ING GROEP NV
Form 6-K
November 13, 2014
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SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For 5 November, 2014

Commission File Number 1-14642

ING Groep N.V.

Bijlmerplein 888

1102 MG Amsterdam

The Netherlands

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T rule 101(b)(1): ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T rule 101(b)(7): ¨

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ¨ No x

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b).

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This Report contains a copy of the following:

(1) The Press Release issued on 5 November, 2014.

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CORPORATE COMMUNICATIONS

PRESS RELEASE

5 November 2014

ING Bank records 3Q14 underlying net profit of EUR 1,123 million

ING Bank 3Q14 underlying net profit of EUR 1,123 million, up from EUR 820 million in 3Q13 and EUR 923 million in 2Q14

3Q14 results reflect a strong increase in interest results and lower risk costs at 44 bps of average RWA

ING supported customers with EUR 3.3 billion in net lending, funded by EUR 4.3 billion of net funds entrusted

Year-to-date underlying return on IFRS-EU equity rises to 11.4%; 3Q14 fully-loaded CET 1 ratio strengthened further to 11.1%

ING Group 3Q14 net result EUR 928 million (EUR 0.24 per share), including special items and Insurance results

NN Group has been reclassified as held for sale and discontinued operations effective as of 30 September 2014

Change in NN Group classification triggers EUR 403 million write-down of goodwill and other non-current assets

ING accelerates repayment of final tranche of core Tier 1 securities after comfortably passing the AQR and stress test

EUR 7.9 billion combined market value of ING s stakes in NN Group and Voya provide substantial financial flexibility

Following the ECB s comprehensive assessment, ING accelerates its final payment of state aid to November 2014

CEO STATEMENT

Since launching our Think Forward strategy seven months ago, we have been working harder than ever to deliver on our customer promises and strategic purpose of empowerment, said Ralph Hamers, CEO of ING Group. It is encouraging to see our efforts reflected so positively in our strong commercial and financial results for this quarter.

Innovation is happening every day at ING. During the third quarter, our drive to keep getting better led to a steady stream of improvements. In the Netherlands, we added voice recognition technology to our mobile banking app an exciting new feature that is the first of its kind at any European bank. We introduced a digital wallet service in Italy, following the launch of similar services in Poland and Turkey earlier this year. A new digital platform was launched in Spain, which enhances the customer experience it encourages clients to think about their future by helping them to analyse and manage their personal finances using customisable visuals. In Commercial Banking, we advanced our goals of making banking easier and enabling clients to stay a step ahead by streamlining our on-boarding process, without compromising on due diligence and regulatory requirements.

ING Bank posted an excellent set of quarterly results, underpinned by our commitment to serve our customers financial needs. We extended EUR 3.3 billion in net lending, primarily in Structured Finance, General Lending and residential mortgages. This was funded by a EUR 4.3 billion net inflow of funds entrusted which was generated across our franchise. The third-quarter underlying result before tax rose 34.7% year-on-year and 16.3% sequentially to EUR 1,486 million, reflecting higher interest results and lower risk costs. This robust performance supported an increase in the year-to-date underlying return on IFRS-EU equity to 11.4%, in line with our Ambition 2017 target range. The

Bank s capital position strengthened, with a fully-loaded CET 1 ratio of 11.1%, and our liquidity and leverage measures remain sound.

We continued to simplify our company, consistent with our repositioning as a leading European bank. In light of our intention to divest our remaining stake in NN Group over time, we changed the classification of NN Group to held for sale and discontinued operations , effective as of 30 September 2014. Our stake in Voya Financial, Inc. was further reduced in September to approximately 32%. The financial impacts of these actions, together with the net results of our Insurance businesses, are reflected in ING Group s third-quarter net result of EUR 928 million.

The current EUR 7.9 billion combined market value of our remaining stakes in NN Group and Voya reflect a healthy capital surplus at Group level, affording ample financial flexibility. Last week, the stability of our financial position was affirmed by the outcome of the ECB s comprehensive assessment. Today, we are pleased to announce that we have received regulatory approval to bring forward our final payment of state aid, which will be paid in the coming days. We are grateful to the Dutch State, our customers and our shareholders for their support throughout the financial crisis and for the confidence they have placed in ING.

