Table of Contents

BANKING OPERATIONS

The following table sets forth the contribution of ING's banking business lines and the corporate line banking (CLB) to the underlying net result for each of the years 2015, 2014 and 2013.

1 January to 31 December 2015 Amounts in millions of euros	Retail Banking Netherlands	Retail Banking Belgium	Retail Banking Germany	Retail Other	Wholesale Banking	Corporate Line Banking	Total Banking
Underlying income:							
- Net interest result	3,683	1,953	1,634	1,906	3,567	-153	12,590
- Commission income	515	397	172	276	964	-4	2,320
- Total investment and other income	205	195	104	186	2,239	-127	2,803
Total underlying income	**4,403**	**2,546**	**1,910**	**2,369**	**6,770**	**-285**	**17,713**
Underlying expenditure:							
- Operating expenses	2,475	1,532	842	1,582	2,571	245	9,246
- Additions to loan loss provision	433	169	57	210	478	0	1,347
Total underlying expenses	**2,908**	**1,701**	**899**	**1,792**	**3,048**	**245**	**10,593**
Underlying result before taxation	**1,495**	**845**	**1,012**	**577**	**3,721**	**-530**	**7,120**
Taxation	391	255	328	142	962	-125	1,953
Minority interest	0	6	2	48	16	0	72
Underlying net result	**1,104**	**583**	**681**	**387**	**2,744**	**-404**	**5,095**
Divestments	0	0	0	367	0	0	367
Special items	-58	0	0	0	0	0	-58
Net result IFRS-IASB	**1,046**	**583**	**681**	**754**	**2,744**	**-404**	**5,404**

1 January to 31 December 2014 Amounts in millions of euros	Retail Banking Netherlands	Retail Banking Belgium	Retail Banking Germany	Retail Other	Wholesale Banking	Corporate Line Banking	Total Banking
Underlying income:							
- Net interest result	3,778	1,998	1,500	1,806	3,534	-240	12,376
- Commission income	464	376	143	329	980	-2	2,290
- Total investment and other income	87	243	-27	201	33	-253	285
Total underlying income	**4,330**	**2,617**	**1,615**	**2,336**	**4,548**	**-496**	**14,951**
Underlying expenditure:							
- Operating expenses	2,678	1,524	773	1,481	2,407	116	8,979
- Additions to loan loss provision	714	142	72	165	500	0	1,594
Total underlying expenses	**3,392**	**1,667**	**845**	**1,646**	**2,907**	**116**	**10,573**
Underlying result before taxation	**938**	**951**	**771**	**690**	**1,641**	**-611**	**4,378**
Taxation	243	256	230	139	357	-117	1,108
Minority interest	0	1	1	51	26	0	79
Underlying net result	**694**	**693**	**540**	**500**	**1,258**	**-494**	**3,191**
Divestments	0	0	0	202	0	0	202
Special items	-63	0	0	0	0	-957	-1,021
Net result IFRS-IASB	**631**	**693**	**540**	**702**	**1,258**	**-1,451**	**2,373**

Table of Contents

1 January to 31 December 2013 Amounts in millions of euros	Retail Banking Netherlands	Retail Banking Belgium	Retail Banking Germany	Retail Other	Wholesale Banking	Corporate Line Banking	Total Banking
Underlying income:							
- Net interest result	3,610	1,860	1,303	1,804	3,250	-23	11,804
- Commission income	460	343	114	342	989	-5	2,244
- Total investment and other income	128	194	-30	259	2,863	-352	3,062
Total underlying income	**4,198**	**2,397**	**1,387**	**2,405**	**7,102**	**-380**	**17,111**
Underlying expenditure:							
- Operating expenses	2,409	1,500	709	1,600	2,352	125	8,694
- Additions to loan loss provision	877	183	82	279	868	0	2,288
Total underlying expenses	**3,286**	**1,683**	**790**	**1,878**	**3,220**	**125**	**10,982**
Underlying result before taxation	**912**	**715**	**597**	**527**	**3,882**	**-505**	**6,128**
Taxation	241	213	185	120	963	-184	1,537
Minority interest	0	-4	1	66	27	0	90
Underlying net result	**672**	**506**	**412**	**342**	**2,892**	**-322**	**4,501**
Divestments	0	0	0	-42	0	0	-42
Special items	-107	0	0	0	0	25	-82
Net result IFRS-IASB	**564**	**506**	**412**	**299**	**2,892**	**-297**	**4,377**

Year ended 31 December 2015 compared to year ended 31 December 2014

ING’s banking operations posted a strong performance in 2015 resulting in a underlying result before tax (excluding the impact of divestments and special items) of EUR 7,120 million compared with EUR 4,378 million in 2014. This increase in result was boosted by a EUR 1,507 million positive swing in fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios in the Benelux, Germany and the Czech Republic. These fair value changes are mainly caused by changes in market interest rates. As explained on page F-18, no hedge accounting is applied to these derivatives under IFRS-IASB. Excluding these fair value changes, the underlying result before tax rose 26.1% to EUR 5,959 million in 2015 from EUR 4,724 million in 2014, mainly reflecting higher interest results and lower risk costs. This strong performance was realised despite a sharp increase in regulatory costs during 2015.

Net result from banking operations (including the impact from divestments and special items) rose to EUR 5,404 million in 2015 from EUR 2,373 million in 2014. Results on divestments and special items contributed EUR 309 million to the net profit in 2015 versus EUR -818 million in 2014. Divestments and special items in 2015 included a EUR 367 million net gain resulting from the merger between ING Vysya Bank and Kotak Mahindra Bank and EUR -58 million of special items after tax related to restructuring programmes in Retail Netherlands that were announced before 2013. Divestment and special items in 2014 related to a EUR 653 million net charge to make the Dutch closed defined benefit pension fund financially independent, EUR 304 million of bank taxes related to the nationalisation of SNS in the Netherlands and EUR -63 million of special items after tax related to restructuring programmes in Retail Netherlands. This was partly offset by a EUR 202 million net gain on the deconsolidation of ING Vysya Bank following its reclassification as an investment in an associate under equity accounting at the end of the first quarter of 2014.

