordinary shares by holders of bearer depositary receipts as proxy of the Trust

Holders of bearer depositary receipts are entitled to attend and speak at General Meetings of ING Groep N.V. but do not have any voting rights.

However, the Trust will, subject to certain restrictions, grant a proxy to a holder of bearer depositary receipts to the effect that such holder may, in the name of the Trust, exercise the voting rights attached to the number of its ordinary shares that corresponds to the number of bearer depositary receipts held by such holder of bearer depositary receipts.

On the basis of such a proxy, the holder of bearer depositary receipts may vote according to his own discretion. The requirements with respect to the use of the voting rights on the ordinary shares that apply for the Trust (set out in the paragraph below) do not apply for the holder of bearer depositary receipts voting on the basis of such a proxy.

The restrictions under which the Trust will grant a voting proxy to holders of bearer depositary receipts are:

- the relevant holder of bearer depositary receipts must have announced his intention to attend the General Meeting observing the provisions laid down in the articles of association of ING Groep N.V.;
- the relevant holder of bearer depositary receipts may delegate the powers conferred upon him by means of the voting proxy; provided that the relevant holder of bearer depositary receipts has announced his intention to do so to the Trust observing a term before the commencement of the General Meeting, which term will be determined by the Trust.

Voting instructions of holders of bearer depositary receipts of ordinary shares to the Trust

Holders of bearer depositary receipts are entitled to give binding instructions to the Trust, concerning the Trust's exercise of the voting rights attached to its ordinary shares. The Trust will follow such instructions for a number of ordinary shares equal to the number of bearer depositary receipts held by the relevant holder of bearer depositary receipts.

Voting of the ordinary shares by the Trust

The Trust will only determine its vote with respect to the ordinary shares of ING Groep N.V., held by the Trust, that correspond with bearer depositary receipts:

- the holder of which does not, either in person or by proxy, attend the General Meeting;
- the holder of which, did not give a voting instruction to the Trust.

The Trust has discretion to vote in respect of shares for which it has not issued proxy votes to holders of bearer depositary receipts and has not received any voting instructions. Under the Trust Agreement, the Trust is required to promote the interests of all holders of bearer depositary receipts, irrespective of whether they attend the General Meetings, also taking into account the interests of ING Groep N.V., the businesses of ING Groep N.V. and its group companies and all other ING Groep N.V. stakeholders in voting such shares, so as to ensure that all these interests are given as much consideration and protection as possible.

Intention to consider the position of the Trust

ING indicated in 2008 that the Executive Board and the Supervisory Board intended to consider the position of the Trust and bearer depositary receipts once the number of votes on ordinary shares and bearer depositary receipts of ordinary shares, including proxies, and excluding the votes which are at the discretion of the Trust, at a General Meeting was at least 35% of the total votes that may be cast for three consecutive years. In 2006, 28% of the total votes were cast, in 2007, the figure was 36.7%, in 2008, the figure was 38.7% and in 2009, the figure was 35.58%.

As communicated at the 2009 annual General Meeting, the Supervisory Board and Executive Board believe that, in particular against the backdrop of the financial crisis, more time is needed to consider the position of the Trust. The Company believes that the Trust structure can be important to proper decision making in the near future and also to the long-term interest of the Company. However, the Executive Board and the Supervisory Board intend to continue to consider steps to be taken in connection with the Trust.

Administration of the Trust

The Management Board of the Trust will determine the number of its members itself, subject to the restriction that there may be no more members than seven and no less than three. Members of the Management Board will be appointed by the Management Board itself without any approval from ING Groep N.V. or any of its corporate bodies

being required. Members of any corporate body of ING Groep N.V. are not eligible for appointment as a Member of the Management Board. Members of the Management Board are appointed for a maximum term of four years and may be re-appointed for two terms without any requirement for approval by ING Groep N.V.

Valid resolutions may be passed only if all members of the Management Board of the Trust have been duly notified, except that in a case where there is no such notification valid resolutions may nevertheless be passed by unanimous consent at a meeting at which all Managing Directors are present or represented. A Managing Director may be represented only by a fellow Managing Director who is authorized in writing. All resolutions of the Management Board shall be passed by an absolute majority of the votes.

The legal relationship between holders of bearer depositary receipts and the Trust is governed entirely by Netherlands law.

Termination of the Trust

Should the Trust be dissolved or wish to terminate its function under the Trust Agreement, or should ING Groep N.V. wish to have such function terminated, ING Groep N.V. shall, in consultation with the Trust and with the approval of the meeting of holders of bearer depositary receipts, appoint a successor to whom the administration can be transferred. The successor shall have to take over all commitments under the Trust Agreement. Within two months of the decision to dissolve or terminate the Trust, the Trust shall have the shares which it holds for administration transferred into its successor's name. For a period of two months following notification of succession of the administration, holders of bearer depositary receipts may elect to obtain free of charge, shares of type of which they hold bearer depositary receipts. In no case shall the administration be terminated without ING Groep N.V.'s approval.

Articles of Association

ING Groep N.V. is a holding company organized under the laws of the Netherlands. Our object and purpose, as set forth in Article 3 of our Articles of Association, 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 Groep N.V. is registered as number 33231073 with the Trade Register of the Chamber of Commerce and our Articles of Association are available there.

Certain Powers of Directors

The Supervisory Board determines the compensation of the members of the Executive Board within the framework of the remuneration policy adopted by the General Meeting and the compensation of members of the Supervisory Board is determined by the General Meeting. Without prejudice to their voting rights they might have if they are a shareholder of ING Groep N.V., neither members of the Executive Board nor members of the Supervisory Board will vote on compensation for themselves or any other member of their body.

During their office, members of the Supervisory Board are not allowed to borrow or to accept guarantees from ING Groep N.V. or any of its subsidiaries. Loans that already exist upon appointment as a Supervisory Board member however, may be continued. Subsidiaries of ING Groep N.V. however, may in the normal course of their business and on terms that are customary in the sector, provide other banking and insurance services to Supervisory Board members. These may include services in which the granting of credit is of a subordinate nature, e.g. credit cards and overdrafts in current accounts. Members of the Executive Board are empowered to exercise all the powers of ING Groep N.V. to borrow money, subject to regulatory restrictions (if any) and, in the case of the issuance of debt securities, to the approval of the Supervisory Board.

Our Articles of Association do not contain any age limits for retirement of the members of the Executive Board and members of the Supervisory Board. The retirement age for the members of the Executive Board under the (Dutch) pension plan is the first day of the month that the individual reaches the age of 65. In recent years however, we have seen a practice for Executive Board members to retire at an earlier age depending on their individual circumstances.

Members of the Executive Board appointed in 2004 and later have been and will be appointed by the General Meeting for a term of four years and may be reappointed. Members of the Supervisory Board as a general rule are appointed for a term of four years and may be re-appointed for two terms subject to the requirement in the charter of the Supervisory Board that Supervisory Board members retire from the Board in the year in which he or she turns 70 (provided that the Board does not decide otherwise taking into account special circumstances). Both members of the Executive Board and members of the Supervisory Board are appointed from a binding nomination by the

Supervisory Board. The General Meeting may declare the nomination non-binding by a majority resolution supported by more than one-third of the issued share capital.

Members of the Executive Board and the Supervisory Board are not required to hold any shares of ING Groep N.V. to qualify as such.

For more information about the Supervisory Board and Executive Board, see “Information on the Company’s Corporate Bodies”.

Issue of shares

The Company’s authorized capital is the maximum amount of capital allowed to be issued under the terms of its Articles of Association. An amendment to the Articles of Association has to be passed by notarial deed if it is to become effective, and this in turn requires a declaration of no objection to be issued by the Minister of Justice. The authorized capital of the Company currently amounts to EUR 2,160,000,000.

Share issues have to be approved by the General Meeting, which may also delegate its authority. Each year, the General Meeting has been asked to delegate authority to the Executive Board to issue new shares. The powers thus delegated to the Executive Board are limited:

- in time: powers are delegated for a period of 18 months;
- to specific types of shares: only ordinary shares may be issued;
- by number: ordinary shares may be issued up to a maximum of 10% of the issued capital, or 20% in the event of a merger or takeover;
- in terms of control: resolutions by the Executive Board to issue shares require the approval of the Supervisory Board.

Approval by the General Meeting would be required for any share issues exceeding these limits.

Amendment of our Articles of Association

The General Meeting may resolve to amend our Articles of Association, provided the resolution is adopted on a motion of the Executive Board which has been approved by the Supervisory Board. Such a resolution of the General Meeting requires a majority of at least two-thirds of the votes cast at a General Meeting at which at least two-thirds of the issued capital is represented.

Reduction of share capital

Under our Articles of Association, the General Meeting may resolve to reduce our issued and outstanding share capital by canceling our shares, or by amending our Articles of Association to reduce the nominal value of our shares.

The decision to reduce our share capital requires a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented at the General Meeting. The resolution of the General Meeting to reduce our issued and outstanding share capital furthermore requires the approval of the class of shareholders of which the rights are accordingly affected. Such approval requires a majority of at least two-thirds of the votes cast, if less than 50% of the issued share capital of such class of shares is present or represented.

Acquisition by the Company of Existing Shares

We may acquire our own fully paid Existing Shares at any time for no consideration (*om niet*), or, subject to certain provisions of Dutch law and our Articles of Association, if (1) our shareholders’ equity less the payment required to make the acquisition does not fall below the sum of called-up and paid-in share capital and any statutory reserves, (2) we and our subsidiaries would thereafter not hold shares or hold a pledge over our shares with an aggregate nominal value exceeding 50% of our issued share capital, and (3) the Management Board has been authorized thereto by the General Meeting.

Authorization from the General Meeting to acquire our Existing Shares must specify the number and class of shares that may be acquired, the manner in which Existing Shares may be acquired and the price range within which Existing Shares may be acquired. Such authorization will be valid for no more than 18 months.

Any Existing Shares we hold in our own capital may not be voted on or counted for voting quorum purposes.

General Meetings, Shareholder Proposals, Record Date, Voting Rights, Pre-emption rights and Notices

Frequency, notice and agenda of General Meetings

General Meetings are normally held each year in April or May, to discuss the course of business in the preceding financial year on the basis of the reports prepared by the Executive Board and the Supervisory Board, and to decide on the distribution of dividends or other distributions, the appointment and/or reappointment of members of the Executive Board and Supervisory Board (if any), other items requiring shareholder approval under Dutch law, and any other matters proposed by the Supervisory Board, the Executive Board or shareholders or holders of bearer depositary receipts in accordance with ING Group's Articles of Association.

Meetings are convened by public notice. As of the date of convening a General Meeting, all information relevant for shareholders and holders of bearer depositary receipts, is made available to them on ING Group's website (www.ing.com) and at ING Group's head office, mentioned in the notice.

This information includes the notice to the General Meeting, the agenda, the verbatim text of the proposals with an explanation and instructions on how to participate in the meeting (either in person or by proxy vote), as well as the reports of the Executive Board and the Supervisory Board. More complex proposals such as amendments to ING Group's Articles of Association normally are not included in the notice but are made available separately on ING Group's website and at ING Group's head office.

Proposals by shareholders/holders of bearer depositary receipts

In view of the size and market value of ING Groep N.V., proposals to put items on the General Meeting agenda can be made by shareholders and holders of bearer depositary receipts representing a joint total of 1 per mille of the share capital or representing together, on the basis of the stock prices on Euronext Amsterdam, a share value of at least EUR 50 million. Given the periods of notice required for proxy voting, proposals have to be submitted in writing at least 50 days before the date of the meeting. Properly submitted proposals will be included on the agenda for the General Meeting, unless the Supervisory Board and the Executive Board consider there to be compelling reasons in the interest of ING Groep N.V. to exclude them from the agenda.

Record date

It is standard practice with ING Group to set a record date for attending a General Meeting and voting on the proposals in that General Meeting. Shareholders and depositary receipt holders who hold shares and/or bearer depositary receipts at the record date are entitled to attend the General Meeting and to exercise other rights related to the General Meeting in question on the basis of their holding at the record date, notwithstanding a subsequent sale or purchase of shares or bearer depositary receipts. The record date is published in the notice to the General Meeting.

Attending General Meetings

For logistical reasons, attendance at a General Meeting by shareholders and depositary receipt holders, either in person or by proxy, is subject to the requirement that ING Group be notified in advance. Instructions to that effect are included in the notice to the General Meeting.

Shareholders and depositary receipt holders who do not attend the General Meeting, may nevertheless follow the course of affairs in the meeting by internet webcast.

Voting rights

Each ordinary share entitles the holder to cast a vote at the General Meeting. The Articles of Association do not restrict the voting rights on any class of shares of ING Group. ING Group is not aware of any contract under which voting rights on any class of its shares are restricted. By Dutch law, voting rights are proportional to the nominal value of the shares. In other words, each ordinary share (nominal value: EUR 0.24) gives the right to one vote.

Pre-emption rights

Dutch law and our Articles of Association in most cases give shareholders pre-emption rights to subscribe on a pro rata basis for any issue of new shares or upon a grant of rights to subscribe for shares. Exceptions to these pre-emption rights include the issue of shares and the grant of rights to subscribe for shares (1) to our employees, (2) in return for non-cash consideration or (3) the issue of shares to persons exercising a previously granted right to subscribe for shares. Holders of ordinary shares do not have pre-emption rights with respect to cumulative preference shares to be issued. Holders of cumulative preference shares do not have pre-emption rights with respect to ordinary shares to be issued.

A shareholder may exercise pre-emption rights during a period of two weeks from the date of the announcement of the issue or grant. The General Meeting or the Executive Board, if so designated by the General Meeting and subject to approval of the Supervisory Board, may restrict the rights or exclude shareholder pre-emption rights. A resolution by the General Meeting to delegate the authority to exclude or limit pre-emption rights to the Management Board requires a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented. If the General Meeting has not delegated this authority to the Management Board, the General Meeting may itself vote to limit or exclude pre-emption rights and will also require a majority of at least two-thirds of the votes cast, if less than 50% of our issued share capital is present or represented at the General Meeting.

The Trust Agreement provides that in the event new shares are issued the Trust will grant the holders of bearer depositary receipts a pre-emptive right to the issue of bearer depositary receipts in conformity with the pre-emptive rights granted to the holders of ordinary shares.

On 27 April 2009, our General Meeting resolved to grant to the Executive Board, subject to the approval of the Supervisory Board, the authority to restrict or exclude preferential rights of the Company's shareholders in respect of the issue of ordinary shares. The authorization by the General Meeting applies up to and including 27 October 2010 (subject to extension from the General Meeting) (i) for a total of 200,000,000 ordinary shares plus (ii) for a total of 200,000,000 ordinary shares, only if these shares are issued in connection with the take-over of a business or a company.

Notices

The shareholders and holders of bearer depositary receipts shall be given notice of General Meetings. Notices of General Meetings shall be made in accordance with the provisions of the law and the regulations applying to the Company pursuant to the quotation of bearer depositary receipts or other securities on the stock exchange of Euronext Amsterdam N.V. Insofar as no other requirements have been laid down under or pursuant to the law or aforementioned regulations, the company shall be authorized to serve notice on shareholders and depositary receipt holders via the company website and/or by other electronic means representing a public announcement which remains directly and permanently accessible up to the General Meeting, and to give notice to shareholders in writing at the address notified by the entitled party to the company for this purpose. Unless the opposite is unambiguously clear, the notification by a shareholder or depositary receipt holder to the company of an electronic mail address shall be taken as evidence of the latter's concurrence with the submission of notifications by electronic means. The Company shall not make any charge to shareholders and depositary receipt holders for notifications sent by electronic means.

Unless provided otherwise by the Trust Agreement, all notices, announcements and communications to depositary receipt holders shall be given in accordance with the statutory requirements and the regulations applicable to the foundation by virtue of the listing of bearer depositary receipts or other securities on the stock exchange operated by Euronext Amsterdam N.V., including, where possible, via the company's website and/or by public announcement by other electronic means.

Certain Dutch Legal Considerations

Exchange controls

Cash distributions, if any, payable in euros on ordinary shares and bearer depositary receipts and ADSs may be officially transferred from the Netherlands and converted into any other currency without violating Dutch law, except that for statistical purposes such payments and transactions must be reported by ING Groep N.V. to the DNB and, further, no payments, including dividend payments, may be made to jurisdictions or persons subject to certain sanctions, adopted by the government of the Netherlands, implementing resolutions of the Security Council of the United Nations or adopted by the European Union.

Obligations of shareholders to disclose holdings

For information regarding the Major Holdings Rules under Dutch law, see "Shareholders — Holders of bearer depositary receipts with a stake of 5% or more".

Noncompliance with the obligations of the Major Holdings Rules can lead to criminal prosecution. In addition, a civil court can issue orders against any person who fails to notify or incorrectly notifies the Authority for the Financial Markets, in accordance with the Major Holdings Rules, including suspension of the voting right in respect of such person's ordinary shares.

We are required to notify the AFM of a change immediately if our share capital or voting rights changes 1% or more since our previous notification and each calendar quarter for other changes. The AFM will publish any notification pursuant to the Dutch Financial Supervision Act in a public registry. If as a consequence of such change a person's interest in our capital or voting rights meets or passes the thresholds mentioned in the above paragraph, the person in question must immediately give written notice to the AFM by means of the standard form no later than the fourth trading day after the AFM has published our notification.

Once in every calendar year, every holder of an interest in our share capital or voting rights of 5% or more must renew its notification with the AFM to reflect changes in the percentage held in our share capital or voting rights, including changes as a consequence of changes in our total issued share capital.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must be taken into account: (1) shares (or depositary receipts for shares) directly held (or acquired or disposed of) by any person, (2) shares (or depositary receipts for shares) held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement, and (3) shares (or depositary receipts for shares) which such person, or any subsidiary or third party referred to above, may acquire pursuant to any option or other right held by such person (or acquired or disposed of, including, but not limited to, on the basis of convertible bonds). Special rules apply to the attribution of shares (or depositary receipts for shares) which is part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares (or depositary receipts for shares) can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote on the shares or, in case of depositary receipts, the underlying shares. If a pledgee or usufructarian acquires such (conditional) voting rights, this may trigger the reporting obligations for the holder of the shares (or depositary receipts for the shares).

Furthermore, each member of our Management Board and Supervisory Board must immediately give written notice to the AFM by means of a standard form of any change in his or her holding of shares and voting rights in us.

Obligation of Shareholders to make a Public Offer

Pursuant to Chapter 5.5 of the Dutch Financial Supervision Act on takeover bids, a shareholder who has acquired at least 30% of our voting rights is obliged to launch a public offer for all outstanding shares in our share capital. Shareholders acting in concert who have a combined interest of at least 30% of our voting rights are also obliged to make a public offer. The same applies when one or more shareholders have agreed with the target company to frustrate the public offer. The Trust is exempt from the requirement to make a public offer.

