

Composition of the Boards

COMPOSITION OF THE BOARDS*

on 31 December 2008

EXECUTIVE BOARD

Michel J. Tilmant ⁽¹⁾(56), chairman

Eric F. Boyer de la Giroday ⁽²⁾(56)

Dick H. Harryvan (55)

John C.R. Hele ⁽³⁾(50), CFO

Eli P. Leenaars (47)

Tom J. McInerney (52)

Hans van der Noordaa (47)

Koos (J.)V. Timmermans (48), CRO

Jacques M. de Vaucleroy (47)

⁽¹⁾ Chairman until 26 January 2009.

⁽²⁾ Acting chairman from 26 January until 27 April 2009.

⁽³⁾ Leaving ING on 31 March 2009.

SUPERVISORY BOARD

Jan H.M. Hommen ⁽¹⁾(65), chairman

Eric Bourdais de Charbonnière ⁽²⁾(69), vice-chairman

Henk W. Breukink (58)

Peter A.F.W. Elverding ⁽³⁾(60)

Claus Dieter Hoffmann (66)

Piet Hoogendoorn (63)

Piet C. Klaver (63)

Wim Kok ⁽²⁾(70)

Godfried J.A. van der Lugt (68)

Harish Manwani (55)

Aman Mehta (62)

Joan E. Spero (64)

Jackson P. Tai (58)

Karel Vuursteen (67)

⁽¹⁾ Nominated chairman of the Executive Board as of 27 April 2009.

⁽²⁾ Retirement as of 27 April 2009.

⁽³⁾ Designated chairman of the Supervisory Board as of 27 April 2009.

Audit Committee

Wim Kok, chairman

Peter A.F.W. Elverding

Piet Hoogendoorn

Godfried J.A. van der Lugt

Jackson P. Tai

Remuneration and Nomination Committee

Jan H.M. Hommen, chairman

Eric Bourdais de Charbonnière

Piet C. Klaver

Joan E. Spero

Karel Vuursteen

Corporate Governance Committee

Jan H.M. Hommen, chairman

Eric Bourdais de Charbonnière

Henk W. Breukink

Claus Dieter Hoffmann

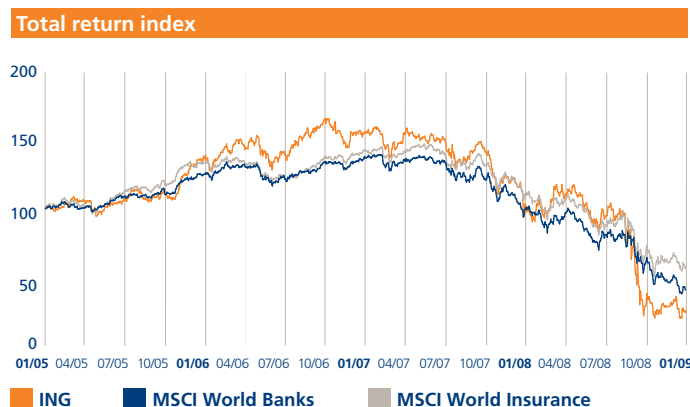
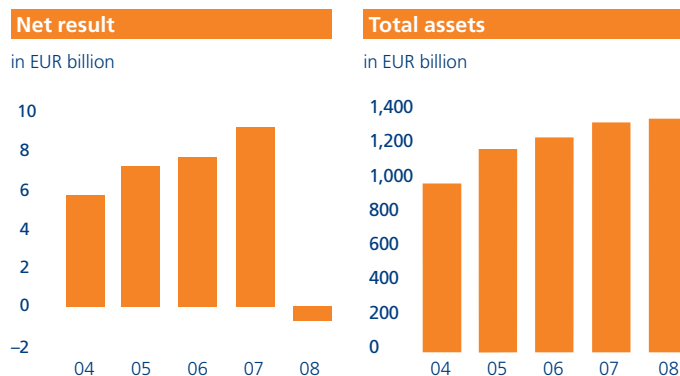
Harish Manwani

Aman Mehta

* You can find more information on the members of the Executive Board on pages 61-62 and on the members of the Supervisory Board on pages 64-65, as well as the names of the nominated candidates for appointment and reappointment at the General Meeting on 27 April 2009.