I am proud of the hard work and dedication of our employees that made our strong performance in the third quarter possible. The implementation of our strategy is on track and we are well positioned to benefit from the transformation that is taking place in the banking landscape.

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SHARE INFORMATION

Financial calendar

Publication results 4Q2014: Wednesday, 11 February 2015

Publication results 1Q2015: Thursday, 7 May 2015

Annual general meeting: Monday, 11 May 2015

(These dates are provisional)

Listing information

ING ordinary shares are registered shares with a par value of EUR 0.24 per share. The (depositary receipts for) ordinary shares of ING Group are listed on the exchanges of Amsterdam, Brussels and New York (NYSE).

Stock exchanges	**Tickers (Bloomberg, Reuters)**	**Security codes (ISIN, SEDOL1)**
Euronext Amsterdam	INGA NA, ING.AS	NL0000303600, 7154182
New York Stock Exchange	ING US, ING.N	US4568371037, 2452643

American Depositary Receipts (ADRs)

For questions related to the ING ADR program, please contact
J.P. Morgan Shareholder Services:
J.P. Morgan Depositary Bank
1 Chase Manhattan Plaza, Floor 58
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Or visit J.P. Morgan Depositary Receipts Services. Web: www.adr.com

Note for editors

For further information on ING, please visit www.ing.com. Frequent news updates can be found in the Newsroom or via the @ING_news twitter feed. Photos of ING operations, buildings and its executives are available for download at Flickr. Footage (B-roll) of ING is available via videobankonline.com, or can be requested by emailing info@videobankonline.com. ING presentations are available at SlideShare. For convenient access to the latest financial information and press releases both online and offline, download the ING Group Investor Relations and Media app for iOS on the Apple Store or for Android on Google Play.

Share information

	3Q2014	2Q2014	1Q2014	4Q2013
Shares (in millions, end of period)				
Total number of shares	3,858.5	3,858.1	3,843.8	3,840.9
Treasury shares	2.0	7.7	4.2	4.0
Shares outstanding	3,856.5	3,850.4	3,839.6	3,836.9
Average number of shares	3,854.5	3,850.8	3,837.4	3,836.1
Share price (in euros)				
End of period	11.31	10.26	10.00	10.10
High	11.95	10.83	10.93	10.10
Low	9.60	9.44	9.63	8.50
Net result per share (in euros)	0.24	0.28	-0.50	0.16
Shareholders equity per share (end of period, in euros)	12.23	12.59	11.82	11.93
Dividend per share (in euros)	n.a.	n.a.	n.a.	n.a.
Price/earnings ratio[1)]	1.6	n.a.	n.a.	9.1
Price/equity ratio	0.92	0.81	0.85	0.85

1) Quarterly rolling average.

MARKET CAPITALISATION (in EUR billion)

Comparative performance of share price

1 JANUARY 2013 TO 1 OCTOBER 2014

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ECONOMIC ENVIRONMENT

ECONOMIC ACTIVITY

The composite purchasing managers index for the eurozone weakened further in the third quarter. It still points to growth, albeit to very slow growth.
In the US, the composite PMI remained at elevated levels.
The PMIs are regarded as timely indicators of underlying trends in economic activity.

INTEREST RATES

The slope of the US yield curve changed little in the third quarter. The eurozone yield curve, however, flattened as long-term yields fell even more sharply than short-term rates did. The latter was in response to the ECB s decision to cut interest rates further in early September.

CURRENCY MARKETS

The weakening trend in the euro s exchange rate, which started in June (after the ECB cut interest rates and announced a series of TLTROs), extended into the third quarter. The impact was amplified by the ECB s decision in early September to cut interest rates even further and to announce a purchase programme of covered bonds and ABS.

CREDIT MARKETS

Credit market sentiment stagnated in the third quarter in the eurozone and the US.

STOCK MARKETS

Equity indices in the eurozone and the US struggled to make headway in the third quarter, as geopolitical tensions and the prospect of higher interest rates in the US and the UK started to make investors more cautious.

Source: ING Economics Department

CONSUMER CONFIDENCE

The ongoing geopolitical tensions and resulting signs of economic slowdown started to dampen the mood of consumers in the eurozone in 3Q2014.