Squeeze Out Procedures

Pursuant to Section 2:92a of the Dutch Civil Code, a shareholder who for his own account contributes at least 95% of our issued capital may institute proceedings against our other shareholders jointly for the transfer of their shares to the claimant. The proceedings are held before the Enterprise Chamber of the Amsterdam Court of Appeal and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he shall also publish the same in a newspaper with a national circulation.

In addition, after a public offer, a holder of at least 95% of the outstanding shares and voting rights has the right to require the minority shareholders to sell their shares to it. Any such request to require the minority shareholders to sell their shares must be filed with the Enterprise Chamber within three months after the end of the acceptance period of the public offer. Conversely, in such a case, each minority shareholder has the right to require the holder of at least 95% of the outstanding shares and voting rights to purchase its shares. The minority shareholders must file such claim with the Enterprise Chamber within three months after the end of the acceptance period of the public offer.

Market abuse rules

Pursuant to the section of the Dutch Financial Supervision Act implementing the Market Abuse Directive 2003/6/EC and related Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, members of our Executive

Board and our Supervisory Board, and any other person who has managerial responsibilities or who has the authority to make decisions affecting our future developments and business prospects and who has regular access to inside information relating, directly or indirectly, to us (an **“Insider”**), must notify the AFM of all transactions conducted on his own account relating to our shares or in securities the value of which is determined by the value of our shares.

In addition, persons designated by the Decree on Market Abuse pursuant to the Financial Supervision Act (*Besluit Marktmisbruik Wft*) (the **“Market Abuse Decree”**) who are closely associated with members of our Executive Board, Supervisory Board or any of the Insiders must notify the AFM of the existence of any transactions conducted for their own account relating to our shares or securities the value of which is determined by the value of our shares. The Market Abuse Decree designates the following categories of persons: (1) the spouse or any partner considered by national law as equivalent to the spouse, (2) dependent children, (3) other relatives who have shared the same household for at least one year at the relevant transaction date, and (4) any legal person, trust or partnership, amongst other things, whose managerial responsibilities are discharged by a person referred to under (1), (2) or (3) above.

The AFM must be notified of transactions effected in either our shares or securities, the value of which is determined by the value of our shares, no later than the fifth business day following the transaction date. Notification may be postponed until the date the value of the transactions amounts to €5,000 or more per calendar year.

The AFM keeps a public register of all notifications made pursuant to the Dutch Financial Supervision Act. Non-compliance with the notification obligations under the market abuse obligations laid down in the Dutch Financial Supervision Act may lead to criminal fines, administrative fines, imprisonment or other sanctions.

Resolutions of the Executive Board Requiring Approval by the General Meeting

Dutch company law and our Articles of Association provide that resolutions of the Executive Board involving a material change to the identity or character of the company or its affiliated enterprise require the approval of the General Meeting. Approval by the General Meeting is needed for resolutions concerning: (i) transfer to a third party of all or virtually all of the enterprise conducted by the Company or transfer or other assignment of enterprises of subsidiaries as a consequence of which the Company or the group over which the Company exercises central control ceases to engage in either insurance or banking activities; (ii) formation or termination of a permanent relationship between the Company or a subsidiary and another legal entity or partnership or as a fully liable partner in a limited or general partnership whereby the relationship or its termination is of material significance to the Company; (iii) acquisition or disposal by the Company or a subsidiary of a participating interest in the capital of a company amounting to one-third or more of the assets as disclosed in the balance sheet and notes thereto contained in the most recently adopted financial statements of the Company; or (iv) cooperation in the acquisition of control over the activities constituting the Company’s enterprise within the meaning of the Merger Code 2000 of the Social and Economic Council (*SER-Besluit Fusiegedragregels 2000*), irrespective of whether that code is applicable. See “Business — Recent Developments — Insurance and other Divestments, EC Agreement”.

Development of the Share Capital

The following table sets forth the number of outstanding and authorized ordinary shares of ING as of 30 September 2009 and 31 December 2008, 2007 and 2006.

	As of 30 September 2009		31 December 2008		31 December 2007		31 December 2006	
	Authorized	Issued	Authorized	Issued	Authorized	Issued	Authorized	Issued
Ordinary shares ⁽¹⁾	4,500,000,000	2,063,147,969	4,500,000,000	2,063,147,969	3,000,000,000	2,226,445,299	3,000,000,000	2,205,092,650
Cumulative preference shares ⁽²⁾	4,500,000,000	—	4,500,000,000	—	900,000,000	—	900,000,000	—
Preference shares A ⁽³⁾	—	—	—	—	100,000,000	16,012,839	100,000,000	63,029,411
Preference shares B ⁽⁴⁾	—	—	—	—	1,000,000,000	—	1,000,000,000	—

(1) Ordinary shares have a par value of EUR 0.24.

(2) Cumulative preference shares had a nominal value of EUR 1.20 until 8 October 2008 and as of 8 October 2008 the cumulative preference shares have a nominal value of EUR 0.24.

(3) Preference shares A had a par value of EUR 1.20.

(4) Preference shares B had a par value of EUR 0.24.

18. GENERAL INFORMATION ABOUT THE COMPANY

Legal Name, Formation, Fiscal Year and Registered Offices

The legal and commercial name of the Company is ING Groep N.V. ING Groep N.V. was incorporated as a *Naamloze Vennootschap* (public limited liability company) under the laws of the Netherlands on 21 January 1991 to effect the merger between Nationale-Nederlanden, which was the largest insurer in the Netherlands, and NMB Postbank Group, which was one of the largest banks in the Netherlands, by way of a public offering for the shares of the latter companies. This public offering was successfully completed on 4 March 1991.

The official address of ING Group is: ING Groep N.V. Amstelveenseweg 500, 1081 KL Amsterdam, P.O. Box 810, 1000 AV Amsterdam, The Netherlands, phone +31 20 541 5411.

Corporate Purpose, Duration and Dissolution of the Company

The object of ING 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. The duration of the Company is unlimited.

The General Meeting is authorized to resolve to wind up the Company, provided the resolution is adopted on a motion of the Executive Board which has been approved by the Supervisory Board. Such a resolution of the General Meeting shall require a majority of at least two-thirds of the votes cast at a General Meeting at which at least two-thirds of the issued capital is represented.

If a resolution to wind up the company is adopted, the liquidation shall be conducted by the Executive Board under the supervision of the Supervisory Board, unless other liquidators are appointed by the Supervisory Board.

The Company's assets remaining after payment of all debts and liquidation costs shall be divided as follows:

- (a) first, the holders of cumulative preference shares shall as far as possible be paid an amount equal to the nominal amount paid on their cumulative preference shares plus the percentage equal to the average of the Euro OverNight Index Average (EONIA) as calculated by the European Central Bank plus 2.5 percentage points of the amount compulsorily paid on the cumulative preference shares, for each year or part of a year in the period commencing on the day after the period in respect of which the last dividend was paid and ending on the date of the distribution on cumulative preference shares referred to in this paragraph;
- (b) the Company's assets remaining after the application of the provisions of sub-paragraph (a) shall be distributed to the holders of ordinary shares in proportion to the number of ordinary shares held by each of them.

Resolutions

The Offering was authorized by resolutions of the Executive Board and the Supervisory Board prior to the date hereof. On 25 November 2009, the General Meeting granted the authority to the Executive Board to issue the new Ordinary Shares and to limit or exclude the statutory pre-emptive rights in respect of the Offering.

Changes in the Composition of the Group

For information on disposals announced or completed in 2009, see "Business — Recent Acquisitions, Disposals and Combinations" elsewhere in this Prospectus.

Acquisitions in 2008

As mentioned in "Acquisitions effective in 2007" in Note 29 of Note 2.1.4. to the 2008 Financial Statements, ING acquired the AFJP Pension ("**Origenes AFJP S.A.**") company in Argentina as part of the Santander transaction. In November 2008 the Government of Argentina passed legislation to nationalize the private pension system ("**AFJPs**"). Under the law, all client balances held by the private pension system would be transferred to the Argentina Government and AFJP's pension business would be terminated. The law became effective in December 2008 when the Argentine Social Security Administration ("**ANSES**") took ownership over the affiliate accounts. The nationalization impacted the pension assets only, thus leaving ING responsible for the ongoing operating costs and liabilities including severance obligations. This resulted in a loss of EUR 188 million being recognized in 2008.

In December 2008, ING acquired 100% of the voluntary pension fund Oyak Emeklilik for a total consideration of EUR 110 million. Goodwill of EUR 69 million was recognized on the acquisition and is mainly attributable to the operational synergies and the future business potential resulting from the acquisition.

In July 2008, ING acquired approximately 97% of Interhyp AG, Germany's largest independent residential mortgage distributor for a total consideration of EUR 418 million. Goodwill of EUR 371 million was recognized on the acquisition and is mainly attributable to the future potential for enhancing ING's distribution platforms in Europe resulting from the acquisition.

In July 2008, ING acquired 100% of CitiStreet, a leading retirement plan and benefit service and administration organization in the US defined contribution marketplace for a total consideration of EUR 578 million. Goodwill of EUR 462 million was recognized on the acquisition and is mainly attributable to the operational synergies and the future business potential resulting from the acquisition, making ING one of the largest defined contribution businesses in the United States.

In January 2008, ING closed the final transaction to acquire 100% of Banco Santander's Latin American pension and annuity businesses through the acquisition of the pension business in Chile. See "Acquisitions effective in 2007" under Note 29 of Note 2.1.4. to the 2008 Financial Statements for full details of the entire deal.

Disposals effective in 2008

In December 2007, ING reached an agreement with Berkshire Hathaway Group to sell its reinsurance unit NRG N.V. for EUR 272 million. The sale resulted in a net loss of EUR 144 million. As disclosed under "Other Liabilities" in Note 21 of Note 2.1.3. to the 2008 Financial Statements, a loss on disposal of EUR 129 million was reported in 2007. In 2008, EUR 15 million additional losses, predominantly relating to currency exchange rate changes were recognized.

In July 2008, ING announced it had completed the sale of part of its Mexican business, Seguros ING SA de CV and subsidiaries, to AXA as announced in February 2008, for a total consideration of EUR 950 million (USD 1.5 billion). The sale resulted in a gain of EUR 182 million.

In January 2008 ING completed the sale of its health business in Chile, ING Salud, to Said Group and Linzor Capital Partners, resulting in a gain on disposal of EUR 55 million.

For the years 2007 and 2006 as well as a description of on-going capital expenditures, see Note 29 of Note 2.1.4. to the 2007 Financial Statements and Note 28 of Note 2.1.4. to the 2006 Financial Statements.

Significant Subsidiaries

The significant operating subsidiaries in the Group as of the date hereof are listed below:

Unless otherwise stated our participating interest is 100%, or almost 100% COMPANIES TREATED AS PART OF THE INSURANCE OPERATIONS

	<u>Place of headquarters</u>
The Netherlands	
ING Verzekeringen N.V.	The Hague
ING Vastgoed V B.V.	The Hague
Nationale-Nederlanden Levensverzekering Maatschappij N.V.	Rotterdam
Nationale-Nederlanden Schadeverzekering Maatschappij N.V.	The Hague
Parcom Capital B.V.	Hilversum
ING Retail Levensverzekering N.V.	The Hague
ING Retail Schadeverzekering N.V.	The Hague
RVS Levensverzekering N.V.	Rotterdam
RVS Schadeverzekering N.V.	Ede
Movir N.V.	Nieuwegein

	<u>Place of headquarters</u>
Rest of Europe	
ING Zivotna Poistovna a.s	Bratislava, Slovakia
ING Nationale-Nederlanden Polska S.A.	Warsaw, Poland
ING Polska Powszechna Towarzystwo Emerytów S.A.	Warsaw, Poland
ING Asigurari de Viata S.A.	Bucharest, Romania
ING Greek Life Insurance Company S.A.	Athens, Greece
ING Greek General Insurance Company S.A.	Athens, Greece
ING Biztosító Zártkörűen Működő Részvénytársaság Rt	Budapest, Hungary
Nationale Nederlanden Vida, Compañía de Seguros y Reaseguros S.A.	Madrid, Spain
Nationale Nederlanden Generales, Compañía de Seguros y Reaseguros S.A.	Madrid, Spain
North America	
ING America Insurance Holdings, Inc.	Wilmington, Delaware, US
ING International Insurance Holdings, Inc.	Hartford, Connecticut, US
ING Life Insurance and Annuity Company	Hartford, Connecticut, US
ING North America Insurance Corporation	Atlanta, Georgia, US
Lion Connecticut Holdings Inc.	Hartford, Connecticut, US
ReliaStar Life Insurance Company	Minneapolis, Minnesota, US
ReliaStar Life Insurance Company of New York	Woodbury, New York, US
Security Life of Denver Insurance Company	Denver, Colorado, US
ING USA Annuity and Life Insurance Company	Des Moines, Iowa, US
Latin America	
ING Seguros de Vida S.A.	Santiago, Chile
AFP Capital S.A.	Santiago, Chile
ING Afore S.A. de C.V.	Mexico City, Mexico
Asia	
ING Life Insurance Company Limited (Japan).	Tokyo, Japan
ING Life Insurance Company (Korea) Limited	Seoul, South Korea
Australia	
ING Australia Holdings Limited	Sydney, Australia
ING Australia Pty Limited	Sydney, Australia
Reinsurance Company	
ING Re (Netherlands) N.V.	The Hague, the Netherlands

COMPANIES TREATED AS PART OF THE BANKING OPERATIONS

	<u>Place of headquarters</u>
The Netherlands	
ING Bank N.V.	Amsterdam
Bank Mendes Gans N.V.	Amsterdam
ING Lease Holding B.V.	Amsterdam
ING Corporate Investments B.V.	Amsterdam
ING Vastgoed Management Holding B.V.	The Hague
InterAdvies N.V.	Amsterdam
Nationale-Nederlanden Financiële Diensten B.V.	Amsterdam
ING Commercial Finance B.V.	Amsterdam
WestlandUtrecht Hypotheekbank N.V.	Amsterdam
Belgium	
ING België N.V.	Brussels

	<u>Place of headquarters</u>
Rest of Europe	
ING Bank Śląski S.A.	Katowice, Poland
ING Bank A.S.	Istanbul, Turkey
North America	
ING Financial Holdings Corporation	New York, NY, US
Latin America	
ING Middenbank Curaçao N.V.	Curaçao, Netherlands Antilles
Asia	
ING Vysya Bank Ltd.	Bangalore, India
Other	
ING Direct N.V.	Canada, Germany, Spain, Australia, France, US, Italy, UK

Significant Associates

Investments in associates

<u>2008</u>	<u>Interest held (%)</u>	<u>Fair value of listed investment</u>	<u>Balance sheet value</u>	<u>Total assets</u>	<u>Total liabilities</u>	<u>Total income</u>	<u>Total expenses</u>
TMB Public Company Limited.	30	171	443	12,247	11,246	812	589
ING Dutch Office Master Fund C.V. ...	16		219	1,624	258	63	75
ING Winkels Basisfonds	16		218	1,736	346	119	51
Sul America S.A.	36		168	557	91	2,663	2,348
ING Industrial Fund Australia	18	14	164	2,377	1,033	166	147
Property Fund Iberica.	30		157	1,835	1,301	(2)	96
Lionbrook Property Partnership	29		145	626	126	(283)	15
Lion Industrial Trust	10		133	2,898	1,528	98	207
Lion Properties Fund	5		125	4,135	1,757	313	771
ING Woningen Basisfonds	13		122	1,064	155	58	45
ING Real Estate Asia Retail Fund	28		121	850	412	57	72
Dutch Office Fund II	16		109	817	136	50	58
ING Retail Property Fund Australia	29		109	790	412	13	7
ING Vastgoed Kantoren C.V.	10		98	1,006	22	101	93
ING Vastgoed Winkels C.V.	10		88	898	22	83	22
Property Fund Central Europe	25		83	880	546	69	37
Retail Property Fund France Belgium (RPFFB)	15		79	1,602	1,075	71	57
Dutch Residential Fund II	13		74	602	51	62	127
ING Retail Property Partnership Southern Europe.	21		73	1,218	879	6	67
ING REI Investment DOF BV	4		71	2,679	383	197	212
ING European Infrastructure Fund	25		70	662	409		2
Lion Value Fund	22		68	442	139	7	56
ING Logistics Property Fund Europe ...	25		65	530	269	(5)	21
ING Re Nordic Property Fund	16		64	979	579	16	62
ING Property Fund Central and Eastern Europe.	20		55	791	519	32	60
ING Vastgoed Woningen C.V.	10		53	528	1	36	25
ING Re French Residential Fund	45		50	182	69	3	4
Other investments in associates ⁽¹⁾			1,131				
			<u>4,355</u>				

(1) "Other investments in associates" represents a large number of associates with a balance sheet value of less than EUR 50 million.

With respect to the entities in the table above, accumulated impairments of EUR 46 million (2007: EUR 29 million) have been recognized over 2008. For the above associates in which the interest held is below 20%, significant influence exists based on the combination of ING's financial interest for own risk and its role as investment manager. In addition, the values presented in the table above could differ from the values presented in the individual annual accounts of the associates, due to the fact that the individual values have been brought in line with ING's accounting principles. In general, the reporting dates of all material associates are consistent with the reporting date of the Group. However, for practical reasons, the reporting dates of certain associates differ slightly from the reporting date of the Group, but, in any case, the difference between the reporting date of the associates and that of the Group is no more than three months. Where the listed fair value is lower than the balance sheet value, an impairment review and an evaluation of the going concern basis has been performed.

Investments in associates

<u>2007</u>	<u>Interest held (%)</u>	<u>Fair value of listed investment</u>	<u>Balance sheet value</u>	<u>Total assets</u>	<u>Total liabilities</u>	<u>Total income</u>	<u>Total expenses</u>
TMB Public Company Limited	30	481	481	16,028	15,002	180	436
ING Dutch Office Master Fund C.V.	24		348	1,718	257	202	24
ING Winkels Basisfonds	24		333	1,617	209	192	22
ING Industrial Fund Australia	18	303	303	3,124	1,338	411	168
Lionbrook Property Partnership	28		295	1,243	176	(60)	27
ING Woningen Basisfonds	25		237	1,116	112	135	48
Q-Park N.V.	19		191	3,911	2,914	458	403
ING Real Estate Asia Retail Fund	46		189	791	399	29	2
Property Fund Iberica	30		185	1,959	1,331	313	188
ING Retail Property Fund Australia	29		150	958	399	179	100
Lion Properties Fund	5		147	4,502	1,666	660	155
Lion Industrial Trust	9		142	3,001	1,157	387	106
B.V. Petroleum Maatschappij 'Moeara Enim'	30		130	461		19	2
ING Re Nordic Property Fund	22		104	1,089	623	70	47
ING Vastgoed Kantoren C.V.	10		103	1,033	7	124	34
ING PF Britannica	20		93	864	402	(7)	42
Lion Value Fund	33		92	423	143	76	14
ING Vastgoed Winkels C.V.	10		86	870	8	130	19
ING Office Fund Australia	6	69	83	2,134	763	443	152
Retail Property Fund France Belgium (RPFFB)	15		81	1,597	1,069	304	189
ING Logistics Property Fund Europe	25		78	574	263	76	31
Property Fund Central Europe	25		73	649	358	119	41
ING Retail Property Partnership Southern Europe	23		66	1,150	857	111	78
ING Property Fund Central and Eastern Europe	23		66	761	478	40	39
ING Vastgoed Woningen C.V.	10		56	557	1	68	15
Other investments in associates			902				
			<u>5,014</u>				

Changes in Investments in associates:

	<u>2008</u>	<u>2007</u>
Opening balance	5,014	4,343
Additions	1,034	1,222
Changes in the composition of the group	46	934
Transfers to and from Investments	(154)	(438)
Revaluations	217	(155)
Share of results	(375)	765
Dividends received	(212)	(224)
Disposals	(972)	(1,296)
Impairments	(29)	(25)
Exchange rate differences	(214)	(112)
Closing balance	<u>4,355</u>	<u>5,014</u>

In 2008, share of results of EUR (375) million (2007: EUR 765 million) and impairments of EUR (29) million (2007: EUR (25) million) are presented in the profit and loss account in share of profit from associates for EUR (404) million (2007: EUR 740 million). We have included share of results of EUR (445) million and impairments of EUR (2) million in our share of profit from associates for the nine months ended 30 September 2009.