Total underlying income rose 18.5% to EUR 17,713 million, from 14,951 million in 2014. The underlying interest result increased 1.7% to EUR 12,590 million driven by a higher average balance sheet, whereas the interest margin declined to 1.46% from 1.51% in 2014. The interest margin on lending and savings products improved slightly, supported by repricing in the loan book and further reduction of client savings rates in several countries. This was more than offset by lower margins on current accounts due to the low interest environment and lower interest results at Financial Markets. Customer lending and deposits volumes increased except for residential mortgages due to the continued transfer of WestlandUtrecht Bank (WUB) assets to NN Group, the run-off in the WUB portfolio and the sale of white-labelled mortgage portfolios in Australia. Commission income rose 1.3% to EUR 2,320 million. Investment and other income jumped to EUR 2,803 million, from EUR 285 million in 2014. This increase was mainly explained by the aforementioned EUR 1,507 million positive swing in fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios, a positive swing in credit and debt valuation adjustments (CVA/DVA) in Wholesale Banking and the Corporate Line (which were EUR 224 million in 2015, compared with EUR -273 million in 2014) and higher other revenues at Financial Markets.

Underlying operating expenses increased 3.0% to EUR 9,246 million, compared with EUR 8,979 million in 2014. In 2015, expenses included EUR 620 million of regulatory expenses (including contributions to the new national resolution funds and a one-off charge in Poland related to the bankruptcy of SK Bank) compared with EUR 408 million of regulatory expenses in 2014. The fourth quarter of 2015 also included a number of smaller restructuring provisions in Retail Benelux and Wholesale Banking which in aggregate amounted to EUR 120 million, whereas 2014 included EUR 399 million of redundancy provisions. Excluding both items, expenses increased by EUR 334 million, or 4.1%. This increase was partly visible in the Corporate Line, where expenses were EUR 122 million higher year-on-year, mainly due to large releases from DGS-related provisions and high value-added tax refunds in 2014. The remaining increase was mainly caused by investments to support business growth in Retail Challengers & Growth Markets and Wholesale Banking, IT investments in the Netherlands and a provision for potential compensation related to certain floating interest rate loans and interest rate derivatives that were sold in the Netherlands, partly offset by the benefits from the ongoing cost-saving programmes.

The net addition to the provision for loan losses declined 15.5% to EUR 1,347 million, from EUR 1,594 million in 2014. Risk costs were 44 basis points of average risk-weighted assets, which is within the range of the expected loss of 40-45 basis points through the cycle.

Year ended 31 December 2014 compared to year ended 31 December 2013

ING's banking operations posted a strong performance in 2014 resulting in a underlying result before tax (excluding the impact of divestments and special items) of EUR 4,378 million. However, compared with 2013, the underlying result before tax declined by EUR 1,750 million or 28.6%. This decrease was due to a EUR 2,151 million negative swing in fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios in the Netherlands, Belgium and the Czech Republic. These fair value changes are mainly caused by changes in market interest rates. As explained on page F-18, no hedge accounting is applied to these derivatives under IFRS-IASB. Excluding these fair value changes, the underlying result before tax rose 9.3% to EUR 4,724 million in 2014 from EUR 4,323 million in 2013, mainly reflecting higher interest results, strict cost control and lower risk costs. This strong performance was achieved despite EUR 273 million on negative credit and debt valuation adjustments (CVA/DVA) in Wholesale Banking and the Corporate Line, and EUR 399 million of redundancy provisions recorded 2014, which related principally to the further digitalization of our banking services in the Netherlands.

Net result from banking operations (including the impact from divestments and special items) decreased to EUR 2,373 million in 2014 from EUR 4,377 million in 2013. In 2014, special items mainly related to a EUR 653 million net charge to make the Dutch closed defined benefit pension fund financially independent and EUR 304 million of bank taxes related to the nationalization of SNS. This was partly offset by a EUR 202 million gain on the deconsolidation of ING Vysya Bank following its reclassification as an investment in an associate under equity accounting at the end of the first quarter. In 2013, the net impact of the divested ING Direct UK activities was EUR -42 million, while special items after tax were EUR -82 million. These items primarily reflect after-tax charges for the earlier announced restructuring programmes in Retail Netherlands and an additional provision release related to the new Dutch employee pension scheme announced in 2012.

Total underlying income declined 12.6% to EUR 14,951 million in 2014, from EUR 17,111 million in 2013. The underlying interest result increased 4.8% to EUR 12,376 million driven by an improvement of the interest margin to 1.51% from 1.42% in 2013, whereas the average balance sheet slightly declined by 1.3%. The interest margin on lending and savings products improved, supported by repricing in the loan book and further reduction of client savings rates in several countries. This more than offset the impact of lower average lending volumes, mainly caused by the sale and transfers of WestlandUtrecht Bank (WUB) assets to NN Group and the deconsolidation of ING Vysya Bank, lower margins on current accounts due to the low interest environment, and lower interest results at Bank Treasury. Commission income rose 2.0% to EUR 2,290 million. Investment and other income fell to EUR 285 million, from EUR 3,062 million in 2013. This decline was mainly explained by the aforementioned EUR 2,151 million negative swing in fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios, as well as the negative swing in CVA/DVA adjustments in Wholesale Banking and the Corporate Line (which were EUR 273 million negative in 2014, compared with EUR 74 million of positive CVA/DVA impacts in 2013), while 2013 was furthermore supported by a EUR 99 million one-off gain on the unwinding of the IABF following the agreement with the Dutch state. Excluding these items, investment and other income was 16.6% lower, mainly due to lower dividend income.

Underlying operating expenses increased 3.3% to EUR 8,979 million, compared with EUR 8,694 million in 2013. The increase was mainly due to EUR 399 million of redundancy provisions recorded in 2014 versus EUR 132 million of additional restructuring and redundancy charges taken in 2013. Excluding these items, expenses remained flat, as higher regulatory costs, higher pension costs and investments in future growth were offset by the benefits from ongoing cost-saving initiatives, the deconsolidation of ING Vysya Bank and lower impairments on real estate development projects.

The net addition to the provision for loan losses declined to EUR 1,594 million, from EUR 2,288 million in 2013. Risk costs were 55 basis points of average risk-weighted assets compared with 83 basis points in 2013. Most businesses, with the exception of Retail Netherlands, are now operating at around a normalized level of risk costs as the overall economic environment gradually improves.

The Banking business lines are analyzed using underlying result before tax in a format that is similar to the IFRS-IASB profit and loss account.

