

	2002 USD(1)	2002 EUR (in millions, except amounts per share and ratios)	Year ended December 31, 2001(2) EUR	2000(2)(3) EUR	1999 EUR	1998(3) EUR
Operational result before taxation from insurance operations:						
Life	3,859	3,519	2,941	2,723	2,062	1,725
Non-life	717	654	630	439	338	340
Total	4,576	4,173	3,571	3,162	2,400	2,065
Operational result before taxation from banking operations	1,610	1,468	2,170	2,605	1,981	804
Operational result before taxation	6,186	5,641	5,741	5,767	4,381	2,869
Taxation	1,158	1,056	1,165	1,612	1,059	719
Third-party interests	364	332	324	147	93	47
Operational net profit	4,664	4,253	4,252	4,008	3,229	2,103
Non-operational items after taxation	271	247	325	7,976	1,693	566
Net profit	4,935	4,500	4,577	11,984	4,922	2,669
Dividend on Preference shares of ING Groep N.V.	23	21	21	21	21	21
Net profit after deducting dividend on Preference shares of ING Groep N.V.	4,912	4,479	4,556	11,963	4,901	2,648
Dividend on Ordinary shares	2,117	1,930	1,914	2,173	1,573	1,178
Addition to shareholders' equity	2,795	2,549	2,642	9,790	3,328	1,470
Operational net profit per Ordinary share(8)	2.41	2.20	2.20	2.09	1.68	1.12
Net profit per Ordinary share(8)	2.54	2.32	2.37	6.27	2.56	1.42
Net profit per Ordinary share and Ordinary share equivalent (fully diluted)(8)	2.54	2.32	2.35	6.18	2.52	1.40
Dividend per Ordinary share(8)	1.06	0.97	0.97	1.13	0.82	0.63
Interim Dividend	0.53	0.48	0.47	0.41	0.32	0.30
Final Dividend	0.54	0.49	0.50	0.72	0.50	0.33
Number of Ordinary shares outstanding (in millions)(8)	1,992.7	1,992.7	1,992.7	1,970.6	1,934.0	1,892.4
Dividend pay-out ratio(9)	44.1%	44.1%	44.1%	43.9%	44.4%	43.9%
U.S. GAAP Consolidated Income Statement Data						
Total income (operational)	54,266	49,481	48,988	42,039	34,022	27,852
Net profit US GAAP, excluding cumulative effects in accounting principles	3,812	3,476	1,770	10,925	3,790	2,347
Cumulative effects of changes in accounting principles	(14,370)	(13,103)				
Net profit US GAAP, including cumulative effects in accounting principles	(10,558)	(9,627)	1,770	10,925	3,790	2,347
Net profit per Ordinary share and Ordinary share equivalent(8)	(5.48)	(5.00)	0.90	5.64	1.94	1.23

	2002 USD(1)	2002 EUR	Year ended December 31, 2001(2) 2000(2)(3)		1999 EUR	1998(3) EUR
			EUR	EUR		
(in billions, except amounts per share and ratios)						
Dutch GAAP Consolidated Balance Sheet Data						
Total assets	785.7	716.4	705.1	650.2	492.8	394.9
Investments:						
Insurance	235.6	214.8	241.0	219.2	137.5	109.7
Banking	92.6	84.4	70.2	59.1	59.5	41.2
Eliminations(10)	(1.8)	(1.6)	(3.8)	(1.1)	(1.2)	(1.1)
Total investments	326.4	297.6	307.4	277.2	195.8	149.8
Lending	311.9	284.4	254.2	246.8	201.8	153.7
Insurance provisions:						
Life	204.0	186.0	204.6	193.3	101.0	79.4
Non-life	10.7	9.8	9.4	6.9	6.5	5.2
Total	214.7	195.8	214.0	200.2	107.5	84.6
Funds entrusted to and debt securities of the banking operations:						
Savings accounts of the banking operations	126.2	115.1	69.6	52.4	47.0	42.5
Other deposits and bank funds	141.7	129.2	132.4	134.1	111.9	86.6
Debt securities of the banking operations	82.8	75.5	74.4	66.3	65.9	35.7
Total	350.7	319.8	276.4	252.8	224.8	164.8
Due to banks	105.6	96.3	107.8	94.7	75.3	76.0
Capital Stock (in millions)(11)	2,079.8	2,079.8	2,079.8	2,057.7	2,021.1	1,979.5
Shareholders' equity	20.1	18.3	21.5	25.3	34.6	29.1
Shareholders' equity per Ordinary share(8)	10.02	9.14	11.03	13.04	17.90	15.21
Shareholders' equity per Ordinary share and Ordinary share equivalent(8)	10.02	9.14	10.92	12.86	17.65	14.93
U.S. GAAP Consolidated Balance Sheet Data						
Total assets	836.3	762.5	752.3	693.4	509.7	417.4
Shareholders' equity	27.5	25.1	38.8	41.6	40.4	37.2
Shareholders' equity per Ordinary share and Ordinary share equivalent(8)	13.83	12.61	19.83	21.27	20.64	19.15