Independent Auditors

As at 31 December 2008, Ernst & Young was the appointed auditor of ING. Ernst & Young was responsible for auditing the financial statements of ING Groep N.V., ING Verzekeringen N.V. and ING Bank N.V. The external auditor, Ernst & Young, attended the meetings of the Audit Committee. Ernst & Young is located at Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands. The independent auditor who signed on behalf of Ernst & Young is member of the Royal Netherlands Institute of Registered Accountants (*Koninklijk Nederlands Instituut van Registeraccountants*).

At the annual General Meeting on 22 April 2008, Ernst & Young was appointed to audit the financial statements of ING Group for the financial years 2008 to 2011 inclusive, to report on the outcome of these audits to the Executive Board and the Supervisory Board and to provide an audit opinion on the financial statements of ING Group. Furthermore, Ernst & Young also audited and reported on the effectiveness of internal control over financial reporting as of 31 December 2007.

ING had two auditors, Ernst & Young and KPMG, since 1991, Ernst & Young for ING Group and ING Insurance and KPMG for ING Bank. It was reported in 2007 that the preference was for one auditor, for more efficient, faster operation, probably also at lower cost. The Audit Committee led an extensive selection procedure in 2007. Both audit firms made comprehensive proposals which were discussed at two meetings of the Audit Committee and in various internal meetings with senior management and directors of ING. Based on this, the Supervisory Board decided to propose Ernst & Young with effect from 2008.

After a maximum period of five years of performing the financial audit of ING Group, ING Verzekeringen N.V. or ING Bank N.V., the lead audit partners of the external audit firm and the audit partners responsible for reviewing the audits, have to be replaced by other partners of the respective external audit firm. The Audit Committee provides recommendations to the Supervisory Board regarding these replacements, among others, based on an annual evaluation of the provided services. In line with this requirement, the lead audit partner of Ernst & Young has been succeeded after the year-end audit 2006. The rotation of other partners involved with the audit of the financial statements of ING, are subject to applicable independence legislation.

The external auditor may be questioned at the annual General Meeting in relation to their audit opinion on the annual accounts. The external auditor will therefore attend and be entitled to address this meeting.

Ernst & Young may only provide audit and non audit services to ING Group and its subsidiaries with the permission of the Audit Committee. The Audit Committee has generally pre-approved certain types of audit, audit-related, tax and non-audit services to be provided by Ernst & Young on an annual basis. Services that have not been generally pre-approved by the Audit Committee should not be provided by the external auditor or should be specifically pre-approved by the Audit Committee after recommendation of local management.

The Audit Committee also sets the maximum annual amount that may be spent for pre-approved services. Throughout the year Ernst & Young and ING monitor the amounts paid versus the pre-approved amounts. The external auditor provides the Audit Committee with a full overview of all services provided to ING, including

related fees, supported by sufficiently detailed information. This overview is periodically evaluated by the Audit Committee during the year.

The auditors of ING have no interest in ING. The auditors have given, and have not withdrawn, their consent to the inclusion or incorporation by reference of their reports in this Prospectus in the form and context in which they are included.

Audit fees

Audit fees were paid for professional services rendered by the auditors for the audit of the Financial Statements of ING Group and statutory financial statements of ING's subsidiaries or services provided in connection with the review of Form 20-F and other filings for regulatory and supervisory purposes as well as the review of interim financial statements.

Audit-related fees

Audit-related fees were paid for assurance and related services that are reasonably related to the performance of the audit or review of the Financial Statements and are not reported under the audit fee item above. These services consisted primarily of IT audits, work performed relating to comfort letters issued in connection with prospectuses, reviews of SEC product filings and advice on accounting.

Tax fees

Tax fees were paid for tax compliance, tax advice and tax planning professional services. These services consisted of: tax compliance including the review of original and amended tax returns, assistance with questions regarding tax audits, the preparation of employee tax returns under ING's expatriate tax services program and tax planning and advisory services relating to common forms of domestic and international taxation (i.e., income tax, capital tax and value added tax).

All other fees

Fees disclosed in Note 45 of Note 2.1.5. to the 2008 Financial Statements under "all other fees" were paid for products and services other than the audit fees, audit-related fees and tax fees described above, and consisted primarily of non-recurring support and advisory services.

More details on ING's policy regarding external auditor's independence are available on the website of ING Group (www.ing.com).

Reference is made to Note 45 of Note 2.1.5. to the 2008 Financial Statements for audit, audit-related, tax and all other fees paid to the external auditors in 2007 and 2008.

Paying Agent

ING Bank N.V.

Significant or Material Adverse Change

As of the date hereof other than as set out under "Business — Recent Developments", "Business — Transactions with The Dutch State", "Business — Ratings" and "Risk Factors" relating to (1) the developments described in the second and third paragraphs of "Risks Related to the Group — Ongoing turbulence and volatility in the financial markets have adversely affected us, and may continue to do so" (except for the last sentence), (2) the developments described under "Risks Related to the Group — Current market conditions have increased the risk of loans being impaired. We are exposed to declining property values on the collateral supporting residential and commercial real estate lending" without giving effect to forward looking statements therein, and (3) the effects of the failure of DSB Bank N.V. described in "Risks Related to the Group — We may incur losses due to failures of banks falling under the scope of state compensation schemes", there has been no significant change in the financial or trading position of ING Groep N.V. and its consolidated subsidiaries since 30 September 2009.

19. STOCK EXCHANGE DATA

Share Price Information

Our outstanding bearer depositary receipts are traded in the form of ADS on the NYSE under the symbol “ING,” as bearer depositary receipts on the Euronext Amsterdam under the symbol “INGA”, and as bearer depositary receipts on the Euronext Brussels under the symbol “INGB”. Euronext Amsterdam is the principal trading market for our bearer depositary receipts. The table below sets forth the high and low closing prices and volumes of trading activity of the bearer depositary receipts on Euronext Amsterdam, and the ADSs on the NYSE, for the annual, quarterly and monthly periods, as applicable, from 2004 through 26 November 2009. The historical closing prices indicated below were obtained from Bloomberg L.P. and have been adjusted to reflect spin-offs, stock splits or consolidations, stock dividends or bonuses, and any rights offerings or entitlements.

Calendar period	Euronext Amsterdam Stock Exchange (EUR)		Trading volume in millions of BDRs	NYSE (USD)		Trading volume in millions of ADSs
	High	Low		High	Low	
2004						
First quarter	21.20	16.73	667.1	27.37	20.50	32.3
Second quarter	19.58	16.87	563.0	23.77	20.28	24.1
Third quarter	21.18	18.13	572.0	25.98	22.10	24.6
Fourth quarter	22.28	19.74	601.4	30.32	25.30	25.4
2005						
First quarter	23.96	21.75	499.6	31.69	28.18	25.1
Second quarter	23.37	20.99	509.4	30.21	26.94	28.1
Third quarter	25.12	23.18	565.3	30.99	28.02	25.5
Fourth quarter	29.75	23.45	556.8	35.40	28.16	34.4
2006						
First quarter	32.79	27.82	584.1	39.71	33.61	27.4
Second quarter	33.38	28.10	632.3	42.59	34.74	27.5
Third quarter	34.80	29.56	510.0	44.37	37.22	20.9
Fourth quarter	35.96	31.50	593.0	45.35	41.74	32.6
2007						
First quarter	34.69	29.91	754.1	45.78	40.04	32.3
Second quarter	34.50	31.68	773.4	47.18	42.43	38.8
Third quarter	33.23	28.35	862.1	45.67	38.49	50.5
Fourth quarter	32.45	24.38	877.3	45.99	36.41	56.1
2008						
First quarter	26.21	20.08	1,407.6	39.17	29.28	118.0
Second quarter	25.83	20.26	930.2	40.40	31.55	73.6
Third quarter	22.99	14.35	1,275.5	34.71	20.50	100.0
Fourth quarter	18.00	5.33	1,291.5	24.70	6.78	144.7
2009						
First quarter	8.58	2.50	1,210.7	11.36	3.03	129.8
Second quarter	8.40	4.51	1,191.4	11.50	5.94	111.0
Third quarter	12.20	6.39	1,040.9	17.83	9.05	103.8
June	8.00	6.68	293.1	11.05	9.39	27.6
July	9.00	6.39	331.4	12.94	9.05	27.1
August	10.72	9.62	351.4	15.36	12.68	35.6
September	12.20	9.75	358.0	17.83	13.75	41.1
October	12.56	8.54	607.8	18.85	12.45	66.0
Closing price on 25 November 2009 (ADSs) and November 26, 2009 (BDRs)	8.92			12.28		

Market Regulation

The market regulator in the Netherlands is the AFM, insofar as the supervision of market conduct is concerned. The AFM has supervisory powers with respect to the application of takeover regulations. Pursuant to the implementation of the Prospectus Directive in the Netherlands on 1 July 2005, the AFM is the competent authority for approving all prospectuses published for admission of securities to trading on Euronext Amsterdam (except for prospectuses approved in other EEA States that are used in the Netherlands in accordance with applicable passporting rules) and due to the implementation of the Market Abuse Directive (2003/6/EC) and related Commission Directives on 1 October 2005, the AFM has taken over from Euronext Amsterdam N.V. its supervisory powers with respect to publication of inside information by listed companies. The surveillance unit of Euronext Amsterdam N.V. will continue to monitor and supervise all trading operations.

20. TAXATION

The following summary does not purport to address all tax consequences of the offering, exercise and sale or other disposition of Rights, the acquisition, ownership and sale or other disposition of ING shares, or the acquisition, ownership and sale or other disposition of the New Shares, and does not take into account the specific circumstances of any particular investor. This summary is based on the tax laws, regulations and regulatory practices of the relevant jurisdictions discussed in this section as in effect on the date hereof, which are subject to change (or subject to changes in interpretation), possibly with retroactive effect.

Current and prospective shareholders are advised to consult their own tax advisers in light of their particular circumstances as to the applicable tax laws, regulations and regulatory practices that could be relevant for them in connection with the offering, exercise and sale or other disposition of Rights and the acquiring, owning and selling or other disposing of ING shares and receiving dividends and similar cash or in-kind distributions on ING shares (including dividends on liquidation proceeds and stock dividends) or other payments on ING shares and the consequences thereof under the tax laws, regulations and regulatory practices of the relevant jurisdiction.

Taxation in the Netherlands

General

The information set out below is a general summary of certain Dutch tax consequences in connection with the acquisition, ownership and transfer of New Shares and/or Rights and the exercise of Rights. The summary does not purport to be a comprehensive description of all the Dutch tax considerations that may be relevant for a particular holder of New Shares and/or Rights. Such holders may be subject to special tax treatment under any applicable law and this summary is not intended to be applicable in respect of all categories of holders of New Shares and/or Rights. The summary is based upon the tax laws of the Netherlands as in effect on the date of this Prospectus, including official regulations, rulings and decisions of the Netherlands and its taxing and other authorities available in printed form on or before such date and now in effect. These tax laws are subject to change, which could apply retroactively and could affect the continuing validity of this summary. As this is a general summary, we recommend investors and shareholders to consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, ownership and transfer of New Shares and/or Rights and the exercise of Rights, including, in particular, the application of their particular situations of the tax considerations discussed below.

The Company is of the opinion that the ultimate beneficial owners of the New BDRs and the New ADSs will be treated for Dutch tax purposes as the absolute beneficial owners of the New Ordinary Shares represented by the New BDRs and the New ADSs and any references to New Shares should be read accordingly. In addition, it is anticipated by the Company that the ultimate beneficial owners of the ADS Rights will be treated for Dutch tax purposes as the absolute beneficial owners of the Tradable Rights represented by the ADS Rights and any references to Rights should be read accordingly.

The following summary does not address the tax consequences arising in any jurisdiction other than the Netherlands in connection with the acquisition, ownership and transfer of New Shares and/or Rights and the exercise of Rights.

Dividend Withholding Tax

Dividends paid on New Shares to a holder of such New Shares are generally subject to withholding tax of 15% imposed by the Netherlands. Generally, the dividend withholding tax will not be borne by us, but will be withheld by us from the gross dividends paid on the New Shares. The term “dividends” for this purpose includes, but is not limited to:

- distributions in cash or in kind, deemed and constructive distributions, and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of shares or, generally, consideration for the repurchase of shares in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
- the nominal value of shares issued to a shareholder or an increase of the nominal value of shares, as the case may be, to the extent that it does not appear that a contribution to the capital recognized for Dutch dividend withholding tax purposes was made or will be made; and
- partial repayment of paid-in capital, recognized for Dutch dividend withholding tax purposes, if and to the extent that there are net profits (*zuivere winst*), within the meaning of the Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), unless the General Meeting has resolved in advance to make such a

repayment and provided that the nominal value of the shares concerned has been reduced by a corresponding amount by way of an amendment of our Articles of Association.

A holder of New Shares who is, or who is deemed to be, a resident of the Netherlands can generally credit the withholding tax against his Dutch income tax or Dutch corporate income tax liability and is generally entitled to a refund of dividend withholding taxes exceeding his aggregate Dutch income tax or Dutch corporate income tax liability, provided certain conditions are met, unless such holder of New Shares is not considered to be the beneficial owner of the dividends.

A holder of New Shares, who is the recipient of dividends (the “Recipient”) will not be considered the beneficial owner of the dividends for this purpose if:

- as a consequence of a combination of transactions, a person other than the Recipient wholly or partly benefits from the dividends;
- whereby such other person retains, directly or indirectly, an interest similar to that in the New Shares on which the dividends were paid; and
- that other person is entitled to a credit, reduction or refund of dividend withholding tax that is less than that of the Recipient (“**Dividend Stripping**”).

If dividends are distributed to a corporate holder of the New Shares that qualifies in respect of the New Shares for the participation exemption, as defined in the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*), and if such New Shares are attributable to an enterprise carried out in the Netherlands, such dividends are exempt from Dutch dividend withholding tax provided that the recipient of the dividends can be considered the beneficial owner of the dividends. In addition, subject to certain conditions, a legal entity resident in the Netherlands that is not subject to Dutch corporate income tax may request a refund of the tax withheld, provided it is the beneficial owner — as defined by the Dutch Dividend Withholding Tax Act 1965 — of the dividends.

With respect to a holder of New Shares, who is not and is not deemed to be a resident of the Netherlands for purposes of Dutch taxation (including, if he is an individual, a holder who opts to be taxed as a resident of the Netherlands for purposes of Dutch taxation) and who is considered to be a resident of the Netherlands Antilles or Aruba under the provisions of the Tax Arrangement for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), or who is considered to be a resident of a country other than the Netherlands under the provisions of a double taxation convention the Netherlands has concluded with such country, the following may apply. Such holder of New Shares may, depending on the terms of and subject to compliance with the procedures for claiming benefits under the Tax Arrangement for the Kingdom of the Netherlands or such double taxation convention, be eligible for a full or partial exemption from or a reduction or refund of Dutch dividend withholding tax.

In addition, subject to certain conditions and based on Dutch legislation implementing the Parent Subsidiary Directive (Directive 90/435/EEC, as amended) an exemption from Dutch dividend withholding tax will generally apply to dividends distributed to certain qualifying entities (that have a legal form mentioned in the annex to the Parent Subsidiary Directive and that are subject to a profit-based tax as mentioned in the relevant provision in the Parent-Subsidiary Directive — the “Legal Form Requirement” and “Subject to Tax Requirement”, respectively) that are residents in another EU Member State and that hold an interest of at least 5% of the nominal paid-in capital or, in relation to certain jurisdictions, of the voting power of the distributing entity. Furthermore, certain entities resident in an EU Member State and not subject to tax on their profits in such EU Member State might be entitled to obtain a full refund of Dutch dividend withholding tax provided they would not have been subject to Dutch corporate income tax had they been resident in the Netherlands. Following recent case law by the Court of Justice of the European Communities, a law proposal has been published on 15 September 2009, which is intended to be effective as per January 1, 2010 and which purports to make an exemption from or refund of Dutch dividend withholding tax also available to certain qualifying entities tax resident within the European Economic Area under the same conditions that apply to entities that are tax resident within the EU. In the same law proposal, it is proposed to abolish both the Legal Form Requirement and Subject to Tax Requirement for the above exemption. It should be noted that, notwithstanding the proposed abolishment of the Subject to Tax Requirement, the exemption of dividend withholding tax will remain inapplicable for cross border dividend payments to entities that perform a similar function to Dutch fiscal investment institutions and exempt investment institutions, as domestic dividend payments to these institutions will also not benefit from the exemption.

The concept of Dividend Stripping, described above, is applicable to determine whether a holder of New Shares may be eligible for a full or partial exemption from, reduction or refund of Dutch dividend withholding tax, as described in the preceding paragraphs.

Rights issued by the Company and payments in cash of the Excess Amount, if any, made by the Joint Global Coordinator(s) to holders of Rights that were not exercised at the end of the Rights Exercise Period, should not be subject to Dutch dividend withholding tax.

Taxes on Income and Capital Gains

General

The description of taxation set out in this section of this Prospectus is not intended for any holder of New Shares and/or Rights, who:

- is an individual and for whom the income or capital gains derived from New Shares and/or Rights are attributable to employment activities, the income from which is taxable in the Netherlands;
- holds a Substantial Interest, or a deemed Substantial Interest in us (as defined below);
- is an entity that is a resident or deemed to be a resident of the Netherlands and that, in whole or in part, is not subject to or is exempt from Dutch corporate income tax;
- is an entity for which the income and/or capital gains derived in respect of New Shares and/or Rights are exempt under the participation exemption (*deelnemingsvrijstelling*) as set out in the Dutch Corporate Income Tax Act 1969; or
- is a fiscal investment institution (*fiscale beleggingsinstelling*) or an exempt investment institution (*vrijgestelde beleggingsinstelling*) as defined in the Dutch Corporate Income Tax Act 1969.