Table of Contents

RETAIL NETHERLANDS

Amounts in millions of euros	2015	2014	2013
Underlying income:			
Interest result	3,683	3,778	3,610
Commission income	515	464	460
Investment income and other income	205	87	128
Total underlying income	**4,403**	**4,330**	**4,198**
Underlying expenditure:			
Operating expenses	2,475	2,678	2,409
Additions to the provision for loan losses	433	714	877
Total expenditure	**2,908**	**3,392**	**3,286**
Underlying result before tax	1,495	938	912
Taxation	391	243	241
Minority interests			
Underlying net result	**1,104**	**694**	**671**
Special items	-58	-63	-107
Net result	**1,046**	**631**	**564**

Year ended 31 December 2015 compared to year ended 31 December 2014

The underlying result before tax of Retail Netherlands rose to EUR 1,495 million from EUR 938 million in 2014, mainly due to lower risk costs and lower expenses. Operating expenses declined by EUR 203 million, predominantly due to EUR 349 million of redundancy provisions taken in 2014. Excluding these provisions, underlying result before tax rose 16.2%. Underlying income increased 1.7% to EUR 4,403 million. The interest result was supported by higher margins on lending and savings, which largely compensated for a decline in lending volumes. Lower lending volumes were partly caused by the continued transfer of Westland Utrecht (WUB) mortgages to NN Group and the run-off in the WUB portfolio. Net core lending (excluding the WUB portfolio, Bank Treasury products and movement in the mortgage hedge) declined by EUR 2.9 billion due to higher repayments on mortgages and muted demand for business lending. The net production in customer deposits (excluding Bank Treasury) was EUR 3.5 billion, reflecting increases in both savings and current accounts. Commission income was up 11.0% and investment and other income rose by EUR 118 million, in part due to positive hedge ineffectiveness, while 2014 included a one-off loss on the sale of real estate in own use. Excluding the redundancy provisions in 2014, operating expenses increased 6.3%, mainly due to higher regulatory costs, investments in IT, some smaller restructuring provisions and a provision for potential compensation related to certain floating interest-rate loans and interest-rate derivatives that were sold in the Netherlands. This increase was partly offset by the benefits from the ongoing cost-savings programmes. The cost-savings programmes remain on track to realise EUR 675 million of annual cost savings by the end of 2017. Of this amount, EUR 438 million has been realised since 2011. Risk costs declined 39.4% to EUR 433 million from EUR 714 million in 2014, both in residential mortgages and business lending, supported by a recovery in the Dutch economy.

Underlying net result rose to EUR 1,104 million in 2015 compared with EUR 694 million in 2014, while the net result increased to EUR 1,046 million in 2015 compared with EUR 631 million in 2014. Special items after tax in 2015 were EUR -58 million, while special items after tax in 2014 were EUR -63 million. Both were fully related to restructuring programmes in Retail Netherlands that were announced before 2013.

Year ended 31 December 2014 compared to year ended 31 December 2013

The underlying result before tax of Retail Netherlands rose to EUR 938 million from EUR 912 million in 2013, mainly due to higher income and lower risk costs, while operating expenses increased substantially predominantly due to EUR 314 million of redundancy provisions to take the next step in digital banking in the Netherlands (announced on 25 November 2014), EUR 11 million for further restructuring at WUB (related to outsourcing of activities) and EUR 24 million of additional redundancy provisions taken in the third quarter, while 2013 included EUR 97 million of additional restructuring provisions. Excluding these provisions, underlying result before tax rose 27.6%. Underlying income increased to EUR 4,330 million, up 3.1% compared with EUR 4,198 million in 2013, reflecting higher margins on lending and savings, which more than compensated for a decline in volumes due to transfer of mortgages of WestlandUtrecht Bank (WUB) to NN Group as of mid-2013, higher mortgage prepayments and lower results from Bank Treasury. In 2014, the total mortgage portfolio declined by EUR 3.2 billion, of which EUR 1.2 billion was due to additional transfers of WUB mortgages to NN Bank. The net production in other customer lending (excluding Bank Treasury) was EUR -2.8 billion. Net production in customer deposits (excluding Bank Treasury) was EUR 0.6 billion in 2014, reflecting increases in savings partly offset by current accounts. Investment and other income declined by EUR 41 million on last year, in part due to a EUR 23 million one-off loss on the sale of real estate in own use in the second quarter of 2014. Excluding the aforementioned redundancy provisions, operating expenses increased 0.7% on 2013, as higher pension costs and IT spending were only partly offset by the benefits from the ongoing cost-efficiency programmes and the transfer of part of the WUB organization to NN Bank as of mid-2013. Net additions to loan loss provisions declined to EUR 714 million from EUR 877 million in 2013, both in residential mortgages and business lending, reflecting a gradual economic recovery in the Netherlands.

Underlying net result rose to EUR 694 million in 2014 compared with EUR 672 million in 2013, while the net result increased to EUR 631 million in 2013 compared with EUR 564 million in 2013. Special items after tax in 2014 were EUR -63 million, fully related to the previously announced restructuring programmes. Special items after tax in 2013 were EUR -107 million, mainly related to the previously announced restructuring programmes and the transfer of WUB activities to NN Group.

Table of Contents

RETAIL BELGIUM

Amounts in millions of euros	2015	2014	2013
Underlying income:			
Interest result	1,953	1,998	1,860
Commission income	397	376	343
Investment income and other income	195	243	194
Total underlying income	**2,546**	**2,617**	**2,397**
Underlying expenditure:			
Operating expenses	1,532	1,524	1,500
Additions to the provision for loan losses	169	142	183
Total expenditure	**1,701**	**1,667**	**1,683**
Underlying result before tax	845	951	715
Taxation	255	256	213
Minority interests	6	1	-4
Underlying net result	**583**	**693**	**506**
Net result	**583**	**693**	**506**

Year ended 31 December 2015 compared to year ended 31 December 2014

The underlying result before tax of Retail Belgium fell 11.1% to EUR 845 million in 2015 compared with EUR 951 million in 2014, mainly due to lower income and higher risk costs. Underlying income declined 2.7% to EUR 2,546 million, from EUR 2,617 million in 2014. The interest result decreased 2.3% due to lower margins on lending products and current accounts, which was only partly compensated by higher volumes in most products. The net production in the customer lending portfolio (excluding Bank Treasury) was EUR 1.7 billion in 2015, of which EUR 1.1 billion in mortgages and EUR 0.6 billion in other lending. Net customer deposits grew by EUR 3.0 billion. Operating expenses increased 0.5% to EUR 1,532 million, as higher regulatory expenses and some additional restructuring costs were largely offset by a decrease in staff expenses and a value-added tax refund. The cost-savings programme announced by ING Belgium in early 2013 with the aim of realising EUR 160 million cost savings by the end of 2017 was successfully concluded by the end of 2015. Risk costs increased by EUR 27 million to EUR 169 million, or 59 basis points of average risk-weighted assets. The increase was mainly in business lending and consumer lending, while risk costs for mortgages declined.