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CONSOLIDATED RESULTS

Consolidated result	3Q2014	3Q2013[1)]	Change	2Q2014	Change	9M2014	9M2013[1)]	Change
Profit and loss data (in EUR million)								
Interest result	3,156	2,936	7.5%	2,985	5.7%	9,168	8,858	3.5%
Commission income	579	546	6.0%	595	-2.7%	1,734	1,682	3.1%
Investment income	37	78	-52.6%	38	-2.6%	180	255	-29.4%
Other income	171	213	-19.7%	163	4.9%	458	696	-34.2%
Total underlying income	**3,942**	**3,774**	**4.5%**	**3,781**	**4.3%**	**11,541**	**11,490**	**0.4%**
Staff expenses	1,194	1,194	0.0%	1,207	-1.1%	3,640	3,669	-0.8%
Other expenses	921	888	3.7%	866	6.4%	2,707	2,570	5.3%
Intangibles amortisation and impairments	19	39	-51.3%	26	-26.9%	59	104	-43.3%
Operating expenses	**2,134**	**2,120**	**0.7%**	**2,098**	**1.7%**	**6,407**	**6,343**	**1.0%**
Gross result	**1,808**	**1,655**	**9.2%**	**1,683**	**7.4%**	**5,134**	**5,147**	**-0.3%**
Addition to loan loss provision	322	552	-41.7%	405	-20.5%	1,194	1,728	-30.9%
Underlying result before tax Banking	**1,486**	**1,103**	**34.7%**	**1,278**	**16.3%**	**3,940**	**3,419**	**15.2%**
Taxation	349	265	31.7%	338	3.3%	1,005	879	14.4%
Minority interest	14	18	-22.2%	17	-17.6%	59	71	-16.9%
Underlying net result Banking	**1,123**	**820**	**37.0%**	**923**	**21.7%**	**2,876**	**2,469**	**16.5%**
Net gains/losses on divestments						202	-6	
Net result from divested units							-37	
Special items after tax	-117	-19		-117		-1,002	-63	
Net result Banking	**1,006**	**801**	**25.6%**	**806**	**24.8%**	**2,076**	**2,364**	**-12.2%**
Net result Insurance Other	43	2		-6		93	143	
Net result IC elimination between ING Bank and NN	-3	-26		-19		-43	-75	

Group Net result from discontinued operations NN Group[3]	-159	-728		264		-161	626	
Net result from discontinued operations Voya Financial	41	79		22		-1,889	-139	
Net result ING Group	**928**	**128**	**625.0%**	**1,067**	**-13.0%**	**75**	**2,918**	**-97.4%**
Net result per share (in EUR)[2]	0.24	0.03	700.0%	0.28	-14.3%	0.02	0.77	-97.4%
Capital ratios (end of period)								
ING Group shareholders equity (in EUR billion)				48	-2.7%	47	49	-4.3%
ING Bank shareholders equity (in EUR billion)				34	7.3%	37	35	4.3%
ING Bank common equity Tier 1 ratio fully-loaded				10.5%		11.1%	n.a.	
ING Bank common equity Tier 1 ratio phased in				10.8%		11.2%	n.a.	
Client balances (end of period, in EUR billion)								
Residential Mortgages				275.6	0.3%	276.4	277.0	-0.2%
Other Lending				223.9	3.1%	230.8	216.8	6.5%
Fund Entrusted				478.5	1.0%	483.3	464.4	4.1%
AUM/Mutual Funds				63.5	2.0%	64.8	57.3	13.1%
Profitability and efficiency								
Underlying interest margin Banking	1.53%	1.44%		1.46%		1.50%	1.41%	
Underlying cost/income ratio Banking	54.1%	56.2%		55.5%		55.5%	55.2%	
Underlying return on equity based on IFRS-EU equity ING Bank[4]	12.7%	9.4%		11.1%		11.4%	9.3%	
Employees Banking (FTEs, end of period, adjusted for divestments)				52,736	0.2%	52,854	64,152	-17.6%
Risk								

Non-performing loans/total loans (end of period)			2.9%		2.8%	2.7%	
Stock of provisions/provisions loans (end of period)			38.0%		38.5%	37.6%	
Underlying risk costs in bp of average RWA	44	80	55		55	83	
RWA (end of period, in EUR billion, adjusted for divestments)			293,399	0.5%	294,903	271,211	8.7%

1) The figures of this period have been restated to reflect the classification of NN Group as Held for sale/Discontinued operations as per 30 September 2014.