Generally a holder of New Shares and/or Rights will have a substantial interest in us (a “Substantial Interest”) if he holds, alone or together with his partner (statutorily defined term), whether directly or indirectly, the ownership of, or certain other rights (including the New Shares) over, shares representing 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares) or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit and/or to 5% or more of our liquidation proceeds. A holder of New Shares and/or Rights will also have a Substantial Interest in us if one of certain relatives of that holder or of his partner has a Substantial Interest in us. If a holder of New Shares and/or Rights does not have a Substantial Interest, a deemed Substantial Interest will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognizing taxable gain.

Residents of the Netherlands

Individuals

An individual who is resident or deemed to be resident in the Netherlands, or who opts to be taxed as a resident of the Netherlands for purposes of Dutch taxation (a “Dutch Resident Individual”) and who holds New Shares and/or Rights is subject to Dutch income tax on income and/or capital gains derived from the New Shares and/or Rights at the progressive rate (up to 52%; rate for 2009) if:

- (i) the holder has an enterprise (*onderneming*) or an interest in an enterprise (whether pursuant to a co-entitlement to the net worth of such enterprise or otherwise) to which enterprise the New Shares and/or Rights are attributable; or
- (ii) the holder derives income or capital gains from the New Shares and/or Rights that are taxable as benefits from “miscellaneous activities” (*resultaat uit overige werkzaamheden*, as defined in the Dutch Income Tax Act 2001; *Wet inkomstenbelasting 2001*), which include the performance of activities with respect to the New Shares and/or Rights that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) applies to the holder of New Shares and/or Rights, taxable income with regard to the New Shares and/or Rights must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realized. At present, this deemed return on income from savings and investments has been fixed at a rate of 4% (rate for 2009) of the average of the individual’s yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual’s yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual’s yield basis is determined as the fair market value of certain qualifying assets held by the holder of the New Shares and/or Rights less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the New Shares and/or Rights will be included as an

asset in the individual's yield basis. The deemed return on income from savings and investments of 4% (rate for 2009) will be taxed at a rate of 30% (rate for 2009).

Entities

An entity that is resident or deemed to be resident in the Netherlands (a "Dutch Resident Entity") will generally be subject to Dutch corporate income tax with respect to income and capital gains derived from the New Shares and/or Rights. The Dutch corporate income tax rate is 20% for the first €200,000 of taxable income and 25.5% for taxable income exceeding €200,000 (rates applicable for 2009 and 2010).

Non-Residents of the Netherlands

A person that is not a Dutch Resident Individual or Dutch Resident Entity (a "Non-Dutch Resident") and that holds New Shares and/or Rights is generally not subject to Dutch income or corporate income tax (other than dividend withholding tax described above) on the income and capital gains derived from the New Shares and/or Rights, provided that:

- such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder) which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the New Shares and/or Rights are attributable or deemed attributable;
- in the case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the New Shares and/or Rights that are taxable as benefits from "miscellaneous activities" in the Netherlands (*resultaat uit overige werkzaamheden*, as defined the Dutch Income Tax Act 2001), which include the performance of activities with respect to the New Shares and/or Rights that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*); and
- such Non-Dutch Resident is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of such enterprise effectively managed in the Netherlands, other than by way of the holding of securities or, in the case of an individual, through an employment contract, to which enterprise the New Shares and/or Rights or payments in respect of the New Shares and/or Rights are attributable.

Gift, Estate or Inheritance Taxes

Residents of the Netherlands

Generally, gift, estate and inheritance tax will be due in the Netherlands in respect of the acquisition of the New Shares and/or Rights by way of a gift by, or on the death of, a holder who is a resident or deemed to be a resident of the Netherlands for the purposes of Dutch gift, estate and inheritance tax at the date of the gift or his or her death.

Non Residents of the Netherlands

No Dutch gift, estate or inheritance taxes will be levied on the transfer of New Shares and/or Rights by way of gift by or on the death of a holder, who is neither a resident nor is deemed — including based upon request — to be a resident of the Netherlands for the purpose of the relevant provisions ("Non-Dutch Resident for Purposes of Gift, Estate or Inheritance Tax"), unless:

- the transfer is construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; or
- the New Shares and/or Rights qualify as domestic assets (*binnenlandse bezittingen*) as defined in the Inheritance Tax Act 1956 (*Successiewet 1956*). New Shares and/or Rights will generally qualify as domestic assets (i) if they are attributable to an enterprise or part of an enterprise which is carried on through a permanent establishment or a permanent representative in the Netherlands, or (ii) if the holder of such New Shares and/or Rights is entitled to a share in the profits of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment contract, to which enterprise such New Shares and/or Rights are attributable.

For purposes of Dutch gift, estate and inheritance tax, an individual who is of Dutch nationality will be deemed to be a resident of the Netherlands if he has been resident in the Netherlands at any time during the 10 years preceding the date of the gift or his death. In addition, for purposes of Dutch gift tax, an individual will, regardless of his

nationality, be deemed to be resident of the Netherlands if he has been a resident in the Netherlands at any time during the 12 months preceding the date of the gift.

For purposes of Dutch gift, estate and inheritance tax, if an individual transfers the New Shares and/or Rights by way of a gift while he is not and is not deemed to be a resident of the Netherlands and dies within 180 days after the date of such gift, while being resident or deemed to be resident in the Netherlands, such New Shares and/or Rights are construed as an inheritance or bequest at the time of the death of such holder.

At present, a law proposal to amend the Inheritance Tax Act 1956, published on April 28, 2009 and intended to be effective as per January 1, 2010, is pending before Dutch parliament, which proposal intends to abolish the levy of Dutch gift, estate and inheritance tax in respect of domestic assets of Non-Dutch Residents for Purposes of Gift, Estate or Inheritance Tax. In addition, this law proposal contains an amendment to the effect that for purposes of the Inheritance Tax Act a gift that is completed after the death of an individual making such gift, will be construed as an inheritance or bequest at the time of the death of the giver.

Value-Added Tax

There is no Dutch value-added tax payable by a holder of New Shares and/or Rights in respect of payments in consideration for the Offer of the New Shares and/or Rights (other than value-added tax payable in respect of services not exempt from Dutch value-added tax).

Other Taxes and Duties

There is no Dutch registration tax, capital tax, customs duty, stamp duty or any other similar tax or duty other than court fees payable in the Netherlands by a holder of New Shares and/or Rights in respect of or in connection with the execution, delivery and enforcement by legal proceedings (including any foreign judgment in the courts of the Netherlands) of the New Shares and/or Rights.

Residence

A holder of New Shares and/or Rights will not become or be deemed to become a resident of the Netherlands solely by reason of holding these New Shares and/or Rights.

Taxation in Belgium

The following is a general summary of the Belgian federal tax treatment of the acquisition, ownership and disposal of bearer depositary receipts and/or Rights by an investor that purchases such bearer depositary receipts and/or Rights in connection with this Offering. The summary is based on Belgian tax laws, regulations and administrative interpretations in effect on the date of this Prospectus. Any changes in Belgian tax law, regulations and administrative interpretations, including changes that could have a retrospective effect may affect the validity of this summary.

The summary does not purport to be a comprehensive description of all the Belgian tax considerations that may be relevant for a particular holder of bearer depositary receipts and/or Rights, nor does it purport to address all tax consequences of the ownership and disposal of the bearer depositary receipts and/or Rights. It does not take into account the specific circumstances of particular investors, some of which may be subject to special rules, or the tax laws of any country other than Belgium. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, collective investment undertakings, dealers in securities or currencies, persons that hold, or will hold, bearer depositary receipts and/or Rights as a position in a straddle, share-repurchase transaction, conversion transaction, synthetic security or other integrated financial transaction. As this is a general summary, we recommend investors and shareholders to consult their own tax advisors as to the Belgian or other tax consequences of the acquisition, ownership and transfer of bearer depositary receipts and/or Rights, including, in particular, the application of their particular situations of the tax considerations discussed below and including the effect of any state, local or other national laws.

For the purposes of this summary, a Belgian resident is either an individual subject to Belgian personal income tax (i.e., an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident), a company subject to Belgian corporate income tax (i.e., a corporate entity that has its statutory seat, its main establishment, its administrative seat or seat of management in Belgium) or a legal entity subject to the Belgian income tax on legal entities (i.e., a legal entity other than a company subject to Belgian corporate income tax, that has its statutory seat, its main establishment, its administrative seat or seat of management in Belgium). A Belgian non-resident is any person that is not a Belgian resident.

General

For Belgian tax purposes, the bearer depositary receipts issued representing the New Ordinary Shares are identified with the corresponding New Ordinary Shares.

Dividends

General

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the bearer depositary receipts is generally treated as a dividend distribution. By way of exception, the repayment of capital carried out in accordance with the corporate law provisions as applicable to the Company pursuant to the *lex societatis* to which it is subject, is not treated as a dividend distribution to the extent that such repayment is imputed to fiscal capital. This fiscal capital includes, in principle, the actual paid-up statutory share capital and, subject to certain conditions, the paid issue premiums and the cash amounts subscribed to at the time of the issue of profit sharing certificates.

As to the Dutch taxation of dividends received by Belgian residents, reference is made to the above section on Dutch dividend taxation.

Save where an exemption applies, dividends distributed by the Company are subject to Belgian dividend withholding tax if the dividends are paid or attributed through a professional intermediary (e.g., a bank) in Belgium. The withholding tax is due on the gross dividend after deduction of the Dutch source tax, if any.

The Belgian dividend withholding tax is normally levied at the rate of 25%, subject to such relief as may be available under applicable domestic or tax treaty provisions. Under certain circumstances, the 25% rate is reduced to 15% for certain qualifying shares (VVPR shares).

In the case of a repurchase of own shares, the repurchase distribution (after deduction of the part of the paid-up fiscal capital represented by the redeemed shares) will be treated as a dividend which may be subject to Belgian withholding tax at the rate of 10%. No withholding tax will be due if this repurchase is carried out on a stock exchange and meets certain conditions. In the event of liquidation of the Company, a withholding tax of 10% will be levied on any distributed amount exceeding the paid-up fiscal capital.

Belgian resident individuals

For Belgian resident individuals, the Belgian withholding tax generally constitutes the final tax in Belgium on dividend income and the dividend need not be reported in the annual income tax return.

If a Belgian resident individual nevertheless elects to report the dividend income in his or her personal income tax return, this income will be taxed at the separate rate of 25% (or 15% for VVPR shares) or at the progressive personal income tax rates applicable to the taxpayer's overall declared income, whichever rate is lower. In both cases, the amount of income tax to be paid will be increased by local surcharges. If the dividends are reported, the Belgian withholding tax paid can be credited against the final income tax liability of the investor and may also be refunded to the extent that it exceeds the final income tax liability, provided that the dividend distribution does not result in a reduction in value of, or capital loss on, the shares. This condition is not applicable if the Belgian individual can demonstrate that he has had full ownership of the shares during an uninterrupted period of twelve months prior to the attribution of the dividends.

Belgian resident companies

For Belgian resident companies, the gross dividend income must be reported and included in the taxable base which is subject to corporate income tax at the ordinary tax rate of 33.99%, unless the reduced corporate income tax rates for SMEs apply.

No Belgian withholding tax will be due on dividends paid to a resident company provided certain identification requirements are met.

Any Belgian dividend withholding tax levied at source may be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the corporate income tax due, provided a number of conditions are met.

Belgian resident companies can generally deduct up to 95% of the reported gross dividend (although subject to certain limitations) from the taxable base ("dividend received deduction"), provided that a number of conditions are met.

Other taxable legal entities

For taxpayers subject to the Belgian income tax on legal entities, the Belgian dividend withholding tax, in principle, fully discharges its income tax liability.

Capital gains and losses

Belgian resident individuals

Belgian resident individuals acquiring the bearer depositary receipts and/or Rights as a private investment should generally (i.e. in the absence of abnormal or speculative behavior) not be subject to Belgian capital gains tax on the disposal of the bearer depositary receipts and/or Rights and capital losses are not tax deductible.

Companies

Belgian resident companies are normally not subject to Belgian capital gains taxation on gains realized upon the disposal of the bearer depositary receipts provided that the distributing company meets a ‘subject to normal taxation-condition’.

Capital gains on Rights are taxable at the ordinary corporate income tax rate or, as the case may be, at the reduced rates for SMEs.

Other taxable legal entities

Belgian resident legal entities subject to the legal entities income tax are, in principle, not subject to Belgian capital gains taxation on the disposal of the bearer depositary receipts and/or Rights. Capital losses on bearer depositary receipts and/or Rights incurred by Belgian resident legal entities are not tax deductible.

Tax on stock exchange transactions

Upon the issue of bearer depositary receipts and/or Rights (primary market), no tax on stock exchange transactions is due.

The purchase and the sale and any other acquisition or transfer for consideration of bearer depositary receipts and/or Rights (secondary market) through a professional intermediary in Belgium is subject to the tax on stock exchange transactions of 0.17% of the purchase price, capped at EUR 500 per transaction and per party.

Exemptions are available for certain professional intermediaries, insurance companies, professional retirement institutions, and collective investment institutions provided that they are acting for their own account.

Certain Tax Considerations in Other Selected Jurisdictions

Below is a summary of certain tax issues in other selected jurisdictions related to the Offering. The summary is intended to provide general information only concerning withholding tax (unless otherwise explicitly stated) relating to dividends on ING shares and is not a complete description of all potential tax consequences. Further, the summary is based on current legislation. The legislation is subject to changes, possibly on a retroactive basis. Each holder of ING shares and holder of Rights is advised to consult an independent tax advisor as to the tax consequences relating to the holder's particular circumstances that could arise from the Offering, including the applicability and effect of foreign income tax legislation (including regulations) and provisions in tax treaties for the avoidance of double taxation.

Certain tax considerations in Luxembourg

General

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of bearer depositary receipts and/or Rights. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell bearer depositary receipts and/or Rights. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective purchasers of bearer depositary receipts and/or Rights should consult their own tax advisers as to the applicable tax consequences of the ownership of bearer depositary receipts and/or Rights, based on their particular circumstances. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of the Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

Withholding Tax

Dividend payments made to holders of bearer depositary receipts and/or Rights by a non-resident company, such as the Company, as well as liquidation proceeds and capital gains derived therefrom are not subject to a withholding tax in Luxembourg.

Other Taxes

Please be aware that other taxes may apply in Luxembourg as a consequence of the holding, transferring or selling of bearer depositary receipts and/or Rights. In particular, Luxembourg residents as well as non-residents may be subject to Luxembourg income tax which encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds de l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Corporate holders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Certain tax considerations in France

All dividends on New Shares can be paid by the issuer (acting out of its head office or one of its non-French branches) without any requirement to withhold any amount at source for or on account of any French taxes of whatsoever nature imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein, in accordance with the applicable French law, subject to the possibility for French tax resident individuals holding the New Shares as part of their private assets to exercise an option, conditional on compliance with certain formalities, for the dividends received under the New Shares to be subject to a final lump sum tax (*prélèvement libératoire*) at the rate of 18%, the CSG of 8.2%, the *prélèvement social* of 2% and its *contributions additionnelles au prélèvement social* of 1.4% and the CRDS of 0.5%, resulting in a global tax rate of 30.1%.

Certain tax considerations in Germany

The following is a summary of certain material German tax consequences of purchasing, owning and disposing of bearer depositary receipts and/or Rights. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell bearer depositary receipts and/or Rights. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it construed to be, legal or tax advice. Prospective purchasers of bearer depositary receipts and/or Rights should consult their own tax advisers as to the applicable tax consequences of the ownership of bearer depositary receipts and/or Rights, based on their particular circumstances.

Taxation of Dividends in Germany

Individual investors

Dividends received by a German resident individual from depositary receipts representing shares of a corporation (whether located in Germany or not) and conveying rights to their holders similar to those from ordinary shares are subject to a 25% flat income tax rate (plus 5.5% solidarity surcharge thereof, *i.e.*, in total 26.375%) pursuant to the German Income Tax Act (*Einkommensteuergesetz*), provided, however, that the depositary receipts are held as private assets (*Privatvermögen*). In case of dividends of a foreign company, the entity (which might be a German bank, a German branch of a foreign bank, a German depositary bank etc.) that (i) pays out the dividends to the investor resident in Germany and (ii) that is located in Germany, instead of the foreign corporation, has to withhold the flat income tax. In such a case, this entity would have to deduct 25% withholding tax (plus 5.5% solidarity surcharge thereof, *i.e.*, in total 26.375%).

The German dividend withholding tax generally would be a final tax, *i.e.*, the withholding tax fully covers all personal income tax on such dividend income (*Endbesteuerung*). Also, the deduction of income-related expenses (*Werbungskosten*) would be limited to a lump-sum for savings (*Sparer-Pauschbetrag*).

In the absence of a German entity paying out the dividends, the investor would have to declare the dividend income in his income tax return with a generally applicable special flat income tax rate of 25% (plus 5.5% solidarity surcharge thereof, *i.e.*, in total 26.375%). Further, the investor may in certain cases also alternatively apply for a regular tax assessment (*Steuerveranlagung*).

If the depositary receipts are held as business assets (*Betriebsvermögen*), the flat income tax does not apply. Instead, dividends are generally taxed according to the partial income method. Also, the partial income method applies to depositary receipts, which are held as business assets of partnerships to the extent that individual investors are partners in the partnership.

Corporate Investors

In case the resident recipient of the dividends which are paid on the depositary receipts is itself a corporation, 95% of the dividends are generally exempt from corporate income tax and the solidarity surcharge (subject to exceptions for certain companies, such as credit institutions, financial services companies etc.). No minimum level of participation in the distributing entity or a minimum holding period of the depositary receipts need to be observed. However, 5% of the dividends are treated as taxable income of the corporation.

Double Taxation Convention

Under the provisions of the existing double taxation convention between Germany and the Netherlands, taxes which were withheld in the Netherlands may (all or in part) be credited against German tax liability or refunded.

Certain tax considerations in Spain

The following is a summary of the main Spanish income taxes that could apply on income deriving from the New Shares. Due to the summarized character of this section, investors in the New Shares are therefore urged to consult with their tax advisors on the exact Spanish tax treatment of their investments in the light of their specific circumstances.

According to article 13 of the Spanish Non Resident Income Tax Law (Royal Legislative Decree 5/2004, of March 5) dividend distributions made by ING Groep N.V., a company incorporated under the laws of the Netherlands, to a Spanish non-resident investor in respect of the New Shares would not be subject to withholding taxes in Spain.

With respect to Spanish resident investors, both Spanish resident companies and individuals are taxed in Spain on a worldwide basis. Therefore, Spanish resident companies or individuals receiving income from the New Shares would be taxed respectively by Spanish Corporate Income Tax (Royal Legislative Decree 4/2004, of March 5) or Personal Income Tax (Act 35/2006, of November 28) and subject to their systems of tax prepayment on account.