Both underlying net result and net result decreased by EUR 110 million, or 15.9%, to EUR 583 million in 2015 from EUR 693 million in 2014.

Year ended 31 December 2014 compared to year ended 31 December 2013

The underlying result before tax of Retail Belgium rose 33.0% to EUR 951 million in 2014 compared with EUR 715 million in 2013, mainly due to higher income. Total underlying income rose 9.2% to EUR 2,617 million, from EUR 2,397 million in 2013. The interest result increased 7.4% driven by higher volumes in almost all products and increased margins on mortgages and savings. The net production in the customer lending portfolio (excluding Bank Treasury) was EUR 5.0 billion in 2014, of which EUR 1.8 billion in mortgages and EUR 3.2 billion in other customer lending. Net customer deposits increased by EUR 4.0 billion, mainly in current accounts. Operating expenses increased to EUR 1,524 million, compared with EUR 1,500 million in 2013. The increase was mainly due to higher Belgium bank taxes and increased IT costs, partly offset by lower staff expenses as a result of lower headcount in the Retail branch network. The net addition to loan loss provisions declined by EUR 41 million to EUR 142 million, or 57 basis points of average risk-weighted assets, compared with 2013. The net addition for business lending and non-mortgage lending to private persons declined by EUR 58 million, while risk costs for mortgages were EUR 16 million higher.

Both underlying net result and net result increased by EUR 187 million, or 37.0%, to EUR 693 million in 2014 from EUR 506 million in 2013.

[Table of Contents](#)

RETAIL GERMANY

Amounts in millions of euros	2015	2014	2013
Underlying income:			
Interest result	1,634	1,500	1,303
Commission income	172	143	114
Investment income and other income	104	-27	-30
Total underlying income	**1,910**	**1,615**	**1,387**
Underlying expenditure:			
Operating expenses	842	773	709
Additions to the provision for loan losses	57	72	82
Total expenditure	**899**	**845**	**790**
Underlying result before tax	1,012	771	597
Taxation	328	230	185
Minority interests	2	1	1
Underlying net result	**681**	**540**	**412**
Net result	**681**	**540**	**412**

Year ended 31 December 2015 compared to year ended 31 December 2014

Retail Germany’s underlying result before tax increased 31.3% to EUR 1,012 million compared with EUR 771 million in 2014, driven by strong income growth. Underlying income rose 18.3% to EUR 1,910 million. This increase mainly reflects higher interest results following continued business growth and improved margins on savings. Margins on lending and current accounts were somewhat lower. Net inflow in customer deposits (excluding Bank Treasury) was EUR 6.4 billion in 2015. The net production in customer lending (excluding Bank Treasury and movement in the mortgage hedge) was EUR 2.5 billion, of which EUR 1.6 billion was in mortgages and EUR 0.9 billion in consumer lending. Investment and other income was EUR 104 million in 2015, compared with a loss of EUR 27 million in 2014, mainly due to higher realised gains on the sale of bonds and a positive swing in hedge ineffectiveness results. Operating expenses increased 8.9% compared with 2014 to EUR 842 million. The increase mainly reflects higher regulatory costs, an increase in headcount at both ING-DiBa and Interhyp, as well as investments to support business growth and attract primary banking clients. The cost/income ratio improved to 44.1% from 47.8% in 2014. The net addition to loan loss provisions declined to EUR 57 million, or 23 basis points of average risk-weighted assets, from EUR 72 million, or 29 basis points, in 2014, reflecting the better performance in the German mortgage book.

Both underlying net result and net result increased by EUR 141 million, or 26.1%, to EUR 681 million in 2015 from EUR 540 million in 2014.

Year ended 31 December 2014 compared to year ended 31 December 2013

Retail Germany’s underlying result before tax increased 29.1% to EUR 771 million in 2014, compared with EUR 597 million in 2013, driven by strong income growth. Underlying income rose 16.4% to EUR 1,615 million compared with EUR 1,387 million in 2013. This increase mainly reflects higher interest results following continued business growth and improved margins on savings; the margins on lending and current accounts were somewhat lower. Commission income was EUR 29 million higher, mainly in security brokerage and advisory fees. Customer deposits (excluding Bank Treasury) continued to grow with an increase of EUR 7.2 billion in 2014, despite a further reduction of client savings rates. The net production in customer lending (excluding Bank Treasury and movement in the mortgage hedge) was EUR 0.8 billion, of which EUR 1.1 billion was in residential mortgages and EUR -0.2 billion in other customer lending. Operating expenses increased 9.0% compared with 2013 to EUR 773 million. The increase primarily reflects an increase in headcount at both ING-DiBa and Interhyp, as well as investments to support business growth and attract primary banking clients. The net additions to loan loss provisions declined to EUR 72 million (or 29 basis points of average risk-weighted assets) from EUR 82 million (or 37 basis points of average risk-weighted assets) in 2013.

Both underlying net result and net result increased by EUR 128 million, or 31.1%, to EUR 540 million in 2014 from EUR 412 million in 2013.

RETAIL OTHER

Amounts in millions of euros	2015	2014	2013
Underlying income:			
Interest result	1,906	1,806	1,804
Commission income	276	329	342
Investment income and other income	186	201	259
Total underlying income	**2,369**	**2,336**	**2,405**
Underlying expenditure:			
Operating expenses	1,582	1,481	1,600
Additions to the provision for loan losses	210	165	279
Total expenditure	**1,792**	**1,646**	**1,879**
Underlying result before tax	577	690	527
Taxation	142	139	120
Minority interests	48	51	66
Underlying net result	**387**	**500**	**342**
Divestments	367	202	-42
Net result	**754**	**702**	**299**

