

## 2.1 Consolidated annual accounts

## Notes to the consolidated balance sheet of ING Group (continued)

In 2007 Changes in composition of the group relates mainly to the deconsolidation of Real estate funds as a result of the reduction of ING's shareholding in these funds.

**Real estate investments by insurance and banking operations**

	2007	2006
Insurance operations	1,302	3,310
Banking operations	3,527	3,664
	<b>4,829</b>	6,974

The total amount of rental income recognised in the profit and loss account for the year ended 31 December 2007 was EUR 402 million (2006: EUR 434 million). The total amount of contingent rent recognised in the profit and loss account for the year ended 31 December 2007 was EUR 14 million (2006: EUR 14 million).

The total amount of direct operating expenses (including repairs and maintenance) arising from Real estate investments that generated rental income for the year ended 31 December 2007 was EUR 64 million (2006: EUR 168 million). The total amount of direct operating expenses (including repairs and maintenance) arising from Real estate investments that did not generate rental income for the year ended 31 December 2007 was EUR 20 million (2006: EUR 32 million).

**Appraisal of real estate investments during the last five years by independently qualified valuers (in percentages)**

year of appraisal	
2007	64
2006	36
2005	0
2004	0
2003	0
	<b>100</b>

**8 PROPERTY AND EQUIPMENT****Property and equipment by type**

	2007	2006
Property in own use	2,069	2,034
Equipment	1,270	1,312
Assets under operating leases	2,898	2,685
	<b>6,237</b>	6,031

**Property in own use by insurance and banking operations**

	2007	2006
Insurance operations	599	694
Banking operations	1,470	1,340
	<b>2,069</b>	2,034

### Changes in property in own use

	2007	2006
Opening balance	2,034	2,271
Additions	85	68
Changes in the composition of the group	29	-14
Transfers to and from Real estate investments	60	-44
Transfers to and from Other assets	59	-4
Depreciation	-39	-64
Revaluations	-60	76
Reversal of impairments	14	4
Disposals	-84	-221
Exchange rate differences	-29	-38
Closing balance	2,069	2,034
Gross carrying amount as at 31 December	2,943	2,883
Accumulated depreciation as at 31 December	-708	-669
Accumulated impairments as at 31 December	-166	-180
Net book value	2,069	2,034
<b>Revaluation surplus</b>		
Opening balance	693	612
Revaluation in year	19	82
Released in year	-79	-1
Closing balance	633	693

The cost or purchase price amounted to EUR 2,310 million (2006: EUR 2,190 million). Cost less accumulated depreciation would have been EUR 1,602 million (2006: EUR 1,521 million).

### Appraisal of property in own use during the last five years by independently qualified valuers (in percentages)

year of appraisal	
2007	39
2006	19
2005	26
2004	4
2003	12
	100

### Changes in equipment

	Data processing equipment		Fixtures and fittings and other equipment		Total 2006
	2007	2006	2007	2006	
Opening balance	283	314	1,029	1,002	1,316
Additions	177	157	309	343	500
Changes in the composition of the group	10	-7	16	-1	-8
Disposals	-24	-9	-44	-63	-72
Depreciation	-164	-177	-216	-222	-399
Impairments	-1		-1	-1	-1
Exchange rate differences	-3	-6	-17	-26	-32
Other changes	3	11	-87	-3	8
Closing balance	281	283	989	1,029	1,312
Gross carrying amount as at 31 December	1,763	1,499	2,950	2,729	4,228
Accumulated depreciation as at 31 December	-1,481	-1,216	-1,959	-1,699	-2,915
Accumulated impairments as at 31 December	-1		-2	-1	-1
Net book value	281	283	989	1,029	1,312

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## Notes to the consolidated balance sheet of ING Group (continued)

**Changes in assets under operating leases**

	2007	Cars 2006	Other leased-out assets 2007	2006	2007	Total 2006
Opening balance	<b>2,671</b>	2,116	<b>14</b>	54	<b>2,685</b>	2,170
Additions	<b>1,396</b>	1,146	<b>2</b>	18	<b>1,398</b>	1,164
Changes in the composition of the group		417		-46		371
Disposals	<b>-417</b>	-400		-2	<b>-417</b>	-402
Depreciation	<b>-720</b>	-617	<b>-4</b>	-10	<b>-724</b>	-627
Exchange rate differences	<b>-44</b>	9			<b>-44</b>	9
Closing balance	<b>2,886</b>	2,671	<b>12</b>	14	<b>2,898</b>	2,685
Gross carrying amount as at 31 December	<b>5,177</b>	3,938	<b>70</b>	39	<b>5,247</b>	3,977
Accumulated depreciation as at 31 December	<b>-2,291</b>	-1,267	<b>-58</b>	-25	<b>-2,349</b>	-1,292
Net book value	<b>2,886</b>	2,671	<b>12</b>	14	<b>2,898</b>	2,685

Depreciation of assets under operating leases is included in the profit and loss account in other income as a deduction from operating lease income.

No individual operating lease has terms and conditions that materially affect the amount, timing or certainty of the consolidated cash flows of the Group.

The Group leases assets to third parties under operating leases as lessor. The future minimum lease payments to be received under non-cancellable operating leases are as follows:

**Future minimum lease payments by maturity**

	2007	2006
Within 1 year	<b>1,048</b>	926
More than 1 year but less than 5 years	<b>1,844</b>	1,754
More than 5 years	<b>6</b>	5
	<b>2,898</b>	2,685