Certain tax considerations in the United Kingdom

Withholding Tax

Under current UK tax law, dividends on the New Shares can be paid without any requirement to withhold any amount at source for or on account of UK tax.

21. THE OFFERING

General

The Offering relates to a total of 1,768,412,544 New Ordinary Shares and an equal number of New BDRs and consists of the Rights Offering and the Global Offering. The Rights Offering will be made by way of (1) public offerings in the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland and the United Kingdom, in reliance on Regulation S under the Securities Act, (2) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (3) a public offering in the United States under the Securities Act. The Global Offering will be made by way of (1) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (2) a public offering in the United States under the Securities Act. In the Rights Offering, the Rights will be allocated by the Company to holders of Existing Shares (other than the Trust), with one Right being allocated per Existing Share held at the Record Date. The total amount of the Offering will be approximately EUR 7.5 billion. The exercise of 7 Tradable Rights entitles the exercising holder to subscribe for 6 New BDRs against payment of the Subscription Price of EUR 4.24 per New BDR. New BDRs for which Rights have not been validly exercised during the applicable Rights Exercise Period (*i.e.*, the Rump Shares) may be sold by the Joint Global Coordinators and Joint Bookrunners, acting on behalf of the Underwriters, in their sole discretion in the Global Offering and/or in open market transactions.

If you are a holder of ADSs or a resident in the US, please see the US prospectus supplement and related prospectus pursuant to which the Rights Offering will be made in the United States. Holders of ADSs will receive non-transferable rights to subscribe for New ADSs (the “ADS Rights Offering”). The Prospectus for the Offering in the US was filed with the SEC on 27 November 2009 and describes the terms of the ADS Rights Offering.

The Offering of the New Shares is based on the Underwriting Agreement.

Timetable

We may adjust the dates, times and periods set out in the timetable and throughout this Prospectus. If we should decide to adjust the dates, times and/or periods, we will notify Euronext Amsterdam N.V. and the AFM and issue a press release accordingly.

Subject to acceleration or extension of the timetable for the Offering, the timetable is envisaged as follows:

26 November 2009	Approval of the Prospectus by the AFM
27 November 2009	Notice published via press release and on the Company’s website regarding the publication of the Prospectus
27 November 2009	Publication of the Rights Offering via press release and on the Company’s website
27 November 2009	Record Date for ING shares receiving Tradable Rights (after close of business)
27 November 2009	Book entry of the Rights of the shareholders based on their holdings as of the Record Date (before start of trading in Tradable Rights)
30 November 2009	Ex-right trading of Existing BDRs and of Existing IDRs
30 November 2009	Commencement of the Rights Exercise Periods
15 December 2009	End of the Rights Trading Period for Tradable Rights (including Tradable IDR Rights) (1:15 p.m. Amsterdam time)
15 December 2009	End of the Rights Exercise Period for holders of Tradable Rights (including Tradable IDR Rights) (3:00 p.m. Amsterdam time)
On or about 16 December 2009	Placement of Rump Shares, if any, in the Global Offering
16 December 2009	Publication of Global Offering Price, if applicable
21 December 2009	Listing of New BDRs on Euronext Amsterdam, Euronext Brussels and (in ADS form) the NYSE

21 December 2009	First day of trading of the New BDRs on Euronext Amsterdam, Euronext Brussels and (in ADS form) the NYSE
21 December 2009	Closing Date: Payment for and delivery of the subscribed New BDRs (and the New Ordinary Shares) against payment of the Subscription Price into collective custody

The last date and/or time before which notification of exercise instructions may be validly given by you may be earlier than the date and/or time specified above as the end of the relevant Rights Exercise Period, depending on the financial intermediary through which your Rights are held.

Offered Shares

The New BDRs will be 1,768,412,544 bearer depositary receipts representing an equal number of New Ordinary Shares, which are ordinary shares of ING Groep N.V. with a par value of EUR 0.24 each. The New Ordinary Shares will be fully fungible and rank *pari passu* in all respects with the other Existing Ordinary Shares. See “Information Relating to ING Shares and Applicable Legal Provisions”.

The New Shares will represent approximately 46.2% of the total issued share capital of the Company immediately after completion of the Offering.

The statutory pre-emptive rights (*wettelijke voorkeursrechten*) in respect of the Offering have been excluded for the purpose of the Offering. Both the New Shares and the Tradable Rights will be created and issued under Dutch law. The Tradable IDR Rights will be created and issued under Belgian law.

Subscription Price and Global Offering Price

The Subscription Price will be EUR 4.24 per New BDR. The Subscription Price was established on 26 November 2009, together with the subscription ratio. On 26 November 2009, the closing price of the ING shares was EUR 8.92 per share on Euronext Amsterdam and Euronext Brussels and on 25 November 2009 the closing price of Existing ADSs was USD 12.28 per ADS on the NYSE. The Subscription Price is to be paid to the Company on the Closing Date, which is expected to be on or about 21 December 2009.

In the case of a Global Offering, the Global Offering Price is expected to be determined following an institutional bookbuilding procedure commencing on or about 16 December 2009 and is expected to be published on or about 16 December 2009.

In any event, including in the case of a Global Offering, the issue price for the New Shares will be the Subscription Price and as described under “— Excess Amount” below, the Company will not be entitled to receive any part of the Excess Amount, if any.

Allocation of Rights

On 30 November 2009, before commencement of trading of the Existing Shares on Euronext Amsterdam, holders of Existing Shares (other than the Trust) will be granted by the Company one Tradable Right per Existing Share held as of the Record Date (*i.e.*, 27 November 2009 after close of business). 7 Tradable Rights will grant the holder thereof the right to subscribe for 6 New BDRs at the Subscription Price of EUR 4.24 per New BDR. For holders of IDRs, the Tradable Rights will be represented by coupon number 24 attached to the IDRs.

Tradable Rights will be allotted to holders of Existing Shares (other than the Trust) as follows:

- *Existing BDRs held in the Euroclear system through custody accounts with custodian banks or brokers:* Every Existing Share will be allocated one Tradable Right on the first day of the Rights Exercise Period before start of trading in Tradable Rights. Allocation and notification to holders of Existing Shares will be made by their respective custodian bank or broker.
- *Existing IDRs held in bearer form or held in the Euroclear system through custody accounts with custodian banks or brokers:* Every Existing IDR, will be allocated one Tradable Right on the first day of the Rights Exercise Period before start of trading in Tradable Rights which will be evidenced by Tradable IDR Rights. The Tradable IDR Rights will be separated from the IDRs. Holders of Existing IDRs are advised to instruct ING Belgium S.A. (Avenue Marnix 24, 1000 Brussels, Belgium, Tel: +32 2 547 21 11) either directly or through their bank or securities broker regarding the exercise, sale or purchase of Tradable IDR Rights.
- *Ordinary shares held in registered form:* Each ordinary share (except the ordinary shares held by the Trust) registered in the Company’s shareholders’ register will be allocated one Tradable Right on the first day of the

Rights Trading Period before start of trading in Tradable Rights. The Company will send you a letter informing you of the number of Tradable Rights allocated to you and of the procedures you must follow to exercise or trade your Tradable Rights. You can also contact the Company at ING Wholesale Banking Securities Services, Location BV 07.18 Van Heenvlietlaan 220 1083CN Amsterdam, The Netherlands, or by telephone at +31 20 797 9389 if you have any questions.

Existing Shares held in Treasury

As of 31 October 2009, the Company directly or indirectly held a total of 35,041,271 Existing Shares. Such shares are held, inter alia, to hedge awards granted under employee equity compensation plans, including employee options. Additionally, ING shares are used for market making and hedging purposes. Existing Shares held in treasury will be allocated Tradable Rights in the Rights Offering. The Company will sell the Tradable Rights allocated to such shares.

Trading and Sale of Rights

From 30 November 2009, the Existing BDRs will be traded on Euronext Amsterdam and Euronext Brussels, and the Existing IDRs will be traded on Euronext Brussels, “ex subscription right”, at which time the Tradable Rights will start trading on Euronext Amsterdam and Euronext Brussels.

In connection with the Offering of the New Shares, the Tradable Rights (other than the Tradable IDR Rights) (ISIN NL0009307941) will be traded on Euronext Amsterdam and Euronext Brussels during the period from 30 November 2009 (inclusive) to 15 December 2009 (inclusive). The Tradable IDR Rights (ISIN NL0009307941) will be traded on Euronext Brussels during the period from 30 November 2009 (inclusive) to 15 December 2009 (inclusive). Trades in the Tradable Rights on Euronext Amsterdam and Euronext Brussels are expected to be settled three trading days after execution (T+3).

During the period during which Tradable Rights are to be traded, shareholders who hold their ING shares in the Euroclear system will have the opportunity (but are under no obligation) to trade their Tradable Rights and, accordingly, may instruct their custodian bank or broker to sell part or all of their Tradable Rights or buy additional Tradable Rights on Euronext Amsterdam or Euronext Brussels. The ADS Rights are not transferable and will not be admitted to trading on the NYSE or any other exchange.

The Underwriters may take suitable measures in order to create the liquidity required for orderly trading in the Tradable Rights, such as buying and selling Tradable Rights. In so doing, the Underwriters reserve the right to carry out hedging transactions in ING shares or corresponding derivatives. See “— Market-making and other trading activities”.

Exercise of Rights

In accordance with the subscription rights ratio of 7:6, the exercise of 7 Tradable Rights entitles the exercising holder to subscribe for 6 New BDRs against payment of the Subscription Price.

In order to avoid being excluded from being exercised, Rights must be validly exercised vis-à-vis the Company during the applicable Rights Exercise Period. The Rights Exercise Period for Tradable Rights will run from 30 November 2009 to 3:00 p.m. (Amsterdam time) on 15 December 2009.

The exercise of Rights is irrevocable and may not be withdrawn, cancelled or modified, unless in respect of Tradable Rights (including Tradable IDR Rights) a supplement to this Prospectus within the meaning of Section 5:23 of the Dutch Financial Supervision Act is published, in which case you may withdraw the exercise of your Tradable Rights within two business days after the publication of such supplement in a manner as set out under “— Publication” below.

Tradable Rights (including Tradable IDR Rights) may only be exercised in multiples of 7. The instructions for exercising Tradable Rights are as follows:

- *Existing BDRs held in the Euroclear system through custody accounts with custodian banks or brokers:* Instructions for exercising Tradable Rights need to be directed to the respective custodian bank or broker, as the case may be, within the time period set by such custodian bank or broker and will be subject to the shareholder’s respective arrangements with it. Shareholders are asked to follow the instructions of their custodian bank or broker. In the event that shareholders have not been so informed by the start of the Rights Exercise Period, they should contact their custodian bank or broker. Tradable Rights not exercised as described above, including Tradable Rights in excess of the nearest integral multiple of the subscription ratio, will continue to be reflected

in the securities account of each holder of unexercised Tradable Rights solely for the purpose of the payment of the Excess Amount (as defined below), if any.

- *Existing IDRs held in bearer form:* Shareholders holding Existing IDRs can participate in the Offering by submitting their Tradable IDR Rights, represented by physical coupon number 24, at the counters of the financial institution of their choice in Belgium. For the purpose of the acceptance of such physical coupons, holders of Existing IDRs submitting such coupons at the counters of a financial institution may be requested to open a current account and/or a securities account if such an account has not already been opened. Holders of Existing IDRs are advised to request details of the possible costs that will be charged to them by the financial institution of their choice in respect of the opening of such current and/or securities account and the operation thereof. The Existing IDR holders need to direct their instructions for exercising Tradable IDR Rights to the respective custodian bank or broker, as the case may be, within the time period set by such custodian bank or broker and will be subject to the shareholder's respective arrangements with it. Shareholders are asked to follow the instructions of their custodian bank or broker. In the event that shareholders have not been so informed by the start of the Rights Exercise Period, they should contact their custodian bank or broker. Thereupon, the custodian bank or broker shall order ING Belgium S.A. (Avenue Marnix 24, 1000 Brussels, Belgium, Tel: +32 2 547 21 11) to exercise the Tradable IDR Rights within the Rights Exercise Period for Tradable Rights. Tradable IDR Rights not exercised as described above, will be deemed to have not been exercised. Tradable IDR Rights in excess of the nearest integral multiple of the subscription ratio will continue to be reflected in the securities account of each holder of unexercised Tradable Rights solely for the purpose of the payment of the Excess Amount (as defined below), if any.
- *Ordinary shares held in registered form:* Instructions for exercising Tradable Rights need to be directed to the respective custodian bank or broker, as the case may be, within the time period set by such custodian bank or broker and will be subject to the shareholder's respective arrangements with it. Shareholders are asked to follow the instructions of their custodian bank or broker. In the event that shareholders have not been so informed by the start of the Rights Exercise Period, they should contact the Company. Tradable Rights not exercised as described above, including Tradable Rights in excess of the nearest integral multiple of the subscription ratio, will continue to be reflected in the securities account of each holder of unexercised Tradable Rights solely for the purpose of the payment of the Excess Amount (as defined below), if any.

ING Bank N.V. is acting as principal subscription agent.

ING Bank N.V. reserves the right to treat as invalid any acceptance or purported exercise of Rights or acceptance of the offer of New Shares which appears to ING Bank N.V. or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or if ING Bank N.V. or its agents believe that the same may violate applicable legal or regulatory requirements.

Persons wishing to exercise statutory withdrawal rights in respect of Tradable Rights following the issuance by ING Groep N.V. of a prospectus supplementing this Prospectus within the meaning of Section 5:23 of the Dutch Financial Supervision Act, if any, must do so by lodging a written notice of withdrawal (which shall not include a notice sent by facsimile or any other form of electronic communication) with its depositary bank for immediate transmittal to ING Groep N.V. so as to be received by ING Groep N.V. no later than two business days after the date on which the prospectus supplement is published. Notices of withdrawal given by any other means or which are deposited with or received by ING Groep N.V. after the expiry of such period will not constitute a valid withdrawal.

After the Rights Exercise Periods have ended, we will announce the results of the Rights Offering and the commencement of the Global Offering, if any, by means of a press release. Such announcement is currently intended to take place on 16 December 2009. After the Global Offering has ended, and the placement of Rump Shares, if any, has taken place, we will announce the results of the Global Offering by means of a press release, including the aggregate number of Rump Shares validly subscribed and paid for, and any Excess Amount to be distributed. Such announcement is currently intended to take place on 16 December 2009.

Unexercised Rights and the Global Offering

Rights can no longer be exercised after the expiration of the applicable Rights Exercise Period. At that time, any unexercised Rights will continue to be reflected in your securities amount solely for the purpose of the distribution of the Excess Amount, if any. New BDRs for which Rights have not been validly exercised during the applicable Rights Exercise Period (*i.e.*, the Rump Shares) may be sold by the Joint Global Coordinators and Joint Bookrunners, acting on behalf of the Underwriters, in their sole discretion, in the Global Offering by way of (1) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (2) a public offering in the United States under the Securities Act.

Excess Amount

Upon the completion of the Offering, if the aggregate proceeds for the Rump Shares offered and sold in the Global Offering, after deduction of selling expenses (including any value added tax) exceed the aggregate Subscription Price for such Rump Shares, this Excess Amount will be paid in the following manner:

Each holder of a Tradable Right that was not exercised at the end of the Rights Exercise Period will be entitled to receive a part of the Excess Amount in cash proportional to the number of unexercised Tradable Rights reflected in such holder's securities account, but only if that amount exceeds €0.01 per unexercised Tradable Right. Payments will be made following the withholding of any applicable taxes.

If it has been announced that an Excess Amount is available for payment to holders of unexercised Tradable Rights and you have not received payment thereof within a reasonable time following the closing of the Global Offering, you should contact the financial intermediary through which you hold unexercised Rights.

The holders of unexercised Tradable IDR Rights, shall receive payment of their proportionate amount of the Excess Amount, if any, upon deposit of dividend coupon number 24 attached to the IDRs with ING Belgium S.A. (Avenue Marnix 24, 1000 Brussels, Belgium, Tel: +32 2 547 21 11) as the case may be through their own custodian bank or broker within a period of two business days following the Global Offering.

We cannot guarantee that the Global Offering will be successfully completed. None of us, the Joint Global Coordinators and Joint Bookrunners, the Underwriters, the Subscription Agent or any person procuring subscriptions for Rump Shares will be responsible for any lack of Excess Amount arising from any placement of the Rump Shares in the Global Offering. The Excess Amount, if any, will only be available if the Rump Shares are placed within two business days of the end of the Rights Exercise Periods.

ING Group will not be entitled to receive any part of the Excess Amount.

Payment, Delivery, Clearing and Settlement of the New BDRs

The New BDRs have been accepted for clearance through Euroclear Netherlands, Clearstream and Euroclear. Delivery of the New BDRs against payment of the Subscription Price or the Global Offering Price, as the case may be, is expected to take place on or about 21 December 2009, or on such other date as ING Groep N.V. may determine. Delivery of the New BDRs against payment will take place through the book-entry systems of Euroclear Netherlands, Euroclear and Clearstream Luxembourg.

The IDR Holders that exercised their Tradable IDR Rights, shall directly receive New BDRs that shall be delivered against payment through the book-entry system of Euroclear.

Voting Rights

The New Ordinary Shares will carry the same voting rights as the Existing Ordinary Shares.

The New BDRs will carry the same entitlement to a voting proxy as the Existing BDRs, see "Information Relating to ING Shares and Applicable Legal Provisions — the Trust".

Distributions

The New Ordinary Shares underlying the New BDRs will be fully fungible and rank *pari passu* with the Existing Ordinary Shares. As such, they will be entitled to any distributions declared after the closing of the Offering.

Dilution

We expect to issue 1,768,412,544 New Ordinary Shares (and an equal number of New BDRs) pursuant to the Offering. A holder of Rights that has not exercised such Rights at the end of the applicable Rights Exercise Period will experience dilution of approximately 46.2% to its interest in the Company as a result of the issue of the New Shares pursuant to the Offering. A holder who exercises the total number of Rights granted to it with respect to the New Shares and, accordingly, subscribes to the number of New Shares offered to it in the Offering, will not experience dilution to its interest in the Company as a result of the Offering upon its completion.

Lock-Up

The Company has agreed with the Underwriters that, except for the issue of ING shares in the Offering, for a period ending 90 days after the Closing Date, it will not directly or indirectly issue, sell, offer or otherwise dispose of any ING shares or other securities convertible or exchangeable into ING shares or representing rights to subscribe for

ING shares or enter into a transaction with similar economic effect, subject to certain exceptions including (1) the issuance by the Company of bearer depositary receipts or ordinary shares upon the exercise of an option, right, warrant or the conversion of a security outstanding on the date of the Underwriting Agreement, (2) transactions by any person other than the Company relating to bearer depositary receipts or ordinary shares of ING Groep N.V. or other securities acquired in open market transactions after the completion of the offering of the New Shares to be sold in the Offering, (3) sales of treasury shares (or derivative transactions directly related thereto) carried out in a manner consistent with the Company's normal treasury activity, (4) market making, hedging, brokerage and asset management activities in the ordinary course of trading, and (5) hedging by the Company of its exposures under existing employee option and long-term incentive programs.