On page 63 you can find the current composition of the Supervisory Board Committees.

- > Full-year net result EUR –729 million, impacted by unprecedented crisis
- > Significant impairments and negative revaluations
- > Adjusting to a new reality
- > Prioritising customers, capital, risk and costs
- > Delivering an easier customer experience



Key Figures

Key figures (on a total basis)

	2008	2007	2006	2005	2004
Income (in EUR million)					
Insurance operations	54,851	62,208	59,642	57,403	55,614
Banking operations	11,731	14,602	14,195	13,848	12,678
Total income ⁽¹⁾	66,291	76,587	73,621	71,120	68,171
Operating expenses (in EUR million)					
Insurance operations	5,422	5,515	5,275	5,195	4,746
Banking operations	10,303	9,967	9,087	8,844	8,795
Total operating expenses	15,725	15,481	14,362	14,039	13,541
Addition to loan loss provision Banking operations (in EUR million)	1,280	125	103	88	465
Result before tax (in EUR million)					
Insurance result before tax	-1,635	6,533	4,935	3,978	4,322
Banking result before tax	148	4,510	5,005	4,916	3,418
Total result before tax	-1,487	11,043	9,940	8,894	7,740
Taxation	-721	1,534	1,907	1,379	1,709
Minority interests	-38	267	341	305	276
Net result	-729	9,241	7,692	7,210	5,755
Figures per ordinary share (in EUR)					
Basic earnings	-0.36	4.32	3.57	3.32	2.71
Earnings – after attribution to non-voting equity securities ⁽²⁾	-0.56	4.32	3.57	3.32	2.71
Dividend	0.74	1.48	1.32	1.18	1.07
Shareholders' equity (in parent)	8.55	17.73	17.78	16.96	12.95
Balance sheet (in EUR billion)					
Total assets	1,332	1,313	1,226	1,159	964
Total equity	29	40	41	38	28
Shareholders' equity (in parent)	17	37	38	37	28
Core Tier-1 securities	10				
Capital ratios					
ING Group debt/equity ratio	13.5%	9.5%	9.0%	9.4%	10.2%
Insurance capital coverage ratio	256%	244%	274%	255%	204%
Insurance debt/equity ratio	8.8%	13.6%	14.2%	13.4%	14.3%
Bank Tier-1 ratio	9.32%	7.39%	7.63%	7.32%	6.92%
Market capitalisation (in EUR billion)	15	60	74	65	49
Key performance indicators					
Net return on equity (ROE)	-2.1%	24.2%	23.5%	26.6%	25.4%
Net result change	-108%	20%	7%	25%	n.a.
Insurance					
Value of new life business (in EUR million)	924	1,113	807	805	632
Internal rate of return (life)	13.9%	14.3%	13.3%	13.2%	12.1%
Combined ratio (non-life)	97%	97%	91%	95%	94%
Banking					
Cost/income ratio	87.8%	68.3%	64.0%	63.9%	69.4%
RAROC after tax	1.2%	19.9%	19.7%	22.6%	14.5%
Assets under management (in EUR billion)	551	643	600	547	492
Employees (FTEs year-end)	124,661	124,634	119,801	116,614	112,195

⁽¹⁾ Including inter-company eliminations.

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

ING at a glance

ING aims to deliver its financial products and services in the way its customers want them delivered: with exemplary service, convenience and at competitive prices. This is reflected in our mission statement: to set the standard in helping our customers manage their financial future.

OUR PROFILE

ING is a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services. We serve 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.

OUR STRATEGY

ING's overall mission is to help customers manage their financial future. Capitalising on changing customer preferences and building on our solid business capabilities, ING's strategic focus is on banking, investments, life insurance and retirement services. We want to provide retail customers with the products they need during their lives to grow savings, manage investments and prepare for retirement with confidence. With our wide range of products, innovative distribution models and strong footprints in both mature and developing markets, we have the long-run economic, technological and demographic trends on our side. We align our business strategy around a universal customer ideal: saving and investing for the future should be easier. While steering the business through turbulent times, we will execute efforts across all our business lines to strengthen customer confidence and meet their needs, preserve a strong capital position, further mitigate risks and bring our costs in line with revenue expectations.