2) Result per share differs from IFRS earnings per share in respect of attributions to the core Tier 1 securities.

3) The 3Q2014 and 9M2014 net result from discontinued operations NN Group includes EUR -403 million on the classification of NN Group as Held for sale as per 30 September 2014.

4) Annualised underlying net result divided by average IFRS-EU shareholders equity of ING Bank N.V.

Note: Underlying figures are non-GAAP measures. These are derived from figures according to IFRS-EU by excluding the impact from divestments, special items, Insurance Other, intercompany eliminations between ING Bank and NN Group, and discontinued operations.

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CONSOLIDATED RESULTS

The third-quarter 2014 underlying net result of ING Bank improved to EUR 1,123 million from EUR 820 million in the third quarter of 2013 and EUR 923 million in the second quarter of 2014. The quarterly net result from the Banking businesses was a strong EUR 1,006 million, driven by lower risk costs and robust interest results. Including the net results of the legacy Insurance businesses, the net result of ING Group was EUR 928 million.

Following the IPO of NN Group in July, ING Group s stake in NN Group stands at 68.1%. In light of ING Group s intention to divest its remaining stake in NN Group over time, NN Group is classified as held for sale and as discontinued operations effective as of 30 September 2014. The classification change to held for sale resulted in a EUR 403 million write-down of goodwill and other non-current assets. This impact is included in the third-quarter 2014 net result from discontinued operations of NN Group.

The changes in classification also require previously reported IFRS-EU profit and loss (P&L) figures to be restated. In the P&L, the net result of ING Group s stake in NN Group is now presented on one line: Discontinued operations NN Group . In the balance sheet, assets and liabilities are also presented on one line. However, balance sheet figures for prior periods have not been restated.

Furthermore, ING Group has aligned the scope of underlying figures as of the third quarter of 2014, in order to better reflect the performance of its core banking businesses. As a consequence, the result from discontinued insurance operations, the remaining insurance businesses (recorded under Insurance Other) and the intercompany eliminations between ING Bank and NN Group will no longer be part of ING Group s underlying figures. Previously reported underlying profit and loss figures have been adjusted accordingly.

Banking

ING Bank posted strong third-quarter results. The underlying result before tax was EUR 1,486 million, up 34.7% from a year ago and 16.3% higher than in the previous quarter, reflecting higher interest results and a decline in risk costs. Total underlying income increased 4.5% year-on-year. This was achieved despite negative credit and debt valuation adjustments (CVA/DVA) and the deconsolidation of ING Vysya Bank as of the second quarter of 2014. Excluding these items, income rose 8.1% year-on-year and 4.5% quarter-on-quarter. Expenses increased slightly on both comparable quarters. The underlying return on IFRS-EU equity was 12.7% in the third quarter and 11.4% in the first nine months of 2014, in line with the Ambition 2017 target of 10-13%.

Commercial momentum was solid as ING Bank continued to support its customers financial needs. Net lending grew by EUR 3.3 billion in the third quarter (adjusted for currency impacts and additional transfers of WUB mortgages to NN Bank) and the net inflow of funds entrusted was EUR 4.3 billion.

Compared with a year ago, income and expenses were affected by the deconsolidation of ING Vysya Bank. As of the second quarter of 2014, ING s share in the net profit of ING Vysya Bank is fully recorded under other income (share of profit from associates), whereas in previous quarters ING Vysya Bank was fully consolidated.

Total underlying income

Total underlying income rose year-on-year by 4.5% to EUR 3,942 million, despite EUR 69 million of negative CVA/DVA impacts recorded in Commercial Banking and the Corporate Line; a year ago, the negative impacts were EUR 8 million. ING s share in the net profit of ING Vysya Bank was EUR 9 million (recorded under other income), whereas the third quarter of last year included EUR 80 million of income from ING Vysya Bank when it was fully consolidated. Excluding both of these items, underlying income rose 8.1%, notably in Retail Banking and in the Industry Lending business within Commercial Banking. Compared with the previous quarter, which included EUR 58 million of negative CVA/DVA impacts, total underlying income increased 4.5%.