Table of Contents

Year ended 31 December 2015 compared to year ended 31 December 2014

Retail Other’s underlying result before tax decreased to EUR 577 million, from EUR 690 million in 2014. The decline was primarily attributable to lower income in Italy due to EUR 97 million of non-recurring charges related to increased prepayments and renegotiations of fixed-term mortgages and a EUR 31 million one-off charge in regulatory expenses related to the bankruptcy of SK Bank in Poland. Excluding both items result before tax increased 2.2%. Total underlying income rose by EUR 33 million, or 1.4%, to EUR 2,369 million. This increase is attributable to higher interest results stemming from higher volumes in most countries, partly offset by the aforementioned non-recurring charges in Italy. The net inflow of customer deposits, adjusted for currency effects and Bank Treasury, was EUR 8.0 billion, with growth mainly in Spain, Poland, Turkey and Romania. Net customer lending (also adjusted for the sale of mortgage portfolios in Australia) rose by EUR 7.8 billion, mainly due to growth in Australia, Poland and Spain. Operating expenses increased by EUR 101 million, or 6.8%, versus 2014, largely as a result of higher regulatory costs (including the one-off charge in Poland), investments to support business growth in most of the business units and inflation adjustments in the Growth Markets. The addition to the provision for loan losses was EUR 210 million, or 45 basis points of average risk weighted assets, up from EUR 165 million, or 40 basis points, in 2014. The increase was mainly visible in Turkey and Poland.

Underlying net result declined to EUR 387 million in 2015 compared with EUR 500 million in 2014, while the net result increased to EUR 754 million in 2015 compared with EUR 702 million in 2014. In 2015, the impact of divestments was EUR 367 million, reflecting the result from the merger between ING Vysya and Kotak. In 2014, the impact of divestments was EUR 202 million and related to the change in accounting of ING Vysya Bank.

Year ended 31 December 2014 compared to year ended 31 December 2013

The underlying result before tax of Retail Other increased to EUR 690 million, compared with EUR 527 million in 2013. The higher results mainly reflect better commercial results in Poland, Italy and Romania and lower losses in the UK Legacy run-off portfolio. This was in part offset by lower results from Turkey and a lower dividend from the Bank of Beijing. Underlying income decreased by EUR 69 million to EUR 2,336 million from EUR 2,405 million in 2013. This decline was caused by the deconsolidation of ING Vysya Bank at the end of March 2014, following changes in the company’s governance. Adjusted for the deconsolidation of ING Vysya Bank, income increased 5.4% due to higher interest results supported by increased volumes. In 2014, net customer deposits, excluding currency effects, Bank Treasury and the deconsolidation of ING Vysya Bank, grew by EUR 5.5 billion with growth in most countries, notably Spain and Poland. Net production in customer lending (also adjusted for the sale of a mortgage portfolio in Australia) was EUR 4.6 billion, mainly in Turkey, Poland, Australia and Spain. Operating expenses declined by EUR 119 million compared with previous year, but were up 0.7% when excluding ING Vysya Bank. This increase was mainly due to strategic investments to support business growth, largely offset by favourable currency impacts. The net addition to the provision for loan losses was EUR 165 million, or 40 basis points of average risk-weighted assets, down from EUR 279 million, or 66 basis points of average risk-weighted assets, in 2013. This decline was predominantly caused by the deconsolidation of ING Vysya Bank and a small net release in the UK Legacy portfolio, whereas 2013 included an addition of EUR 60 million.

Underlying net result increased to EUR 500 million in 2014, from EUR 342 million in 2013. The net result jumped to EUR 702 million from EUR 299 million in 2013. In 2014, the change in accounting of ING Vysya Bank resulted in a net gain of EUR 202 million. The impact of divestments in 2013 was EUR -42 million, fully related to the closing of the sale of ING Direct UK in March 2013.

WHOLESALE BANKING

Amounts in millions of euros	**2015**	**2014**	**2013**
Underlying income:			
Interest result	3,567	3,534	3,250
Commission income	964	980	989
Investment income and other income	2,239	33	2,863
Total underlying income	**6,770**	**4,547**	**7,102**
Underlying expenditure:			
Operating expenses	2,571	2,407	2,352
Additions to the provision for loan losses	478	500	868
Total expenditure	**3,048**	**2,907**	**3,220**
Underlying result before tax	3,721	1,641	3,882
Taxation	962	357	963
Minority interests	16	26	27
Underlying net result	**2,744**	**1,258**	**2,892**
Net result	**2,744**	**1,258**	**2,892**

Year ended 31 December 2015 compared to year ended 31 December 2014

Wholesale Banking posted a good set of results on the back of continued strong Industry Lending performance, good volume growth and improved Financial Markets results. The underlying result before tax rose to EUR 3,721 million in 2015, from EUR 1,641 million in 2014. Fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios in the Benelux, Germany and Czech Republic were EUR 1,161 million in 2015 compared to EUR -346 million in 2014. These fair value changes are mainly a result of changes in market interest rates. As explained on page F-18, no hedge accounting is applied to these derivatives under IFRS-IASB. Credit and debt valuation adjustments (CVA/DVA) in Wholesale Banking, fully recorded in Financial Markets, were EUR 181 million positive in 2015 versus EUR 216 million of negative adjustments in 2014. Excluding the aforementioned fair value changes on derivatives related to asset-liability-management activities, underlying result before tax rose 28.9% from 2014. Also excluding CVA/DVA impacts, the increase was 8.0%.

Industry Lending posted an underlying result before tax of EUR 1,464 million, up 11.0% compared with 2014. This increase was mainly caused by higher income in Structured Finance and Real Estate Finance due to strong volume growth, partly offset by a EUR 92 million impairment on an equity stake. Underlying result before tax from General Lending & Transaction Services declined 8.3% to EUR 467 million, due to higher expenses and risk costs, while income growth was limited due to some pressure on margins. Financial Markets recorded an underlying result before tax of EUR 483 million, up from EUR 133 million in 2014, mainly reflecting the aforementioned positive swing in CVA/DVA impacts. The underlying result of Bank Treasury, Real Estate & Other turned to a profit of EUR 1,307 million versus a loss of EUR 321 million in 2014, mainly reflecting the aforementioned fair value changes on derivatives related to asset-liability-management activities. Furthermore, the result was supported by higher Bank Treasury income, while the results in the run-off businesses increased due to improved sales results in Real Estate Development and lower risk costs in Leasing.