- (1) Euro amounts have been translated into U.S. dollars at the exchange rate of \$ 1.0967 to EUR 1.00, the noon buying rate in New York City on March 5, 2003 for cable transfers in euros as certified for customs purposes by the Federal Reserve Bank of New York.
- (2) In 2001 acquisitions of ReliaStar and Aetna influenced the figures compared to earlier years. See Note 1.3 of Notes to the Consolidated Financial Statements.
- (3) Discontinued business: in 1998, we sold The Netherlands Insurance Companies in the US (net profit EUR 19 million), and we sold in 2000 Tiel Utrecht Group in the Netherlands (net profit EUR 63 million).
- (4) As of 2001 "Insurance operations-General" is no longer reported separately. The item previously accounted for under this heading is now included in either the life result or the non-life result. The years prior to 2001 are restated accordingly.
- (5) As from 2001, investment income for risk of policyholders has been netted with the related underwriting expenditure. This results in a presentation of investment income of the insurance operations for own risk, which is in line with international practice. The comparative figures have been adjusted accordingly.
- (6) After elimination of certain intercompany transactions between the insurance operations and the banking operations. See Note 1.1. of Notes to the Consolidated Financial Statements.
- (7) Includes all non-interest expenses, including additions to the provision for loan losses. See "Item 5, Operating and Financial Review and prospects – Liquidity and capital resources".
- (8) Net profit per share amounts have been calculated based on the weighted average number of Ordinary shares outstanding and shareholders' equity per share amounts have been calculated based on the number of Ordinary shares outstanding at the end of the respective periods. For purposes of this calculation, for the years 2002, 2001, 2000, 1999 and 1998, ING Groep N.V. shares held by Group companies were deducted from the applicable number of outstanding Ordinary shares. All amounts and numbers are presented after giving effect to all stock dividends and retroactive application of the Company's 2 for 1 stock split, which became effective July 2, 2001. See Note 5.2.3 of Notes to the Consolidated Financial Statements.
- (9) The dividend pay-out ratio is based on operational net profit.
- (10) Consisting of investments in banking operations held by Group insurance companies, investments in insurance operations held by Group banking companies, and ING Groep N.V. shares held by Group insurance companies.
- (11) Reflects 2:1 stock split effected July 2, 2001.

EXCHANGE RATES

Fluctuations in the exchange rate between the euro and the U.S. dollar will affect the U.S. dollar amounts received by owners of shares or ADSs on conversion of dividends, if any, paid in euros on the shares and will affect the U.S. dollar price of the ADSs on the New York Stock Exchange.

The following table sets forth, for the periods and dates indicated, certain information concerning the exchange rate for U.S. dollars into euros based on the Noon Buying Rate. Effective January 1, 1999, the Dutch guilder became a component of the euro. As such, the Noon Buying Rates for 1998 are the Noon Buying Rates for the Dutch guilder, converted into euros at a rate of NLG 2.20371 to EUR 1.00.

Calendar Period	Period End(1)	U.S. dollars per euro		
		Average Rate(2)	High	Low
1998	1.1741	1.1113	1.2147	1.0549
1999	1.0070	1.0666	1.1812	1.0016
2000	0.9388	0.9207	1.0335	0.8270
2001	0.8901	0.8909	0.9535	0.8370
2002	1.0485	0.9495	1.0485	0.8594
2003(through March 5 2003)(2)	1.0967	1.0828	1.0967	1.0361

(1) The Noon Buying Rate at such dates differ from the rates used in the preparation of ING's Consolidated Financial Statements as of such date. See Note 1.5.1.4. of Notes to the Consolidated Financial Statements.

(2) The average of the Noon Buying Rates on the last business day of each full calendar month during the period.

Recent Exchange Rates of US dollars per Euro

The table below shows the high and low exchange rate of U.S. dollars per euro for the last six months

	High	Low
July 2002	1.0156	0.9730
August 2002	0.9882	0.9640
September 2002	0.9959	0.9685
October 2002	0.9881	0.9708
November 2002	1.0139	0.9895
December 2002	1.0485	0.9927
January 2003	1.0861	1.0361
February 2003	1.0875	1.0708

The Noon Buying Rate for euro on December 31, 2002 was EUR 1.00 = \$ 1.0485 and the Noon Buying Rate for euro on March 5, 2003 was EUR 1.00 = \$ 1.0967.