ING Bank continued to generate good business growth in the third quarter of 2014, including further increases in customer lending, in line with the long-term ambition to grow the asset side of the balance sheet. Total net lending (adjusted for currency impacts and the additional transfer of WUB mortgages to NN Bank) increased by EUR 3.3 billion. The net production of residential mortgages was EUR 1.0 billion and was generated entirely outside the Netherlands. Other lending rose by EUR 2.4 billion, of which EUR 1.9 billion was in Commercial Banking. This was driven by growth in Structured Finance and General Lending, which more than offset a reduction in Russian exposures and a further decline in Real Estate Finance. In Retail Banking, the net production of other lending was EUR 0.5 billion, mainly attributable to Turkey, Germany and Poland, while the Benelux reported a small decline due to low demand. The net lending growth was funded through a EUR 4.3 billion net inflow of funds entrusted (adjusted for currency impacts) during the third quarter. Commercial Banking generated EUR 3.1 billion of the net inflows and Retail Banking contributed EUR 1.3 billion.

The underlying interest result rose 7.5% to EUR 3,156 million from a year ago. Excluding the deconsolidation impact of ING Vysya Bank, the increase was 9.7%. The interest result on customer lending activities rose primarily due to higher margins on mortgages combined with higher volumes. The interest result on funds entrusted also improved due to growth in volumes and higher margins on savings. The margin on current accounts, however, declined compared with a year ago. Compared with the second quarter of 2014, the underlying interest result increased 5.7%. This was mainly attributable to higher interest results in Financial Markets this quarter, and the one-off loss on the accelerated amortisation of capitalised fees on issued debt in the previous quarter. These impacts were the main reason why the underlying interest margin of the Bank improved to 1.53% from 1.46% in the second quarter of 2014. The interest margin on total lending activities declined slightly despite a further improvement in mortgage margins. The margin on funds

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CONSOLIDATED RESULTS

entrusted increased, which was supported by client savings rate reductions in most countries. This margin increase offset the margin pressure on savings and current accounts caused by the low interest rate environment. The interest result also rose on higher volumes.

INTEREST RESULT (in EUR million) AND INTEREST MARGIN (in %)

Commission income rose 6.0% from a year ago to EUR 579 million. This was mainly due to higher fee income in Industry Lending and Retail Banking, which more than offset the deconsolidation impact of ING Vysya Bank. On a sequential basis, commission income declined 2.7%, mainly due to lower fees in Commercial Banking, particularly within Financial Markets.

Investment income declined to EUR 37 million from EUR 78 million in the third quarter of 2013. This was mainly due to a lower dividend from Bank of Beijing of EUR 22 million versus EUR 52 million last year. Compared with the second quarter of 2014, investment income was down 2.6% as the dividend from Bank of Beijing was not enough to compensate for lower net realised gains on bonds and equities and lower dividends from other investments.

Other income dropped to EUR 171 million from EUR 213 million in the third quarter of 2013, due to a negative swing in CVA/ DVA impacts (EUR -69 million in this quarter versus EUR -8 million a year ago). Excluding CVA/DVA impacts, other income rose by EUR 19 million year-on-year, supported by a higher profit on ING s share in TMB Bank. Other income increased by EUR 19 million compared with the second quarter of 2014, which included EUR 58 million of negative CVA/DVA impacts and a negative transaction result on the sale of real estate in own use in the Netherlands.

Operating expenses

Underlying operating expenses rose 0.7% year-on-year to EUR 2,134 million. Excluding the deconsolidation impact of ING Vysya Bank and the Belgian bank taxes that were reported in the third quarter of 2013, operating expenses rose 3.2%. This was mainly due to higher pension costs in the Netherlands, business growth in Retail International and Industry Lending, and higher expenses on the Corporate Line. These increases were partly offset by the benefits from ongoing cost-saving initiatives. Compared with the previous quarter, expenses increased 1.7%. This was almost fully attributable to business growth and additional investments in Retail International, in line with our strategy. In Retail Netherlands, a provision of EUR 24 million was taken related to additional redundancies, which was largely offset by a seasonal release from the holiday provision. The third-quarter underlying cost/income ratio for ING Bank was 54.1%, down from 56.2% a year ago. Excluding the CVA/DVA impacts in both quarters, the cost/income ratio improved to 53.2% from 56.0% in the third quarter of 2013.