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.

www.ing.com

ING BUSINESS LINES

Underlying result before tax*
in EUR million

Insurance Europe

2008	651
2007	1,840

Is a market leader in life insurance and retirement services in the Netherlands and Belgium, and operates life insurance, retirement services and asset management in Hungary, Poland, Czech Republic, Slovakia, Bulgaria, Romania, Russia, but also in Spain, Greece and Turkey. In almost all countries in Europe ING has built its life insurance operations from scratch. This entry strategy has been successful.

Insurance Americas

2008	-534
2007	2,062

Provides insurance, investment, retirement and asset management products and services in the region. ING is ranked third in the defined contribution segment of the US retirement services market as measured by assets. We are also a leading pension company in a number of Latin American countries, including Mexico, Chile and Peru.

Insurance Asia/Pacific

2008	116
2007	576

Conducts life insurance and asset/wealth management activities in the region. ING is the region's second-largest international life insurer in nine countries. ING has strong positions in Australia, New Zealand, Japan, Hong Kong, Malaysia and South Korea, and has a growing presence in the high-growth markets of China, India and Thailand.

Wholesale Banking

2008	609
2007	2,059

Conducts operations for corporations and other institutions. The primary focus of ING's wholesale banking business 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. Wholesale Banking also manages ING Real Estate, the world's largest real estate investment manager.

Retail Banking

2008	1,691
2007	2,402

Offers retail banking services in the Netherlands, Belgium, Poland, Romania, Turkey, Ukraine, India, Thailand and China. Private Banking is offered in the Netherlands, Belgium, Luxembourg, Switzerland and various countries in Asia and Central Europe. Mid Corporate Clients in the home markets (the Netherlands, Belgium, Poland and Romania), which were formerly part of Wholesale Banking, are now also part of Retail Banking.

ING Direct

2008	-1,125
2007	530

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

* Excluding Corporate Lines Insurance and Banking.

Letter to stakeholders

Steering the business through turbulent times

Dear stakeholder,

2008 has been a much more challenging year for ING than was anticipated in February, when we announced a sharpened strategy and were still planning for growth. The magnitude of the crisis has left few companies untouched, and for ING 2008 has been marked by government support and disappointing financial results.

For several years ample liquidity and low interest rates fuelled an economic upturn. The burst of the bubble in real estate markets, especially in the United States, triggered a rapid decline in asset prices. As a result, financial institutions that had been heavily financed with debt had to sell assets to support their liquidity position. The result was a vicious circle of deleveraging, which created a strong, further downward pressure on equities, corporate bonds, real estate and private equity. This culminated in a wave of bank failures, solvency problems, government bailouts and (partial) nationalisation of a number of financial institutions, with significant implications for everyone, including fundamentally healthy companies.

For ING, the immediate consequence was a need to increase our capital position and ratios. International market expectations of capital levels had changed practically overnight, also against the backdrop of capital injections into financial institutions by the US and UK governments. The Dutch government responded to the market turmoil by establishing a facility for healthy financial institutions that needed extra capital. Given the exceptional circumstances, and our desire to find a quick, sizeable and proactive solution, we decided to use this facility for a EUR 10 billion capital strengthening agreement. We are grateful that the Dutch government appreciates the importance of a strong financial sector, and the role of ING in it, and has taken measures to boost the confidence in the sector and the stability of the financial system. The government's involvement brings with it an increased need for ING to be responsive to the interests of Dutch society.

The sharp market deterioration resulted in significant impairments and negative revaluations across most asset classes, eroding our profit in 2008, resulting in our first ever annual loss. Our commercial performance remained satisfactory. That said, our results in 2008 are clearly disappointing for our customers, shareholders, employees and management alike.