Stock Exchange Listing, ISINs, Common Codes, Ticker Symbols

Applications have been or will be made for listing the New BDRs on Euronext Amsterdam and Euronext Brussels and for listing of the New ADSs representing the New BDRs on the NYSE. The listings are expected to become effective on 21 December 2009. The first trading day for the New BDRs is scheduled to be 21 December 2009. Upon commencement of trading, the New BDRs will be included in the existing listing of ING shares and the New ADSs will be included in the existing listing of ADSs. All dealings in Rights and New Shares are at the sole risk of the parties concerned. Euronext Amsterdam N.V., the Company, the Joint Global Coordinators and Joint Bookrunners, the Underwriters, the Listing Agent and the Subscription Agent do not accept any responsibility or liability by any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions in Rights or New Shares.

The securities identification numbers for the Tradable Rights and the New BDRs are as follows:

International Securities Identification

Numbers (ISIN):	Existing BDRs: NL0000303600 (Euronext Amsterdam and Euronext Brussels)
	Existing IDRs: BE0004523610 (Euronext Brussels)
	Existing ADSs: US4568371037 (NYSE)
	Tradable Rights: NL0009307941 (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights: BE0970110137 (Euronext Brussels)
CUSIPs:	Existing BDRs: N4578E413 (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs: 456837103 (NYSE)
SEDOL:	Existing BDRs: 7154182 (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs: 2452643 (NYSE)
	Existing IDRs: 7154171 (Euronext Brussels)
Common Code:	Existing BDRs: 013208344 (Euronext Amsterdam and Euronext Brussels)
	Existing IDRs: 08270805 (Euronext Brussels)
	Existing ADSs: 010377293 (NYSE)
	Tradable Rights: 047074070 (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights: 047103258 (Euronext Brussels)
Ticker Symbols:	Existing BDRs: "INGA" (Euronext Amsterdam and Euronext Brussels)
	Existing ADSs: "ING" (NYSE)
	Existing IDRs: "INGS" (Euronext Brussels)
	Tradable Rights: "INGRI" (Euronext Amsterdam and Euronext Brussels)
	Tradable IDR Rights: "ING24" (Euronext Brussels)

Withdrawal of the Offering

The Offering is underwritten by the Underwriters based on an underwriting agreement from which the Underwriters can withdraw under certain circumstances. If the underwriting agreement is terminated, the Offering will be cancelled, and the Company will not receive the proceeds expected to be generated by the Offering. See “Plan of Distribution”.

If the Offering is withdrawn, both the exercised and unexercised Rights will be forfeited without compensation to their holders and subscription for and allotments of New BDRs that have been made will be disregarded. Any subscription payments received by ING Groep N.V., the Subscription Agent, the Paying Agent or the Underwriters will be returned without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund of any Rights purchased in the market. All trades in Rights and New Shares are at the sole risk of the parties concerned. The Underwriters, the Company, the Subscription Agent, the Listing Agent, the Paying Agent and Euronext Amsterdam N.V. do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions in Rights, New BDRs or New ADSs on Euronext Amsterdam, Euronext Brussels or on the NYSE, as applicable. See “Risk Factors — Risks Related to the Offering — If the Offering does not take place, the credit ratings and funding costs of ING could be adversely affected, and the price of ING shares could drop sharply. In either case, the Rights could become worthless”.

Paying Agent

ING Bank N.V. is the global paying agent with respect to the bearer depository receipts.

Listing Agent

ING Bank N.V. is the listing agent with respect to the Tradable Rights and the New BDRs.

Fees and Expenses

In connection with the Offering, we anticipate that we will receive total gross proceeds of EUR 7.5 billion. After deducting fees and expenses of EUR 235,206,000, we anticipate that we will receive net proceeds of EUR 7,262,863,187. See “Reasons for the Offering and Use of Proceeds — Expenses of the Offering”.

Publication

The Prospectus will be published on 27 November 2009 on the website of ING (www.ing.com). Print copies of the Prospectus will be available for distribution in the Netherlands, Belgium, France, Germany, Luxembourg, Spain, Switzerland and the United Kingdom, free of charge, by sending a request in writing to Georgeson, the information agent, (Georgeson, 2nd floor, Vitners Place, 68 Upper Thames Street, London EC4V 3BJ, United Kingdom, or by facsimile at +44 870 702 0158) or to ING (P.O. Box 810, 1000 AV Amsterdam, the Netherlands, or by facsimile at +31 20 541 5444).

Information Agent

ING has appointed Georgeson as its information agent for the Offering. Georgeson will receive inquiries regarding the Offering and Prospectus requests via telephone as of 27 November 2009 at 00800 2667 8825 (outside the United Kingdom) or 0117 378 5973 (inside the United Kingdom).

Market-making and other trading activities

Certain of the underwriters have advised the Company that they are currently making a market for the Existing Shares and they intend to make a market in the Rights inside and outside of the United States. The Underwriters may also engage in transactions for the accounts of others in the Existing Shares and the Rights and certain derivatives linked to the Existing Shares of the Company.

In addition, in connection with the Offering, the Underwriters may engage in trading activity with respect to the Rights and the Existing Shares during the applicable Rights Exercise Period for the sole purpose of hedging their commitments under the Underwriting Agreement. Such activity may include purchases and sales of the Rights and the Existing Shares and related or other securities and instruments. These transactions may include short sales of the Existing Shares and purchases of the Rights which cover the positions created by short sales.

If these market-making and other activities are commenced, they may be discontinued at any time at the sole discretion of the relevant Underwriter and without notice. These activities may occur on Euronext Amsterdam, Euronext Brussels and the NYSE, in the over-the-counter market or elsewhere outside the United States in accordance with applicable law and regulation.

22. PLAN OF DISTRIBUTION

Underwriters; Underwriting Agreement

The Underwriters for the Offering are listed in the table below. The Company, ING Bank N.V. and the Underwriters have entered into the Underwriting Agreement dated as of 25 October 2009, which was supplemented by a pricing agreement dated 26 November 2009 (together, the “**Underwriting Agreement**”). In the Underwriting Agreement, the Underwriters have, severally and not jointly, agreed, subject to certain terms and conditions, to underwrite the New Shares (the “**Underwritten Shares**”) at the Subscription Price (the “**Underwriting Commitment**”). With respect to purchases under the Underwriting Agreement, the Underwriters will subscribe for the Underwritten Shares in the percentages and amounts indicated in the table below.

<u>Underwriters</u>	<u>Number of Underwritten Shares</u>	<u>Percentage of Underwritten Shares</u>	<u>Underwriting Commitment in % Share Capital prior to the Offering</u>	<u>Underwriting Commitment in % Share Capital after the Offering</u>
Goldman Sachs International Peterborough Court 133 Fleet Street London EC4A 2BB United Kingdom	265,261,887	15.00%	12.86%	6.92%
J.P. Morgan Securities Ltd. 125 London Wall London EC2Y 5AJ United Kingdom	265,261,887	15.00%	12.86%	6.92%
Credit Suisse Securities (Europe) Limited . . One Cabot Square London E14 4QJ United Kingdom	159,157,128	9.00%	7.71%	4.15%
Morgan Stanley & Co. International plc . . . 25 Cabot Square Canary Wharf London E14 4QA United Kingdom	159,157,128	9.00%	7.71%	4.15%
Deutsche Bank AG 1 Great Winchester Street London EC2N 2DB United Kingdom	159,157,128	9.00%	7.71%	4.15%
HSBC Bank Plc. 8 Canada Square London E14 5HQ United Kingdom	141,473,003	8.00%	6.86%	3.69%
Citigroup Global Markets Limited Citigroup Centre, Canada Square London E14 5LB United Kingdom	106,104,752	6.00%	5.14%	2.77%
ABN AMRO Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands	106,104,752	6.00%	5.14%	2.77%
UBS Limited 1 Finsbury Avenue EC2M 2PP London United Kingdom	106,104,752	6.00%	5.14%	2.77%

<u>Underwriters</u>	<u>Number of Underwritten Shares</u>	<u>Percentage of Underwritten Shares</u>	<u>Underwriting Commitment in % Share Capital prior to the Offering</u>	<u>Underwriting Commitment in % Share Capital after the Offering</u>
Fortis Bank (Nederland) N.V. Prins Bernhardplein 200 1097 JB Amsterdam The Netherlands	44,210,313	2.50%	2.14%	1.15%
Lloyds TSB Bank Plc 25 Gresham Street London EC2V 7HN United Kingdom	44,210,313	2.50%	2.14%	1.15%
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. Amstelplein 1 1096 HA Amsterdam The Netherlands	44,210,313	2.50%	2.14%	1.15%
Banco Santander S.A. Paseo de Pereda 9-12 39004 Santander Spain	44,210,313	2.50%	2.14%	1.15%
Banca IMI S.p.A. Piazzetta Giordano dell'Amore, 3 20121 Milano Italy	35,368,250	2.00%	1.71%	0.92%
UniCredit Group (Bayerische Hypo- und . . Vereinsbank AG) Kardinal-Faulhaber-Street 1 80333 Munich Germany	35,368,250	2.00%	1.71%	0.92%
BNP PARIBAS 16, Boulevard des Italiens 75009 Paris France	17,684,125	1.00%	0.86%	0.46%
COMMERZBANK Aktiengesellschaft Kaiserstrasse 16 (Kaiserplatz) 60311 Frankfurt am Main Germany	17,684,125	1.00%	0.86%	0.46%
Société Générale 29 Boulevard Haussmann 75009 Paris France	17,684,125	1.00%	0.86%	0.46%
Total	1,768,412,544	100%		

According to the Underwriting Agreement, the Underwriters will pay the Company the Subscription Price for the New BDRs with respect to which Rights are not exercised. Subject to certain conditions, the Underwriters will also pay to each holder of a Right that was not exercised at the end of the Rights Exercise Period a part of the Excess Amount in cash proportional to the number of unexercised Rights reflected in such holder's securities account, but only if that amount exceeds €0.01 per unexercised Right. See "The Offering — Excess Amount".

According to the Underwriting Agreement, the Company has agreed to pay certain commissions as follows: (1) to the Joint Global Coordinators and Joint Bookrunners a management fee of 0.60% of the gross proceeds of the

Offering payable at the closing date, (2) to the Representatives for distribution to the Underwriters, an underwriting commission of 1.90% of the gross proceeds of the Offering, payable at the closing date, and (3) to the Joint Global Coordinators and Joint Bookrunners and/or the Underwriters at the Company's absolute discretion, after consultation with ING Bank N.V., payable up to six months after the closing date an incentive fee of up to 0.50% of the gross proceeds of the Offering, including any amount of VAT. The Company also agreed in the Underwriting Agreement to indemnify the Underwriters against certain liability obligations, including liabilities under applicable securities laws.

The Underwriting Agreement also provides that the obligations of the Underwriters to consummate the Offering are subject to the reservation that certain conditions are satisfied, including, among others, (1) the absence of a downgrading, or notice of a potential downgrading or review, of the rating assigned to the Company's securities (other than any "perpetual" or "hybrid" securities) to below BBB+ or equivalent, (2) a material adverse change in the results of operations, financial condition, shareholders' equity, management or business of ING (excluding the effects of the Restructuring Plan), (3) the receipt of customary confirmations and legal opinions meeting the Underwriters' requirements, and (4) the making of necessary filings and the receipt of necessary approvals in connection with the Offering.

The Underwriting Agreement may also be terminated by the Representatives on behalf of the Underwriters, by giving notice to the Company at any time prior to the closing date if certain events occur, including customary termination events such as, among others, a material adverse change in the results of operations, financial condition, shareholders' equity, management or business of ING (excluding the effects of the Restructuring Plan), a material adverse change in the financial markets, suspension of trading of the Company's securities and material disruptions in trading and settlement more generally or if the closing has not occurred before 31 March 2010.

One or more of the Underwriters may be unable to make offers or sales of New Shares otherwise than through an agent, which may be an affiliate of such Underwriter, that is a broker-dealer registered as such under the US Securities Exchange Act of 1934.

Other Relations Between the Underwriters and the Company

Certain of the Underwriters and their respective affiliates have performed, and may in the future perform, various financial advisory, investment banking, commercial banking or other services for, or together with, the Company or its affiliates, for which they have received and are likely to continue to receive customary fees and expenses. The Company or its affiliates have performed, and may also in the future perform, various financial advisory, investment banking, commercial banking or other services for, or together with, certain of the Underwriters or their respective affiliates, for which they have received and are likely to continue to receive customary fees and expenses.

In connection with the Offering, each of the Underwriters and any affiliate acting as an investor for its own account may receive Rights (if they are current shareholders of the Company) in connection with the Rights Offering, and may exercise its right to take up such Rights and acquire New Shares, or may take up Rump Shares, if any, as part of the Global Offering and in that capacity, may retain, purchase or sell Rights, New Shares or Rump Shares and any other securities of the Company or other investments for its own account and may offer or sell such securities (or other investments) otherwise than in connection with the Offering. References in this Prospectus to the Rump Shares being offered or placed should be read as including any offering or placement of New Shares to any of the Underwriters and any affiliate acting in such capacity. The Underwriters do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

During the distribution of BDRs representing ING shares (including in the form of ADSs) in the Rights Offering and the Global Offering, ING and certain of its affiliates intend to engage in various dealing and brokerage activities involving BDRs representing ING shares (including in the form of ADSs) when and to the extent permitted by applicable law. Among other things, ING and certain of its affiliates, as the case may be, intend (1) to make a market in BDRs representing ING shares by purchasing and selling BDRs representing ING shares for their own account or to facilitate customer transactions; (2) to make a market, from time to time, in derivatives (such as options, warrants, convertible securities and other instruments) relating to BDRs representing ING shares for their own account and the accounts of their customers; (3) to engage in trades in BDRs representing ING shares for their own account and the accounts of their customers for the purpose of hedging their positions established in connection with the derivatives market making described above; (4) to market and sell to customers funds which include BDRs representing ING shares; (5) to provide to customers investment advice and financial planning guidance which may include information about BDRs representing ING shares, (6) to engage in unsolicited brokerage transactions in BDRs representing ING shares and derivatives thereon with their customers; (7) to trade in BDRs representing ING shares and derivatives thereon as part of their asset management activities for the accounts of their customers; (8) to lend BDRs representing ING shares, as well as accept BDRs representing ING shares as collateral for loans; and

(9) to trade in ING BDRs representing ING shares in connection with employee incentive and pension plans. These activities may occur on Euronext Amsterdam, Euronext Brussels, Chi-X, Turquoise, in the over-the-counter market in the Netherlands or elsewhere outside the United States.

In addition, certain ING affiliates intend (1) to engage in unsolicited brokerage transactions in BDRs representing ING shares (including in the form of ADSs) and derivatives thereon with their customers; (2) to trade in BDRs representing ING shares (including in the form of ADSs) and derivatives thereon as part of their asset management activities for the accounts of their customers; (3) to lend BDRs representing ING shares (including in the form of ADSs), as well as accept BDRs representing ING shares (including in the form of ADSs) as collateral for loans; and (4) to trade in ING BDRs representing ING shares (including in the form of ADSs) in connection with employee incentive plans, in each case in the United States.

ING and its affiliates are not obliged to make a market in or otherwise purchase BDRs representing ING shares (including in the form of ADSs) or derivatives on BDRs representing ING shares (including in the form of ADSs) and any such market making or other purchases may be discontinued at any time. These activities could have the effect of preventing or retarding a decline in the market price of BDRs representing ING shares.

23. SELLING AND TRANSFER RESTRICTIONS

The grant of Rights and issue of New Shares upon exercise of Rights to persons resident in, or who are citizens of, countries other than the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland, the United Kingdom or the United States may be affected by the laws of their relevant jurisdiction. Investors should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to exercise Tradable Rights or to accept, sell or purchase New Shares.

The Company has not, and will not be, taking any action to permit a public offering of the Rights or the New Shares (pursuant to the exercise of the Rights or otherwise) in any jurisdiction other than the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland, the United Kingdom and, based on a US prospectus supplement and related prospectus filed with the US Securities and Exchange Commission on 27 November 2009.

Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland and the United Kingdom, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor deal in the Rights or the New Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Rights and the New Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Rights or New Shares, to any person or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If any person (including a financial intermediary) forwards this Prospectus or any other offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise), such person should draw the recipient's attention to the contents of this section. Except as otherwise expressly noted in this Prospectus: (i) the Rights and New Shares being granted or offered, respectively, in the Offering may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Member States of the European Economic Area that have implemented the Prospectus Directive (other than the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland and the United Kingdom), unless pursuant to applicable exemptions under the Prospectus Directive, and Australia, Canada, Japan or any other jurisdiction in which it would not be permissible to offer the Rights or New Shares (the **"Ineligible Jurisdictions"**); (ii) this Prospectus may not be sent to any person in the United States or any Ineligible Jurisdiction; and (iii) the crediting of Rights to an account of a shareholder or other person in an Ineligible Jurisdiction or a citizen of an Ineligible Jurisdiction (referred to as **"Ineligible Persons"**) does not constitute an offer to such persons of the New Shares. Ineligible Persons may not exercise Rights.

If an investor takes up, delivers or otherwise transfers Rights, exercises Rights to obtain New Shares or trades or otherwise deals in Rights or New Shares being granted or offered, respectively, in the Offering, that investor will be deemed to have made, or, in some cases, be required to make, the following representations and warranties to the Company and any person acting on its behalf, unless the Company waives such requirement:

- (a) the investor is not located in an Ineligible Jurisdiction;
- (b) the investor is not an Ineligible Person;
- (c) the investor is not acting, and has not acted, for the account or benefit of an Ineligible Person;
- (d) the investor may lawfully be offered, take up, subscribe for and receive the Rights and New Shares being offered in the Offering in the jurisdiction in which it resides or is currently located; and
- (e) if the transfer, exercise, trade or other transaction relates to Tradable IDR Rights, such investor is not located in the United States or a U.S. person.

The Company and any persons acting on behalf of the Company will rely upon the investor's representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may void a transaction in the Rights or New Shares, and subject the investor to liability.

If a person is acting on behalf of a holder of Rights (including, without limitation, as a nominee, custodian or trustee), that person will be required to provide the foregoing representations and warranties to the Company with respect to the exercise of Rights on the holder's behalf. If such person cannot provide the foregoing representations and warranties, the Company will not be bound to authorize the allocation of any of the Rights or New Shares to that person or the person on whose behalf the other is acting. Subject to the specific restrictions described below, if an investor (including, without limitation, its nominees and trustees) located outside the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland, the United Kingdom or the United States wishes to exercise or

otherwise deal in Rights or subscribe for the New Shares, the investor must satisfy itself as to full observance of the applicable laws of any relevant jurisdiction, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The information set out in this section is intended as a general guide only. If the investor is in any doubt as to whether it is eligible to exercise its Rights or subscribe for the New Shares, that investor should consult its professional adviser without delay.