The current cost-saving programmes at ING Bank are on track and expected to reduce expenses by EUR 955 million by 2017. Of these targeted amounts, EUR 580 million has already been achieved. Total headcount reductions related to these initiatives are estimated at 6,515 FTEs, of which 5,300 FTEs have already left ING Bank since the start of the programmes.

OPERATING EXPENSES (in EUR million) AND COST/INCOME RATIO (in %)

The total number of internal staff rose slightly to 52,854 FTEs at the end of September. This is 118 higher than at the end of June, mainly due to Retail International and to a lesser extent Commercial Banking, and more than offset further headcount declines in the Benelux.

Loan loss provisions

The net addition to loan loss provisions declined in the third quarter. ING Bank added EUR 322 million to the provision for loan losses, down from EUR 552 million a year ago and EUR 405 million in the previous quarter. The sequential decline mainly reflects lower risk costs in Commercial Banking and was particularly visible in General Lending, which recorded a net release, while Real Estate Finance (part of Industry Lending) had another quarter of negligible risk costs. Net additions in Retail Benelux were almost stable because a small decline in the Netherlands was offset by somewhat higher risk costs in Belgium. Quarter-on-quarter, risk costs for Dutch mortgages were 8.8% lower at EUR 62 million. At Retail International, net additions rose from their unusually low level in the previous quarter, but they were substantially lower than a year ago. Total NPLs at ING Bank declined to EUR 15.7 billion from EUR 16.4 billion at the end of June 2014; the NPL ratio decreased slightly to 2.8% of total credit outstandings compared with 2.9% at the end of the second quarter.

Total risk costs were 44 basis points of average risk-weighted assets versus 55 basis points in the previous quarter and 80 basis points in the third quarter of 2013.

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CONSOLIDATED RESULTS

ADDITIONS TO LOAN LOSS PROVISIONS (in EUR million)

Underlying result before tax

The third-quarter 2014 underlying result before tax was EUR 1,486 million, an increase of 34.7% compared with the same quarter a year ago and driven by higher interest results and lower risk costs. Quarter-on-quarter, the underlying result before tax rose 16.3%. This was also caused by higher interest results and lower risk costs, partly offset by higher expenses in Retail International.

UNDERLYING RESULT BEFORE TAX (in EUR million)

Net result Banking

ING Bank s underlying net result rose to EUR 1,123 million from EUR 820 million in the third quarter of 2013 and EUR 923 million in the second quarter of 2014. The effective underlying tax rate was 23.5% compared with 24.0% in the third quarter of 2013 and 26.5% in the previous quarter.

ING Bank s third-quarter net result was EUR 1,006 million, including EUR -117 million of special items after tax. These items reflect the third (and last) payment of EUR 101 million related to the nationalisation of SNS, and another EUR 16 million for the previously announced restructuring programmes in Retail Netherlands. ING s total bank levy related to the nationalisation of SNS was EUR 304 million. The first two tranches of EUR 101 million were paid, respectively, in the first and second quarter of 2014.

The year-to-date underlying return on IFRS-EU equity rose to 11.4% from 9.3% in the first nine months of 2013. The improvement was caused by a 16.5% increase in the underlying net result combined with a decline in the average equity base. The latter was caused by dividend payments to ING Group and the write-down in the net pension asset. The Ambition 2017 target range for return on IFRS-EU equity is 10-13%.

RETURN ON EQUITY (in %)

Net result ING Group

ING Group s third-quarter net result was EUR 928 million, compared with EUR 128 million in the third quarter of last year and EUR 1,067 million in the second quarter of 2014. These figures include the net results of the legacy Insurance businesses.