We are fortunate and thankful for the continued loyalty of our customers, but the crisis has understandably damaged trust in our industry. For the entire sector, including ING, our clients' confidence is our licence to operate. Our customers entrust us with their deposits and savings, expecting ING to carefully manage their money and invest it in a sensible way. Our business principles, the backbone of our approach to corporate responsibility, give us guidance on our responsibilities towards our customers as well as on such matters as the environment and human rights. These principles are the basis upon which customer confidence, and consequently, investor confidence in ING is built.

In January 2009, Michel Tilmant stepped down from his position as CEO of ING. We want to use this opportunity to thank Michel for his hard work over the last five years. Michel has given a lot to ING as CEO, transforming ING into a more focused organisation.

Jan Hommen will succeed Michel Tilmant as chairman of the Executive Board upon approval of his appointment to the Executive Board by the annual General Meeting on 27 April 2009. Peter Elverding has been appointed as Jan Hommen's successor as chairman of the Supervisory Board. Wim Kok and Eric Bourdais de Charbonnière will retire from the Supervisory Board on that same day. Patrick Flynn will be nominated for appointment to the Executive Board to succeed John Hele as CFO. John Hele will leave the company on 31 March 2009. On behalf of our colleagues in the Executive Board and Supervisory Board we wish to express our gratitude and appreciation for the contribution Wim Kok, Eric Bourdais de Charbonnière and John Hele have made to ING.

On behalf of both the Executive Board and Supervisory Board, we also want to express our sincere thanks to our employees. Their efforts to demonstrate to customers every day that we take our responsibility to them very seriously are at the heart of this company.

2009 has started off as a challenging year, with the global economy in recession and a further deterioration of financial markets. In January, we announced an Illiquid Assets Back-up Facility by the Dutch State, which strongly reduces the risks in our portfolio. Furthermore, we are confronting the crisis head-on by preserving our capital base, reducing risk and bringing costs in line with the operating environment. In concurrence with the Illiquid Assets Back-up Facility, we announced measures to reduce costs including a 6% reduction of our workforce.

With regard to the future of the financial industry, we expect more modesty in scope and risk profile, greater impact of supervision and regulation, as well as higher capital requirements.

In this first phase of recovery, stabilising the company and restoring credibility are key. ING will concentrate on the basics, reducing the complexity of products and services. For the longer term, improving the fundamentals of our business and the commercial processes are high on the agenda. We will look at our business with fresh eyes to apply further focus and build a coherent set of strong businesses, and seek new ways of doing business so we can come through this crisis stronger and smarter.

Good things can come from challenging situations. We are steering the business through these turbulent times, focusing on today's priorities with the discipline that these exceptional times require.

Jan Hommen
Chairman of the Supervisory Board and CEO designate

Eric Boyer de la Giroday
Acting CEO, member of the Executive Board

Information for shareholders

€ 7.33

ING share price year-end 2008

SHARE PRICE PERFORMANCE

In 2008, ING's share price decreased 72.6% to EUR 7.33 at year-end. Over the full year, ING underperformed the Amsterdam Exchange Index (AEX) by 20.3%-points.

€ 0.74

Dividend per share

DIVIDEND

As previously announced in October 2008, ING Group will not pay a final dividend in May 2009 over the year 2008. ING Group already paid an interim dividend of EUR 0.74 per ordinary share (or depositary receipt therefor) in August 2008.

-49%

Total Shareholder Return 2005-2008

TOTAL SHAREHOLDER RETURN

ING's Total Shareholder Return amounted to -49% over the four-year period 2005-2008.

AA-

S&P rating of ING Group

A1

Moody's rating of ING Group

RATINGS

Credit ratings are indicators for the likelihood of timely and complete repayment of interest and instalments of fixed-income securities as assigned by rating agencies. For an overview of the main credit ratings of ING, please see page 9.

27 April 2009

Annual General Meeting

GENERAL MEETING

On 27 April 2009 the annual General Meeting will take place in the Elicium building of RAI Convention Centre in Amsterdam. The meeting will be webcast. The meeting documents are available on the ING Group website www.ing.com. Printed versions of the meeting documents can be obtained free of charge at ING Group, Amstelveenseweg 500, 1081 KL Amsterdam as of 26 March 2009.