RISK FACTORS

Risks Related to the Financial Services Industry

We operate in highly competitive industries, including in our home market.

There is substantial competition in the Netherlands and the other countries in which we do business for the types of insurance, commercial banking, investment banking and other products and services we provide. Such competition is most pronounced in our more mature markets of the Netherlands, Belgium, the Rest of Europe, the United States, Canada and Australia. In recent years, however, competition in emerging markets has also increased as large insurance and banking industry participants from more developed countries have sought to establish themselves in markets which are

perceived to offer higher growth potential, and as local institutions have become more sophisticated and competitive and have sought alliances, mergers or strategic relationships with our competitors.

In the Netherlands, which is the largest market for our banking operations and the second largest for our insurance operations, a national policy historically favoring open markets and the presence of large domestic competitors in both the insurance and banking sectors has resulted in intense competition for virtually all of our products and services. In addition, the Dutch market is a mature market and one in which we already have significant market shares in most lines of business. We are currently the second largest bank in The Netherlands, with a 25% market share based upon total assets and a 26% market share based on total deposits. Our main competitors are ABN Amro, with a 34% market share based upon total assets and a 38% market share based on total deposits, and Rabo with a 20% market share based upon total deposits and a 21% market share based on total assets. In The Netherlands, we are also currently the largest insurance company, with a market share of 22% in the life insurance market and 11% in the non-life insurance market, each based on premium income. Our main competitors are Aegon with a 14% and 4% market share in the life and non-life markets respectively and Fortis with a 12% market share in both life and non-life. We also face significant competition in our other major markets. The level of competition in the Netherlands and our significant markets could adversely impact our ability to further increase or even maintain our market share.

In the United States, which is the largest market for our insurance operations, we focus on retail and worksite customers and corporate customers through two core operating units and own the second- largest broker-dealer network in the US with over 10,000 registered representatives. In general, ING Group enjoys top-five positions in most of its US business lines. Lower market shares are found in life insurance, where ING Group is the number seven player, and in mutual funds, where ING is in the top 25 based on assets under management. Our main competitors in the United States are large financial institutions, such as Citigroup, AIG, The Hartford and Aegon N.V..

In Belgium, our market share in the insurance market is 8% and our main competitors are Fortis Utrecht N.V. and Axa. We have a market share of 12% in the banking market and our main competitors are Fortis Utrecht N.V., Dexia S.A. and KBC Bank N.V. Increasing competition in these markets may significantly impact our results if we are unable to match the products and services with our competitors.

Changes in interest rates and other market factors may adversely affect our insurance, banking and asset management businesses.

Fluctuations in interest rates affect the returns we earn on fixed interest investments. Interest rate changes also affect the market values of, and the amounts of capital gains or losses we take on, the fixed interest securities we hold.

Our management of interest rate sensitivity affects the results of our banking operations. Interest rate sensitivity refers to the relationship between changes in market interest rates and changes in net interest income. The composition of our banking assets and liabilities, and any gap position resulting from that composition, causes the banking operations' net interest income to vary with changes in interest rates. In addition, variations in interest rate sensitivity may exist within the repricing periods or between the different currencies in which we hold interest rate positions. A mismatch of interest-earning assets and interest-bearing liabilities in any given period may, in the event of changes in interest rates, have a material effect on the financial condition or result from operations of our banking businesses. The insurance operations are exposed to interest rate movements with respect to guaranteed interest rates and policyholders reasonable expectations with respect to crediting rates. Asset portfolios backing these liabilities are managed accordingly. The current product portfolio also includes products where interest rate risks are entirely passed on to the policyholder, thereby reducing ING's exposure to interest movements. Changes in interest rates can impact present and future earnings of the insurance operations and can affect the levels of new sales, surrenders or withdrawals.

In addition to interest rates, activity in the securities markets generally also significantly affects our banking, securities trading and brokerage activities, which tends to make those activities more volatile than other parts of our businesses. We also offer a number of insurance and financial products that expose us to risks associated with fluctuations in interest rates, securities prices or the value of real

estate assets. The insurance operations are exposed to movements in equity markets on two levels: 1) those business units which have direct equity holdings in the general accounts; and 2) those products where the revenues to the insurance operations are linked to the value of the equity funds, since this has an impact on the level of charges deducted for unit-linked and variable business. For a more detailed discussion of these products and the risks associated therewith, see "Item 11. Quantitative and qualitative disclosures of market risk".

RISKS RELATED TO THE COMPANY

Our results may be affected by regional and emerging market exposures.

In 2002, we derived approximately 52% of our operational income from the North American market, and as a result, changes in the economy or financial markets of the United States and Canada may have a material adverse effect on our results.