As regards shareholders who on the Record Date hold Existing Shares through a financial intermediary, all Rights will initially be credited to the intermediary. A financial intermediary may not exercise any Rights on behalf of any person in the Ineligible Jurisdictions or any Ineligible Persons and may be required in connection with any exercise of Rights to certify the same.

Subject to certain exceptions, financial intermediaries are not permitted to send this Prospectus or any other information about the Offering into any Ineligible Jurisdiction or to any Ineligible Persons. The crediting of Rights to the account of persons in Ineligible Jurisdictions or to Ineligible Persons does not constitute an offer of New Shares to such persons. Financial intermediaries, which include brokers, custodians and nominees, holding for Ineligible Persons may consider selling any and all Rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the accounts of such persons.

Subject to certain exceptions, exercise instructions sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid, and the New Shares being offered in the Offering will not be delivered to an addressee in any Ineligible Jurisdiction. The Company reserves the right to reject any exercise (or revocation of such exercise) in the name of any person who provides an address in an Ineligible Jurisdiction for acceptance, revocation of exercise or delivery of such New Shares, who is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person, who is not acting on a discretionary basis for such persons, or who appears to the Company or its agents to have executed its exercise instructions or certifications in, or dispatched them from, an Ineligible Jurisdiction. Furthermore, the Company reserves the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of Rights which appear to it to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction.

Despite any other provision of this Prospectus, the Company reserves the right to permit a holder to exercise its Rights if the Company in its absolute discretion is satisfied that the transaction in question is exempt from or not subject to the laws or regulations giving rise to the restrictions in question. Applicable exemptions in certain jurisdictions are described further below. In any such case, the Company does not accept any liability for any actions that a holder takes or for any consequences that it may suffer by them accepting the holder's exercise of Rights.

EUROPEAN ECONOMIC AREA

This Prospectus has been approved by the AFM, the competent authority of the Netherlands. It has been prepared on the basis that all offers of New Shares (other than the offers in the Netherlands or which will be made pursuant to the "passport procedure" provided by Article 17 of the Prospectus Directive (2003/71/EC)) will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of securities. Accordingly, any person making or intending to make any offer within any such EEA member state of the New Shares should only do so in circumstances in which no obligation arises for ING Groep N.V., the Joint Global Coordinators and Joint Bookrunners or the Underwriters to produce a prospectus for such offer. Neither ING Groep N.V., ING Bank N.V. nor any of the Underwriters, including the Joint Global Coordinators and Joint Bookrunners, have authorized, nor do they authorize, the making of any offer of New Shares through any financial intermediary, other than offers made by Underwriters which constitute the final placement of the New Shares contemplated in this Prospectus.

In relation to each EEA member state which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer to the public of any New Shares may not be made in that Relevant Member State (other than the offers in the Netherlands or which will be made pursuant to the "passport procedure" provided by Article 17 of the Prospectus Directive), except that an offer to the public in that Relevant Member State of any of the New Shares may be made at any time under the following exemptions from the Prospectus Directive, if they have been implemented in that Relevant Member State:

1. to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

2. to any legal entity which has two or more of (A) an average of at least 250 employees during the last financial year; (B) a total balance sheet of more than €43,000,000 and (C) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
3. in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the New Shares shall result in a requirement for the publication by ING Groep N.V. or any Underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer to the public**” in relation to any of the securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any of the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “**Prospectus Directive**” includes any relevant implementing measure in each Relevant Member State.

CANADA

This Prospectus is not, and under no circumstance is to be construed as, an advertisement or a public offering of the Rights or the New Shares in any Canadian province or territory. Any offer or sale of the Rights or the New Shares in any Canadian jurisdiction will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and in compliance with applicable Canadian provincial and territorial securities laws. Furthermore, any resale of the Rights or the New Shares must be made in accordance with an exemption from the prospectus requirements and in accordance with the registration requirements of applicable Canadian provincial and territorial securities laws in which such resale is made.

JAPAN

The Rights to be offered in the Rights Offering, and the New Shares to be issued upon exercise of the Rights or to be sold in the Global Offering, have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. Accordingly, no resident of Japan may participate in the Offering or exercise any Rights and no Underwriter is allowed to, directly or indirectly, offer or sell any Rights or New Shares in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, or otherwise in compliance with, the Financial Instruments and Exchange Law or other relevant laws and regulations of Japan. As used in this paragraph, “**resident of Japan**” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

AUSTRALIA

This Prospectus does not constitute a disclosure document under Part 6D.2 or Part 7.9 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act 2001 (Cth)**”) and has not been, and will not be, lodged with the Australian Securities and Investments Commission. Accordingly, this Prospectus does not necessarily contain all of the information a prospective investor would expect to be contained in an offering document or which he/she may require to make an investment decision. The offer to which this document relates is being made in Australia to persons who fall within one of the categories set out in sections 708(8) or 708(11) of the Corporations Act 2001 (Cth), and who are “wholesale clients” which has the meaning given in subsection 761G(4) of the Corporations Act 2001 (Cth).

As any offer for the issue of the Rights and the New Shares under this document will be made without disclosure in Australia under the Corporations Act 2001 (Cth), the offer of such Rights and New Shares for resale in Australia within 12 months of their issue may, under the Corporations Act 2001 (Cth), require disclosure to investors under Part 6D.2 or Part 7.9 unless one of the exemptions in section 708 of the Corporations Act 2001 (Cth) apply to that resale, the sale offer is made to a “wholesale client” or is received outside of Australia.

This Prospectus is intended to provide general information only and has been prepared by the Company without taking into account any particular person’s objectives, financial situation or needs. Recipients should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. Recipients should review and consider the contents of this document and obtain financial advice (or other appropriate professional advice) specific to their situation before making any decision to accept the offer of the Rights and/or the New Shares.

ITALY

The Offering of the Rights and the New Shares has not been approved by the Italian Exchange and Securities Commission (*Commissione Nazionale per le Società e la Borsa* — “**CONSOB**”) pursuant to Legislative Decree No. 58 of 24 February 1998 (“**Consolidated Financial Act**”) and related implementing regulations or the Prospectus Directive. Accordingly, no Rights or New Shares may be offered nor may copies of the Prospectus or of any other document relating to the Rights or the New Shares be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 34-ter, first paragraph, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“Regulation No. 11971”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Consolidated Financial Act and Article 34-ter, first paragraph of Regulation No. 11971.

Any offer of Rights or New Shares or distribution of copies of the Prospectus or any other document relating to the Rights or the New Shares in the Republic of Italy must take place:

- (a) through *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by the Consolidated Financial Act), to the extent duly authorized to engage in the placement and/or underwriting of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Consolidated Financial Act, Legislative Decree No. 385 of 1 September 1993 (“**Consolidated Banking Act**”) and CONSOB Regulation No. 16190 of 29 October 2007;
- (b) in compliance with Article 129 of the Consolidated Banking Act and with the related implementing regulations of the Bank of Italy by virtue of which the issue or offer of securities in Italy may be followed by notice thereof to the Bank of Italy according to the total value of the securities offered in Italy and to their characteristics; and
- (c) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or the Bank of Italy or any other Italian authority.

24. GLOSSARY

Offering Glossary

ADS RIGHTS

Non-transferable rights to subscribe for New ADSs at the Subscription Price that are issued to holders of Existing ADSs.

ADS RIGHTS OFFERING

The portion of the Rights Offering in which holders of Existing ADSs will receive ADS Rights.

AFM

Stichting Autoriteit Financiële Markten, the Netherlands Authority for the Financial Markets.

CO-BOOKRUNNERS

Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, HSBC Bank Plc and Morgan Stanley & Co. International plc.

CO-LEAD MANAGERS

Banca IMI S.p.A., BNP PARIBAS, COMMERZBANK Aktiengesellschaft, Fortis Bank (Nederland) N.V., Lloyds TSB Bank Plc, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Banco Santander S.A., Société Générale, and UniCredit Group (Bayerische Hypo- und Vereinsbank AG).

COMPANY

ING Groep N.V.

CLEARSTREAM

Clearstream Banking S.A. Luxembourg.

CLOSING DATE

21 December 2009, or such other date as the Joint Global Coordinators and Joint Bookrunners may determine.

DTC

The Depository Trust Company.

EUROCLEAR

Euroclear Banking S.A./N.V., as operator of the Euroclear system.

EUROCLEAR NETHERLANDS

Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.

EURONEXT AMSTERDAM

Euronext Amsterdam by NYSE Euronext.

EURONEXT BRUSSELS

Euronext Brussels by NYSE Euronext.

EXCESS AMOUNT

The amount by which the aggregate proceeds for the Rump Shares offered and sold in the Global Offering, after deduction of selling expenses (including any value added tax) exceed the aggregate Subscription Price for the Rump Shares.

EXISTING ADSs

American depositary shares, each representing one Existing BDR, issued and outstanding on the Record Date.

EXISTING BDRs

Bearer depositary receipts of the Trust, each representing one ordinary share of the Company, issued and outstanding on the Record Date.

EXISTING IDRs

International Depositary Receipts (IDRs) representing Existing BDRs.

EXISTING ORDINARY SHARES

Ordinary shares of ING Groep N.V. issued and outstanding on the Record Date.

EXISTING SHARES

The Existing Ordinary Shares and the Existing BDRs.

GLOBAL OFFERING

The offering of any Rump Shares at the Global Offering Price and/or in open market transactions by way of (i) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (ii) a public offering in the United States under the Securities Act.

GLOBAL OFFERING PRICE

A price at which Rump Shares may be sold, expected to be determined following an institutional bookbuilding procedure commencing on or about 16 November 2009 and expected to be published on or about 16 November 2009.

GROUP

ING Groep N.V. and its consolidated subsidiaries.

ING

ING Groep N.V. and its consolidated subsidiaries.

ING GROUP

ING Groep N.V.

ING SHARES

Bearer depositary receipts issued by the Trust in respect of ordinary shares of ING Groep N.V.

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Goldman Sachs International, ING Bank N.V. and J.P. Morgan Securities Ltd.

JOINT LEAD MANAGERS

Citigroup Global Markets Limited, ABN AMRO Bank N.V. and UBS Limited.

NEW ADSs

New American depositary shares, each representing one New BDR, offered in the Offering.

NEW BDRs

New bearer depositary receipts of the Trust, each representing one New Ordinary Share, offered in the Offering.

NEW ORDINARY SHARES

New ordinary shares of ING Groep N.V. underlying the New BDRs.

NEW SHARES

The New Ordinary Shares and the New BDRs.

NYSE

The New York Stock Exchange.

OFFERING

The Rights Offering and the Global Offering.

PROSPECTUS

This prospectus relating to the Offering.

RECORD DATE

27 November 2009.

REGULATION S

Regulation S under the Securities Act.

REPRESENTATIVES

Goldman Sachs International and J.P. Morgan Securities Ltd.

RIGHTS

The Tradable Rights, ADS Rights and Tradable IDR Rights.

RIGHTS EXERCISE PERIODS

The period from 30 November 2009 through 3:00 p.m. (Amsterdam time) on 15 December 2009, in respect of Tradable Rights.

RIGHTS OFFERING

The rights offering in which holders of Existing Ordinary Shares (other than the Trust), and Existing BDRs (including Existing IDRs) will receive Tradable Rights and the holders of Existing ADSs will receive ADS Rights to subscribe for New BDRs and New ADSs, respectively, at the Subscription Price by way of (i) public offerings in the Netherlands, Belgium, Luxembourg, Germany, France, Spain, Switzerland and the United Kingdom, in reliance on Regulation S under the US Securities Act, (ii) private placements to certain institutional investors outside the United States in reliance on Regulation S under the Securities Act and in accordance with applicable securities laws and (iii) a public offering in the United States under the Securities Act.

RIGHTS TRADING PERIOD

The period from 30 November 2009 (inclusive) to 15 December 2009 (inclusive), in which the Tradable Rights may be traded on Euronext Amsterdam and Euronext Brussels.

RUMP SHARES

New Shares for which Rights have not been validly exercised during the applicable Rights Exercise Period.

SEC

The US Securities and Exchange Commission.

SECURITIES ACT

US Securities Act of 1933, as amended.

SUBSCRIPTION PRICE

EUR 4.24 per New BDR.

TRADABLE RIGHTS

Tradable Rights to subscribe for New BDRs at the Subscription Price that are issued to holders of Existing Ordinary Shares (other than the Trust) and Existing BDRs and that are expected to be traded on Euronext Amsterdam and Euronext Brussels including where so specified or the context so requires the Tradable Rights.

TRADABLE IDR RIGHTS

Tradable Rights represented by coupon number 24 attached to the IDRs.

TRUST

Stichting ING Aandelen.

UNDERWRITERS

The Representatives, together with the Co-Bookrunners, Joint Lead Managers and Co-Lead Managers.

UNDERWRITING AGREEMENT

The underwriting agreement dated as of 25 October 2009 between the Company and the Underwriters in respect of the Offering, as supplemented by a pricing agreement dated 26 November 2009.

UNDERWRITING COMMITMENT

The obligation of the Underwriters, pursuant to the Underwriting Agreement and subject to certain conditions, to underwrite on a several and not joint basis, the Underwritten Shares.

UNDERWRITTEN SHARES

The New Shares, which are the subject of the Underwriting Commitment.

Banking and Insurance Glossary

ACTUARIAL AND UNDERWRITING RISK

These risks (mortality, longevity, morbidity, adverse motor or home claims, etc.), result from the pricing and acceptance of insurance contracts. Actuarial risk is the risk that premium levels and provisions in respect of insurance risk may turn out to be (no longer) correct. Underwriting risk is the risk that an issuer will receive a claim under an insurance policy it issues/underwrites. Maximum underwriting exposures are limited through exclusions, cover limits and reinsurance.

ALT-A RESIDENTIAL MORTGAGE-BACKED SECURITIES (ALT-A RMBS)

A type of US residential mortgage which is considered riskier than 'prime' and less risky than 'sub-prime' mortgages. Parameters generally taken into account are borrower credit scores, residential property values and loan-to-value ratios. Alt-A mortgages are further characterized by a limited degree of income and / or asset verification.

AMORTIZED COST

The amount at which the financial asset or liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility.

ASSET AND LIABILITY COMMITTEE (ALCO)

Manages the balance sheet of ING Groep N.V., especially with regard to strategic non-trading risk. These risks comprise interest rate exposures, equity risk, real estate risk, liquidity, solvency and foreign exchange risk and fluctuations.

ASSET LIABILITY MANAGEMENT (ALM)

The practice of managing a business such that decisions on assets and liabilities are coordinated. It involves the ongoing process of formulating, implementing, monitoring and revising strategies related to assets and liabilities.

ASSET BACKED COMMERCIAL PAPER (ABCP)

A type of commercial paper that is collateralized by other financial assets.

ASSET BACKED SECURITIES (ABS)

A type of bond or note that is based on pools of assets, or collateralized by the cash flows from a specified pool of underlying assets.

ASSOCIATE

An entity over which the Group has significant influence, generally accompanying a shareholding of between 20% and 50% of the voting rights, and that is not a subsidiary not a joint venture.

AVAILABLE FINANCIAL RESOURCES (AFR)

The available financial resources equals the market value of assets minus market value of liabilities, excluding hybrids issued by ING which is counted as capital. At ING Bank the proxy for AFR is Tier-1 capital with certain adjustments, in the absence of a full market value balance sheet for ING Bank. ING's policy is that the available financial resources should exceed economic capital for Bank, Insurance and Group.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

Those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments, or financial assets at fair value through profit and loss.

BASEL I

Regulatory requirements issued by the Basel Committee on Banking Supervision for the solvency calculation, which are superseded by Basel II, for ING, from 2008 onwards.

BASEL II

Regulatory requirements issued by the Basel Committee on Banking Supervision for the solvency calculation, which, for ING, apply from 2008 onwards. Basel II is an international standard for calculating the required capital based on internal models that take into account the financial and operational risks.

BASIS POINT VALUE (BPV)

The change in the Net Present Value of a cash flow or a pool of cash flows due to a one basis point change of the yield curve.

BASIS RISK

This risk arises from an imperfect correlation in the adjustment of the rates earned and paid on different financial instruments. Examples of products in which these risks are inherent are demand deposits, saving accounts and mortgages with prepayment options.

BEARER DEPOSITARY RECEIPT

For ordinary and preference shares, issued by the Trust, in exchange for ordinary and preference shares issued by ING Groep N.V.

BANK OF INTERNATIONAL SETTLEMENTS (BIS)

An international organization which fosters international monetary and financial co-operation and serves as a bank for central banks. BIS has set a minimum for the solvency ratio reflecting the relationship between capital and risk weighted assets. The ratio should be at least 8%.

BUSINESS RISK

The exposure to value loss due to fluctuations in volumes, margins and costs. These fluctuations can occur because of internal, industry, or wider market factors. It is the risk inherent to strategy decisions and internal efficiency.

CAPITAL AT RISK (CAR)

The maximum negative impact on ING's economic surplus over a one year forward looking horizon under normal market conditions. CaR is calculated at a 90% confidence interval.

CERTIFICATES OF DEPOSIT

Short-term negotiable bearer debt instruments issued by banks.

CLAIM

A demand for payment of a policy benefit because of the occurrence of an insured event, such as the death or disability of the insured or the maturity of an endowment, the incurrence of hospital or medical bills, the destruction or damage of property and related deaths or injuries, defects in, liens on, or challenges to the title to real estate, or the occurrence of a surety loss.

CLAIMS RATIO

Claims, including claims handling expenses, expressed as a percentage of net earned premiums.

COLLATERALIZED DEBT OBLIGATION (CDO)

A type of asset-backed security which provides investors exposure to the credit risk of a pool of fixed income assets.

COLLATERALIZED LOAN OBLIGATION (CLO)

A type of CDO which is backed primarily by leveraged bank loans.

COMBINED RATIO

The sum of the claims ratio and the cost ratio for a non-life insurance company or a reinsurance company. A combined ratio of more than 100% does not necessarily mean that there is a loss on non-life insurance policies, because the result also includes the allocated investment income.

COMMERCIAL PAPER

Promissory note (issued by financial institutions or large firms) with very-short to short maturity period (usually 2 to 30 days, and not more than 270 days), and unsecured.

COMPLIANCE RISK

Compliance risk is defined as the risk of damage to ING's reputation as a result of failure (or perceived failure) to comply with relevant laws, regulations, internal policies and procedures or ethical standards.

CONCENTRATIONS

Of credit risk exist when changes in economic, industry or geographical factors similarly affect groups of counterparties whose aggregate exposure is material in relation to ING's total exposure.

CONTINGENT LIABILITIES

Possible obligations that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because:

it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

CONTROL

The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

CONVERTIBLE DEBENTURES

Debentures with embedded options issued by corporations. The holder has the right to exchange a convertible debenture for equity in the issuing company at certain times in the future according to a certain exchange ratio. Very often, the conversion is callable. This means that it can be repurchased by the issuer at a certain price at certain times in the future. Once the debentures have been called, the holder can always choose to convert prior to repurchase.