Underlying income rose 48.9% on 2014, primarily driven by the aforementioned fair value changes on derivatives related to asset-liability-management-activities. Excluding this item, income rose 14.6% on 2014, mainly in Financial Markets and Industry Lending. The net production of customer lending (excluding Bank Treasury and currency impacts) was EUR 11.6 billion in 2015. Wholesale Banking grew the net core lending book, also adjusted for the Lease run-off, by EUR 13.0 billion in 2015, due to strong growth in Structured Finance and – to a lesser extent – Real Estate Finance and Transaction Services. Customer deposits (excluding currency impacts and Bank Treasury) remained flat compared with a year ago. Operating expenses increased 6.8% to EUR 2,571 million, mainly due to higher FTEs to support business growth, increased regulatory expenses and positive currency impacts. The previously announced restructuring programmes are on track to realise EUR 340 million of annual cost savings by 2017; of this amount EUR 260 million of cost savings had been realized so far. Risk costs declined to EUR 478 million, or 33 basis points of average risk-weighted assets (RWA), from EUR 500 million, or 37 basis points, in 2014. Lower risk costs were mainly visible in Real Estate Finance and the lease run-off business, while risk costs in Structured Finance and General Lending were up in absolute terms, but declined as a percentage of average RWA.

Both underlying net result and net result more than doubled to EUR 2,744 million in 2015 compared with EUR 1,258 million in 2014.

Year ended 31 December 2014 compared to year ended 31 December 2013

Wholesale Banking’s underlying result before tax fell to EUR 1,641 million in 2014 from EUR 3,882 million in 2013. Fair value changes on derivatives related to asset-liability-management activities for the mortgage and savings portfolios in the Netherlands, Belgium and Czech Republic were EUR -346 million in 2014 compared with EUR 1,805 million in 2013. These fair value changes are mainly a result of changes in market interest rates. As explained on page F-18, no hedge accounting is applied to these derivatives under IFRS-IASB. Credit and debt valuation adjustments (CVA/DVA), fully recorded in Financial Markets, were EUR 216 million negative in 2014 versus EUR 173 million of positive adjustments in 2013. Furthermore, 2014 included EUR 50 million of additional redundancy provisions taken for the next steps in digital banking in the Netherlands and the ongoing transformation programmes in Wholesale Banking versus EUR 17 million of additional redundancy provisions in 2013. Excluding these impacts, underlying result of Wholesale Banking was up 17.2% on 2013.

Industry Lending posted an underlying result before tax of EUR 1,319 million, up 36.5% compared with 2013. This increase was mainly caused by lower risk costs in Real Estate Finance, and higher income in Structured Finance due to strong volume growth. This was partly offset by lower income from Real Estate Finance due to a downsizing of the portfolio. General Lending & Transaction Services' underlying result before tax declined 3.6% to EUR 509 million, due to higher risk costs. Expenses were slightly lower, while income remained flat. Financial Markets recorded an underlying result before tax of EUR 133 million, down from EUR 596 million in 2013, mainly reflecting the aforementioned negative swing in CVA/DVA impacts. The underlying result of Bank Treasury, Real Estate & Other (which included the EUR 50 million of additional redundancy provisions taken in 2014) turned to a loss of EUR 321 million, compared with a profit of EUR 1,793 million in 2013, mainly reflecting the aforementioned fair value changes on derivatives related to asset-liability-management activities.

Underlying income declined 36.0% to EUR 4,548 million compared with EUR 7,102 million in 2013, primarily driven by the aforementioned fair value changes on derivatives related to asset-liability-management activities and the negative swing in CVA/DVA. Excluding these items, income declined 0.3% on 2013, mainly in Financial Markets and the run-off businesses, in part offset by higher income in Structured Finance. Net customer lending, adjusted for currency impacts and Bank Treasury products, increased by EUR 3.9 billion in 2014, mainly due to strong growth in Structured finance and Transaction Services, while the volumes in Real Estate Finance and the Lease run-off portfolio declined. Net customer deposits (excluding currency impacts and Bank Treasury) grew by EUR 6.2 billion in 2014, while the outflow in Bank Treasury products was EUR 6.0 billion. Operating expenses increased 2.3% to EUR 2,407 million, compared with EUR 2,352 million in 2013. Excluding the aforementioned redundancy provisions, operating expenses increased 0.9% on 2013. Risk costs fell to EUR 500 million, or 37 basis points of average risk-weighted assets, from EUR 868 million, or 68 basis points of average risk-weighted assets, in 2013. The decrease was mainly visible in Real Estate Finance and - to a lesser extent - the lease run-off business, while risk costs were up in General Lending.

Both underlying net result and net result decreased by EUR 1,634 million, or 56.5%, to EUR 1,258 million in 2014 compared with EUR 2,892 million in 2013.

Table of Contents

CONSOLIDATED ASSETS AND LIABILITIES

The following table sets forth ING Group's condensed consolidated assets and liabilities as of 31 December 2015, 2014 and 2013, reference is made to page F-3 for the complete consolidated balance sheet 2015 of ING Group.

Amounts in billions of euros	2015	2014	2013
Cash and balances with central banks	21.5	12.2	13.3
Amounts due from banks	30.0	37.1	43.0
Investments	94.8	97.6	141.0
Financial assets at fair value through the profit and loss account	138.0	144.1	165.2
Loans and advances to customers	533.4	512.4	527.0
Assets held for sale	2.2	165.4	156.9
Other assets	18.0	18.9	30.2
Total assets	**837.9**	**987.7**	**1,076.6**
Shareholders' equity	45.0	47.6	42.3
Non-voting equity securities	0.0	0.0	1.5
	45.0	**47.6**	**43.8**
Minority interests	0.6	8.0	5.9
Total equity	**45.6**	**55.6**	**49.7**
Insurance and investment contracts	0.0	0.0	111.8
Amounts due to banks	33.8	30.0	27.2
Customer deposits and other funds on deposits	500.8	483.9	474.3
Financial liabilities at fair value through the profit and loss account	105.7	116.7	98.5
Debt securities in issue/other borrowed funds	130.4	137.6	141.4
Liabilities held for sale	0.0	142.1	146.4
Other liabilities	21.6	21.7	27.3
Total equity and liabilities	**837.9**	**987.6**	**1,076.6**
Shareholders' equity per Ordinary Share (in EUR)	11.62	12.36	11.02

As explained in 'Presentation of information' under 'Change in accounting approach NN Group Anchor transaction', the shareholders' equity, other liabilities and shareholders' equity per ordinary share for the year 2014 have been amended.

Customer deposits and other funds on deposits consists of savings accounts, other deposits, bank funds and debt securities privately issued by the banking operations of ING.