Information for shareholders (continued)

PROFIT RETENTION AND DISTRIBUTION POLICY

ING Group's profit retention and distribution policy is determined by its internal financing requirements and its growth opportunities on the one hand and the capital providers' dividend expectations on the other. ING Group's internal funding needs are determined partly by statutory solvency requirements and capital ratios, compliance with which is essential to its existence. Credit ratings are just as important to ING Group, because they directly affect the company's financing costs and hence profitability. For their part, the capital providers expect a dividend which reflects ING Group's financial results and is relatively predictable. Following the capital injection from the Dutch State, ING maintains full discretion to determine its dividend on ordinary shares.

ING Group has announced that it will not pay a final dividend in May 2009 over the year 2008. Given the intensity of the crisis, it is difficult to foresee whether ING Group will be in a position to pay a dividend in 2009. The interim dividend for 2009 will not automatically be half of the total dividend of 2008.

ING Group will continue to pay dividends in relation to underlying cash earnings, and will take a balanced approach to dividends in a careful and conservative manner in the next few years.

Core Tier-1 securities

In October 2008, ING Group took advantage of previously announced capital support facilities by the Dutch Government by issuing EUR 10 billion of core Tier-1 ('Securities') to the Dutch State with a coupon of 8.5%. This capital injection significantly enhanced the capital position of ING Group. The Securities are pari passu with common equity (there is no claim, even in liquidation). When a dividend is paid, however small, the coupon on the Securities is also payable, albeit only with the permission of DNB (the Dutch central bank). More information on the Securities and the relation between dividend on common shares and the coupon on the Securities is available in the Capital management section, starting on page 16.

Share buy-back programme

On 16 May 2007, ING announced a share buy-back programme to purchase ordinary shares (or depositary receipts for such shares), with a total value of EUR 5 billion over a period of 12 months, beginning in June 2007. On 23 May 2008, ING Group announced that it had completed the share buy-back programme. Under the programme, ING has repurchased 183,158,017 ordinary shares (or the depositary receipts therefor) in the market for a total consideration of EUR 4,903,355,838.50, bringing the average purchase price for the total programme to EUR 26.77. The repurchased shares were cancelled in accordance with approval obtained at the 2008 annual General Meeting.

Preference A shares

On 5 March 2008, ING announced the tender offer for the 6,012,839 issued and outstanding preference A shares (or the depositary receipts therefor) of ING Groep N.V., with a nominal value of EUR 1.20 each. The purchase price for each share offered in accordance with the Tender Offer was EUR 3.60, or EUR 21.6 million in total. The purpose of the buy-back of the preference A shares was to simplify the corporate ownership and capital structure of ING on a one-share-one-vote basis and to optimise its

capital structure. The tender period ended on 26 June 2008 and all preference A shares (or the depositary receipts therefor) were cancelled in accordance with the resolution of ING's General Meeting held on 22 April 2008.

LISTINGS

In November 2008, ING Group announced its intention to concentrate the trading of its shares (or the depositary receipts therefor) on the stock exchanges in Amsterdam, Brussels and New York (NYSE). Accordingly, ING has sought voluntary delisting of shares from the stock exchanges in Frankfurt, Paris and Switzerland. All relevant authorities and exchanges have approved the applications to delist and trading was halted as of 20 January 2009 in Paris, as of 26 February 2009 in Frankfurt and as of 3 March 2009 in Switzerland. Options on ordinary shares ING Group (or the depositary receipts therefor) are traded at the NYSE Euronext Amsterdam Derivative Markets and the Chicago Board Options Exchange.