CONVEXITY

The non-linear relationship between changes in the interest rates and changes in bond prices and their Net Present Value. It is a very important measure for portfolios containing (embedded) options.

CORE DEBT

The net debt issued at the Group level that is injected as capital and thereby creates equity in ING Verzekeringen N.V. and ING Bank N.V.

COST OF CAPITAL

The costs related to owning capital. These can be split into the cost of equity, hybrids and debt, taking a target leverage into account.

COST RATIO

Underwriting costs expressed as a percentage of premiums written.

COUNTRY RISK

The risk that a foreign government will not fulfill its obligations or obstructs the remittance of funds by debtors, either for financial reasons (transfer risk) or for other reasons (e.g. political risk).

CREDIT INSTITUTIONS

All institutions are subject to banking supervision by public authorities, including mortgage banks, capital market institutions, multilateral development banks and the International Monetary Fund (IMF).

CREDIT RISK

The risk of loss from default by borrowers (including bond issuers) or counterparties. Credit risks arise in ING's lending, presettlement and investment activities, as well as in its trading activities. Credit risk management is supported by dedicated credit risk information systems and internal rating methodologies for debtors and counterparties.

DEFERRED ACQUISITION COSTS (DAC)

The amount of acquisition costs incurred as premium is written but earned and expensed over the term of the policy. The unearned portion is capitalized and recognized as an asset on the balance sheet.

DEFERRED TAX LIABILITIES

The amounts of income tax payable in future periods in respect of taxable temporary differences between carrying amounts of assets or liabilities in the balance sheet and tax base, based on tax rates that are expected to apply in the period when the assets are realized or the liabilities are settled.

DEFINED BENEFIT PLAN

Post-employment benefit plans other than defined contribution plans.

DEFINED CONTRIBUTION PLAN

Post-employment benefit plans under which an enterprise pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

DELTA HEDGE

Minimizes the exposure of the employee option scheme by holding an appropriate number of (depository receipts for) ordinary shares. The exposure is reassessed every quarter and, if necessary, ordinary shares are bought from the market (or employees).

DERIVATIVES

Financial instruments, which include forwards, futures, options and swaps, whose value is based on an underlying asset, index or reference rate.

DISCOUNTED BILLS

Bills that are sold under deduction of interest giving the owner the right to receive an amount of money on a given date.

DISCRETIONARY PARTICIPATION FEATURE

A contractual right to receive, as a supplement to guaranteed benefits, additional benefits that: are likely to be a significant portion of the total contractual benefits, whose amount or timing is contractually at the discretion of the insurer, that are contractually based on the performance of a specified pool or type of contract, (un)realized investment returns on a specified pool of assets held by the insurer, or the profit of the company, fund, or other entity that issues the contract.

EARNINGS AT RISK (EAR)

Measures the impact on earnings resulting from changes in market rates over a one-year horizon.

ECONOMIC CAPITAL

The minimum amount of capital that is required to absorb unexpected losses in times of severe stress. Given ING's AA target rating, ING calculates economic capital requirements at a 99.95% level of confidence. This confidence level is derived from the historical default frequency of AA-rated companies (probability of default of 1 in 2000 years or 0.05%).

EFFECTIVE INTEREST METHOD

A method of calculating the amortized cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period.

ELIMINATION

A process by which intercompany transactions are matched with each other and deducted, so that the assets, liabilities, income and expenses are not inflated.

EMBEDDED VALUE (EV)

Embedded value is the present value of all future cash flows from the contracts being owned today (embedded value does not take into account future sales). The discount rate used is equal to WACC.

EMBEDDED VALUE PROFIT (EVP)

Embedded value profit is the change in embedded value over a given period over and above the amount related to the unwinding of the discount rate.

EMPLOYEE BENEFITS

All forms of consideration given by a company in exchange for service rendered by (current and former) employees.

FAIR VALUE

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

FINANCE LEASE

A lease that transfers substantially all the risks and rewards associated with ownership of an asset to the lessee. Title may or may not eventually be transferred.

FINANCIAL ASSET

Any asset that is:

- cash;
- an equity instrument of another company;
- a contractual right to receive cash or another financial asset from another company or exchange financial instruments with another company under conditions that are potentially favorable; or
- certain contracts that will or may be settled in ING's own equity instruments.

FINANCIAL INSTRUMENTS

Contracts that give rise to both a financial asset for one company and a financial liability or equity instrument for another company.

FINANCIAL LIABILITY

Any liability that is:

- a contractual obligation to deliver cash or another financial asset to another company or to exchange financial instruments with another company under conditions that are potentially unfavorable; or
- certain contracts that will or may be settled in ING Groep N.V.'s own equity instruments.

FOREIGN EXCHANGE RATE RISK

Probability of loss occurring from an adverse movement in foreign exchange rates.

FORWARD CONTRACTS

Commitments to exchange currencies or to buy or sell other financial instruments at specified future dates.

FUTURE CONTRACTS

Commitments to exchange currencies or to buy or sell other financial instruments at specified future dates. Exchanges act as intermediaries and require daily cash settlement and collateral deposits.

GROSS PREMIUMS WRITTEN

Total premiums (whether or not earned) for insurance contracts written or assumed (including deposits for investment contracts with limited or no life contingencies written) during a specific period, without deduction for premiums ceded.

HELD-TO-MATURITY INVESTMENTS

Non-derivative financial assets with fixed or determinable payments and fixed maturity that ING Group has the positive intention and ability to hold to maturity other than:

- a. those that ING upon initial recognition designates as at fair value through profit and loss;
- b. those that ING designates as available for sale; and
- c. those that meet the definition of loans and receivables.

HISTORICAL SIMULATION

A model to calculate Value at Risk, assuming that future changes in risk factors will have the same distribution as they had in the past taking into account the non-linear behavior of financial products.

IMPAIRMENT LOSS

The amount by which the carrying amount of an asset exceeds its recoverable amount.

INTEREST BEARING INSTRUMENT

A financial asset or a liability for which a time-proportionate compensation is paid or received in relation to a notional amount.

INTERNAL RATE OF RETURN (IRR)

Internal rate of return is the discount rate at which the present value of distributable earnings from new business equals the investment in new business (i.e. the projected return on the investment in new business) is calculated.

INTEREST-RATE REBATES

Profit sharing for group life insurance business. A rebate granted to policyholders based on the discounted value of the difference between the interest rate used to calculate the premiums and the expected yield on investment. The profit sharing is granted by means of a premium discount related to the yield on government bonds.

INTEREST RATE RISK

Probability that the market interest rates will rise significantly higher than the interest rate earned on investments such as bonds, resulting in their lower market value.

IN THE MONEY

A call option is said to be in the money if the exercise price is lower than the price of the underlying value; a put option is said to be in the money if the exercise price is higher than the price of the underlying value.

INVESTMENT RISK

Investment risk is the credit default and migration risk that is associated with ING's investments in bonds, commercial paper, securitizations, and other similar publicly traded securities.

INVESTMENT PORTFOLIO

Comprises those assets which are intended for use on a continuing basis, and have been identified as such. These investments are held in order to cover the insurance provisions and to manage interest rate, capital and liquidity risks.

IRREVOCABLE FACILITIES

Mainly constitute unused portions of irrevocable credit facilities granted to corporate clients and commitments made to purchase securities to be issued by governments and private issuers.

IRREVOCABLE LETTERS OF CREDIT

Concerns an obligation on behalf of a client to pay an amount of money under submission of a specific document or to accept a bill of exchange, subject to certain conditions. An irrevocable letter of credit cannot be cancelled or adjusted by the bank that has granted it during the duration of the agreement unless all those concerned agree.

JOINT VENTURE

A contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control.

LENDING RISK

Lending risk arises when ING grants a loan to a customer, or issues guarantees on behalf of a customer. This is the most common risk category, and includes term loans, mortgages, revolving credits, overdrafts, guarantees, letters of credit, etc. The risk is measured at the notional amount of the financial obligation that the customer has to repay to ING, excluding any accrued and unpaid interest, or discount/premium amortizations.

LIQUIDITY RISK

The risk that ING Group or one of its subsidiaries cannot meet its financial liabilities when they fall due, at reasonable costs and in a timely manner.

MARKET RISK

Market risk is the risk that movements in market variables, such as interest rates, equity prices, implied volatilities, foreign exchange rates, real estate prices negatively impact the earnings or market value.

MARKET VALUE AT RISK (MVAR)

A calculation method which measures the decrease in the market value surplus caused by movements in financial markets, at a 99.95% confidence level over a one year horizon.

MINORITY INTERESTS

The part of the profit or loss and net assets of a subsidiary attributable to an interest which is not owned, directly or indirectly, by the parent company.

MONETARY ASSETS AND LIABILITIES

Assets and liabilities which are fixed in terms of units of currency by contract or otherwise. Examples are cash, short or long-term accounts, notes receivable in cash and notes payable in cash.

MONEY MARKET RISK

Money market risk arises when ING places short term deposits with a counterparty in order to manage excess liquidity, as such, money market deposits tend to be short term in nature (1-7 days is common). In the event of a counterparty default, ING may lose the deposit placed. Money market risk is therefore measured simply as the notional value of the deposit.

MONOLINER

A financial company that deals specifically with one particular branch of the financial industry .

MONTE CARLO SIMULATION

A model to calculate Value at Risk, assuming that changes in risk factors are (jointly) normally distributed taking into account nonlinear behavior of financial products.

MORTGAGE BACKED SECURITIES (MBS)

A security whose cash flows are backed by typically the principal and/ or interest payments of a pool of mortgages.

NEW SALES

New sales of life insurance, measured as Annual Premium Equivalent (APE), have been defined as the total of annual premiums and 10% of single premiums received on production in a given period.

NET ASSET VALUE

Used in the equity method of accounting. The initial net asset value of the investment is determined by the fair value of the assets and liabilities of the investee. After the initial valuation of assets and liabilities of the investee at fair value, the assets and liabilities of the investee are valued in accordance with the accounting policies of the investor. The profit and loss account reflects the investor's share in the results of operations of the investee.

NET PREMIUMS WRITTEN

Gross premiums written for a given period less premiums ceded to reinsurers during the given period.

NET PRESENT VALUE AT RISK (NPV-AT-RISK)

Establishes what the value of future cash flows is in terms of today's monetary value. NPV-at-Risk establishes the change in value of future cash flows as a result of interest rate changes in terms of today's monetary value.

NON-VOTING EQUITY SECURITIES

Core Tier-1 securities issued to the Dutch State in October 2008 for a total consideration of EUR 10 billion. This capital injection qualifies as core Tier-1 capital for regulatory purposes.

NOTIONAL AMOUNTS

Represent units of account which, in respect of derivatives, reflect the relationship with the underlying assets. They do not reflect, however, the credit risks assumed by entering into derivative transactions.

OPERATING LEASE

A lease other than a finance lease.

OPERATIONAL RISK

The risk of a direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

OPTION CONTRACTS

Give the purchaser, for a premium, the right, but not the obligation, to buy or sell within a limited period of time a financial instrument or currency at a contracted price that may also be settled in cash. Written options are subject to market risk, but not to credit risk since the counterparties have already performed in accordance with the terms of the contract by paying a cash premium up front.

ORDINARY SHARE

An equity instrument that is subordinate to all other classes of equity instruments. Ordinary shares participate in the net profit for the financial year after other types of shares such as preference shares.

OUT OF THE MONEY

A call option is said to be out of the money if the exercise price is higher than the price of the underlying value; a put option is said to be out of the money if the exercise price is lower than the price of the underlying value.

OVER-THE-COUNTER INSTRUMENT

A non-standardized financial instrument not traded on a stock exchange but directly between market participants.

PLAN ASSETS

Comprise assets held by a long-term employee benefit fund and qualifying insurance policies. Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting enterprise) that:

- are held by an entity (a fund) that is legally separate from the reporting enterprise and exists solely to pay or fund employee benefits; and
- are available to be used only to pay or fund employee benefits, are not available to the reporting enterprise's own creditors (even in bankruptcy), and cannot be returned to the reporting enterprise, unless either the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting enterprise or the assets are returned to the reporting enterprise to reimburse it for employee benefits already paid.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party of the reporting enterprise, if the proceeds of the policy:

- can be used only to pay or fund employee benefits under a defined benefit plan; and
- are not available to the reporting enterprise's own creditors (even in bankruptcy) and cannot be paid to the reporting enterprise, unless either the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations or the proceeds are returned to the reporting enterprise to reimburse it for employee benefits already paid.

POST-EMPLOYMENT BENEFIT PLANS

Formal or informal arrangements under which a company provides post-employment benefits for one or more employees. Post-employment benefits are employee benefits other than termination benefits and equity compensation benefits, which are payable after the completion of employment.

PREFERENCE SHARE

Similar to an ordinary share but carries certain preferential rights. These rights usually concern the guarantee of a fixed (cumulative) return to the shareholder or a guaranteed return on the investment.

PREMIUMS EARNED

The portion of net premiums written in current and past periods which applies to the expired portion of the policy period, calculated by subtracting movements in unearned premium reserves from net premiums.

PRE-SETTLEMENT RISK

Pre-settlement risk arises when a counterparty defaults on a transaction before settlement and ING has to replace the contract by a trade with another counterparty at the then prevailing (possibly unfavorable) market price. The pre-

settlement risk (potential or expected risk) is the cost of ING replacing a trade in the market. This credit risk category is associated with dealing room products such as options, swaps, and securities financing transactions. Where there is a mutual exchange of value, the amount of outstanding is generally based on the replacement value (mark-to-market) plus potential future volatility concept, using an historical 7 year time horizon and a 99% confidence level.

PRESSURIZED ASSETS

Pressurized assets have been defined as subprime ABS exposures, Alt-A ABS exposures, CDO/CLOs, SIVs, ABCP investment, leveraged finance and exposures on monoliners.

PRIVATE LOAN

Loans to governments, other public bodies, public utilities, corporations, other institutions or individuals with a loan agreement as the only instrument of title.

PRIVATE PLACEMENT

A placement in which newly issued shares or debentures come into possession of a limited group of subscribers who are prepared to buy the new securities.

PROJECTED UNIT CREDIT METHOD

An actuarial valuation method that considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

QUALIFYING ASSET (WITHIN THE MEANING OF BORROWING COSTS)

An asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

RECOGNITION

The process of incorporating in the balance sheet or profit and loss account an item that meets the definition of an element and satisfies the following criteria for recognition:

- it is probable that any future economic benefit associated with the item will flow to or from the enterprise; and
- the item has a cost or value that can be measured reliably.

RECOVERABLE AMOUNT

The higher of an asset's net selling price and its value in use.

REDEMPTION VALUE

With respect to investments in fixed-interest securities, the amount payable on the maturity date.

REINSURANCE

The practice whereby one party, called the reinsurer, in consideration for a premium paid to him, agrees to indemnify another party, called the reinsured or ceding company, for part or all of the liability assumed by the reinsured under a contract or contracts of insurance which the reinsured has issued. The reinsured may also be referred to as the original or primary insurer, the direct writing company, or the ceding company.

RETURN ON EQUITY (ROE)

The return on equity is the net result as percentage of the average equity.

RISK ADJUSTED RETURN ON CAPITAL (RAROC)

A performance indicator that measures revenues in the perspective of the risks that had to be taken to obtain that revenue. RAROC is calculated by dividing the risk-adjusted-return by economic capital. In the RAROC calculation, the actual credit-risk provisioning is replaced by statistically expected losses reflecting the average credit losses over the entire economic cycle.

RISK-WEIGHTED ASSETS ('RWA' UNDER BASEL I)

Assets which are weighted for credit risk according to a formula used by the DNB, which conforms to the capital adequacy guidelines of the BIS (Bank of International Settlements). On and off-balance-sheet items are weighted for risk, with off-balance-sheet items converted to balance-sheet equivalents (using credit-conversion factors) before being allocated a risk weight.

RISK-WEIGHTED ASSETS ('RWA' UNDER BASEL II)

Assets which are weighted for credit and market risk in accordance with the Basel II methodology. The risk-weighted assets are calculated using internal models approved by the DNB. Regulatory capital requirements for operational risk are calculated without use of risk-weighted assets.

SETTLEMENT RISK

Arises when there is an exchange of value (funds, instruments or commodities) for the same or different value dates or times and receipt is not verified or expected until ING has paid or delivered its side of the trade. The risk is that ING delivers, but does not receive delivery from the counterparty.

SIGNIFICANT INFLUENCE

The power to participate in the financial and operating policy decisions of an entity, but not to have control over these policies. Significant influence may be gained by share ownership, statute or agreement.

SUB-PRIME MORTGAGES

Mortgage loans made to borrowers who cannot get a regular mortgage because they have a bad credit history or limited income.

SUBSIDIARY

An entity that is controlled by another entity.

SURRENDER

The termination of a life or retirement contract at the request of the policyholder after which the policyholder receives the cash surrender value, if any, on the contract.

SWAP CONTRACTS

Commitments to settle in cash at a specified future date, based on differentials between specified financial indices as applied to a notional principal amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party.

TIER-1 CAPITAL

Also referred to as the core capital of ING Bank. It comprises paid up share capital, reserves excluding revaluation reserves, retained earnings, minority interests and hybrid Tier-1.

TIER-1 RATIO

Reflecting the Tier-1 capital of ING Bank as a percentage of its total risk weighted assets. The minimum set by the DNB is 4%.

TOTAL AND UNDERLYING NET RESULT

The variance between Total and Underlying net result is caused by divestments and special items.

TRADING PORTFOLIO

Comprises those financial instruments which are held to obtain short-term transaction results, to facilitate transactions on behalf of clients or to hedge other positions in the trading portfolio.

TRANSFER RISK

Probability of loss due to currency conversion (exchange) restrictions imposed by a foreign government that make it impossible to move money out of the country.

TREASURY BILLS

Generally short-term debt certificates issued by a central government. Dutch Treasury Certificates are regarded as Dutch Treasury bills.

TREASURY SHARES

An entity's own equity instruments, held by the entity or other members of the consolidated group.

VALUE CREATION

Value creation is measured by Economic Profit (regarding non life and asset management business and banking operations) and Embedded Value Profit (regarding life and long term health business).

VALUE AT RISK (VAR)

Quantifies, with a one-sided confidence level of at least 99%, the maximum overnight loss in Net Present Value that could occur due to changes in risk factors (e.g. interest rates, foreign exchange rates, equity prices, credit spreads, implied volatilities) if positions remain unchanged for a time interval of one day.

VALUE IN USE

The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

VARIANCE-COVARIANCE

A model to calculate Value at Risk, assuming that changes in risk factors are (jointly) normally distributed and that the change in portfolio value is linearly dependent on all risk factor changes.

WARRANT

A financial instrument that gives the holder the right to purchase ordinary shares.

WEIGHTED AVERAGE COST OF CAPITAL (WACC)

The weighted average cost of capital is used as the discount rate for calculating the present value of future cash flows.

THE ISSUER
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