The comparison of the balance sheets is impacted by the classification of businesses as held for sale and discontinued operations. As of 2013, Voya was classified as held for sale and discontinued operations and ING Group's business in Japan was reclassified to continuing operations. In 2014, Voya was deconsolidated following the loss of control. ING's remaining interest in Voya is presented as an available-for-sale investment held for sale at 31 December 2014. As of 2014, NN Group, including ING Group's business in Japan, is classified as held for sale and discontinued operations. In the first quarter of 2015, the remaining stake in Voya was sold. Following further divestments, NN Group was deconsolidated in May 2015.

Year ended 31 December 2015 compared to year ended 31 December 2014

ING Group decreased its total assets in 2015 by EUR 150 billion, or 15.2%, to EUR 838 billion at year-end 2015 compared to EUR 988 billion at year-end 2014. Total assets excluding assets held for sale (mainly NN Group), increased by EUR 13 billion, including EUR 11 billion of positive currency impacts. Excluding currency impacts, ING Group grew its core customer lending base by EUR 22 billion, and cash and balances at central banks were up by EUR 9 billion. These increases were largely offset by reductions in amounts due from banks, investments and financial assets at fair value through P&L (due to lower valuation of trading derivatives) and by a reduction in non-core customer lending (amongst others in the WUB and Lease run-off portfolios).

ING Group continued to improve its funding profile, as customer deposits and other funds on deposit increased by EUR 17 billion, with an EUR 11 billion increase in savings and EUR 12 billion increase in credit balances on customer accounts, partly offset by a decrease in deposits from asset managers and corporate treasurers, all excluding currency impacts. Debt securities in issue mainly decreased due to a reduction in short-term CD/CPs.

Shareholders’ equity decreased by EUR 2.6 billion, from EUR 47.6 billion at the end of 2014 to EUR 45.0 billion at the end of 2015. The decrease was mainly due to the impact of the divestment of NN Group, partly offset by the net result for the year 2015.

Year ended 31 December 2014 compared to year ended 31 December 2013

Total assets decreased in 2014 by EUR 89 billion, or 8.2%, to EUR 988 billion at year-end 2014 compared to EUR 1,077 billion at year-end 2013. Total assets on a comparable basis, i.e., excluding the impact of NN Group’s classification as Held for sale increased by EUR 42 billion, including EUR 14 billion of positive currency impacts. Excluding currency impacts, the remaining increase of EUR 28 billion was mainly due to EUR 18 billion in higher financial assets at fair value through P&L, EUR 17 billion of higher investments in order to build an eligible liquidity portfolio and EUR 9 billion in higher customer lending. The increase in customer lending was realised despite the deconsolidation of ING Vysya Bank, additional transfers of WUB mortgages to NN Bank, and the sale of a mortgage portfolio in Australia. These increases were partly offset by lower amounts due from banks and lower securities at amortised costs, including the unwinding of the last part of the IABF. On the liability side, ING Group improved its funding profile with an EUR 11 billion growth in savings accounts and EUR 13 billion of higher credit balances on customer accounts, all excluding currency impacts.

Shareholders’ equity increased by EUR 5.3 billion, from EUR 42.3 billion at the end of 2013 to EUR 47.6 billion at the end of 2014. The increase was mainly due to the net result for the year 2014 of EUR 1.0 billion and higher debt and equity revaluation reserves, net of deferred interest crediting to life policyholders, due to lower interest rates partly offset by the impact of the IPO of NN Group of EUR 3.3 billion.

Non-voting equity securities declined by EUR 1.5 billion to EUR 0 billion as the Dutch State was fully repaid in November 2014.

LIQUIDITY AND CAPITAL RESOURCES

ING Groep N.V. is a holding company whose principal asset is its investments in the capital stock of its primary banking subsidiary. The liquidity and capital resource considerations for ING Groep N.V. and ING Bank vary in light of the business conducted by each, as well as the 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 31 December 2015 was EUR 12,376, at 31 December 2014 EUR 13,493 million and at 31 December 2013 EUR 13,406 million. The EUR 12,376 million of debt and capital securities outstanding at 31 December 2015 consisted of subordinated loans of EUR 8,643 million and debenture loans of EUR 3,733 million, both specified below:

Subordinated loans

Amounts in millions of euros Interest rate	Year of issue	Due date	Balance sheet value
6.500%	2015	Perpetual	1,139
6.000%	2015	Perpetual	912
4.000%	2014	Perpetual	338
9.000%	2008	Perpetual	10
6.375%	2007	Perpetual	960
5.140%	2006	Perpetual	90
6.125%	2005	Perpetual	635
Variable	2004	Perpetual	568
6.200%	2003	Perpetual	454
Variable	2003	Perpetual	428
7.200%	2002	Perpetual	1,004
7.050%	2002	Perpetual	727
Variable	2000	31 December 2030	1,378
			8,643

Debenture loans

Amounts in millions of euros Interest rate	Year of issue	Due date	Balance sheet value
4.699%	2007	01 June 2035	151
4.750%	2007	31 May 2017	1,833
Variable	2006	11 April 2016	1,000
4.125%	2006	11 April 2016	749
			3,733

At 31 December 2015, 2014 and 2013, ING Groep N.V. also owed EUR 125 million, EUR 150 million and EUR 1,115 million, respectively, to ING Group companies pursuant to intercompany lending arrangements. The EUR 286 million owed by ING Groep N.V. to ING Group companies at 31 December 2015 was owed to ING Bank companies, as a result of normal intercompany transactions.

On the maturity profile of borrowings and a further description of the borrowings reference is made to Notes 14 'Subordinated Loans', 15 'Debt securities in issue' and 16 'Other borrowed funds' in Note 2.1 to the consolidated financial statements. The use of financial instruments for hedging purposes is described in Note 41 'Derivatives and hedge accounting' in Note 2.1 to the consolidated financial statements, reference is made to that note.

In October 2008, ING issued core Tier 1 Securities to the Dutch State for a total consideration of EUR 10 billion. This capital injection qualified as core Tier 1 capital for regulatory purposes.

All of such securities have been repaid in full to the Dutch State; the total amount repaid to the Dutch State on the core Tier 1 Securities was EUR 13.5 billion, including EUR 10 billion in principal and EUR 3.5 billion in interest and premiums. Repayments were completed half a year ahead of the repayment schedule agreed with the European Commission in 2012.