For the third quarter of 2014, ING Group recorded a net result from the discontinued operations of NN Group of EUR -159 million, compared with EUR -728 million one year ago and EUR 264 million in the second quarter of 2014. The third-quarter result represents ING s 68.1% stake in NN Group s net result of EUR 354 million, as well as the financial impacts caused by the classification of NN Group to held for sale as of 30 September 2014. These impacts were a EUR 70 million write-down of goodwill and a EUR 333 million write-down of certain other non-current assets.

As of the second quarter of 2014, NN Group publishes its own standalone quarterly earnings release. For more information, please visit: www.nn-group.com.

In September 2014, ING Group sold 30 million shares of common stock in Voya Financial, Inc. The financial impact of this transaction is reflected in the EUR 41 million net result from discontinued operations of Voya Financial. The net result of Insurance Other was EUR 43 million and consisted primarily of the net result relating to the revaluation of ING s warrants on the shares of Voya in the quarter.

NET RESULT PER SHARE (in EUR)

ING Group s third-quarter 2014 net result per share was EUR 0.24, based on an average number of shares outstanding of 3,854.5 million.

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CONSOLIDATED RESULTS

Other events

As announced on 26 October 2014, ING Bank comfortably passed the Asset Quality Review (AQR) and stress test which were part of the Comprehensive Assessment as conducted by the European Central Bank (ECB) and the European Banking Authority (EBA). The clear results of the AQR and stress test represent a confirmation of ING s strong capital position, resilient balance sheet and prudent management approach.

Following the conclusion of the Comprehensive Assessment, the final repayment of core Tier 1 securities to the Dutch State will be accelerated. ING Group will pay the final tranche of EUR 1,025 million to the Dutch State on 7 November 2014, half a year ahead of the repayment schedule as agreed with the European Commission in 2012. This payment will consist of EUR 683 million in principal and EUR 342 million in interest and premiums. The total amount repaid to the Dutch State on the core Tier 1 securities will be EUR 13.5 billion, including EUR 10 billion in principal and EUR 3.5 billion in interest and premiums, giving the State an annualised return of 12.7%.

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SEGMENT REPORTING: RETAIL BANKING

Retail Banking: Consolidated profit and loss account

	Total Retail Banking		Retail Banking Benelux				Retail International			
			Netherlands		Belgium		Germany		Rest of World	
In EUR million	3Q2014	3Q2013	3Q2014	3Q2013	3Q2014	3Q2013	3Q2014	3Q2013	3Q2014	3Q2013
Profit & loss										
Interest result	2,319	2,127	965	905	498	462	409	348	446	412
Commission income	337	318	122	118	89	80	36	27	88	92
Investment income	19	56	-4	0	0	0	0	0	23	56
Other income	63	75	-3	18	25	31	-12	-14	53	40
Total underlying income	**2,737**	**2,576**	**1,081**	**1,041**	**612**	**573**	**434**	**361**	**611**	**601**
Staff and other expenses	1,491	1,493	558	546	359	369	202	181	372	397
Intangibles amortisation and impairments	13	14	13	10	0	4	0	0	0	0
Operating expenses	**1,504**	**1,507**	**571**	**556**	**359**	**373**	**202**	**181**	**372**	**397**
Gross result	**1,234**	**1,069**	**510**	**485**	**253**	**200**	**232**	**180**	**239**	**204**
Addition to loan	287	324	180	210	44	32	19	15	44	67

loss provision										
Underlying result before tax	**946**	**745**	**330**	**274**	**209**	**168**	**213**	**165**	**194**	**137**
Client balances (in EUR billion)[1]										
Residential Mortgages	276.4	277.0	130.8	136.9	32.1	30.6	63.6	61.4	49.9	48.1
Other Lending	95.0	93.8	36.0	37.3	35.5	33.2	4.9	4.3	18.6	18.9
Funds Entrusted	404.3	391.1	115.4	114.0	82.7	80.5	111.4	103.5	94.7	93.1
AUM/Mutual Funds	64.6	57.1	19.2	17.2	28.1	25.4	7.4	6.6	9.8	7.9
Profitability and efficiency[1]										
Cost/income ratio	54.9%	58.5%	52.8%	53.4%	58.6%	65.1%	46.5%	50.2%	60.9%	66.0%
Return on equity based on 10.0% common equity Tier 1[2]										