Authorised and issued capital

in millions	Year-end 2008	Year-end 2007
Ordinary shares		
– authorised	1,080	720
– issued	495	534
Preference shares		
– authorised		360
– issued		19
Cumulative preference shares		
– authorised	1,080	1,080
– issued	–	–

Shares in issue and shares outstanding in the market

in millions	Year-end 2008	Year-end 2007
(Depositary receipts for) ordinary shares of EUR 0.24 nominal value	2,063.1	2,226.4
(Depositary receipts for) own ordinary shares held by ING Group and its subsidiaries	36.5	126.8
(Depositary receipts for) ordinary shares outstanding in the market	2,026.6	2,099.6
(Depositary receipts for) preference shares of EUR 1.20 nominal value		16
(Depositary receipts for) own preference shares held by ING Group and its subsidiaries		10
(Depositary receipts for) preference shares outstanding in the market		6

Prices depositary receipts for ordinary shares

Euronext Amsterdam by NYSE Euronext in EUR	2008	2007	2006
Price – high	26.21	34.69	35.95
Price – low	5.33	24.38	27.82
Price – year end	7.33	26.75	33.59
Price/earnings ratio*	n.a.**	6.2	9.4

* Based on the share price at year-end and underlying net profit per ordinary share for the financial year.

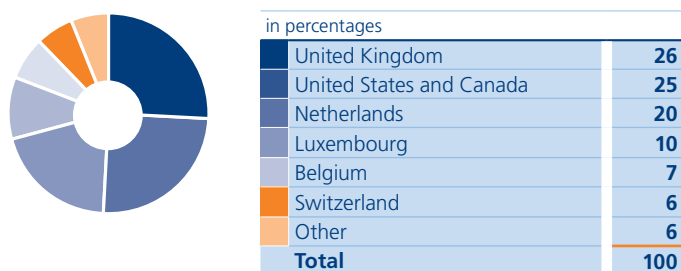
** Not applicable.

Dividend history

in EUR	2008*	2007	2006
Interim dividend	0.74	0.66	0.59
Final dividend	–	0.82	0.73
Total	0.74	1.48	1.32

* Announced on 20 October 2008.

Geographical distribution of ING shares*



* 2008 figures, estimated on information provided by several large custodians.

SHAREHOLDERS WITH STAKES OF 5% OR MORE

As at 31 December 2008, no holder of ordinary shares (or the depositary receipts therefor) with an interest or potential interest as mentioned in the Dutch Financial Supervision Act was known.

INVESTOR RELATIONS

To be kept informed of press releases and other ING news, you can subscribe to the email service through our Investor Relations section at www.ing.com.

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Main credit ratings of ING*

	Standard & Poor's	Moody's	Fitch
ING GROUP**	AA–	A1	A+
ING INSURANCE			
– short term	A-1+	P-1	
– long term	AA-	A2	A+
ING BANK			
– short term	A-1+	P-1	F1+
– long term	AA	Aa3	AA–
– financial strength		C+	

* Still valid on 16 March 2009, the date of this Annual Report.

** The Standard & Poor's and Fitch ratings on ING Group have a negative outlook, while Moody's outlook is stable.

ING's long-term credit ratings are shown in the table above. Each of these ratings reflects only the view of the applicable rating agency at the time the rating was issued, and any explanation of the significance of a rating may be obtained only from the rating agency. A security rating is not a recommendation to buy, sell or hold securities and each rating should be evaluated independently of any other rating. There is no assurance that any credit rating will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the rating agency if, in the rating agency's judgement, circumstances so warrant. ING accepts no responsibility for the accuracy or reliability of the ratings.

IMPORTANT DATES IN 2009 AND 2010*

Annual General Meeting

Monday, 27 April 2009, 11:00 a.m.

Publication results 1Q 2009

Wednesday, 13 May 2009, 7:30 a.m.

Publication results 2Q 2009

Wednesday, 12 August 2009, 7:30 a.m.

ING share quotation ex interim dividend 2009 (if any)**

Thursday, 13 August 2009 (NYSE Euronext and NYSE)

Publication results 3Q 2009

Wednesday, 11 November 2009, 7:30 a.m.

Publication results 4Q 2009/annual results 2009

Wednesday, 17 February 2010

Annual General Meeting

Tuesday, 27 April 2010

* All dates shown are provisional. ** See dividend policy on page 8.

Four-year price development ING depositary receipts for shares

index 1 January 2005 = 100
in EUR