At 31 December 2015, 2014 and 2013, ING Groep N.V. had EUR 49 million, 116 million and EUR 1 million of cash, respectively. Dividends paid to the Company by its subsidiaries amounted to EUR 2,282 million, EUR 1,541 million and EUR 3,837 million in 2015, 2014 and 2013, respectively, in each case representing dividends declared and paid with respect to the reporting calendar year and the prior calendar year. The amounts paid to ING Groep N.V. were received from ING Bank, EUR 2,200 million in 2015, EUR 1,225 million in 2014 and EUR 2,955 million in 2013, and from NN Group EUR 82 million in 2015, EUR 315 million in 2014 and EUR 882 million in 2013, respectively. On the other hand, ING Groep N.V. injected EUR 57 million, EUR 850 million and EUR 1,000 million into its direct subsidiaries during the reporting year 2015, 2014 and 2013, respectively. All of these amounts were injected into NN Group. ING Groep N.V. 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 banking and other regulators in the countries in which ING Groep N.V.’s subsidiaries operate, other limitations exist in certain countries.

ING Group Consolidated Cash Flows

ING’s Risk Management, including liquidity, is discussed in Note 2.2.1 “Risk Management” of Note 2.1 to the consolidated financial statements.

Year ended 31 December 2015 compared to year ended 31 December 2014

Net cash flow from operating activities amounted to EUR 10,577 million for the year ended 31 December 2015, compared with EUR 12,019 million for the year ended 31 December 2014. The decrease in cash flow from operating activities of EUR 1,442 is due to an increased cash outflow re loans and advances partly due to increased corporate lending offset by an increased cash inflow from amounts due to and from banks.

Net cash inflow from investing activities was EUR 4,196 million (2014: EUR -7,419 million cash outflow). Investments in available-for-sale securities was EUR 47,858 million and EUR 85,799 million in 2015 and 2014, respectively. Disposals and redemptions of available-for-sale securities amounted to EUR 52,675 million and EUR 69,444 million in 2015 and 2014, respectively.

Net cash flow from financing activities was EUR -11,165 million in 2015, compared to EUR -4,663 million in 2014. The increase in cash outflow of EUR 6,502 million in net cash flow from financing activities is mainly due to the repayment of and proceeds from borrowed funds and debt securities.

The operating, investing and financing activities described above resulted in net cash and cash equivalents at year-end 2015 of EUR 20,379 million, compared with EUR 17,113 million at year-end 2014, an increase of EUR 3,266 million from 2014 levels.

Specification of cash position

Amounts in millions of euros	**2015**	**2014**
Treasury bills and other eligible bills	363	677
Amounts due from/to banks	-1,442	-2,036
Cash and balances with central banks	21,458	12,233
Cash and cash equivalents classified as Assets held for sale	0	6,239
Cash and cash equivalents at end of year	**20,379**	**17,113**

Year ended 31 December 2014 compared to year ended 31 December 2013

Net cash flow from operating activities amounted to EUR 10,725 million for the year ended 31 December 2014, compared with EUR -8,418 million for the year ended 31 December 2013. This increase was mainly due to trading assets/liabilities and amounts due to/from banks, partly offset by loans and advances to customers. The cash flow generated through the customer deposits and other funds on deposit was EUR 20,318 million and EUR 25,585 million for 2014 and 2013, respectively.

Net cash flow from investment activities in 2014 was EUR -6,564 million, compared to EUR 9,269 million in 2013. The decrease was mainly caused by available-for-sale investments and investments for risk of policyholders.

Net cash flow from financing activities was EUR -4,224 million in 2014, compared to EUR -8,703 million in 2013. The increase of EUR 4,479 million in net cash flow from financing activities is mainly due to the repayment of and proceeds from borrowed funds and debt securities.

The operating, investing and financing activities described above resulted in net cash and cash equivalents at year-end 2014 of EUR 17,113 million, compared with EUR -17,180 million at year-end 2013, a decrease of EUR 67 million from 2013 levels.

Table of Contents

Specification of cash position

Amounts in millions of euros	2014	2013
Treasury bills and other eligible bills	677	574
Amounts due from/to banks	-2,036	1,015
Cash and balances with central banks	12,233	13,316
Cash and cash equivalents classified as Assets held for sale	6,239	2,275
Cash and cash equivalents at end of year	**17,113**	**17,180**

Capital Adequacy ING Group

ING Group Capital position

	(fully-loaded)		(phased-in)	
Amounts in millions of euros	2015	2014	2015	2014
Shareholders' equity [1]	44,972	46,634	44,972	46,634
Differences IFRS-IASB and IFRS-EU	2,860	3,790	2,860	3,790
- Deductions of significant investments in financial institutions	-1,389	-14,103	-558	-4,631
- Proposed dividend	-1,586	-470	-1,586	-470
- Other adjustments	-4,069	-4,339	-4,134	-4,780
Regulatory adjustments	-7,044	-18,912	-6,278	-9,881
Available common equity Tier 1 capital	40,788	31,512	41,554	40,543
Additional Tier 1 securities[2]	6,574	5,727	6,574	5,727
Regulatory adjustments additional Tier 1	0	0	-1,716	-5,727
Available Tier 1 capital	47,362	37,239	46,412	40,543
Supplementary capital Tier 2 bonds[3]	8,570	9,371	8,570	9,371
Regulatory adjustments Tier 2	102	103	-657	-6,081
Available Total capital	56,034	46,713	54,325	43,834
Risk weighted assets[4]	321,151	300,758	321,135	300,647
Common equity Tier 1 ratio	12.70%	10.48%	12.94%	13.49%
Tier 1 ratio	14.75%	12.38%	14.45%	13.49%
Total capital ratio	17.45%	15.53%	16.92%	14.58%

1 Shareholders' equity (parent), as at 31 December 2014, is not adjusted as a result of the change in the accounting approach for the NN Group Anchor investment transaction.

2 Including EUR 2,061 million is CRR/CRD IV compliant and EUR 5,187 million (2014: EUR 5,727 million) to be replaced as capital recognition is subject to CRR/CRD IV grandfathering rules. This amount is presented net of positions on-lent to Insurance.

3 Including EUR 6,229 million is CRR/CRD IV-compliant and EUR 2,341 million to be replaced as capital recognition is subject to CRR/CRD IV grandfathering rules.

4 The fully-loaded RWA deviated from the phased-in RWA as a result of a slightly higher threshold to which the significant Financial Institutions are risk weighted.

Capital measures in the table exclude the difference between IFRS-EU and IFRS-IASB as capital measures are based on IFRS-EU as primary accounting basis for statutory and regulatory reporting.