Similarly, we derived approximately 22% of our 2002 operational income from our operations in the Netherlands. Accordingly, changes in the Dutch economy and levels of Dutch consumer spending and downturns in the Dutch real estate, securities and other markets may have a material adverse effect on our operations.

We derived approximately 12% of our operational income from commercial banking, investment banking and insurance operations in the emerging markets of South America, Asia and Central and Eastern Europe and are an active trader of emerging market loans and debt securities. Historically, our capital markets and securities trading activities in emerging markets have been more volatile than those in developed countries and are subject to certain risks, such as political and currency volatility risks, which we do not face in our more mature markets. In the past, we have experienced significant fluctuations in the results of our emerging markets trading operations and no assurance can be given that such fluctuations will not occur in future periods.

Fluctuations in exchange rates could adversely affect results of our operations outside the European Union.

We publish our Consolidated Financial Statements in euros. In 2002, we derived approximately 65% of our operational income from operations outside the European Union. Because of this exposure to non-Euro currencies, fluctuations in the exchange rates used to translate foreign currencies, particularly the U.S. dollar, the Australian dollar, the Canadian dollar and the Japanese yen, into euros will impact our reported result from operations and cash flows from year to year. Exchange rate fluctuations will also affect the value (denominated in euros) of our investments in our non-European subsidiaries. Our obligations are primarily denominated in euros and we pay dividends on our Ordinary Shares in euros. The euro value of those dividends in other currencies is also subject to exchange rate fluctuations.

The contribution of North American operations to our results has grown substantially as a consequence of the acquisitions of ReliaStar and Aetna in 2000. As a result, our sensitivity to changes in the U.S. dollar has increased. Based on our expectation that the euro would strengthen with regard to the U.S. dollar in the future, we decided to hedge (at a spot rate of 0.868) the expected contribution of our North American operations to profit before taxation 2002. This means in practice that the impact of a change of the euro against the US dollar in 2002 has had a very limited effect on the net profit of ING Group.

Our insurance business is subject to losses from catastrophic events.

In our life and non-life insurance and reinsurance businesses, we are subject to losses from natural and man-made catastrophic events. Such events include weather and other natural catastrophes such as hurricanes, floods and earthquakes, as well as events such as the September 11, 2001 terrorist attacks in the US. The frequency and severity of such events, and the losses associated with them, are inherently unpredictable and may materially impact our results of operations.

Restrictions on shareholder rights could reduce the accountability of the directors and management to shareholders.

While holders of bearer receipts are entitled to attend and speak at general meetings of shareholders, they currently have no voting rights, and the Stichting Administratiekantoor ING Groep, the trust which holds our Ordinary shares, exercises the voting rights attached to the ordinary shares for which bearer receipts have been issued. In certain limited circumstances, an individual holder of bearer receipts who is a person may obtain voting rights by proxy from the trust. See “Item 7. Major shareholders and Related Party Transactions – Voting of the Ordinary Shares by holders of Bearer receipts as proxy for the Trust”. The Trust is required to make use of the voting rights attached to the ordinary shares in such a manner that (i) our interests and the interests of our affiliates are served; (ii) our interests and the interests of our affiliates and all parties concerned are safeguarded as well as possible; and (iii) influences which could violate our independence, continuity or identity or which are contrary to our interests or those of our affiliates are barred to the greatest extent possible. The Trust may, but has no obligation to, consult with the holders of bearer receipts or ADSs in exercising its voting rights in respect of ordinary shares.

Under our Articles of Association, approval of our annual accounts by the General Meeting of Shareholders acting as a corporate body discharges the members of the Executive Board and the Supervisory Board from liability in respect of the exercise of their duties during the financial year concerned, unless an explicit reservation is made by the General Meeting, subject to certain provisions of Netherlands law (including provisions relating to liability of members of Supervisory Boards and Executive Boards upon bankruptcy of a company).

These arrangements differ substantially from U.S. practice and significantly affect the power of shareholders to affect the company’s business and operations and the accountability of the company’s directors and management.

See “Item 4. Information on the Company-Corporate Organization.”

Judgments Against Us May Be Difficult To Enforce.

Most of the members of ING Group’s Supervisory Board, its Executive Board and some of the experts named in this Annual Report are persons who are not residents of the United States. Most of the assets of the Group and those non-resident persons are located outside the United States. As a result, you may not be able to serve process on those persons within the United States or to enforce judgments against them in United States courts.

You also may not be able to enforce judgments of United States courts under the U.S. federal securities laws in courts outside the United States, including The Netherlands. The United States and The Netherlands do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, you would not be able to enforce in The Netherlands a final judgment for the payment of money rendered by any U.S. federal or state court based on civil liability, even if the judgment is not based only on the U.S. federal securities laws, unless and to the extent a competent court in The Netherlands gives binding effect to the judgment.